



Annual Results Reporting 2009

Analysts and Media Presentation

February 4, 2010

Zurich HelpPoint™

Disclaimer and cautionary statement



Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predications of or indicate future events, trends, plans or objectives. Forward-looking statements include statements regarding our targeted profit improvement, return on equity targets, expense reductions, pricing conditions, dividend policy and underwriting claims improvements, as well as statements regarding our understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans and objectives of Zurich Financial Services Ltd or the Zurich Financial Services Group (the "Group") to differ materially from those expressed or implied in the forward looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in our key markets; (ii) the risk of the global economic downturn and a downturn in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; and (viii) changes in laws and regulations and in the policies of regulators may have a direct bearing on the results of operations of Zurich Financial Services Ltd and its Group and on whether the targets will be achieved. Zurich Financial Services Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

Farmers is a trade name and may refer to Farmers Group, Inc. or the Farmers Exchanges, as the case may be. Farmers Group, Inc., a management and holding company, along with its subsidiaries, is wholly owned by Zurich Financial Services Group. The Farmers Exchanges are three reciprocal insurers, Farmers Insurance Exchange, Fire Insurance Exchange and Truck Insurance Exchange, including their subsidiaries and affiliates, owned by their policyholders, and managed by Farmers Group, Inc. and its subsidiaries.

It should be noted that past performance is not a guide to future performance.

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.

THIS COMMUNICATION DOES NOT CONTAIN AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES; SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION, AND ANY PUBLIC OFFERING OF SECURITIES TO BE MADE IN THE UNITED STATES WILL BE MADE BY MEANS OF A PROSPECTUS THAT MAY BE OBTAINED FROM THE ISSUER AND THAT WILL CONTAIN DETAILED INFORMATION ABOUT THE COMPANY AND MANAGEMENT, AS WELL AS FINANCIAL STATEMENTS.

Agenda



- Introduction

Martin Senn

- Annual Results 2009

Dieter Wemmer

- Q&A

- Closing remarks

Martin Senn



Introduction

Martin Senn
Chief Executive Officer

February 4, 2010

Zurich HelpPoint™

Financial highlights



in USD millions for the years ended December 31	2009	2008 ¹	Change
Business operating profit (BOP)	5,593	5,186	8%
Net income attributable to shareholders	3,215	3,039	6%
General Insurance combined ratio	96.8%	98.1%	1.3pts
Global Life new business value ²	782	753	4% ²
Farmers Mgmt Services managed GEP margin ³	7.2%	6.9%	0.3pts
Shareholders' equity	29,678	22,103	34%
Return on common shareholders' equity (ROE)	12.6%	12.1%	0.5pts
Business operating profit (after tax) ROE	17.2%	16.8%	0.4pts

¹ Throughout this document, certain comparatives have been restated. Refer to the audited Consolidated Financial Statements for details.

² After tax; change in local currency is 9%.

³ Margin on gross earned premiums of the Farmers Exchanges. Zurich Financial Services Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides management services to the Farmers Exchanges and receives fees for its services.

Business operating profit by segment



in USD millions

for the years ended December 31

	2009	2008¹	Change
General Insurance	3,463	3,535	-2%
Global Life	1,477	1,490	-1%
Farmers (including Farmers Re)	1,554	1,356	15%
Other Operating Businesses	-611	-772	21%
Total Core BOP	5,883	5,609	4%
Non-Core Businesses	-290	-423	31%
Total BOP	5,593	5,186	8%

¹ Throughout this document, certain comparatives have been restated. Refer to the audited Consolidated Financial Statements for details.

Proposed dividend of CHF 16³ per share for 2009 resulting in a payout ratio of 66%



Dividends / EPS in respect of the business year (in CHF)¹



© Zurich Financial Services Ltd

¹ Dividend includes gross dividend and payout of nominal value reduction per registered share.

² Restated

³ Proposed gross dividend by the Board of Directors to the Annual General Meeting 2010.

Summary



- Solid operating results driven by successful expense & market actions
- Sophisticated risk management
- Strong capital base and balance sheet
- Developing brand strength
- Attractive dividend
- Prepared for any future market conditions



Annual Results 2009

Dieter Wemmer
Chief Financial Officer

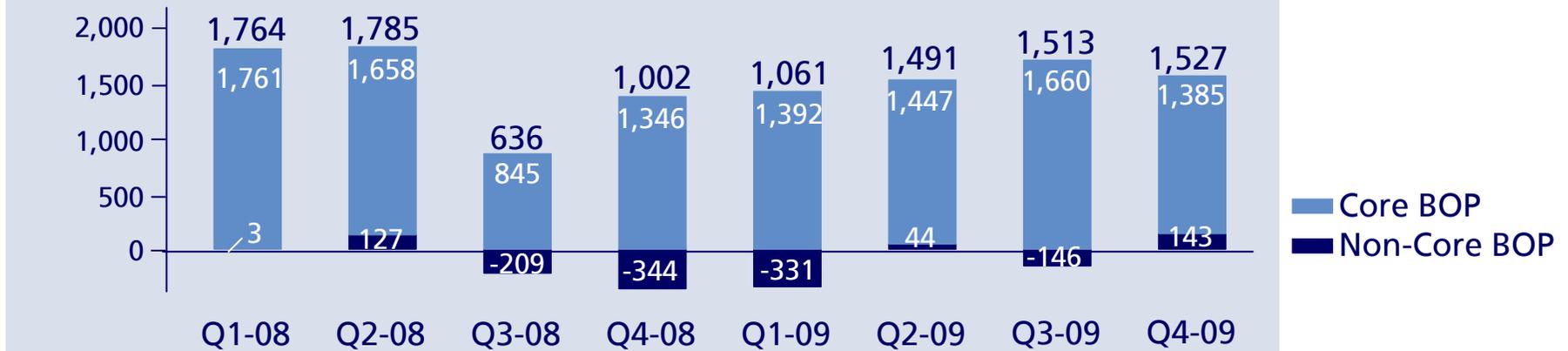
February 4, 2010

Zurich HelpPoint™

Business operating profit and net income by quarter



Business operating profit
in USD millions



Net income attributable to shareholders and BOPaT
in USD millions



General Insurance – Key performance indicators



in USD millions for the years ended December 31	2009	2008	Change	Change in LC ¹
GWP and policy fees	34,157	37,151	-8%	-4%
Rate change ²	3.3%	-1.4%	4.7pts	
Loss ratio	70.9%	72.6%	1.6pts	
Expense ratio	25.9%	25.5%	-0.4pts	
Combined ratio	96.8%	98.1%	1.3pts	
Business Operating Profit	3,463	3,535	-2%	1%

¹ Local Currency

² For details, please refer to specific notes on the following slide “Rate Change Monitor”.

General Insurance – Rate Change Monitor¹ for personal and commercial lines



12 months 2009

	GC	NAC	EGI	Int'l Markets	Total GI
Personal Lines	n/a	n/a	3%	2%	3%
Commercial Lines	5%	2%	3%	5%	4%

Discrete Q4 2009

	GC	NAC	EGI	Int'l Markets	Total GI
Personal Lines	n/a	n/a	4%	1%	4%
Commercial Lines	4%	1%	6%	5%	4%

EGI by country

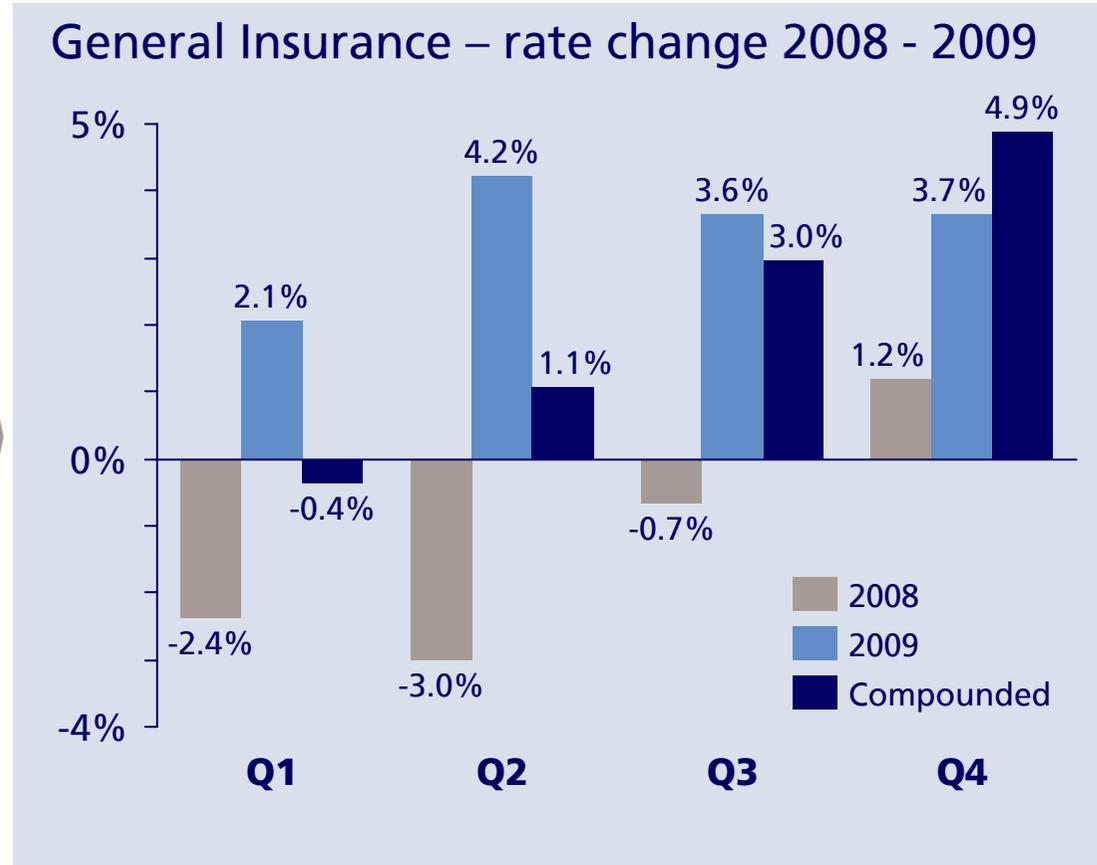
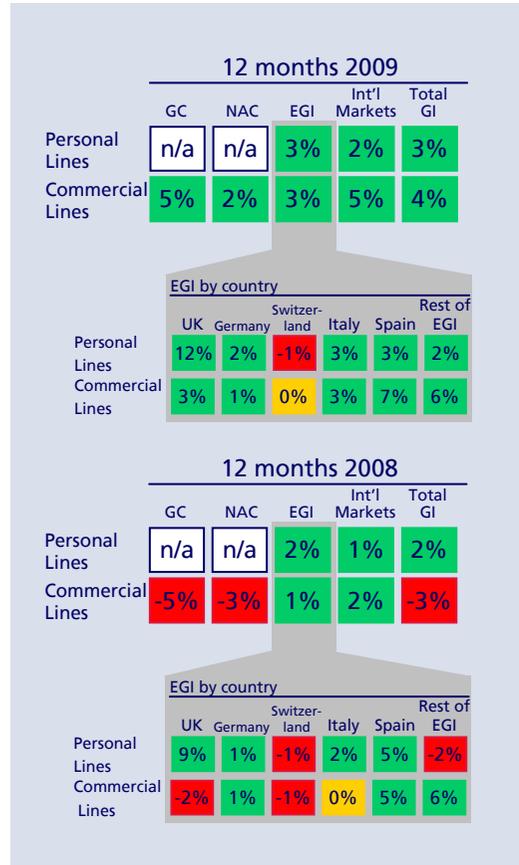
	UK	Germany	Switzer-land	Italy	Spain	Rest of EGI
Personal Lines	12%	2%	-1%	3%	3%	2%
Commercial Lines	3%	1%	0%	3%	7%	6%

EGI by country

	UK	Germany	Switzer-land	Italy	Spain	Rest of EGI
Personal Lines	13%	7%	0%	4%	4%	2%
Commercial Lines	7%	7%	0%	2%	9%	7%

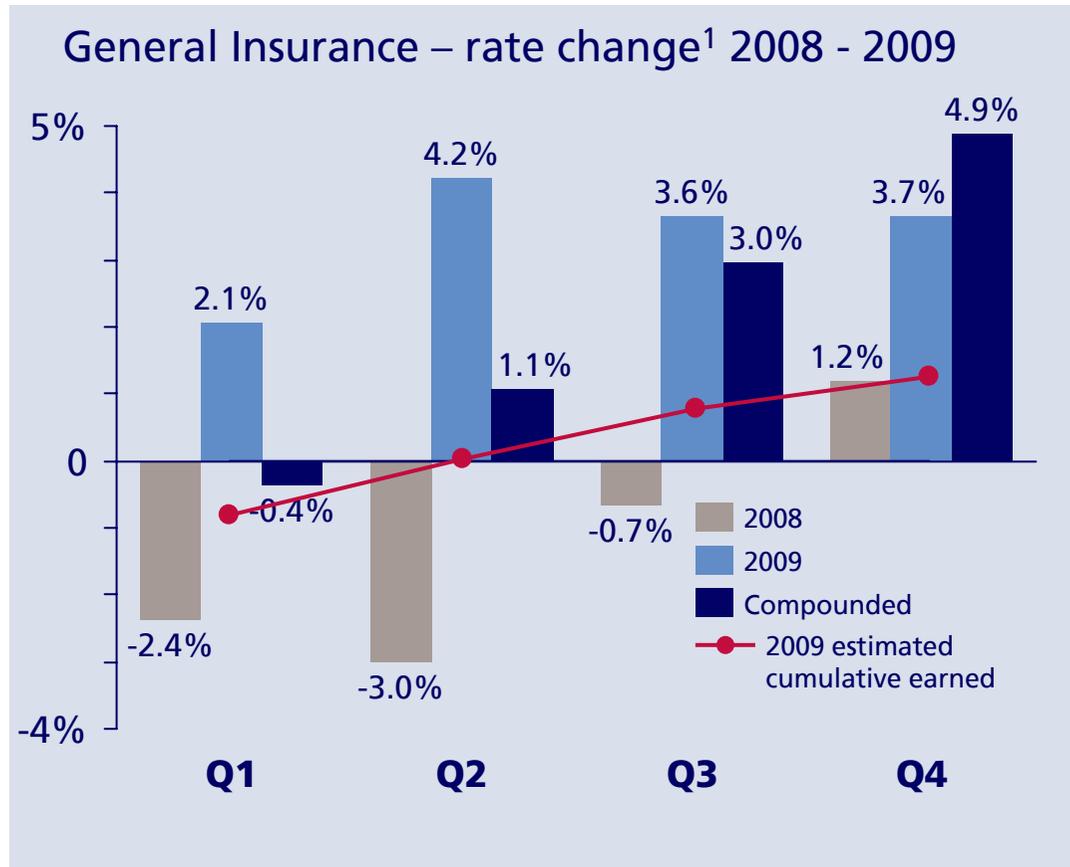
¹ The Zurich Rate Change Monitor expresses the Gross Written Premium development due to premium rate change as a percentage of the renewed portfolio against a comparable prior period. In this slide, the shown periods 2009 are compared to the same periods 2008.

General Insurance – Written Compounded Rate Change¹ 2008-2009



¹ Compounded rate change is the combined effect for the effective rate change in each quarter over the last two years, and is not annualized. For more details on our quarterly rate change, please refer to specific notes on the previous slide "Rate Change Monitor".

General Insurance – Underwriting actions improving the underlying loss ratio



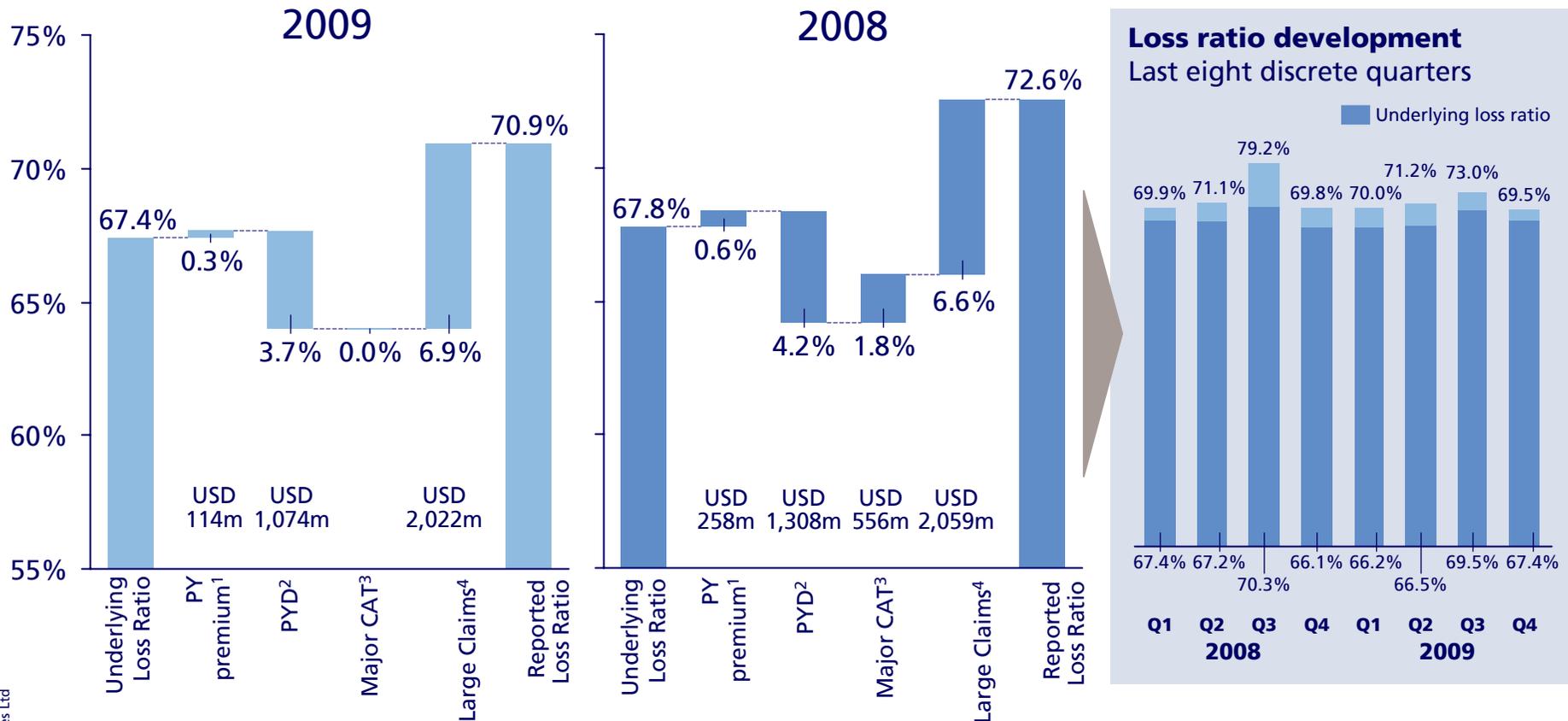
Of the rate increases achieved in 2009, over half remains to be earned in 2010.

