

# Financial supplement 2010

Zurich Financial Services Group  
Results for the nine months to September 30, 2010

## Results for the nine months to September 30, 2010 Financial supplement (unaudited)

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## Financial highlights (unaudited)

## Business operating profit by business segment

in USD millions, for the nine months ended September 30

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Revenues</b>														
Direct written premiums and policy fees <sup>1</sup>	23,865	25,064	8,485	8,671	–	–	–	–	278	395	–	(3)	32,628	34,128
Assumed written premiums	1,662	1,257	78	78	3,722	4,964	100	105	105	114	(187)	(181)	5,480	6,338
Gross written premiums and policy fees	25,528	26,321	8,563	8,750	3,722	4,964	100	105	383	509	(187)	(183)	38,108	40,465
Less premiums ceded to reinsurers	(3,976)	(4,077)	(574)	(553)	–	–	(40)	(41)	(20)	(25)	187	183	(4,423)	(4,513)
Net written premiums and policy fees	21,551	22,243	7,989	8,197	3,722	4,964	60	64	362	485	–	–	33,685	35,952
Net change in reserves for unearned premiums	(765)	(557)	(19)	35	657	(970)	3	3	3	7	(1)	–	(122)	(1,482)
Net earned premiums and policy fees	20,787	21,686	7,971	8,232	4,379	3,993	63	68	365	491	(1)	–	33,563	34,470
Farmers management fees and other related revenues	–	–	–	–	2,096	1,973	–	–	–	–	–	–	2,096	1,973
Net investment result on Group investments	2,173	2,377	3,322	3,007	122	130	395	271	626	335	(649)	(650)	5,988	5,471
Net investment income on Group investments	2,144	2,297	2,906	3,013	122	130	395	331	389	448	(649)	(650)	5,307	5,569
Net capital gains/(losses) and impairments on Group investments	28	80	416	(6)	–	–	–	(60)	237	(113)	–	–	681	(99)
Net investment result on unit-linked investments	–	–	4,865	9,240	–	–	–	–	399	686	–	–	5,264	9,927
Other income	489	499	657	547	73	63	543	880	80	128	(819)	(879)	1,023	1,237
<b>Total BOP revenues</b>	<b>23,448</b>	<b>24,563</b>	<b>16,815</b>	<b>21,026</b>	<b>6,670</b>	<b>6,160</b>	<b>1,001</b>	<b>1,218</b>	<b>1,470</b>	<b>1,641</b>	<b>(1,469)</b>	<b>(1,529)</b>	<b>47,935</b>	<b>53,078</b>
<i>of which: inter-segment revenues</i>	<i>(307)</i>	<i>(256)</i>	<i>(192)</i>	<i>(166)</i>	<i>(53)</i>	<i>(69)</i>	<i>(869)</i>	<i>(978)</i>	<i>(47)</i>	<i>(60)</i>	<i>1,469</i>	<i>1,529</i>	<i>–</i>	<i>–</i>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses, net	14,762	15,489	6,933	7,521	2,916	2,759	57	5	993	(51)	–	–	25,661	25,724
Losses and loss adjustment expenses, net	14,744	15,462	50	50	2,916	2,759	1	4	48	86	(3)	5	17,756	18,366
Life insurance death and other benefits, net	18	27	6,838	7,152	–	–	54	64	515	475	–	1	7,425	7,719
(Decrease)/increase in future life policyholders' benefits, net <sup>1</sup>	–	–	45	320	–	–	2	(63)	430	(611)	3	(6)	481	(361)
Policyholder dividends and participation in profits, net	3	9	5,482	9,510	–	–	–	–	441	711	(1)	–	5,925	10,230
Income tax expense/(benefit) attributable to policyholders	–	–	276	298	–	–	–	–	–	–	–	–	276	298
Underwriting and policy acquisition costs, net	3,931	3,943	1,139	678	1,362	1,211	–	–	5	6	(3)	(3)	6,433	5,835
Administrative and other operating expense (excl. depreciation/amortization)	2,407	2,361	1,315	1,279	1,559	980	637	617	160	129	(804)	(842)	5,273	4,524
Interest credited to policyholders and other interest	29	24	316	304	1	–	1	1	48	69	(2)	(10)	394	388
Restructuring provisions and other items not included in BOP	(120)	(95)	(83)	(78)	(596)	(36)	42	85	(5)	1,109	–	–	(762)	985
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	21,013	21,730	15,379	19,512	5,242	4,915	737	709	1,641	1,974	(810)	(855)	43,202	47,984
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>2,434</b>	<b>2,833</b>	<b>1,436</b>	<b>1,514</b>	<b>1,428</b>	<b>1,245</b>	<b>264</b>	<b>509</b>	<b>(171)</b>	<b>(333)</b>	<b>(659)</b>	<b>(673)</b>	<b>4,734</b>	<b>5,094</b>
Depreciation and impairments of property and equipment	61	48	23	25	52	52	17	25	3	9	–	–	156	160
Amortization and impairments of intangible assets	234	130	232	257	80	53	40	23	8	2	–	–	594	465
Interest expense on debt	166	152	52	71	–	7	781	760	74	88	(659)	(673)	414	405
Business operating profit before non-controlling interests	1,973	2,502	1,129	1,161	1,295	1,132	(573)	(298)	(255)	(433)	–	–	3,570	4,065
Non-controlling interests	12	(6)	31	4	–	–	–	–	1	–	–	–	44	(1)
<b>Business operating profit</b>	<b>1,961</b>	<b>2,508</b>	<b>1,098</b>	<b>1,157</b>	<b>1,295</b>	<b>1,132</b>	<b>(573)</b>	<b>(298)</b>	<b>(256)</b>	<b>(433)</b> <sup>2</sup>	<b>–</b>	<b>–</b>	<b>3,526</b>	<b>4,066</b>
<b>Supplementary information</b>														
Additions and capital improvements to property, equipment and intangible assets	172	319	44	321	200	731	45	57	24	(1)	–	–	485	1,427

<sup>1</sup> The Global Life segment includes approximately USD 875 million and USD 1,957 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in our Spanish operations for the nine months ended September 30, 2010 and 2009, respectively (see note 3 of the Group's Financial Report 2009).

<sup>2</sup> Business operating profit (BOP) has not been restated for the change in the current value of certain insurance liabilities and assets amounting to USD 1,027 million in order to ensure a fair reflection of sustainable operating profit and comparability (see note 1 to the unaudited Consolidated Financial Statements).

## Financial highlights (unaudited)

Adjusted business operating profit by business segment	in USD millions, as of September 30											
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Average allocated common shareholders' equity	14,706	13,519	7,959	5,499	3,439	2,990	1,762	484	1,774	1,429	29,639	23,921
Adjusted business operating profit	1,900	2,446	1,023	1,004	1,266	1,080	(400)	(13)	(264)	(452)	3,526	4,066
<b>Adjusted BOP return on common shareholders' equity</b>	<b>17.2%</b>	<b>24.1%</b>	<b>17.1%</b>	<b>24.4%</b>	<b>49.1%</b>	<b>48.2%</b>	<b>(30.9%)</b>	<b>(8.0%)</b>	<b>(19.8%)</b>	<b>(42.2%)</b>	<b>15.8%</b>	<b>22.6%</b>
<b>BOPAT return on average allocated common shareholders' equity</b>											<b>12.2%</b>	<b>17.4%</b>

Reconciliation of BOP to net income after income taxes	in USD millions, for the nine months ended September 30											
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Business operating profit</b>	<b>1,961</b>	<b>2,508</b>	<b>1,098</b>	<b>1,157</b>	<b>1,295</b>	<b>1,132</b>	<b>(573)</b>	<b>(298)</b>	<b>(256)</b>	<b>(433)</b>	<b>3,526</b>	<b>4,066</b>
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	130	(647)	33	(403)	1	(32)	148	(85)	(13)	(59)	299	(1,226)
Net gain/(loss) on divestments of businesses	5	(2)	49	–	–	–	–	–	1	(3)	54	(4)
Restructuring provisions and other	(120)	(95)	(83)	(78)	(596)	(36)	42	85	(5)	1,109 <sup>1</sup>	(762)	985
Add back:												
Business operating profit attributable to non-controlling interests	12	(6)	31	4	–	–	–	–	1	–	44	(1)
<b>Net income before shareholders' taxes</b>	<b>1,988</b>	<b>1,759</b>	<b>1,128</b>	<b>680</b>	<b>700</b>	<b>1,064</b>	<b>(383)</b>	<b>(297)</b>	<b>(272)</b>	<b>613</b>	<b>3,161</b>	<b>3,819</b>
Income tax expense/(benefit) attributable to policyholders	–	–	276	298	–	–	–	–	–	–	276	298
<b>Net income before income taxes</b>	<b>1,988</b>	<b>1,759</b>	<b>1,405</b>	<b>977</b>	<b>700</b>	<b>1,064</b>	<b>(383)</b>	<b>(297)</b>	<b>(272)</b>	<b>613</b>	<b>3,437</b>	<b>4,117</b>
Income tax expense (attributable to policyholders and shareholders)											(991)	(1,179)
<b>Net income after taxes</b>											<b>2,446</b>	<b>2,938</b>

<sup>1</sup> Business operating profit (BOP) has not been restated for the change in the current value of certain insurance liabilities and assets amounting to USD 1,027 million in order to ensure a fair reflection of sustainable operating profit and comparability (see note 1 of the unaudited Consolidated Financial Statements).

