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FOR IMMEDIATE RELEASE

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AM Best Assigns Credit Ratings to LIA Holdings Ltd. and Certain Subsidiaries

OLDWICK, N.J., December 19, 2018—AM Best has assigned a Financial Strength Rating (FSR) of A- (Excellent) and Long-Term Issuer Credit Ratings (Long-Term ICR) of “a-” to Lombard International Assurance S.A. (Luxembourg) and its affiliates, Lombard International Life Assurance Company (Bermuda) Ltd. (Bermuda) and Lombard International Life Ltd (Bermuda). Additionally, AM Best has assigned a Long-Term ICR of “bbb-” to LIA Holdings Ltd. (Lombard International) (Cayman). The outlook assigned to these Credit Ratings (ratings) is stable. Concurrently, AM Best has affirmed the FSR of A- (Excellent) and the Long-Term ICRs of “a-” of Lombard International Life Assurance Company (Philadelphia, PA) and its wholly owned subsidiary, Lombard International Life Assurance Company of New York (New York, NY). The outlook of these ratings is stable. Lombard International, the ultimate parent of the above entities, is owned by funds managed by the Tactical Opportunities Group of The Blackstone Group L.P. (NYSE: BX).

The ratings reflect Lombard International’s balance sheet strength, which AM Best categorizes as very strong, as well as its marginal operating performance, neutral business profile and appropriate enterprise risk management.

Lombard International maintains strong positions in the privately placed European and U.S. life and annuity markets. Lombard International’s business and liability profile contributes to its strength, as it is primarily a separate account product platform in which policyholders take the investment risk. As a result, separate accounts

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make up the vast majority of total assets. There are no living benefit guarantees and mortality risk is minimal, with only a minimal amount of mortality risk retained per life, as the vast majority is ceded to a variety of high quality reinsurers. Lombard International's operations also are supported by its very strong balance sheet, with the majority of its general account assets held in cash, investment grade bonds and policyholder loans. Its risk-adjusted capitalization, which is supplemented by the group's lower risk liability structure, is considered strongest, consistent with A.M. Best's rating guidelines.

Lombard International has had positive growth in its assets under administration, driven by good net deposits and strong investment performance, while at the same time controlling general expenses. The group's net operating results have been dampened in recent years as a result of expenditures to enhance its distribution network and improve its technological capabilities. Much of this work was completed in 2017. AM Best expects the group to produce favorable, and more stable results, over time as it executes on its ultra-high net worth private placement strategy and increases its scale.

Partially offsetting these positive rating factors are the challenges related to operating in the niche ultra-high net worth business, including the complexity of the customized products and services offered. Lombard International also remains susceptible to an ever-changing regulatory landscape with respect to domestic and international taxation. AM Best also notes the inherent unevenness of various financial metrics. Operating performance has historically reflected the impact of the low volume, high premium nature of the private placement market, which can cause volatility.

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

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