

Financial Supplement 2009

Zurich Financial Services Group
Results for the Three Months to March 31, 2009

Financial highlights (unaudited)

Business operating profit by business segment	in USD millions, for the three months ended March 31													
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenues														
Direct written premiums and policy fees	9,400	10,840	3,211	2,643	–	–	–	(6)	133	93	(7)	4	12,737	13,575
Assumed written premiums	413	351	22	24	1,056	409	35	65	39	21	(60)	(94)	1,505	775
Gross written premiums and policy fees	9,814	11,191	3,233	2,667	1,056	409	35	59	173	114	(67)	(90)	14,242	14,350
Less premiums ceded to reinsurers	(1,309)	(1,313)	(186)	(181)	–	–	(14)	(27)	(15)	–	67	90	(1,456)	(1,431)
Net written premiums and policy fees	8,505	9,878	3,047	2,486	1,056	409	21	32	158	113	–	–	12,786	12,919
Net change in reserves for unearned premiums	(1,548)	(1,952)	(11)	(8)	53	5	–	(3)	1	14	–	–	(1,506)	(1,943)
Net earned premiums and policy fees	6,956	7,926	3,035	2,479	1,109	414	21	29	159	128	–	–	11,280	10,976
Farmers management fees and other related revenues	–	–	–	–	623	589	–	–	–	–	–	–	623	589
Net investment result on Group investments	776	932	789	1,125	48	48	69	220	(76)	147	(199)	(281)	1,406	2,190
Net investment income on Group investments	762	931	970	1,085	48	48	142	218	121	161	(199)	(281)	1,844	2,163
Net capital gains/(losses) and impairments on Group investments	14	1	(181)	40	–	–	(74)	1	(197)	(15)	–	–	(438)	28
Net investment result on unit-linked investments	–	–	(2,980)	(8,395)	–	–	–	–	(322)	(613)	–	–	(3,303)	(9,008)
Other income	165	183	186	303	(4)	–	274	266	41	21	(288)	(310)	374	464
Total BOP revenues	7,897	9,042	1,030	(4,488)	1,776	1,051	364	515	(199)	(318)	(487)	(591)	10,380	5,211
of which: intersegment revenues	(343)	(392)	(89)	(80)	(19)	(20)	–	19	–	(119)	451	591	–	–
Benefits, losses and expenses														
Insurance benefits and losses, net	4,870	5,542	2,981	2,209	806	289	(24)	23	407	75	–	–	9,041	8,138
Losses and loss adjustment expenses, net	4,860	5,519	7	9	806	289	1	–	47	16	(1)	(16)	5,720	5,818
Life insurance death and other benefits, net	10	22	2,462	2,440	–	–	19	26	171	79	1	12	2,662	2,580
(Decrease)/increase in future life policyholders' benefits, net	–	1	513	(240)	–	–	(45)	(4)	189	(20)	–	3	658	(260)
Policyholder dividends and participation in profits, net	2	5	(2,899)	(7,731)	–	–	–	–	(333)	(461)	–	–	(3,229)	(8,188)
Income tax expense/(benefit) attributable to policyholders	–	–	(274)	(484)	–	–	–	–	–	–	–	–	(274)	(484)
Underwriting and policy acquisition costs, net	1,286	1,409	405	490	327	115	–	–	1	6	(1)	–	2,019	2,020
Administrative and other operating expense (excl. depreciation/amortization)	744	709	383	465	284	284	148	199	9	(44)	(271)	(309)	1,298	1,304
Interest credited to policyholders and other interest	11	60	99	132	–	–	3	10	13	23	(4)	(4)	122	220
Restructuring provisions and other items not relevant for BOP	(9)	26	(9)	33	–	–	26	33	1	55	–	–	10	148
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	6,905	7,752	687	(4,887)	1,417	688	153	265	99	(346)	(276)	(313)	8,986	3,159
Business operating profit (before interest, depreciation and amortization)	992	1,290	342	399	358	363	210	250	(298)	28	(211)	(278)	1,393	2,053
Depreciation and impairments of property and equipment	17	13	8	11	16	16	8	8	1	1	–	–	50	48
Amortization and impairments of intangible assets	33	20	87	44	16	13	6	3	–	–	–	–	143	80
Interest expense on debt	51	59	21	4	2	2	241	316	29	47	(211)	(278)	134	152
Business operating profit before non-controlling interests	891	1,197	226	341	324	331	(46)	(77)	(328)	(20)	–	–	1,067	1,773
Non-controlling interests	2	8	4	1	–	–	–	–	–	–	–	–	6	9
Business operating profit	889	1,189	222	340	324	331	(46)	(77)	(328)	(20)	–	–	1,061	1,764
Supplementary information														
Additions and capital improvements of property, equipment and intangible assets	170	160	61	28	130	50	19	16	–	–	–	–	380	254

Financial highlights (unaudited)

Adjusted business operating profit by business segment	in USD millions, as of March 31											
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Average allocated common shareholders' equity	12,377	17,743	4,379	5,805	2,949	2,180	645	845	1,268	1,916	21,619	28,490
Adjusted business operating profit	883	1,201	202	289	318	306	(9)	3	(332)	(35)	1,061	1,764
Adjusted BOP return on common shareholders' equity¹	28.5%	27.1%	18.5%	19.9%	43.1%	56.1%	(10.4%)	(3.6%)	(104.8%)	(7.4%)	19.5%	24.6%
BOPAT return on on common shareholders' equity	28.1%	22.5%	17.0%	15.7%	26.1%	36.2%	(2.4%)	(25.5%)	(112.5%)	35.0%	14.8%	18.6%