## 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	
	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09
<b>Assets</b>														
Total Group Investments	86,588	85,384	102,977	101,027	4,464	4,561	18,196	18,027	15,458	15,826	(28,381)	(29,167)	199,301	195,658
Cash and cash equivalents	8,179	9,371	3,760	3,418	1,200	734	6,369	6,188	3,532	3,748	(13,828)	(12,417)	9,213	11,041
Equity securities	4,505	4,743	4,732	5,460	76	85	1,418	1,538	478	755	–	–	11,211	12,581
Debt securities	66,721	63,885	66,364	62,883	1,450	1,302	4,006	2,959	7,612	6,718	(990)	(1,024)	145,163	136,723
Real estate held for investment	3,056	3,004	4,610	4,408	140	149	48	46	170	181	–	–	8,024	7,789
Mortgage loans	1,449	1,483	8,698	9,021	–	–	–	–	1,897	2,264	–	(33)	12,044	12,736
Other loans	2,669	2,871	14,717	15,712	1,597	2,290	6,350	7,294	1,689	2,081	(13,563)	(15,693)	13,459	14,556
Equity method accounted investments	8	25	95	125	–	–	5	3	80	79	–	–	188	232
Investments for unit-linked contracts	–	–	90,939	87,430	–	–	–	–	11,908	11,737	–	–	102,847	99,167
<b>Total investments</b>	<b>86,588</b>	<b>85,384</b>	<b>193,916</b>	<b>188,457</b>	<b>4,464</b>	<b>4,561</b>	<b>18,196</b>	<b>18,027</b>	<b>27,366</b>	<b>27,563</b>	<b>(28,381)</b>	<b>(29,167)</b>	<b>302,148</b>	<b>294,825</b>
Reinsurers' share of reserves for insurance contracts	13,242	12,957	1,991	2,160	211	211	–	(95)	4,479	4,812	(1,043)	(1,293)	18,880	18,751
Deposits made under assumed reinsurance contracts	136	66	9	3	2,770	3,158	–	–	554	664	(26)	(29)	3,443	3,861
Deferred policy acquisition costs	3,438	3,374	12,265	12,276	360	529	–	–	1	2	–	–	16,065	16,181
Deferred origination costs	–	–	837	856	–	–	–	–	–	–	–	–	837	856
Goodwill	881	1,029	425	442	819	821	5	5	–	–	–	–	2,129	2,297
Other intangible assets	1,298	1,419	3,006	4,000	1,458	1,397	233	219	3	9	–	–	5,998	7,044
Other assets <sup>1</sup>	15,062	15,369	7,093	7,300	1,099	1,547	1,906	1,737	1,405	1,470	(2,215)	(2,037)	24,351	25,385
<b>Total assets (after cons. of investments in subsidiaries)</b>	<b>120,645</b>	<b>119,597</b>	<b>219,541</b>	<b>215,494</b>	<b>11,182</b>	<b>12,224</b>	<b>20,339</b>	<b>19,893</b>	<b>33,808</b>	<b>34,521</b>	<b>(31,665)</b>	<b>(32,527)</b>	<b>373,850</b>	<b>369,202</b>
<b>Liabilities</b>														
Liabilities for investment contracts	–	–	47,269	46,374	–	–	–	–	–	–	(247)	(250)	47,022	46,124
Reserves for insurance contracts, gross	80,801	79,900	138,543	136,256	3,459	3,946	55	365	22,940	22,903	(1,024)	(1,276)	244,774	242,094
Reserves for losses and loss adjustment expenses, gross	63,517	63,476	58	35	1,963	1,793	44	49	3,073	3,531	(758)	(799)	67,898	68,086
Reserves for unearned premiums, gross	16,021	15,191	195	302	1,496	2,153	2	5	26	33	(4)	(7)	17,736	17,676
Future life policyholders' benefits, gross	98	98	74,637	74,760	–	–	9	311	5,057	4,572	(264)	(470)	79,538	79,271
Policyholders' contract deposits and other funds, gross	1,164	1,135	15,413	14,691	–	–	–	–	2,878	3,030	1	1	19,457	18,857
Reserves for unit-linked contracts, gross	–	–	48,239	46,468	–	–	–	–	11,907	11,736	–	–	60,145	58,204
Debt related to capital markets	–	–	–	–	–	–	617	553	1,623	1,769	(1,839)	(2,298)	400	25
Senior debt	4,591	3,462	359	265	–	–	21,892	23,224	1,124	1,082	(21,844)	(21,756)	6,121	6,277
Subordinated debt	1,701	2,054	802	1,019	–	–	5,101	5,206	149	155	(2,690)	(3,268)	5,063	5,167
Other liabilities	14,832	14,942	18,080	17,615	2,183	1,801	1,775	1,709	5,260	6,022	(4,020)	(3,679)	38,109	38,410
<b>Total liabilities</b>	<b>101,925</b>	<b>100,357</b>	<b>205,052</b>	<b>201,530</b>	<b>5,642</b>	<b>5,747</b>	<b>29,439</b>	<b>31,058</b>	<b>31,096</b>	<b>31,932</b>	<b>(31,665)</b>	<b>(32,527)</b>	<b>341,490</b>	<b>338,098</b>
<b>Equity</b>														
Common shareholders' equity													30,536	28,743
Preferred securities													475	561
Shareholders' equity													31,011	29,304
Non-controlling interests													1,350	1,800
Total equity													32,361	31,104
<b>Total liabilities and equity</b>													<b>373,850</b>	<b>369,202</b>

<sup>1</sup> The General Insurance segment, includes assets held for sale of USD 67 million as of December 31, 2009, related to land and buildings formerly classified as held for own use.

## General Insurance (unaudited)

General Insurance – Customer segment overview	in USD millions, for the nine months ended September 30													
	Global Corporate		North America Commercial		Europe General Insurance		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	5,917	5,999	7,408	7,553	10,378	11,214	2,229	1,992	397	361	(802)	(800)	25,528	26,321
Net earned premiums and policy fees	3,626	3,589	5,660	6,286	9,858	10,290	1,597	1,489	46	32	–	–	20,787	21,686
Insurance benefits and losses, net	2,654	2,773	3,755	4,360	7,103	7,506	1,120	916	131	(65)	–	–	14,762	15,489
Policyholder dividends and participation in profits, net	–	1	7	7	(3)	–	–	–	–	–	–	–	3	9
Total net technical expenses	745	701	1,707	1,740	2,526	2,538	577	532	14	8	(8)	(12)	5,562	5,508
Net underwriting result	227	114	191	180	233	245	(100)	40	(100)	89	8	12	459	680
Net investment income	419	455	828	864	727	829	121	111	48	45	2	(6)	2,144	2,297
Net capital gains/(losses) and impairments on investments	7	25	19	38	2	17	–	–	–	–	–	–	28	80
Net non-technical result (excl. items not included in BOP)	(62)	(82)	(188)	(165)	(397)	(251)	16	(37)	(18)	(14)	(9)	(6)	(659)	(555)
Business operating profit before non-controlling interests	591	512	850	917	564	840	37	114	(70)	119	–	–	1,973	2,502
Non-controlling interests	–	–	–	–	(2)	(7)	14	1	–	–	–	–	12	(6)
Business operating profit	591	512	850	917	566	846	24	113	(70)	119	–	–	1,961	2,508
Adjusted business operating profit	599	528	823	893	532	801	17	106	(71)	118	–	–	1,900	2,446
Adjusted business operating profit return on common shareholders' equity	21.9%	21.1%	21.2%	26.0%	16.0%	25.8%	2.9%	18.8%	(14.0%)	22.0%	–	–	17.2%	24.1%
Ratios, as % of net earned premiums and policy fees														
Loss ratio	73.2%	77.2%	66.3%	69.3%	72.1%	72.9%	70.1%	61.5%	nm	nm	n/a	n/a	71.0%	71.4%
Expense ratio	20.5%	19.6%	30.3%	27.8%	25.6%	24.7%	36.1%	35.8%	nm	nm	n/a	n/a	26.8%	25.4%
Combined ratio	93.7%	96.8%	96.6%	97.1%	97.6%	97.6%	106.2%	97.3%	nm	nm	n/a	n/a	97.8%	96.9%

## General Insurance (unaudited)

General Insurance – Revenues by region	in USD millions, for the nine months ended September 30	Gross written premiums and policy fees from external customers	
		2010	2009
<b>Global Corporate</b>			
North America		2,105	2,141
Europe		3,179	3,414
Rest of Global Corporate		401	264
<b>Subtotal</b>		<b>5,685</b>	<b>5,819</b>
<b>Europe &amp; Africa</b>			
United Kingdom		2,112	2,319
Germany		2,192	2,394
Switzerland		2,049	1,977
Italy		1,388	1,506
Spain		906	994
Southern Africa		486	496
Rest of Europe & Africa		1,254	1,446
<b>Subtotal</b>		<b>10,387</b>	<b>11,132</b>
<b>Americas</b>			
United States		6,858	7,063
Rest of North America		402	326
Latin America		1,030	1,012
<b>Subtotal</b>		<b>8,290</b>	<b>8,401</b>
<b>Asia-Pacific &amp; Middle East</b>			
Asia-Pacific Mature Markets		950	783
China & South East Asia		186	169
<b>Subtotal</b>		<b>1,135</b>	<b>951</b>
<b>Central Region</b>			
Europe		2	1
<b>Subtotal</b>		<b>2</b>	<b>1</b>
<b>Total</b>		<b>25,500</b>	<b>26,304</b>

## General Insurance (unaudited)

General Insurance – Assets by region	in USD millions, as of	Property/equipment and intangible assets	
		09/30/10	12/31/09
Europe & Africa			
United Kingdom		209	222
Germany		229	253
Switzerland		131	127
Italy		65	75
Spain		551	747
Southern Africa		22	22
Rest of Europe & Africa		1,349	1,437
Subtotal		2,555	2,883
Americas			
United States		220	216
Rest of North America		7	6
Latin America		175	164
Subtotal		403	386
Asia-Pacific & Middle East			
Asia-Pacific Mature Markets		107	93
China & South East Asia		25	24
Subtotal		133	117
<b>Total</b>		<b>3,090</b>	<b>3,385</b>



## General Insurance (unaudited)

## Customer segment reporting – Europe General Insurance by region

in USD millions, for the nine months ended September 30

	United Kingdom		Germany		Switzerland		Italy		Spain		Southern Africa		Rest of Europe & Africa		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	2,123	2,331	2,211	2,408	2,049	1,977	1,388	1,526	906	1,009	486	496	1,240	1,944	(26)	(476)	10,378	11,214
Net earned premiums and policy fees	2,166	2,253	2,021	1,884	1,647	1,557	1,499	1,565	893	860	391	399	1,240	1,772	–	–	9,858	10,290
Net underwriting result	44	51	16	125	212	150	(58)	(201)	53	71	22	(25)	(46)	74	(11)	–	233	245
<b>Business operating profit</b>	<b>182</b>	<b>227</b>	<b>87</b>	<b>243</b>	<b>309</b>	<b>245</b>	<b>(10)</b>	<b>(140)</b>	<b>57</b>	<b>99</b>	<b>16</b>	<b>(4)</b>	<b>(76)</b>	<b>176</b>	<b>–</b>	<b>–</b>	<b>566</b>	<b>846</b>

