

# Financial Supplement 2009

Zurich Financial Services Group  
Annual Results Reporting 2009

## Contents

# Results for the Year ended December 31, 2009

## Financial Supplement (unaudited)

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## Financial highlights (unaudited)

Business operating profit by business segment	in USD millions, for the years ended December 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 <sup>1</sup>	32,516	35,357	12,343	10,694	–	–	–	(6)	566	469	(11)	19	45,414	46,532
Assumed written premiums	1,641	1,794	97	100	6,615	3,381	142	182	134	184	(226)	(279)	8,403	5,362
Gross written premiums and policy fees	34,157	37,151	12,440	10,794	6,615	3,381	142	176	700	652	(237)	(260)	53,817	51,894
Less premiums ceded to reinsurers	(5,222)	(5,646)	(769)	(741)	–	–	(52)	(61)	(39)	(39)	237	260	(5,844)	(6,226)
Net written premiums and policy fees	28,935	31,505	11,672	10,053	6,615	3,381	90	115	661	613	–	–	47,973	45,667
Net change in reserves for unearned premiums	136	(583)	6	–	(893)	(1,002)	–	–	5	25	–	–	(746)	(1,560)
Net earned premiums and policy fees	29,071	30,922	11,677	10,053	5,722	2,378	90	116	666	638	–	–	47,227	44,107
Farmers management fees and other related revenues	–	–	–	–	2,690	2,458	–	–	–	–	–	–	2,690	2,458
Net investment result on Group investments	3,181	3,623	4,032	3,688	174	160	461	603	333	468	(880)	(998)	7,301	7,544
Net investment income on Group investments	3,070	3,711	4,081	4,518	174	160	461	528	598	779	(880)	(998)	7,505	8,698
Net capital gains/(losses) and impairments on Group investments	110	(88)	(49)	(829)	–	–	–	75	(265)	(311)	–	–	(204)	(1,154)
Net investment result on unit-linked investments	–	–	11,697	(19,039)	–	–	–	–	778	(2,692)	–	–	12,475	(21,731)
Other income	852	736	854	1,195	85	21	1,101	1,044	186	17	(1,277)	(1,320)	1,802	1,693
Total BOP revenues	33,103	35,281	28,261	(4,102)	8,672	5,018	1,653	1,763	1,963	(1,569)	(2,157)	(2,318)	71,496	34,071
of which: inter-segment revenues	(385)	(520)	(294)	(202)	(90)	(97)	(1,312)	(1,386)	(77)	(114)	2,157	2,318	–	–
Benefits, losses and expenses														
Insurance benefits and losses, net	20,622	22,441	10,594	9,229	3,904	1,622	86	175	1,055	1,344	–	–	36,261	34,811
Losses and loss adjustment expenses, net	20,590	22,388	53	29	3,904	1,622	5	1	49	106	38	–	24,639	24,145
Life insurance death and other benefits, net	40	53	10,577	9,888	–	–	82	101	656	495	1	–	11,356	10,538
(Decrease)/increase in future life policyholders' benefits, net <sup>1</sup>	(8)	–	(36)	(688)	–	–	–	73	350	743	(39)	1	266	128
Policyholder dividends and participation in profits, net	15	16	12,018	(18,942)	–	–	–	–	826	(2,588)	–	–	12,859	(21,514)
Income tax expense/(benefit) attributable to policyholders	–	–	387	(1,184)	–	–	–	–	–	–	–	–	387	(1,184)
Underwriting and policy acquisition costs, net	5,375	5,679	1,116	1,887	1,760	696	12	14	9	14	(18)	(3)	8,254	8,287
Administrative and other operating expense (excl. depreciation/amortization)	3,303	3,190	1,857	2,138	1,311	1,210	962	1,067	138	(249)	(1,215)	(1,282)	6,356	6,074
Interest credited to policyholders and other interest	32	195	444	521	–	–	1	9	59	71	(4)	(24)	533	773
Restructuring provisions and other items not included in BOP	(170)	(246)	(119)	423	(34)	2	81	99	6	58	–	–	(236)	336
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	29,177	31,277	26,296	(5,929)	6,941	3,531	1,143	1,364	2,093	(1,351)	(1,237)	(1,309)	64,413	27,583
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>3,927</b>	<b>4,004</b>	<b>1,965</b>	<b>1,826</b>	<b>1,731</b>	<b>1,487</b>	<b>510</b>	<b>399</b>	<b>(129)</b>	<b>(219)</b>	<b>(921)</b>	<b>(1,009)</b>	<b>7,083</b>	<b>6,488</b>
Depreciation and impairments of property and equipment	80	77	34	42	86	63	35	33	11	4	–	–	245	218
Amortization and impairments of intangible assets	177	133	346	224	82	59	38	18	3	3	–	–	647	437
Interest expense on debt	209	235	93	45	8	9	1,049	1,122	147	198	(921)	(1,009)	586	599
Business operating profit before non-controlling interests	3,460	3,559	1,492	1,516	1,554	1,356	(611)	(774)	(290)	(423)	–	–	5,605	5,234
Non-controlling interests	(3)	24	15	26	–	–	–	(2)	1	–	–	–	12	48
<b>Business operating profit</b>	<b>3,463</b>	<b>3,555</b>	<b>1,477</b>	<b>1,490</b>	<b>1,554</b>	<b>1,356</b>	<b>(611)</b>	<b>(772)</b>	<b>(290)</b>	<b>(423)</b>	<b>–</b>	<b>–</b>	<b>5,593</b>	<b>5,186</b>
Supplementary information														
Additions and capital improvements to property, equipment and intangible assets	474	1,614	407	3,127	917	171	81	151	(1)	13	–	–	1,877	5,076

<sup>1</sup> The Global Life segment includes approximately USD 2,698 million and USD 1,250 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in our Spanish operations for the years ended December 31, 2009 and 2008, respectively (see note 3).

## Financial highlights (unaudited)

Adjusted business operating profit by business segment	in USD millions, as of December 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	14,425	14,637	5,859	5,362	3,045	2,502	502	648	1,498	1,759	25,330	24,908
Adjusted business operating profit	3,363	3,527	1,257	1,352	1,473	1,300	(164)	(527)	(337)	(466)	5,593	5,187
<b>Adjusted BOP return on common shareholders' equity<sup>1</sup></b>	<b>23.3%</b>	<b>24.1%</b>	<b>21.5%</b>	<b>25.2%</b>	<b>48.4%</b>	<b>51.9%</b>	<b>(36.4%)</b>	<b>(85.7%)</b>	<b>(22.5%)</b>	<b>(26.5%)</b>	<b>22.0%</b>	<b>20.7%</b>
<b>BOPAT return on average allocated common shareholders' equity</b>	<b>21.6%</b>	<b>21.8%</b>	<b>16.2%</b>	<b>18.4%</b>	<b>32.1%</b>	<b>34.7%</b>	<b>(40.6%)</b>	<b>(27.7%)</b>	<b>(16.8%)</b>	<b>(37.6%)</b>	<b>17.2%</b>	<b>16.8%</b>

Reconciliation of BOP to net income after income taxes	in USD millions, for the years ended December 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
<b>Business operating profit</b>	<b>3,463</b>	<b>3,535</b>	<b>1,477</b>	<b>1,490</b>	<b>1,554</b>	<b>1,356</b>	<b>(611)</b>	<b>(772)</b>	<b>(290)</b>	<b>(423)</b>	<b>5,593</b>	<b>5,186</b>
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	(674)	(1,172)	(441)	(411)	(50)	(56)	(62)	(59)	8	(41)	(1,219)	(1,739)
Net gain/(loss) on divestments of businesses	(2)	14	–	4	–	–	–	–	(3)	(1)	(5)	16
Restructuring provisions and other	(170)	(246)	(119)	423	(34)	2	81	99	6	58	(236)	336
Add back:												
Business operating profit attributable to non-controlling interests	(3)	24	15	26	–	–	–	(2)	1	–	12	48
<b>Net income before shareholders' taxes</b>	<b>2,614</b>	<b>2,156</b>	<b>931</b>	<b>1,531</b>	<b>1,470</b>	<b>1,302</b>	<b>(592)</b>	<b>(734)</b>	<b>(279)</b>	<b>(408)</b>	<b>4,145</b>	<b>3,847</b>
Income tax expense attributable to policyholders	–	–	387	(1,184)	–	–	–	–	–	–	387	(1,184)
<b>Net income before income taxes</b>	<b>2,614</b>	<b>2,156</b>	<b>1,318</b>	<b>347</b>	<b>1,470</b>	<b>1,302</b>	<b>(592)</b>	<b>(734)</b>	<b>(279)</b>	<b>(408)</b>	<b>4,531</b>	<b>2,663</b>
Income tax expense (attributable to policyholders and shareholders)											(1,295)	452
<b>Net income after taxes</b>											<b>3,236</b>	<b>3,116</b>