Reconciliation of BOP to net income after income taxes	in USD millions, as of March 31											
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Business operating profit	889	1,189	222	340	324	331	(46)	(77)	(328)	(20)	1,061	1,764
Revenues/(expenses) not relevant for BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	(378)	(39)	(161)	(54)	(17)	7	(34)	66	1	3	(590)	(17)
Net gain/(loss) on divestments of businesses	(2)	–	–	–	–	–	–	–	(3)	(1)	(4)	(1)
Restructuring provisions and other	(9)	26	(9)	33	–	–	26	33	1	55	10	148
Add back:												
Income tax expense attributable to policyholders	–	–	(274)	(484)	–	–	–	–	–	–	(274)	(484)
Business operating profit attributable to non-controlling interests	2	8	4	1	–	–	–	–	–	–	6	9
Net income before income taxes	503	1,184	(218)	(165)	306	338	(54)	22	(329)	37	209	1,418
Income tax expense (attributable to policyholders and shareholders)											158	18
Net income after taxes											367	1,436

Financial highlights (unaudited)

Assets and liabilities by business segment	in USD millions, as of													
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08
Assets														
Total Group Investments	74,274	77,328	90,317	94,626	3,954	3,607	16,977	17,956	12,005	13,103	(23,459)	(27,050)	174,069	179,570
Cash and cash equivalents	8,119	9,703	5,272	5,969	1,319	714	5,754	6,757	2,228	2,839	(10,576)	(12,714)	12,117	13,267
Equity securities	5,577	5,966	4,265	4,816	149	224	2,539	2,801	890	496	–	–	13,420	14,303
Debt securities	53,234	53,578	55,281	56,874	702	696	1,399	1,478	6,450	6,644	(365)	(365)	116,701	118,905
Real estate held for investment	2,766	2,922	3,948	4,228	156	156	41	44	170	175	–	–	7,081	7,524
Mortgage loans	1,675	1,794	8,383	8,953	–	–	2,113	2,104	–	–	(30)	(32)	12,141	12,820
Other loans	2,875	3,340	13,060	13,674	1,627	1,817	5,125	4,765	2,194	2,874	(12,488)	(13,940)	12,394	12,531
Investments in associates	27	26	108	113	–	–	6	6	73	75	–	–	214	220
Investments for unit-linked contracts	–	–	60,784	65,977	–	–	–	–	11,714	12,226	–	–	72,498	78,203
Total investments	74,274	77,328	151,101	160,604	3,954	3,607	16,977	17,956	23,719	25,328	(23,459)	(27,050)	246,567	257,773
Reinsurers' share of reserves for insurance contracts	12,805	12,749	2,003	2,008	210	209	–	–	5,231	5,477	(1,718)	(1,849)	18,531	18,595
Deposits made under assumed reinsurance contracts	62	68	(4)	–	1,730	1,685	–	–	661	677	(32)	(32)	2,418	2,397
Deferred policy acquisition costs	3,286	3,247	10,639	10,768	294	307	–	–	2	2	–	–	14,220	14,323
Deferred origination costs	–	–	744	770	–	–	–	–	–	–	–	–	744	770
Goodwill	903	895	401	395	382	382	5	5	–	–	–	–	1,689	1,677
Other intangible assets	1,286	1,303	3,711	3,925	1,265	1,207	195	198	–	–	–	–	6,458	6,633
Other assets	16,310	16,119	6,585	6,835	1,484	1,500	1,714	1,974	1,619	1,691	(2,401)	(2,342)	25,311	25,776
Total assets (after cons. of investments in subsidiaries)	108,927	111,710	175,180	185,304	9,318	8,897	18,891	20,132	31,233	33,176	(27,610)	(31,274)	315,938	327,944
Liabilities														
Liabilities for investment contracts	–	–	33,322	36,230	–	–	–	–	–	–	(251)	(251)	33,072	35,979
Reserves for insurance contracts, gross	77,440	77,468	114,694	120,706	2,307	2,095	365	415	22,622	23,325	(1,701)	(1,831)	215,727	222,179
Reserves for losses and loss adjustment expenses, gross	60,008	61,396	33	18	1,099	835	45	44	3,951	4,147	(1,144)	(1,223)	63,993	65,218
Reserves for unearned premiums, gross	16,307	14,874	243	226	1,207	1,260	5	5	38	43	(11)	(10)	17,789	16,399
Future life policyholders' benefits, gross	91	95	69,860	72,782	–	–	314	366	3,756	3,573	(546)	(598)	73,475	76,218
Policyholders' contract deposits and other funds, gross	1,034	1,102	11,880	12,611	–	–	–	–	3,162	3,334	–	–	16,076	17,047
Reserves for unit-linked contracts, gross	–	–	32,678	35,069	–	–	–	–	11,716	12,228	–	–	44,393	47,297
Debt related to capital markets and banking activities	–	–	–	–	–	–	708	448	2,328	3,184	(493)	(1,106)	2,544	2,527
Senior debt	2,504	3,031	468	694	–	–	17,665	19,893	1,124	1,054	(18,571)	(21,314)	3,190	3,358
Subordinated debt	2,173	2,189	433	412	180	180	5,014	5,169	–	–	(2,855)	(2,853)	4,944	5,096
Other liabilities	13,698	14,680	14,848	15,399	1,612	1,582	3,673	4,729	2,520	2,553	(3,740)	(3,920)	32,611	35,024
Total liabilities	95,815	97,368	163,766	173,441	4,099	3,858	27,425	30,654	28,594	30,116	(27,610)	(31,274)	292,088	304,163
Equity														
Common shareholders' equity													21,696	21,542
Preferred securities													561	561
Shareholders' equity													22,257	22,103
Non-controlling interests													1,593	1,678
Total equity													23,850	23,781
Total liabilities and equity													315,938	327,944

