



Half Year Results Reporting 2010

August 5, 2010

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Agenda



- Introduction Martin Senn
- Half Year Results 2010 Dieter Wemmer
- Q&A
- Closing remarks Martin Senn



Introduction

Martin Senn
Chief Executive Officer

August 5, 2010

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Financial highlights



in USD millions
for the six months to June 30

| | 2010 | 2009 ¹ | Change |
|---|--------|-------------------|------------------|
| Business operating profit (BOP) | 2,286 | 2,552 | -10% |
| Net income attributable to shareholders | 1,642 | 1,967 | -16% |
| General Insurance combined ratio | 98.0% | 96.2% | -1.7pts |
| Global Life new business value ² | 392 | 332 | 18% ² |
| Farmers Mgmt Services managed GEP margin ³ | 7.4% | 7.3% | 0.1pts |
| Shareholders' equity | 28,469 | 29,304 | -3% |
| Return on common shareholders' equity (ROE) | 11.5% | 17.6% | -6.0pts |
| Business operating profit (after tax) ROE | 12.4% | 17.3% | -4.9pts |

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

² After tax; change in local currency is 17%.

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



Half Year Results 2010

Dieter Wemmer
Chief Financial Officer

August 5, 2010

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Business operating profit by segment



in USD millions

for the six months to June 30

| | 2010 | 2009 ¹ | Change |
|--------------------------------|--------------|-------------------|-------------|
| General Insurance | 1,377 | 1,714 | -20% |
| Global Life | 720 | 641 | 12% |
| Farmers (including Farmers Re) | 845 | 724 | 17% |
| Other Operating Businesses | -361 | -239 | -51% |
| Total Core BOP | 2,581 | 2,840 | -9% |
| Non-Core Businesses | -295 | -287 | -3% |
| Total BOP | 2,286 | 2,552 | -10% |

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

General Insurance – key performance indicators



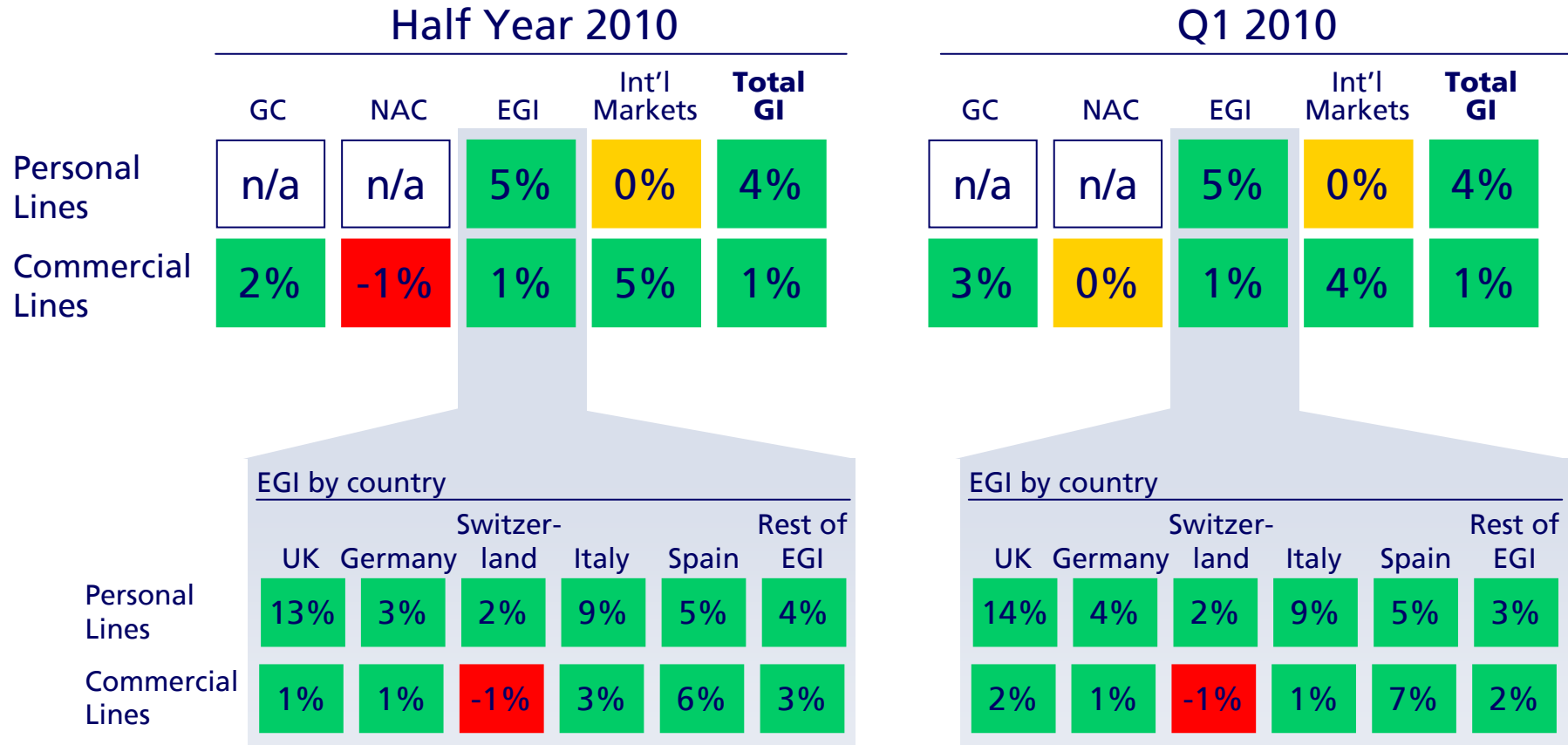
in USD millions
for the six months to June 30

| | 2010 | 2009 | Change | Change in LC ¹ |
|---------------------------|--------|--------|---------|---------------------------|
| GWP and policy fees | 17,940 | 18,247 | -2% | -4% |
| Rate change ² | 2% | 3% | -1pts | |
| Loss ratio | 71.0% | 70.6% | -0.4pts | |
| Expense ratio | 27.0% | 25.6% | -1.4pts | |
| Combined ratio | 98.0% | 96.2% | -1.8pts | |
| Business Operating Profit | 1,377 | 1,714 | -20% | -19% |

