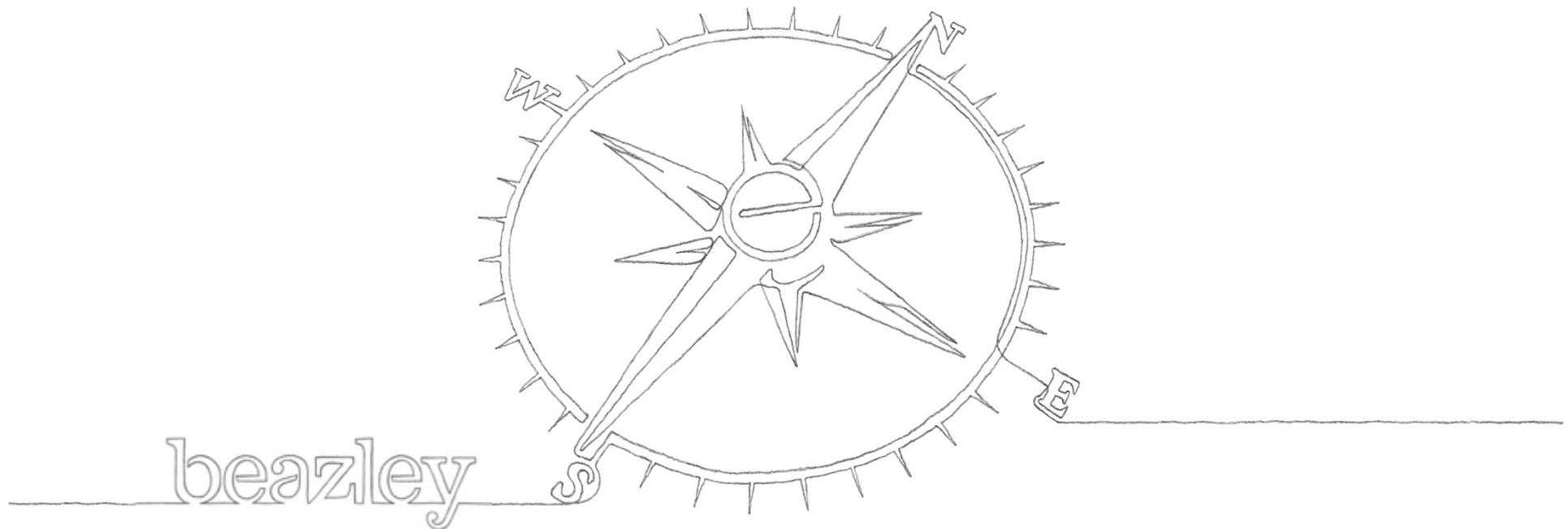


Results for the year ended 31 December 2019

Thursday, 6th February 2020

Navigating Change



Disclaimer notice

Certain statements made in this presentation, both oral and written, are or may constitute “forward looking statements” with respect to the operation, performance and financial condition of the Company and/or the Group. These forward looking statements are not based on historical facts but rather reflect current beliefs and expectations regarding future events and results. Such forward looking statements can be identified from words such as “anticipates”, “may”, “will”, “believes”, “expects”, “intends”, “could”, “should”, “estimates”, “predict” and similar expressions in such statements or the negative thereof, or other variations thereof or comparable terminology. These forward looking statements appear in a number of places throughout this document and involve significant inherent risks, uncertainties and other factors, known or unknown, which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Given these uncertainties, such forward looking statements should not be read as guarantees of future performance or results and no undue reliance should be placed on such forward looking statements. A number of factors could cause actual results to differ materially from the results discussed in these forward looking statements.