Overall improvement of the underlying loss ratio of 0.4pts

- Corporate/Commercial NA +1.5pts
- Corporate/Commercial Europe +2.5pts
- Personal Lines Europe -2.9pts

¹ Compounded rate change is the combined effect for the effective rate change in each quarter over the last two years, and is not annualized. For more details on our quarterly rate change, please refer to specific notes on the earlier "Rate Change Monitor" slide.

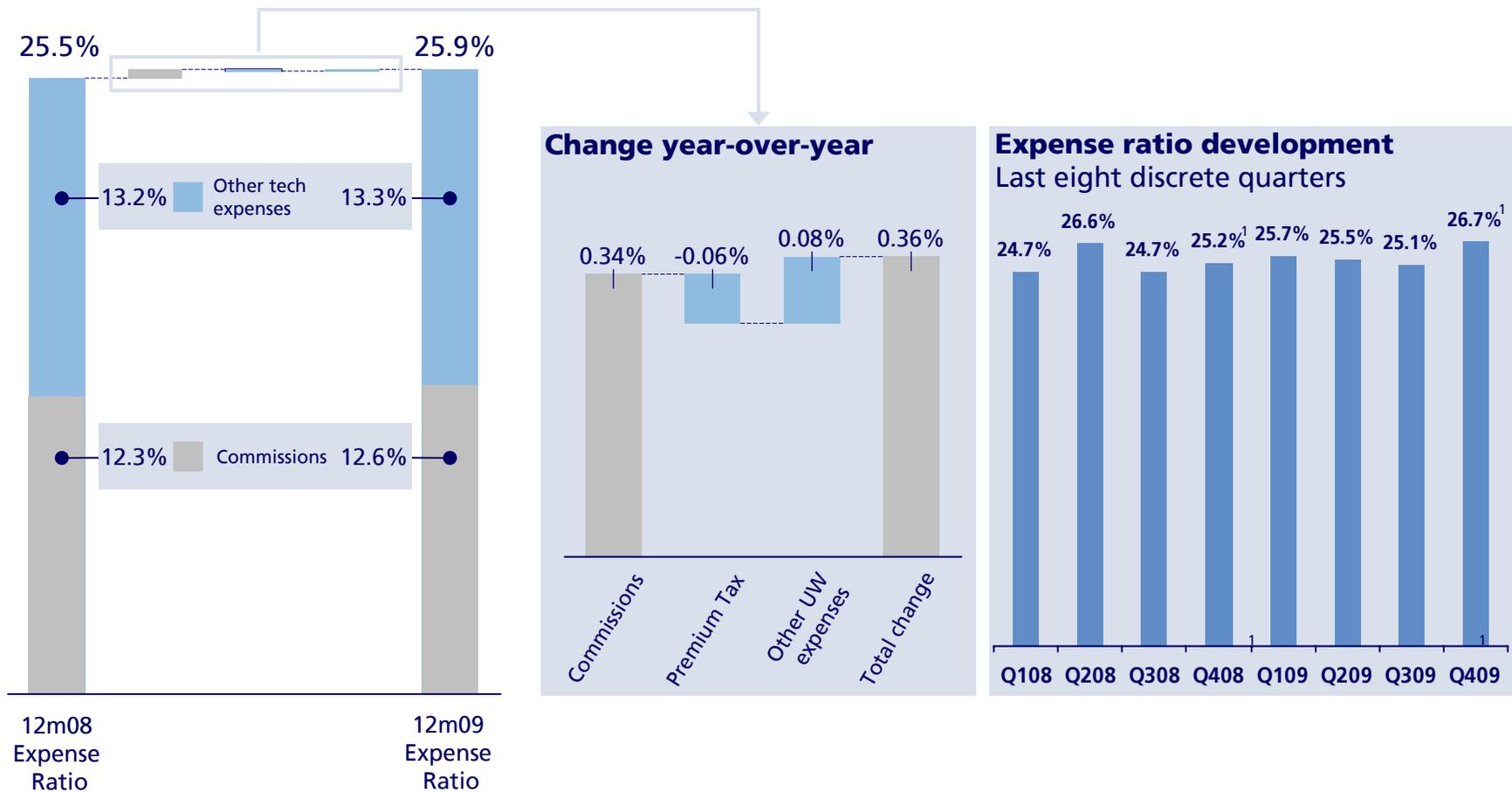
General Insurance – Comparison of loss ratio



© Zurich Financial Services Ltd

- 1 The PY premium movements arises from loss sensitive business written in the US. The premium adjustments affect the denominator of the ratio, rather than the numerator.
- 2 Prior year development.
- 3 Major CAT (potential USD 100m or greater).
- 4 Large claims are defined individually by our General Insurance Business Divisions, constantly applied over time, excluding Major CATs.

General Insurance – Net expense ratio walk from 12m08 to 12m09



¹ Adjusted for the PY premium movements from loss sensitive business written in the US. The premium adjustments affect the denominator of the ratio, rather than the numerator. Total premium adjustment is USD 258m and USD 114m for 2008 and 2009 respectively. As reported the expense ratio is 26.1% and 27.1% for Q408 and Q409 respectively.

Development of Reserves for Losses and Loss Adjustment Expenses (LAE)



in USD millions

	2009	2008
Net reserves for losses and LAE, as of January 1	52,986	54,712
Net losses and LAE paid	-23,689	-22,150
Net losses and LAE incurred		
- <i>Current year</i>	25,698	25,416
- <i>Prior years¹</i>	-1,059	-1,271
Foreign currency translation effects & other	1,967	-3,720
Net reserves for losses and LAE, as of December 31	55,903	52,986

¹ Of which within General Insurance: USD 1,074 million and USD 1,308 million for the full year 2009 and 2008 respectively.

Global Life – key performance indicators



in USD millions

for the years ended December 31

	2009	2008	Change	Change in LC ¹
GWP and policy fees (incl. insurance deposits) ²	26,029	21,873	19%	28%
Net inflows to Assets under Mgmt	5bn	-2bn	nm	
Annual Premium Equivalent (APE)	3,667	3,261	12%	19%
New business value, after tax	782	753	4%	9%
New business margin, after tax ³	21.3%	23.1%	-1.8pts	
MCEV operating return ⁴	14.9%	12.5%	2.4pts	
Closing MCEV	16,752	12,818	31%	
Business Operating Profit	1,477	1,490	-1%	5%

¹ Local Currency

² Global Life numbers include gross written premiums, policy fees and insurance deposits.

³ New Business Value as % of APE.

⁴ After tax and before currency translation effects.

Global Life – new business by pillar



in USD millions
for the years ended December 31

	APE 2009	APE 2008	Change	Change in LC¹
Bank Distribution	1,099	746	47%	55%
IFA/Brokers	924	942	-2%	11%
Agents	503	537	-6%	-3%
Corporate Life & Pensions	603	414	46%	60%
International / Expats	258	323	-20%	-28%
Private Banking Client Solutions	186	1	nm	nm
Direct and Central Initiatives	94	298	-68%	-64%
Total	3,667	3,261	12%	19%

¹ Local currency

Global Life – Business Operating Profit: Profit by Source



in USD millions
for the years ended December 31

	2009	2008	Change	Change in LC
Net Expense margin	356	249	43%	49%
Net Risk margin	653	634	3%	9%
Net Investment margin	706	679	4%	10%
Other profit margins	90	225	-60%	-53%
BOP before interests, depreciation and amortization	1,805	1,788	1%	7%
Interest, depreciation, amortization and non controlling interest	-328	-298	-10%	-19%
Business Operating Profit	1,477	1,490	-1%	5%

Note: Restructuring provisions and other items not relevant for BOP are netted in the corresponding line item.

Farmers – key performance indicators



in USD millions
for the years ended December 31¹

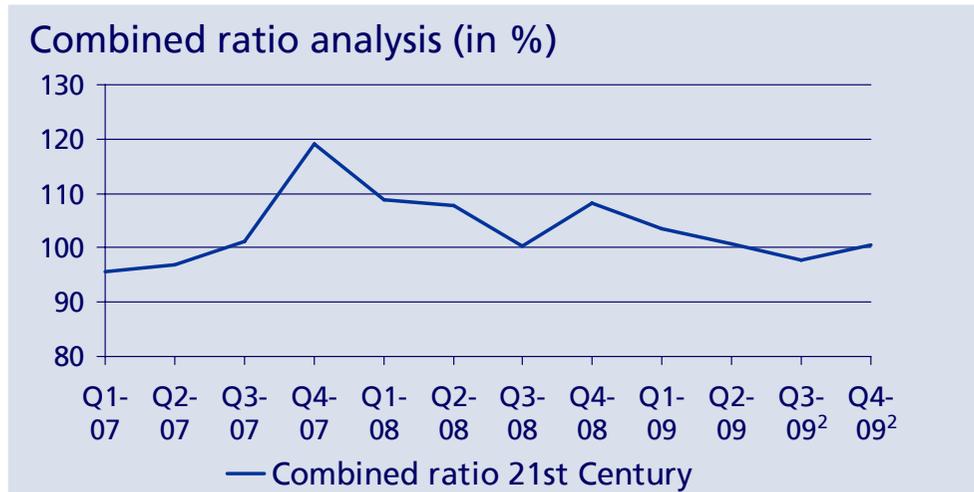
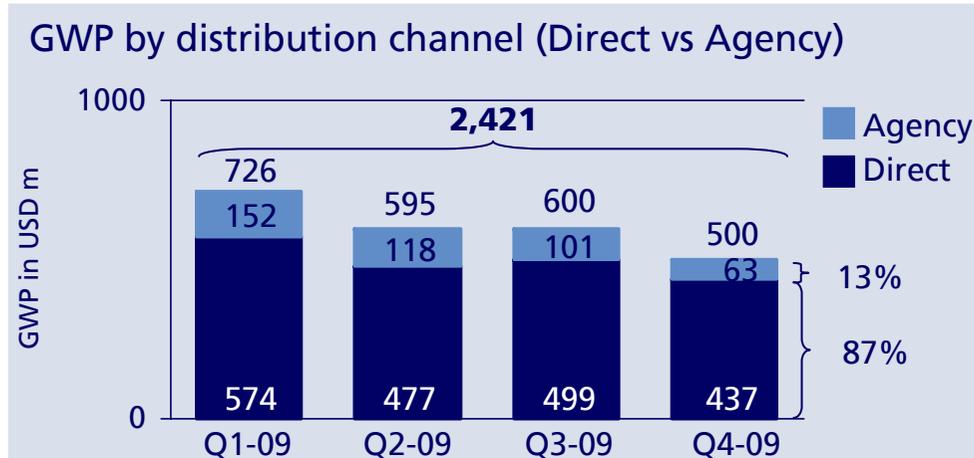
	2009	2008	Change
Farmers Management Services			
Managed gross earned premium margin ²	7.2%	6.9%	0.3pts
Business operating profit	1,326	1,202	10%
Farmers Re			
Business operating profit	228	154	48%
Farmers Exchanges²			
Gross written premiums (indicative) ³	17,620	16,710	5.4%
Surplus ratio	43.0%	36.4%	6.6pts

¹ Includes results from 21st Century/Personal Auto Group (21stC/PAG) since July 1, 2009 when transaction closed.

² Margin on gross earned premiums of the Farmers Exchanges. Zurich Financial Services Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides management services to the Farmers Exchanges and receives fees for its services.

³ 2008 GWP excludes the USD 425m portfolio transfer of Zurich Small Business unearned premiums.

Acquisition of 21st Century¹ – Update



- **GWP** for FY09 of USD 2.4bn reflects:
 - **Direct:** negative residual effect of legacy brand issues and deteriorating US economy – levels stabilizing
 - **Agency:** high lapse rates, low new business due to legacy brand issues and integration into Foremost
- **Combined Ratio** for FY09 totaled 100.6%² and 98.8%² post acquisition
 - The combined ratio post acquisition (Q3-09 & Q4-09) was 98.8%² as a result of continued management of underwriting, pricing actions and favorable underlying frequency trends.
- Cross-sell to Farmers Exclusive Agents in pilot for 2 states. Significant dedicated effort focused on rolling out into additional states in 2010.

© Zurich Financial Services Ltd

¹ Acquisition of 21st Century/Personal Auto Group (21stC/PAG). Transaction closed on July 1, 2009. All 21stC/PAG financial information excludes discontinued operations.

² Combined ratio adjusted for profit portion of management fees.

Other Operating and Non-Core Businesses – Business operating profit contribution



ZURICH®

in USD millions

for the years ended December 31

	2009	2008	Change
Other Operating Businesses	-611	-772	21%
<i>of which: subordinated debt buy-back</i>	<i>210</i>	<i>-</i>	<i>nm</i>
Non-Core Businesses			
- Banking activities	-182	53	nm
- Centrally managed businesses	-279	-496	44%
- Other run-off	170	20	nm
<i>of which: Centre</i>	<i>160</i>	<i>-106</i>	<i>nm</i>
Total Non-Core Businesses	-290	-423	31%

Investment performance of Group investments



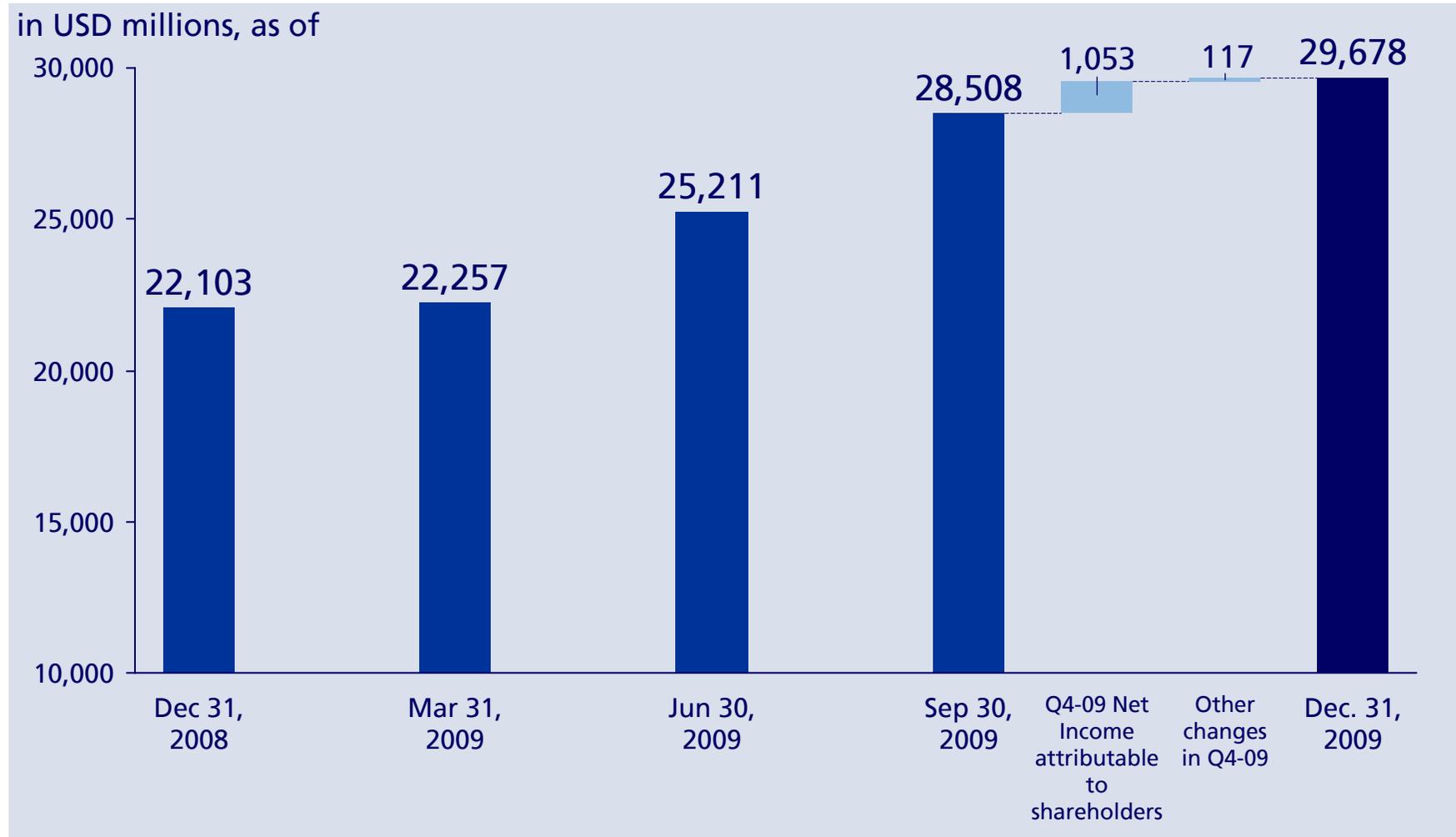
in USD millions for the years ended December 31	2009	2008	Change
Net investment income	7,505	8,698	-14%
Net capital losses/gains on investments and impairments ¹	-1,423	-2,893	51%
<i>of which attributable to shareholders</i>	-1,375	-2,110	35%
Net investment result	6,082	5,805	5%
Net investment result in % ²	3.2%	3.1%	0.1pts
Movements in net unrealized losses on investments included in shareholders' equity ³	5,674	-3,902	nm
Total net investment return ²	6.3%	1.0%	5.2pts

¹ Including impairments of USD 1,394m (FY08: USD 2,457m).