## Financial highlights (unaudited)

## Assets and liabilities by business segment

in USD millions, as of December 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
<b>Assets</b>														
Total Group Investments	85,413	77,328	101,597	94,626	4,561	3,607	18,027	15,193	15,826	15,415	(29,167)	(26,600)	196,258	179,570
Cash and cash equivalents	9,940	9,703	4,385	5,130	734	714	6,226	6,682	2,762	2,935	(12,417)	(12,736)	11,631	12,428
Equity securities	4,743	5,966	5,342	4,816	85	224	1,538	2,277	742	1,021	–	–	12,450	14,303
Debt securities	63,594	53,578	62,883	56,256	1,302	696	2,920	1,478	6,669	6,644	(1,024)	(365)	136,344	118,287
Real estate held for investment	3,004	2,922	4,408	4,228	149	156	46	44	181	175	–	–	7,789	7,524
Mortgage loans	1,483	1,794	9,021	8,953	–	–	–	–	2,264	2,104	(33)	(32)	12,736	12,820
Other loans	2,623	3,340	15,432	15,131	2,290	1,817	7,294	4,708	3,129	2,459	(15,693)	(13,468)	15,077	13,988
Equity method accounted investments	25	26	125	113	–	–	3	3	79	78	–	–	232	220
Investments for unit-linked contracts	–	–	87,430	65,977	–	–	–	–	11,737	12,226	–	–	99,167	78,203
<b>Total investments</b>	<b>85,413</b>	<b>77,328</b>	<b>189,026</b>	<b>160,604</b>	<b>4,561</b>	<b>3,607</b>	<b>18,027</b>	<b>15,193</b>	<b>27,563</b>	<b>27,641</b>	<b>(29,167)</b>	<b>(26,600)</b>	<b>295,425</b>	<b>257,773</b>
Reinsurers' share of reserves for insurance contracts	12,957	12,749	2,160	2,008	211	209	(95)	–	4,688	5,477	(1,293)	(1,849)	18,627	18,595
Deposits made under assumed reinsurance contracts	66	68	3	–	3,158	1,685	–	–	664	677	(29)	(32)	3,861	2,397
Deferred policy acquisition costs	3,374	3,247	12,276	10,768	529	307	–	–	2	2	–	–	16,181	14,323
Deferred origination costs	–	–	856	770	–	–	–	–	–	–	–	–	856	770
Goodwill	1,029	895	442	395	821	382	5	5	–	–	–	–	2,297	1,677
Other intangible assets	1,419	1,303	4,000	3,925	1,397	1,207	219	185	9	13	–	–	7,044	6,633
Other assets <sup>1</sup>	15,339	16,119	6,730	6,835	1,547	1,500	1,737	1,907	1,306	1,704	(2,037)	(2,289)	24,621	25,776
<b>Total assets (after cons. of investments in subsidiaries)</b>	<b>119,597</b>	<b>111,710</b>	<b>215,494</b>	<b>185,304</b>	<b>12,224</b>	<b>8,897</b>	<b>19,893</b>	<b>17,290</b>	<b>34,233</b>	<b>35,514</b>	<b>(32,527)</b>	<b>(30,771)</b>	<b>368,914</b>	<b>327,944</b>
<b>Liabilities</b>														
Liabilities for investment contracts	–	–	46,374	36,230	–	–	–	–	–	–	(250)	(251)	46,124	35,979
Reserves for insurance contracts, gross	79,900	77,468	136,256	120,706	3,946	2,095	365	415	22,221	23,325	(1,276)	(1,831)	241,412	222,179
Reserves for losses and loss adjustment expenses, gross	63,476	61,396	35	18	1,793	835	49	44	3,531	4,147	(799)	(1,223)	68,086	65,218
Reserves for unearned premiums, gross	15,191	14,874	302	226	2,153	1,260	5	5	33	43	(7)	(10)	17,676	16,399
Future life policyholders' benefits, gross	98	95	74,760	72,782	–	–	311	366	3,890	3,573	(470)	(598)	78,589	76,218
Policyholders' contract deposits and other funds, gross	1,135	1,102	14,691	12,611	–	–	–	–	3,030	3,334	1	–	18,857	17,047
Reserves for unit-linked contracts, gross	–	–	46,468	35,069	–	–	–	–	11,736	12,228	–	–	58,204	47,297
Debt related to capital markets and banking activities	–	–	–	–	–	–	553	–	2,584	3,632	(2,298)	(1,106)	839	2,527
Senior debt	3,462	3,031	265	694	–	–	23,224	19,893	1,082	1,054	(21,756)	(21,314)	6,277	3,358
Subordinated debt	2,054	2,189	1,019	412	–	180	5,206	5,169	155	73	(3,268)	(2,926)	5,167	5,096
Other liabilities	14,942	14,680	17,615	15,399	1,801	1,582	1,709	2,707	5,228	3,999	(3,679)	(3,344)	37,616	35,024
<b>Total liabilities</b>	<b>100,357</b>	<b>97,368</b>	<b>201,530</b>	<b>173,441</b>	<b>5,747</b>	<b>3,858</b>	<b>31,058</b>	<b>28,184</b>	<b>31,270</b>	<b>32,083</b>	<b>(32,527)</b>	<b>(30,771)</b>	<b>337,435</b>	<b>304,163</b>
<b>Equity</b>														
Common shareholders' equity													29,117	21,542
Preferred securities													561	561
Shareholders' equity													29,678	22,103
Non-controlling interests													1,800	1,678
Total equity													31,478	23,781
<b>Total liabilities and equity</b>													<b>368,914</b>	<b>327,944</b>

<sup>1</sup> As of December 31, 2009, for the General Insurance segment, other assets include USD 67 million related to land and buildings held for own use reclassified in March and December 2009 as assets held for sale.

## General Insurance (unaudited)

General Insurance –  
Customer segment  
overview

in USD millions, for the years ended December 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	7,602	7,888	9,864	11,215	14,556	15,946	2,695	2,753	486	502	(1,046)	(1,153)	34,157	37,151
Net earned premiums and policy fees	4,738	4,834	8,331	9,258	13,894	14,776	2,057	1,999	51	55	–	–	29,071	30,922
Insurance benefits and losses, net	3,540	4,457	5,711	6,508	10,230	10,334	1,265	1,204	(124)	(61)	–	–	20,622	22,441
Policyholder dividends and participation in profits, net	3	4	8	11	4	1	–	–	–	–	–	–	15	16
Total net technical expenses	964	975	2,355	2,495	3,439	3,652	727	719	18	28	1	1	7,504	7,871
Net underwriting result	231	(602)	257	243	222	788	64	76	157	88	(1)	(1)	930	594
Net investment income	601	689	1,150	1,253	1,102	1,504	162	180	62	142	(6)	(57)	3,070	3,711
Net capital gains/(losses) and impairments on investments	35	(29)	52	(37)	23	(21)	–	–	–	–	–	–	110	(88)
Net non-technical result (excl. items not included in BOP)	(79)	(10)	(216)	(222)	(236)	(389)	(51)	(49)	(75)	(45)	7	58	(651)	(657)
Business operating profit before non-controlling interests	787	47	1,243	1,237	1,111	1,882	175	207	144	186	–	–	3,460	3,559
Non-controlling interests	–	–	–	–	(9)	17	5	7	–	–	–	–	(3)	24
Business operating profit	787	47	1,243	1,238	1,120	1,864	169	201	144	186	–	–	3,463	3,535
Adjusted business operating profit	<b>807</b>	<b>53</b>	<b>1,213</b>	<b>1,232</b>	<b>1,044</b>	<b>1,818</b>	<b>158</b>	<b>193</b>	<b>141</b>	<b>232</b>			<b>3,363</b>	<b>3,527</b>
Adjusted business operating profit return on common shareholders' equity	<b>22.7%</b>	<b>1.6%</b>	<b>24.4%</b>	<b>25.6%</b>	<b>23.9%</b>	<b>41.6%</b>	<b>20.4%</b>	<b>28.9%</b>	<b>18.5%</b>	<b>16.6%</b>			<b>23.3%</b>	<b>24.1%</b>

Ratios, as % of net earned premiums and policy fees

Loss ratio	74.7%	92.2%	68.5%	70.3%	73.6%	69.9%	61.5%	60.2%	nm	nm	n/a	n/a	70.9%	72.6%
Expense ratio	20.4%	20.2%	28.4%	27.1%	24.8%	24.7%	35.3%	36.0%	nm	nm	n/a	n/a	25.9%	25.5%
Combined ratio	95.1%	112.4%	96.9%	97.4%	98.4%	94.7%	96.9%	96.2%	nm	nm	n/a	n/a	96.8%	98.1%

## General Insurance (unaudited)

General Insurance – Revenues by region	in USD millions, for the years ended December 31	Gross written premiums and policy fees from external customers	
		2009	2008
Global Corporate			
North America		2,685	2,966
Europe		4,298	4,546
Rest of Global Corporate		370	129
<b>Subtotal</b>		<b>7,353</b>	<b>7,640</b>
Europe & Africa			
United Kingdom		3,170	3,941
Germany		2,944	3,096
Switzerland		2,259	2,339
Italy		2,213	2,276
Spain		1,338	1,496
Southern Africa		650	654
Rest of Europe & Africa		1,899	2,013
<b>Subtotal</b>		<b>14,473</b>	<b>15,816</b>
Americas			
United States		9,189	10,469
Rest of North America		469	520
Latin America		1,353	1,236
<b>Subtotal</b>		<b>11,012</b>	<b>12,225</b>
Asia-Pacific & Middle East			
Asia-Pacific Mature Markets		1,070	1,141
China & South East Asia		229	311
<b>Subtotal</b>		<b>1,299</b>	<b>1,452</b>
Central Region			
Europe		2	1
<b>Subtotal</b>		<b>2</b>	<b>1</b>
<b>Total</b>		<b>34,138</b>	<b>37,133</b>

## General Insurance (unaudited)

General Insurance – Assets by region	in USD millions, as of December 31	Property/equipment and intangible assets	
		2009	2008
Europe & Africa			
United Kingdom		222	211
Germany		253	259
Switzerland		127	109
Italy		75	128
Spain		747	764
Southern Africa		22	10
Rest of Europe & Africa		1,437	1,341
Subtotal		2,883	2,822
Americas			
United States		216	244
Rest of North America		6	3
Latin America		164	46
Subtotal		386	293
Asia-Pacific & Middle East			
Asia-Pacific Mature Markets		93	68
China & South East Asia		24	23
Subtotal		117	90
<b>Total</b>		<b>3,385</b>	<b>3,206</b>



## General Insurance (unaudited)

Customer segment reporting – Europe General Insurance by region	in USD millions, for the years ended December 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	3,182	3,976	2,960	3,117	2,259	2,344	2,235	2,296	1,356	1,518	650	656	2,540	2,780	(626)	(740)	14,556	15,946
Net earned premiums and policy fees	3,070	3,736	2,495	2,562	2,110	2,214	2,140	2,060	1,173	1,286	537	552	2,369	2,368	–	(1)	13,894	14,776
Net underwriting result	(2)	82	210	238	244	273	(354)	17	92	92	(64)	10	100	75	(4)	1	222	788
<b>Business operating profit</b>	<b>229</b>	<b>493</b>	<b>381</b>	<b>380</b>	<b>373</b>	<b>382</b>	<b>(258)</b>	<b>149</b>	<b>187</b>	<b>175</b>	<b>(33)</b>	<b>32</b>	<b>241</b>	<b>254</b>	<b>–</b>	<b>–</b>	<b>1,120</b>	<b>1,864</b>
Ratios, as % of net earned premiums and policy fees																		
Loss ratio	74.0%	73.2%	70.6%	69.4%	65.8%	65.2%	92.2%	75.3%	66.7%	70.5%	84.6%	73.8%	67.4%	63.8%	n/a	n/a	73.6%	69.9%
Expense ratio	26.0%	24.6%	21.0%	21.3%	22.6%	22.4%	24.3%	23.9%	25.5%	22.3%	27.2%	24.3%	28.4%	33.0%	n/a	n/a	24.8%	24.7%
Combined ratio	<b>100.1%</b>	<b>97.8%</b>	<b>91.6%</b>	<b>90.7%</b>	<b>88.4%</b>	<b>87.7%</b>	<b>116.5%</b>	<b>99.2%</b>	<b>92.2%</b>	<b>92.8%</b>	<b>111.8%</b>	<b>98.1%</b>	<b>95.8%</b>	<b>96.8%</b>	<b>n/a</b>	<b>n/a</b>	<b>98.4%</b>	<b>94.7%</b>