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Overview of 2019

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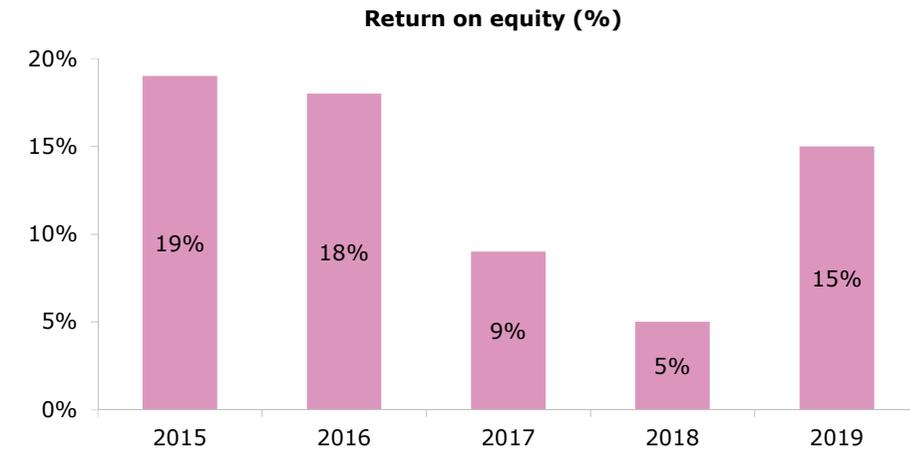
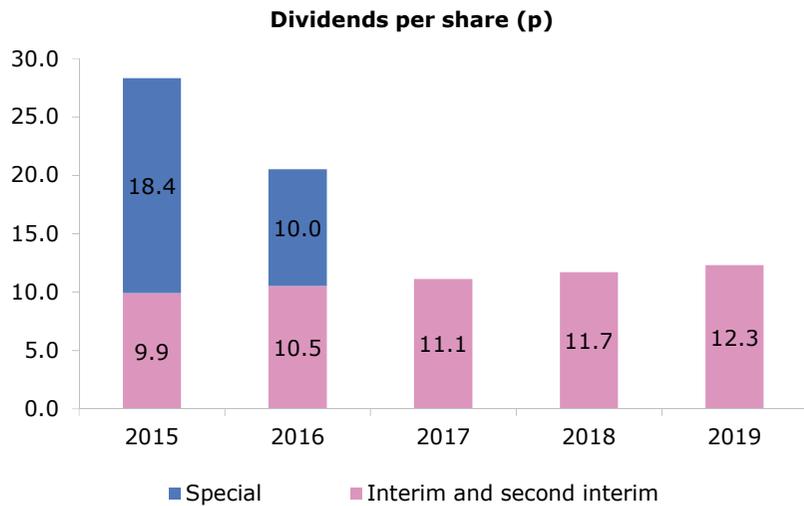
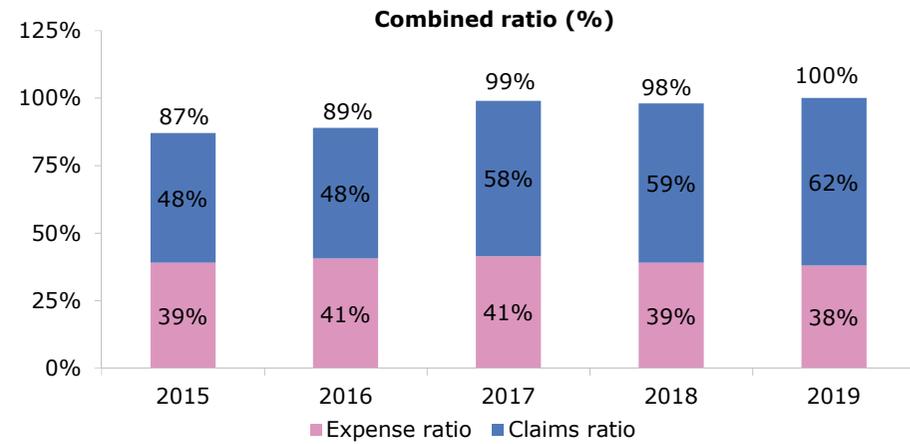
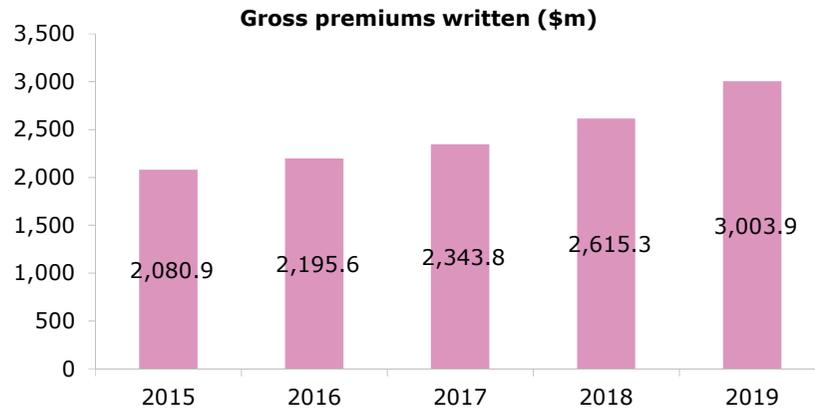
Strong investment return and achieved \$3bn of premium

- Profit before income tax of \$267.7m (2018: \$76.4m)
- Return on equity of 15% (2018: 5%)
- Gross premiums written increased by 15% to \$3,003.9m (2018: \$2,615.3m)
- Combined ratio of 100% (2018: 98%)
- Rate increase of 6% on renewal portfolio (2018: increase of 3%)
- Prior year reserve releases of \$9.5m (2018: \$115.0m)
- Net investment income of \$263.7m (2018: \$41.1m)
- Second interim dividend of 8.2p (2018: 7.8p) taking full year ordinary dividend to 12.3p (2018: 11.7p)