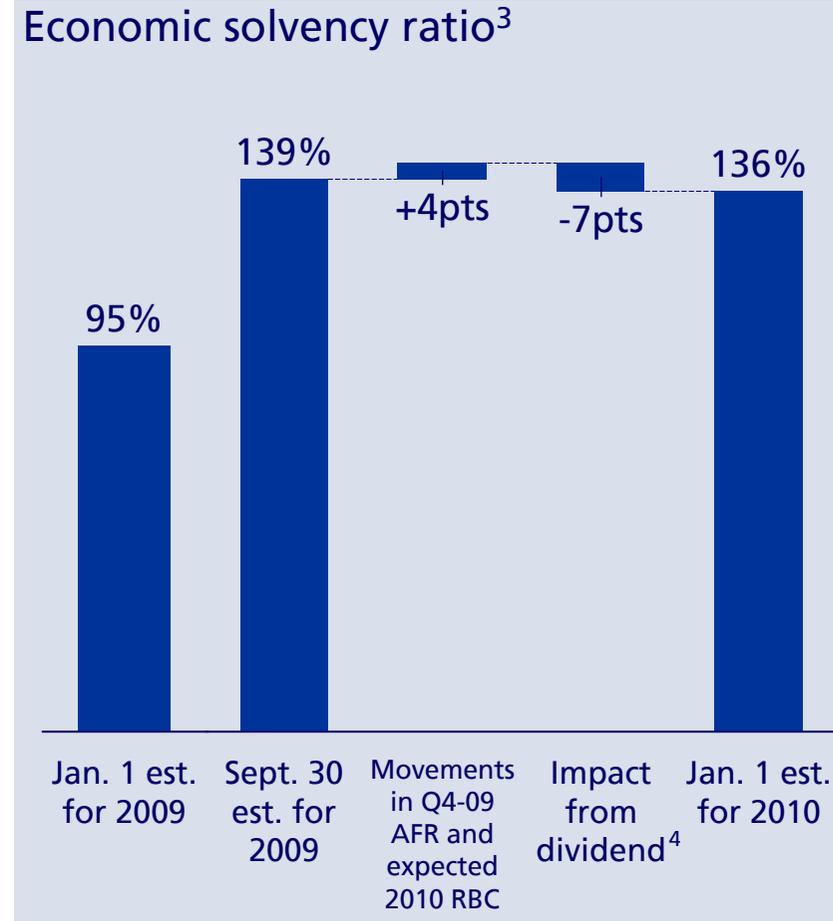
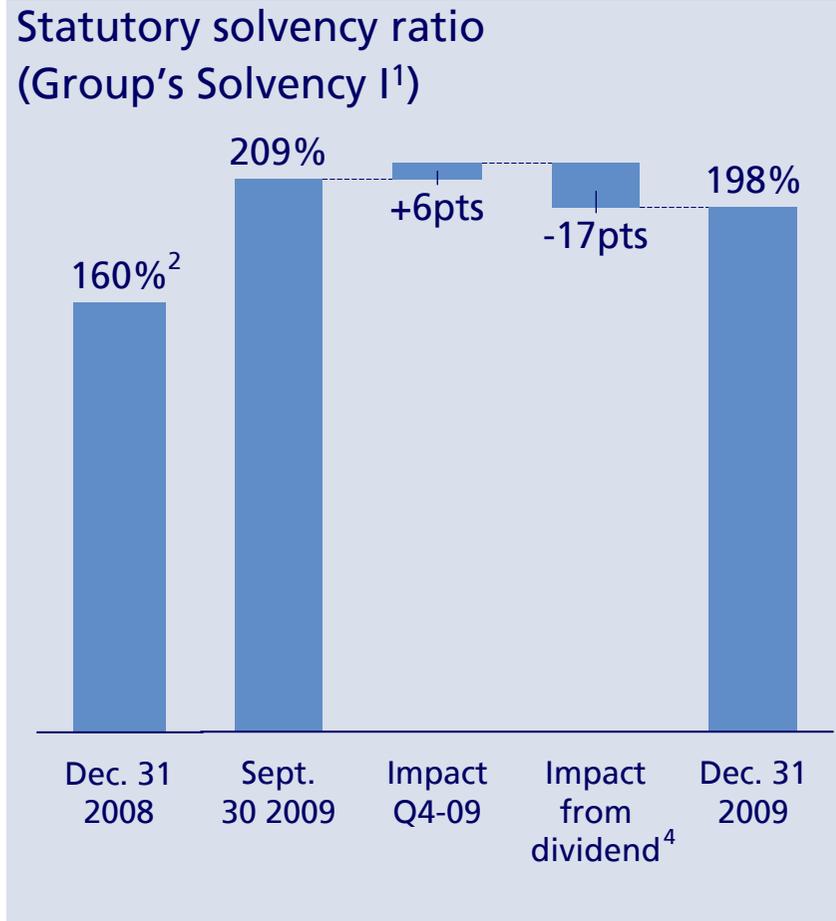
² In % of average investments.

³ Before attribution to policyholders and other.

Development of shareholders' equity



2010 estimated economic and regulatory solvency



© Zurich Financial Services Ltd

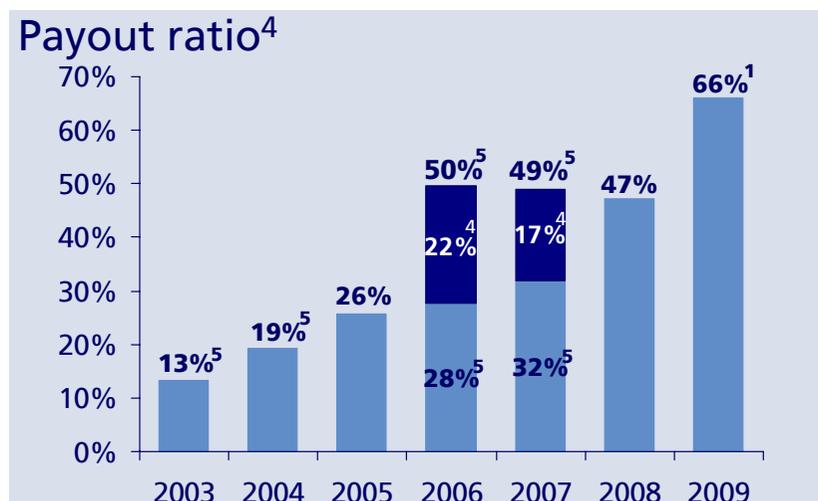
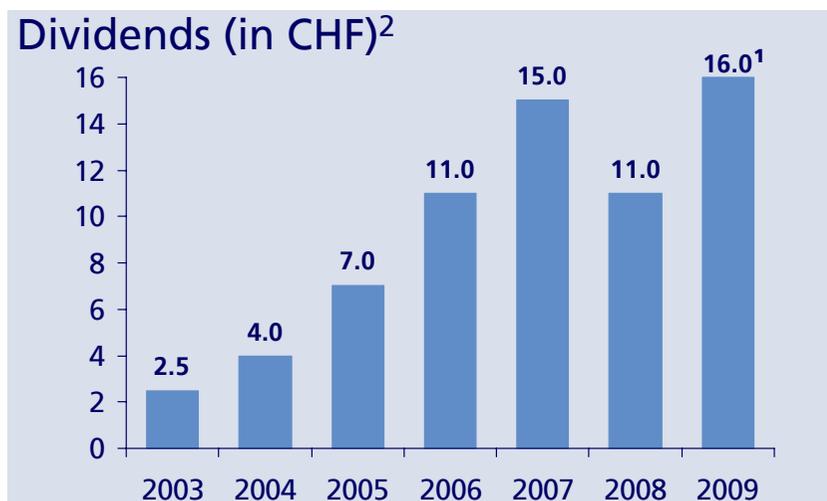
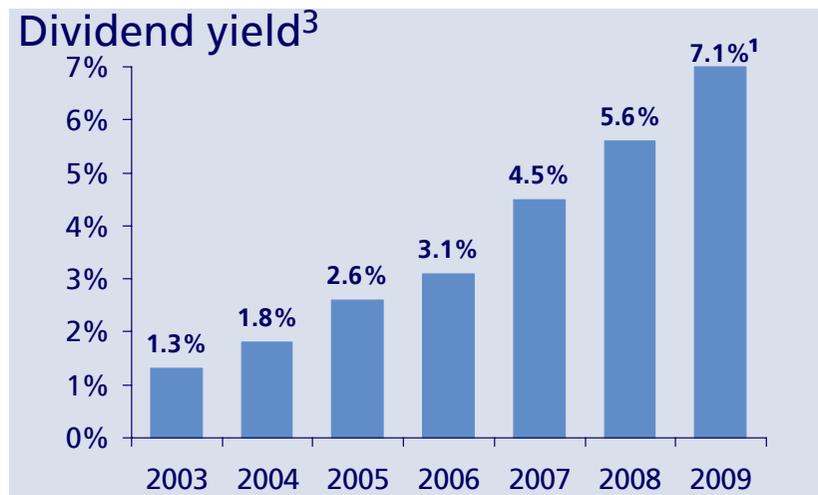
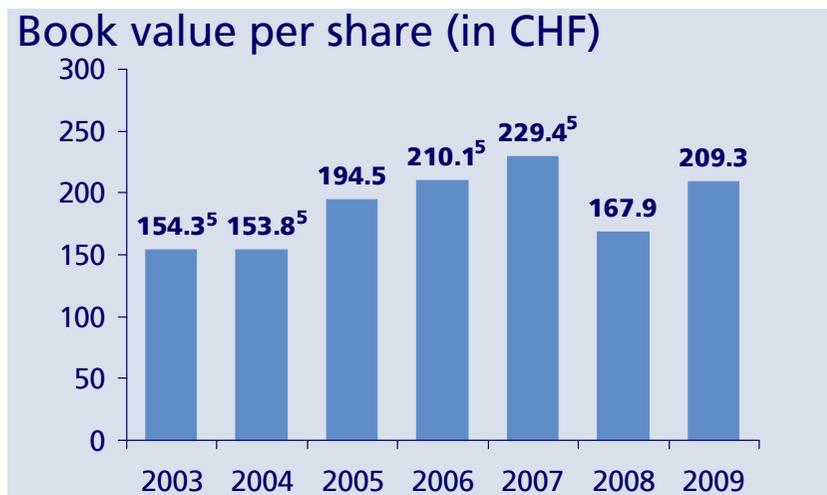
¹ Solvency I requirements in accordance with the Swiss insurance supervisory law.

² Finalized and as filed with the Swiss regulator; after dividend.

³ Economic financial strength is based on Available Financial Resources (AFR) at the beginning of the period and expected risks to be taken during the period (RBC). Economic financial strength is based on **AA calibration**.

⁴ Proposed gross dividend by the Board of Directors to the Annual General Meeting 2010.

Attractive CHF 16 dividend for 2009¹



© Zurich Financial Services Ltd

¹ Proposed gross dividend of CHF 16 by the Board of Directors to the Annual General Meeting 2010.
² Dividend includes gross dividend and payout of nominal value reduction per registered share.
³ Compared to the close price of the day before the ex-dividend date, except for 2009 for which year-end close price was considered.
⁴ Payout includes share buy-backs of USD 1bn each in respect of 2006 and 2007.
⁵ Restated

Summary



- Solid operating results driven by successful expense & market actions
- Sophisticated risk management
- Strong capital base and balance sheet
- Developing brand strength
- Attractive dividend
- Prepared for any future market conditions



Q&A





Closing remarks

Martin Senn
Chief Executive Officer

February 4, 2010

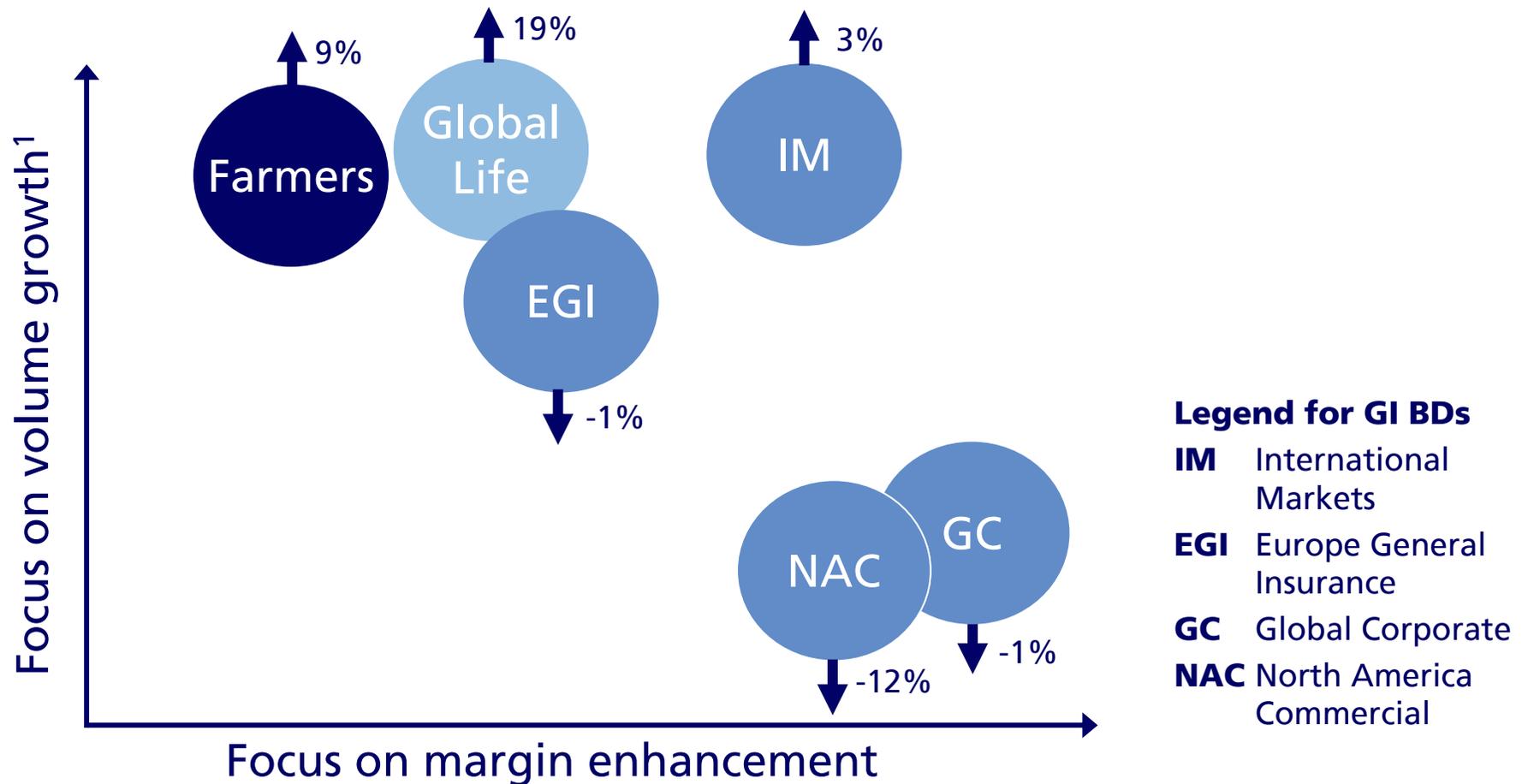
Zurich HelpPoint™



Appendix



Zurich is poised for profitable growth



Legend for GI BDs

- IM** International Markets
- EGI** Europe General Insurance
- GC** Global Corporate
- NAC** North America Commercial

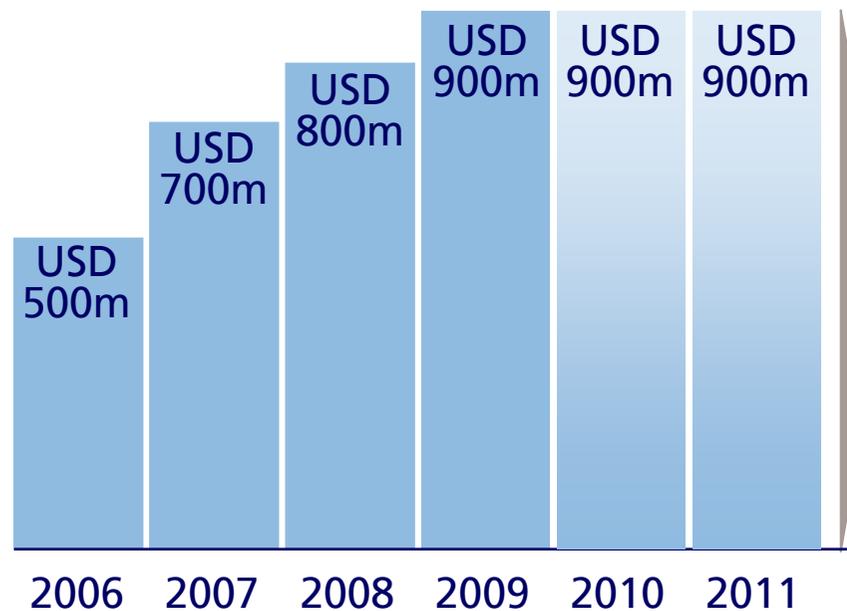
© Zurich Financial Services Ltd

¹ Volume growth measured as growth in fee income for Farmers Management Services, growth in APE in local currency for Global Life and GWP growth in local currency for General Insurance.

The Zurich Way



The Zurich Way – Target of USD 0.9 billion annually for 2010 and 2011



- We have comfortably achieved our 2009 target.
- Developing our plan, we expect benefits of USD 0.9 billion for 2010 and 2011
- 7 major TZW workstreams with continuing focus on Profitable Growth and Operational Transformation initiatives
- Expected contribution to key performance indicator for 2010 & 2011:

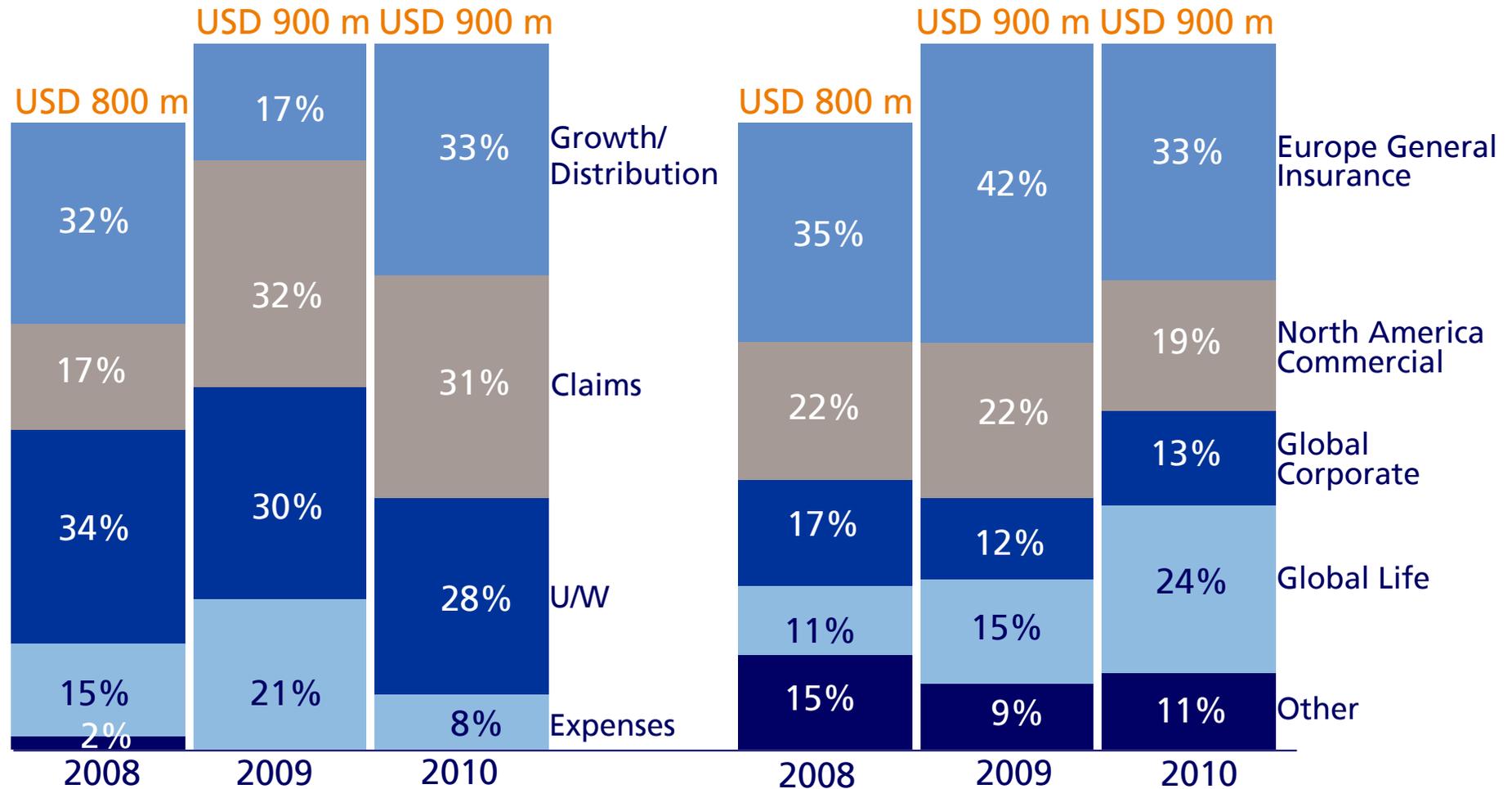
General Insurance:
Combined ratio: 2 - 3pts p.a.

