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AM Best Affirms Credit Ratings of Atradius N.V.'s Main Operating Subsidiaries

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FOR IMMEDIATE RELEASE

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AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Ratings of "a+" (Excellent) of Atradius Crédito y Caución S.A. de Seguros y Reaseguros (ACyC) (Spain), Atradius Trade Credit Insurance, Inc. (ATCI) (United States) and Atradius Seguros de Crédito, S.A. (Atradius Mexico) (Mexico), which are the main operating subsidiaries of the non-operating holding company, Atradius N.V. (Atradius) (Netherlands). Concurrently, AM Best has affirmed the Long-Term Issue Credit Rating of "bbb+" (Good) of the EUR 250 million (outstanding amount EUR 7.9 million), 5.25% subordinated fixed to floating rate guaranteed notes, due 2044, issued by Atradius Finance B.V. (Netherlands) and unconditionally and irrevocably guaranteed on a subordinated basis by Atradius. The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Atradius' balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, favourable business profile and appropriate enterprise risk management. The ratings of ACyC, ATCI and Atradius Mexico consider their strategic importance to Atradius as its primary underwriting entities in the group's key markets around the world.

Atradius' balance sheet strength is underpinned by its consolidated risk-adjusted capitalisation, as measured by Best's Capital Adequacy Ratio (BCAR), which remained at the strongest level at year-end 2023. AM Best expects Atradius' prospective risk-adjusted capitalisation to be maintained at the strongest level, supported by good internal capital generation over the cycle and conservative capital management. The group's balance sheet strength assessment also benefits from its good liquidity profile and relatively conservative investment portfolio. A partly offsetting factor in the assessment is the group's high dependence on reinsurance, although the risks associated with this dependence are mitigated partially through the use of a well-diversified panel of reinsurance counterparties of excellent credit quality.

Atradius has a track record of strong operating performance over the cycle. At year-end 2023, the group's return on equity (ROE) was 14% under IFRS 17, which compares with a 10-year weighted ROE ratio of 11% for the period 2013-2022 under IFRS 4. Claims frequency increased in 2023 from the low levels recorded in 2021 and 2022; however, the group's underwriting performance remained robust. AM Best believes that Atradius' strong underwriting expertise and exposure management, together with its ability to take prompt risk-mitigating actions on non-performing business, will allow it to maintain a strong performance record over the cycle.

Atradius benefits from a leading position in the global credit insurance market, which is characterised by high barriers to entry. Although the group is largely a monoline insurer, its exposures are well-diversified by geography and industry. Atradius' favourable business profile is underpinned by its good access to key markets as a result of the group's strong global franchise and comprehensive network of agents and intermediaries.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

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Related Companies

For information about each company, including the Best's Credit Reports, group members (where applicable) and news stories, click on the company name. An additional purchase may be required.

AMB#	Company Name
066514	Atradius Crédito y Caucción Seg Reas CAB
083565	Atradius Crédito y Caucción de Seg y Reas
092590	Atradius Finance B.V.
077302	Atradius N.V.
011582	Atradius Trade Credit Insurance, Inc.



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