¹ Local Currency

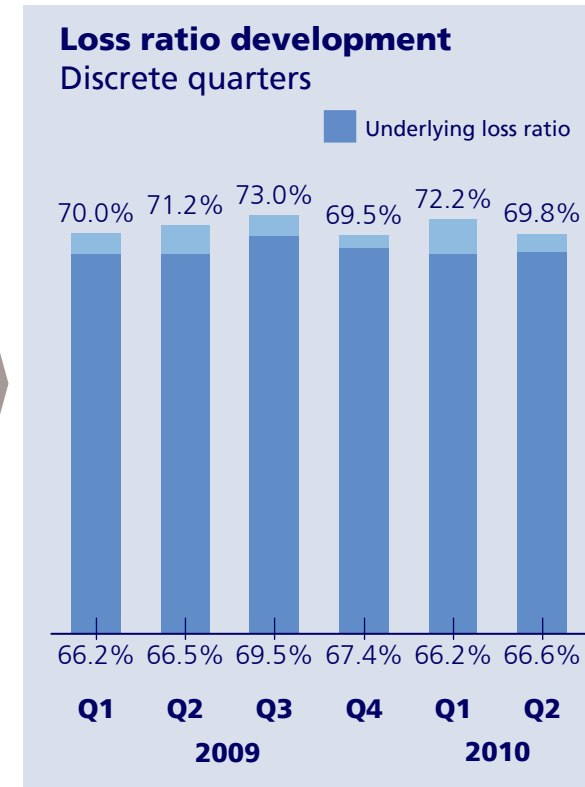
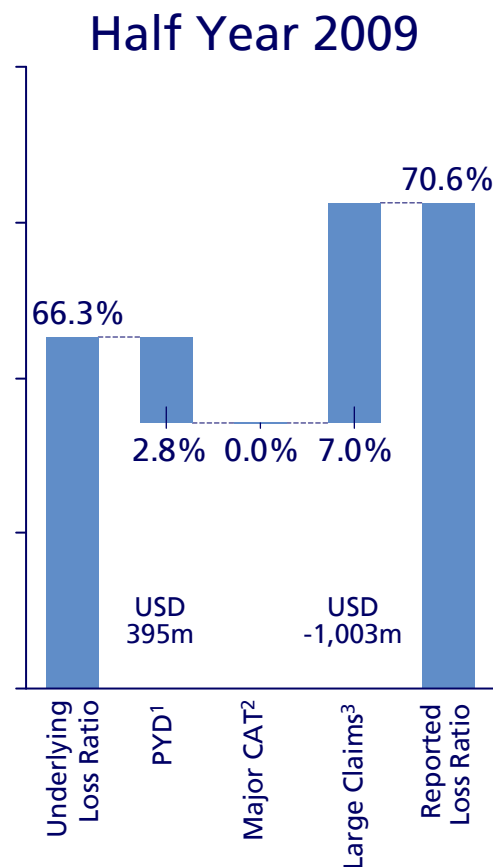
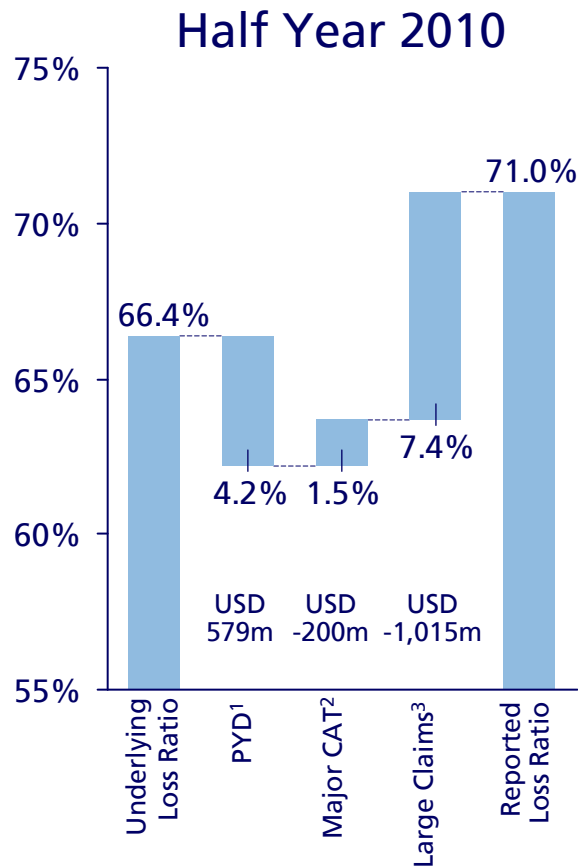
² For details, please refer to specific notes on the following slide "Rate Change Monitor".

General Insurance – rate change monitor¹ for personal and commercial lines



¹ The Zurich Rate Change Monitor expresses the Gross Written Premium development due to premium rate change as a percentage of the renewed portfolio against a comparable prior period. In this slide, the shown periods 2010 are compared to the same periods 2009.

