

A.M. Best — 2012 Results Excellent

The final results may not be the best ever, but A.M. Best says the underwriting and operating results of 2012 are pretty good. For certain they are better than 2011.



How good?

Net income jumped almost 52%. It was \$39.9 billion compared to \$26.3 billion in 2011. Policyholders surplus grew to a record \$598.4 billion from the 2010 record of \$572.2 billion.

A.M. Best said the reason for the improvement is lower underwriting losses and a small increase in net investment income and realized capital gains. The 2012 catastrophe losses are down to \$34.2 billion from \$41.3 billion in 2011. This in spite of Superstorm Sandy.

The \$7.1 billion drop put underwriting losses at \$14 billion and that's 53% better than 2011's \$30.1 billion.

Net premiums written and net premiums earned both went up with net written premiums rising 4.4%. Better pricing and a moderately improving economy helped. Commercial lines growth contributed to the increased premiums of 2012.