

# Zurich Insurance Agrees \$10.8bn Takeover of Beazley to Build Global Leader in Specialty Insurance

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*“This transaction is a strong step in accelerating Zurich’s Specialty strategy. Together with Beazley we will create the world’s leading Specialty underwriter, with around \$15bn of pro forma gross written premiums, exceptional underwriting expertise and data capabilities...”* – Mario Greco, CEO of Zurich

## Deal Overview

- Acquiror: Zurich Insurance (ZURN)
- Target: Beazley (BEZ)
- Industry: Specialty Insurance
- Transaction amount: \$10.8bn
- Announcement date: 2<sup>nd</sup> March 2026
- Advisors to Zurich Insurance: Goldman Sachs, UBS, Lazard
- Advisors to Beazley: J.P. Morgan, Barclays, Evercore

## Deal Summary

On the 2<sup>nd</sup> of March 2026, Zurich Insurance announced an agreement to acquire UK-based specialty insurer Beazley in an all-cash transaction valued at \$10.8bn. Under the terms of the offer, Beazley shareholders will receive \$17.57 per share,

alongside a \$0.34 dividend, implying a total value of \$17.91 per share and a premium of 60%.

The transaction combines complementary businesses and creates a global specialty insurance platform with approximately \$15bn in gross written premiums. By integrating Beazley’s expertise in high-growth segments such as cyber and specialty risks, Zurich Insurance significantly strengthens its position in higher-margin insurance lines.

The deal follows a series of initial rejected bids, before Beazley’s board recommended a revised offer. It is structured as a scheme of arrangement and is expected to close in the second half of 2026, subject to shareholders’ and regulatory approvals.

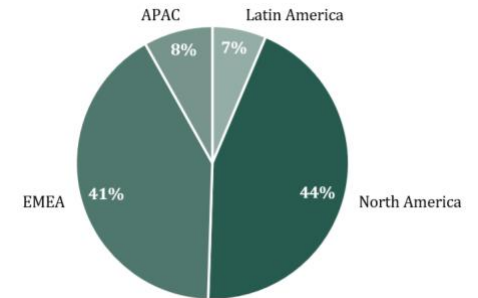
## Company Overview – Zurich Insurance

Zurich Insurance is a leading global insurer founded in 1872 and headquartered in Switzerland, serving customers in more than 200 countries. The group employs over 65’000 people and provides insurance solutions to both individuals and businesses. Its core insurance segments include Property & Casualty (P&C), Life Insurance (Global Life), and Farmers Insurance, with P&C representing the company’s largest business line.

In 2025, Zurich reported an operating profit of \$8.9bn and net income of \$6.8bn, reflecting a strong performance. Geographically, Zurich Insurance’s revenue is well diversified, with its largest contributions coming from North America and EMEA. North America generated \$22.1bn (around 44%) in P&C insurance revenue, while EMEA contributed \$20.7bn, accounting for around 41% of the total P&C revenue (see Figure 1). The remaining revenue was generated in Asia Pacific and Latin

America, highlighting Zurich Insurance’s broad international footprint.

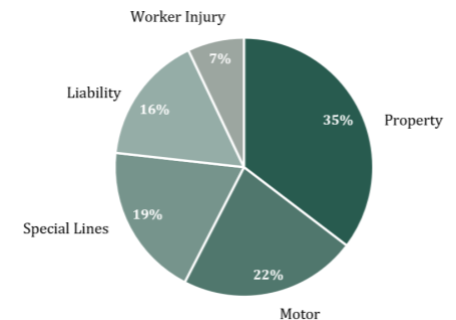
Figure 1: Revenue Split by Region



Source: Zurich Annual Report 2025 – own depiction

At the same time, Zurich Insurance’s P&C business is diversified across several lines of business. In 2025, the segment generated \$5.1bn in operating profit, accounting for around 57% of Zurich Insurance’s total operating profit. Property accounts for the largest share of P&C insurance revenue at 35%, followed by Motor with 22% and Special Lines with 19% (see Figure 2). That indicates that Zurich Insurance already has a meaningful exposure to specialty-related business within its P&C segment.

Figure 2: P&C Revenue Split by Segments



Source: Zurich Annual Report 2025 – own depiction

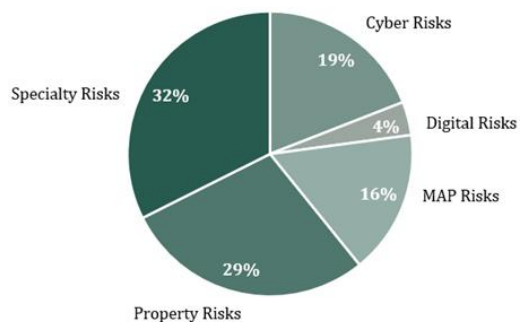
Zurich Insurance’s specialty insurance activities generated \$9bn in gross written premiums as of year-end 2025, reflecting an established presence in this segment.

### Company Overview – Beazley

Beazley is a UK-based specialty insurer founded in 1986, operating globally with a strong presence in the UK. The company operates purely as a specialty insurance provider, meaning that its entire business is focused on underwriting complex and non-standard risks across its core segments such as property, cyber, marine, and digital.