General Insurance – comparison of loss ratio

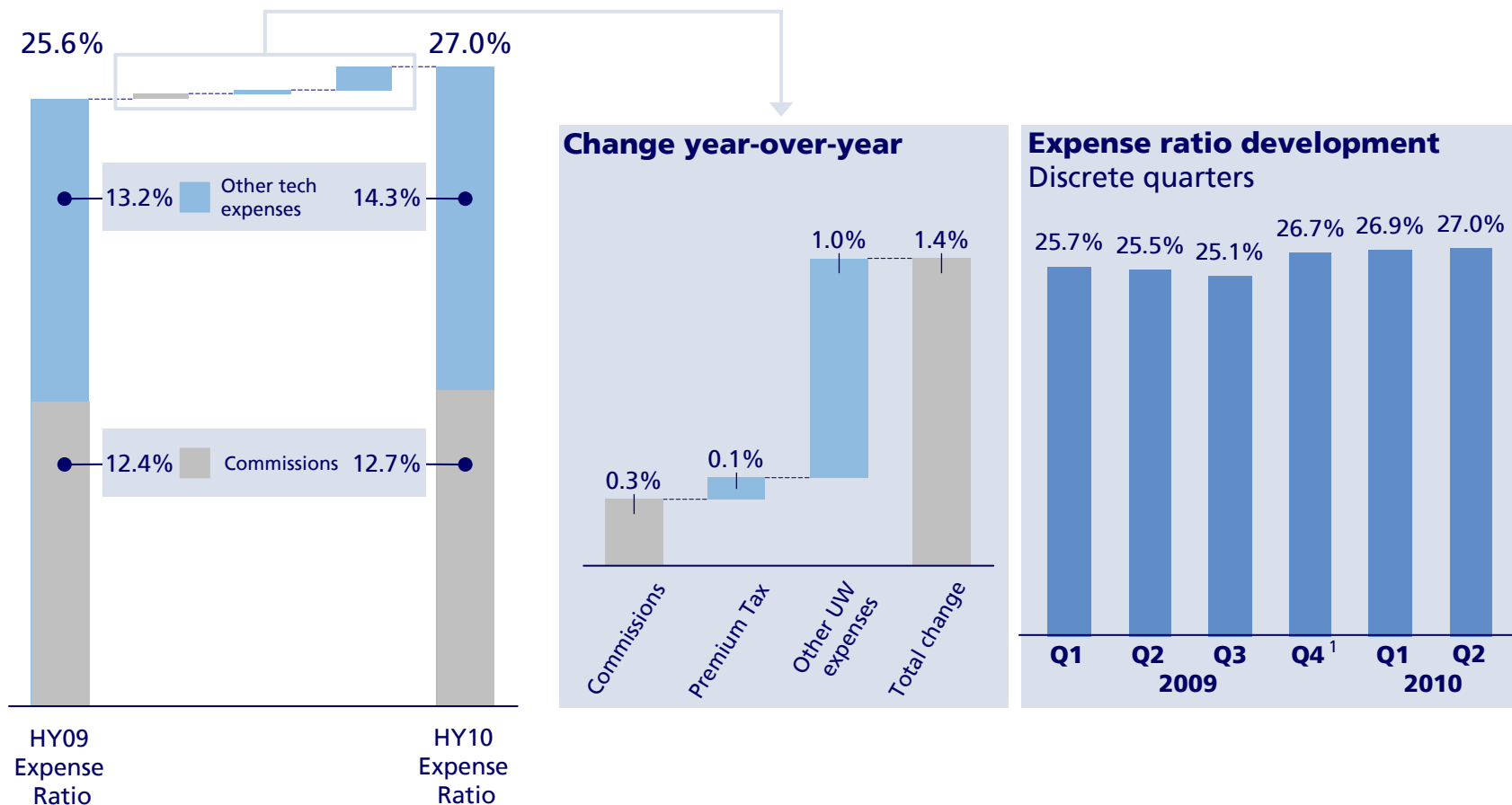


1 Prior year development.

2 Major CAT (potential USD 100 million or larger)

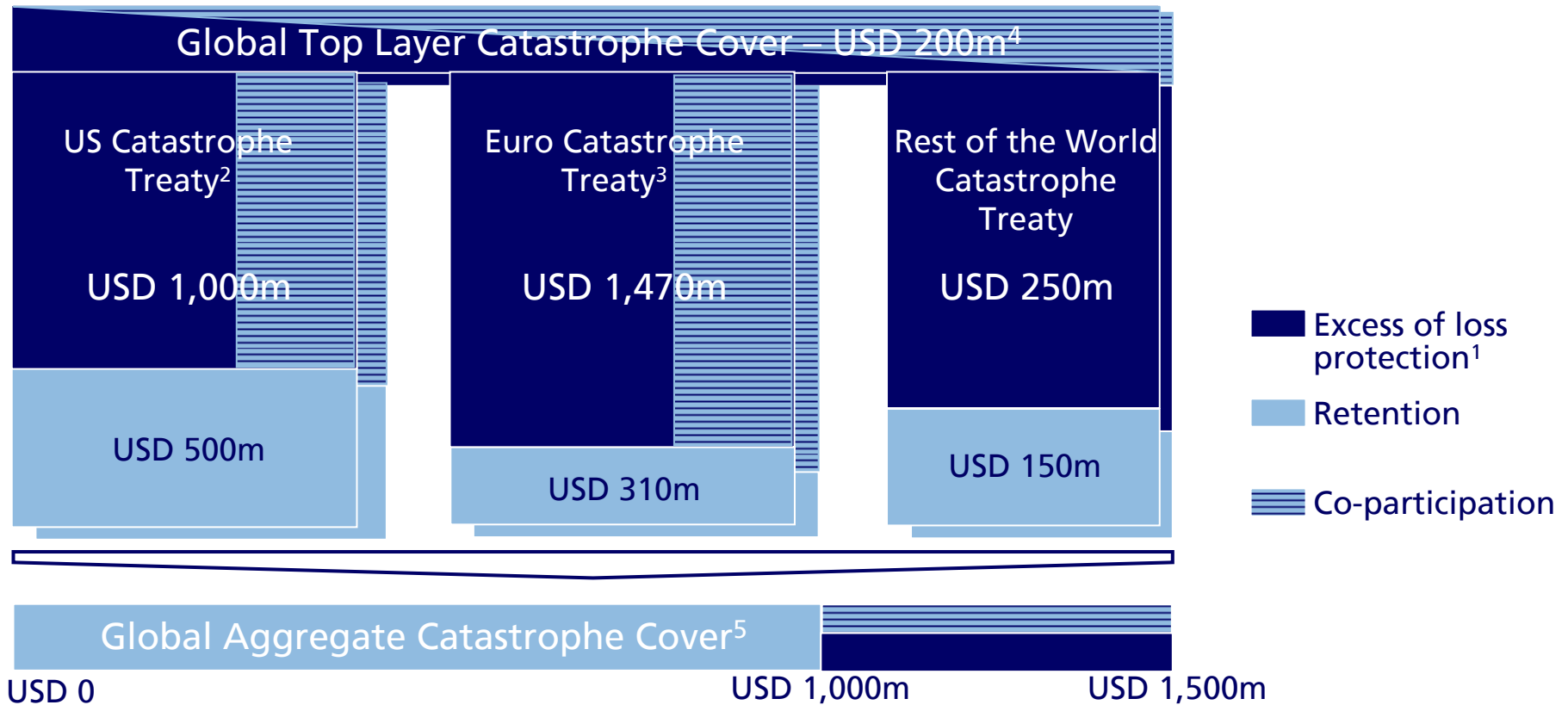
3 Large claims are defined individually by our General Insurance Business Divisions, constantly applied over time, excluding Major CATs.

General Insurance – net expense ratio walk from HY09 to HY10



¹ Adjusted for the PY premium movements from loss sensitive business written in the US. The premium adjustments affect the denominator of the ratio, rather than the numerator. Total premium adjustment is USD 114m for 2009. As reported the expense ratio is 27.1% for Q4-09.

Reinsurance program to reduce volatility from Nat Cat severity and frequency



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- ¹ Simplified illustration of main catastrophe treaties only. Treaties are on a risk occurrence basis. Per risk and subsidiary CAT covers not shown.
- ² Includes a high layer of USD 100m risk swap cover of US windstorm (ceded) for Japanese Typhoon (assumed), which generates significant savings relative to open market pricing. Co-participation varies by layer and is approx. 36% overall. This US cover excludes California earthquake. In addition, the Group has a USD 250m excess USD 500m cover through the catastrophe bond "Lakeside Re II" providing indemnity protection against California earthquakes with 10% co-participation.
- ³ Euro cover is translated at current FX rates. Co-participation varies by layer and is approximately 39% overall.
- ⁴ Cover excludes US named windstorms and California earthquake, co-participation of 50%.
- ⁵ Cover operates on an annual aggregate basis. Co-participation of 55%. Losses less than USD 25m do not count towards the aggregate cover but those greater than USD 25m count in full from the 'ground up'.

Global Life – key performance indicators



| in USD millions for the six months to June 30 | 2010 | 2009 | Change | Change in LC ¹ |
|---|--------|--------|---------|------------------------------|
| GWP and policy fees (incl. insurance deposits) ² | 13,111 | 11,569 | 13% | 12% |
| Net inflows to Assets under Mgmt | 2,949 | 1,670 | 77% | |
| Annual Premium Equivalent (APE) | 1,716 | 1,579 | 9% | 8% |
| New business value, after tax | 392 | 332 | 18% | 17% |
| New business margin, after tax ³ | 22.8% | 21.0% | 1.8pts | |
| MCEV operating return ⁴ | 9.5% | 13.1% | -3.6pts | |
| Closing MCEV | 15,042 | 14,191 | 6% | |
| Business Operating Profit | 720 | 641 | 12% | 12% |

¹ Local Currency

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

³ New Business Value as % of APE.

⁴ After tax and before currency translation effects.

Global Life – new business by pillar



in USD millions
for the six months to June 30

| | NBV 2010 | NBV 2009 | Change in LC¹ | APE 2010 | APE 2009 | Change in LC¹ |
|-------------------------------------|---------------------|---------------------|-------------------------------------|---------------------|---------------------|-------------------------------------|
| Bank Distribution | 105 | 85 | 31% | 422 | 535 | -18% |
| IFA/Brokers | 97 | 74 | 22% | 497 | 413 | 15% |
| Agents | 56 | 83 | -33% | 217 | 206 | 4% |
| Corporate Life & Pensions | 58 | 40 | 39% | 285 | 248 | 14% |
| International / Expats | 34 | 30 | 10% | 123 | 110 | 10% |
| Private Banking Client Solutions | 6 | 1 | 911% | 114 | 16 | 604% |
| Direct and Central Initiatives | 37 | 20 | 85% | 58 | 50 | 11% |
| Total | 392 | 332 | 17% | 1,716 | 1,579 | 8% |

¹ Local currency

Global Life – Business Operating Profit: Profit by Source



in USD millions
for the six months to June 30

| | New Business | | Business in Force | | Total | |
|---|--------------|-------------|-------------------|------------|------------|------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Net Expense margin | -819 | -706 | 681 | 650 | -138 | -56 |
| Net Risk margin | 7 | 1 | 305 | 296 | 312 | 297 |
| Net Investment margin | -2 | -1 | 372 | 328 | 370 | 327 |
| Other profit margins | 0 | 6 | 23 | 12 | 23 | 17 |
| BOP before deferrals | -814 | -700 | 1,381 | 1,286 | 567 | 586 |
| Impact of acquisition deferrals | 712 | 572 | -447 | -445 | 265 | 127 |
| BOP before interest, depreciation and amortization | -102 | -128 | 934 | 842 | 832 | 713 |
| Interest, depreciation, amortization and non controlling interest | 0 | 0 | -175 | -152 | -175 | -152 |
| BOP before special operating items | -102 | -128 | 759 | 690 | 657 | 562 |
| Special operating items | 0 | 0 | 63 | 79 | 63 | 79 |
| Business Operating Profit | -102 | -128 | 822 | 769 | 720 | 641 |