General Insurance (unaudited)

General Insurance –
Customer segment
overview

in USD millions, for the three months ended March 31

	Global Corporate		North America Commercial		Europe General Insurance		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	2,388	2,594	2,382	2,769	4,602	5,305	616	646	115	141	(289)	(264)	9,814	11,191
Net earned premiums and policy fees	1,191	1,342	2,029	2,318	3,243	3,756	484	488	10	22	–	–	6,956	7,926
Insurance benefits and losses, net	897	1,070	1,383	1,585	2,299	2,572	311	332	(20)	(16)	–	–	4,870	5,542
Policyholder dividends and participation in profits, net	–	3	2	2	–	–	–	–	–	–	–	–	2	5
Total net technical expenses	220	232	576	633	803	912	179	171	13	2	(3)	1	1,789	1,952
Net underwriting result	74	37	69	98	140	273	(7)	(16)	17	36	3	(1)	295	427
Net investment income	154	176	298	309	269	381	35	39	9	43	(3)	(16)	762	931
Net capital gains/(losses) and impairments on investments	4	–	8	–	2	–	–	–	–	–	–	–	14	1
Net non-technical result (excl. items not relevant for BOP)	(26)	(7)	(62)	(69)	(89)	(70)	(7)	(18)	3	(15)	1	17	(180)	(162)
Business operating profit before non-controlling interests	207	207	311	337	322	584	22	5	29	63	–	–	891	1,197
Non-controlling interests	–	–	–	–	1	7	1	1	–	–	–	–	2	8
Business operating profit	207	207	311	338	321	577	21	4	29	63	–	–	889	1,189
Adjusted business operating profit	209	211	310	340	315	562	20	2	29	86	–	–	883	1,201
Adjusted business operating profit return on common shareholders' equity	27.5%	22.1%	27.6%	22.6%	35.8%	42.8%	12.9%	0.9%	16.4%	19.1%	–	–	28.5%	27.1%

Ratios, as % of net earned premiums and policy fees

Loss ratio	75.3%	79.7%	68.1%	68.4%	70.9%	68.5%	64.4%	68.1%	nm	nm	n/a	n/a	70.0%	69.9%
Expense ratio	18.5%	17.5%	28.5%	27.4%	24.8%	24.3%	37.0%	35.1%	nm	nm	n/a	n/a	25.7%	24.7%
Combined ratio	93.8%	97.2%	96.6%	95.8%	95.7%	92.7%	101.4%	103.2%	nm	nm	n/a	n/a	95.8%	94.6%

General Insurance (unaudited)

General Insurance –
Revenues by region

in USD millions, for the three months ended March 31

	Gross written premiums and policy fees from external customers	
	2009	2008
Global Corporate		
North America	760	818
Europe	1,498	1,680
Rest of Global Corporate	73	16
Subtotal	2,330	2,514
Europe & Africa		
United Kingdom	563	864
Germany	1,317	1,522
Switzerland	1,165	1,253
Italy	500	509
Spain	356	422
Southern Africa	157	185
Rest of Europe & Africa	494	533
Subtotal	4,553	5,288
Americas		
United States	2,249	2,599
Rest of North America	80	118
Latin America	321	300
Subtotal	2,650	3,017
Asia Pacific		
Asia Pacific Mature Markets	222	257
China & South East Asia	59	70
Subtotal	280	327
Central Region		
Europe	–	1
Subtotal	–	1
Total	9,814	11,147

General Insurance (unaudited)

General Insurance –
Assets by region

in USD millions, as of

	Property/equipment and intangible assets	
	03/31/09	12/31/08
Europe & Africa		
United Kingdom	203	211
Germany	245	259
Switzerland	101	109
Italy	60	128
Spain	720	764
Southern Africa	11	10
Rest of Europe & Africa	1,261	1,341
Subtotal	2,601	2,822
Americas		
United States	241	244
Rest of North America	3	3
Latin America	110	46
Subtotal	354	293
Asia Pacific & Middle East		
Asia Pacific Mature Markets	69	68
China & South East Asia	22	23
Subtotal	91	90
Total	3,046	3,206

Customer segment
reporting – Europe
General Insurance
by regionin USD millions, for the three months
ended March 31

	United Kingdom		Germany		Switzerland		Italy		Spain		Southern Africa		Rest of Europe & Africa		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	570	864	1,320	1,525	1,166	1,253	506	509	361	426	157	185	714	800	(192)	(257)	4,602	5,305
Net earned premiums and policy fees	701	965	602	672	510	570	499	494	274	325	116	137	540	594	–	–	3,243	3,756
Net underwriting result	33	76	55	54	53	102	(48)	16	14	11	(4)	7	40	5	(5)	2	140	273
Business operating profit	95	204	93	83	70	135	(31)	38	26	30	1	10	67	77	–	–	321	577

