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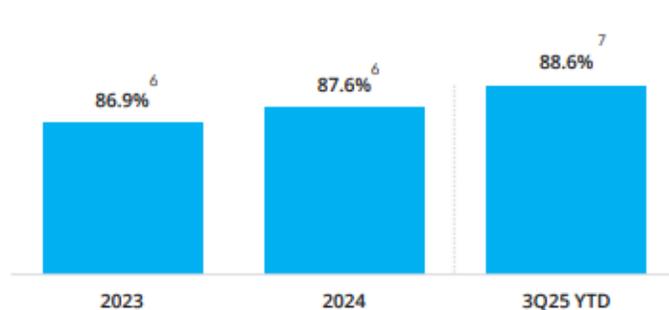
Everest Group is the 4th largest global property and casualty reinsurer, offering reinsurance and insurance to clients in over 100 countries. Gross written premium (GWP) in 2024 totaled \$18.0bn with 72% reinsurance and 28% insurance.

Q3 2025 earnings

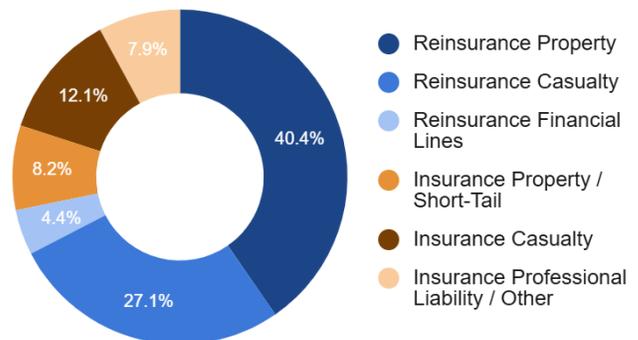
USD millions	Q3 2025	Q3 2024	% change
Gross written premium	4,375	4,425	-1.1%
Net premiums earned	3,855	3,918	-1.6%
Investment income	540	496	8.9%
Revenue	4,319	4,285	0.8%
Underwriting income	-130	272	-%
Net income	255	509	-49.9%
Comprehensive income	422	1,325	-68.2%
EPS	6.09	11.80	-48.4%
Investments / loss expenses	1.36x	1.39x	-0.03x
Combined ratio	103.4%	93.1%	10.3%
Operating margin	7.1%	14.4%	-7.3%
Equity	15,375	15,335	0.3%
RoE (annualised)	6.6%	13.3%	-6.7%

Quarterly Results Trend

ATTRITIONAL COMBINED RATIO^{4,5}



Gross Written Premium 2024



Financial Highlights

- Underwriting income was \$-130m, driven by a loss of \$357m for the insurance business which suffered from a high loss ratio mainly due to problems continuing from historic casualty underwriting.
- Net income was \$255m, down 49.9% YoY, due to a high loss ratio from casualty insurance business.
- Comprehensive income was down 68.2% at \$442m. Net income was down significantly, and despite a positive impact of \$167m on unrealised gains on securities, that was less than the \$816m in unrealised gains recorded in

Q3 2024. Unrealised gains are very choppy from quarter to quarter and are best assessed over a longer-term horizon.

- Gross written premium (GWP) was down 1.2%, with reinsurance down 1.7% and insurance up 2.7%. Net written premium was down 1.3% overall.
- Combined ratio of 103.4% for the group, 87.0% for reinsurance and 138.1% for insurance. This is up 10.3% from the 93.1% combined ratio in Q3 2024. The disappointing loss figures come from the increased adjustments to casualty reserves.
- Reinsurance growth was led by a 10.2% increase in Property Catastrophe XOL and a 24.3% increase in Property Non-Catastrophe XOL, partially offset by a 16.3% decrease in Casualty Pro-Rata and a 10.2% decrease in Casualty XOL.
- Insurance grew by 15.8% in Other Specialty and 46.4% in Accident and Health. Growth was offset by decreases of 15.8% in Specialty Casualty and 13.6% in Workers' Compensation.
- Pre-tax underwriting income (loss) of (\$130)m for the Group, \$376m for Reinsurance, (\$357)m for Insurance, and (\$149)m for Other.
- Cash and investment cover for loss expenses declined from 1.39x at Q3 2024 to 1.36x in Q3 2025, as loss reserves grew at 22.8%, outpacing the 8.9% growth in investments.
- Net investment income was \$540m, up 8.9%, driven entirely by the 8.9% increase in cash and investments.
- Annualized return on equity (ROE) was 6.6% vs 13.3% in Q3 2024.
- Capital returned to shareholders was \$84m, comprising share repurchases of \$0m and dividends of \$84m.