In 2025, Beazley generated \$6.1bn in gross written premiums across its specialty insurance portfolio. Specialty Risks represents the company’s largest division, contributing around \$2.0bn (see Figure 3). This segment includes complex lines such as M&A insurance and environmental liability. Importantly, this does not mean that only Specialty Risks belong to Beazley’s specialty insurance business, as all of the company’s divisions fall within its broader specialty insurance portfolio.

Figure 3: Written Premiums Split by Divisions



Source: Beazley Annual Report 2025 – own depiction

Property Risks is the second-largest division, generating around \$1.7bn, followed by Cyber Risks

with \$1.2bn, highlighting Beazley’s strong positioning in one of the fastest-growing insurance markets. In addition, MAP Risks contributed \$1.0bn, which includes Marine, Aviation and Political Risks.

The company has also demonstrated strong financial performance, achieving an average ROE of 15.5% over the past decade. Strategically, Beazley is positioned in high-growth segments driven by increasing global risk complexity, particularly in areas such as cyber insurance and emerging risks.

### Industry Overview – Specialty Insurance

Specialty insurance refers to insurance products designed to cover complex or non-standard risks that fall outside the scope of traditional insurance policies. Typical examples include cyber, marine, aviation or political risks. Unlike standard insurance products, these policies are often highly customized and require deeper underwriting expertise.

The market is currently benefiting from several structural growth drivers. One of the most important is the sharp rise in cybersecurity threats, as businesses increasingly seek protection against ransomware or other digital disruptions. At the same time, climate change is creating a stronger demand for specialized coverage linked to extreme weather events and environmental liabilities. Companies operating internationally are facing growing political risks, particularly in unstable regions where concerns such as expropriation and regulatory uncertainty can affect operations. These developments are increasing the need for more tailored insurance solutions, which continues to support demand for specialty insurers.

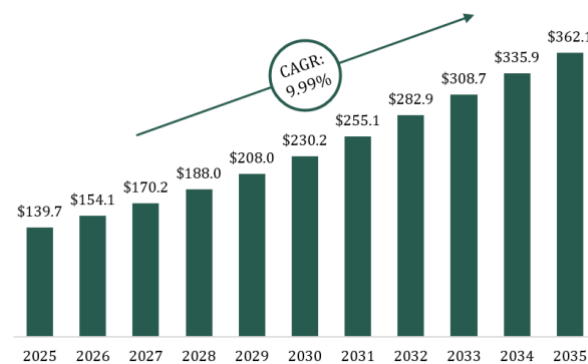
Another relevant growth area is the aerospace and aviation market, where technological progress and the expansion of commercial space activity are

increasing demand for more specialized insurance products.

Artificial intelligence is also becoming increasingly relevant in this industry, particularly in underwriting and claims handling, where it helps insurers process complex data more efficiently and improve pricing accuracy.

The global specialty market was valued at \$139.7bn in 2025 and is expected to grow to \$362.1bn by 2035, implying a CAGR of approximately 10% (see Figure 4). This strong long-term growth outlook, combined with the fragmented nature of the market, continues to support M&A activity across the sector.

Figure 4: Specialty Insurance Market Size (\$ bn)



Source: Precedence Research – own depiction

### Deal Structure

Zurich Insurance Group will acquire 100% of Beazley in an all-cash transaction valued at \$10.8bn. Under the terms of the offer, Beazley shareholders will receive \$17.57 per share in cash, alongside a dividend of \$0.34 per share, implying a total value of \$17.91 per share. The offer represents a premium of approximately 60% to Beazley’s closing price of \$10.97 January 16<sup>th</sup>, 2026, and a premium of around 35% to Beazley’s all-time high share price. This

highlights Zurich Insurance’s willingness to pay a substantial premium to secure a strategically attractive asset.

The acquisition will be executed through Zurich Insurance Company (ZIC), and following completion, Beazley is expected to become a wholly owned subsidiary of ZIC.

To finance the transaction, Zurich Insurance intends to use a combination of \$5bn in equity raised via an accelerated bookbuild, \$3bn of existing cash, and \$2.9bn in bridge financing facilities. This structure preserves Zurich Insurance’s capital strength while executing one of the largest specialty insurance acquisitions in recent years.

**Potential Risks & Upsides**

The acquisition represents a key step in Zurich Insurance’s strategy to strengthen its position as a global leader in specialty insurance. By combining its existing specialty business, which generated approximately \$9bn in gross written premiums in 2025, with Beazley’s \$6bn portfolio, the transaction creates a combined platform of around \$15bn, significantly increasing its scale in one of the most attractive areas of the insurance market.

Strategically, the deal allows Zurich Insurance to expand into fast-growing specialty lines such as cyber and marine, while gaining access to Beazley’s strong presence in the UK. From a financial perspective, the acquisition is expected to generate meaningful synergies. Zurich Insurance has guided to \$1bn in incremental revenue opportunities, \$150m in annual cost savings, and around \$1bn of one-off capital synergies over the medium term. Management also expects the transaction to be EPS accretive from the first full year, which supports the investment case.

However, the transaction also presents some risks. First, the integration of a specialized insurer into a large global insurer may prove challenging, particularly in preserving the expertise and retaining key talent. Second, the high premium of approximately 60% increases valuation and execution risk, especially if expected synergies fail to materialize. Third, specialty insurance earnings can be volatile and exposed to unexpected claims events, particularly in areas such as political risks and catastrophe-related lines. Finally, the transaction remains subject to regulatory approvals across multiple jurisdictions, which could delay completion of the transaction.