Ratios, as % of net earned premiums and policy fees

Loss ratio	69.7%	66.8%	69.5%	70.0%	67.9%	60.2%	86.2%	73.3%	71.5%	75.8%	75.9%	72.6%	61.4%	68.4%	n/a	n/a	70.9%	68.5%
Expense ratio	25.6%	25.4%	21.3%	22.0%	21.6%	21.9%	23.5%	23.4%	23.3%	20.9%	27.2%	22.0%	31.1%	30.7%	n/a	n/a	24.8%	24.3%
Combined ratio	95.2%	92.2%	90.8%	91.9%	89.5%	82.1%	109.6%	96.8%	94.9%	96.7%	103.1%	94.6%	92.5%	99.1%	n/a	n/a	95.7%	92.7%

General Insurance (unaudited)

Customer segment reporting – Europe General Insurance split into Commercial and Personal

in USD millions, for the three months ended March 31		Commercial		Personal		Eliminations		Total	
		2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees		2,068	2,272	2,535	3,035	(1)	(2)	4,602	5,305
Net earned premiums and policy fees		1,304	1,510	1,938	2,246	–	–	3,243	3,756
Net underwriting result		84	95	59	176	(3)	2	140	273
Business operating profit		192	277	129	301	–	–	321	577

Ratios, as % of net earned premiums and policy fees

Loss ratio	69.1%	70.4%	72.1%	67.2%	n/a	n/a	70.9%	68.5%
Expense ratio	24.4%	23.3%	24.9%	25.0%	n/a	n/a	24.8%	24.3%
Combined ratio	93.6%	93.7%	97.0%	92.2%	n/a	n/a	95.7%	92.7%

Customer segment reporting – International Markets by region

in USD millions, for the three months ended March 31		Latin America		Asia Pacific Mature Markets		China & South East Asia		Rest of International Markets		Eliminations		Total	
		2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees		328	312	224	259	64	75	–	–	–	–	616	646
Net earned premiums and policy fees		224	198	216	242	44	47	–	–	–	–	484	488
Net underwriting result		(2)	9	(18)	(26)	13	1	–	–	–	–	(7)	(16)
Business operating profit		14	21	(5)	(7)	13	1	(1)	(11)	–	–	21	4

Ratios, as % of net earned premiums and policy fees

Loss ratio	60.7%	56.1%	77.9%	82.1%	16.5%	46.6%	n/a	n/a	n/a	n/a	64.4%	68.1%
Expense ratio	40.2%	39.5%	30.2%	28.6%	54.4%	50.8%	n/a	n/a	n/a	n/a	37.0%	35.1%
Combined ratio	100.9%	95.6%	108.1%	110.7%	70.9%	97.3%	n/a	n/a	n/a	n/a	101.4%	103.2%

General Insurance (unaudited)

Customer segment reporting – International Markets split into Commercial and Personal

in USD millions, for the three months ended March 31

	Commercial		Personal		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	282	332	334	325	–	(11)	616	646
Net earned premiums and policy fees	223	274	261	214	–	–	484	488
Net underwriting result	(12)	(25)	6	9	–	–	(7)	(16)
Business operating profit	4	(13)	17	17	–	–	21	4

Ratios, as % of net earned premiums and policy fees

Loss ratio	71.0%	75.6%	58.7%	58.6%	n/a	n/a	64.4%	68.1%
Expense ratio	34.4%	33.5%	39.1%	37.1%	n/a	n/a	37.0%	35.1%
Combined ratio	105.4%	109.1%	97.9%	95.6%	n/a	n/a	101.4%	103.2%

Global Life (unaudited)