The Zurich Way initiatives – 2010 target



by function

by business division



© Zurich Financial Services Ltd

Top line development by segment



in USD millions
for the years ended December 31

	2009	2008	Change	Change in LC ¹
General Insurance				
GWP and policy fees	34,157	37,151	-8%	-4%
Global Life				
GWP and policy fees (incl. insurance deposits) ²	26,029	21,873	19%	28%
Annual Premium Equivalent (APE) ³	3,667	3,261	12%	19%
Farmers				
Farmers management fees	2,690	2,458	9%	9%
Farmers Re GWP	6,615	3,381	96%	96%

© Zurich Financial Services Ltd

¹ Local Currency

² Global Life numbers include gross written premiums, policy fees and insurance deposits.

³ Gross new business annual premium equivalent (APE).

Business division BOP-ROE¹ based on RBC-allocated IFRS equity



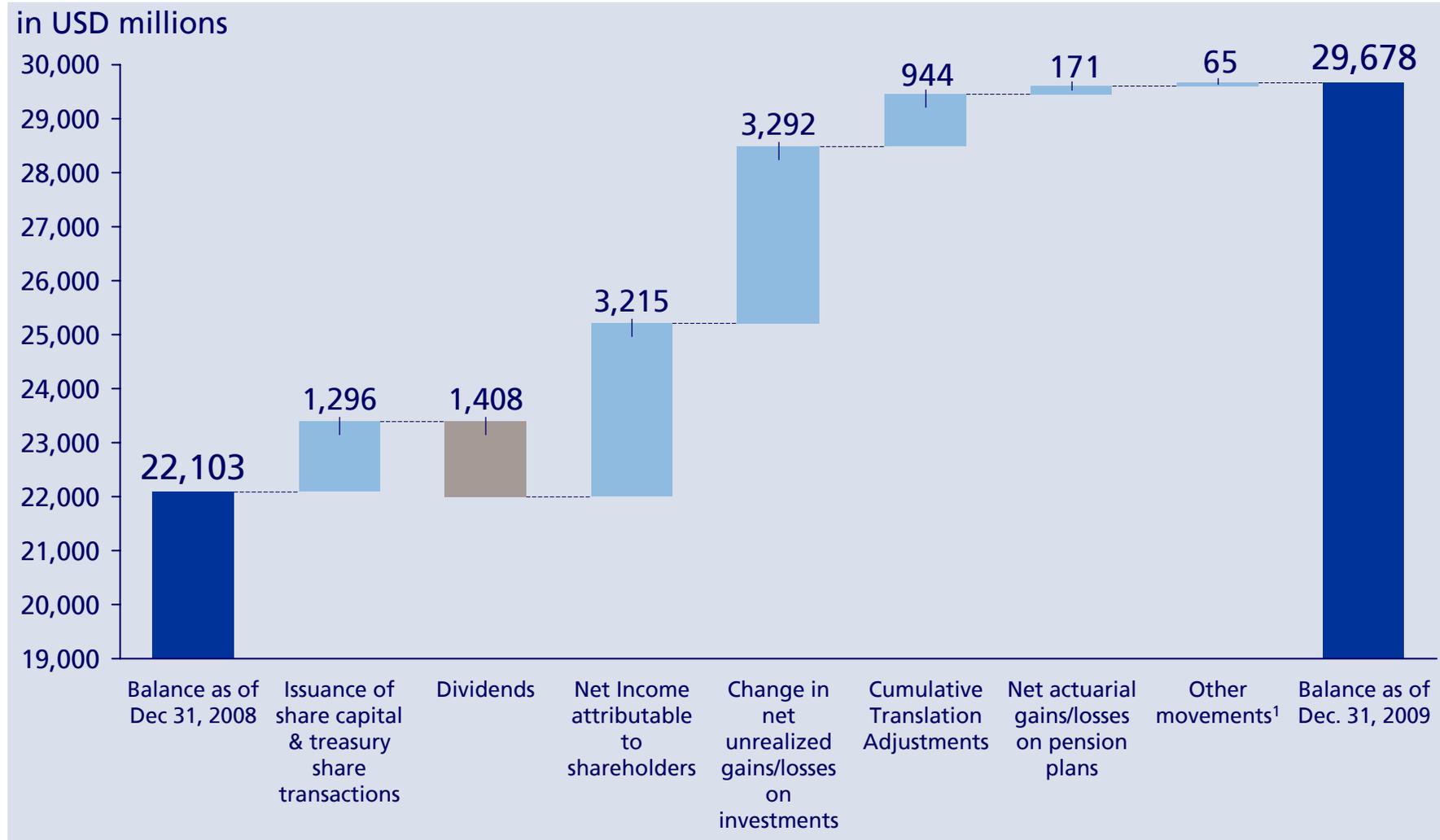
for the years ended December 31

	2009	2008
General Insurance	23.3%	24.1%
<i>Global Corporate</i>	22.7%	1.6%
<i>North America Commercial</i>	24.4%	25.6%
<i>Europe General Insurance</i>	23.9%	41.6%
<i>International Markets</i>	20.4%	28.9%
<i>GI Global Functions including Group Reinsurance</i>	18.5%	16.6%
Global Life	21.5%	25.2%
Farmers	48.4%	51.9%
Other Operating Businesses	-36.4%	-85.7%
Non-Core Businesses	-22.5%	-26.5%
Total Group	22.0%	20.7%
Total Group BOP (after tax) ROE ²	17.2%	16.8%

¹ Adjusted BOP-ROE based on average IFRS Group equity allocated to the segment based on its share of Zurich risk based capital (RBC).

² Business operating profit (after tax) return on common shareholders' equity.

Development of shareholders' equity in 2009



© Zurich Financial Services Ltd

¹ Includes changes in cash flow hedges and share-based payment transactions and other.

2010 estimated economic and regulatory solvency



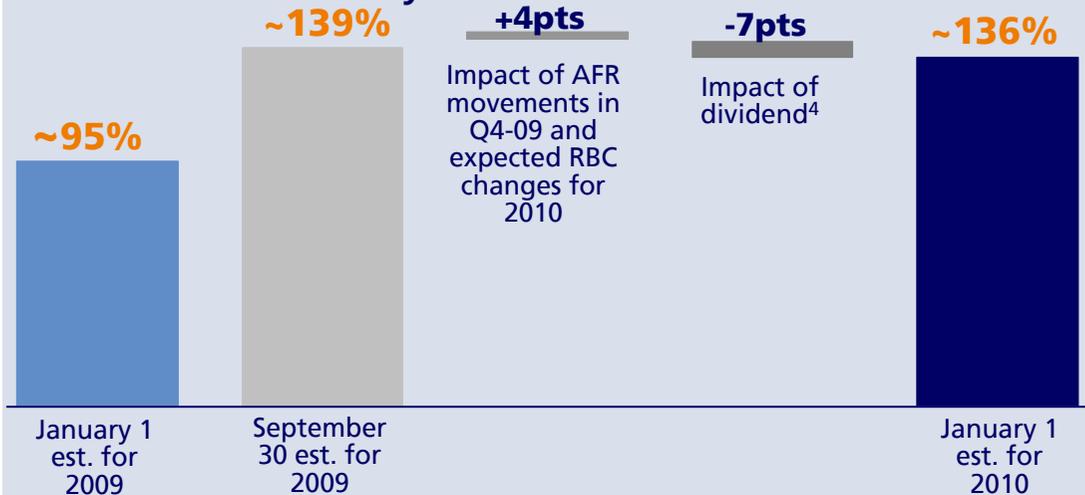
Statutory solvency ratio / Group's Solvency I¹

Dec. 31, 08	Sep. 30, 09	Impact Q4-09	Dividend ⁴	Dec 31, 09
160% ²	209%	+6pts	-17pts	198%

What if scenarios

Debt securities at cost	-5pts
GI DAC	+24pts

Economic solvency ratio³



Impact 10bps liquidity premium ⁵	+1pts
Impact 100bps liquidity premium ⁵	+7pts

- ¹ Solvency I requirements in accordance with the Swiss insurance supervisory law.
- ² Finalized and as filed with the Swiss regulator; after dividend.
- ³ Economic financial strength is based on Available Financial Resources (AFR) at the beginning of the period and expected risks to be taken during the period (RBC). Economic financial strength is based on **AA calibration**.
- ⁴ Proposed gross dividend by the Board of Directors to the Annual General Meeting 2010.
- ⁵ Impact on Available Financial Resources. 10bps sensitivity consistent with new industry disclosure practice. 100bps sensitivity provided for comparison to prior quarter.

Updated economic solvency view for 2010



in USD billions¹

Available Financial Resources (AFR)	
Estimated AFR as of September 30, 2009	+ 40
● Movements in Q4-09	+ 3
● Proposed dividend 2010 ²	- 2
January 1 estimate for 2010 AFR	+ 41

Risk Based Capital (RBC)	
Estimated RBC as of September 30, 2009	+ 29
● Movements in Q4-09	-
● Expected RBC changes for 2010	1
January 1 estimate for 2010 RBC	+ 30

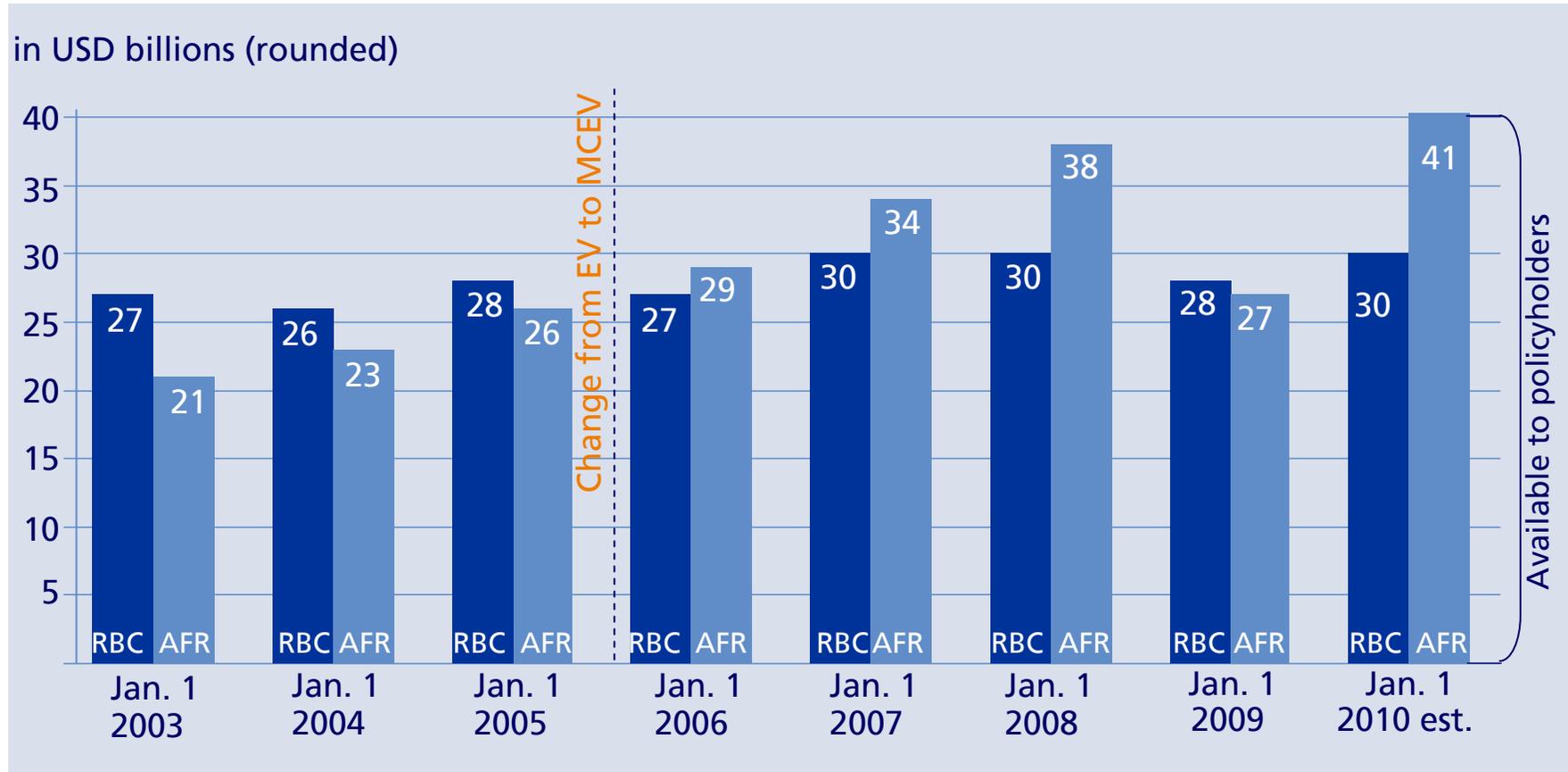
Estimated 2010 economic solvency ratio
~136%

© Zurich Financial Services Ltd

¹ Approximated and rounded.

² Proposed gross dividend by the Board of Directors to the Annual General Meeting 2010.

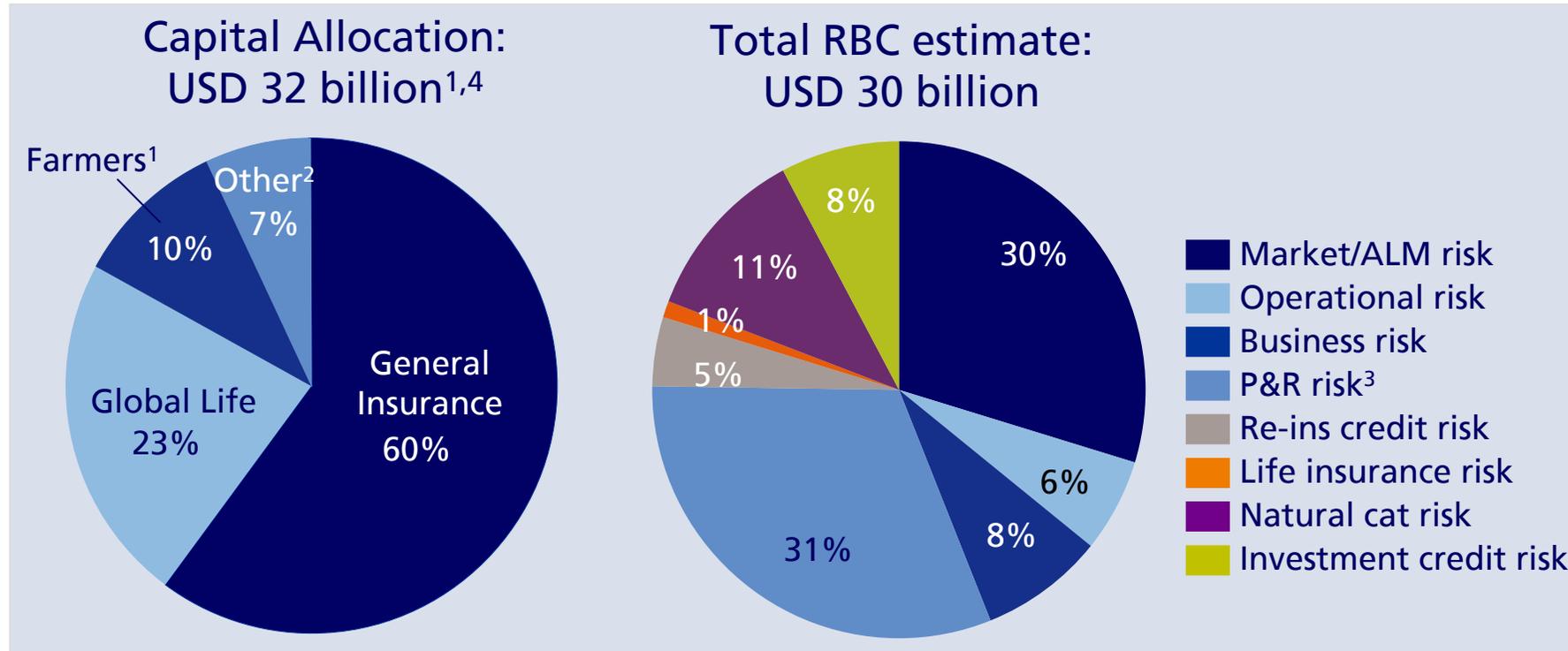
Strong economic solvency¹



© Zurich Financial Services Ltd

¹ Economic financial strength is based on available financial resources (AFR) **at the beginning of period** and expected risks to be taken during period (RBC).