Operational Highlights

- Adverse Development Cover. Everest entered into an agreement with Longtail Re which provides \$1.2bn of gross limit on existing casualty business. The first layer is \$700 million, upon which Everest will transfer \$1.25 billion of in-the-money reserves in consideration upon closing of the transaction. The second layer is \$500 million, upon which Everest will pay approximately \$122 million of consideration upon closing of the transaction. Everest will have a co-participation of \$100 million in each layer.
- Agreement to Sell Retail Commercial Insurance Renewal Rights to AIG for \$252m. These businesses collectively total an estimated \$2 billion of gross premiums written. Everest expects to take a pre-tax non-operating charge in the range of \$250 million to \$350 million associated with the transaction, with the charge being recognized over 2025 and 2026.
- Everest continued the 1-Renewal strategy, with 45% of US casualty business not renewing in Q3 2025. However, that re-underwriting is now complete. The 1-Renewal strategy was designed to aggressively reduce insurance exposure to softer casualty business, in favour of other specialty lines. Everest has shed about \$800m of casualty business since the beginning of 2024.

Management Comments

- CEO Jim Williamson: "Everest has taken decisive steps to define its strategic direction and position the company for improved performance. The renewal rights transaction of our retail commercial insurance business and establishment of an adverse development cover are the outcomes of a careful strategic review of the company. These actions will provide meaningful flexibility to deploy capital toward share repurchases, strategic opportunities, and selective investments in talent, technology, and data that will enhance our competitive edge. The go-forward Everest is a more focused, higher-return enterprise anchored in Reinsurance and Wholesale & Specialty Insurance, built on underwriting excellence, balance sheet strength, and disciplined execution."
- Reinsurance risk-adjusted returns remain attractive, particularly in property and specialty lines.

Ben Jones Investments Outlook

- Everest's results were disappointing and reflected the ongoing issues from poor underwriting of casualty business over the last few years. Everest are dealing with the problem through the 1-Renewal policy (not renewing much of their US casualty business) and through adverse development cover to protect against rising claims from previously written casualty policies. These measures will mitigate future issues with costs being recognised in 2026 through a likely drop in written premium and a charge associated with the sale of renewal premiums to AIG. As such, we expect 2026 to be a mixed year for Everest, with less business written but with better control of loss ratios.
- Investors will rightly question Everest's competency in insurance underwriting. We haven't seen historic underwriting issues across reinsurance of property insurance, and so there is merit that poor underwriting is ring-fenced around casualty insurance only.
- Everest's balance sheet remains reasonably strong with cash and investments on hand to cover 1.36x unpaid claims. This is down from 1.39x at Q3 last year following H2 2024 catastrophe losses, and we're keeping a close eye on balance sheet strength. Including net reinsurance recoverable, investment coverage of losses is 1.47x.
- As a reinsurance firm, Everest's earnings will naturally be volatile depending on catastrophe events. We think it's best to take a long-term view of earnings and not be swayed by inevitable short-term volatility either way. The core focus should be ability to grow earned premium without compromising loss rates.
- Prior loss reserve adjustments have largely been on the back of higher than anticipated losses from long-tail casualty lines. We think it's prudent for Everest to cut back exposure here if rates are unattractive.
- Everest trades at around book value and we see virtually no value placed on future cash flows from underwriting operations, ability to increase premium growth over time, income on the investment portfolio, or from growth in the investment portfolio. Despite the mistakes in the casualty business, Everest does still look cheap.