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

Farmers – key performance indicators



in USD millions

for the six months to June 30¹

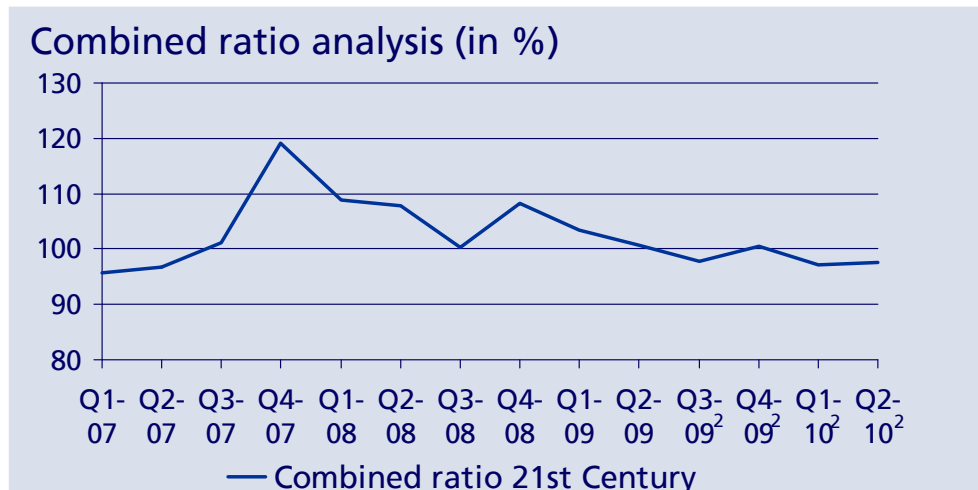
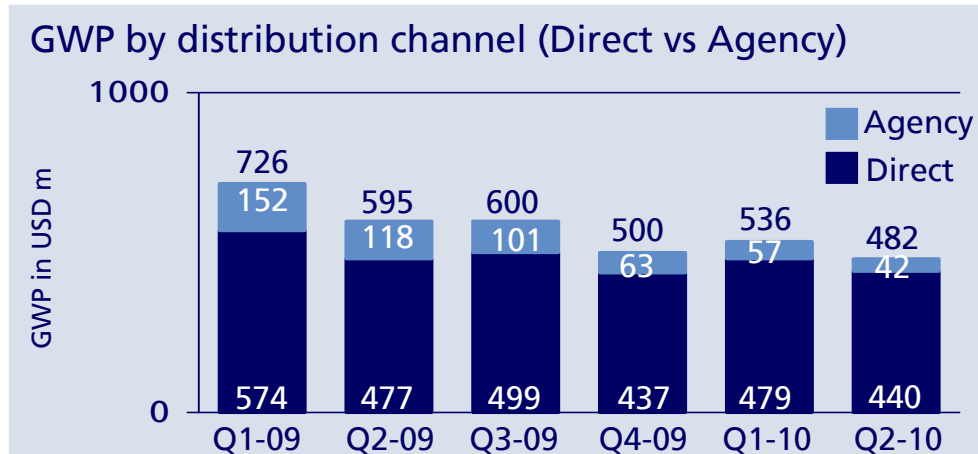
| | 2010 | 2009 | Change |
|--|--------------------|-------|--------|
| Farmers Management Services | | | |
| Managed gross earned premium margin ² | 7.4% | 7.3% | 0.1pts |
| Business operating profit | 694 | 643 | 8% |
| Farmers Re | | | |
| Business operating profit | 151 | 80 | 88% |
| Farmers Exchanges² | | | |
| Gross written premiums | 9,207 | 8,438 | 9.1% |
| Surplus ratio | 41.7% ³ | 44.0% | 2.3pts |

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

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

³ Estimated

Acquisition of 21st Century¹ – Update



- **GWP** in Q2-10 of USD 482m reflects:
 - **Direct:** levels rebounding – Q2-10 shows increasing renewals and higher new business applications compared to previous quarters despite residual effect of legacy brand issues and weak US economy
 - **Agency:** business renewing into Foremost
- **Combined Ratio** in Q2-10 of 97.5%² reflects pricing discipline and favorable loss trends
- Cross-sell to Farmers Exclusive Agents (EA) is implemented in all 29 EA states

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

² Combined ratio adjusted for profit portion of management fees.

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



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in USD millions
for the six months to June 30

| | 2010 | 2009 | Change |
|--------------------------------|------|------|--------|
| Other Operating Businesses | -361 | -239 | -51% |
| Non-Core Businesses | | | |
| - Banking activities | -318 | -25 | nm |
| - Centrally managed businesses | 21 | -322 | nm |
| - Centre | 3 | 57 | -95% |
| - Other run-off | 0 | 2 | nm |
| Total Non-Core Businesses | -295 | -287 | -3% |

Investment performance of Group investments



in USD millions

for the six months to June 30

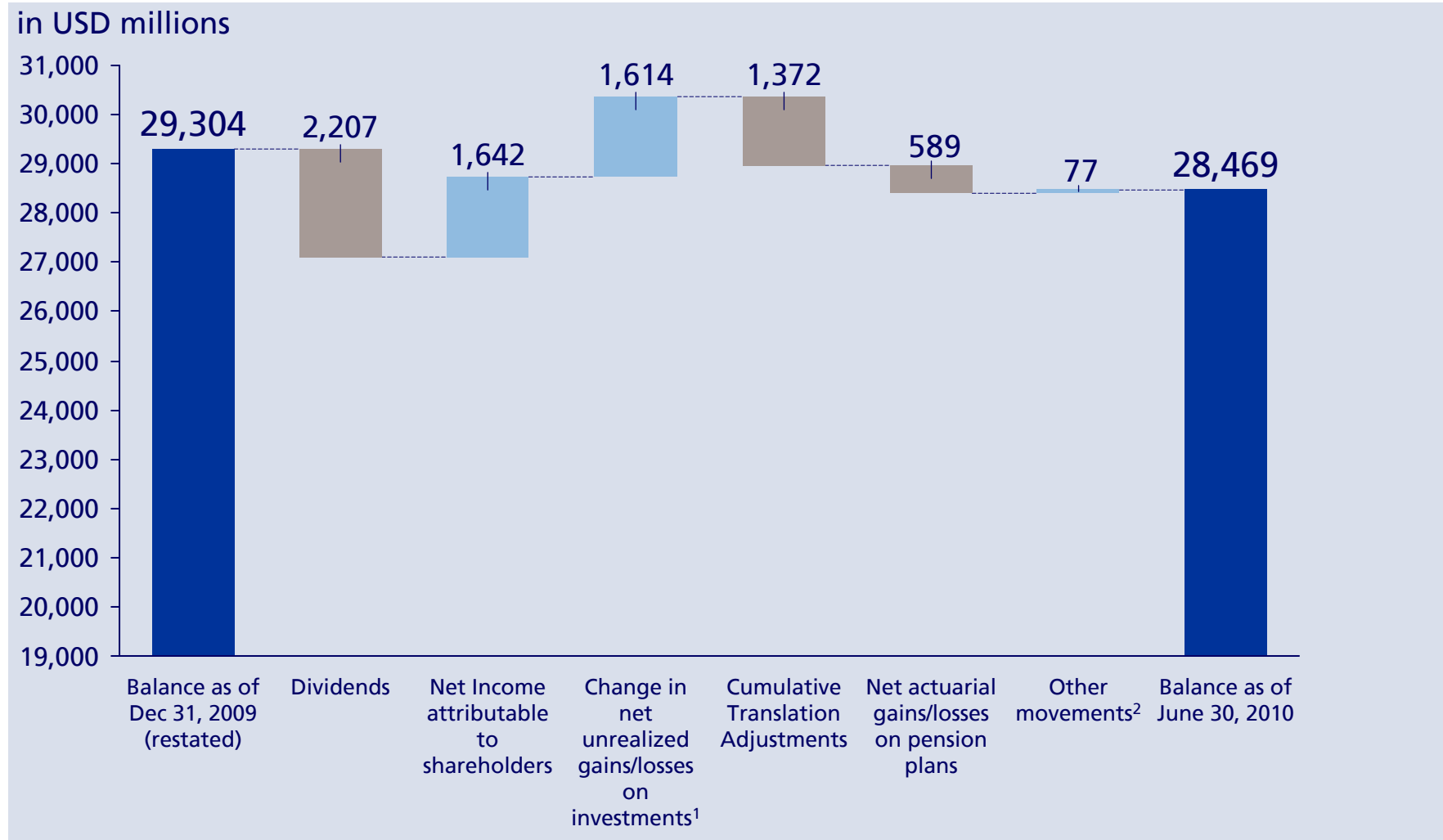
| | 2010 | 2009 | Change |
|---|-------|--------|--------|
| Net investment income | 3,561 | 3,739 | -5% |
| Net capital losses/gains on investments and impairments ¹ | 418 | -1,465 | nm |
| <i>of which attributable to shareholders</i> | 46 | -1,138 | nm |
| Net investment result | 3,979 | 2,274 | 75% |
| Net investment result in % ² | 2.1% | 1.2% | 0.9pts |
| Movements in net unrealized losses on investments included in shareholders' equity ³ | 2,828 | 722 | nm |
| Total net investment return ² | 3.6% | 1.6% | 2.0pts |