Global Life –
Overview

	in USD millions, for the three months ended March 31																				
	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging markets		Rest of the world		Eliminations		Total		
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	
Revenues																					
Life insurance deposits	148	142	652	1,028	437	395	13	18	245	318	448	76	269	563	83	190	–	–	2,296	2,730	
Gross written premiums and policy fees	292	257	103	341	725	923	691	743	77	80	1,078	69	60	65	210	190	(4)	(1)	3,233	2,667	
Net earned premiums and policy fees	233	201	56	296	701	897	689	742	55	58	1,054	50	49	59	200	174	–	–	3,035	2,479	
Net investment income on Group investments	109	111	80	182	411	453	147	164	18	26	114	40	14	15	78	93	–	–	970	1,085	
Net capital gains/(losses) and impairments on Group investments	1	(1)	(70)	(121)	(106)	95	(9)	52	5	(5)	2	–	2	25	(6)	(6)	–	–	(181)	40	
Net investment result on Group investments	109	109	10	62	305	549	138	217	23	21	115	40	16	41	73	87	–	–	789	1,125	
Net investment income on unit-linked investments	(5)	3	332	602	10	16	1	1	38	49	29	6	–	1	16	32	–	–	421	711	
Net capital gains/(losses) and impairments on unit-linked investments	(23)	(76)	(2,636)	(5,886)	(295)	(1,179)	(9)	(49)	(249)	(787)	(27)	(104)	(106)	(557)	(56)	(468)	–	–	(3,401)	(9,106)	
Net investment result on unit-linked investments	(29)	(73)	(2,304)	(5,283)	(285)	(1,163)	(9)	(49)	(211)	(738)	2	(98)	(106)	(556)	(39)	(436)	–	–	(2,980)	(8,395)	
Other income	30	32	46	106	46	96	14	15	–	–	10	3	7	14	32	36	–	–	186	303	
Total BOP revenues	343	270	(2,192)	(4,819)	767	379	832	925	(133)	(659)	1,182	(5)	(34)	(442)	265	(138)	–	–	1,030	(4,488)	
Benefits, losses and expenses																					
Insurance benefits and losses, net	150	132	116	148	783	939	663	730	10	27	1,103	68	9	26	147	140	–	–	2,981	2,209	
Policyholder dividends and participation in profits, net	(26)	(64)	(2,287)	(5,034)	(321)	(874)	32	20	(188)	(729)	2	(98)	(100)	(557)	(10)	(394)	–	–	(2,899)	(7,731)	
Income tax expense/(benefit) attributable to policyholders	–	–	(287)	(460)	8	12	–	–	(1)	(5)	–	–	–	–	5	(30)	–	–	(274)	(484)	
Underwriting and policy acquisition costs, net	52	42	147	234	86	76	40	44	19	26	14	2	14	33	33	33	–	–	405	490	
Administrative and other operating expense (excl. depreciation/amortization)	54	51	86	118	88	93	46	66	14	15	13	7	23	36	60	78	–	–	383	465	
Interest credited to policyholders and other interest	42	43	4	18	36	55	4	6	–	–	4	–	6	6	3	3	–	–	99	132	
Restructuring provisions and other items not relevant for BOP	–	(5)	1	38	–	–	5	–	–	–	(12)	–	–	–	(3)	–	–	–	(9)	33	
Total BOP benefits, losses and expenses	271	197	(2,219)	(4,937)	681	301	790	865	(145)	(665)	1,123	(21)	(48)	(457)	234	(170)	–	–	687	(4,887)	
Business operating profit (before interest, depreciation and amortization)	72	73	27	118	86	78	42	61	12	6	58	16	14	16	31	32	–	–	342	399	
Depreciation and impairments of property and equipment	–	–	2	3	3	4	1	2	–	–	–	–	1	1	–	–	–	–	8	11	
Amortization and impairments of intangible assets	5	5	11	30	9	8	–	–	–	–	42	–	1	–	19	–	–	–	87	44	
Interest expense on debt	1	1	1	1	–	–	1	2	–	–	16	1	–	–	3	–	–	–	21	4	
Business operating profit before non-controlling interests	66	67	13	85	74	67	40	57	12	6	–	15	12	14	8	31	–	–	226	341	
Non-controlling interests	1	–	–	–	2	1	–	–	–	–	1	–	–	–	–	–	–	–	4	1	
Business operating profit	65	67	13	85	72	66	40	57	12	6	(1)	15	12	14	8	31	–	–	222	340	
Supplementary information																					
Gross written premiums and policy fees from external customers	292	257	101	341	712	909	691	743	77	80	1,078	69	55	64	209	188	–	–	3,216	2,651	
Property, equipment and intangible assets	287	232	391	627	948	1,063	181	386	6	7	2,569	105	14	15	235	135	–	–	4,632	2,570	

Global Life (unaudited)

Global Life –
Americas

in USD millions, as of March 31

	United States		Latin America		Eliminations		Total Americas	
	2009	2008	2009	2008	2009	2008	2009	2008
Insurance deposits	135	128	13	13	–	–	148	142
Gross written premiums and policy fees	184	175	108	82	–	–	292	257
Net earned premiums and policy fees	132	125	101	76	–	–	233	201
Net investment income on Group investments	86	87	23	24	–	–	109	111
Net capital gains/(losses) and impairments on Group investments	1	(1)	–	–	–	–	1	(1)
Net investment result on Group investments	86	86	23	23	–	–	109	109
Net investment result on unit-linked investments	(33)	(48)	4	(25)	–	–	(29)	(73)
Total BOP benefits, losses and expenses	152	129	120	68	–	–	271	197
Business operating profit	54	56	12	11	–	–	65	67

Global Life –
Emerging markets

in USD millions, for the three months ended March 31

	Total		of which			
			ZIS		Hong Kong	
	2009	2008	2009	2008	2009	2008
Insurance deposits	269	563	239	514	30	49
Gross written premiums and policy fees	60	65	39	47	17	18
Net earned premiums and policy fees	49	59	28	39	15	16
Net investment income on Group investments	14	15	6	6	8	9
Net capital gains/(losses) and impairments on Group investments	2	25	1	24	1	1
Net investment result on Group investments	16	41	6	30	9	10
Net investment result on unit-linked investments	(106)	(556)	(109)	(501)	3	(54)
Total BOP benefits, losses and expenses	(48)	(457)	(75)	(433)	21	(28)
Business operating profit	12	14	6	13	6	–

Global Life (unaudited)

Global Life – Rest of the world	in USD millions, for the three months ended March 31												of which			
													Total		Italy	
	2009		2008		2009		2008		2009		2008		2009		2008	
Insurance deposits	83		190		49		151									
Gross written premiums and policy fees	210		190		95		51									
Net earned premiums and policy fees	200		174		97		53									
Net investment income on Group investments	78		93		50		51									
Net capital gains/(losses) and impairments on Group investments	(6)		(6)		(4)		2									
Net investment result on Group investments	73		87		46		53									
Net investment result on unit-linked investments	(39)		(436)		14		(159)									
Total BOP benefits, losses and expenses	234		(170)		133		(60)									
Business operating profit	8		31		6		10									