Ratios, as % of net earned premiums and policy fees

Loss ratio	71.3%	72.1%	76.6%	72.2%	64.9%	67.9%	78.0%	88.2%	67.4%	66.9%	61.2%	79.9%	74.9%	67.1%	n/a	n/a	72.1%	72.9%
Expense ratio	26.6%	25.6%	22.6%	21.1%	22.2%	22.4%	25.9%	24.7%	26.6%	24.9%	33.1%	26.3%	28.8%	28.7%	n/a	n/a	25.6%	24.7%
Combined ratio	<b>98.0%</b>	<b>97.7%</b>	<b>99.2%</b>	<b>93.4%</b>	<b>87.1%</b>	<b>90.4%</b>	<b>103.9%</b>	<b>112.8%</b>	<b>94.0%</b>	<b>91.8%</b>	<b>94.3%</b>	<b>106.3%</b>	<b>103.7%</b>	<b>95.8%</b>	<b>n/a</b>	<b>n/a</b>	<b>97.6%</b>	<b>97.6%</b>

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

in USD millions, for the nine months ended September 30

	Commercial		Personal		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	4,449	4,626	5,929	6,594	(1)	(5)	10,378	11,214
Net earned premiums and policy fees	3,995	4,122	5,863	6,167	–	–	9,858	10,290
Net underwriting result	258	268	(7)	(28)	(18)	4	233	245
<b>Business operating profit</b>	<b>504</b>	<b>609</b>	<b>62</b>	<b>237</b>	<b>–</b>	<b>–</b>	<b>566</b>	<b>846</b>

Ratios, as % of net earned premiums and policy fees

Loss ratio	68.6%	69.5%	74.4%	75.2%	n/a	n/a	72.1%	72.9%
Expense ratio	24.9%	24.0%	25.7%	25.2%	n/a	n/a	25.6%	24.7%
Combined ratio	<b>93.5%</b>	<b>93.5%</b>	<b>100.1%</b>	<b>100.5%</b>	<b>n/a</b>	<b>n/a</b>	<b>97.6%</b>	<b>97.6%</b>

## General Insurance (unaudited)

Customer segment reporting – International Markets by region	in USD millions, for the nine months ended September 30															
	Latin America		Asia-Pacific Mature Markets		China & South East Asia		Middle East		Rest of Asia Pacific & Middle East		Rest of International Markets		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	1,031	1,012	950	783	247	198	–	–	–	–	–	–	–	–	2,229	1,992
Net earned premiums and policy fees	604	650	800	689	194	150	–	–	–	–	–	–	–	–	1,597	1,489
Net underwriting result	(91)	(6)	(12)	27	4	20	–	–	–	–	–	–	–	–	(100)	40
<b>Business operating profit</b>	<b>(21)</b>	<b>33</b>	<b>42</b>	<b>71</b>	<b>12</b>	<b>21</b>	<b>–</b>	<b>–</b>	<b>(9)</b>	<b>–</b>	<b>(1)</b>	<b>(12)</b>	<b>–</b>	<b>–</b>	<b>24</b>	<b>113</b>
Ratios, as % of net earned premiums and policy fees																
Loss ratio	73.8%	59.7%	73.4%	69.1%	45.0%	34.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	70.1%	61.5%
Expense ratio	41.4%	41.3%	28.0%	27.0%	53.1%	52.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	36.1%	35.8%
Combined ratio	<b>115.2%</b>	<b>101.0%</b>	<b>101.4%</b>	<b>96.1%</b>	<b>98.2%</b>	<b>86.8%</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>106.2%</b>	<b>97.3%</b>

Customer segment reporting – International Markets split into Commercial and Personal	in USD millions, for the nine months ended September 30							
	Commercial		Personal		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	1,228	1,054	1,021	938	(20)	–	2,229	1,992
Net earned premiums and policy fees	818	728	779	761	–	–	1,597	1,489
Net underwriting result	(84)	8	(16)	34	(1)	(1)	(100)	40
<b>Business operating profit</b>	<b>13</b>	<b>52</b>	<b>11</b>	<b>61</b>	<b>–</b>	<b>–</b>	<b>24</b>	<b>113</b>
Ratios, as % of net earned premiums and policy fees								
Loss ratio	77.1%	67.4%	62.7%	55.9%	n/a	n/a	70.1%	61.5%
Expense ratio	33.1%	31.6%	39.3%	39.7%	n/a	n/a	36.1%	35.8%
Combined ratio	<b>110.2%</b>	<b>99.0%</b>	<b>102.0%</b>	<b>95.6%</b>	<b>n/a</b>	<b>n/a</b>	<b>106.2%</b>	<b>97.3%</b>

## Global Life (unaudited)

Global Life –  
Overview

in USD millions, for the nine months ended September 30

	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		Rest of the world		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Revenues</b>																				
Life insurance deposits	279	466	2,997	2,557	1,861	1,463	28	34	1,734	1,036	1,475	1,704	913	907	1,044	491	–	–	10,331	8,656
Gross written premiums <sup>1</sup>	853	688	303	257	2,058	2,090	1,155	1,208	316	175	1,427	2,538	186	164	596	517	(39)	(23)	6,856	7,615
Policy fees	232	196	848	467	304	233	(4)	(6)	101	95	19	40	88	12	119	99	–	–	1,707	1,135
Net earned premiums and policy fees	867	693	1,009	595	2,289	2,245	1,147	1,197	345	199	1,409	2,558	249	148	657	596	–	–	7,971	8,232
Net investment income on Group investments	345	324	221	247	1,210	1,270	460	447	67	66	303	359	31	32	269	269	–	–	2,906	3,013
Net capital gains/(losses) and impairments on Group investments	3	7	296	104	95	(106)	12	15	22	(50)	(1)	3	10	28	(22)	(7)	–	–	416	(6)
Net investment result on Group investments	348	331	517	351	1,305	1,164	472	462	89	16	302	362	41	60	248	262	–	–	3,322	3,007
Net investment income on unit-linked investments	(16)	(10)	1,070	1,146	9	14	7	1	150	135	75	46	9	3	69	56	–	–	1,374	1,391
Net capital gains/(losses) and impairments on unit-linked investments	33	137	2,361	4,094	214	1,318	(3)	44	217	772	(6)	215	600	824	75	446	–	–	3,491	7,849
Net investment result on unit-linked investments	17	127	3,431	5,240	223	1,332	4	45	367	907	69	261	609	827	143	502	–	–	4,865	9,240
Other income	89	86	133	119	180	131	41	35	–	2	34	29	41	47	141	100	(3)	(1)	657	547
<b>Total BOP revenues</b>	<b>1,321</b>	<b>1,237</b>	<b>5,090</b>	<b>6,304</b>	<b>3,997</b>	<b>4,872</b>	<b>1,665</b>	<b>1,739</b>	<b>802</b>	<b>1,122</b>	<b>1,815</b>	<b>3,210</b>	<b>940</b>	<b>1,083</b>	<b>1,188</b>	<b>1,460</b>	<b>(3)</b>	<b>(1)</b>	<b>16,815</b>	<b>21,026</b>
<b>Benefits, losses and expenses</b>																				
Insurance benefits and losses, net <sup>1</sup>	573	462	521	281	2,491	2,463	1,134	1,111	207	33	1,475	2,654	92	79	441	438	–	–	6,933	7,521
Policyholder dividends and participation in profits, net	21	121	3,401	5,130	619	1,501	113	178	406	912	71	269	596	823	255	576	–	–	5,482	9,510
Income tax expense/(benefit) attributable to policyholders	–	–	231	244	29	31	–	–	13	15	–	–	–	–	3	8	–	–	276	298
Underwriting and policy acquisition costs, net	138	(35)	346	136	230	239	112	110	68	73	19	53	120	6	106	96	–	–	1,139	678
Administrative and other operating expense (excl. depreciation/amortization)	187	164	311	296	208	251	127	151	38	53	84	55	51	88	311	221	(2)	(1)	1,315	1,279
Interest credited to policyholders and other interest	130	127	8	9	109	116	10	13	30	–	2	9	21	21	7	9	–	–	316	304
Restructuring provisions and other items not included in BOP	1	1	(32)	(46)	–	–	(8)	2	(3)	–	(30)	(38)	(5)	10	(5)	(7)	–	–	(83)	(78)
<b>Total BOP benefits, losses and expenses</b>	<b>1,049</b>	<b>839</b>	<b>4,786</b>	<b>6,049</b>	<b>3,686</b>	<b>4,601</b>	<b>1,488</b>	<b>1,565</b>	<b>758</b>	<b>1,087</b>	<b>1,621</b>	<b>3,003</b>	<b>875</b>	<b>1,029</b>	<b>1,118</b>	<b>1,342</b>	<b>(3)</b>	<b>(1)</b>	<b>15,379</b>	<b>19,512</b>
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>271</b>	<b>398</b>	<b>304</b>	<b>256</b>	<b>310</b>	<b>271</b>	<b>177</b>	<b>174</b>	<b>44</b>	<b>36</b>	<b>194</b>	<b>207</b>	<b>65</b>	<b>54</b>	<b>70</b>	<b>119</b>	<b>–</b>	<b>–</b>	<b>1,436</b>	<b>1,514</b>
Depreciation and impairments of property and equipment	1	1	7	7	8	9	2	3	1	1	–	–	3	3	1	1	–	–	23	25
Amortization and impairments of intangible assets	21	(14)	35	9	50	29	–	–	1	1	106	163	2	3	17	67	–	–	232	257
Interest expense on debt	2	2	4	9	–	–	2	2	–	–	40	52	–	–	5	7	–	–	52	71
Business operating profit before non-controlling interests	247	409	259	231	252	233	173	169	43	34	48	(8)	60	48	48	44	–	–	1,129	1,161
Non-controlling interests	4	3	–	–	6	7	–	–	–	–	21	(6)	–	–	–	–	–	–	31	4
<b>Business operating profit</b>	<b>242</b>	<b>406</b>	<b>259</b>	<b>231</b>	<b>246</b>	<b>227</b>	<b>173</b>	<b>169</b>	<b>43</b>	<b>34</b>	<b>27</b>	<b>(2)</b>	<b>60</b>	<b>48</b>	<b>48</b>	<b>44</b>	<b>–</b>	<b>–</b>	<b>1,098</b>	<b>1,157</b>
<b>Supplementary information</b>																				
Gross written premiums and policy fees from external customers	1,086	884	1,146	719	2,322	2,282	1,151	1,202	417	270	1,447	2,578	232	148	704	608	–	–	8,504	8,691
Property, equipment and intangible assets <sup>2</sup>	270	297	408	446	893	1,020	150	198	5	5	2,046	2,859	8	11	130	163	–	–	3,910	4,998

<sup>1</sup> The Global Life segment includes approximately USD 875 million and USD 1,957 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in our Spanish operations for the nine months ended September 30, 2010 and 2009, respectively (see note 3 of the Group's Financial Report 2009).

<sup>2</sup> As of September 30, 2010 and December 31, 2009 respectively.