Customer segment reporting – Europe General Insurance split into Commercial and Personal	in USD millions, for the years ended December 31							
	Commercial		Personal		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	6,013	6,569	8,549	9,383	(6)	(6)	14,556	15,946
Net earned premiums and policy fees	5,552	5,951	8,342	8,825	–	–	13,894	14,776
Net underwriting result	333	281	(112)	512	1	(5)	222	788
<b>Business operating profit</b>	<b>815</b>	<b>882</b>	<b>305</b>	<b>982</b>	<b>–</b>	<b>–</b>	<b>1,120</b>	<b>1,864</b>
Ratios, as % of net earned premiums and policy fees								
Loss ratio	69.9%	71.7%	76.1%	68.8%	n/a	n/a	73.6%	69.9%
Expense ratio	24.1%	23.6%	25.2%	25.4%	n/a	n/a	24.8%	24.7%
Combined ratio	<b>94.0%</b>	<b>95.3%</b>	<b>101.3%</b>	<b>94.2%</b>	<b>n/a</b>	<b>n/a</b>	<b>98.4%</b>	<b>94.7%</b>

## General Insurance (unaudited)

Customer segment reporting – International Markets by region	in USD millions, for the years ended December 31															
	Latin America		Asia-Pacific Mature Markets		China & South East Asia		Middle East		Rest of Asia Pacific & Middle East		Rest of International Markets		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	1,354	1,261	1,070	1,156	271	336	–	–	–	–	–	–	–	–	2,695	2,753
Net earned premiums and policy fees	887	857	965	935	205	207	–	–	–	–	–	–	–	–	2,057	1,999
Net underwriting result	5	9	35	54	24	13	–	–	–	–	–	–	–	–	64	76
<b>Business operating profit</b>	<b>66</b>	<b>66</b>	<b>95</b>	<b>147</b>	<b>25</b>	<b>19</b>	<b>–</b>	<b>–</b>	<b>(6)</b>	<b>–</b>	<b>(10)</b>	<b>(31)</b>	<b>–</b>	<b>–</b>	<b>169</b>	<b>201</b>
Ratios, as % of net earned premiums and policy fees																
Loss ratio	58.5%	59.5%	69.6%	65.6%	37.0%	38.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	61.5%	60.2%
Expense ratio	41.0%	39.4%	26.8%	28.6%	51.3%	54.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	35.3%	36.0%
Combined ratio	<b>99.4%</b>	<b>98.9%</b>	<b>96.3%</b>	<b>94.2%</b>	<b>88.3%</b>	<b>93.6%</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>96.9%</b>	<b>96.2%</b>

Customer segment reporting – International Markets split into Commercial and Personal	in USD millions, for the years ended December 31									
	Commercial		Personal		Eliminations		Total			
	2009	2008	2009	2008	2009	2008	2009	2008		
Gross written premiums and policy fees	1,431	1,554	1,264	1,200	–	(2)	2,695	2,753		
Net earned premiums and policy fees	1,028	1,085	1,029	915	–	–	2,057	1,999		
Net underwriting result	21	22	44	55	(1)	(1)	64	76		
<b>Business operating profit</b>	<b>85</b>	<b>107</b>	<b>84</b>	<b>94</b>	<b>–</b>	<b>–</b>	<b>169</b>	<b>201</b>		
Ratios, as % of net earned premiums and policy fees										
Loss ratio	67.5%	62.7%	55.6%	57.2%	n/a	n/a	61.5%	60.2%		
Expense ratio	30.4%	35.2%	40.1%	36.7%	n/a	n/a	35.3%	36.0%		
Combined ratio	<b>97.9%</b>	<b>97.9%</b>	<b>95.7%</b>	<b>94.0%</b>	<b>n/a</b>	<b>n/a</b>	<b>96.9%</b>	<b>96.2%</b>		

## Global Life (unaudited)

Global Life –  
Overview

in USD millions, for the years ended December 31

	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		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
<b>Revenues</b>																				
Life insurance deposits	619	555	3,612	3,708	2,118	1,872	81	89	1,912	1,586	2,266	808	1,215	1,673	1,765	789	–	–	13,589	11,079
Gross written premiums and policy fees <sup>1</sup>	1,257	1,087	1,096	1,094	3,431	3,906	1,607	1,753	385	353	3,523	1,635	255	198	924	781	(36)	(14)	12,440	10,794
Net earned premiums and policy fees	982	841	923	931	3,323	3,797	1,600	1,746	287	263	3,495	1,618	215	160	852	696	–	–	11,677	10,053
Net investment income on Group investments	437	433	342	710	1,733	1,899	606	627	87	98	476	280	34	54	366	416	–	–	4,081	4,518
Net capital gains/(losses) and impairments on Group investments	10	(26)	3	(326)	(125)	(398)	43	(113)	(39)	(5)	8	–	45	74	4	(35)	–	–	(49)	(829)
Net investment result on Group investments	446	407	346	384	1,608	1,500	649	514	49	93	484	280	79	128	370	381	–	–	4,032	3,688
Net investment income on unit-linked investments	(15)	20	1,500	2,360	107	128	2	6	171	212	75	29	8	12	71	257	–	–	1,920	3,026
Net capital gains/(losses) and impairments on unit-linked investments	161	(312)	5,118	(13,520)	1,582	(3,156)	52	(127)	967	(2,378)	249	(243)	1,034	(1,016)	615	(1,313)	–	–	9,777	(22,065)
Net investment result on unit-linked investments	146	(291)	6,618	(11,160)	1,689	(3,028)	54	(121)	1,138	(2,165)	324	(214)	1,042	(1,003)	686	(1,056)	–	–	11,697	(19,039)
Other income	117	124	187	399	181	316	45	120	2	2	44	19	79	49	201	170	(3)	(3)	854	1,195
<b>Total BOP revenues</b>	<b>1,691</b>	<b>1,081</b>	<b>8,074</b>	<b>(9,445)</b>	<b>6,801</b>	<b>2,585</b>	<b>2,348</b>	<b>2,259</b>	<b>1,476</b>	<b>(1,807)</b>	<b>4,347</b>	<b>1,703</b>	<b>1,416</b>	<b>(666)</b>	<b>2,110</b>	<b>191</b>	<b>(3)</b>	<b>(3)</b>	<b>28,261</b>	<b>(4,102)</b>
<b>Benefits, losses and expenses</b>																				
Insurance benefits and losses, net <sup>1</sup>	646	557	365	598	3,604	3,891	1,539	1,671	61	96	3,613	1,727	109	86	657	602	–	–	10,594	9,229
Policyholder dividends and participation in profits, net	150	(261)	6,472	(10,721)	1,948	(3,556)	198	(38)	1,128	(2,124)	340	(213)	1,011	(1,045)	771	(983)	–	–	12,018	(18,942)
Income tax expense/(benefit) attributable to policyholders	–	–	311	(1,300)	50	180	–	–	20	(5)	–	–	–	–	6	(59)	–	–	387	(1,184)
Underwriting and policy acquisition costs, net	46	123	249	861	317	407	152	157	100	84	53	17	76	94	123	144	–	–	1,116	1,887
Administrative and other operating expense (excl. depreciation/amortization)	223	193	412	458	335	578	222	298	86	63	99	63	109	138	376	350	(3)	(3)	1,857	2,138
Interest credited to policyholders and other interest	169	171	11	64	160	216	16	22	43	–	2	8	28	28	17	13	–	–	444	521
Restructuring provisions and other items not included in BOP	1	1	(56)	43	–	450	(21)	(53)	–	–	(45)	(16)	10	4	(9)	(7)	–	–	(119)	423
<b>Total BOP benefits, losses and expenses</b>	<b>1,233</b>	<b>784</b>	<b>7,764</b>	<b>(9,998)</b>	<b>6,414</b>	<b>2,166</b>	<b>2,105</b>	<b>2,057</b>	<b>1,438</b>	<b>(1,886)</b>	<b>4,062</b>	<b>1,587</b>	<b>1,343</b>	<b>(695)</b>	<b>1,941</b>	<b>60</b>	<b>(3)</b>	<b>(3)</b>	<b>26,296</b>	<b>(5,929)</b>
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>458</b>	<b>297</b>	<b>311</b>	<b>553</b>	<b>387</b>	<b>419</b>	<b>243</b>	<b>202</b>	<b>39</b>	<b>79</b>	<b>286</b>	<b>116</b>	<b>72</b>	<b>29</b>	<b>169</b>	<b>131</b>	<b>–</b>	<b>–</b>	<b>1,965</b>	<b>1,826</b>
Depreciation and impairments of property and equipment	2	2	10	12	12	14	4	7	1	1	–	–	4	4	1	1	–	–	34	42
Amortization and impairments of intangible assets	(8)	1	30	109	41	57	–	–	1	1	203	43	4	2	75	11	–	–	346	224
Interest expense on debt	3	2	11	3	–	–	2	6	–	–	69	25	–	1	9	8	–	–	93	45
Business operating profit before non-controlling interests	462	292	261	429	334	348	237	190	37	77	13	48	64	21	84	111	–	–	1,492	1,516
Non-controlling interests	5	2	–	–	10	16	–	–	–	–	1	9	–	–	–	–	–	–	15	26
<b>Business operating profit</b>	<b>458</b>	<b>290</b>	<b>261</b>	<b>429</b>	<b>324</b>	<b>332</b>	<b>237</b>	<b>190</b>	<b>37</b>	<b>77</b>	<b>13</b>	<b>39</b>	<b>64</b>	<b>21</b>	<b>84</b>	<b>111</b>	<b>–</b>	<b>–</b>	<b>1,477</b>	<b>1,490</b>
<b>Supplementary information</b>																				
Gross written premiums and policy fees from external customers	1,257	1,087	1,089	1,089	3,379	3,846	1,606	1,753	385	353	3,523	1,635	221	189	909	779	–	–	12,369	10,731
Property, equipment and intangible assets	297	244	446	403	1,020	996	198	159	5	6	2,859	2,742	11	14	163	270	–	–	4,998	4,835

<sup>1</sup> The Global Life segment includes approximately USD 2,698 million and USD 1,250 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in our Spanish operations for the years ended December 31, 2009 and 2008, respectively (see note 3).

