Media Release
May 8, 2025
Ad hoc announcement pursuant to Art. 53 of the Listing Rules

ZURICH

Zurich starts new cycle with solid growth and strong capitalization

- **Property & Casualty (P&C) insurance revenue and gross written premiums rise 5% supported by rate increases of 4%, strong profitability in Commercial and improved Retail margins.**
- **Life continues profitable growth, with gross premiums[1] rising by 18%, driven by unit-linked, capital efficient savings and protection products.**
- **Farmers Management Services grows as Farmers Exchanges[2] GWP increases 5%. Strong underlying performance supports Farmers Exchanges[2] surplus ratio improvement to 42.6%, including California wildfires impact.**
- **Capital strength with Swiss Solvency Test (SST) ratio estimated at 256%[3] as of March 31, 2025, and demonstrating continued resilience to recent market volatilities.**

Zurich Insurance Group (Zurich) performed well in the first quarter of the year and had a strong start into the new 2025–2027 financial cycle, with key focus areas like Specialties, Middle Market, Life Protection and Farmers contributing to durable top-line growth.

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Our businesses started the year positively, delivering revenue growth, underpinned by a strong capital position and expanding margins. With our geographically diversified business, outstanding track record and robust balance sheet, I am confident that we will continue to deliver on our targets despite the volatile environment.

Claudia Cordioli, Group Chief Financial Officer

Select financial highlights (unaudited)
In USD billions, for the three months ended March 31, 2025

P&C GWP	Life GWP[1]	Farmers Exchanges[2] GWP
13.3	**9.4**	**7.4**
2024: **12.6**	2024: **7.9**	2024: **7.1**
Change in USD: **5%**	Change in USD: **18%**	Change: **5%**

Continued top-line growth in all segments

Zurich's P&C business saw robust growth with a 5% rise in gross written premiums, against a strong prior year comparison, underscoring the company's sustainable and consistent performance.

In Commercial Insurance, gross written premiums grew 2% in U.S. dollars, accompanied by a 3% increase in rates compared to the prior year. Growth was achieved in Specialties and Middle Market, two key strategic focus areas for the Group as highlighted at the 2024 Investor Day. In Zurich North America, the quality of growth, supported by portfolio management actions, translated into an improved underwriting margin.

In Retail, gross written premiums rose 11% in U.S. dollars, supported by rate changes of 5% in the first three months of the year. Pricing in motor and property as well as the acquired AIG global personal travel insurance and assistance business all contributed to top-line growth while underwriting margins continued to expand.

Zurich’s Life insurance business further built on its strong momentum with significant top-line growth in the first quarter of this year. Gross premiums[1] rose 18%, mainly driven by unit-linked as well as strong sales of a new capital efficient savings product in Spain. The protection business delivered continued growth, and the new consolidated Global Life Protection unit is expected to further augment growth through the 2025–2027 cycle.

Farmers Management Services continues to grow, with a 3% increase in underlying fee income[4] in the first three months, supported by growth at the Farmers Exchanges[2] and the brokerage entities. The Brokerages’ Fee service revenues were up 34% in the first quarter.

The Farmers Exchanges[2] grew gross written premiums by 5% in the first three months, supported by a strong increase in new business and higher retention. The excellent surplus ratio of 42.6% per March 31, 2025, is supported by an outstanding underlying underwriting performance and remains well above the target range of 34% to 38%.

Against a backdrop of elevated macroeconomic uncertainty and episodic volatility, Zurich remains firmly focused on disciplined execution, optimized risk pricing and value-enhancing long-term capital allocation. Zurich’s broad business diversification gives it a strong foundation to deliver on the long-term plan.

Natural catastrophes

In the first three months of the year, the Group has seen natural catastrophe losses with a combined ratio impact of 3.2%, compared to 1.6% in the prior year period. The increase was mainly driven by the losses from the California wildfires in January, which were in line with the previously disclosed estimate.

Commentary

Property & Casualty
In USD millions, for the three months ended March 31, 2025, unless otherwise stated

	Gross written premiums (GWP)				Rate change, in %	
	2025	**2024**	**Change[6] in USD**	**Change[5,6] like-for-like**	**2025**	**Expected trend**
Property & Casualty	**13,315**	12,623	5%	5%	**4%**	Moderating
Europe, Middle East and Africa (EMEA)	**6,844**	6,560	4%	7%	**3%**	Moderating
North America	**5,192**	4,800	8%	1%	**6%**	Moderating
Asia Pacific	**1,032**	916	13%	6%	**3%**	Stable
Latin America	**827**	910	(9%)	6%	**2%**	Stable