## Global Life (unaudited)

Global Life –  
Americas

in USD millions, for the nine months ended September 30

	United States		Latin America		Eliminations		Total Americas	
	2010	2009	2010	2009	2010	2009	2010	2009
Insurance deposits	171	369	108	97	–	–	279	466
Gross written premiums	355	342	498	346	–	–	853	688
Policy fees	211	212	22	(16)	–	–	232	196
Net earned premiums and policy fees	405	395	461	298	–	–	867	693
Net investment income on Group investments	257	250	88	74	–	–	345	324
Net capital gains/(losses) and impairments on Group investments	3	9	–	(2)	–	–	3	7
Net investment result on Group investments	260	258	88	73	–	–	348	331
Net investment result on unit-linked investments	(7)	42	23	85	–	–	17	127
Total BOP benefits, losses and expenses	530	419	520	420	–	–	1,049	839
<b>Business operating profit</b>	<b>180</b>	<b>361</b>	<b>63</b>	<b>45</b>	<b>–</b>	<b>–</b>	<b>242</b>	<b>406</b>

Global Life –  
Emerging Markets  
in Asia

in USD millions, for the nine months ended September 30

			of which			
	Total		ZIS		Hong Kong	
	2010	2009	2010	2009	2010	2009
Insurance deposits	913	907	788	796	125	111
Gross written premiums	186	164	126	138	30	27
Policy fees	88	12	55	(19)	33	31
Net earned premiums and policy fees	249	148	157	75	50	52
Net investment income on Group investments	31	32	8	8	23	24
Net capital gains/(losses) and impairments on Group investments	10	28	4	2	6	26
Net investment result on Group investments	41	60	12	11	29	50
Net investment result on unit-linked investments	609	827	583	744	27	83
Total BOP benefits, losses and expenses	875	1,029	722	831	107	173
<b>Business operating profit</b>	<b>60</b>	<b>48</b>	<b>66</b>	<b>40</b>	<b>–</b>	<b>12</b>

## Global Life (unaudited)

Global Life – Rest of the world	in USD millions, for the nine months ended September 30				of which	
			Total		Italy	
	2010	2009	2010	2009	2010	2009
Insurance deposits	1,044	491	500	398		
Gross written premiums	596	517	204	178		
Policy fees	119	99	72	55		
Net earned premiums and policy fees	657	596	262	249		
Net investment income on Group investments	269	269	174	179		
Net capital gains/(losses) and impairments on Group investments	(22)	(7)	(6)	(12)		
Net investment result on Group investments	248	262	168	167		
Net investment result on unit-linked investments	143	502	114	292		
Total BOP benefits, losses and expenses	1,118	1,342	497	638		
<b>Business operating profit</b>	<b>48</b>	<b>44</b>	<b>27</b>	<b>3</b>		

Global Life – Total investments	in %, as of		Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		Rest of the world		Total	
	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09
	Total Group investments	91.5	91.0	14.9	15.1	81.2	81.4	97.1	96.9	24.9	26.4	59.7	68.6	17.1	16.8	62.6	63.5	53.1	53.6	
Cash and cash equivalents	1.8	1.8	12.9	14.7	1.8	1.3	4.2	3.0	10.2	6.6	0.9	2.2	17.2	14.2	1.2	2.0	3.7	3.4		
Equity securities	2.1	2.3	6.7	10.0	1.6	2.2	5.6	7.8	17.2	20.8	4.6	1.3	6.6	8.4	11.6	11.6	4.6	5.4		
Debt securities	87.9	88.2	76.6	72.4	51.6	47.8	61.1	59.1	70.6	70.4	73.8	74.9	68.1	67.6	82.2	80.3	64.4	62.2		
Equity method accounted investments	–	–	0.2	0.2	–	–	–	–	–	–	0.1	0.1	–	–	0.7	1.0	0.1	0.1		
Other investments	8.2	7.6	3.6	2.6	45.0	48.6	29.0	30.0	2.0	2.2	20.6	21.5	8.0	9.9	4.2	5.0	27.2	28.8		
Investments for unit-linked contracts	8.5	9.0	85.1	84.9	18.8	18.6	2.9	3.1	75.1	73.6	40.3	31.4	82.9	83.2	37.4	36.5	46.9	46.4		
<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>	<b>100.0</b>	

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 in Asia		Rest of the world		Eliminations		Total	
	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09	09/30/10	12/31/09
	Unit-linked insurance and investment contracts	1,275	1,233	52,386	51,968	9,946	9,467	617	1,842	9,707	8,484	5,037	4,411	8,059	7,486	8,481	7,951	–	–	95,508	92,841	
Other life insurance liabilities	7,051	6,730	4,983	4,394	42,711	42,645	18,099	15,678	1,405	1,337	7,072	9,670	1,176	1,115	5,567	5,735	–	(2)	88,065	87,304		
<b>Total reserves and liabilities</b>	<b>8,326</b>	<b>7,964</b>	<b>57,369</b>	<b>56,363</b>	<b>52,657</b>	<b>52,111</b>	<b>18,717</b>	<b>17,520</b>	<b>11,112</b>	<b>9,821</b>	<b>12,109</b>	<b>14,080</b>	<b>9,235</b>	<b>8,601</b>	<b>14,048</b>	<b>13,686</b>	<b>–</b>	<b>(2)</b>	<b>183,572</b>	<b>180,145</b>		

## Farmers (unaudited)

Farmers –  
Overview

in USD millions, for the nine months ended September 30

	Farmers Management Services		Farmers Re		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	–	–	3,722	4,964	–	–	3,722	4,964
Net earned premiums and policy fees	–	–	4,379	3,993	–	–	4,379	3,993
Management fees and other related revenues	2,096	1,973	–	–	–	–	2,096	1,973
Insurance benefits and losses, net	–	–	(2,916)	(2,759)	–	–	(2,916)	(2,759)
Total net technical expenses	(940)	(1,023)	(1,362)	(1,212)	–	–	(2,302)	(2,235)
Net underwriting result	1,156	950	101	23	–	–	1,257	973
Net investment income	40	60	81	70	–	–	122	130
Net non-technical result (excl. items not included in BOP)	(149)	(19)	65	48	–	–	(83)	29
Business operating profit before non-controlling interests	1,048	992	248	141	–	–	1,295	1,132
Business operating profit	1,048	992	248	141	–	–	1,295	1,132
Ratios, as % of net earned premiums and policy fees								
Loss ratio	nm	nm	66.6%	69.1%	–	–	–	–
Expense ratio	nm	nm	31.1%	30.3%	–	–	–	–
Combined ratio	nm	nm	97.7%	99.4%	–	–	–	–

## Additional information (unaudited)

Principal exchange rates	USD per foreign currency unit	Balance sheets		Income statements and cash flows	
		09/30/10	12/31/09	09/30/10	09/30/09
		Euro	1.3590	1.4333	1.3165
Swiss franc	1.0182	0.9649	0.9396	0.9044	
British pound	1.5734	1.6164	1.5342	1.5423	

Currency translation impact on key financial figures – General Insurance	variance over the prior period, for the nine months ended September 30, 2010	in USD		change	change in
		millions	in %	in USD	local currency
Gross written premiums and policy fees		44	–	(3%)	(3%)
Net investment income on total investments		7	–	(7%)	(7%)
Net capital gains/(losses) and impairments on total investments		–	–	(65%)	(65%)
Insurance benefits and losses, net of reinsurance		2	–	5%	5%
Business operating profit		(24)	(1%)	(22%)	(21%)

Currency translation impact on key financial figures – Global Life	variance over the prior period, for the nine months ended September 30, 2010	in USD		change	change in
		millions	in %	in USD	local currency
Insurance deposits		(227)	(3%)	19%	22%
Gross written premiums		(77)	(1%)	(10%)	(9%)
Policy fees		(18)	(2%)	50%	52%
Net investment result on Group investments		(52)	(2%)	10%	12%
Net investment income on Group investments		(44)	(1%)	(4%)	(2%)
Net capital gains/(losses) and impairments on Group investments		(8)	nm	nm	nm
Net investment result on unit-linked investments		(54)	(1%)	(47%)	(47%)
Insurance benefits and losses, net of reinsurance		98	1%	8%	7%
Business operating profit		(14)	(1%)	(5%)	(4%)

## Additional information (unaudited)

Investment result	in USD millions, for the nine months ended September 30					
	Net investment income		Net capital gains/(losses) on investments and impairments <sup>1</sup>		Investment result	
	2010	2009	2010	2009	2010	2009
Group investments						
Cash and cash equivalents	38	82	–	6	38	88
Equity securities	240	266	(91)	(375)	149	(109)
Debt securities	3,952	4,088	1,342	(531)	5,294	3,558
Real estate held for investment	343	342	26	140	369	483
Mortgage loans	379	428	(348)	(180)	30	247
Other loans	509	529	17	18	526	546
Equity method accounted investments	13	(2)	(37)	(2)	(24)	(4)
Other investments <sup>2</sup>	–	4	71	(401)	71	(397)
Investment result, gross, for Group investments	5,473	5,738	981	(1,325)	6,453	4,413
Investment expenses for Group investments <sup>3</sup>	(165)	(168)	–	–	(165)	(168)
Investment result, net, for Group investments	5,307	5,569	981	(1,325)	6,288	4,245
Investments for unit-linked contracts						
Investment result, net, for investments for unit-linked contracts	1,141	1,192	4,123	8,734	5,264	9,927
Total investments						
Investment result, net, for total investments	6,448	6,762	5,104	7,409	11,552	14,171

<sup>1</sup> Impairment charges on investments amounted in total to USD 854 million and USD 1,117 million for the nine months ended September 30, 2010 and 2009, respectively, of which impairments on equity securities comprised USD 454 million and USD 491 million, on debt securities USD 18 million and USD 446 million, and on mortgage loans, other loans and equity method accounted investments USD 382 million and USD 180 million for the nine months ended September 30, 2010 and 2009, respectively.

<sup>2</sup> Including net capital gains/(losses) on derivative financial instruments of USD 71 million and USD (399) million for the nine months ended September 30, 2010 and 2009, respectively, of which net capital gains/(losses) in other investments arise entirely from derivative financial instruments and include net capital gains/(losses) on derivatives attributable to cash flow hedges ineffectiveness amounted to USD (3) million and USD 26 million for the nine months ended September 30, 2010 and 2009, respectively.

<sup>3</sup> Including rental operating expense for real estate held for Group investments of USD 80 million and USD 82 million for the nine months ended September 30, 2010 and 2009, respectively.