## Global Life (unaudited)

## Global Life – Americas

in USD millions, for the years ended December 31

	United States		Latin America		Eliminations		Total Americas	
	2009	2008	2009	2008	2009	2008	2009	2008
Insurance deposits	487	502	131	53	–	–	619	555
Gross written premiums and policy fees	749	733	507	355	–	–	1,257	1,087
Net earned premiums and policy fees	537	525	445	316	–	–	982	841
Net investment income on Group investments	333	339	103	94	–	–	437	433
Net capital gains/(losses) and impairments on Group investments	10	(26)	–	–	–	–	10	(26)
Net investment result on Group investments	343	312	103	94	–	–	446	407
Net investment result on unit-linked investments	50	(208)	96	(84)	–	–	146	(291)
Total BOP benefits, losses and expenses	636	490	597	294	–	–	1,233	784
<b>Business operating profit</b>	<b>398</b>	<b>240</b>	<b>60</b>	<b>51</b>	<b>–</b>	<b>–</b>	<b>458</b>	<b>290</b>

## Global Life – Emerging Markets in Asia

in USD millions, for the years ended December 31

			of which			
	Total		ZIS		Hong Kong	
	2009	2008	2009	2008	2009	2008
Insurance deposits	1,215	1,673	1,059	1,485	156	187
Gross written premiums and policy fees	255	198	160	108	78	93
Net earned premiums and policy fees	215	160	116	62	70	84
Net investment income on Group investments	34	54	2	21	32	34
Net capital gains/(losses) and impairments on Group investments	45	74	(2)	59	47	15
Net investment result on Group investments	79	128	1	79	78	49
Net investment result on unit-linked investments	1,042	(1,003)	939	(801)	103	(203)
Total BOP benefits, losses and expenses	1,343	(695)	1,064	(647)	239	(70)
<b>Business operating profit</b>	<b>64</b>	<b>21</b>	<b>62</b>	<b>29</b>	<b>14</b>	<b>2</b>

## Global Life (unaudited)

Global Life – Rest of the world	in USD millions, for the years ended December 31															
													Total		of which Italy	
	2009		2008		2009		2008		2009		2008		2009		2008	
Insurance deposits	1,765		789		646		576									
Gross written premiums and policy fees	924		781		380		335									
Net earned premiums and policy fees	852		696		363		307									
Net investment income on Group investments	366		416		243		244									
Net capital gains/(losses) and impairments on Group investments	4		(35)		(9)		(35)									
Net investment result on Group investments	370		381		234		208									
Net investment result on unit-linked investments	686		(1,056)		425		(467)									
Total BOP benefits, losses and expenses	1,941		60		934		15									
<b>Business operating profit</b>	<b>84</b>		<b>111</b>		<b>16</b>		<b>39</b>									

Global Life – Total investments	in %, for the years ended December 31																	
	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		Rest of the world		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Total Group investments	91.0	92.9	15.1	16.9	81.4	86.0	96.9	97.2	26.4	32.0	69.8	77.3	16.8	31.5	63.5	68.4	53.7	58.9
Cash and cash equivalents	3.2	4.1	14.7	14.5	2.0	3.0	3.0	6.1	6.6	6.8	7.6	7.6	15.6	14.8	2.0	2.3	4.3	5.4
Equity securities	1.0	3.9	10.0	10.5	2.2	1.9	7.8	7.6	20.8	17.3	1.2	0.4	8.4	4.1	11.6	11.9	5.3	5.1
Debt securities	88.2	84.0	72.4	73.2	47.8	46.2	59.1	55.2	70.4	72.2	70.8	65.4	67.6	76.4	80.3	79.0	61.9	59.5
Investments in associates	–	–	0.2	0.2	–	–	–	–	–	–	0.1	0.1	–	–	1.0	1.0	0.1	0.1
Other investments	7.6	8.0	2.6	1.7	48.0	48.8	30.0	31.1	2.2	3.7	20.3	26.6	8.5	4.7	5.0	5.8	28.4	29.9
Investments for unit-linked contracts	9.0	7.1	84.9	83.1	18.6	14.0	3.1	2.8	73.6	68.0	30.2	22.7	83.2	68.5	36.5	31.6	46.3	41.1
<b>Total investments</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Global Life – Reserves for life insurance contracts and liabilities for investment contracts, net of reinsurance	in USD millions, for the years ended December 31																			
	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		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
Unit-linked insurance and investment contracts	1,233	926	51,968	42,655	9,467	6,387	1,842	1,676	8,484	5,985	4,411	2,669	7,486	4,981	7,951	6,021	–	–	92,841	71,299
Other life insurance liabilities	6,730	6,258	4,394	4,033	42,645	40,879	15,678	15,044	1,337	1,418	9,670	8,775	1,115	1,501	5,735	5,490	(2)	3	87,304	83,401
<b>Total reserves and liabilities</b>	<b>7,964</b>	<b>7,184</b>	<b>56,363</b>	<b>46,688</b>	<b>52,111</b>	<b>47,266</b>	<b>17,520</b>	<b>16,720</b>	<b>9,821</b>	<b>7,403</b>	<b>14,080</b>	<b>11,444</b>	<b>8,601</b>	<b>6,482</b>	<b>13,686</b>	<b>11,511</b>	<b>(2)</b>	<b>3</b>	<b>180,145</b>	<b>154,700</b>

## Farmers (unaudited)

Farmers –  
Overview

in USD millions, for the years ended December 31

	Farmers Management Services		Farmers Re		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	–	–	6,615	3,381	–	–	6,615	3,381
Net earned premiums and policy fees	–	–	5,722	2,378	–	–	5,722	2,378
Management fees and other related revenues	2,690	2,458	–	–	–	–	2,690	2,458
Insurance benefits and losses, net	–	–	(3,904)	(1,622)	–	–	(3,904)	(1,622)
Total net technical expenses	(1,399)	(1,317)	(1,760)	(697)	–	–	(3,159)	(2,014)
Net underwriting result	1,291	1,142	58	59	–	–	1,349	1,201
Net investment income	75	84	100	75	–	–	174	160
Net non-technical result (excl. items not included in BOP)	(40)	(24)	71	19	–	–	31	(5)
Business operating profit before non-controlling interests	1,326	1,202	228	154	–	–	1,554	1,356
Business operating profit	1,326	1,202	228	154	–	–	1,554	1,356
Ratios, as % of net earned premiums and policy fees								
Loss ratio	–	–	68.2%	68.2%	–	–	–	–
Expense ratio	–	–	30.8%	29.3%	–	–	–	–
Combined ratio	–	–	99.0%	97.5%	–	–	–	–

## Additional information (unaudited)

## Principal exchange rates

USD per foreign currency unit	Balance sheets		Income statements and cash flows	
	12/31/09	12/31/08	12/31/09	12/31/08
	Euro	1.4333	1.3924	1.3935
Swiss franc	0.9649	0.9371	0.9232	0.9265
British pound	1.6164	1.4620	1.5650	1.8556

## Currency translation impact on key financial figures – General Insurance

variance over the prior period, for the year ended December 31, 2009	in USD millions	in %	change in USD	change in local currency
Gross written premiums and policy fees	(1,509)	(4%)	(8%)	(4%)
Net investment income on total investments	(137)	(4%)	(17%)	(14%)
Net capital gains/(losses) and impairments on total investments	–	–	nm	nm
Insurance benefits and losses, net of reinsurance	979	4%	8%	4%
Business operating profit	(105)	(3%)	(2%)	1%

## Currency translation impact on key financial figures – Global Life

variance over the prior period, for the years ended December 31, 2009	in USD millions	in %	change in USD	change in local currency
Insurance deposits	(1,324)	(12%)	23%	35%
Gross written premiums and policy fees	(722)	(7%)	15%	22%
Net investment result on Group investments	(216)	(6%)	9%	15%
Net investment income on Group investments	(224)	(5%)	(10%)	(5%)
Net capital gains/(losses) and impairments on Group investments	8	1%	94%	93%
Net investment result on unit-linked investments	(1,639)	(9%)	nm	nm
Insurance benefits and losses, net of reinsurance	548	6%	(15%)	(21%)
Business operating profit	(90)	(6%)	(1%)	5%

## Additional information (unaudited)

Investment result	in USD millions, for the years ended December 31					
	Net investment income		Net capital gains/(losses) on investments and impairments <sup>1</sup>		Investment result	
	2009	2008	2009	2008	2009	2008
<b>Group investments</b>						
Cash and cash equivalents	103	493	6	1	109	494
Equity securities	346	604	(264)	(2,827)	82	(2,223)
Debt securities	5,527	6,066	(536)	(1,573)	4,991	4,494
Real estate held for investment	464	491	131	210	594	700
Mortgage loans	575	647	(235)	(29)	339	618
Other loans	718	645	22	2	740	648
Investments in associates	4	8	(4)	(4)	–	4
Other investments <sup>2</sup>	12	5	(543)	1,327	(531)	1,331
Investment result, gross, for Group investments	7,748	8,959	(1,423)	(2,893)	6,324	6,066
Investment expenses for Group investments <sup>3</sup>	(243)	(261)	–	–	(243)	(261)
Investment result, net, for Group investments	7,505	8,698	(1,423)	(2,893)	6,082	5,805
<b>Investments for unit-linked contracts</b>						
Investment result, net, for investments for unit-linked contracts	1,638	3,185	10,837	(24,916)	12,475	(21,731)
<b>Total investments</b>						
Investment result, net, for total investments	9,143	11,883	9,414	(27,809)	18,557	(15,926)

<sup>1</sup> Impairment charges on investments amounted in total to USD 1,394 million and USD 2,457 million for the years ended 2009 and 2008, respectively, of which impairments on equity securities comprised USD 590 million and USD 1,197 million, on debt securities USD 573 million and USD 1,211 million, and on mortgage loans and other investments USD 231 million and USD 49 million for the years ended, 2009 and 2008, respectively.

<sup>2</sup> Including net capital gains/(losses) on derivative financial instruments of USD (543) million and USD 1,352 million for the years ended 2009 and 2008, respectively, of which net capital gains/(losses) on derivatives attributable to cash flow hedges ineffectiveness amounted to USD 33 million and USD 5 million for the years ended 2009 and 2008, respectively.

<sup>3</sup> Including rental operating expense for real estate held for total investments of USD 121 million and USD 143 million for the years ended 2009 and 2008, respectively.