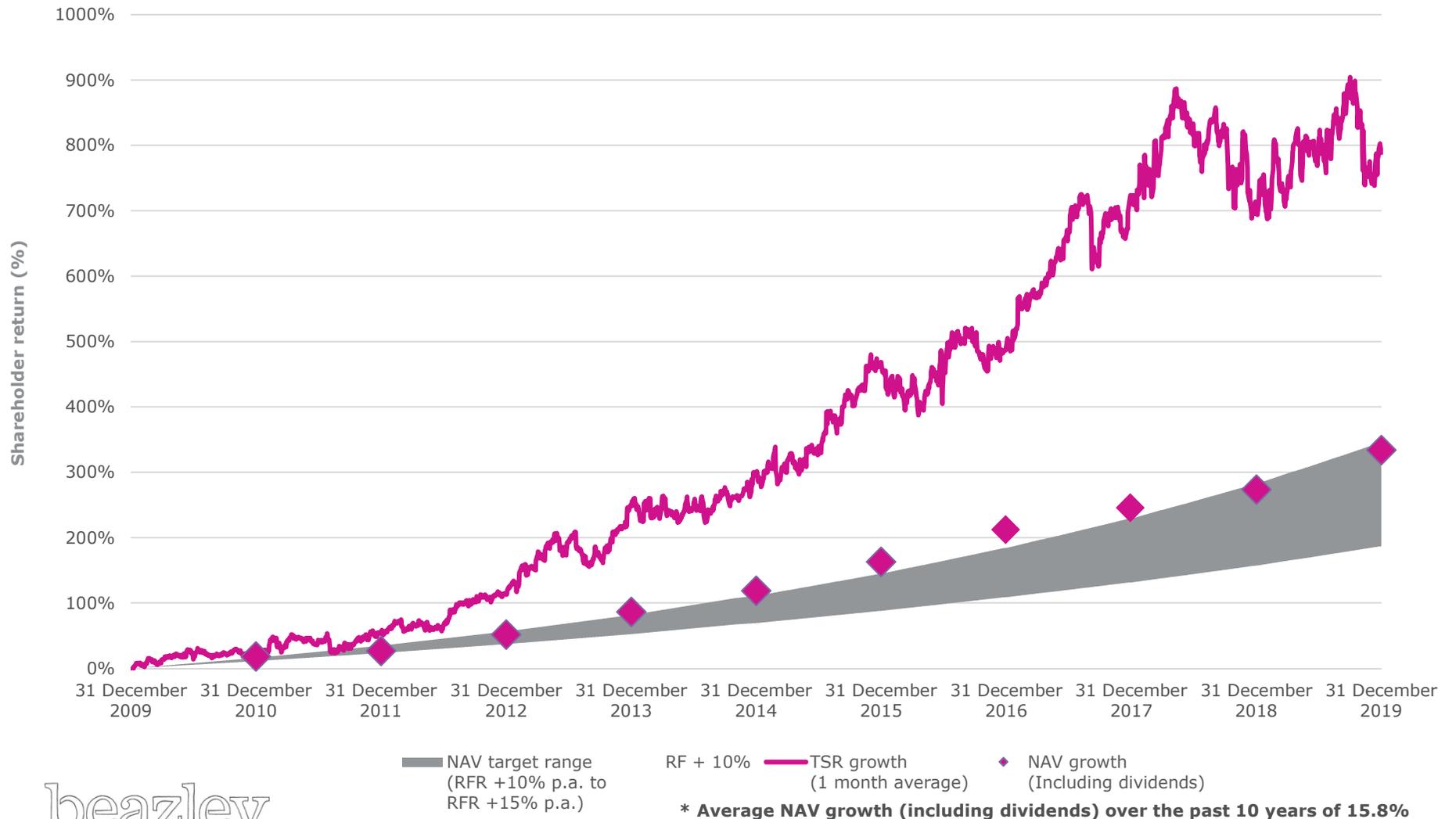
Business update

- \$3bn of gross premiums written during 2019
- Management changes:
 - Anthony Hobkinson succeeded by Beth Diamond as head of claims
 - Mike Donovan to retire in June 2020
- Continental European growth of 17%; US growth of 13%
- Strategic initiatives:
 - Beazley Digital
 - E-trading platforms have quoted 75,000 risks from 1,000 broker offices in 2019
 - Now building digital API connections with brokers
 - Faster smarter underwriting
 - Projects with four data analytic specialists
- 2019 tailwinds going into next year

Premium growth and expense control



Excellent total shareholder return - TSR 23.3% per annum since 31.12.09



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Financials

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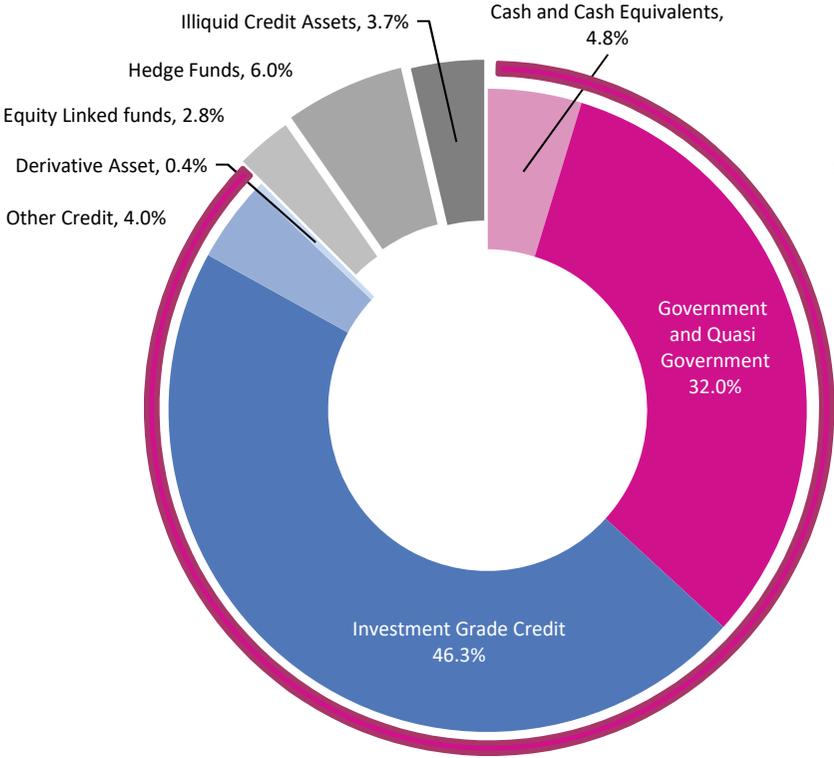
Strong growth and profit

	Year ended 31 December 2019	Year ended 31 December 2018	% Increase
Gross premiums written (\$m)	3,003.9	2,615.3	15%
Net premiums written (\$m)	2,503.5	2,248.5	11%
Net earned premiums (\$m)	2,347.0	2,084.6	13%
Profit before income tax (\$m)	267.7	76.4	250%
Claims ratio	62%	59%	
Expense ratio	38%	39%	
Combined ratio	100%	98%	
Earnings per share (pence)	35.0	9.7	
Dividend per share (pence)	12.3	11.7	
Net assets per share (pence)	235.0	219.6	
Net tangible assets per share (pence)	217.3	200.7	

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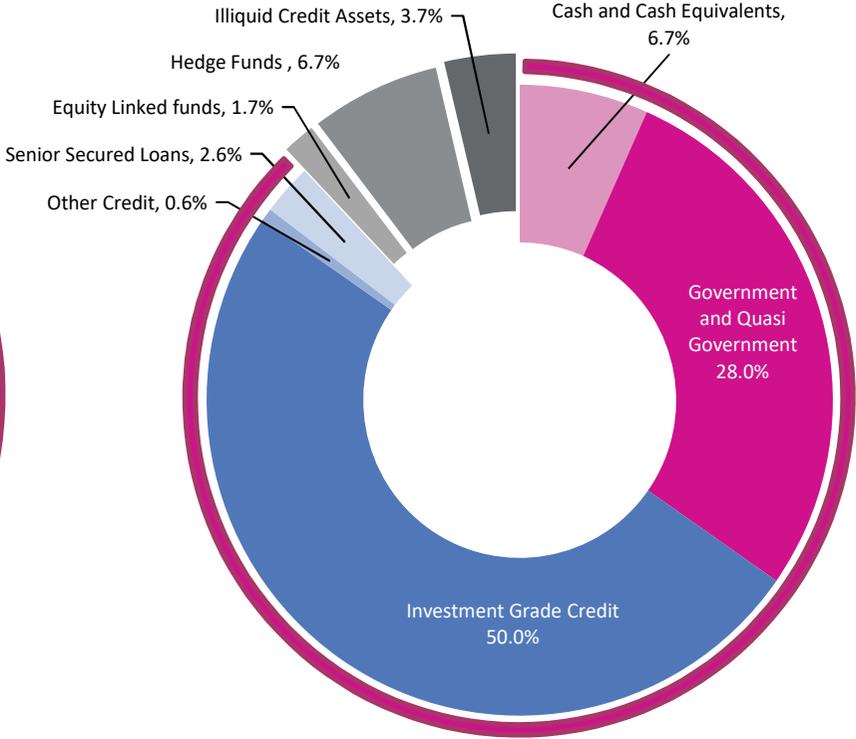
Strong return on stable investment portfolio