¹ Including impairments of USD 763m (HY09: USD 738m) of which USD 346m attributable to bank loans in UK and Ireland

² In % of average investments, not annualized

³ Before attribution to policyholders and other.

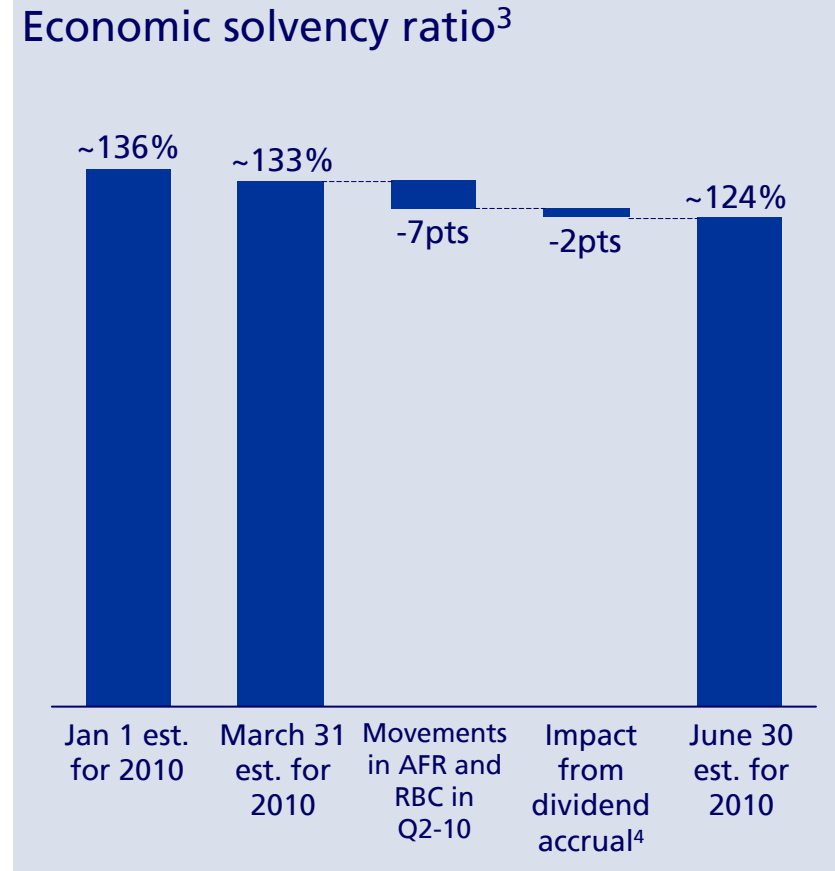
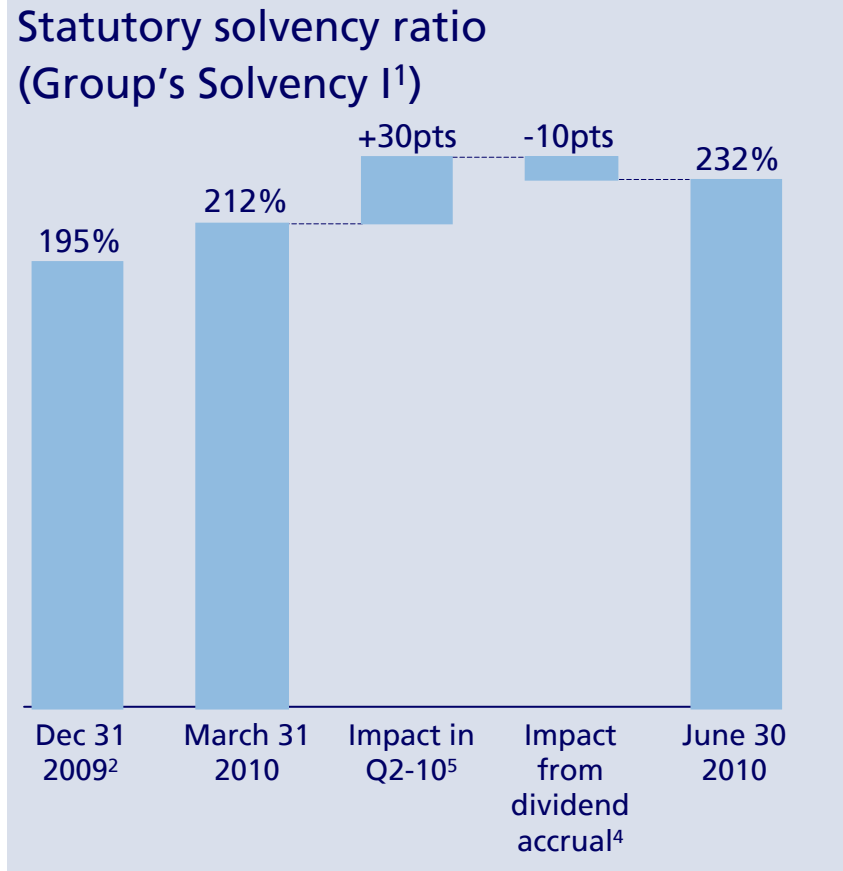
Development of shareholders' equity in 2010



¹ Includes changes in cash flow hedges.

² Includes issuance of share capital, changes in share-based payment transactions and other.

2010 estimated economic and regulatory solvency



¹ Solvency I requirements in accordance with the Swiss insurance supervisory law.
² Finalized, restated for accounting change and as filed with the Swiss regulator; after 2009 dividend.
³ Economic financial strength is based on Available Financial Resources (AFR) at the beginning of the period and expected risks to be taken during the period (RBC). Economic financial strength is based on **AA calibration**.
⁴ The accrual for a future dividend, which is calculated as a proportional fraction of the 2009 dividend, does not represent an obligation to pay a particular amount. The 2010 dividend proposed to the AGM will be the decision of the Board in February 2011.
⁵ Including a 10pts increase due to refined methodology