## Additional information (unaudited)

## Details of investments by category

	for the years ended December 31							
	Group investments				Investments for unit-linked products		Total investments	
	2009		2008		2009	2008	2009	2008
USD	% of	USD	% of	USD	USD	USD	USD	
millions	total	millions	total	millions	millions	millions	millions	
Cash and cash equivalents	11,631	5.9	12,428	6.9	5,840	4,460	17,471	16,888
Equity securities:								
Fair value through profit or loss	5,018	2.6	4,996	2.8	78,311	60,154	83,329	65,150
<i>of which: trading</i>	879	0.4	1,419	0.8	–	–	879	1,419
<i>of which: trading equity portfolios in capital markets and banking activities</i>	461	0.2	786	0.4	–	–	461	786
Available-for-sale	7,432	3.8	9,307	5.2	–	–	7,432	9,307
Total equity securities	12,450	6.3	14,303	8.0	78,311	60,154	90,761	74,458
Debt securities:								
Fair value through profit or loss	6,843	3.5	7,291	4.1	10,194	9,510	17,037	16,801
<i>of which: trading</i>	82	0.0	186	0.1	–	–	82	186
Available-for-sale	124,358	63.4	105,752	58.9	–	–	124,358	105,752
Held-to-maturity	5,143	2.6	5,244	2.9	–	–	5,143	5,244
Total debt securities	136,344	69.5	118,287	65.9	10,194	9,510	146,538	127,797
Real estate held for investment	7,789	4.0	7,524	4.2	3,897	4,077	11,686	11,601
Mortgage loans	12,736	6.5	12,820	7.1	–	–	12,736	12,820
Other loans	15,077	7.7	13,988	7.8	924	2	16,001	13,990
Equity method accounted investments	232	0.1	220	0.1	–	–	232	220
Total investments	196,258	100.0	179,570	100.0	99,167	78,203	295,425	257,773

## Equity securities (including trading equity portfolios in capital markets and banking activities)

	for the years ended December 31							
	Group investments				Investments for unit-linked contracts		Total investments	
	2009		2008		2009	2008	2009	2008
USD	% of	USD	% of	USD	USD	USD	USD	
millions	total	millions	total	millions	millions	millions	millions	
Common stocks, including equity unit trusts	8,839	4.5	8,957	5.0	69,004	51,276	77,842	60,233
Unit trusts (debt securities, real estate, short-term investments)	2,477	1.3	3,930	2.2	9,307	8,879	11,784	12,809
Common stock portfolios backing the participating with-profit policyholder contracts	674	0.3	630	0.4	–	–	674	630
Trading equity portfolios in capital markets and banking activities	461	0.2	786	0.4	–	–	461	786
Total equity securities	12,450	6.3	14,303	8.0	78,311	60,154	90,761	74,458

## Information for the three months ended December 31 (unaudited)

## Business operating profit by business segment

in USD millions, for the three months ended December 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
<b>Revenues</b>														
Direct written premiums and policy fees	7,453	7,471	3,671	3,564	–	–	–	–	171	191	(8)	19	11,287	11,245
Assumed written premiums	384	472	19	22	1,651	1,035	37	45	20	46	(45)	(65)	2,065	1,555
Gross written premiums and policy fees	7,836	7,944	3,691	3,586	1,651	1,035	37	45	191	236	(54)	(46)	13,352	12,800
Less premiums ceded to reinsurers	(1,145)	(1,180)	(215)	(185)	–	–	(11)	(16)	(14)	(8)	54	46	(1,331)	(1,343)
Net written premiums and policy fees	6,692	6,763	3,475	3,401	1,651	1,035	26	30	177	229	–	–	12,021	11,457
Net change in reserves for unearned premiums	693	310	(30)	(30)	78	89	(3)	(3)	(2)	2	–	–	736	367
Net earned premiums and policy fees	7,384	7,073	3,446	3,371	1,729	1,123	23	26	175	230	–	–	12,757	11,825
Farmers management fees and other related revenues	–	–	–	–	717	628	–	–	–	–	–	–	717	628
Net investment result on Group investments	803	819	1,025	840	44	39	191	192	(2)	222	(231)	(232)	1,830	1,880
Net investment income on Group investments	773	864	1,068	1,199	44	39	131	114	150	180	(231)	(232)	1,935	2,163
Net capital gains/(losses) and impairments on Group investments	30	(44)	(43)	(359)	–	–	60	78	(152)	41	–	–	(105)	(283)
Net investment result on unit-linked investments	–	–	2,457	(3,331)	–	–	–	–	92	(774)	–	–	2,549	(4,105)
Other income	353	196	308	303	22	7	222	264	58	(49)	(398)	(370)	564	352
<b>Total BOP revenues</b>	<b>8,540</b>	<b>8,089</b>	<b>7,235</b>	<b>1,183</b>	<b>2,512</b>	<b>1,797</b>	<b>435</b>	<b>482</b>	<b>323</b>	<b>(371)</b>	<b>(629)</b>	<b>(602)</b>	<b>18,417</b>	<b>10,579</b>
<i>of which: inter-segment revenues</i>	<i>(128)</i>	<i>(150)</i>	<i>(128)</i>	<i>(90)</i>	<i>(21)</i>	<i>(22)</i>	<i>(334)</i>	<i>(315)</i>	<i>(17)</i>	<i>(26)</i>	<i>629</i>	<i>602</i>	<i>–</i>	<i>–</i>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses, net	5,133	4,935	3,072	3,554	1,146	724	81	101	(2)	855	–	–	9,429	10,170
Losses and loss adjustment expenses, net	5,128	4,924	3	4	1,146	724	–	1	(37)	2	33	(5)	6,273	5,651
Life insurance death and other benefits, net	13	11	3,425	3,130	–	–	18	22	181	200	–	(1)	3,637	3,363
(Decrease)/increase in future life policyholders' benefits, net	(8)	(1)	(356)	419	–	–	62	79	(146)	652	(33)	6	(481)	1,156
Policyholder dividends and participation in profits, net	6	4	2,508	(3,750)	–	–	–	–	115	(760)	–	–	2,629	(4,506)
Income tax expense/(benefit) attributable to policyholders	–	–	89	(218)	–	–	–	–	–	–	–	–	89	(218)
Underwriting and policy acquisition costs, net	1,432	1,367	438	446	548	348	12	14	3	6	(14)	(2)	2,418	2,179
Administrative and other operating expense (excl. depreciation/amortization)	942	743	578	787	331	329	345	302	9	(193)	(373)	(362)	1,832	1,606
Interest credited to policyholders and other interest	7	28	140	119	–	–	–	1	14	15	6	(8)	168	155
Restructuring provisions and other items not included in BOP	(75)	(95)	(41)	(116)	1	2	(4)	29	5	2	–	–	(113)	(178)
<b>Total BOP benefits, losses and expenses (before interest, depreciation and amortization)</b>	<b>7,446</b>	<b>6,982</b>	<b>6,784</b>	<b>822</b>	<b>2,026</b>	<b>1,403</b>	<b>434</b>	<b>447</b>	<b>143</b>	<b>(75)</b>	<b>(381)</b>	<b>(372)</b>	<b>16,452</b>	<b>9,207</b>
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>1,094</b>	<b>1,106</b>	<b>451</b>	<b>361</b>	<b>486</b>	<b>394</b>	<b>1</b>	<b>35</b>	<b>180</b>	<b>(296)</b>	<b>(247)</b>	<b>(230)</b>	<b>1,965</b>	<b>1,371</b>
Depreciation and impairments of property and equipment	32	32	9	9	34	15	9	8	1	1	–	–	85	66
Amortization and impairments of intangible assets	47	57	89	62	29	17	16	5	1	1	–	–	182	143
Interest expense on debt	58	56	22	24	2	2	289	252	35	46	(247)	(230)	158	150
Business operating profit before non-controlling interests	958	962	331	266	422	360	(313)	(230)	143	(344)	–	–	1,541	1,013
Non-controlling interests	2	4	11	8	–	–	–	–	–	–	–	–	14	12
<b>Business operating profit</b>	<b>956</b>	<b>957</b>	<b>320</b>	<b>258</b>	<b>422</b>	<b>360</b>	<b>(313)</b>	<b>(230)</b>	<b>143</b>	<b>(344)</b>	<b>–</b>	<b>–</b>	<b>1,527</b>	<b>1,002</b>
Supplementary information														
Additions and capital improvements of property, equipment and intangible assets	155	583	86	2,155	185	41	24	92	–	4	–	–	450	2,875

## Information for the three months ended December 31 (unaudited)

Reconciliation of BOP to net income after income taxes	in USD millions, for the three months ended December 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
<b>Business operating profit</b>	<b>956</b>	<b>957</b>	<b>320</b>	<b>258</b>	<b>422</b>	<b>360</b>	<b>(313)</b>	<b>(230)</b>	<b>143</b>	<b>(344)</b>	<b>1,527</b>	<b>1,002</b>
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	(27)	(477)	(38)	(164)	(18)	(49)	23	(94)	(13)	(20)	(73)	(803)
Net gain/(loss) on divestments of businesses	(1)	–	–	–	–	–	–	–	–	–	(1)	1
Restructuring provisions and other	(75)	(95)	(41)	(116)	1	2	(4)	29	5	2	(113)	(178)
Add back:												
Business operating profit attributable to non-controlling interests	2	4	11	8	–	–	–	–	–	–	14	12
<b>Net income before shareholders' taxes</b>	<b>856</b>	<b>390</b>	<b>252</b>	<b>(14)</b>	<b>405</b>	<b>313</b>	<b>(295)</b>	<b>(295)</b>	<b>135</b>	<b>(361)</b>	<b>1,353</b>	<b>33</b>
Income tax expense attributable to policyholders	–	–	89	(218)	–	–	–	–	–	–	89	(218)
<b>Net income before income taxes</b>	<b>856</b>	<b>390</b>	<b>341</b>	<b>(232)</b>	<b>405</b>	<b>313</b>	<b>(295)</b>	<b>(295)</b>	<b>135</b>	<b>(361)</b>	<b>1,442</b>	<b>(185)</b>
Income tax expense (attributable to policyholders and shareholders)											(371)	383
<b>Net income after taxes</b>											<b>1,071</b>	<b>198</b>

