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FOR IMMEDIATE RELEASE

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A.M. Best Downgrades Credit Ratings of ECICS Limited

SINGAPORE, February 9, 2018—A.M. Best has downgraded the Financial Strength Rating to B++ (Good) from A- (Excellent) and the Long-Term Issuer Credit Rating to “bbb+” from “a-” of **ECICS Limited** (ECICS) (Singapore). The outlook of these Credit Ratings (ratings) has been revised to stable from negative.

The ratings downgrades are driven by an increased combined ratio that compares unfavorably with the industry average, negatively impacting results in recent years. Since 2015, competition has eroded profitability in ECICS’s core credit insurance, bonds and guarantee business lines. In response, ECICS has introduced various initiatives to seek growth in new lines of business. The results to date, however, have not met expectations, and a turnaround in the company’s performance has yet to materialize.

Underpinning ECICS’s ratings is its balance sheet strength, which A.M. Best categorizes as strong, as well as its marginal operating performance, neutral business profile and appropriate enterprise risk management. A.M. Best expects the company’s balance sheet strength will remain at a strong level over the near term, supported by low underwriting leverages and good asset quality.

Positive rating actions are unlikely in the near term. Negative rating actions may occur if there is further deterioration in the company’s operating performance or business profile.

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 A.M. 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 A.M. Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Understanding Best's Credit Ratings](#). For information on the proper media use of Best's Credit Ratings and A.M. Best press releases, please view [Guide for Media - Proper Use of Best's Credit Ratings and A.M. Best Rating Action Press Releases](#).

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