Global Life – Total investments	in %, as of																	
	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging markets		Rest of the world		Total	
	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08
Total Group investments	93.4	92.9	17.7	16.9	86.0	86.0	97.2	97.2	31.8	32.0	76.3	77.3	31.2	31.5	69.7	68.4	59.8	58.9
Cash and cash equivalents	3.4	4.1	16.1	14.5	3.0	3.0	3.9	6.1	8.5	6.8	15.9	16.8	13.0	14.8	0.9	2.3	5.8	6.3
Equity securities	3.1	3.9	9.7	10.5	1.5	1.9	7.8	7.6	16.4	17.3	0.3	0.4	4.2	4.1	11.3	11.9	4.7	5.1
Debt securities	85.3	84.0	72.4	73.2	46.2	46.2	57.9	55.2	71.4	72.2	73.5	72.2	77.8	76.4	81.0	79.0	61.2	60.1
Investments in associates	–	–	0.2	0.2	–	–	–	–	–	–	0.1	0.1	–	–	1.0	1.0	0.1	0.1
Other investments	8.1	8.0	1.7	1.7	49.3	48.8	30.4	31.1	3.7	3.7	10.1	10.6	4.9	4.7	5.7	5.8	28.1	28.4
Investments for unit-linked contracts	6.6	7.1	82.3	83.1	14.0	14.0	2.8	2.8	68.2	68.0	23.7	22.7	68.8	68.5	30.3	31.6	40.2	41.1
Total investments	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Global Life – Reserves for life insurance contracts and liabilities for investment contracts, net of reinsurance	in USD millions, as of																			
	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging markets		Rest of the world		Eliminations		Total	
	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08	03/31/09	12/31/08
Unit-linked insurance and investment contracts	902	926	38,916	42,655	6,032	6,387	1,578	1,676	5,597	5,985	2,774	2,669	4,856	4,981	5,346	6,021	–	–	66,000	71,299
Other life insurance liabilities	6,459	6,258	3,869	4,033	38,487	40,879	14,265	15,044	1,235	1,418	8,763	8,775	1,487	1,501	5,192	5,490	(1)	3	79,757	83,401
Total reserves and liabilities	7,361	7,184	42,785	46,688	44,519	47,266	15,843	16,720	6,832	7,403	11,537	11,444	6,343	6,482	10,538	11,511	(1)	3	145,757	154,700

Additional information (unaudited)

Principal exchange rates	USD per foreign currency unit	Balance sheets		Income statements and cash flows	
		03/31/09	12/31/08	03/31/09	03/31/08
		Euro	1.3266	1.3924	1.3039
Swiss franc	0.8775	0.9371	0.8720	0.9351	
British pound sterling	1.4307	1.4620	1.4349	1.9779	

Currency translation impact on key financial figures – General Insurance	variance over the prior period, for the three months ended March 31, 2009	in USD		change	change
		in USD millions	in %	in USD	in local currency
Gross written premiums and policy fees		(1,057)	(9%)	(12%)	(3%)
Net investment income on total investments		(83)	(9%)	(18%)	(9%)
Net capital gains/(losses) and impairments on total investments		–	(49%)	nm	nm
Insurance benefits and losses, net of reinsurance		587	11%	12%	2%
Business operating profit		(93)	(8%)	(25%)	(17%)

Currency translation impact on key financial figures – Global Life	variance over the prior period, for the three months ended March 31, 2009	in USD		change	change
		in USD millions	in %	in USD	in local currency
Insurance deposits		(522)	(19%)	(16%)	3%
Gross written premiums and policy fees		(433)	(16%)	21%	37%
Net investment result on Group investments		(98)	(9%)	(30%)	(21%)
Net investment income on Group investments		(141)	(13%)	(11%)	2%
Net capital gains and impairments on Group investments		43	107%	(551%)	(657%)
Net investment result on unit-linked investments		1,003	12%	65%	53%
Insurance benefits and losses, net of reinsurance		415	19%	(35%)	(54%)
Business operating profit		(33)	(10%)	(35%)	(25%)

Additional information (unaudited)

Investment result	in USD millions, for the three months ended March 31					
	Net investment income		Net capital gains/ (losses) on investments and impairments ¹		Investment result	
	2009	2008	2009	2008	2009	2008
Group investments						
Cash and cash equivalents	41	141	(1)	–	40	141
Equity securities	74	147	(476)	(189)	(402)	(42)
Debt securities	1,378	1,487	(536)	(190)	843	1,296
Real estate held for investment	112	125	(4)	43	108	168
Mortgage loans	137	162	(15)	(5)	122	157
Other loans	147	164	1	–	148	164
Investments in associates	(5)	2	–	1	(5)	3
Other investments ²	12	(2)	3	350	15	348
Investment result, gross, for Group investments	1,896	2,227	(1,028)	10	869	2,237
Investment expenses for Group investments ³	(53)	(64)	–	–	(53)	(64)
Investment result, net, for Group investments	1,844	2,163	(1,028)	10	816	2,173
Investments for unit-linked contracts						
Investment result, net, for investments for unit-linked contracts	374	1,144	(3,677)	(10,152)	(3,303)	(9,008)
Total investments						
Investment result, net, for total investments	2,218	3,307	(4,704)	(10,142)	(2,487)	(6,835)

¹ Impairment charges on investments amounted in total to USD 500 million and USD 235 million for the three months ended March 31, 2009 and 2008, respectively. Thereof impairments on equity securities comprised USD 303 million and USD 85 million, on debt securities USD 183 million and USD 144 million, and on mortgage loans and other investments USD 15 million and USD 5 million for the three months ended March 31, 2009 and 2008, respectively.

² Including net capital gains/(losses) on derivative financial instruments of USD 3 million and USD 350 million for the three months ended March 31, 2009 and 2008, respectively, of which net capital gains/(losses) on derivatives attributable to cash flow hedges ineffectiveness amounted to USD 18 million and USD (6) million for the three months ended March 31, 2009 and 2008, respectively.