Q&A





Closing remarks

Martin Senn
Chief Executive Officer

August 5, 2010

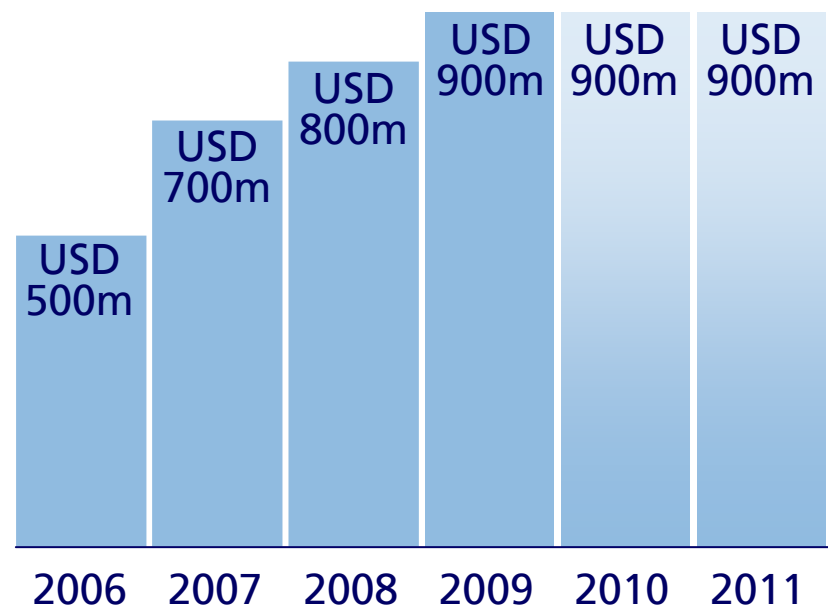
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Appendix

The Zurich Way



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



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

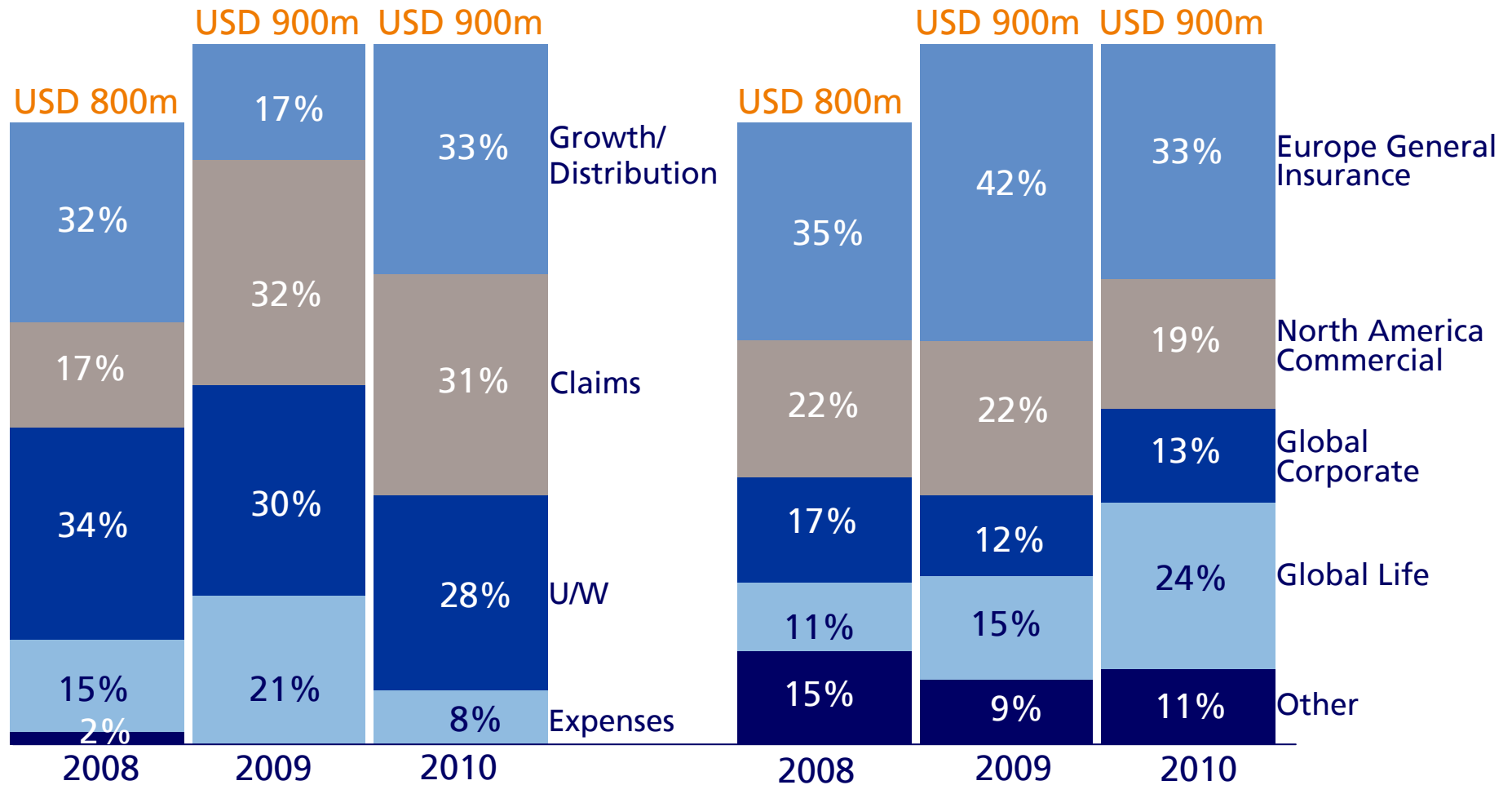
General Insurance:
Combined ratio: 2 - 3pts p.a.

The Zurich Way initiatives – 2010 target



by function

by business division



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Top line development by segment



in USD millions
for the six months to June 30

| | 2010 | 2009 | Change | Change in LC ¹ |
|---|--------|--------|--------|---------------------------|
| General Insurance | | | | |
| GWP and policy fees | 17,940 | 18,247 | -2% | -4% |
| Global Life | | | | |
| GWP and policy fees (incl. insurance deposits) ² | 13,111 | 11,569 | 13% | 12% |
| Annual Premium Equivalent (APE) ³ | 1,716 | 1,579 | 9% | 8% |
| Farmers | | | | |
| Farmers management fees | 1,399 | 1,247 | 12% | 12% |
| Farmers Re GWP | 2,491 | 2,883 | -14% | -14% |

¹ Local Currency

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

³ Gross new business annual premium equivalent (APE).