31 December 2019



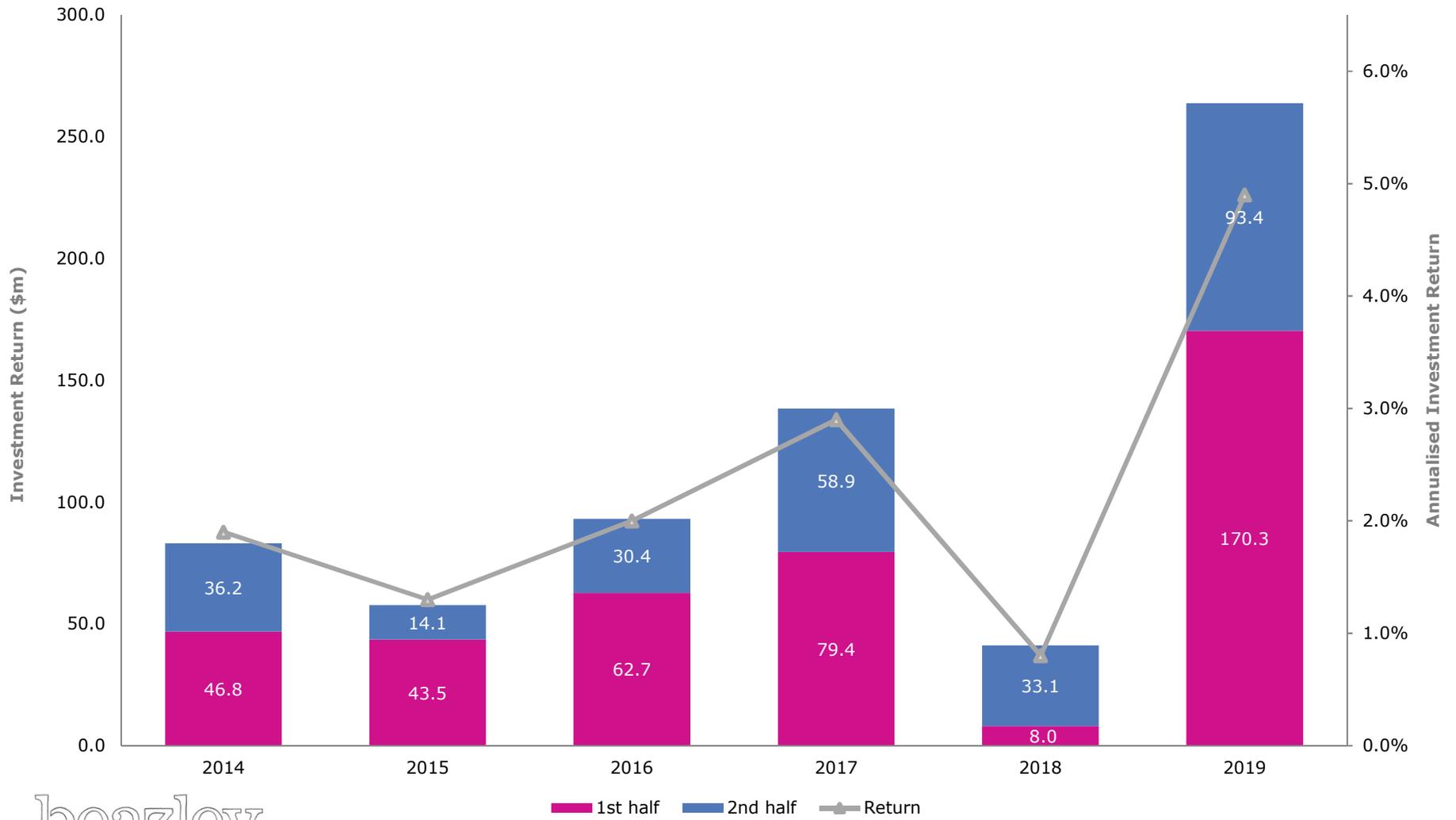
Core Portfolio

31 December 2018

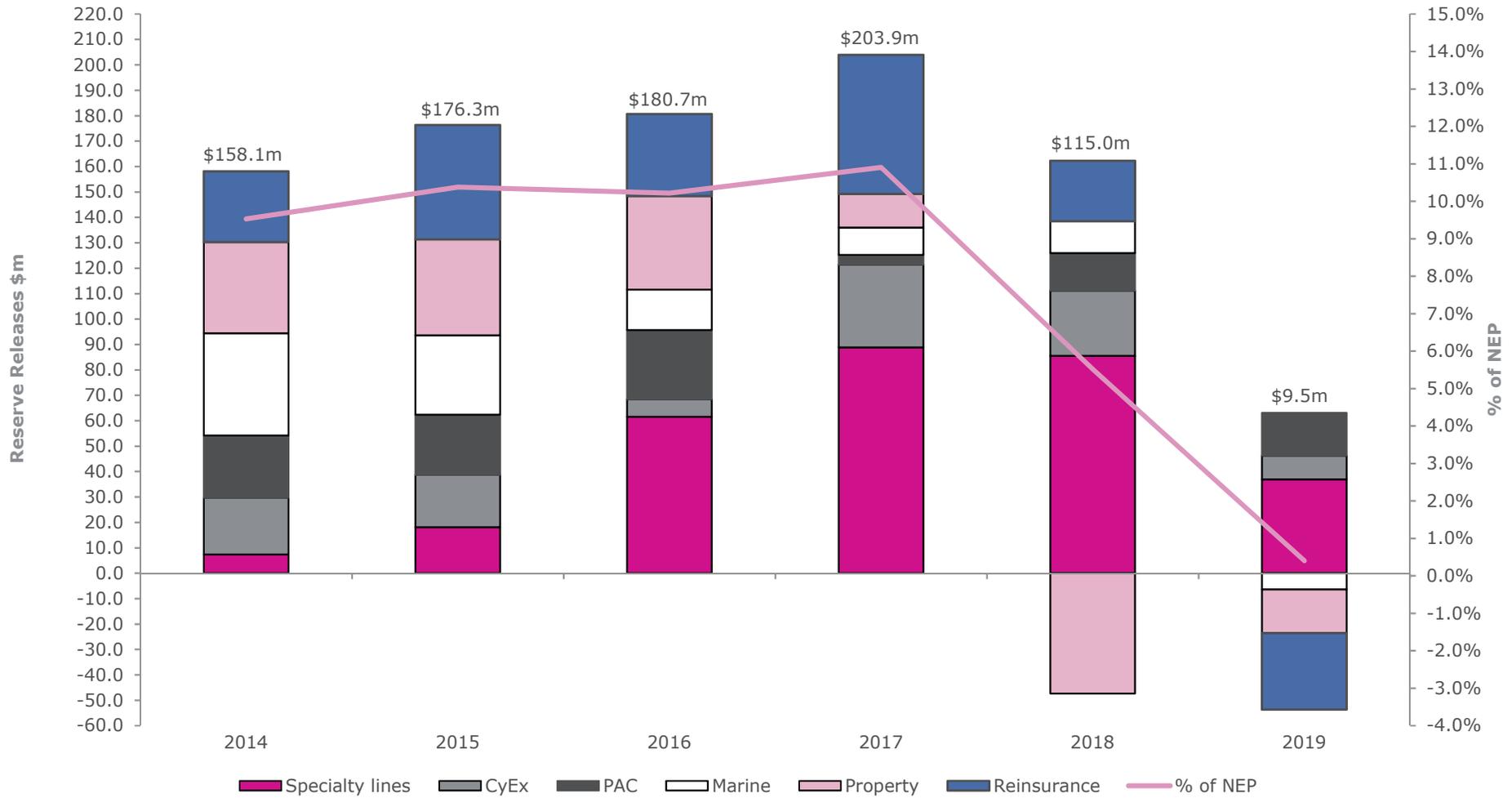


Core Portfolio

Portfolio delivered 4.8% return

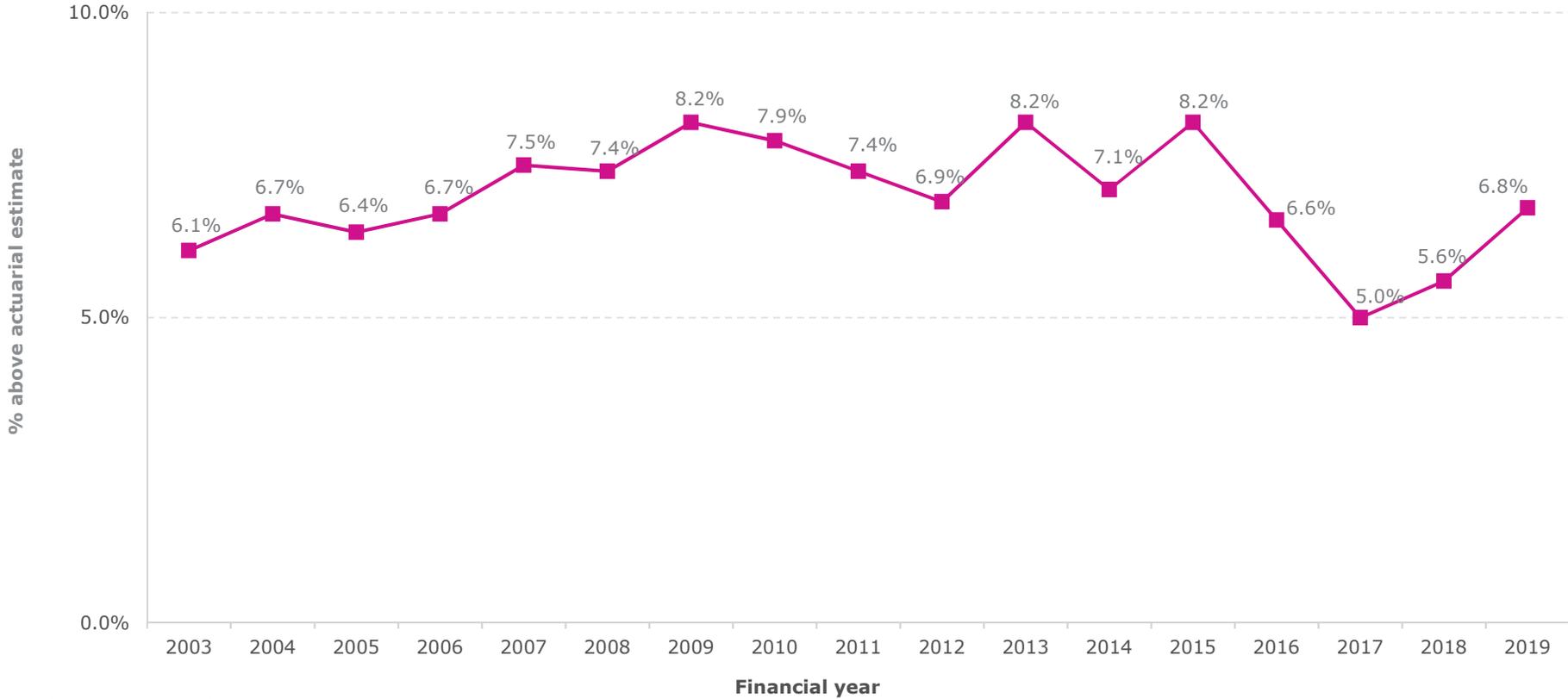


Overall small reserve release



Whole account reserve strength in the range

Surplus in net held reserves



Updated capital position remains strong

- Group capital requirement

	Year ended 31 December 2019	Year ended 31 December 2018
	\$m	\$m
Lloyd's economic capital requirement (ECR)	1,828.4	1,594.5
Capital for US insurance companies	203.9	173.4
	2,032.3	1,767.9