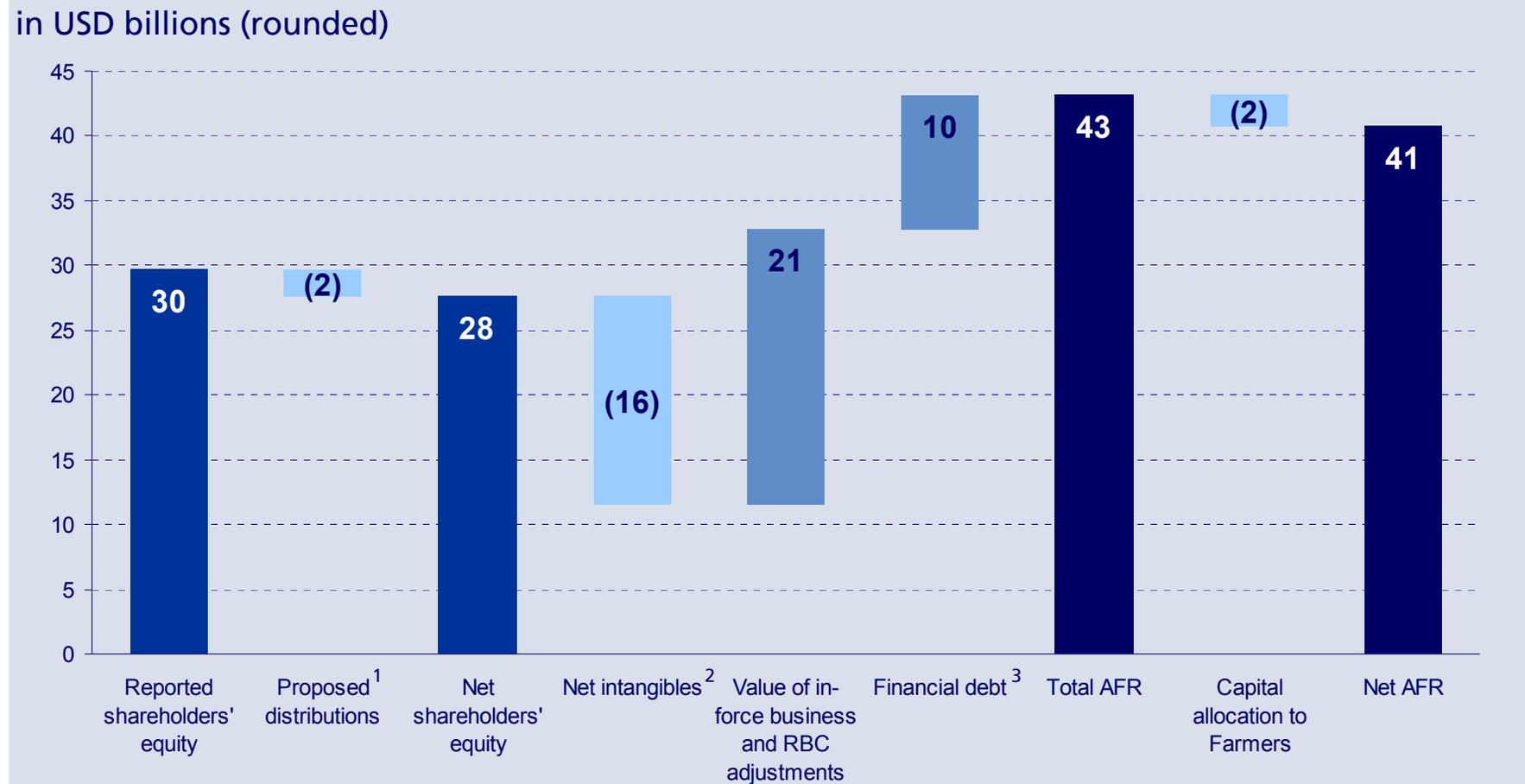
Zurich RBC by segment and risk type for 2010



© Zurich Financial Services Ltd

- ¹ Total allocated capital = USD 30bn RBC plus USD 2bn direct allocation to Farmers Management Services.
- ² Includes Other Operating Business and Non-Core Businesses.
- ³ Premium & reserving risk.
- ⁴ Reflects current management structure between General Insurance, Other Operating Business and Non-Core Businesses.

Estimation of Available Financial Resources (AFR) as of January 1, 2010



¹ Proposed dividend.

² Shareholders' intangible assets adjusted for taxes less deferred front-end fees and deferred tax liabilities.

³ All debt issues (senior and subordinated) excluding those classified as operational debt or maturing within one year.

Group's Solvency I calculation



in USD millions	Dec 31, 2009 ³	Sep 30, 2009	Jun 30, 2009 ¹	Mar 31, 2009	Dec 31, 2008 finalized ²
Eligible equity					
Total equity	31,478	30,323	26,942	23,850	23,781
Net of intangibles and other assets	-7,546	-7,325	-7,235	-6,532	-6,217
Free reserves for policyholder dividends	2,799	2,987	2,083	1,700	2,325
Subordinated debt	4,153	4,135	4,103	3,575	3,683
Deferred policyholder acquisition costs non-life insurance	-3,054	-3,153	-3,090	-2,816	-2,793
Dividends, share buy-back and nominal value reduction	-2,226	-	-	-1,326	-1,411
Total eligible equity	25,604	26,967	22,803	18,451	19,369
Total required solvency capital	12,932	12,894	12,695	11,762	12,142
Excess margin	12,672	14,072	10,108	6,689	7,227
Solvency ratio	198%	209%	180%	157%	160%

¹ Including entire impact of 21st Century/Personal Auto Group transaction, which closed on July 1, 2009.

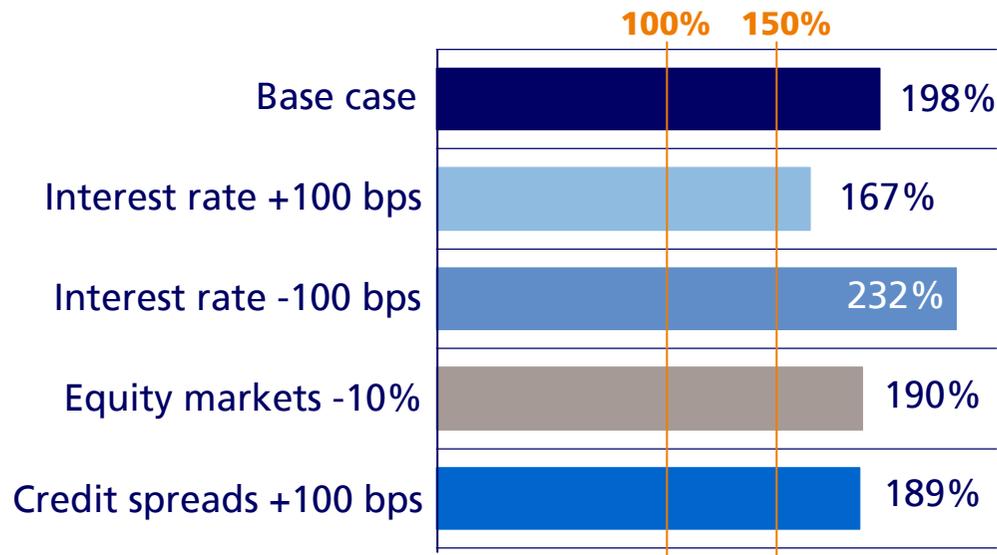
² Finalized and as filed with the Swiss regulator.

³ Current estimate.

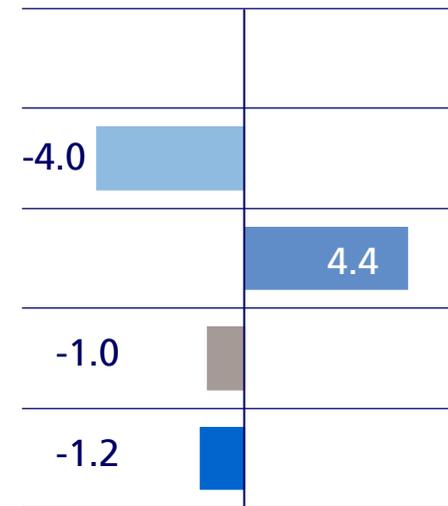
Group's Solvency I - sensitivities¹



Solvency I ratio impact (in %)



Monetary impact on IFRS equity as of Dec 31, 2009 (in USD bn)



¹ Solvency I requirements in accordance with the Swiss insurance supervisory law. The impact on unit-linked business is not included, as policyholders bear the investment risk. The impact on changes to the required capital is not included in the sensitivities for the Solvency I ratio. For further details, please refer to the respective section of the Risk Review.

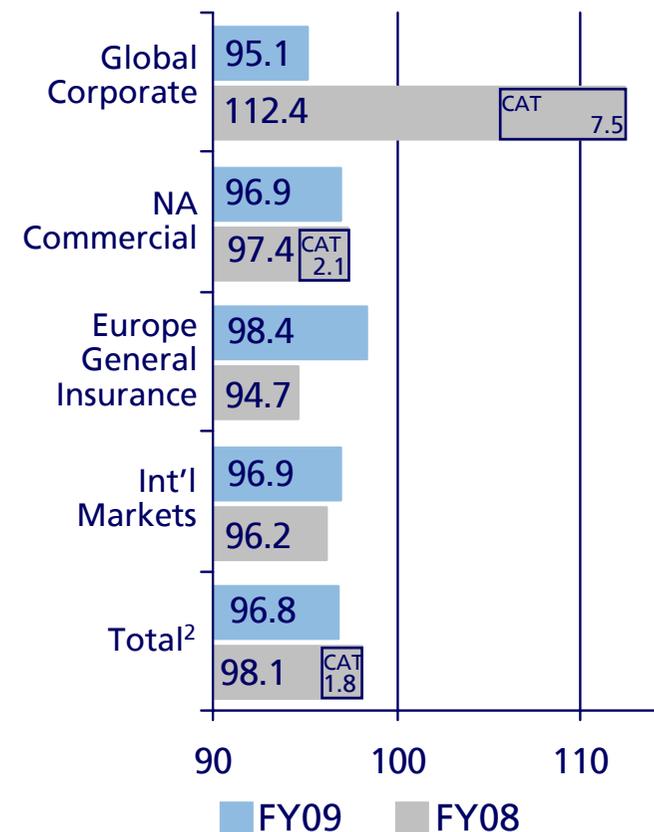
General Insurance – key performance indicators



Business operating profit

in USD millions for the years ended December 31	2009	2008	Change
Global Corporate	787	47	nm
North America Commercial	1,243	1,238	0%
Europe General Insurance	1,120	1,864	-40%
International Markets	169	201	-16%
Other ¹	144	186	-23%
Total	3,463	3,535	-2%³

Combined ratio (%)



¹ GI Global Functions, Group Reinsurance and inter-segment eliminations.
² Including GI Global Functions, Group Reinsurance and inter-segment eliminations.
³ Equivalent to +1% in local currency.

Non-life ultimate loss ratios by accident year



Cumulative incurred net loss ratios ¹	2001	2002	2003	2004	2005	2006	2007	2008	2009
In the year	81.4%	70.6%	67.1%	68.3%	73.3%	69.6%	72.7%	74.6%	72.3%
1 year later	85.7%	72.0%	66.1%	64.2%	68.1%	66.2%	71.7%	74.1%	
2 years later	85.8%	72.3%	65.4%	63.5%	66.6%	64.8%	70.6%		
3 years later	87.4%	74.5%	65.5%	63.7%	65.0%	63.3%			
4 years later	88.5%	74.7%	65.7%	62.9%	63.8%				
5 years later	90.2%	73.4%	65.0%	62.2%					
6 years later	90.2%	74.3%	64.6%						
7 years later	90.3%	74.1%							
8 years later	90.6%								

¹ In % of net earned premiums in that year

Asbestos and environmental reserves



	2009		2008	
	Gross reserves USD m	3-year survival ratio	Gross reserves USD m	3-year survival ratio
Asbestos	3,604	29.6 ²	3,001	23.5 ²
General Insurance	3,116	34.1	2,352	28.4
of which: US	383	8.8	422	7.6
of which: UK	2,733	37.7 ¹	1,929	32.9 ¹
Other Businesses	488	3.2 ²	649	5.9 ²
Environmental	280	4.7	332	6.6
Total	3,884		3,333	

¹ 3-year survival ratio for the UK on a local currency basis.

² Survival ratios were impacted by commutations in Other Businesses both in 2008 and 2009. Adjusting for these commutations survival ratios would be estimated to 31.0 (2009) and 24.9 (2008) for Total Asbestos and 16.2 (2009) and 13.9 (2008) for Other Businesses.

Global Life – Business Operating Profit: Profit by Source (1/2)



in USD millions	Americas		UK		Germany		Switzerland	
	2009	2008	2009	2008	2009	2008	2009	2008
Net Expense margin	142	52	45	-38	185	163	9	32
Net Risk margin	160	129	97	164	86	93	131	107
Net Investment margin	114	87	81	169	161	189	103	62
Other profit margins	36	26	82	247	-44	-36	0	0
BOP before interests, depreciation and amortization	452	294	305	542	387	409	243	202
Interest, depreciation, amortization and non controlling interest	5	-4	-44	-113	-63	-77	-6	-13
Business Operating Profit	458	290	261	429	324	332	237	190

Note: Restructuring provisions and other items not relevant for BOP are netted in the corresponding line item.

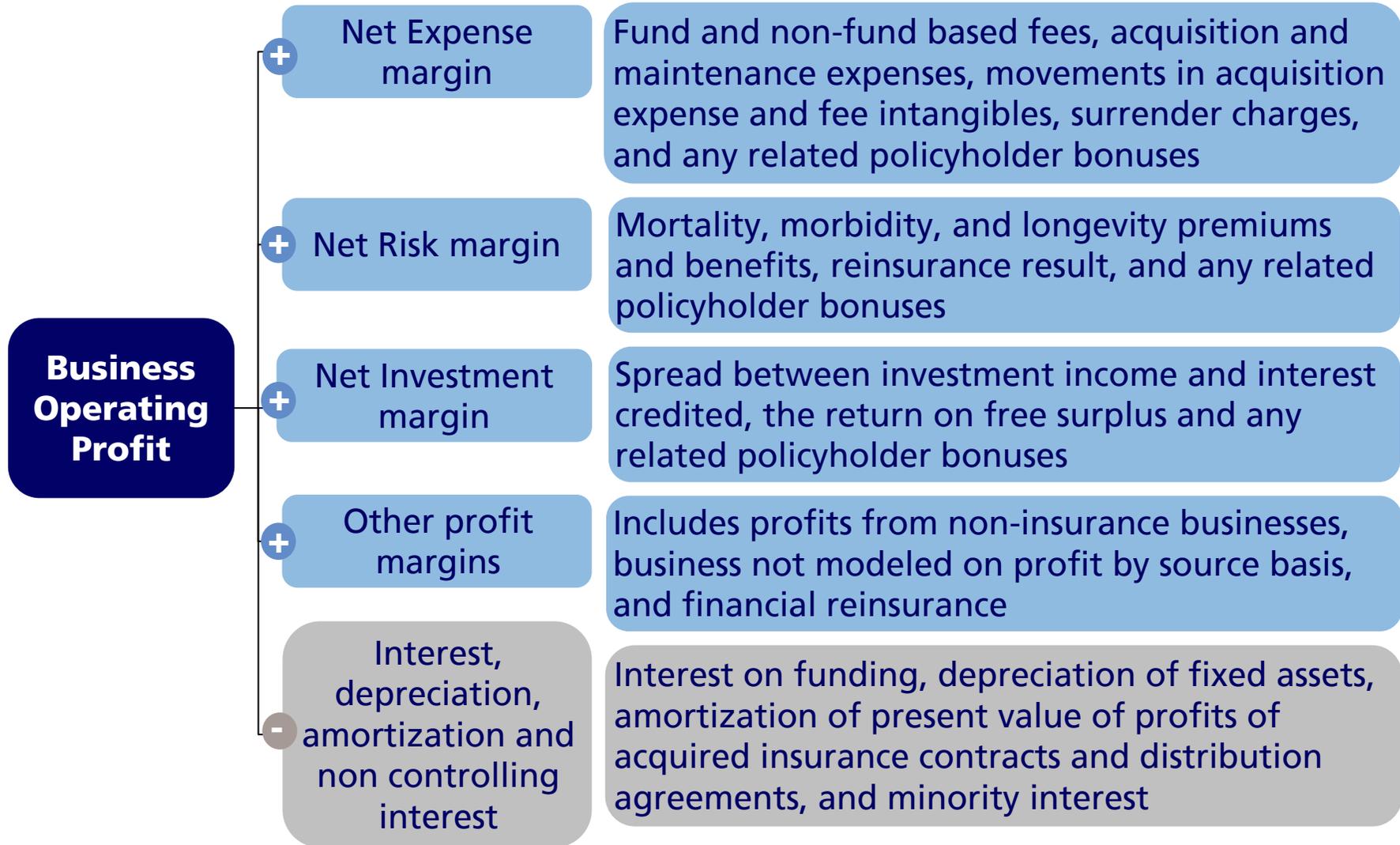
Global Life – Business Operating Profit: Profit by Source (2/2)



In USD millions	Ireland		Spain		Emerging Markets		Rest of World		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Net Expense margin	-39	25	36	2	5	24	-27	-12	356	249
Net Risk margin	58	43	37	28	44	30	38	40	653	634
Net Investment margin	20	10	95	70	8	0	125	91	706	679
Other profit margins	0	0	-4	0	15	-25	6	12	90	225
BOP before interests, depreciation and amortization	39	79	165	100	72	30	143	132	1,805	1,788
Interest, depreciation, amortization and non controlling interest	-2	-2	-152	-61	-7	-9	-59	-21	-328	-298
Business Operating Profit	37	77	13	39	64	21	84	111	1,477	1,490

Note: Restructuring provisions and other items not relevant for BOP are netted in the corresponding line item.

Global Life – Profit by Source: Definitions



Note that each source of profit is reported net of any items not included in BOP, for example restructuring provisions.

Global Life – new business indicators



in USD millions
for the years ended
December 31

	APE 2009	APE 2008	Change	Change in LC¹	NBV² 2009	NBV² 2008	Change
Americas, of which	259	223	16%	21%	136	121	12%
<i>US</i>	97	101	-3%	-3%	100	91	10%
<i>Latin America</i>	161	122	32%	44%	36	30	19%
United Kingdom	785	878	-11%	6%	95	90	6%
Germany	622	690	-10%	-5%	144	265	-46%
Switzerland	118	123	-4%	-4%	24	36	-35%
Ireland	310	327	-5%	0%	69	61	13%
Spain	709	294	141%	154%	111	44	154%
Emerging markets in Asia	528	526	0%	-4%	128	100	27%
Rest of the world	336	200	69%	79%	75	35	114%
Total	3,667	3,261	12%	19%	782	753	4%

© Zurich Financial Services Ltd

¹ Local Currency

² New business value, after tax

Global Life – Embedded Value result



for the years ended December 31

	2009 USD m	2009 Return ⁴	2008 USD m	2008 Return ⁴
Opening Embedded Value⁵	12,890		15,923	
New business value²	782		753	
Expected contribution ^{1,2}	840		964	
Operating variance ^{2,3}	299		267	
Total operating earnings²	1,921	14.9%	1,983	12.5%
Economic variance and other	1,167		-3,558	
Embedded value earnings²	3,088	24.0%	-1,575	-9.9%
Dividends and capital movements ⁶	-41		103	
Foreign currency effects (fx)	815		-1,633	
Closing Embedded Value after fx	16,752		12,818	

¹ Operating earnings expected from in-force and net assets.

² After tax

³ Other operating variance also includes global development expenses, where significant development work is performed in one country that is intended to have wider application across Global Life.

⁴ Annualized on a linear basis assuming no further variances in the remainder of 2009 and 2008, respectively.

⁵ Including dividends & capital movements start of period.

⁶ Dividends & capital movements end of period.