## Additional information (unaudited)

Details of investments by category	as of	Group investments				Investments for unit-linked products		Total investments	
		09/30/10		12/31/09		09/30/10	12/31/09	09/30/10	12/31/09
		USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Cash and cash equivalents		9,213	4.6	11,041	5.6	6,924	5,840	16,137	16,882
Equity securities:									
Fair value through profit or loss		3,794	1.9	5,018	2.6	80,012	78,311	83,806	83,329
<i>of which:</i>									
<i>Trading securities</i>		465	0.2	879	0.4	–	–	465	879
<i>Securities designated at fair value through profit or loss</i>		3,329	1.7	4,138	2.1	80,012	78,311	83,341	82,449
Available-for-sale		7,417	3.7	7,563	3.9	–	–	7,417	7,563
Total equity securities		11,211	5.6	12,581	6.4	80,012	78,311	91,223	90,892
Debt securities:									
Fair value through profit or loss		7,587	3.8	7,684	3.9	10,363	10,194	17,949	17,878
<i>of which:</i>									
<i>Trading securities</i>		46	0.0	82	0.0	–	–	46	82
<i>Securities designated at fair value through profit or loss</i>		7,541	3.8	7,602	3.9	10,363	10,194	17,903	17,797
Available-for-sale		132,515	66.5	123,896	63.3	–	–	132,515	123,896
Held-to-maturity		5,062	2.5	5,143	2.6	–	–	5,062	5,143
Total debt securities		145,163	72.8	136,723	69.9	10,363	10,194	155,526	146,918
Real estate held for investment		8,024	4.0	7,789	4.0	4,019	3,897	12,043	11,686
Mortgage loans		12,044	6.0	12,736	6.5	–	–	12,044	12,736
Other loans		13,459	6.8	14,556	7.4	1,529	924	14,988	15,480
Equity method accounted investments		188	0.1	232	0.1	–	–	188	232
Total investments		199,301	100.0	195,658	100.0	102,847	99,167	302,148	294,825

Equity securities (including trading equity portfolios in capital markets and banking activities)	as of	Group investments				Investments for unit-linked contracts		Total investments	
		09/30/10		12/31/09		09/30/10	12/31/09	09/30/10	12/31/09
		USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Common stocks, including equity unit trusts		7,998	4.0	8,839	4.5	70,199	69,004	78,197	77,842
Unit trusts (debt securities, real estate, short-term investments)		2,596	1.3	2,607	1.3	9,813	9,307	12,410	11,915
Common stock portfolios backing the participating with-profit policyholder contracts		486	0.2	674	0.3	–	–	486	674
Trading equity portfolios in capital markets and banking activities		130	0.1	461	0.2	–	–	130	461
Total equity securities		11,211	5.6	12,581	6.4	80,012	78,311	91,223	90,892

## Information for the three months ended September 30 (unaudited)

## Business operating profit by business segment

in USD millions, for the three months ended September 30

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Revenues</b>														
Direct written premiums and policy fees	7,005	7,637	2,747	2,702	–	–	–	–	95	137	–	–	9,847	10,477
Assumed written premiums	582	437	30	24	1,231	2,081	34	36	66	44	(68)	(60)	1,874	2,562
Gross written premiums and policy fees	7,587	8,074	2,776	2,727	1,231	2,081	34	36	160	181	(68)	(60)	11,721	13,039
Less premiums ceded to reinsurers	(1,207)	(1,263)	(175)	(193)	–	–	(15)	(14)	(9)	(7)	68	60	(1,339)	(1,417)
Net written premiums and policy fees	6,381	6,811	2,601	2,533	1,231	2,081	19	21	151	175	–	–	10,382	11,622
Net change in reserves for unearned premiums	628	645	(9)	30	(34)	(310)	2	2	2	5	(4)	–	585	371
Net earned premiums and policy fees	7,009	7,456	2,592	2,563	1,197	1,771	21	23	153	179	(4)	–	10,968	11,993
Farmers management fees and other related revenues	–	–	–	–	697	726	–	–	–	–	–	–	697	726
Net investment result on Group investments	729	793	1,146	1,182	38	45	135	132	266	258	(212)	(231)	2,102	2,180
Net investment income on Group investments	706	764	954	991	38	45	135	111	126	151	(212)	(231)	1,747	1,831
Net capital gains/(losses) and impairments on Group investments	23	30	192	192	–	–	–	20	140	107	–	–	356	349
Net investment result on unit-linked investments	–	–	4,507	8,414	–	–	–	–	393	589	–	–	4,900	9,004
Other income	175	158	282	163	26	30	174	371	22	20	(298)	(297)	382	446
<b>Total BOP revenues</b>	<b>7,913</b>	<b>8,407</b>	<b>8,527</b>	<b>12,322</b>	<b>1,958</b>	<b>2,573</b>	<b>330</b>	<b>526</b>	<b>834</b>	<b>1,047</b>	<b>(513)</b>	<b>(528)</b>	<b>19,049</b>	<b>24,348</b>
<i>of which: inter-segment revenues</i>	<i>(123)</i>	<i>(87)</i>	<i>(76)</i>	<i>(54)</i>	<i>(17)</i>	<i>(24)</i>	<i>(284)</i>	<i>(343)</i>	<i>(13)</i>	<i>(20)</i>	<i>513</i>	<i>528</i>	<i>–</i>	<i>–</i>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses, net	4,977	5,442	2,270	2,311	773	1,200	20	35	180	430	–	–	8,221	9,418
Losses and loss adjustment expenses, net	4,970	5,432	18	27	773	1,200	–	3	(85)	74	(3)	1	5,673	6,736
Life insurance death and other benefits, net	9	11	1,814	2,382	–	–	17	23	177	160	–	–	2,017	2,576
(Decrease)/increase in future life policyholders' benefits, net	(1)	–	437	(99)	–	–	2	9	89	196	3	(1)	530	106
Policyholder dividends and participation in profits, net	3	2	4,572	8,430	–	–	–	–	509	609	(4)	–	5,080	9,041
Income tax expense/(benefit) attributable to policyholders	–	–	280	467	–	–	–	–	–	–	–	–	280	467
Underwriting and policy acquisition costs, net	1,290	1,348	388	(106)	372	555	–	–	2	3	(2)	(1)	2,049	1,799
Administrative and other operating expense (excl. depreciation/amortization)	866	749	464	508	900	404	130	226	64	47	(292)	(285)	2,133	1,647
Interest credited to policyholders and other interest	7	6	105	104	–	–	1	–	14	21	(1)	(2)	126	129
Restructuring provisions and other items not included in BOP	(33)	(50)	(43)	(60)	(580)	(36)	123	30	–	47	–	–	(533)	(69)
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	7,109	7,497	8,036	11,654	1,465	2,123	273	290	769	1,156	(298)	(289)	17,354	22,432
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>804</b>	<b>910</b>	<b>491</b>	<b>668</b>	<b>493</b>	<b>450</b>	<b>57</b>	<b>236</b>	<b>65</b>	<b>(109)</b>	<b>(215)</b>	<b>(239)</b>	<b>1,695</b>	<b>1,916</b>
Depreciation and impairments of property and equipment	21	16	8	9	15	19	4	9	1	7	–	–	49	61
Amortization and impairments of intangible assets	145	54	80	133	27	20	14	9	–	1	–	–	267	216
Interest expense on debt	54	53	17	23	–	2	251	277	24	28	(215)	(239)	132	145
Business operating profit before non-controlling interests	584	787	386	503	450	409	(212)	(59)	39	(146)	–	–	1,248	1,494
Non-controlling interests	–	(7)	8	(13)	–	–	–	–	–	–	–	–	8	(20)
<b>Business operating profit</b>	<b>584</b>	<b>794</b>	<b>378</b>	<b>516</b>	<b>450</b>	<b>409</b>	<b>(212)</b>	<b>(59)</b>	<b>39</b>	<b>(146)</b>	<b>–</b>	<b>–</b>	<b>1,240</b>	<b>1,513</b>
Supplementary information														
Additions and capital improvements of property, equipment and intangible assets	59	69	17	59	28	581	15	20	22	(5)	–	–	142	724

## Information for the three months ended September 30 (unaudited)

Reconciliation of BOP to net income after income taxes	in USD millions, for the three months ended September 30											
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Business operating profit</b>	<b>584</b>	<b>794</b>	<b>378</b>	<b>516</b>	<b>450</b>	<b>409</b>	<b>(212)</b>	<b>(59)</b>	<b>39</b>	<b>(146)</b>	<b>1,240</b>	<b>1,513</b>
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	111	(187)	22	(115)	2	(1)	66	36	5	58	207	(209)
Net gain/(loss) on divestments of businesses	5	–	49	–	–	–	–	–	–	–	53	–
Restructuring provisions and other	(33)	(50)	(43)	(60)	(580)	(36)	123	30	–	47	(533)	(69)
Add back:												
Business operating profit attributable to non-controlling interests	–	(7)	8	(13)	–	–	–	–	–	–	8	(20)
<b>Net income before shareholders' taxes</b>	<b>666</b>	<b>550</b>	<b>414</b>	<b>329</b>	<b>(128)</b>	<b>372</b>	<b>(23)</b>	<b>7</b>	<b>45</b>	<b>(41)</b>	<b>974</b>	<b>1,216</b>
Income tax expense/(benefit) attributable to policyholders	–	–	280	467	–	–	–	–	–	–	280	467
<b>Net income before income taxes</b>	<b>666</b>	<b>550</b>	<b>694</b>	<b>796</b>	<b>(128)</b>	<b>372</b>	<b>(23)</b>	<b>7</b>	<b>45</b>	<b>(41)</b>	<b>1,254</b>	<b>1,683</b>
Income tax expense (attributable to policyholders and shareholders)											(486)	(713)
<b>Net income after taxes</b>											<b>768</b>	<b>970</b>