- Our funding is made up of our own equity (on a Solvency II basis) plus \$550.0m of debt and an undrawn banking facility of \$225.0m
- At 31 December 2019 surplus capital pre dividend of 22% of ECR, including Solvency II adjustments
- Increase in BICI capital due to increasing volumes of admitted business
- New debt issuance of \$300m in September 2019 following redemption of £75.0m retail bond

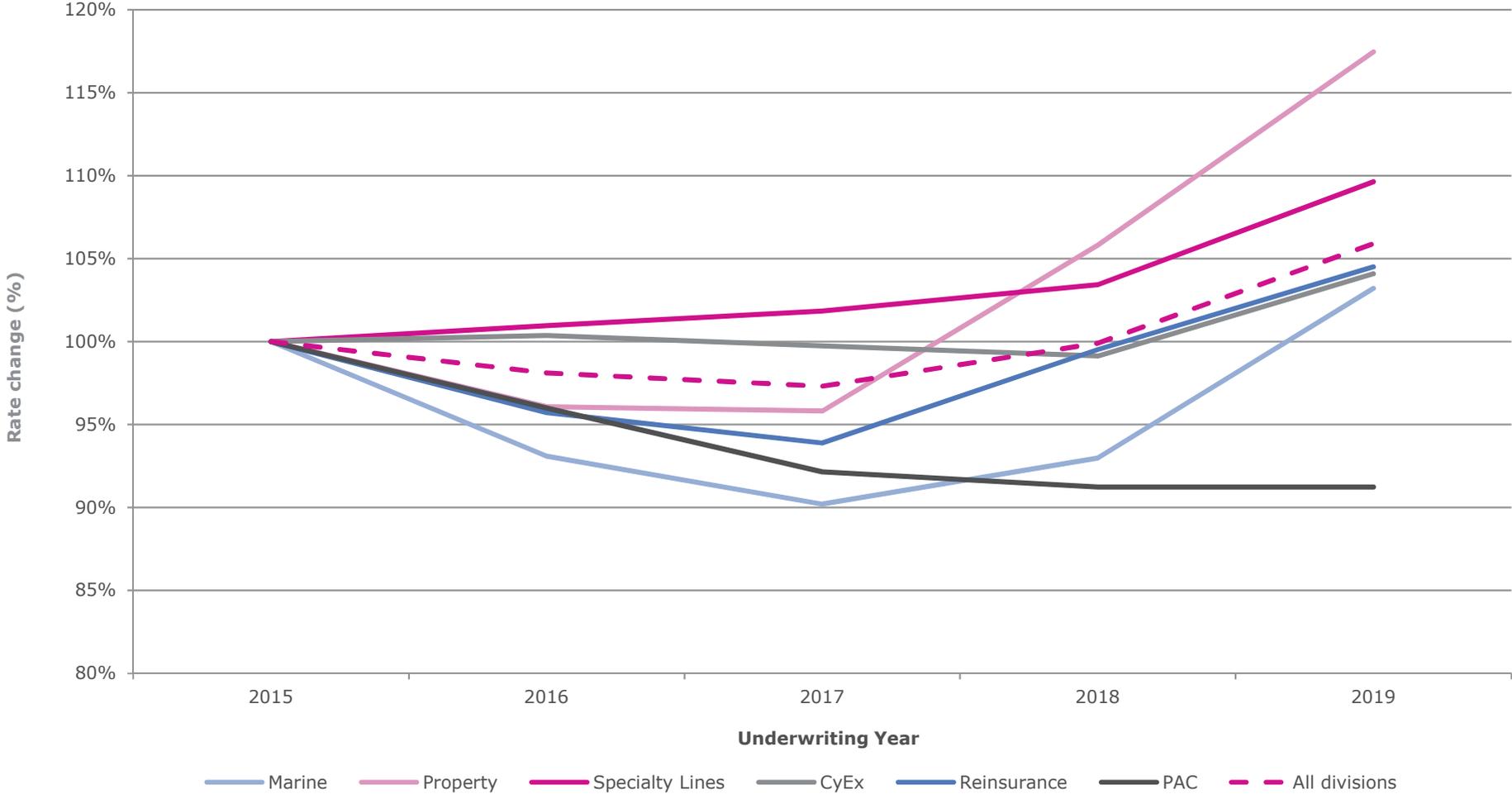
Underwriting review

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Underwriting review – 2019 achievements

- Combined ratio of 100% against backdrop of elevated claims environment
- Growth in gross premiums written of 15% to \$3,003.9m
 - Growth in 5 out of 6 divisions
 - Double digit growth in specialty lines, cyber & executive risk and political, accident & contingency
- Positive rating environment with increase of 6% across the portfolio as a whole
- We continue to reserve consistently, maintaining our surplus over actuarial estimate between 5-10%
- Active underwriting management continues

Cumulative rate changes since 2015



2020 underwriting outlook

- Expect low double digit growth in 2020
- Expect continued lower than average reserve releases in 2020
- Expect rate increases to continue on average across portfolio
- Continue to see growth across all platforms

Outlook for 2020

- Preparation complete for operating in post Brexit environment
- Continue to invest in and leverage digital technology through strategic initiatives
- Continue our organic growth and hiring of top talent
- Running yield on investments 2.1% at end of 2019
- Continue to support Lloyd's and its Blueprint One
- Sustainability officer to join

Any questions?