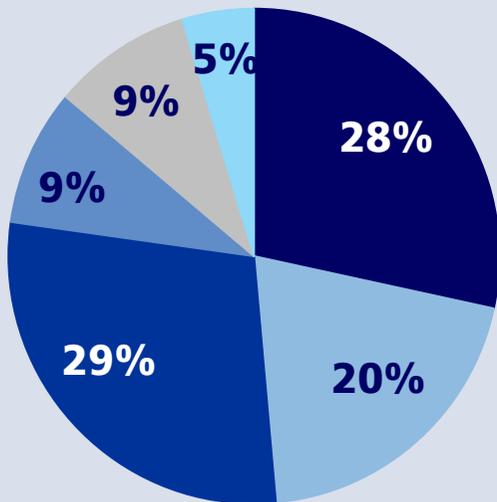
Global Life – New Business Value by pillar



Global distribution and proposition pillars drive new business value

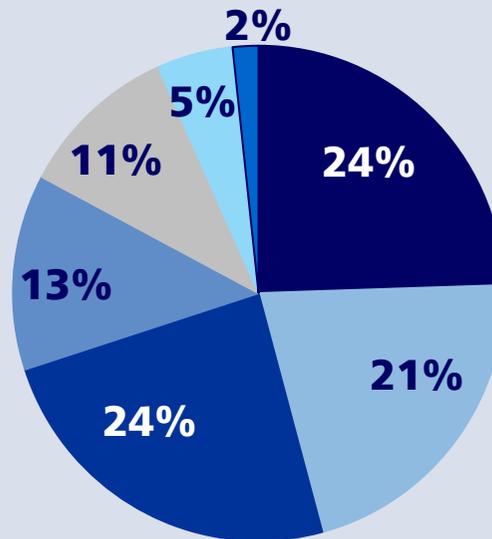
New Business Value

2008: USD 753 million



New Business Value

2009: USD 782 million



NB Margin 2009

Bank Distribution	17%
IFA/Brokers	18%
Agents	38%
Corp. Life & Pensions	17%
International/Expats	32%
Direct & central initiatives	42%
Private Banking Client Solutions	7%

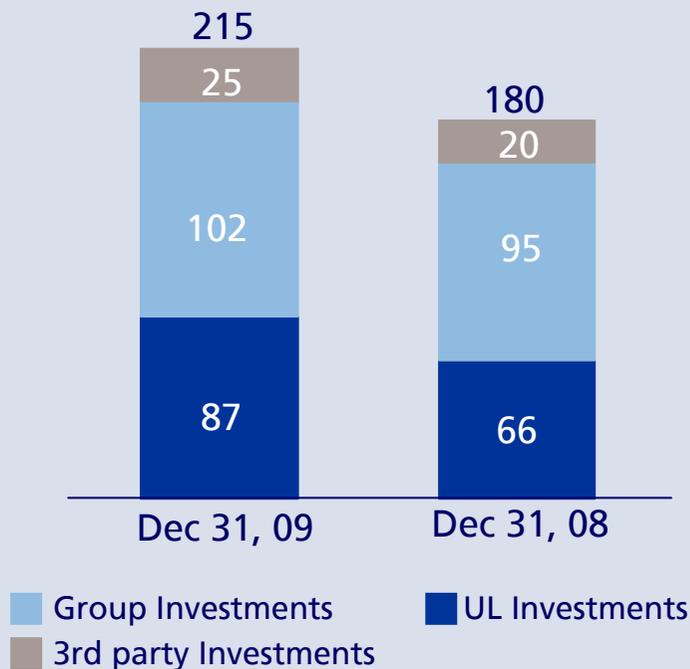
Global Life - Assets under Management¹



AuM increased mainly due to the increase of the market value of assets, the currency translation but also the strong net inflows

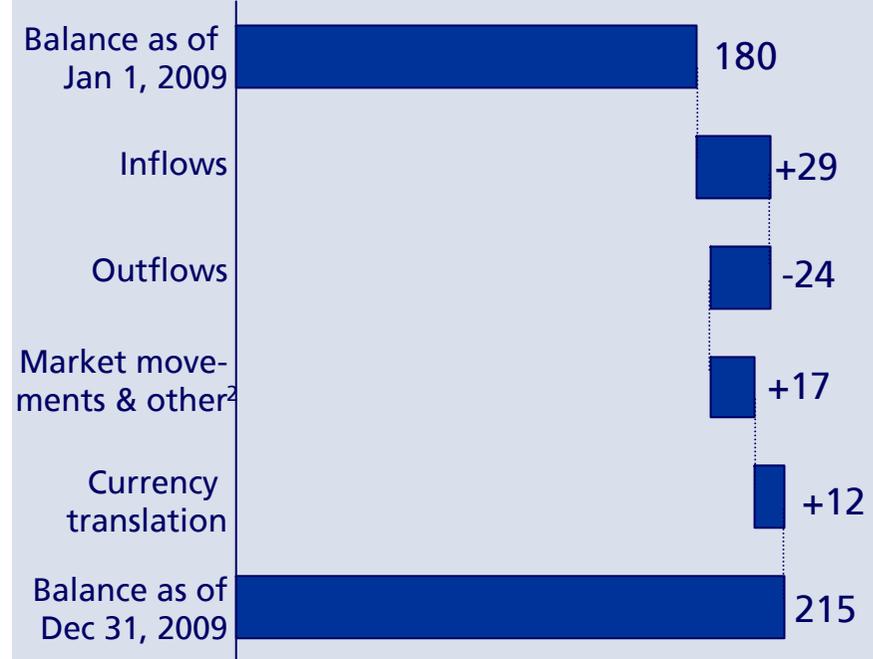
Split of AuM

in USD billions



Development of AuM

in USD billions



© Zurich Financial Services Ltd

¹ Assets under Management comprise the Group and unit-linked investments that are included in the Global Life balance sheet plus assets that are managed by third parties, for which we earn fees.

² Other includes dividends, charges levied on Assets under Management, and other changes in invested assets including reinsurance impact.

Farmers – Farmers Management Services – key performance indicators



in USD millions
for the years ended December 31¹

	2009	2008	Change
Management fees and other related revenues	2,690	2,458	9%
Management and other related expenses	-1,399	-1,317	-6%
Gross management result	1,291	1,142	13%
Managed gross earned premium margin ²	7.2%	6.9%	0.3pts
Business operating profit	1,326	1,202	10%

¹ Includes results from 21st Century/Personal Auto Group (21stC/PAG) since July 1, 2009 when transaction closed.

² Margin on gross earned premiums of the Farmers Exchanges. Zurich Financial Services Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides management services to the Farmers Exchanges and receives fees for its services.

Farmers – Farmers Re – key performance indicators



in USD millions

for the years ended December 31

	2009	2008	Change
Gross written premiums ¹	6,615	3,381	96%
Net underwriting result	58	59	-3%
Combined ratio	99.0%	97.5%	-1.5pts
CAT ² impact	3.4%	2.1%	-1.3pts
Business operating profit	228	154	48%

¹ Includes the portfolio transfer (of USD 970m) related to the increase in participation in the All Lines Quota Share (QS) reinsurance treaty from 25% to 37.5% effective June 30, 2009 (including the 21stC/PAG business). Also includes the increase in participation in the All Lines QS treaty from 5% to 25% effective Sep. 30, 2008. Effective December 31, 2009, the participation in this QS treaty has been reduced to 35%.

² As defined by the Farmers Exchanges.

Farmers Exchanges¹ – key performance indicators



in USD millions

for the years ended December 31

	2009	2008	Change
Gross written premiums ²	17,620	16,710	5.4%
Net underwriting result ³	284	-954	n/m
Combined ratio ³	98.9%	105.7%	6.8pts
Adjusted combined ratio ⁴	91.3%	98.4%	7.1pts
CAT ⁵ impact	4.7%	9.0%	4.3pts
Surplus ratio	43.0%	36.4%	6.6pts

¹ Zurich Financial Services Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides management services to the Farmers Exchanges and receives fees for its services.

² 2008 GWP excludes the USD 425m portfolio transfer of Zurich Small Business unearned premiums.

³ Before Quota Share treaties with Farmers Re.

⁴ Adjusted for profit portion of management fees.

⁵ As defined by the Farmers Exchanges.

Integration of 21st Century shows rapid progress



- Farmers has moved aggressively to restructure/integrate businesses:
 - Agency Auto integration into Foremost effective Sep. 1, 2009
 - Rationalization of Direct operations (Woodland Hills, CA / Vestal, NY)
 - Other back-office transition integration completed by year end (investments, treasury, accounts payable, etc.)
 - Q3 & Q4 FMS restructuring charge of USD 45m primarily severance & lease obligations
 - Reduced ~410 FTEs and relocated additional ~80 FTEs to lower cost areas
 - Expected annual run rate savings of USD 45m
- Continued integration into 2010 including data centers, IT applications and claims operations
 - 2010 charges under review
- FMS goodwill at approx. USD 440m as of Dec. 31, 09, subject to further refinement upon finalization of pension liability (Q1-10)

● Transaction on track to achieve planned EPS accretion in year 1

21st Century¹ - contribution



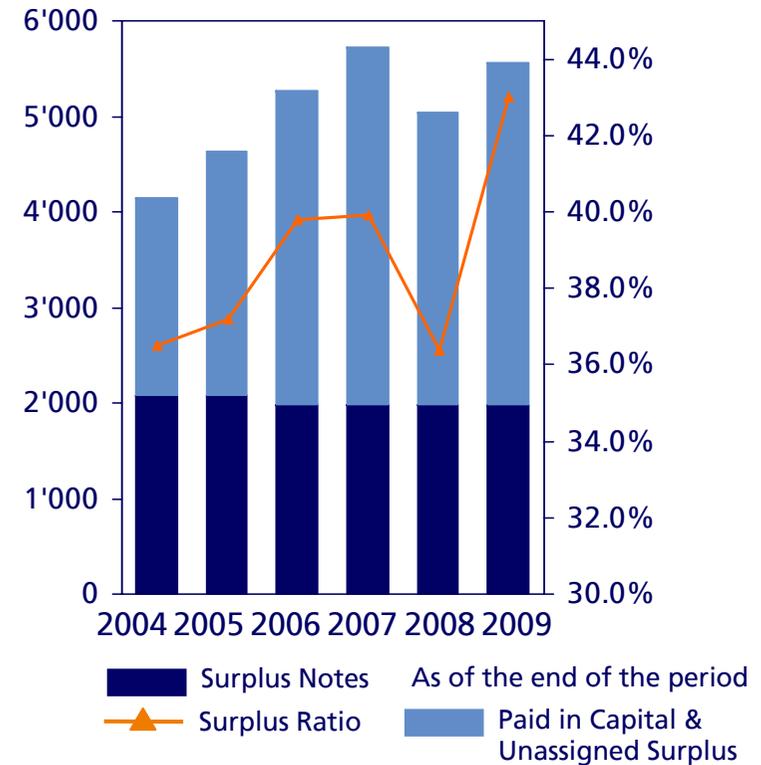
in USD millions for the year ended December 31 ¹	2009
Farmers Management Services:	
Management fees and other related revenues	214
Management and other related expenses	112
Gross management result	102
Business operating profit	81
Farmers Exchanges:	
Gross written premiums	1,100
Adjusted combined ratio	98.8%

¹ Acquisition of 21st Century/Personal Auto Group (21stC/PAG). Transaction closed on July 1, 2009.

Farmers Exchanges¹ – financial highlights



in USD millions for the years ended December 31	2009	2008
Gross written premiums ²	17,620	16,710
Net underwriting result ³	284	-954
Net surplus growth	575	-684
Ending surplus	5,609	5,035
Surplus ratio	43.0%	36.4%



© Zurich Financial Services Ltd

¹ Zurich Financial Services Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides management services to the Farmers Exchanges and receives fees for its services.

² 2008 GWP excludes the USD 425m portfolio transfer of Zurich Small Business unearned premiums.

³ Before Quota Share treaties with Reinsurance Farmers.

Farmers Exchanges – gross written premiums by line of business



in USD millions for the years ended December 31	2009	2008	Change
Auto ¹	9,128	8,550	6.8%
Homeowners	4,621	4,465	3.5%
Commercial P&C	1,313	1,283	2.3%
Small Business Solutions ²	534	377	41.7%
Workers' Compensation	312	338	-7.6%
Specialty	1,587	1,563	1.5%
Other	125	133	-6.6%
Total	17,620	16,710	5.4%

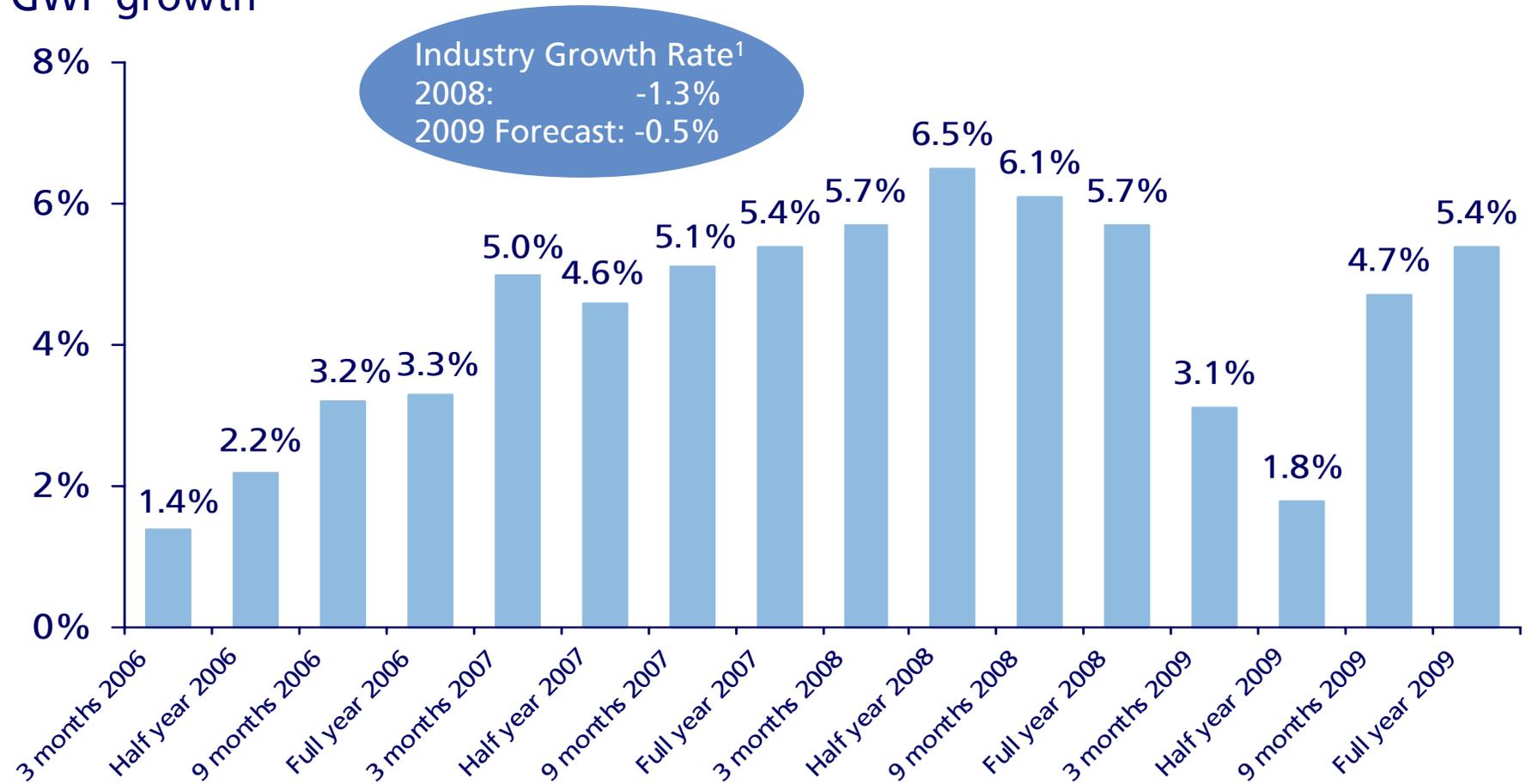
¹ Includes USD 1,100 million of premiums from 21st Century/Personal Auto Group (21stC/PAG) since July 1, 2009 when transaction closed.

² 2008 GWP includes Zurich Small Business' results from the acquisition date of June 1, 2008 but excludes the USD 425m portfolio transfer of Zurich Small Business unearned premiums.

Farmers Exchanges – premium growth outperforming industry



GWP growth²



© Zurich Financial Services Ltd

¹ Source of FY09 estimate: Conning Property-Casualty Forecast & Analysis By Line Of Insurance Q309 released 1/07/10 (weighted for Farmers' LOBs).

² Excludes pre-acquisition premiums and portfolio transfers in 2007, 2008 and 2009 related to the Bristol West, Zurich Small Business and 21st Century acquisitions, respectively.

Farmers Exchanges – combined ratio



for the years ended December 31

	2009 ¹	2008 ¹	Change
Auto ²	96.8%	99.2%	2.4pts
Homeowners	101.5%	119.8%	18.3pts
Commercial P&C	94.9%	96.0%	1.1pts
Small Business Solutions ³	103.9%	116.1%	12.2pts
Workers' Compensation	99.2%	95.8%	-3.4pts
Specialty	103.5%	107.9%	4.4pts
Total	98.9%	105.7%	6.8pts
Adjusted combined ratio ⁴	91.3%	98.4%	7.1pts
CAT ⁵ impact	4.7%	9.0%	4.3pts

¹ Before quota share treaties with Farmers Re.

² Includes 21stC/PAG results since July 1, 2009 when transaction closed.

³ 2008 combine ratio reflects results from June – September only as Zurich Small Business was assumed on June 1, 2008.

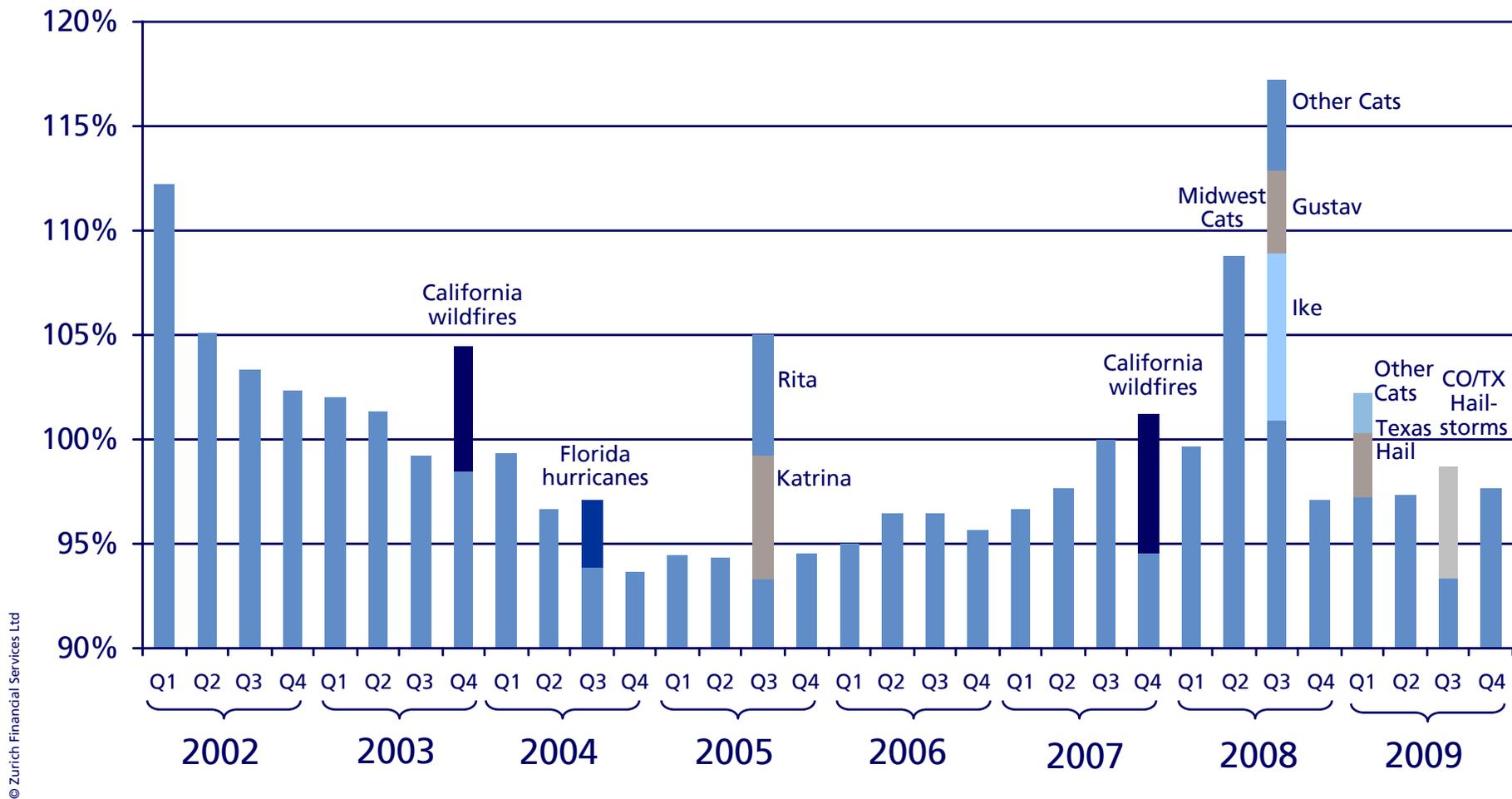
⁴ Adjusted for profit portion of management fees.