## Information for the three months ended September 30 (unaudited)

General Insurance – Customer segment overview	in USD millions, for the three months ended September 30													
	Global Corporate		North America Commercial		Europe General Insurance		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	1,672	1,751	2,414	2,376	2,858	3,368	786	697	138	153	(279)	(272)	7,587	8,074
Net earned premiums and policy fees	1,244	1,188	1,945	2,165	3,233	3,580	567	510	20	12	–	–	7,009	7,456
Insurance benefits and losses, net	964	938	1,329	1,499	2,292	2,694	380	305	12	7	–	–	4,977	5,442
Policyholder dividends and participation in profits, net	–	1	2	1	–	–	–	–	–	–	–	–	3	2
Total net technical expenses	265	238	564	579	822	876	208	183	(1)	(9)	(9)	(1)	1,849	1,866
Net underwriting result	14	11	49	86	119	10	(21)	23	10	14	9	1	180	145
Net investment income	141	147	274	285	234	275	41	37	16	20	–	–	706	764
Net capital gains/(losses) and impairments on investments	6	9	16	14	1	6	–	–	–	–	–	–	23	30
Net non-technical result (excl. items not included in BOP)	(32)	(8)	(48)	(45)	(209)	(75)	(12)	(20)	(16)	(2)	(8)	(1)	(326)	(152)
Business operating profit before non-controlling interests	129	159	292	341	145	216	8	40	10	32	–	–	584	787
Non-controlling interests	–	–	–	–	(1)	(7)	1	–	–	–	–	–	–	(7)
Business operating profit	129	159	292	341	146	223	7	39	10	32	–	–	584	794
Ratios, as % of net earned premiums and policy fees														
Loss ratio	77.5%	78.9%	68.3%	69.2%	70.9%	75.2%	67.1%	59.7%	nm	nm	n/a	n/a	71.0%	73.0%
Expense ratio	21.3%	20.2%	29.1%	26.8%	25.4%	24.5%	36.6%	35.9%	nm	nm	n/a	n/a	26.4%	25.1%
Combined ratio	98.9%	99.1%	97.5%	96.0%	96.3%	99.7%	103.7%	95.5%	nm	nm	n/a	n/a	97.4%	98.1%

## Information for the three months ended September 30 (unaudited)

Global Life –  
Overview

in USD millions, for the three months ended September 30

	Americas		United Kingdom		Germany		Switzerland		Ireland		Spain		Emerging Markets in Asia		Rest of the world		Eliminations		Total		
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	
<b>Revenues</b>																					
Life insurance deposits	133	150	740	1,052	570	509	9	10	495	466	389	472	311	308	360	144	–	–	3,007	3,110	
Gross written premiums	259	262	102	95	824	539	239	259	71	6	452	683	45	67	179	166	(12)	(7)	2,159	2,070	
Policy fees	75	56	351	209	92	260	(1)	(2)	38	87	6	14	19	(10)	38	42	–	–	618	657	
Net earned premiums and policy fees	268	245	408	262	889	772	236	255	87	71	452	701	58	48	194	210	–	–	2,592	2,563	
Net investment income on Group investments	117	108	73	83	394	419	160	153	20	21	92	105	10	9	88	93	–	–	954	991	
Net capital gains/(losses) and impairments on Group investments	1	3	136	160	43	11	15	4	–	(33)	(1)	–	9	30	(11)	17	–	–	192	192	
Net investment result on Group investments	117	111	209	243	437	430	175	157	20	(12)	91	106	19	39	77	110	–	–	1,146	1,182	
Net investment income on unit-linked investments	(8)	(8)	377	407	1	2	–	–	48	39	22	14	7	2	11	18	–	–	458	474	
Net capital gains/(losses) and impairments on unit-linked investments	65	89	3,085	5,198	196	824	7	28	128	603	58	150	414	741	96	306	–	–	4,049	7,941	
Net investment result on unit-linked investments	57	81	3,461	5,606	197	826	7	29	176	642	80	163	421	744	108	324	–	–	4,507	8,414	
Other income	31	29	41	20	111	45	17	11	–	1	11	9	16	16	54	32	–	–	282	163	
<b>Total BOP revenues</b>	<b>473</b>	<b>466</b>	<b>4,120</b>	<b>6,130</b>	<b>1,634</b>	<b>2,072</b>	<b>435</b>	<b>452</b>	<b>282</b>	<b>701</b>	<b>635</b>	<b>979</b>	<b>515</b>	<b>846</b>	<b>434</b>	<b>676</b>	<b>–</b>	<b>–</b>	<b>8,527</b>	<b>12,322</b>	
<b>Benefits, losses and expenses</b>																					
Insurance benefits and losses, net	179	171	227	92	956	855	242	246	37	16	473	725	32	40	126	165	–	–	2,270	2,311	
Policyholder dividends and participation in profits, net	56	77	3,287	5,485	365	918	55	70	180	621	80	166	410	742	139	350	–	–	4,572	8,430	
Income tax expense/(benefit) attributable to policyholders	–	–	268	447	6	12	–	–	4	7	–	–	–	–	1	1	–	–	280	467	
Underwriting and policy acquisition costs, net	40	(135)	129	(103)	77	58	35	33	24	21	6	9	42	(22)	35	34	–	–	388	(106)	
Administrative and other operating expense (excl. depreciation/amortization)	66	65	112	112	97	91	41	57	9	25	26	22	3	58	110	78	–	–	464	508	
Interest credited to policyholders and other interest	46	42	3	3	34	42	3	4	9	–	–	3	7	7	2	3	–	–	105	104	
Restructuring provisions and other items not included in BOP	–	1	(23)	(28)	–	–	(4)	(17)	2	–	(17)	(13)	–	–	(1)	(2)	–	–	(43)	(60)	
<b>Total BOP benefits, losses and expenses</b>	<b>387</b>	<b>221</b>	<b>4,002</b>	<b>6,007</b>	<b>1,534</b>	<b>1,976</b>	<b>372</b>	<b>393</b>	<b>265</b>	<b>690</b>	<b>569</b>	<b>912</b>	<b>495</b>	<b>826</b>	<b>412</b>	<b>629</b>	<b>–</b>	<b>–</b>	<b>8,036</b>	<b>11,654</b>	
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>86</b>	<b>245</b>	<b>119</b>	<b>123</b>	<b>100</b>	<b>96</b>	<b>62</b>	<b>59</b>	<b>17</b>	<b>11</b>	<b>65</b>	<b>67</b>	<b>19</b>	<b>21</b>	<b>22</b>	<b>46</b>	<b>–</b>	<b>–</b>	<b>491</b>	<b>668</b>	
Depreciation and impairments of property and equipment	–	–	2	3	3	3	1	2	–	–	–	–	1	1	–	–	–	–	8	9	
Amortization and impairments of intangible assets	11	(24)	12	29	16	9	–	–	–	–	35	79	1	1	6	39	–	–	80	133	
Interest expense on debt	1	1	1	2	–	–	1	–	–	–	13	18	–	–	2	2	–	–	17	23	
Business operating profit before non-controlling interests	75	268	104	90	82	84	61	57	16	11	17	(30)	18	19	14	6	–	–	386	503	
Non-controlling interests	–	1	–	–	1	3	–	–	–	–	6	(17)	–	–	–	–	–	–	8	(13)	
<b>Business operating profit</b>	<b>74</b>	<b>266</b>	<b>104</b>	<b>90</b>	<b>80</b>	<b>81</b>	<b>61</b>	<b>57</b>	<b>16</b>	<b>11</b>	<b>11</b>	<b>(13)</b>	<b>18</b>	<b>19</b>	<b>14</b>	<b>6</b>	<b>–</b>	<b>–</b>	<b>378</b>	<b>516</b>	
<b>Supplementary information</b>																					
Gross written premiums and policy fees from external customers	334	317	451	302	900	785	238	256	109	94	458	697	51	51	214	206	–	–	2,754	2,709	

## Information for the three months ended September 30 (unaudited)

Farmers –  
Overview

in USD millions, for the three months ended September 30

	Farmers Management Services		Farmers Re		Eliminations		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Gross written premiums and policy fees	–	–	1,231	2,081	–	–	1,231	2,081
Net earned premiums and policy fees	–	–	1,197	1,771	–	–	1,197	1,771
Management fees and other related revenues	697	726	–	–	–	–	697	726
Insurance benefits and losses, net	–	–	(773)	(1,200)	–	–	(773)	(1,200)
Total net technical expenses	(222)	(386)	(372)	(555)	–	–	(594)	(941)
Net underwriting result	475	340	52	16	–	–	527	356
Net investment income	14	17	24	27	–	–	38	45
Net non-technical result (excl. items not included in BOP)	(135)	(9)	21	17	–	–	(115)	8
Business operating profit before non-controlling interests	354	348	97	61	–	–	450	409
Business operating profit	354	348	97	61	–	–	450	409
Ratios, as % of net earned premiums and policy fees								
Loss ratio	–	–	64.6%	67.8%	–	–	–	–
Expense ratio	–	–	31.1%	31.3%	–	–	–	–
Combined ratio	–	–	95.7%	99.1%	–	–	–	–