## Information for the three months ended December 31 (unaudited)

General Insurance – Customer segment overview	in USD millions, for the three months ended December 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	1,603	1,594	2,310	2,759	3,341	3,089	703	659	125	114	(246)	(272)	7,836	7,944
Net earned premiums and policy fees	1,149	982	2,044	2,348	3,604	3,274	567	460	19	9	–	–	7,384	7,073
Insurance benefits and losses, net	768	986	1,351	1,482	2,724	2,165	349	262	(59)	41	–	–	5,133	4,935
Policyholder dividends and participation in profits, net	2	–	1	2	3	2	–	–	–	–	–	–	6	4
Total net technical expenses	263	220	615	623	900	819	194	170	11	10	13	1	1,996	1,842
Net underwriting result	116	(224)	77	242	(23)	288	24	28	67	(41)	(13)	(1)	249	292
Net investment income	146	161	286	320	273	316	51	50	17	26	–	(9)	773	864
Net capital gains/(losses) and impairments on investments	10	(13)	14	(21)	6	(9)	–	–	–	–	–	–	30	(44)
Net non-technical result (excl. items not included in BOP)	2	2	(52)	(42)	16	(97)	(14)	1	(60)	(24)	13	10	(95)	(150)
Business operating profit before non-controlling interests	275	(75)	327	499	271	498	60	79	24	(39)	–	–	958	962
Non-controlling interests	–	–	–	–	(2)	(1)	4	5	–	–	–	–	2	4
Business operating profit	275	(75)	326	499	274	499	56	73	24	(39)	–	–	956	957
Ratios, as % of net earned premiums and policy fees														
Loss ratio	66.8%	100.4%	66.1%	63.1%	75.6%	66.1%	61.5%	56.9%	nm	nm	n/a	n/a	69.5%	69.8%
Expense ratio	23.1%	22.4%	30.1%	26.6%	25.1%	25.1%	34.2%	36.9%	nm	nm	n/a	n/a	27.1%	26.1%
Combined ratio	89.9%	122.8%	96.2%	89.7%	100.6%	91.2%	95.8%	93.9%	nm	nm	n/a	n/a	96.6%	95.9%

## Information for the three months ended December 31 (unaudited)

Global Life –  
Overview

in USD millions, for the three months ended December 31		Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		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	152	132	1,056	875	655	538	48	40	877	637	563	499	307	296	1,275	211	–	–	4,933	3,227	
Gross written premiums and policy fees	373	269	372	55	1,108	1,122	405	409	115	94	945	1,395	79	3	307	243	(13)	(4)	3,691	3,586	
Net earned premiums and policy fees	289	200	328	30	1,078	1,091	402	407	89	74	937	1,390	67	(15)	256	195	–	–	3,446	3,371	
Net investment income on Group investments	112	105	96	216	464	470	159	139	22	17	117	139	2	13	97	100	–	–	1,068	1,199	
Net capital gains/(losses) and impairments on Group investments	3	(13)	(101)	(32)	(19)	(311)	29	(43)	11	6	5	–	17	47	12	(12)	–	–	(43)	(359)	
Net investment result on Group investments	115	93	(5)	183	444	159	188	96	33	23	122	139	19	60	108	88	–	–	1,025	840	
Net investment income on unit-linked investments	(5)	(8)	355	506	93	110	1	–	36	31	30	5	5	1	15	20	–	–	529	665	
Net capital gains/(losses) and impairments on unit-linked investments	24	(108)	1,024	(1,763)	264	(1,081)	8	(39)	195	(940)	34	(53)	211	186	169	(197)	–	–	1,928	(3,996)	
Net investment result on unit-linked investments	19	(115)	1,379	(1,257)	357	(972)	9	(39)	231	(909)	63	(48)	215	187	184	(178)	–	–	2,457	(3,331)	
Other income	31	33	69	46	50	69	11	67	1	2	15	13	32	12	101	63	(2)	(1)	308	303	
<b>Total BOP revenues</b>	<b>454</b>	<b>210</b>	<b>1,770</b>	<b>(998)</b>	<b>1,929</b>	<b>348</b>	<b>609</b>	<b>531</b>	<b>354</b>	<b>(811)</b>	<b>1,137</b>	<b>1,493</b>	<b>333</b>	<b>243</b>	<b>650</b>	<b>168</b>	<b>(2)</b>	<b>(1)</b>	<b>7,235</b>	<b>1,183</b>	
Benefits, losses and expenses																					
Insurance benefits and losses, net	184	122	84	128	1,141	1,215	428	420	28	31	959	1,439	30	27	218	171	–	–	3,072	3,554	
Policyholder dividends and participation in profits, net	29	(95)	1,342	(1,254)	447	(1,378)	20	(37)	216	(907)	71	(47)	187	153	195	(185)	–	–	2,508	(3,750)	
Income tax expense/(benefit) attributable to policyholders	–	–	67	(217)	19	1	–	–	5	(4)	–	–	–	–	(2)	2	–	–	89	(218)	
Underwriting and policy acquisition costs, net	81	50	113	150	78	110	42	40	27	32	–	12	70	5	27	47	–	–	438	446	
Administrative and other operating expense (excl. depreciation/amortization)	59	41	116	110	84	315	71	122	32	18	44	29	20	69	155	84	(2)	(1)	578	787	
Interest credited to policyholders and other interest	42	43	2	11	44	45	2	4	43	–	(8)	6	7	7	8	3	–	–	140	119	
Restructuring provisions and other items not included in BOP	–	2	(9)	(7)	–	(46)	(22)	(53)	–	–	(7)	(14)	–	4	(2)	(3)	–	–	(41)	(116)	
<b>Total BOP benefits, losses and expenses</b>	<b>394</b>	<b>163</b>	<b>1,715</b>	<b>(1,080)</b>	<b>1,813</b>	<b>264</b>	<b>540</b>	<b>497</b>	<b>351</b>	<b>(831)</b>	<b>1,059</b>	<b>1,425</b>	<b>314</b>	<b>265</b>	<b>599</b>	<b>119</b>	<b>(2)</b>	<b>(1)</b>	<b>6,784</b>	<b>822</b>	
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>60</b>	<b>48</b>	<b>55</b>	<b>81</b>	<b>116</b>	<b>83</b>	<b>69</b>	<b>34</b>	<b>3</b>	<b>20</b>	<b>78</b>	<b>68</b>	<b>19</b>	<b>(22)</b>	<b>51</b>	<b>49</b>	<b>–</b>	<b>–</b>	<b>451</b>	<b>361</b>	
Depreciation and impairments of property and equipment	–	1	3	2	3	3	1	2	–	–	–	–	1	1	–	–	–	–	9	9	
Amortization and impairments of intangible assets	6	(10)	21	2	13	27	–	–	–	–	40	36	1	1	8	6	–	–	89	62	
Interest expense on debt	1	1	2	1	–	–	1	1	–	–	17	18	–	–	2	3	–	–	22	24	
Business operating profit before non-controlling interests	53	56	30	76	100	54	67	31	3	20	21	14	16	(25)	40	39	–	–	331	266	
Non-controlling interests	1	–	–	–	3	(1)	–	–	–	–	7	9	–	–	–	–	–	–	11	8	
<b>Business operating profit</b>	<b>52</b>	<b>56</b>	<b>30</b>	<b>76</b>	<b>97</b>	<b>55</b>	<b>67</b>	<b>31</b>	<b>3</b>	<b>20</b>	<b>14</b>	<b>5</b>	<b>16</b>	<b>(25)</b>	<b>40</b>	<b>39</b>	<b>–</b>	<b>–</b>	<b>320</b>	<b>258</b>	
Supplementary information																					
Gross written premiums and policy fees from external customers	373	269	370	53	1,097	1,106	405	408	115	94	945	1,395	73	1	301	244	–	–	3,679	3,571	

## Information for the three months ended December 31 (unaudited)

Farmers –  
Overview

in USD millions, for the three months ended December 31

	Farmers Management Services		Farmers Re		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums and policy fees	–	–	1,651	1,035	–	–	1,651	1,035
Net earned premiums and policy fees	–	–	1,729	1,123	–	–	1,729	1,123
Management fees and other related revenues	717	628	–	–	–	–	717	628
Insurance benefits and losses, net	–	–	(1,146)	(724)	–	–	(1,146)	(724)
Total net technical expenses	(376)	(360)	(549)	(348)	–	–	(925)	(708)
Net underwriting result	341	267	34	51	–	–	376	319
Net investment income	15	19	30	19	–	–	44	39
Net non-technical result (excl. items not included in BOP)	(21)	(3)	23	6	–	–	2	2
Business operating profit before non-controlling interests	335	283	87	77	–	–	422	360
Business operating profit	335	283	87	77	–	–	422	360
Ratios, as % of net earned premiums and policy fees								
Loss ratio	–	–	66.3%	64.5%	–	–	–	–
Expense ratio	–	–	31.7%	31.0%	–	–	–	–
Combined ratio	–	–	98.0%	95.4%	–	–	–	–