⁵ As defined by the Farmers Exchanges.

Farmers Exchanges – development of the combined ratio



Quarterly combined ratio



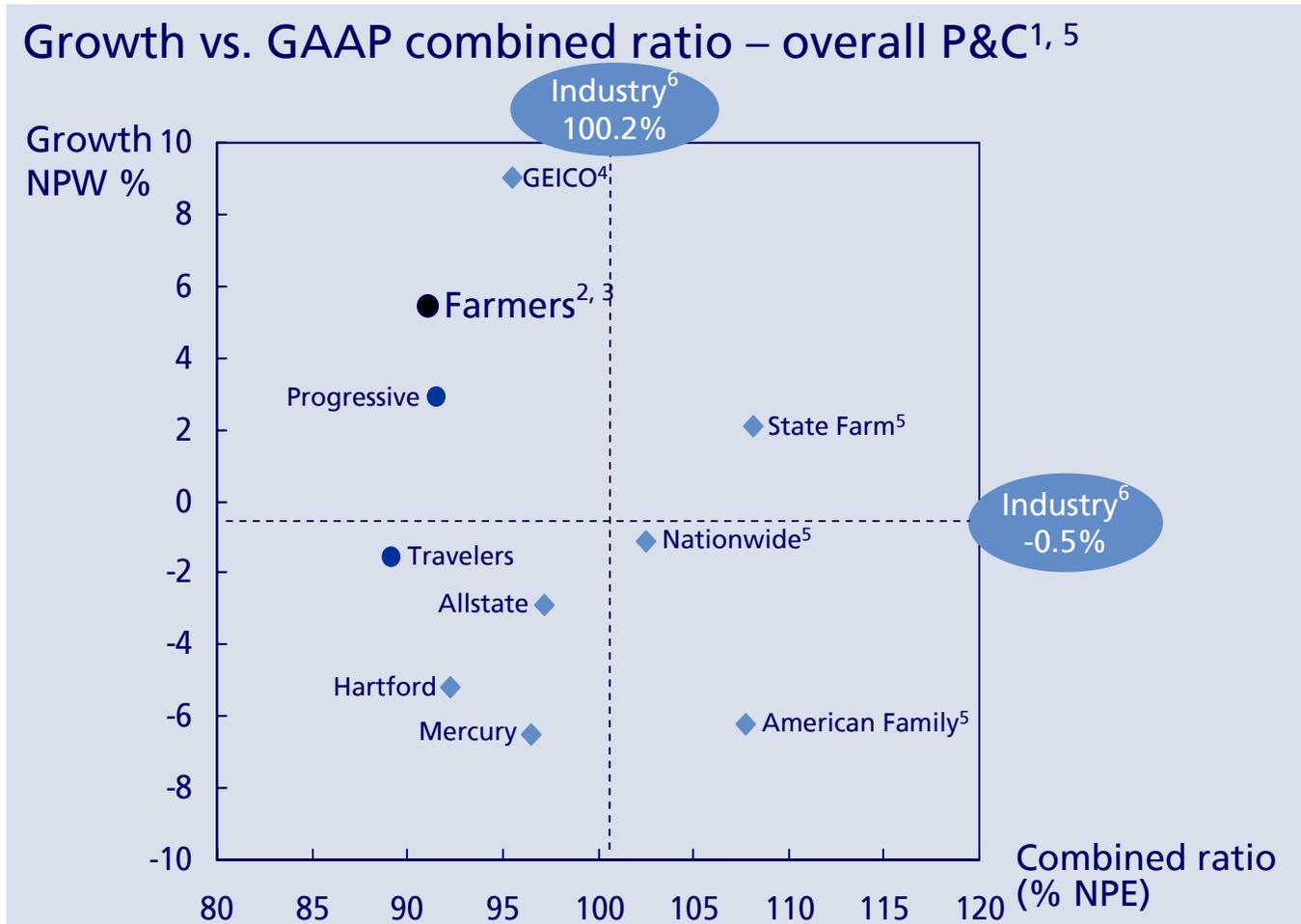
© Zurich Financial Services Ltd

Competitor snapshot – Farmers continues to outperform key competitors



- ◆ Sep. 30, 2009 (9m)
- Dec. 31, 2009 (12m)
- FY09 Industry Estimate

Liberty Mutual⁵ :
 2009 YTD NPW growth = +15.6%
 (reflects the Q3-08 acquisition of Safeco)
 2009 YTD CR (STAT) = 104.2%

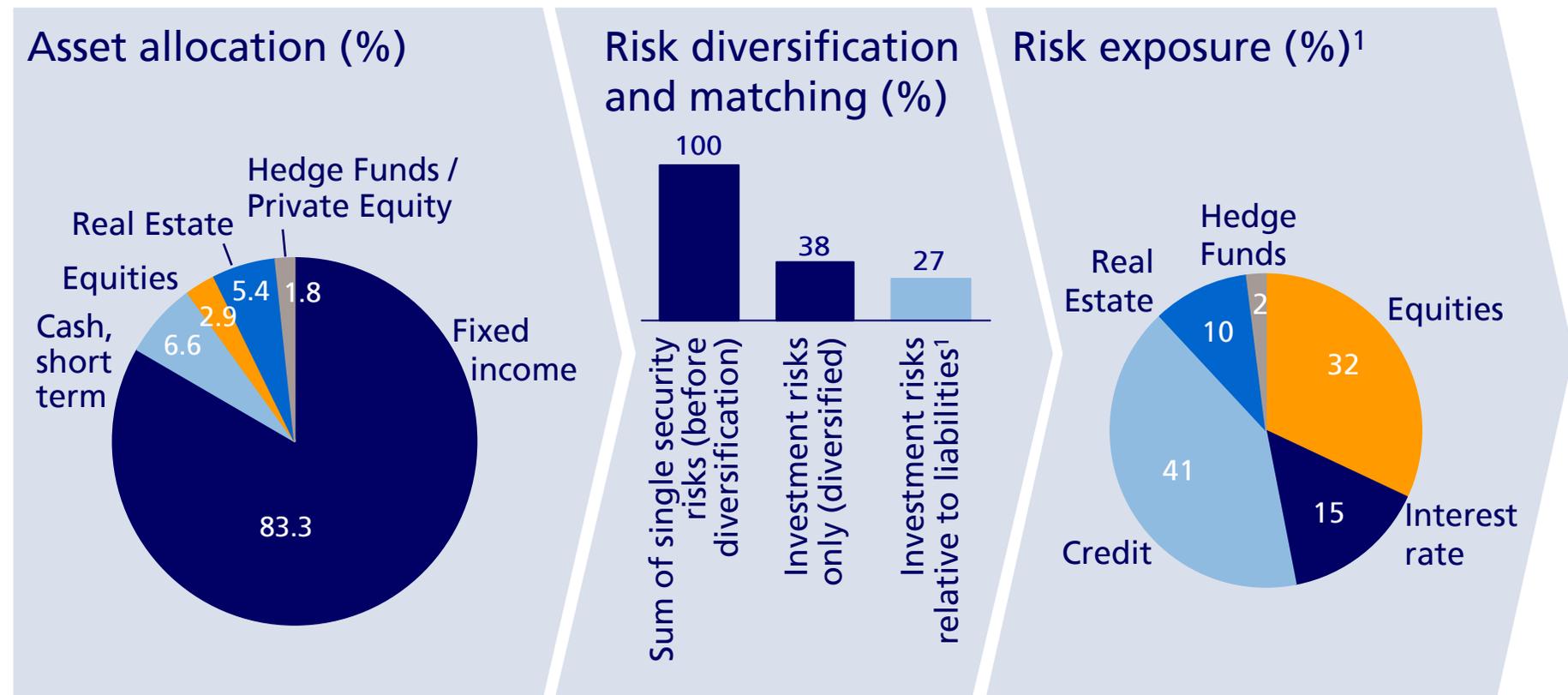


¹ Source: Press releases and investor supplements, except for Farmers and non-public competitors.
² Reflects GWP before APD and Quota Share treaties. Combined ratio excludes APD and Quota Share reinsurance agreements and is adjusted for Farmers Management Services' profit portion of management fees.
³ Farmers results include SBS and 21C. SBS 2008 results exclude the portfolio transfer. 21C 2009 results exclude the portfolio transfer.
⁴ Based on NPE. GEICO does not report NPW on a quarterly basis.
⁵ Source for non-public competitor data: AMBest database. CRs on STAT basis. Liberty Mutual's CY results reflect acquisition of Safeco.
⁶ Source of FY09 estimate: Conning P&C Forecast & Analysis By Line of Insurance Q409 released 1/7/2010 (weighted for Farmers' LOBs). CR on STAT basis.

Zurich's investment portfolio profits greatly from diversification and is balanced in terms of risk



Risk Allocation of Zurich's investment portfolio
FY 2009

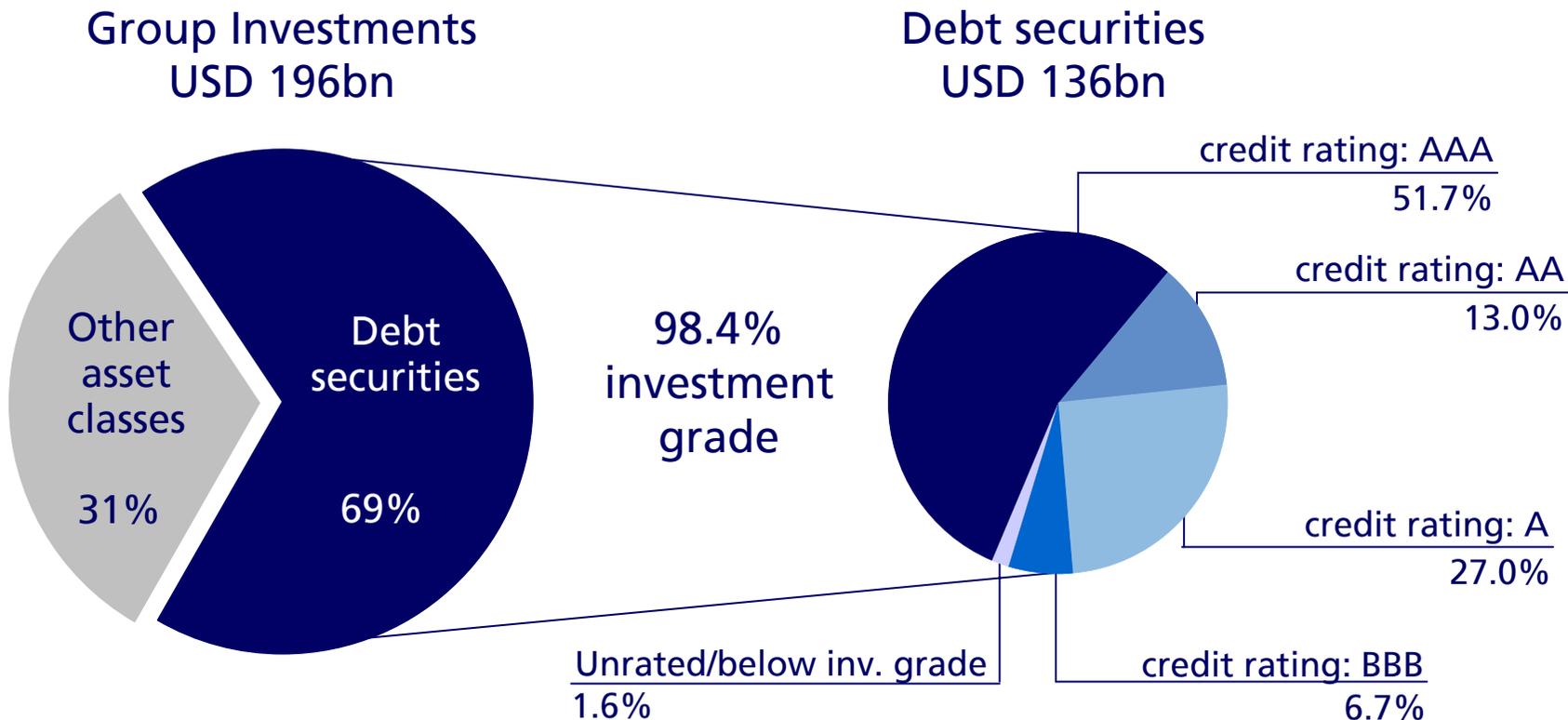


¹ Risks to Zurich's economic net ALM position measured as 12 months value at risk with 99.95% confidence interval.

Group Investments – Zurich’s debt securities are of consistently high quality (98% investment grade)



As of December 31, 2009

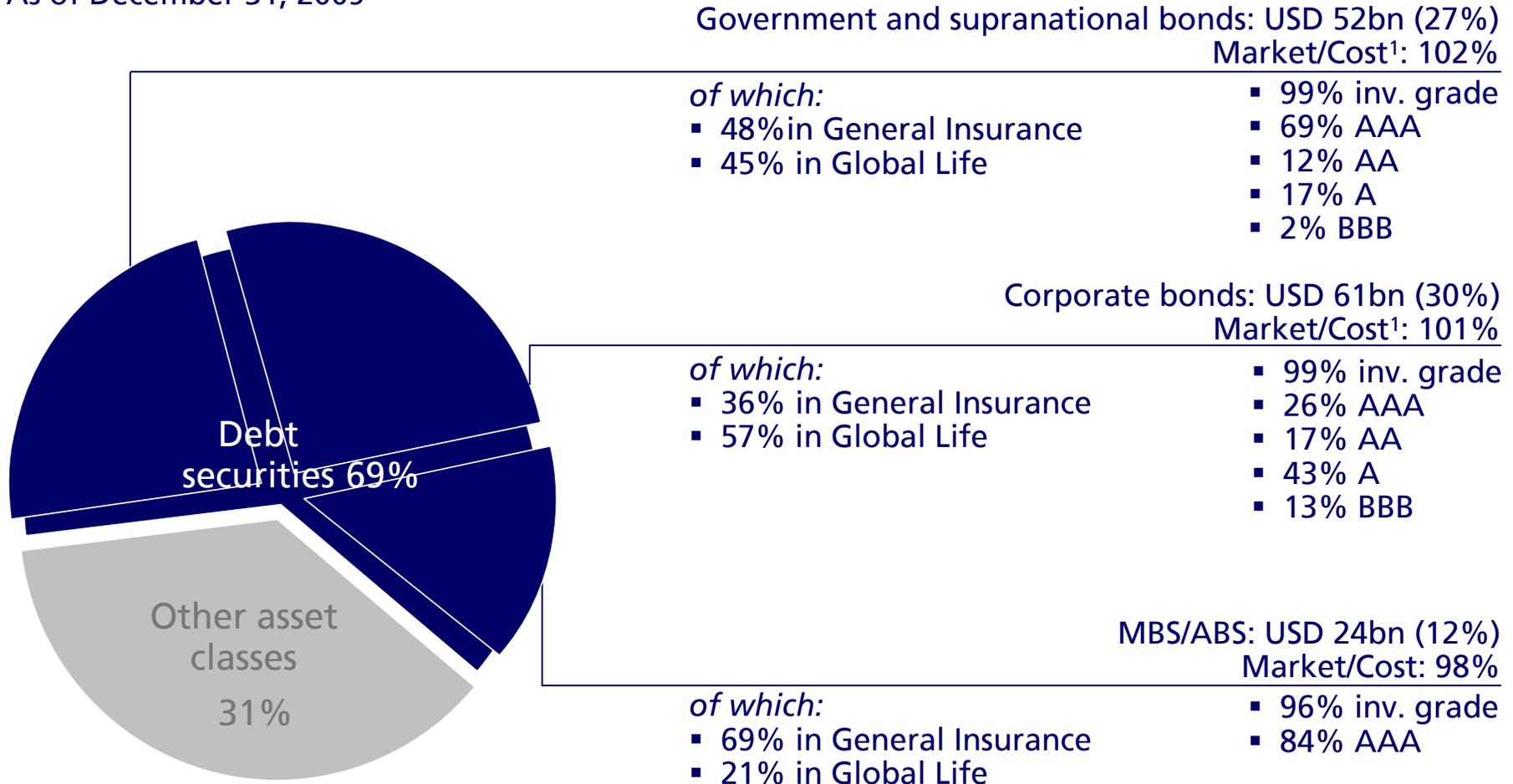


© Zurich Financial Services Ltd

Group Investments – Zurich’s debt securities are well balanced



Group Investments - USD 196bn (100%)
As of December 31, 2009



© Zurich Financial Services Ltd

¹ Market value to Cost value ratio

Group Investments – Government & supranational bonds are well diversified



Group Investments - USD 196bn (100%)
As of December 31, 2009

Government and supranational bonds: USD 52bn (27%)
Market/Cost: 102%

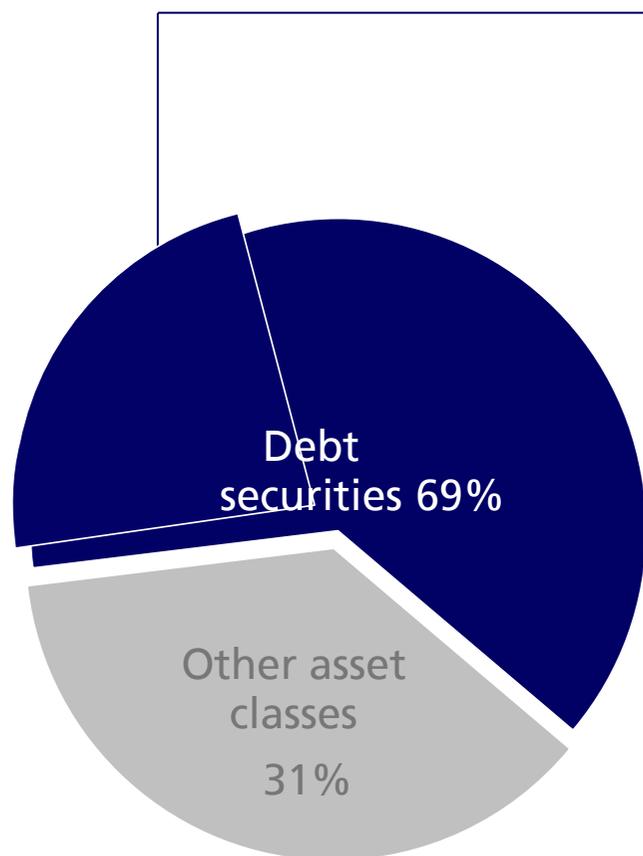
of which:

- 49% in General Insurance
- 44% in Global Life

- 99% inv. grade
- 69% AAA
- 12% AA
- 17% A
- 2% BBB

Split by countries:

- 21% US
- 20% UK
- 16% Italy
- 11% Switzerland
- 6% Germany
- 6% France
- 5% Spain
- 4% Canada
- 2% Austria
- 2% Ireland



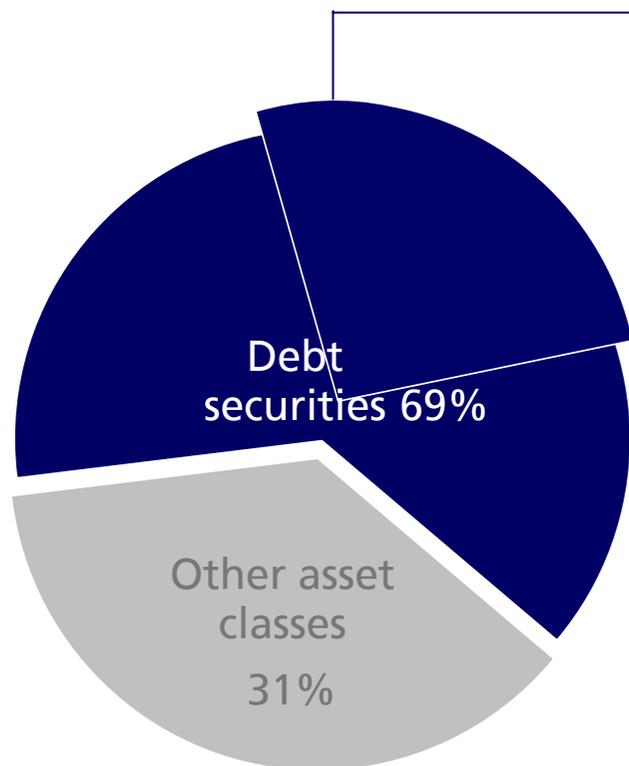
© Zurich Financial Services Ltd

Group Investments – Zurich’s Corporate bonds are of high quality



Group Investments - USD 196bn (100%)
As of December 31, 2009

Corporate bonds: USD 61bn (31%)
Market/Cost: 101%



Split by industries

- 45% Banks, including 16%¹ covered bonds
- 9% Cities, Agencies, Cantons, Provinces, including 1%¹ covered bonds
- 6% Utilities
- 7% Financial Institutions, including 1%¹ covered bonds
- 4% Telecom
- 3% Oil & gas
- 3% Conglomerates
- 3% Insurance
- 2% Pharmaceuticals

Split by credit rating

- 99% inv. grade
- 26% AAA
- 17% AA
- 43% A
- 13% BBB

Split by country/region

- 30% US
- 7% UK
- 25% Germany
- 6% Spain
- 6% France
- 3% Switzerland
- 15% Rest of Europe

© Zurich Financial Services Ltd

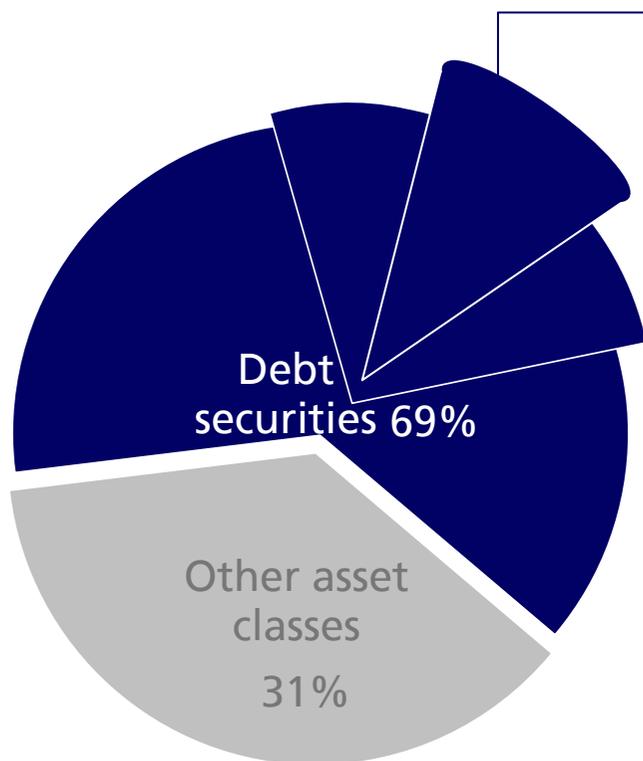
¹ 100% = USD 61bn

Group Investments – Banks Corporate bonds are of high quality and well diversified



Group Investments - USD 196bn (100%)
As of December 31, 2009

Banks Corporate bonds: USD 28bn (14%)
Market/Cost: 100%



Split by seniority

- 36% Covered bonds
- 49% Senior bonds
- 14% Subordinated
- of which: 3%¹ Tier 1

Split by credit rating

- 100% inv. grade
- 39% AAA
- 13% AA
- 44% A
- 3% BBB

Split by country/region

- 35% Germany
- 20% U.S.
- 11% Spain
- 5% France
- 5% U.K.
- 4% Netherlands
- 4% Switzerland
- 3% Italy

of which:

- 30% in General Insurance
- 66% in Global Life

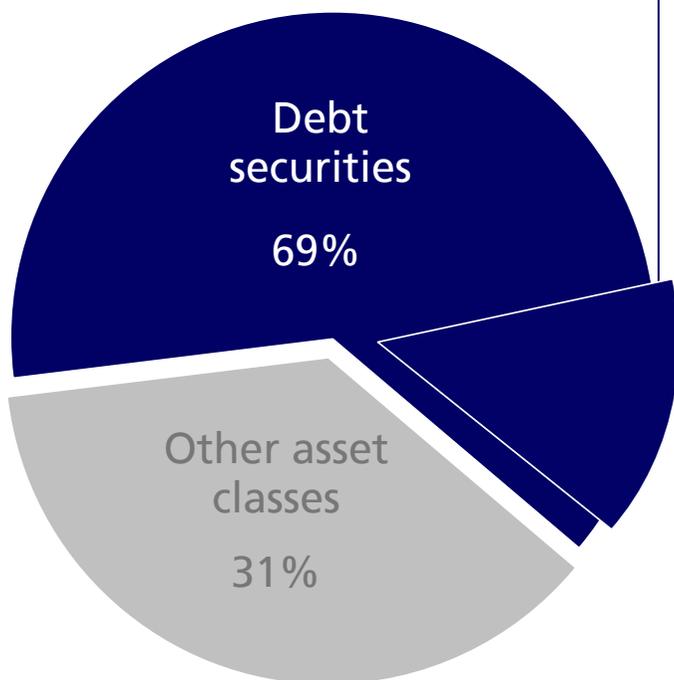
© Zurich Financial Services Ltd

¹ 100% = USD 28bn

Group Investments – Split of total MBS/ABS of USD 24bn (12%)



Group Investments
USD 196bn (100%)



As of December 31, 2009

MBS/ABS: USD 24bn (12%)
Market/Cost: 97%

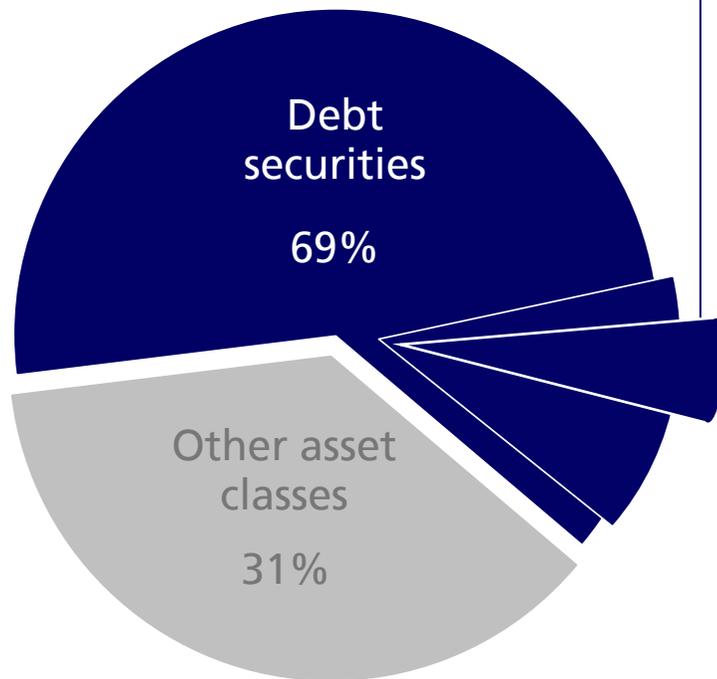
<ul style="list-style-type: none"> 96% inv. grade 84% AAA 	
<i>includes:</i>	
	<p>US MBS: USD 15.7bn (8.0%) Market/Cost: 100%</p> <ul style="list-style-type: none"> 96% inv. grade; 89% AAA
	<p>US ABS¹: USD 2.7bn (1.4%) Market/Cost: 101%</p> <ul style="list-style-type: none"> 97% inv. grade, 76% AAA e.g. Automobile and Credit Card ABS
	<p>UK MBS/ABS: USD 2.6bn (1.3%) Market/Cost: 84%</p> <ul style="list-style-type: none"> 97% inv. grade; 71% AAA Commercial MBS of USD 0.8bn (40% AAA) "Whole Loan" Residential MBS USD 1.4bn (92% AAA)
	<p>German ABS: USD 0.3bn (0.2%) Market/Cost: 104%</p> <ul style="list-style-type: none"> 100% inv. grade; 76% AAA mostly German MBS ("Pfandbriefe")
	<p>Swiss MBS: USD 0.8bn (0.4%) Market/Cost: 105%</p> <ul style="list-style-type: none"> 100% AAA 100% Swiss MBS ("Pfandbriefe")

¹ US ABS in addition to the US MBS mentioned above

Group Investments – Split of US MBS of USD 15.7bn (8.0%)



Group Investments
USD 196bn (100%)



US-MBS: USD 15.7bn (8.0%)
Market/Cost: 100%

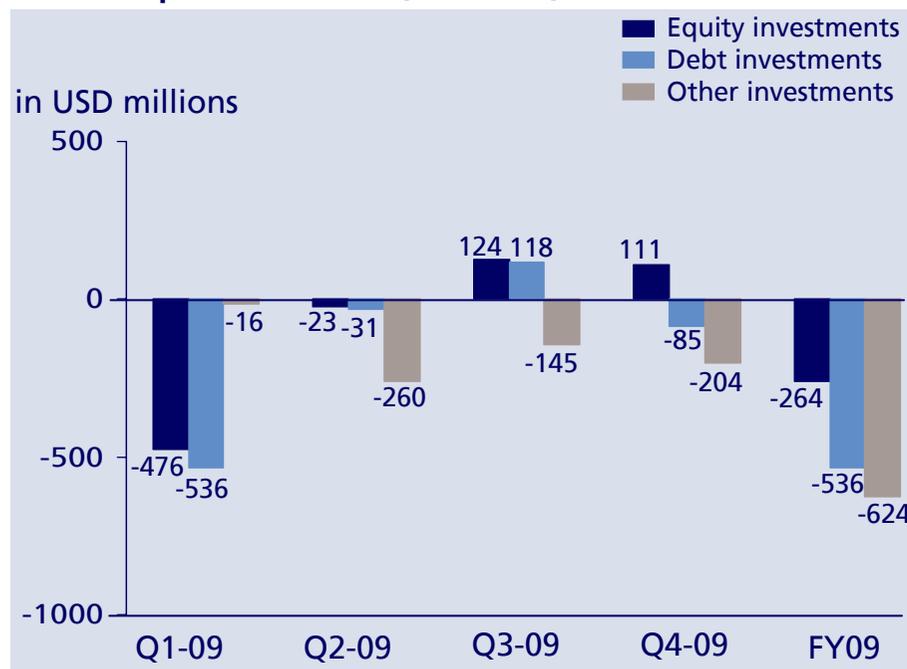
of which:	<ul style="list-style-type: none"> ▪ 96% inv. grade ▪ 89% AAA
	<p><i>US "Agency" MBS: USD 9.7bn (5.0%)</i> Market/Cost: 103%</p> <ul style="list-style-type: none"> ▪ 100% AAA ▪ USD 1.0bn backed by GNMA ▪ USD 8.7bn backed by FNMA and FHLMC
	<p><i>US Commercial MBS: USD 4.6bn (2.3%)</i> Market/Cost: 96%</p> <ul style="list-style-type: none"> ▪ 99% inv. grade ▪ 81% AAA
	<p><i>US "Whole Loan" Residential MBS: USD 1.4bn (0.7%)</i> Market/Cost: 93%</p> <ul style="list-style-type: none"> ▪ 55% inv. grade ▪ 40% AAA

As of December 31,2009

Group investments – capital losses in P&L



Net capital losses/gains on investments and impairments (in P&L)



Total	-1,028	-314	97	-178	-1,423
--------------	---------------	-------------	-----------	-------------	---------------

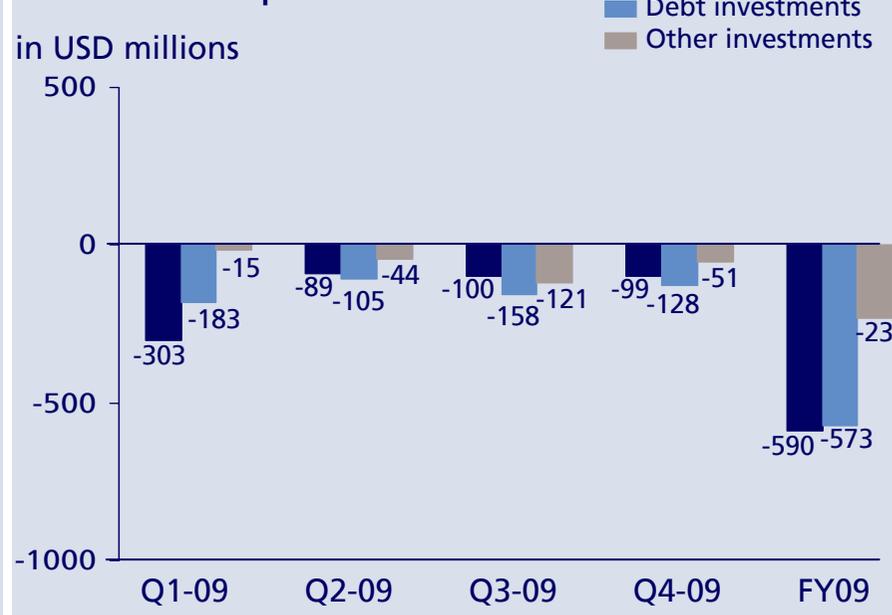
of which in:

- GI	35%	15%	nm	nm	40%
- GLife	33%	46%	79%	46%	34%

of which:

- attributable to shareholders	-683	-332	-262	-98	-1,375
--------------------------------	------	------	------	-----	--------

of which: impairments



Total	-500	-238	-379	-277	-1,394
--------------	-------------	-------------	-------------	-------------	---------------

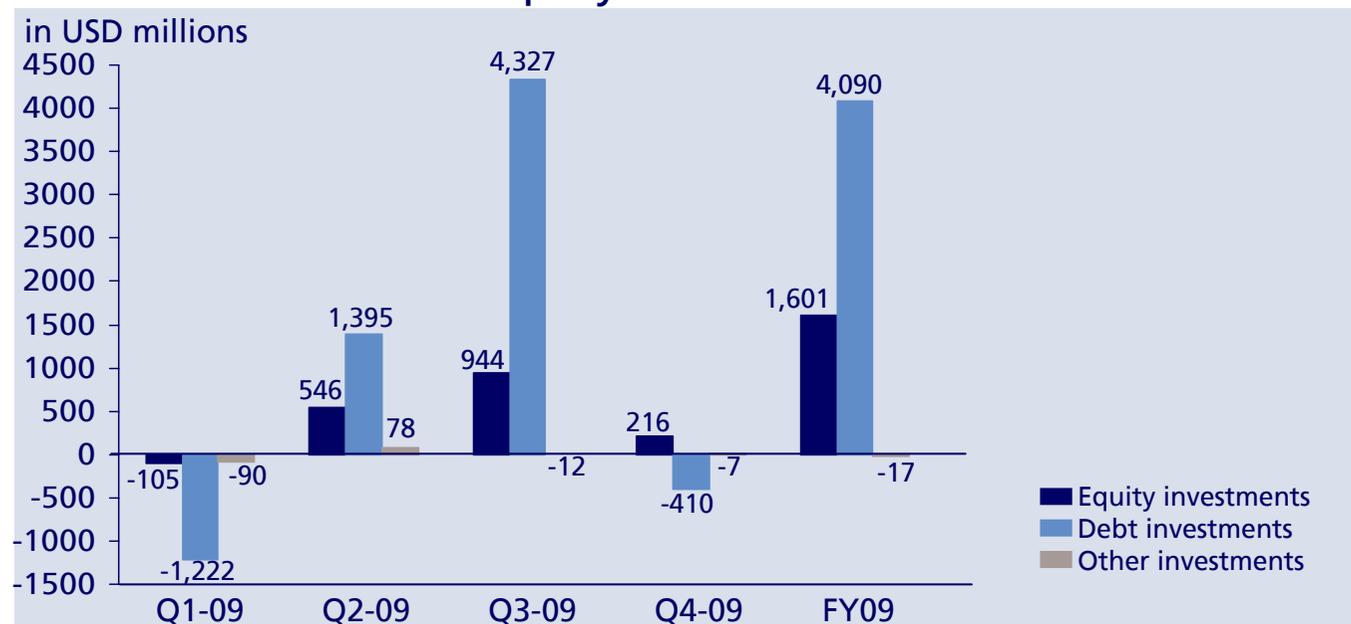
of which in:

- GI	62%	42%	49%	51%	53%
- GLife	31%	36%	18%	27%	28%

Group investments – unrealized gains / losses



Change in net unrealized gains / losses on investments
incl. in shareholders' equity¹



Total¹ **-1,418** **2,019** **5,259** **-186** **5,674**

of which in:

- GI	27%	57%	46%	nm	59%
- GLife	67%	42%	49%	89%	41%

of which:

- attributable to shareholders ²					
	-689	1,318	2,659	3	3,292

¹ Before attribution to policyholders and other

² After attribution to policyholders and other