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



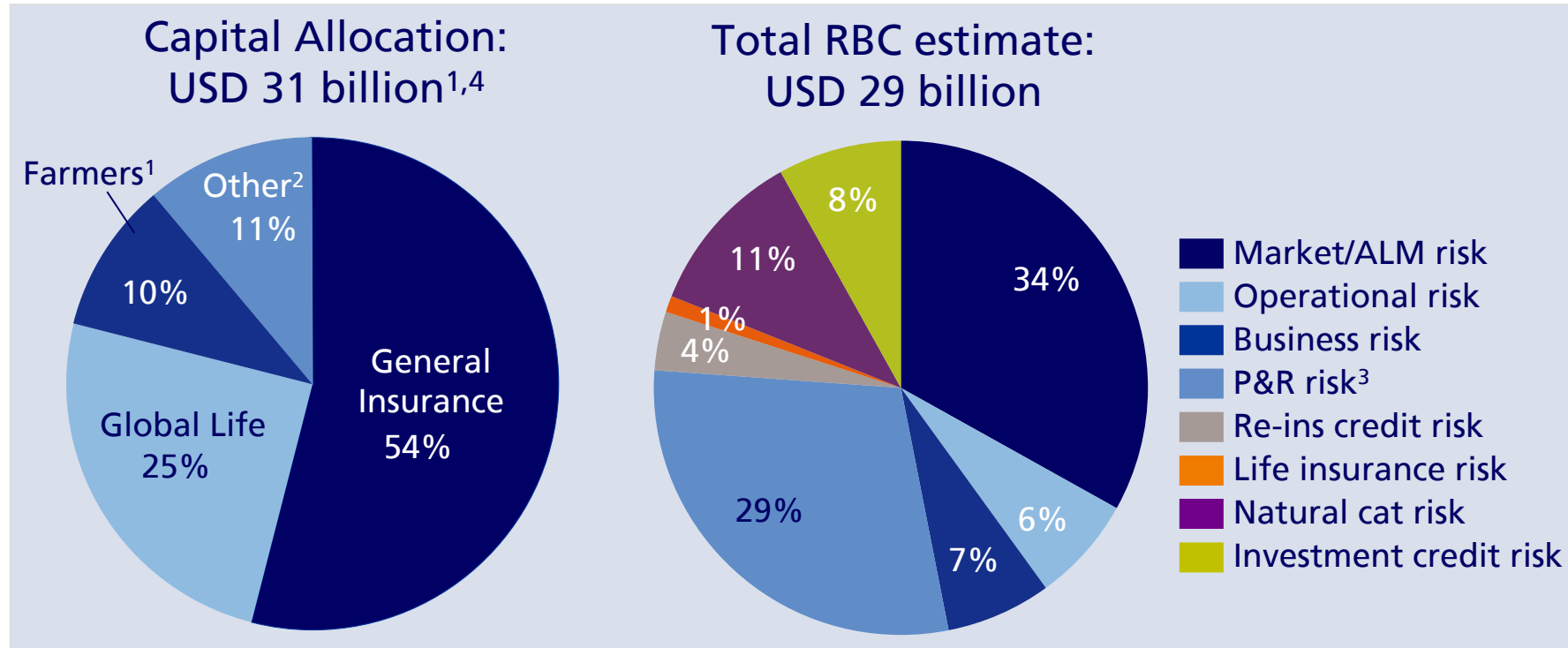
for the six months to June 30

| | 2010 | 2009 |
|--|--------|--------|
| General Insurance | 17.6% | 26.2% |
| <i>Global Corporate</i> | 24.9% | 23.4% |
| <i>North America Commercial</i> | 21.6% | 24.4% |
| <i>Europe General Insurance</i> | 16.6% | 32.2% |
| <i>International Markets</i> | 2.7% | 21.2% |
| <i>GI Global Functions including Group Reinsurance</i> | -20.4% | 23.7% |
| Global Life | 18.6% | 23.0% |
| Farmers | 49.9% | 45.9% |
| Other Operating Businesses | -27.2% | -12.7% |
| Non-Core Businesses | -43.5% | -44.3% |
| Total Group | 16.1% | 22.8% |
| Total Group BOP (after tax) ROE ² | 12.4% | 17.3% |

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

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

Zurich RBC by segment and risk type for 2010



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- 1 Total allocated capital = USD 29bn RBC plus USD 2bn direct allocation to Farmers
- 2 Includes Other Operating Business and Non-Core Businesses
- 3 Premium & reserving risk
- 4 Reflects current management structure between General Insurance, Other Operating Business and Non-Core Businesses

2010 estimated economic and regulatory solvency



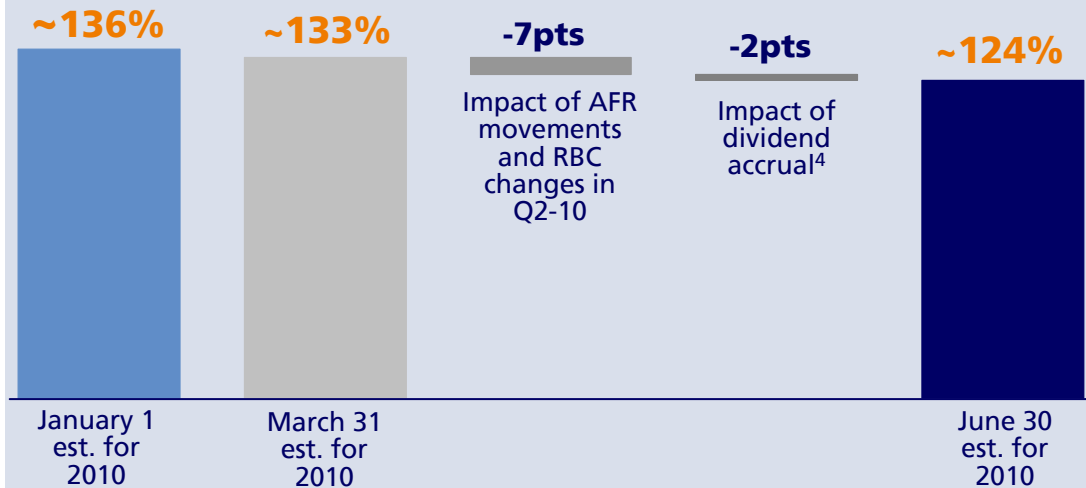
Statutory solvency ratio / Group's Solvency I¹

| Dec 31, 09 | March 31, 10 | Impact Q2-10 | Dividend ⁴ | June 30, 10 |
|-------------------|--------------|--------------|-----------------------|-------------|
| 195% ² | 212% | +30pts | -10pts | 232% |

What if scenarios

| | |
|-------------------------|--------|
| Debt securities at cost | -22pts |
| GI DAC | +25pts |

Economic solvency ratio³



| | |
|--|-------|
| Impact 10bps liquidity premium ⁵ | +1pts |
| Impact 100bps liquidity premium ⁵ | +9pts |

¹ Solvency I requirements in accordance with the Swiss insurance supervisory law.
² Finalized, restated for accounting change and as filed with the Swiss regulator; after 2009 dividend.
³ Economic financial strength is based on Available Financial Resources (AFR) at the beginning of the period and expected risks to be taken during the period (RBC). Economic financial strength is based on **AA calibration**.
⁴ The accrual for a future dividend, which is calculated as a proportional fraction of the 2009 dividend, does not represent an obligation to pay a particular amount. The 2010 dividend proposed to the AGM will be the decision of the Board in February 2011.
⁵ Impact on Available Financial Resources. 10bps sensitivity consistent with new industry disclosure practice. 100bps sensitivity provided for comparison to prior quarter.

Updated economic solvency view for 2010



in USD billions¹

| Available Financial Resources (AFR) | |
|--|------|
| Estimated AFR as of March 31, 2009 | + 39 |
| ● Movements in Q2-10 | - 2 |
| ● Dividend accrual ² | - 1 |
| June 30 estimate for 2010 AFR | + 36 |