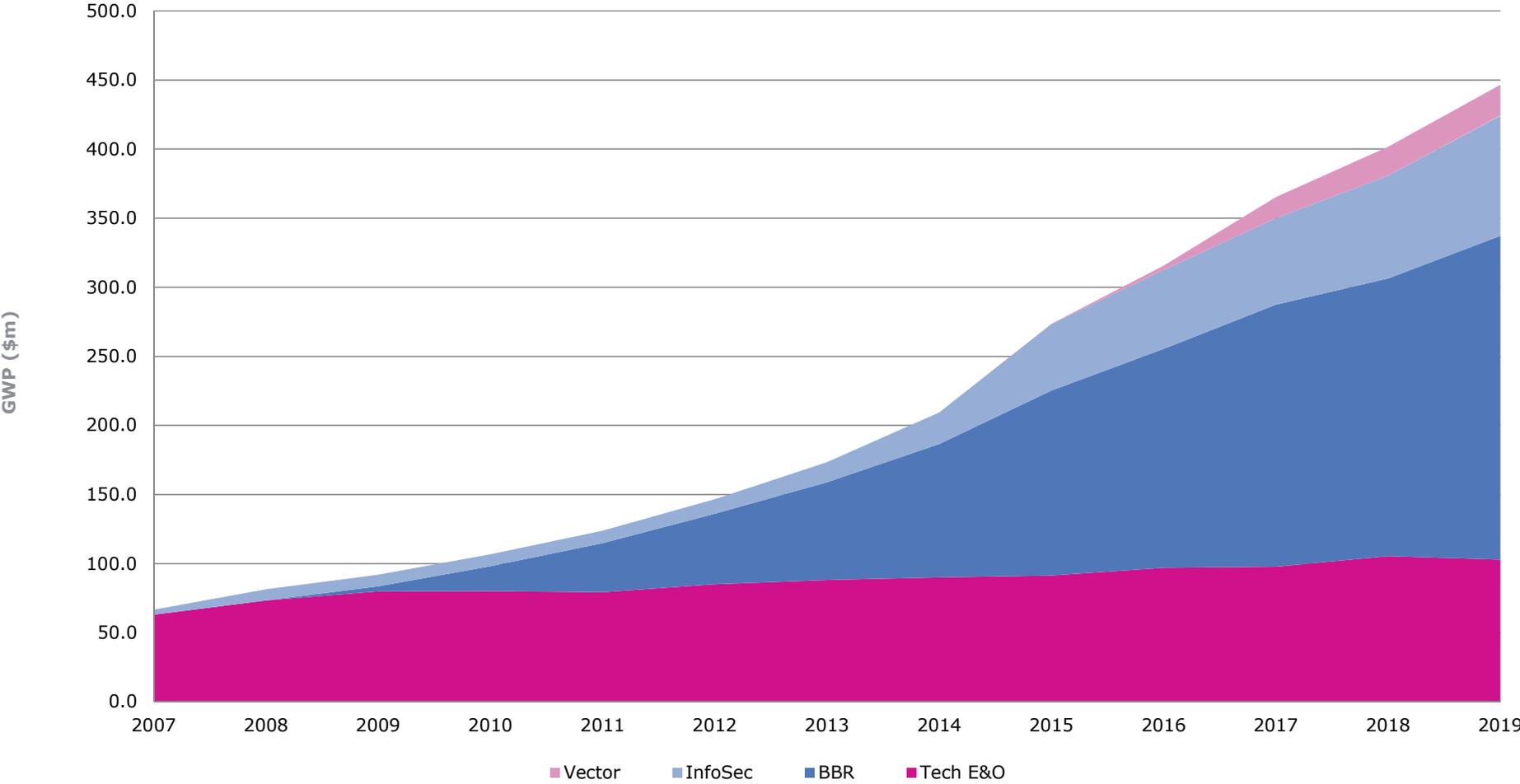
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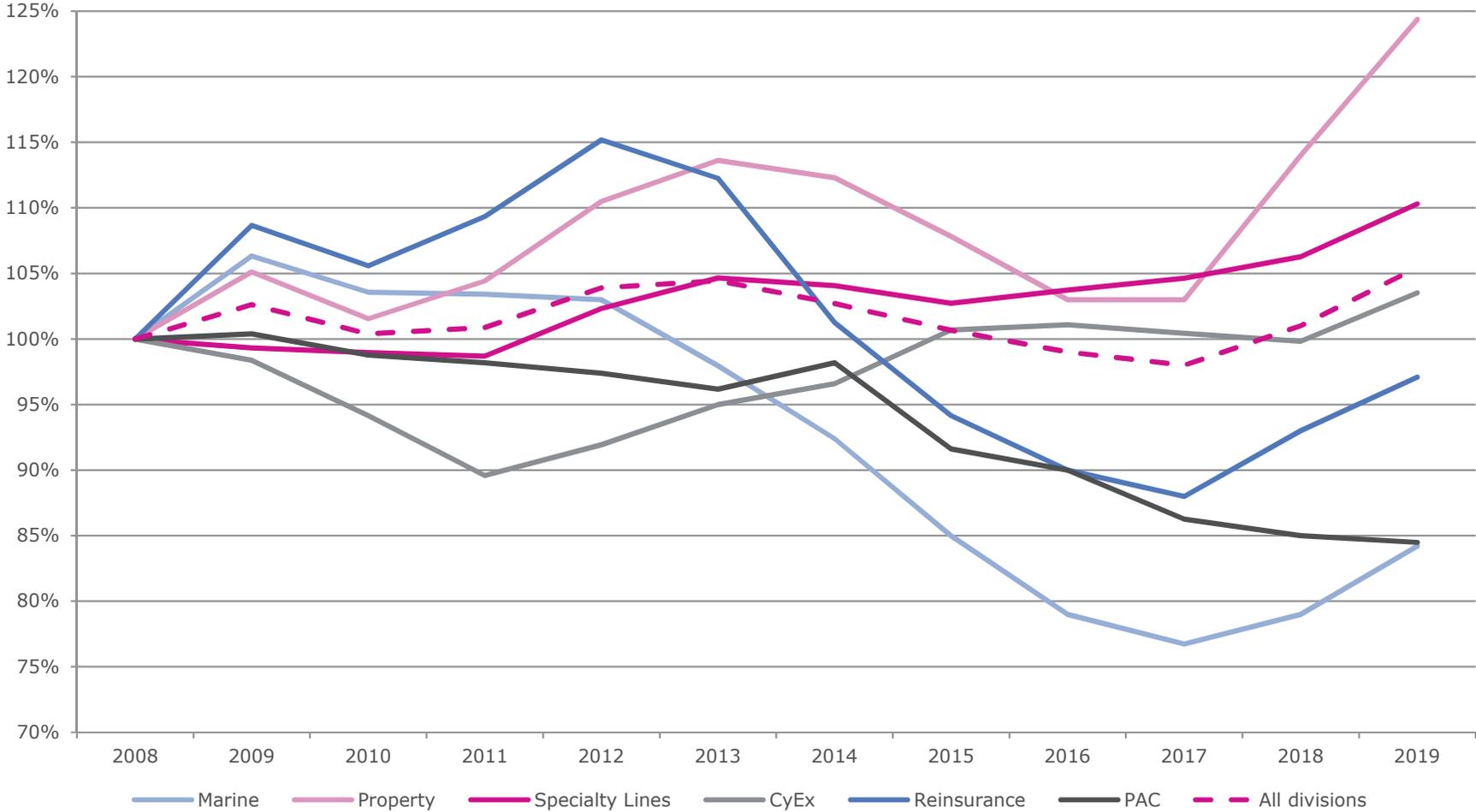
Appendix