## Information for the nine months ended September 30 – FX adjusted (unaudited)

Business operating profit by business segment – FX adjusted	variance in % over the prior period, for the nine months ended September 30, 2010													
	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	(5)	(5)	(2)	(1)	n/a	n/a	n/a	n/a	(30)	(30)	nm	nm	(4)	(4)
Assumed written premiums	32	32	–	1	(25)	(25)	(6)	(9)	(8)	(8)	(4)	(2)	(14)	(14)
Gross written premiums and policy fees	(3)	(3)	(2)	(1)	(25)	(25)	(6)	(9)	(25)	(25)	(2)	(1)	(6)	(6)
Less premiums ceded to reinsurers	2	3	(4)	(4)	n/a	n/a	3	7	17	15	2	1	2	3
Net written premiums and policy fees	(3)	(3)	(3)	(1)	(25)	(25)	(7)	(10)	(25)	(25)	n/a	n/a	(6)	(6)
Net change in reserves for unearned premiums	(37)	(41)	nm	nm	nm	nm	(7)	(7)	(60)	(59)	n/a	n/a	92	90
Net earned premiums and policy fees	(4)	(4)	(3)	(2)	10	10	(7)	(10)	(26)	(26)	n/a	n/a	(3)	(2)
Farmers management fees and other related revenues	n/a	n/a	n/a	n/a	6	6	n/a	n/a	n/a	n/a	n/a	n/a	6	6
Net investment result on Group investments	(9)	(9)	10	12	(7)	(7)	46	45	87	86	–	(1)	9	10
Net investment income on Group investments	(7)	(7)	(4)	(2)	(7)	(7)	19	18	(13)	(13)	–	(1)	(5)	(4)
Net capital gains/(losses) and impairments on Group investments	(65)	(65)	nm	nm	n/a	n/a	nm	nm	nm	nm	n/a	n/a	nm	nm
Net investment result on unit-linked investments	n/a	n/a	(47)	(47)	n/a	n/a	n/a	n/a	(42)	(42)	n/a	n/a	(47)	(46)
Other income	(2)	(2)	20	18	17	17	(38)	(41)	(37)	(37)	7	10	(17)	(17)
<b>Total BOP revenues</b>	<b>(5)</b>	<b>(5)</b>	<b>(20)</b>	<b>(19)</b>	<b>8</b>	<b>8</b>	<b>(18)</b>	<b>(20)</b>	<b>(10)</b>	<b>(10)</b>	<b>4</b>	<b>6</b>	<b>(10)</b>	<b>(9)</b>
<b>Benefits, losses and expenses</b>														
Insurance benefits and losses, net	5	5	8	7	(6)	(6)	nm	nm	nm	nm	n/a	n/a	–	–
Losses and loss adjustment expenses, net	5	5	(2)	(11)	(6)	(6)	81	81	52	52	nm	nm	3	3
Life insurance death and other benefits, net	34	34	4	3	n/a	n/a	15	18	(8)	(8)	nm	nm	4	2
(Decrease)/increase in future life policyholders' benefits, net	nm	nm	86	92	n/a	n/a	nm	nm	nm	nm	nm	nm	nm	nm
Policyholder dividends and participation in profits, net	60	57	42	42	n/a	n/a	n/a	n/a	38	38	n/a	n/a	42	41
Income tax expense/(benefit) attributable to policyholders	n/a	n/a	7	6	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	7	6
Underwriting and policy acquisition costs, net	–	–	(68)	(71)	(12)	(12)	nm	nm	27	27	(2)	2	(10)	(11)
Administrative and other operating expense (excl. depreciation/amortization)	(2)	–	(3)	(1)	(59)	(59)	(3)	1	(24)	(24)	(5)	(8)	(17)	(15)
Interest credited to policyholders and other interest	(20)	(11)	(4)	(6)	n/a	n/a	(84)	(82)	30	31	(82)	(82)	(1)	(2)
Restructuring provisions and other items not included in BOP	26	26	5	7	nm	nm	51	51	nm	nm	n/a	n/a	nm	nm
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	3	4	21	20	(7)	(7)	(4)	–	17	17	(5)	(8)	10	10
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>(14)</b>	<b>(14)</b>	<b>(5)</b>	<b>(4)</b>	<b>15</b>	<b>15</b>	<b>(48)</b>	<b>(48)</b>	<b>49</b>	<b>48</b>	<b>2</b>	<b>3</b>	<b>(7)</b>	<b>(6)</b>
Depreciation and impairments of property and equipment	(13)	(11)	6	5	–	–	34	36	68	68	n/a	n/a	6	7
Amortization and impairments of intangible assets	(79)	(74)	10	7	(52)	(52)	(77)	(70)	nm	nm	n/a	n/a	(28)	(27)
Interest expense on debt	(10)	(11)	28	25	nm	nm	(3)	(2)	17	16	(2)	(3)	(2)	(2)
Business operating profit before non-controlling interests	(21)	(20)	(3)	(2)	14	14	(92)	(88)	41	41	n/a	n/a	(12)	(11)
Non-controlling interests	nm	nm	nm	nm	n/a	n/a	nm	nm	(25)	(25)	n/a	n/a	nm	nm
<b>Business operating profit</b>	<b>(22)</b>	<b>(21)</b>	<b>(5)</b>	<b>(4)</b>	<b>14</b>	<b>14</b>	<b>(92)</b>	<b>(88)</b>	<b>41</b>	<b>41</b>	<b>n/a</b>	<b>n/a</b>	<b>(13)</b>	<b>(12)</b>

## Information for the nine months ended September 30 – 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 nine months ended September 30, 2010														
	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	1	2	2	4	(2)	(2)	1	(1)	(2)	(2)	3	2	2	3	
Cash and cash equivalents	(13)	(11)	10	11	64	64	3	(2)	(6)	(6)	(11)	(10)	(17)	(15)	
Equity securities	(5)	(7)	(13)	(13)	(10)	(10)	(8)	(10)	(37)	(35)	n/a	n/a	(11)	(11)	
Debt securities	4	5	6	8	11	11	35	33	13	14	3	1	6	8	
Real estate held for investment	2	1	5	3	(6)	(6)	6	–	(6)	(3)	n/a	n/a	3	2	
Mortgage loans	(2)	(7)	(4)	(2)	n/a	n/a	n/a	n/a	(16)	(14)	nm	nm	(5)	(4)	
Other loans	(7)	(6)	(6)	(2)	(30)	(30)	(13)	(12)	(19)	(18)	14	12	(8)	(3)	
Equity method accounted investments	(66)	(65)	(24)	(25)	n/a	n/a	46	38	1	1	n/a	n/a	(19)	(20)	
Investments for unit-linked contracts	n/a	n/a	4	7	n/a	n/a	n/a	n/a	1	1	n/a	n/a	4	7	
<b>Total investments</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>6</b>	<b>(2)</b>	<b>(2)</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>–</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>4</b>	
Reinsurers' share of reserves for insurance contracts	2	2	(8)	(6)	–	–	nm	nm	(7)	(7)	19	20	1	1	
Deposits made under assumed reinsurance contracts	nm	nm	nm	nm	(12)	(12)	n/a	n/a	(17)	(17)	11	11	(11)	(11)	
Deferred policy acquisition costs	2	2	–	3	(32)	(32)	(50)	(50)	(38)	(38)	(65)	(62)	(1)	2	
Deferred origination costs	n/a	n/a	(2)	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(2)	1	
Goodwill	(14)	(14)	(4)	–	–	–	n/a	n/a	n/a	n/a	n/a	n/a	(7)	(6)	
Other intangible assets	(9)	(7)	(25)	(21)	4	4	6	1	(70)	(69)	n/a	n/a	(15)	(13)	
Other assets	(2)	–	(3)	–	(29)	(29)	10	6	(4)	(4)	(9)	(10)	(4)	(3)	
<b>Total assets (after cons. of investments in subsidiaries)</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>(9)</b>	<b>(9)</b>	<b>2</b>	<b>–</b>	<b>(2)</b>	<b>(2)</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>3</b>	
<b>Liabilities</b>															
Liabilities for investment contracts	n/a	n/a	2	5	n/a	n/a	n/a	n/a	n/a	n/a	1	1	2	5	
Reserves for insurance contracts, gross	1	2	2	5	(12)	(12)	(85)	(85)	–	–	20	21	1	3	
Reserves for losses and loss adjustment expenses, gross	–	–	69	81	9	9	(10)	(10)	(13)	(13)	5	3	–	–	
Reserves for unearned premiums, gross	5	7	(35)	(32)	(31)	(31)	(65)	(65)	(21)	(21)	45	nm	–	2	
Future life policyholders' benefits, gross	–	2	–	2	n/a	n/a	(97)	(97)	11	11	44	44	–	3	
Policyholders' contract deposits and other funds, gross	3	(1)	5	7	n/a	n/a	n/a	n/a	(5)	(5)	57	49	3	5	
Reserves for unit-linked contracts, gross	n/a	n/a	4	7	n/a	n/a	(2)	n/a	1	1	n/a	n/a	3	6	
Debt related to capital markets	n/a	n/a	n/a	n/a	n/a	n/a	11	11	(8)	(8)	20	20	nm	nm	
Senior debt	33	35	35	33	n/a	n/a	(6)	(8)	4	5	–	2	(2)	(3)	
Subordinated debt	(17)	(17)	(21)	(18)	n/a	n/a	(2)	(2)	(4)	(2)	18	16	(2)	(2)	
Other liabilities	(1)	1	3	5	21	21	4	(1)	(13)	(12)	(9)	(23)	(1)	–	
<b>Total liabilities</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>5</b>	<b>(2)</b>	<b>(2)</b>	<b>(5)</b>	<b>(7)</b>	<b>(3)</b>	<b>(2)</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>3</b>	
<b>Equity</b>															
Common shareholders' equity														6	(7)
Preferred securities														(15)	(15)
Shareholders' equity														6	(7)
Non-controlling interests														(25)	nm
Total equity														4	6
<b>Total liabilities and equity</b>														<b>1</b>	<b>3</b>



## Information for the nine months ended September 30 – FX adjusted (unaudited)

General Insurance – Customer segment overview – FX adjusted	variance in % over the prior period, for the nine months ended September 30, 2010													
	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	(1)	(2)	(2)	(3)	(7)	(7)	12	10	10	13	–	(1)	(3)	(3)
Net earned premiums and policy fees	1	–	(10)	(11)	(4)	(3)	7	4	43	48	n/a	n/a	(4)	(4)
Insurance benefits and losses, net	4	5	14	14	5	4	(22)	(19)	nm	nm	n/a	n/a	5	5
Policyholder dividends and participation in profits, net	nm	98	2	2	nm	nm	n/a	n/a	nm	nm	n/a	n/a	60	57
Total net technical expenses	(6)	(4)	2	3	1	–	(8)	(7)	(76)	(83)	(36)	(43)	(1)	(1)
Net underwriting result	99	95	6	7	(5)	(9)	nm	nm	nm	nm	(36)	(43)	(33)	(36)
Net investment income	(8)	(9)	(4)	(5)	(12)	(12)	9	5	7	7	nm	nm	(7)	(7)
Net capital gains/(losses) and impairments on investments	(71)	(71)	(50)	(50)	(89)	(89)	n/a	n/a	n/a	n/a	n/a	n/a	(65)	(65)
Net non-technical result (excl. items not included in BOP)	24	24	(14)	(14)	(58)	(54)	nm	nm	(24)	(19)	(61)	(46)	(19)	(9)
Business operating profit before non-controlling interests	15	13	(7)	(8)	(33)	(32)	(67)	(37)	nm	nm	n/a	n/a	(21)	(20)
Non-controlling interests	(32)	(32)	nm	nm	(74)	(74)	nm	nm	n/a	n/a	n/a	n/a	nm	nm
Business operating profit	15	13	(7)	(8)	(33)	(32)	(79)	(49)	nm	nm	n/a	n/a	(22)	(21)

General Insurance – Customer segment reporting – Europe General Insurance by region – FX adjusted	variance in % over the prior period, for the nine months ended September 30, 2010																	
	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	(9)	(8)	(8)	(5)	4	–	(9)	(6)	(10)	(7)	(2)	(15)	(36)	(35)	95	94	(7)	(7)
Net earned premiums and policy fees	(4)	(3)	7	11	6	2	(4)	(1)	4	8	(2)	(15)	(30)	(29)	nm	nm	(4)	(3)
Net underwriting result	(14)	(14)	(87)	(86)	42	37	71	70	(25)	(22)	nm	nm	nm	nm	nm	nm	(5)	(9)
Business operating profit	(20)	(19)	(64)	(63)	26	22	93	93	(43)	(41)	nm	nm	nm	nm	n/a	n/a	(33)	(32)