## Information for the year ended December 31, 2009 - FX adjusted (unaudited)

Business operating  
profit by business  
segment  
– FX adjusted

variance in % over the prior period, for the year ended December 31, 2009

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC
<b>Revenues</b>														
Direct written premiums and policy fees	(8)	(4)	15	22	nm	nm	nm	nm	21	21	nm	nm	(2)	2
Assumed written premiums	(9)	(5)	(3)	–	96	96	(22)	(21)	(27)	(26)	19	18	57	58
Gross written premiums and policy fees	(8)	(4)	15	22	96	96	(19)	(19)	7	7	9	1	4	8
Less premiums ceded to reinsurers	8	4	(4)	(11)	n/a	n/a	14	14	1	(5)	(9)	(1)	6	2
Net written premiums and policy fees	(8)	(4)	16	23	96	96	(22)	(22)	8	8	n/a	n/a	5	9
Net change in reserves for unearned premiums	nm	nm	nm	nm	11	11	(79)	(79)	(80)	(81)	n/a	n/a	52	54
Net earned premiums and policy fees	(6)	(2)	16	23	nm	nm	(22)	(22)	4	4	n/a	n/a	7	12
Farmers management fees and other related revenues	n/a	n/a	n/a	n/a	9	9	n/a	n/a	n/a	n/a	n/a	n/a	9	9
Net investment result on Group investments	(12)	(8)	9	15	9	9	(23)	(23)	(29)	(30)	12	9	(3)	1
Net investment income on Group investments	(17)	(14)	(10)	(5)	9	9	(13)	(12)	(23)	(18)	12	9	(14)	(9)
Net capital gains/(losses) and impairments on Group investments	nm	nm	94	93	n/a	n/a	nm	nm	15	1	n/a	n/a	82	78
Net investment result on unit-linked investments	n/a	n/a	nm	nm	n/a	n/a	n/a	n/a	nm	nm	n/a	n/a	nm	nm
Other income	16	25	(29)	(23)	nm	nm	5	6	nm	nm	3	2	6	14
<b>Total BOP revenues</b>	<b>(6)</b>	<b>(2)</b>	<b>nm</b>	<b>nm</b>	<b>73</b>	<b>73</b>	<b>(6)</b>	<b>(6)</b>	<b>nm</b>	<b>nm</b>	<b>7</b>	<b>5</b>	<b>nm</b>	<b>nm</b>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses, net	8	4	(15)	(21)	nm	nm	51	51	22	22	n/a	n/a	(4)	(9)
Losses and loss adjustment expenses, net	8	4	(82)	(82)	nm	nm	nm	nm	54	54	nm	nm	(2)	(6)
Life insurance death and other benefits, net	24	22	(7)	(13)	n/a	n/a	19	19	(32)	(32)	nm	nm	(8)	(13)
(Decrease)/increase in future life policyholders' benefits, net	nm	nm	(95)	(92)	n/a	n/a	nm	nm	53	53	nm	nm	nm	(88)
Policyholder dividends and participation in profits, net	9	10	nm	nm	n/a	n/a	n/a	n/a	nm	nm	n/a	n/a	nm	nm
Income tax expense/(benefit) attributable to policyholders	n/a	n/a	nm	nm	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	nm	nm
Underwriting and policy acquisition costs, net	5	2	41	36	nm	nm	16	15	35	36	nm	nm	–	(3)
Administrative and other operating expense (excl. depreciation/amortization)	(3)	(11)	13	6	(8)	(8)	10	9	nm	nm	(5)	(4)	(5)	(11)
Interest credited to policyholders and other interest	84	81	15	12	nm	nm	88	88	16	14	(82)	(82)	31	28
Restructuring provisions and other items not included in BOP	(31)	(28)	nm	nm	nm	nm	18	17	90	90	n/a	n/a	nm	nm
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	7	2	nm	nm	(97)	(97)	16	15	nm	nm	(6)	(4)	nm	nm
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>(2)</b>	<b>1</b>	<b>8</b>	<b>14</b>	<b>16</b>	<b>16</b>	<b>28</b>	<b>27</b>	<b>41</b>	<b>34</b>	<b>9</b>	<b>6</b>	<b>9</b>	<b>12</b>
Depreciation and impairments of property and equipment	(9)	(14)	19	11	(37)	(37)	(6)	(7)	nm	nm	n/a	n/a	(15)	(19)
Amortization and impairments of intangible assets	(34)	(39)	(55)	(65)	(39)	(39)	nm	nm	2	(14)	n/a	n/a	(48)	(55)
Interest expense on debt	11	9	nm	nm	8	8	7	5	26	21	(9)	(6)	2	–
Business operating profit before non-controlling interests	(3)	–	(2)	4	15	15	21	18	32	25	n/a	n/a	7	10
Non-controlling interests	nm	nm	42	42	nm	nm	nm	nm	nm	nm	n/a	n/a	74	74
<b>Business operating profit</b>	<b>(2)</b>	<b>1</b>	<b>(1)</b>	<b>5</b>	<b>15</b>	<b>15</b>	<b>21</b>	<b>18</b>	<b>31</b>	<b>25</b>	<b>n/a</b>	<b>n/a</b>	<b>8</b>	<b>11</b>

## Information for the year ended December 31, 2009 - FX adjusted (unaudited)

## Assets and liabilities by business segment – FX adjusted

Assets and liabilities by business segment – FX adjusted	variance in % over the prior period, for the year ended December 31, 2009														
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total		
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	
<b>Assets</b>															
Total Group Investments	10	7	7	3	26	26	19	16	3	(1)	(10)	(7)	9	5	
Cash and cash equivalents	2	(1)	(15)	(19)	3	3	(7)	(9)	(6)	(8)	3	5	(6)	(10)	
Equity securities	(20)	(29)	11	4	(62)	(62)	(32)	(34)	(27)	(32)	n/a	n/a	(13)	(19)	
Debt securities	19	15	12	8	87	87	98	95	–	(1)	nm	nm	15	12	
Real estate held for investment	3	–	4	1	(4)	(4)	3	–	3	2	n/a	n/a	4	1	
Mortgage loans	(17)	(20)	1	(3)	n/a	n/a	n/a	n/a	8	(3)	(3)	n/a	(1)	(5)	
Other loans	(21)	(24)	2	(1)	26	26	55	52	27	21	(17)	(14)	8	4	
Investments in associates	(4)	(7)	10	(3)	n/a	n/a	17	14	1	1	n/a	n/a	5	(2)	
Investments for unit-linked contracts	n/a	n/a	33	22	n/a	n/a	n/a	n/a	(4)	(4)	n/a	n/a	27	18	
<b>Total investments</b>	<b>10</b>	<b>7</b>	<b>18</b>	<b>11</b>	<b>26</b>	<b>26</b>	<b>19</b>	<b>16</b>	<b>–</b>	<b>(2)</b>	<b>(10)</b>	<b>(7)</b>	<b>15</b>	<b>9</b>	
Reinsurers' share of reserves for insurance contracts	2	(1)	8	1	1	1	nm	nm	(14)	(17)	30	36	–	(3)	
Deposits made under assumed reinsurance contracts	(2)	(3)	nm	nm	87	87	nm	nm	(2)	(2)	10	10	61	61	
Deferred policy acquisition costs	4	1	14	8	72	72	nm	nm	14	13	nm	nm	13	8	
Deferred origination costs	n/a	n/a	11	2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11	2	
Goodwill	15	9	12	5	nm	nm	n/a	n/a	n/a	n/a	n/a	n/a	37	32	
Other intangible assets	9	5	2	(1)	16	16	18	15	(28)	(35)	n/a	n/a	6	3	
Other assets	(5)	(8)	(2)	(6)	3	3	(9)	(12)	(23)	(26)	11	13	(4)	(8)	
<b>Total assets (after cons. of investments in subsidiaries)</b>	<b>7</b>	<b>3</b>	<b>16</b>	<b>10</b>	<b>37</b>	<b>37</b>	<b>15</b>	<b>13</b>	<b>(4)</b>	<b>(6)</b>	<b>(6)</b>	<b>(3)</b>	<b>12</b>	<b>8</b>	
<b>Liabilities</b>															
Liabilities for investment contracts	n/a	n/a	28	18	n/a	n/a	n/a	n/a	n/a	n/a	–	–	28	18	
Reserves for insurance contracts, gross	3	–	13	8	88	88	(12)	(14)	(5)	(5)	30	36	9	5	
Reserves for losses and loss adjustment expenses, gross	3	–	91	86	nm	nm	11	11	(15)	(19)	35	41	4	1	
Reserves for unearned premiums, gross	2	(2)	34	29	71	71	(2)	(2)	(23)	(24)	23	nm	8	4	
Future life policyholders' benefits, gross	3	–	3	(1)	n/a	n/a	(15)	(17)	9	9	21	22	3	–	
Policyholders' contract deposits and other funds, gross	3	–	16	12	n/a	n/a	n/a	n/a	(9)	(9)	nm	nm	11	7	
Reserves for unit-linked contracts, gross	n/a	n/a	33	23	n/a	n/a	(17)	n/a	(4)	(4)	n/a	n/a	23	16	
Debt related to capital markets and banking activities	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(29)	(31)	nm	nm	(67)	(70)	
Senior debt	14	8	(62)	(64)	n/a	n/a	17	14	3	1	(2)	1	87	84	
Subordinated debt	(6)	(6)	nm	nm	nm	nm	1	(1)	nm	92	(12)	(10)	1	–	
Other liabilities	2	(3)	14	8	14	14	(37)	(43)	31	22	(10)	(7)	7	2	
<b>Total liabilities</b>	<b>3</b>	<b>(1)</b>	<b>16</b>	<b>10</b>	<b>49</b>	<b>49</b>	<b>10</b>	<b>8</b>	<b>(3)</b>	<b>(4)</b>	<b>(6)</b>	<b>(3)</b>	<b>11</b>	<b>6</b>	
<b>Equity</b>															
Common shareholders' equity														35	7
Preferred securities														–	–
Shareholders' equity														34	7
Non-controlling interests														7	nm
Total equity														32	28
<b>Total liabilities and equity</b>														<b>12</b>	<b>8</b>



## Information for the year ended December 31, 2009 - FX adjusted (unaudited)

General Insurance – Customer segment overview – FX adjusted	variance in % over the prior period, for the year ended December 31, 2009													
	Global Corporate		North America Commercial		Europe General Insurance		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC
Gross written premiums and policy fees	(4)	(1)	(12)	(12)	(9)	(1)	(2)	3	(3)	1	9	3	(8)	(4)
Net earned premiums and policy fees	(2)	(1)	(10)	(10)	(6)	2	3	7	(7)	(3)	n/a	n/a	(6)	(2)
Insurance benefits and losses, net	21	19	12	12	1	(7)	(5)	(10)	nm	nm	n/a	n/a	8	4
Policyholder dividends and participation in profits, net	19	28	26	26	nm	nm	n/a	n/a	n/a	n/a	n/a	n/a	9	10
Total net technical expenses	1	1	6	5	6	(2)	(1)	(6)	33	30	(15)	nm	5	–
Net underwriting result	nm	nm	6	5	(72)	(72)	(15)	(22)	77	80	(15)	nm	57	57
Net investment income	(13)	(10)	(8)	(8)	(27)	(20)	(10)	(3)	(57)	(55)	89	88	(17)	(14)
Net capital gains/(losses) and impairments on investments	nm	nm	nm	nm	nm	nm	n/a	n/a	n/a	n/a	n/a	n/a	nm	nm
Net non-technical result (excl. items not included in BOP)	nm	nm	2	2	39	33	(5)	(10)	(66)	(68)	(87)	(89)	1	(4)
Business operating profit before non-controlling interests	nm	nm	–	1	(41)	(37)	(16)	(13)	(23)	(21)	n/a	n/a	(3)	–
Non-controlling interests	nm	nm	(73)	(73)	nm	nm	20	20	n/a	n/a	n/a	n/a	nm	nm
Business operating profit	nm	nm	–	1	(40)	(36)	(16)	(13)	(23)	(21)	n/a	n/a	(2)	1

