

COVER SHEET

8 0 1 1 8

SEC Registration Number

NATIONAL REINSURANCE

CORPORATION OF THE PHILIPPINES

(Company's Full Name)

31 F B P I - P H I L A M L I F E M A K A T I

6 8 1 1 A Y A L A A V E N U E M A K A T I

(Business Address: No., Street City / Town / Province)

Jacqueline Michelle C. Dy

Contact Person

(02) 988-7400

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 17-C
Press Release

FORM TYPE

4th Wednesday of
June

Month Day

Annual Meeting

Secondary License Type, If Applicable

Dept Requiring this Doc

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER

1. **10 June 2022**
Date of Report (Date of earliest event reported)
2. SEC Identification Number: **80118** 3. BIR Tax Identification No. **000-480-869-000**
4. **NATIONAL REINSURANCE CORPORATION OF THE PHILIPPINES**, doing business under the names and styles of Nat Re; Philippine National Reinsurance Company; PhilNaRe
Exact name of issuer as specified in its charter
5. **Metro Manila, Philippines** (SEC Use Only)
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. **31st Floor, BPI-Philam Life Makati Building,**
6811 Ayala Avenue, Makati City **1227**
Address of principal office Postal Code
8. **(632) 8988-7400**
Issuer's telephone number, including area code
9. **N/A**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding
Common Shares	2,123,605,600
TOTAL	2,123,605,600

11. Indicate the item numbers reported herein: **Item 9 (other events)**
-

AM Best Affirms Credit Ratings of National Reinsurance Corporation of the Philippines

AM Best has affirmed the Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of “bbb” (Good) of National Reinsurance Corporation of the Philippines (Nat Re) (Philippines). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Nat Re’s balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management (ERM).

Attached is a copy of the Press Release.

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized, in the City of Makati on 10 June 2022.

**National Reinsurance Corporation of the Philippines,
doing business under the names and styles of Nat Re;
Philippine National Reinsurance Company; PhilNaRe**
Issuer

(original signed)

JACQUELINE MICHELLE C. DY
Vice President, Head of Risk & Compliance



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FOR IMMEDIATE RELEASE

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AM Best Affirms Credit Ratings of National Reinsurance Corporation of the Philippines

SINGAPORE, 10 June 2022—AM Best has affirmed the Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of “bbb” (Good) of National Reinsurance Corporation of the Philippines (Nat Re) (Philippines). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Nat Re’s balance sheet strength, which AM Best assesses as strong, as well as its adequate operating performance, neutral business profile and appropriate enterprise risk management (ERM).

Nat Re’s balance sheet strength is underpinned by its risk-adjusted capitalisation, which remained at the strongest level in 2021, as measured by Best’s Capital Adequacy Ratio (BCAR). AM Best views the company’s investment portfolio as having moderate risk. Despite some exposure to corporate bonds and equity investments, the majority of NatRe’s portfolio is composed of fixed income securities issued by the Philippines government. The company’s allocation to equity investments has reduced gradually over recent years, with the expectation of continued portfolio de-risking over the medium term. Nat Re has a moderate dependence on retrocession, and exposure to counterparties that are non-rated on an international financial strength rating scale. The company’s balance sheet is sensitive to natural catastrophe exposure in the Philippines, although this risk is mitigated in part through the use of retrocession.

Nat Re’s operating performance is assessed as adequate, with a five-year average return-on-equity ratio of

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2.5% (2017-2021). Net profits showed an improvement in 2021 compared with the prior year, supported by better overall investment results although dragged by poorer underwriting results. Underwriting results in 2021 were negatively impacted by catastrophe losses that affected both the domestic and foreign non-life portfolios. These losses were mitigated in part by robust profitability from its life reinsurance business. AM Best expects the company's prospective underwriting performance to be supported by ongoing portfolio remediation measures, including reduced participation or exiting from loss-making non-life treaties, as well as business growth in the more profitable domestic life reinsurance segment. NatRe's investment income arising mainly from interest and dividend income continues to contribute positively to operating earnings.

AM Best views Nat Re's business profile as neutral given its strong relationships with local cedants and access to business through mandatory local cessions. As the only domestic reinsurer in the Philippines, Nat Re is well-positioned for business opportunities emanating from government initiatives. For instance, Nat Re is engaged in the design and launch of underwriting facilities for the Philippines market, which enables it to write greater business volumes in excess of the level stipulated by the mandatory cessions. The company maintains a portfolio that is diversified by geography through reciprocal business arrangements with regional and global reinsurers, and whilst remaining weighted toward catastrophe-exposed property business, recent growth in the domestic life reinsurance segment is viewed to have supported an improvement in portfolio diversification.

AM Best considers Nat Re's ERM framework as appropriate given the size and complexity of its operations. The company's risk management framework and corporate governance capabilities are viewed to have strengthened over recent years.

Ratings are communicated to rated entities prior to publication. Unless stated otherwise, the ratings were not amended subsequent to that communication.

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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 Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best’s Ratings & Assessments](#).

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