	Insurance revenue			
	2025	**2024**	**Change in USD**	**Change[5] like-for-like**
Property & Casualty	**10,779**	10,250	5%	6%
Europe, Middle East and Africa (EMEA)	**4,647**	4,431	5%	8%
North America	**4,810**	4,604	4%	2%
Asia Pacific	**982**	860	14%	10%
Latin America	**770**	768	0%	17%

Gross written premiums (GWP) in P&C rose 5% compared with the prior-year period on a like-for-like[5] basis, adjusting for currency movements and prior year's completed acquisitions of the AIG global personal travel insurance and assistance business as well as the Kotak Mahindra General Insurance business, which now operates under the brand Zurich Kotak General Insurance. In U.S. dollar terms, gross written premiums increased 5%.

Growth was supported by higher premium rates of 4% in P&C, which was driven by a 5% rate change in Retail while Commercial Insurance experienced a 3% increase in rates.

In Europe, Middle East and Africa (EMEA), GWP were up 7% on a like-for-like[5] basis. Growth in excess of rates was driven by a strong performance from all countries across the region, both in retail and commercial insurance.

GWP in North America increased 1% on a like-for-like[5] basis compared with the previous year as underlying growth was offset by planned management actions to improve portfolio mix and profitability.

In Asia Pacific, GWP were 6% higher on a like-for-like[5] basis compared with the previous year driven mostly by higher retail sales across the region.

Latin America saw an increase of 6% in GWP on a like-for-like[5] basis, benefiting from strong growth in the commercial space primarily in Argentina, Brazil, and Mexico.

Life

In USD millions, for the three months ended March 31, 2025, unless otherwise stated

	Gross premiums and deposits (GWP)[1]				Present value of new business premiums (PVNBP)			
	2025	**2024**	**Change[6] in USD**	**Change[5,6] like-for-like**	**2025**	**2024**	**Change[6] in USD**	**Change[5,6] like-for-like**
Life	**9,364**	7,944	18%	23%	**5,079**	3,996	27%	35%
Europe, Middle East and Africa (EMEA)	**6,675**	5,351	25%	25%	**3,221**	2,293	40%	44%
North America	**398**	180	121%	177%	**244**	95	156%	156%
Asia Pacific	**681**	673	1%	4%	**560**	717	(22%)	(20%)
Latin America	**1,680**	1,840	(9%)	7%	**1,060**	900	18%	39%

	2025	**2024**	**Change[6] in USD**	**Change[5,6] like-for-like**
New business CSM	**275**	264	4%	8%
New business margin	**5.4%**	6.6%	(1.2pts)	(1.3pts)
Short-term insurance contracts: Insurance revenue	**688**	680	1%	15%
Investment contracts: Fee revenue	**177**	173	2%	5%

In Life, gross premiums and deposits (GWP)[1] and new business premiums (PVNBP) increased 23% and 35% respectively on a like-for-like[5] basis, with growth driven by capital efficient savings and protection products. In U.S. dollar terms, GWP[1] and new business premiums increased 18% and 27% respectively, with growth in local currencies partially offset by U.S. dollar appreciation against major currencies.

GWP[1] for unit-linked and investment contracts increased by 20% on a like-for-like[5] basis to USD 5.2 billion, with strong growth in EMEA, North America and Latin America through the joint venture with Banco Santander. Protection GWP[1] of USD 2.6 billion were 5% higher year on year on a like-for-like basis[5] mainly driven by growth in EMEA and captive employee benefit solutions. Savings and annuities GWP[1] of USD 1.6 billion were 84% higher year on year on a like-for-like[5] basis driven by the successful launch of a capital efficient retail savings product in Spain through the joint venture with Banco Sabadell.

New business premiums saw strong growth in the first quarter. In EMEA, new business premiums increased 44% on a like-for-like[5] basis driven by growth in retail savings in Spain, unit-linked in Italy and protection products in Switzerland. North America saw new business premiums more than double year on year driven by unit-linked sales. In Asia Pacific, new business premiums were 20% lower than in the prior year period on year on a like-for-like[5] basis reflecting repricing actions in Japan and timing of group scheme renewals in Australia. In Latin America, growth was driven by unit-linked sales through the joint venture with Banco Santander.

New business written in the first three months added USD 275 million to the contractual service margin (CSM), 8% more than in the prior year period, on a like-for-like[5] basis. The impact of lower new business margin, which was driven by geographical business mix, was more than compensated by a strong increase in new business premiums.

Short-term insurance contracts, predominantly related to the Latin America protection business, generated USD 688 million of insurance revenue in the first quarter, with a 15% growth in local currencies largely offset by the effect of U.S. dollar appreciation.