³ Including rental operating expense for real estate held for total investments of USD 28 million and USD 35 million for the three months ended March 31, 2009 and 2008, respectively.

Additional information (unaudited)

Details of investments by category	as of		Group investments		Investments for unit-linked products		Total investments	
	03/31/09		12/31/08		03/31/09		12/31/08	
	USD	% of	USD	% of	USD	USD	USD	USD
	millions	total	millions	total	millions	millions	millions	millions
Cash and cash equivalents	12,117	7.0	13,267	7.4	4,237	4,460	16,354	17,727
Equity securities:								
Fair value through profit or loss	4,773	2.7	4,996	2.8	55,692	60,154	60,464	65,150
<i>of which: trading</i>	1,241	0.7	1,419	0.8	–	–	1,241	1,419
<i>of which: trading equity portfolios in capital markets and banking activities</i>	727	0.4	786	0.4	–	–	727	786
Available-for-sale	8,647	5.0	9,307	5.2	–	–	8,647	9,307
Total equity securities	13,420	7.7	14,303	8.0	55,692	60,154	69,112	74,458
Debt securities:								
Fair value through profit or loss	6,917	4.0	7,291	4.1	8,863	9,510	15,781	16,801
<i>of which: trading</i>	91	0.1	186	0.1	–	–	91	186
Available-for-sale	104,598	60.1	106,370	59.2	–	–	104,598	106,370
Held-to-maturity	5,186	3.0	5,244	2.9	–	–	5,186	5,244
Total debt securities	116,701	67.0	118,905	66.2	8,863	9,510	125,565	128,415
Real estate held for investment	7,081	4.1	7,524	4.2	3,653	4,077	10,734	11,601
Mortgage loans	12,141	7.0	12,820	7.1	–	–	12,141	12,820
Other loans	12,394	7.1	12,531	7.0	53	2	12,447	12,533
Investments in associates	214	0.1	220	0.1	–	–	214	220
Total investments	174,069	100.0	179,570	100.0	72,498	78,203	246,567	257,773

Additional Information (unaudited)

Equity securities (including trading equity portfolios in capital markets and banking activities)	Group investments				Investments for unit-linked contracts		Total investments	
	31/03/09		31/12/08		31/03/09	31/12/08	31/03/09	31/12/08
	USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Common stocks, including equity unit trusts	8,003	4.6	8,957	5.0	47,035	51,276	55,038	60,233
Unit trusts (debt securities, real estate, short-term investments)	4,137	2.4	3,930	2.2	8,657	8,879	12,794	12,809
Common stock portfolios backing the participating with-profit policyholder contracts	553	0.3	630	0.4	–	–	553	630
Trading equity portfolios in capital markets and banking activities	727	0.4	786	0.4	–	–	727	786
Total equity securities	13,420	7.7	14,303	8.0	55,692	60,154	69,112	74,458

Summary of quarterly consolidated financial information (unaudited)

Summary of quarterly consolidated financial information	in USD millions, for the three months ended									
	03/31/09	12/31/08	09/30/08	06/30/08	03/31/08	12/31/07	09/30/07	06/30/07	03/31/07	
Gross written premiums and policy fees	14,242	12,800	12,399	12,345	14,350	11,532	10,977	11,602	13,345	
Net earned premiums and policy fees	11,280	11,825	10,520	10,786	10,976	10,750	10,122	2,737	10,154	
Net investment result on Group investments	816	1,087	770	1,803	2,173	2,627	2,682	2,417	2,368	
Net investment income on Group investments	1,844	2,173	2,150	2,239	2,163	2,208	2,101	2,220	2,062	
Net capital gains/(losses) on Group investments and impairments	(1,028)	(1,086)	(1,380)	(437)	10	420	580	198	305	
Net investment result on unit-linked investments	(3,303)	(4,105)	(8,221)	(396)	(9,008)	17	872	4,055	2,198	
Other revenues	992	1,067	860	1,161	1,052	1,073	1,137	1,014	1,062	
Total revenues	9,786	9,873	3,929	13,354	5,193	14,468	14,812	10,224	15,781	
Insurance benefits and losses, net of reinsurance	9,041	10,170	8,381	8,123	8,138	7,811	7,560	475	7,445	
Policyholder dividends and participation in profits, net of reinsurance	(3,229)	(4,506)	(8,293)	(527)	(8,188)	376	1,313	4,212	2,626	
Other expenses	3,765	4,394	3,961	4,208	3,824	4,406	4,015	3,736	3,723	
Total benefits, losses and expenses	9,576	10,058	4,048	11,804	3,775	12,593	12,888	8,424	13,794	
Net income before income taxes	209	(185)	(119)	1,550	1,418	1,876	1,924	1,799	1,988	
Net income attributable to shareholders	362	205	154	1,254	1,427	1,529	1,509	1,286	1,390	
Business operating profit	1,061	1,002	636	1,785	1,764	1,796	1,627	1,542	1,741	

Financial Supplement (unaudited)

Explanatory notes

The information contained within the Financial Supplement is unaudited. This document should be read in conjunction with the Zurich Financial Services Group Financial Report 2008 and the unaudited consolidated financial statements.

Information regarding accounting policies and embedded value performance measures is located in the notes to the consolidated financial statements and the embedded value report in the Financial Report 2008.

The Group

Book value per share – This measure is calculated by dividing the common shareholders' equity by the number of shares issued less the number of treasury shares.