## Information for the year ended December 31, 2009 - FX adjusted (unaudited)

General Insurance – Customer segment reporting – Europe General Insurance by region – FX adjusted	variance in % over the prior period, for the year ended December 31, 2009																	
	United Kingdom		Germany		Switzerland		Italy		Spain		Southern Africa		Rest of Europe & Africa		Eliminations		Total	
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC
Gross written premiums and policy fees	(20)	(5)	(5)	–	(4)	(3)	(3)	3	(11)	(6)	(1)	1	(9)	(1)	15	10	(9)	(1)
Net earned premiums and policy fees	(18)	(3)	(3)	3	(5)	(4)	4	10	(9)	(4)	(3)	–	–	9	17	13	(6)	2
Net underwriting result	nm	nm	(12)	(7)	(11)	(10)	nm	nm	–	5	nm	nm	33	29	nm	nm	(72)	(72)
Business operating profit	<b>(54)</b>	<b>(45)</b>	<b>–</b>	<b>6</b>	<b>(2)</b>	<b>(2)</b>	<b>nm</b>	<b>nm</b>	<b>7</b>	<b>13</b>	<b>nm</b>	<b>nm</b>	<b>(5)</b>	<b>(1)</b>	<b>n/a</b>	<b>n/a</b>	<b>(40)</b>	<b>(36)</b>

General Insurance – Customer segment reporting – International Markets by region – FX adjusted	variance in % over the prior period, for the year ended December 31, 2009																
	Latin America		Asia-Pacific Mature Markets		China & South East Asia		Middle East		Rest of Asia Pacific & Middle East		Rest of International Markets		Eliminations		Total		
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	
Gross written premiums and policy fees	7	17	(7)	(7)	(19)	(18)	n/a	n/a	n/a	n/a	n/a	n/a	7	3	(2)	3	
Net earned premiums and policy fees	3	13	3	4	(1)	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3	7	
Net underwriting result	(46)	(63)	(35)	(40)	82	80	n/a	n/a	n/a	n/a	n/a	n/a	nm	nm	(15)	(22)	
Business operating profit	<b>–</b>	<b>6</b>	<b>(36)</b>	<b>(35)</b>	<b>31</b>	<b>32</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>68</b>	<b>68</b>	<b>n/a</b>	<b>n/a</b>	<b>(16)</b>	<b>(13)</b>	

## Information for the year ended December 31, 2009 - FX adjusted (unaudited)

Global Life –  
Overview  
– FX adjustedvariance in % over the prior period, for the year ended  
December 31, 2009

	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		Rest of the world		Eliminations		Total		
	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	% GC	% LC	
Revenues																					
Life insurance deposits	11	13	(3)	16	13	20	(9)	(9)	21	27	nm	nm	(27)	(16)	nm	nm	n/a	n/a	23	35	
Gross written premiums and policy fees	16	20	–	19	(12)	(7)	(8)	(8)	9	15	nm	nm	29	36	18	24	nm	nm	15	22	
Net earned premiums and policy fees	17	21	(1)	18	(12)	(8)	(8)	(8)	9	15	nm	nm	34	42	22	28	n/a	n/a	16	23	
Net investment income on Group investments	1	3	(52)	(43)	(9)	(4)	(3)	(3)	(11)	(6)	70	79	(37)	(40)	(12)	(7)	n/a	n/a	(10)	(5)	
Net capital gains/(losses) and impairments on Group investments	nm	nm	nm	nm	69	67	nm	nm	nm	nm	nm	nm	(39)	(40)	nm	nm	n/a	n/a	94	93	
Net investment result on Group investments	10	12	(10)	7	7	13	26	27	(48)	(45)	73	83	(38)	(40)	(3)	3	n/a	n/a	9	15	
Net investment income on unit-linked investments	nm	nm	(36)	(25)	(17)	(12)	(68)	(68)	(19)	(15)	nm	nm	(37)	(25)	(72)	(70)	n/a	n/a	(37)	(26)	
Net capital gains/(losses) and impairments on unit-linked investments	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	n/a	n/a	nm	nm	
Net investment result on unit-linked investments	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	n/a	n/a	nm	nm	
Other income	(6)	(6)	(53)	(44)	(43)	(39)	(62)	(62)	1	6	nm	nm	62	90	19	24	(1)	(13)	(29)	(23)	
<b>Total BOP revenues</b>	<b>56</b>	<b>63</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>4</b>	<b>4</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>(1)</b>	<b>(13)</b>	<b>nm</b>	<b>nm</b>	
Benefits, losses and expenses																					
Insurance benefits and losses, net	(16)	(22)	39	28	7	2	8	8	36	33	nm	nm	(27)	(28)	(9)	(14)	n/a	n/a	(15)	(21)	
Policyholder dividends and participation in profits, net	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	n/a	n/a	nm	nm	
Income tax expense/(benefit) attributable to policyholders	n/a	n/a	nm	nm	72	71	n/a	n/a	nm	nm	n/a	n/a	(1)	–	nm	nm	n/a	n/a	nm	nm	
Underwriting and policy acquisition costs, net	63	61	71	66	22	18	3	3	(18)	(25)	nm	nm	19	12	14	11	n/a	n/a	41	36	
Administrative and other operating expense (excl. depreciation/amortization)	(15)	(19)	10	(7)	42	39	25	25	(37)	(45)	(56)	(65)	22	13	(7)	(12)	1	13	13	6	
Interest credited to policyholders and other interest	1	1	84	80	26	22	28	28	n/a	n/a	81	80	(1)	(1)	(35)	(41)	(24)	(20)	15	12	
Restructuring provisions and other items not included in BOP	49	49	nm	nm	nm	nm	(61)	(60)	n/a	n/a	nm	nm	nm	nm	26	34	n/a	n/a	nm	nm	
<b>Total BOP benefits, losses and expenses</b>	<b>(57)</b>	<b>(65)</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>(2)</b>	<b>(3)</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>1</b>	<b>13</b>	<b>nm</b>	<b>nm</b>	
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>54</b>	<b>57</b>	<b>(44)</b>	<b>(33)</b>	<b>(8)</b>	<b>(2)</b>	<b>20</b>	<b>20</b>	<b>(51)</b>	<b>(49)</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>29</b>	<b>36</b>	<b>n/a</b>	<b>n/a</b>	<b>8</b>	<b>14</b>	
Depreciation and impairments of property and equipment	16	13	20	5	12	7	46	46	–	(5)	10	5	(1)	(16)	4	3	n/a	n/a	19	11	
Amortization and impairments of intangible assets	nm	nm	73	68	28	24	n/a	n/a	(46)	(54)	nm	nm	(53)	(81)	nm	nm	n/a	n/a	(55)	(65)	
Interest expense on debt	(18)	(18)	nm	nm	67	65	59	59	n/a	n/a	nm	nm	92	91	(12)	(19)	n/a	n/a	nm	nm	
Business operating profit before non-controlling interests	58	61	(39)	(28)	(4)	1	25	25	(53)	(50)	(72)	(71)	nm	nm	(24)	(21)	n/a	n/a	(2)	4	
Non-controlling interests	nm	nm	n/a	n/a	38	38	n/a	n/a	n/a	n/a	91	91	n/a	n/a	(85)	(85)	n/a	n/a	42	42	
<b>Business operating profit</b>	<b>58</b>	<b>60</b>	<b>(39)</b>	<b>(28)</b>	<b>(2)</b>	<b>3</b>	<b>25</b>	<b>25</b>	<b>(53)</b>	<b>(50)</b>	<b>(68)</b>	<b>(66)</b>	<b>nm</b>	<b>nm</b>	<b>(24)</b>	<b>(21)</b>	<b>n/a</b>	<b>n/a</b>	<b>(1)</b>	<b>5</b>	

## Summary of quarterly consolidated financial information (unaudited)

Summary of  
quarterly  
consolidated  
financial  
information

in USD millions, for the three months ended	12/31/09	09/30/09	06/30/09	03/31/09	12/31/08	09/30/08	06/30/08	03/31/08	12/31/07
Gross written premiums and policy fees	13,352	13,039	13,184	14,242	12,800	12,399	12,345	14,350	11,532
Net earned premiums and policy fees	12,757	11,993	11,198	11,280	11,825	10,520	10,786	10,976	10,750
Net investment result on Group investments	1,757	1,927	1,593	804	1,077	769	1,793	2,165	2,620
Net investment income on Group investments	1,935	1,831	1,907	1,832	2,163	2,150	2,230	2,155	2,200
Net capital gains/(losses) on Group investments and impairments	(178)	97	(314)	(1,028)	(1,086)	(1,380)	(437)	10	420
Net investment result on unit-linked investments	2,549	9,004	4,226	(3,303)	(4,105)	(8,221)	(396)	(9,008)	17
Other revenues	1,281	1,172	1,031	1,004	980	957	1,171	1,059	1,081
<b>Total revenues</b>	<b>18,343</b>	<b>24,096</b>	<b>18,047</b>	<b>9,786</b>	<b>9,776</b>	<b>4,026</b>	<b>13,354</b>	<b>5,193</b>	<b>14,468</b>
Insurance benefits and losses, net of reinsurance	9,429	9,465	8,326	9,041	10,170	8,381	8,123	8,138	7,811
Policyholder dividends and participation in profits, net of reinsurance	2,629	9,041	4,418	(3,229)	(4,506)	(8,293)	(527)	(8,188)	376
Other expenses	4,843	3,997	4,016	3,765	4,298	4,057	4,208	3,824	4,406
<b>Total benefits, losses and expenses</b>	<b>16,901</b>	<b>22,503</b>	<b>16,760</b>	<b>9,576</b>	<b>9,962</b>	<b>4,145</b>	<b>11,804</b>	<b>3,775</b>	<b>12,593</b>
Net income before income taxes	1,442	1,593	1,287	209	(185)	(119)	1,550	1,418	1,876
Net income attributable to shareholders	1,053	909	892	362	205	154	1,254	1,427	1,529
<b>Business operating profit</b>	<b>1,527</b>	<b>1,513</b>	<b>1,491</b>	<b>1,061</b>	<b>1,002</b>	<b>636</b>	<b>1,785</b>	<b>1,764</b>	<b>1,796</b>

# 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 2009 and the 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 2009.

### The Group

**Book value per share** – This measure is calculated by dividing 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 Operating 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. **Business operating profit before interest, depreciation and amortization (BOPBIDA)** is BOP before interest expense on debt, depreciation of property and equipment and amortization and impairment of goodwill and other intangibles, but including amortization of DAC and DOC. **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 share of the Group's total IFRS equity allocated based on the segment's proportion of the Group's total risk based capital (RBC) at each period end. The RBC split by segment for 2008 and 2009 has been restated between General Insurance, Other Operating Businesses and Non-core Businesses, to reflect the current management structure. 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** – 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.

**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 2009.

**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

**Gross management result (Farmers Management Services)** – 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 of the Farmers Management Services.

**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.

## Disclaimer & Cautionary Statement

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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