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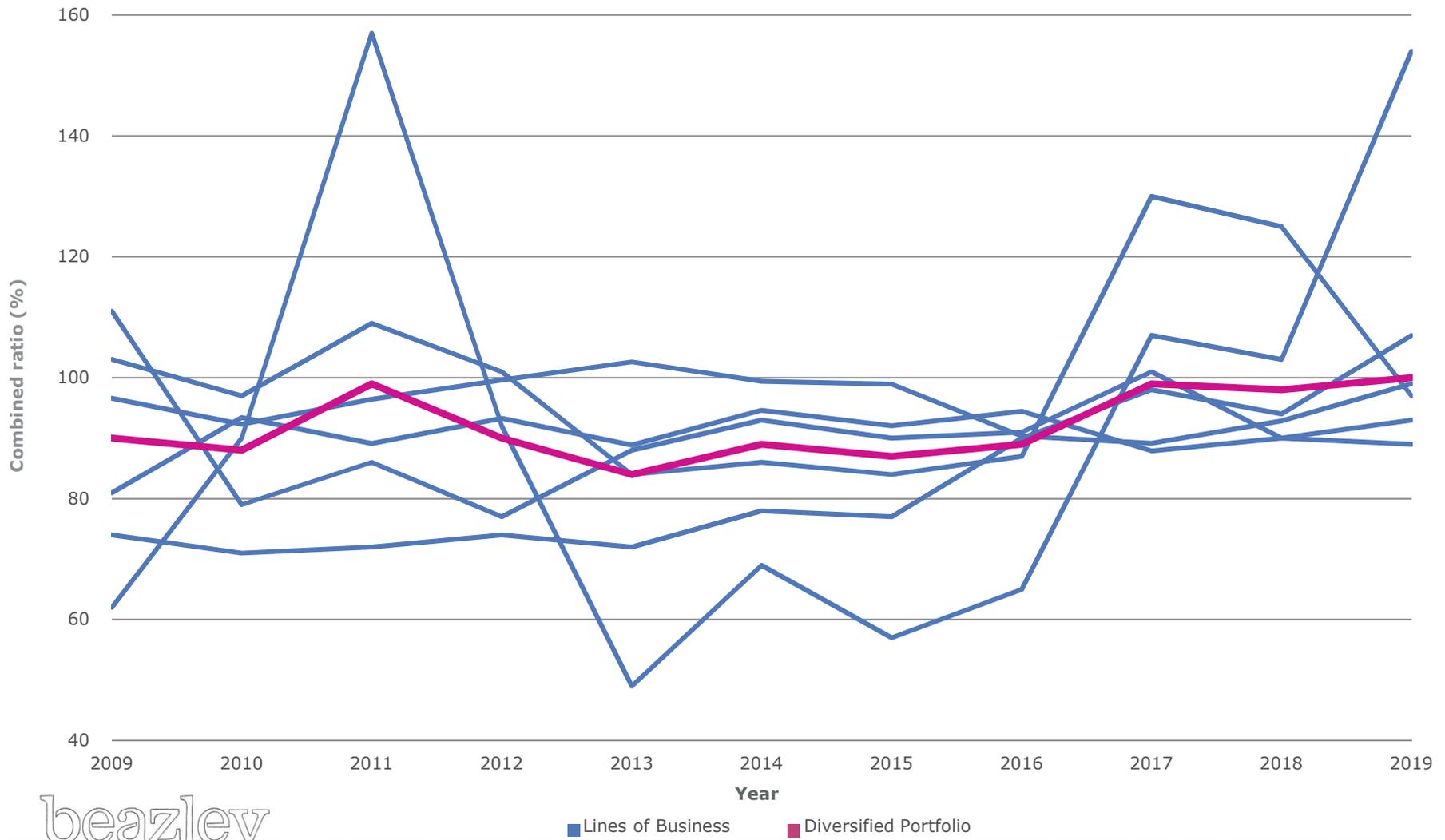
Cyber gross premiums written growth



Cumulative rate changes since 2008



Portfolio management achieves consistent combined ratio through market cycles



Performance by division

Year ended 31 December 2019

	Cyber & executive risk	Marine	PAC	Property	Reinsurance	Specialty lines
Gross premiums written (\$m)	823.0	306.4	272.7	428.7	206.0	967.1
Net premiums written (\$m)	712.2	222.1	245.8	365.6	123.0	834.8
Net earned premiums (\$m)	644.5	222.2	237.4	361.8	123.0	758.1
Result from operating activities (\$m)	126.6	8.4	41.2	43.3	(48.2)	124.1
Claims ratio	61%	57%	47%	57%	118%	62%
Rate change on renewals	5%	11%	-	11%	5%	6%
Percentage of business led	99%	61%	66%	75%	47%	86%