Business operating profit (BOP) – This measure is the basis on which we manage all our business units. It indicates the underlying performance of our business units by eliminating the impact of financial market volatility and other non-operational variables. Business operating profit reflects adjustments for shareholders' taxes, net capital gains on investments and impairments (except for the capital markets and banking operations included in Other Businesses and investments in hedge funds and certain securities held for specific economic hedging purposes), policyholders' share of investment results for the life businesses, non-operational foreign exchange movements, and significant items arising from special circumstances, including gains and losses on divestments of businesses. **Adjusted business operating profit** is adjusted for notional investment income on the difference between the average actual IFRS equity and the average allocated IFRS equity using one global swap rate. Allocated IFRS equity is equal to a segment's pro rata share of the Group's risk based capital at the respective period end. These measures are not a substitute for net income as determined in accordance with International Financial Reporting Standards (IFRS).

Business operating profit (after-tax) return on common shareholders' equity – This measure indicates the level of business operating profit or loss relative to resources provided by common shareholders. It is calculated as business operating profit or loss, annualized on a linear basis and adjusted for preferred shareholder dividends and taxes, divided by the average value of common shareholders' equity on a simple basis using the value at the beginning and end of the period. **Adjusted business operating profit return on common shareholders' equity** is based on average IFRS Group equity and is allocated to each segment based on its share of risk-based capital.

Investments – The line item total investments on our consolidated balance sheets includes Group investments and investments for unit-linked products. Our **Group investments** are those for which we bear part or all of the investment risk. They also include investments related to investment policies with discretionary participation features. Average invested assets exclude cash collateral received for securities lending. We manage our diversified Group investments portfolio to optimize benefits for both shareholders and policyholders while ensuring compliance with local regulatory and business requirements under the guidance of our Asset/Liability Management and Investment Committee. **Investments for unit-linked products** include such investments, where the policyholder bears the investment risk, and are held for liabilities related to unit-linked investment contracts and reserves for unit-linked insurance contracts. They are managed in accordance with the investment objectives of each unit-linked fund. The investment result for unit-linked products is passed to policyholders through a charge to policyholder dividends and participation in profits.

Operational debt – This non-IFRS term refers to debt items that are excluded from rating agency leverage calculations such as collateralized loans, debt related to banking activities and obligations to repurchase securities.

Other related intangible assets – These assets on our Global Life and Farmers Management Services balance sheets consist of the present value of profits of acquired insurance contracts and attorney-in-fact relationships.

Return on common shareholders' equity (ROE) – This measure indicates the level of profit or loss relative to resources provided by common shareholders. It is calculated as net income after taxes attributable to common shareholders, annualized on a linear basis, divided by the average value of common shareholders' equity on a simple basis using the value at the beginning and end of the period.

General Insurance

The following General Insurance measures are net of reinsurance.

Net underwriting result – This performance measure is calculated as the difference between earned premiums and policy fees and the sum of insurance benefits and losses and net technical expenses.

Total net technical expenses – This line item includes underwriting and policy acquisition costs, as well as the technical elements of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, and other income.

Combined ratio – This performance measure indicates the level of claims and net technical expenses during the period relative to earned premiums and policy fees. It is calculated as earned premiums and policy fees minus the net underwriting result, divided by net earned premiums and policy fees.

Loss ratio – This performance measure indicates the level of claims during the period relative to earned premiums and policy fees. It is calculated as insurance benefits and losses, which include paid claims, claims incurred but not reported (IBNR) and claims handling costs, divided by earned premiums and policy fees.

Expense ratio – This performance measure indicates the level of technical expenses during the period relative to earned premiums and policy fees. It is calculated as the sum of net technical expenses and policyholder dividends and participation in profits, divided by earned premiums and policy fees.

Net non-technical result – This line item includes the non-technical elements of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, other income, as well as net gains and losses on divestments of businesses and interest expense on debt.

Global Life

More detailed information regarding embedded value performance measures is located in the Embedded Value Report in the Financial Report 2008.

Embedded value (EV) principles – This methodology uses a “bottom-up” market consistent approach, which explicitly allows for market risk. In particular, asset and liability cash flows are valued using risk discount rates consistent with those applied to similar cash flows in the capital markets, and options and guarantees are valued using market consistent models calibrated to observable market prices.

Insurance deposits – These deposits, similar to customer account balances, are not recorded as revenues. However, the fees charged on insurance deposits are recorded as revenue within the gross written premiums and policy fees line item. These deposits arise from investment contracts and insurance contracts that are accounted for under deposit accounting. They represent the pure savings part, which is invested.

New business annual premium equivalent (APE) – This measure is calculated as new business annual premiums plus 10 percent of single premiums. **Present value of new business premiums (PVNBP)** is calculated as the value of new business premiums discounted at the risk free rate.

New business value, after tax – This measure reflects the value added by new business written during the period, including allowing for frictional costs, time value of options and guarantees, and the cost of non-market risk, and is valued at the point of sale. It is calculated as the present value of the projected after-tax profit from life insurance contracts sold during the period.

Farmers Management Services

Gross management result – This performance measure is calculated as management fees and other related revenues minus management and other related expenses, which include amortization and impairments of intangible assets.

Managed gross earned premium margin – This performance measure is calculated as gross operating profit of Farmers Management Services divided by the gross earned premiums of the Farmers Exchanges, which we manage but do not own.

Surplus ratio (Farmers Exchanges) – This measure indicates the amount of capital available to support the volume of insurance business written, and is calculated by dividing the end-of-period surplus balance by the net premium written in the preceding twelve-month period.

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Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predicated on 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.

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 the full year results.

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