News Release

Zurich announces the successful placement of USD 1 billion of undated subordinated debt

Zurich, July 13, 2016 – Zurich Insurance Group (Zurich) today announced the successful placement of USD 1 billion of undated subordinated notes (the “Notes”). The Notes are first callable in January 2022.

The Notes will be issued by Zurich Insurance Company Ltd under its Euro Medium Term Note Programme to a repackaging vehicle (Cloverie PLC). The repackaging vehicle in turn issues notes to investors that are secured by the Notes. The coupon is fixed at 4.75%.

The transaction has been conducted for general corporate purposes.

Further information

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Zurich Insurance Group (Zurich) is a leading multi-line insurer that serves its customers in global and local markets. With around 55,000 employees, it provides a wide range of general insurance and life insurance products and services. Zurich’s customers include individuals, small businesses, and mid-sized and large companies, including multinational corporations, in more than 170 countries. The Group is headquartered in Zurich, Switzerland, where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information about Zurich is available at www.zurich.com.

General Notice

This news release appears as a matter of record only, and all of the above-referenced notes (the “Notes”) have been placed. This announcement constitutes neither an offer to sell nor a solicitation to buy or to subscribe to any of the Notes or any other securities of Zurich Insurance Group Ltd or Zurich Insurance Company Ltd. (the "Issuer") .

This news release does neither constitute (i) an offering prospectus within the meaning of Art. 1156 of the Swiss Code of Obligations, (ii) nor a listing prospectus within the meaning of the SIX Swiss Exchange Listing Rules, (iii) nor a prospectus or a supplementary prospectus pursuant to the EC Directive 2003/71/EC of the European Parliament and of the Council dated November 4, 2003, as amended (the "EC Prospectus Directive").

No action has been or will be taken in any member state of the European Economic Area which has implemented the EC Prospectus Directive (each a "Relevant Member State") to permit a public offering of the Notes, or the distribution of a prospectus or any other offering material relating to the Notes in compliance with the EC Prospectus Directive in any Relevant Member State.

This news release is only addressed to, and is only directed at, qualified investors in any member state of the European Economic Area within the meaning of the EC Prospectus Directive ("qualified investors").

This news release is directed only at persons who are qualified investors and who (i) have professional experience in matters relating to investments falling within Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or (ii) are persons falling within Article 49 (2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) or to whom it may otherwise lawfully be communicated (all such persons together being referred to as relevant persons).

The notes issued by Cloverie PLC are not being offered in Hong Kong other than in circumstances that would not require authorisation under the Securities and Futures Ordinance (CAP. 571) of Hong Kong. This news release is for general information purposes only and has not been reviewed by any regulatory authority in Hong Kong.

This news release is being made in Singapore as a matter of record only, and is not an advertisement of the notes issued by Cloverie PLC. All of the notes have been placed. Pursuant to exemptions provided in the Singapore Securities and Futures Act, the notes were placed without the need for registering a prospectus with the Monetary Authority of Singapore

This news release is only directed at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

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The issuance of the Notes was not made in Japan and may be accepted only outside Japan. The Notes have not been and will not be registered under the Securities and Exchange Law of Japan.

Accordingly, this announcement constitutes neither an offer to sell nor a solicitation to buy any of the Notes or any other securities of Zurich Insurance Group Ltd., Zurich Insurance Company Ltd. or the Issuer, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for reoffering or resale, directly or indirectly, in Japan or to any Japanese Person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For the purposes of this paragraph "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

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