Fee revenue generated by investment contracts, which are mainly written in EMEA, grew 5% on a like-for-like[5] basis benefiting from higher assets under management.

Farmers

In USD millions, for the three months ended March 31, 2025, unless otherwise stated

	2025	2024	Change[6] in USD
Farmers Exchanges[2]			
Gross written premiums (GWP)	**7,400**	7,077	5%
Gross earned premiums (GEP)	**7,016**	6,888	2%
Surplus ratio[7]	**42.6%**	42.4%	0.2pts

The Farmers Exchanges,[2] which are owned by their policyholders, reported a 5% increase in gross written premiums in the first three months, supported by increased new business and higher retention. Gross earned premiums were up 2% over the same period.

The Farmers Exchanges[2] maintained a surplus ratio of 42.6% as per March 31, 2025, well above the target range and higher than December 31, 2024.

	2025	2024	Change[6] in USD
Farmers			
Farmers Management Services management fees and other related revenues[4]	**981**	948	3%
Farmers Re insurance revenue	**291**	475	(39%)

Farmers Management Services underlying fee income[4] grew 3% compared to the prior-year period, driven by the increase in gross earned premiums at the Farmers Exchanges[2] and supported by the brokerage entities.

Farmers Re insurance revenue decreased 39% compared to the same period last year, due to a lower reinsurance participation rate and an earnings-neutral reclassification of certain insurance expenses, which reduced insurance revenue. Effective December 31, 2024, the participation rate in the Farmers Exchanges[2] All Lines Quota Share was reduced from 10.0% to 8.0%.

Capital position

As of March 31, 2025, Zurich's Swiss Solvency Test (SST) ratio remains very strong at 256%[3], which compares to 253% as of December 31, 2024.

[1] Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).
[2] Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, and certain of its subsidiaries, provide certain non-claims services and ancillary services to the Farmers Exchanges as its attorney-in-fact and receive fees for their services.
[3] Estimated Swiss Solvency Test (SST) ratio as of March 31, 2025, calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority FINMA. The SST ratio as of December 31 has to be filed with FINMA by end of April in the subsequent year and is subject to review by FINMA.
[4] Reflects Farmers Management Services management fees excluding the reimbursement of certain ancillary services costs that are earnings neutral.
[5] Like-for-like comparisons represent the change in local currencies and after adjusting for the completed acquisitions of the AIG global personal travel insurance and assistance business as well as the Kotak Mahindra General Insurance business, which now operates under the brand Zurich Kotak General Insurance, for the transfer of a Life portfolio into Non-Core Businesses, and for the impact of a large captive scheme which was booked with one quarter lag in 2024.
[6] Parentheses around numbers represent an adverse variance.
[7] Surplus ratio as of March 31, 2025, and December 31, 2024, respectively.

Q&A session for media

There will be a conference call Q&A session for media starting at 08:30 CEST. Media may dial in using the details provided below. The call will be held in English. Please dial in approximately 10 minutes prior to the start of the conference call.

Switzerland	+41 58 310 50 00
U.K.	+44 207 107 0613
U.S.	+1 631 570 5613

Q&A session for analysts and investors

There will be a conference call Q&A session for analysts and investors starting at 13:00 CEST. Media may listen in. A podcast of this Q&A session will be available from 17:00 CEST.

Participants who wish to attend the Live Q&A session will need to register ahead of the call under this link (Zurich Q&A call registration) and follow the on-screen instructions.

Zurich Insurance Group (Zurich) is a leading global multi-line insurer founded more than 150 years ago, which has grown into a business serving more than 75 million customers in more than 200 countries and territories, while delivering industry-leading total shareholder returns.

Reflecting its purpose to 'create a brighter future together,' Zurich offers protection services that go beyond traditional insurance, to support its customers in building resilience. Since 2020, the Zurich Forest project supports reforestation and biodiversity restoration in Brazil's Atlantic Forest.

The Group has more than 63,000 employees and is headquartered in Zurich, Switzerland. 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 is available at www.zurich.com.

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All references to 'Farmers Exchanges' mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled interinsurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and certain of its subsidiaries are appointed as the attorneys-in-fact for the three Exchanges and in that capacity provide certain non-claims services and ancillary services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of full year results.

Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

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Contact

Zurich Insurance Group Ltd
Mythenquai 2, 8002 Zurich, Switzerland
www.zurich.com
SIX Swiss Exchange/SMI: ZURN
Valor: 001107539

Media Relations
Phone +41 44 625 21 00
media@zurich.com

Investor Relations
Contacts
investor.relations@zurich.com