General Insurance – Customer segment reporting – International Markets by region – FX adjusted	variance in % over the prior period, for the nine months ended September 30, 2010																	
	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	2	11	21	7	25	22	n/a	n/a	n/a	n/a	n/a	n/a	nm	nm	12	10		
Net earned premiums and policy fees	(7)	1	16	2	29	27	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	7	4		
Net underwriting result	nm	nm	nm	nm	(82)	(82)	n/a	n/a	n/a	n/a	n/a	n/a	nm	nm	nm	nm		
Business operating profit	nm	(46)	(41)	(48)	(41)	(42)	n/a	n/a	n/a	n/a	92	92	n/a	n/a	(79)	(49)		

## Information for the nine months ended September 30 – FX adjusted (unaudited)

Global Life –  
Overview  
– FX adjusted

variance in % over the prior period, for the nine months ended September 30, 2010	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	
<b>Revenues</b>																					
Life insurance deposits	(40)	(42)	17	18	27	32	(17)	(20)	67	74	(13)	(10)	1	1	nm	nm	n/a	n/a	19	22	
Gross written premiums	24	23	18	18	(2)	2	(4)	(8)	81	87	(44)	(42)	13	12	15	13	(67)	(68)	(10)	(9)	
Policy fees	19	19	82	83	30	35	37	40	7	11	(52)	(50)	nm	nm	20	16	n/a	n/a	50	52	
Net earned premiums and policy fees	25	24	70	70	2	6	(4)	(8)	74	80	(45)	(43)	68	66	10	9	n/a	n/a	(3)	(2)	
Net investment income on Group investments	6	5	(10)	(10)	(5)	(1)	3	(1)	2	6	(15)	(12)	(4)	(4)	–	2	n/a	n/a	(4)	(2)	
Net capital gains/(losses) and impairments on Group investments	(61)	(61)	nm	nm	nm	nm	(16)	(19)	nm	nm	nm	nm	(63)	(63)	nm	nm	n/a	n/a	nm	nm	
Net investment result on Group investments	5	4	47	48	12	16	2	(1)	nm	nm	(16)	(13)	(31)	(32)	(6)	(2)	n/a	n/a	10	12	
Net investment income on unit-linked investments	(65)	(62)	(7)	(6)	(34)	(32)	nm	nm	11	15	65	71	nm	nm	23	9	n/a	n/a	(1)	(1)	
Net capital gains/(losses) and impairments on unit-linked investments	(76)	(76)	(42)	(42)	(84)	(83)	nm	nm	(72)	(71)	nm	nm	(27)	(27)	(83)	(80)	n/a	n/a	(56)	(55)	
Net investment result on unit-linked investments	(87)	(86)	(35)	(34)	(83)	(83)	(90)	(91)	(59)	(58)	(73)	(72)	(26)	(26)	(71)	(70)	n/a	n/a	(47)	(47)	
Other income	4	4	12	12	38	43	18	14	(80)	(79)	17	22	(13)	(13)	40	25	nm	nm	20	18	
<b>Total BOP revenues</b>	<b>7</b>	<b>6</b>	<b>(19)</b>	<b>(19)</b>	<b>(18)</b>	<b>(15)</b>	<b>(4)</b>	<b>(8)</b>	<b>(29)</b>	<b>(26)</b>	<b>(43)</b>	<b>(41)</b>	<b>(13)</b>	<b>(13)</b>	<b>(19)</b>	<b>(19)</b>	<b>nm</b>	<b>nm</b>	<b>(20)</b>	<b>(19)</b>	
<b>Benefits, losses and expenses</b>																					
Insurance benefits and losses, net	(24)	(19)	(86)	(87)	(1)	(5)	(2)	2	nm	nm	44	42	(16)	(14)	(1)	(2)	n/a	n/a	8	7	
Policyholder dividends and participation in profits, net	82	82	34	33	59	57	36	39	56	54	74	73	28	27	56	54	n/a	n/a	42	42	
Income tax expense/(benefit) attributable to policyholders	n/a	n/a	5	5	5	1	n/a	n/a	14	11	n/a	n/a	3	3	58	64	n/a	n/a	7	6	
Underwriting and policy acquisition costs, net	nm	nm	nm	nm	4	–	(2)	2	7	4	63	62	nm	nm	(11)	(10)	n/a	n/a	(68)	(71)	
Administrative and other operating expense (excl. depreciation/amortization)	(14)	(9)	(5)	(6)	17	14	16	19	30	27	(55)	(60)	42	43	(40)	(30)	93	98	(3)	(1)	
Interest credited to policyholders and other interest	(3)	(2)	4	3	6	2	27	29	n/a	n/a	84	83	(2)	(2)	25	23	nm	nm	(4)	(6)	
Restructuring provisions and other items not included in BOP	(53)	(53)	(30)	(30)	n/a	n/a	nm	nm	n/a	n/a	(21)	(18)	nm	nm	(31)	(28)	n/a	n/a	5	7	
<b>Total BOP benefits, losses and expenses</b>	<b>(25)</b>	<b>(23)</b>	<b>21</b>	<b>20</b>	<b>20</b>	<b>17</b>	<b>5</b>	<b>8</b>	<b>30</b>	<b>28</b>	<b>46</b>	<b>44</b>	<b>15</b>	<b>15</b>	<b>17</b>	<b>17</b>	<b>nm</b>	<b>nm</b>	<b>21</b>	<b>20</b>	
<b>Business operating profit (before interest, depreciation and amortization)</b>	<b>(32)</b>	<b>(31)</b>	<b>19</b>	<b>20</b>	<b>14</b>	<b>19</b>	<b>2</b>	<b>(2)</b>	<b>25</b>	<b>30</b>	<b>(6)</b>	<b>(3)</b>	<b>21</b>	<b>22</b>	<b>(41)</b>	<b>(39)</b>	<b>n/a</b>	<b>n/a</b>	<b>(5)</b>	<b>(4)</b>	
Depreciation and impairments of property and equipment	(5)	(1)	5	5	7	4	15	18	7	3	nm	nm	3	3	1	4	n/a	n/a	6	5	
Amortization and impairments of intangible assets	nm	nm	nm	nm	(75)	(81)	n/a	n/a	32	29	35	33	20	20	74	73	n/a	n/a	10	7	
Interest expense on debt	18	18	57	57	89	89	8	11	n/a	n/a	23	20	95	95	32	29	n/a	n/a	28	25	
Business operating profit before non-controlling interests	(40)	(38)	12	13	8	12	2	(2)	27	32	nm	nm	25	26	8	10	n/a	n/a	(3)	(2)	
Non-controlling interests	(32)	(32)	n/a	n/a	15	15	n/a	n/a	n/a	n/a	nm	nm	n/a	n/a	(1)	(1)	n/a	n/a	nm	nm	
<b>Business operating profit</b>	<b>(40)</b>	<b>(39)</b>	<b>12</b>	<b>13</b>	<b>9</b>	<b>13</b>	<b>2</b>	<b>(2)</b>	<b>27</b>	<b>32</b>	<b>nm</b>	<b>nm</b>	<b>25</b>	<b>26</b>	<b>8</b>	<b>10</b>	<b>n/a</b>	<b>n/a</b>	<b>(5)</b>	<b>(4)</b>	

## Summary of quarterly consolidated financial information (unaudited)

Summary of  
quarterly  
consolidated  
financial  
information<sup>1</sup>

in USD millions, for the three months ended	09/30/10	06/30/10	03/31/10	12/31/09	09/30/09	06/30/09	03/31/09	12/31/08	09/30/08
Gross written premiums and policy fees	11,721	11,403	14,983	13,352	13,039	13,184	14,242	12,800	12,399
Net earned premiums and policy fees	10,968	10,670	11,925	12,757	11,993	11,198	11,280	11,825	10,520
Net investment result on Group investments	2,309	2,008	1,970	1,684	1,970	1,515	759	1,077	769
Net investment income on Group investments	1,747	1,782	1,779	1,935	1,831	1,907	1,832	2,163	2,150
Net capital gains/(losses) on Group investments and impairments	563	227	191	(251)	140	(392)	(1,073)	(1,086)	(1,380)
Net investment result on unit-linked investments	4,900	(4,169)	4,533	2,549	9,004	4,226	(3,303)	(4,105)	(8,221)
Other revenues	1,132	1,027	1,014	1,281	1,172	1,031	1,004	980	957
Total revenues	19,309	9,537	19,443	18,270	24,139	17,969	9,741	9,776	4,026
Insurance benefits and losses, net of reinsurance	8,221	8,535	8,906	9,379	9,418	7,540	8,766	10,170	8,381
Policyholder dividends and participation in profits, net of reinsurance	5,080	(3,936)	4,781	2,629	9,041	4,418	(3,229)	(4,506)	(8,293)
Other expenses	4,755	4,252	4,258	4,842	3,997	4,016	3,765	4,298	4,057
Total benefits, losses and expenses	18,055	8,851	17,945	16,850	22,456	15,974	9,301	9,962	4,145
Net income before income taxes	1,254	686	1,497	1,420	1,683	1,995	439	(185)	(119)
Net income attributable to shareholders	751	707	935	1,028	968	1,434	532	205	154
Business operating profit	1,240	1,027	1,259	1,527	1,513	1,491	1,061	1,002	636

<sup>1</sup> Following the fair valuation of the closed U.S. life book and the related financial assets included in the Non-core business segment (see note 1 of the unaudited Consolidated Financial Statements), only quarterly consolidated financial information until 03/31/09 has been restated.

# 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 unaudited Consolidated financial statements for the nine months ended September 30, 2010.

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.

### FX adjusted information

The percentages of variance in Group Currency (%GC) and Local Currency (%LC) are calculated based on the following methodology:

For Income Statement items, the %GC is calculated translating the current year figures using average exchange rates for the current period, and prior year figures using average exchange rates for the same prior year period. The %LC is calculated translating both current and prior year figures using average exchange rates of the same period of prior year.

For Balance Sheet items, %GC is calculated translating current year figures using closing exchange rates at the end of the current period, and prior year figures using closing exchange rates at the end of the prior year period. The %LC is calculated translating both current and prior year figures using the closing exchange rates at the end of the prior year period.

### 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 Non-Core 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 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.

**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 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** – 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 are managed but not owned by Farmers Group, Inc. a wholly owned subsidiary of the Group.

**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 of Zurich Financial Services Ltd or the Zurich Financial Services Group (the "Group"). Forward-looking statements include statements regarding the Group's targeted profit improvement, return on equity targets, expense reductions, pricing conditions, dividend policy and underwriting claims improvements, as well as statements regarding the Group's 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 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 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.

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