



# NEWS RELEASE

A.M. BEST COMPANY, INC., OLDWICK, NJ • A.M. BEST EUROPE – RATING SERVICES LIMITED, LONDON  
A.M. BEST EUROPE – INFORMATION SERVICES LIMITED, LONDON • A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

## FOR IMMEDIATE RELEASE

**CONTACTS: Thomas Herriger**  
Senior Financial Analyst  
(908) 439-2200, ext. 5375  
[thomas.herriger@ambest.com](mailto:thomas.herriger@ambest.com)

**Rachelle Morrow**  
Senior Manager, Public Relations  
(908) 439-2200, ext. 5378  
[rachelle.morrow@ambest.com](mailto:rachelle.morrow@ambest.com)

**Steven Chirico, CPA**  
Assistant Vice President  
(908) 439-2200, ext. 5087  
[steven.chirico@ambest.com](mailto:steven.chirico@ambest.com)

**Jim Peavy**  
Assistant Vice President, Public Relations  
(908) 439-2200, ext. 5644  
[james.peavy@ambest.com](mailto:james.peavy@ambest.com)

### **A.M. Best Affirms Ratings of PMG Assurance Ltd.**

**OLDWICK, NEW JERSEY, U.S.A., January 20, 2012**—A.M. Best Co. has affirmed the financial strength rating of A (Excellent) and issuer credit rating of “a” of **PMG Assurance Ltd.** (PMG) (Hamilton, Bermuda). The outlook for both ratings is stable.

The ratings reflect PMG’s excellent capitalization, historically strong operating performance and strategic position as the captive insurance company for Sony Group (Sony). These strengths are partially offset by PMG’s exposure to potentially large natural catastrophe losses.

PMG’s role is to meet certain global insurance requirements of Sony’s group members. The company’s strengths are derived from its underwriting focus, long-standing customer relationships and conservative operating strategy. PMG’s results have varied in recent years. While it has benefited from rate increases, the company experienced several catastrophe-related incidents in 2011 that had a significant impact on its capitalization. PMG was able to withstand this adverse claim experience at the current rating level, and management has ensured A.M. Best of Sony’s commitment to maintaining prudent capital levels.

PMG could experience negative rating movement if capital levels do not continue to support its rating level. Positive rating movement is possible for PMG’s ratings if the overall risk profile of Sony improves in the near term.

A.M. Best remains the leading rating agency of alternative risk transfer entities, with more than 200 such vehicles rated in the United States and throughout the world.

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For current Best’s Credit Ratings and independent data on the captive and alternative insurance market, please visit [www.ambest.com/captive](http://www.ambest.com/captive).

The principal methodology used in determining these ratings is [Best’s Credit Rating Methodology -- Global Life and Non-Life Insurance Edition](#), which provides a comprehensive explanation of A.M. Best’s rating process and highlights the different rating criteria employed. Additional key criteria utilized include: “Risk Management and the Rating Process for Insurance Companies”; “Understanding Universal BCAR”; “Assessing Country Risk”; and “Alternative Risk Transfer (ART).” Methodologies can be found at [www.ambest.com/ratings/methodology](http://www.ambest.com/ratings/methodology).

**Founded in 1899, A.M. Best Company is the world’s oldest and most authoritative insurance rating and information source. For more information, visit [www.ambest.com](http://www.ambest.com).**

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