News Release

Zurich provides preliminary update on fourth quarter 2015

Zurich expects its General Insurance business to record a business operating loss in the fourth quarter 2015 due to natural catastrophe claims, including those related to recent storms and floods in the UK and Ireland, and a significant level of large losses. Operating results for Farmers and Global Life should be in line with expectations, and the Group's capital position remains very strong across all key metrics.

Zurich, January 20, 2016 – Zurich Insurance Group (Zurich) announced today that based on preliminary estimates it expects aggregate losses of approximately USD 275 million within its 2015 results related to storms Desmond, Eva and Frank in the UK and Ireland. These storm events brought heavy rainfall and caused severe flooding in parts of North England, Scotland and Ireland.

These estimates are net of reinsurance and before tax and will be recorded in the Group's annual results, which are due to be released on February 11, 2016. While these amounts represent Zurich's current best estimate of the cost for the above events, the nature of many of the losses and the extended remediation period to complete repairs means that the final cost remains uncertain.

In addition to the UK and Ireland floods, there have been a number of other natural catastrophe events in the quarter, including a tornado in Australia.

Further, Zurich has continued to experience a very high level of large current accident year losses in the fourth quarter. These large losses mainly relate to a large credit and surety loss, and several significant property claims, principally impacting Global Corporate and certain European countries. The profitability of business underwritten in

2015 continues to impact results but this will improve over the course of 2016 as the steps taken to reduce exposure to large losses take effect.

As a result of the adverse natural catastrophe experience and the high level of large current accident year claims, Zurich now expects the General Insurance business to report a business operating loss of approximately USD 100 million for the fourth quarter of 2015.

Zurich will provide further information on the drivers of the fourth quarter General Insurance results, an update on the actions under way as a result of the General Insurance review, and expectations for 2016 with the Group's annual results.

The Group has accelerated a number of steps in its efficiency program, with an aim of exceeding the previously communicated cost savings target for 2016 of USD 300 million. This should result in charges of around USD 475 million in the fourth quarter, primarily within General Insurance. The Group also anticipates incurring a one-time impairment charge attributable to the write-off of its German Life business goodwill of approximately USD 230 million. These charges will be recorded outside of fourth quarter Business Operating Profit.

While the 2015 results for General Insurance are disappointing, operating performance for both Farmers and Global Life should be in line with expectations, and the Group's capital position remains very strong across all key metrics.

Further information

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