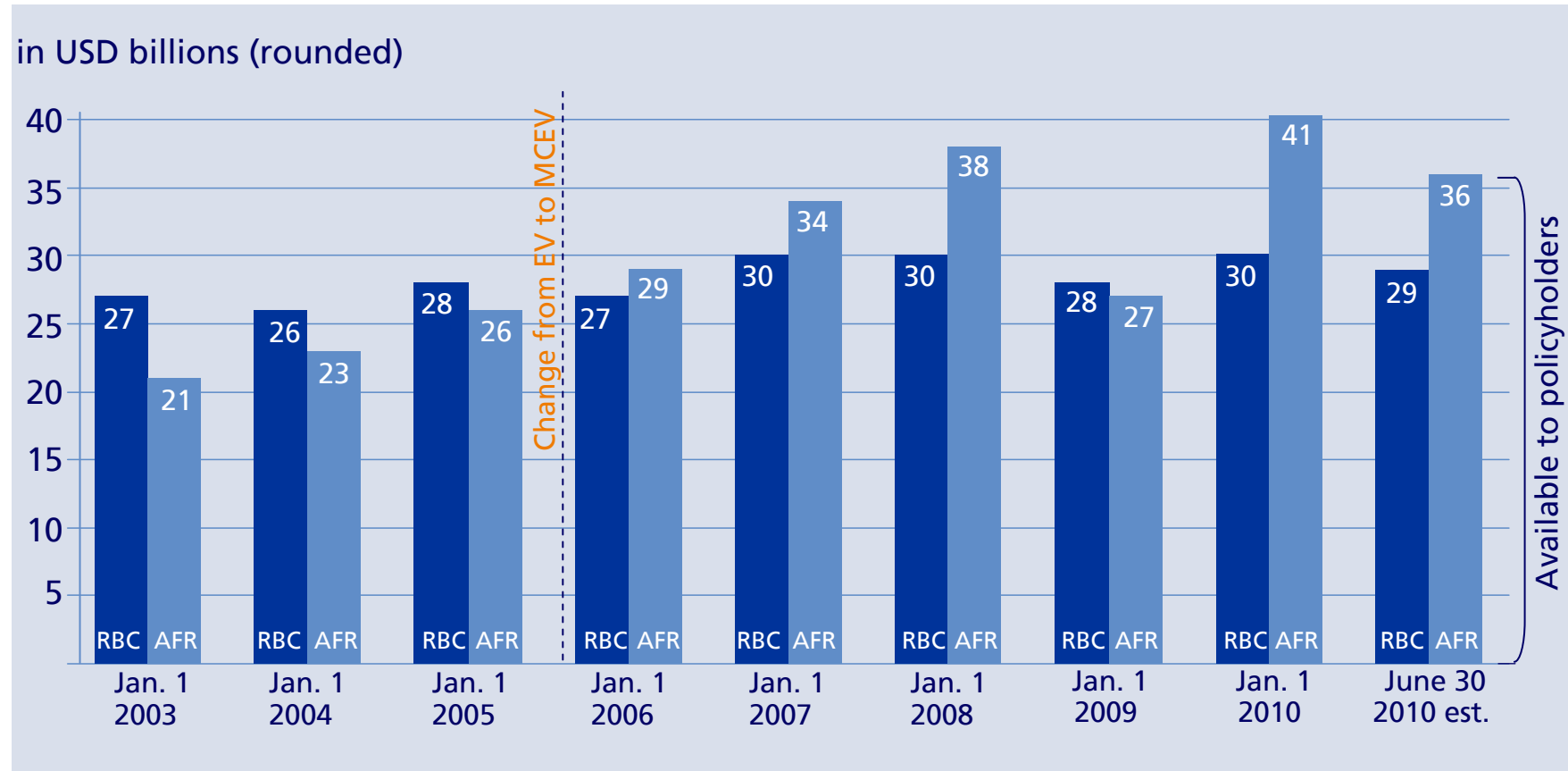
| Risk Based Capital (RBC) | |
|---------------------------------|------|
| Estimated RBC as of March, 2010 | + 29 |
| ● Movements in Q2-10 | - 0 |
| June 30 estimate for 2010 RBC | + 29 |

Estimated 2010 economic solvency ratio
~124%

¹ Approximated and rounded.

² The accrual for a future dividend, which is calculated as a proportional fraction of the 2009 dividend, does not represent an obligation to pay a particular amount. The 2010 dividend proposed to the AGM will be the decision of the Board in February 2011.

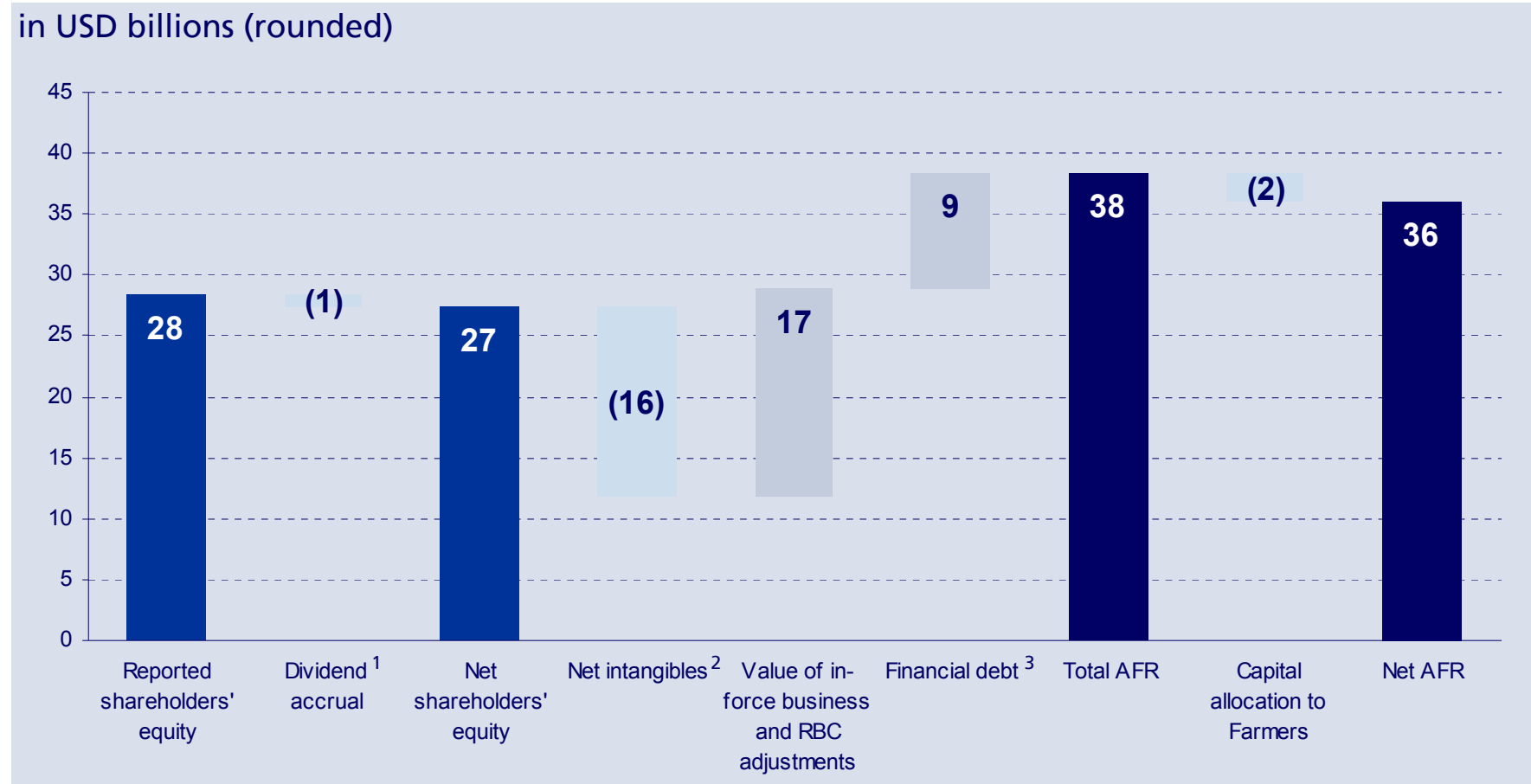
Strong economic solvency¹



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

Estimation of Available Financial Resources (AFR) as of June 30, 2010



¹ The accrual for a future dividend, which is calculated as a proportional fraction of the 2009 dividend, does not represent an obligation to pay a particular amount. The 2010 dividend proposed to the AGM will be the decision of the Board in February 2011.

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

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

Group's Solvency I calculation



in USD millions

| | June 30, 2010 | March 31, 2010 | Dec 31, 2009 ² finalized |
|--|---------------------|-------------------|--|
| Eligible equity | | | |
| Total equity | 29,986 | 29,876 | 31,104 |
| Net of intangibles and other assets | -6,855 | -7,305 | -7,456 |
| Free reserves for policyholder dividends | 3,076 | 3,208 | 2,799 |
| Subordinated debt | 3,630 | 3,950 | 4,161 |
| Deferred policyholder acquisition costs non-life insurance | -2,816 | -3,039 | -3,054 |
| Dividends, share buy-back and nominal value reduction | -1,077 ¹ | -550 ¹ | -2,226 |
| Total eligible equity | 25,945 | 26,140 | 25,239 |
| Total required solvency capital | 11,170 | 12,340 | 12,966 |
| Excess margin | 14,775 | 13,800 | 12,273 |
| Solvency ratio | 232% | 212% | 195% |

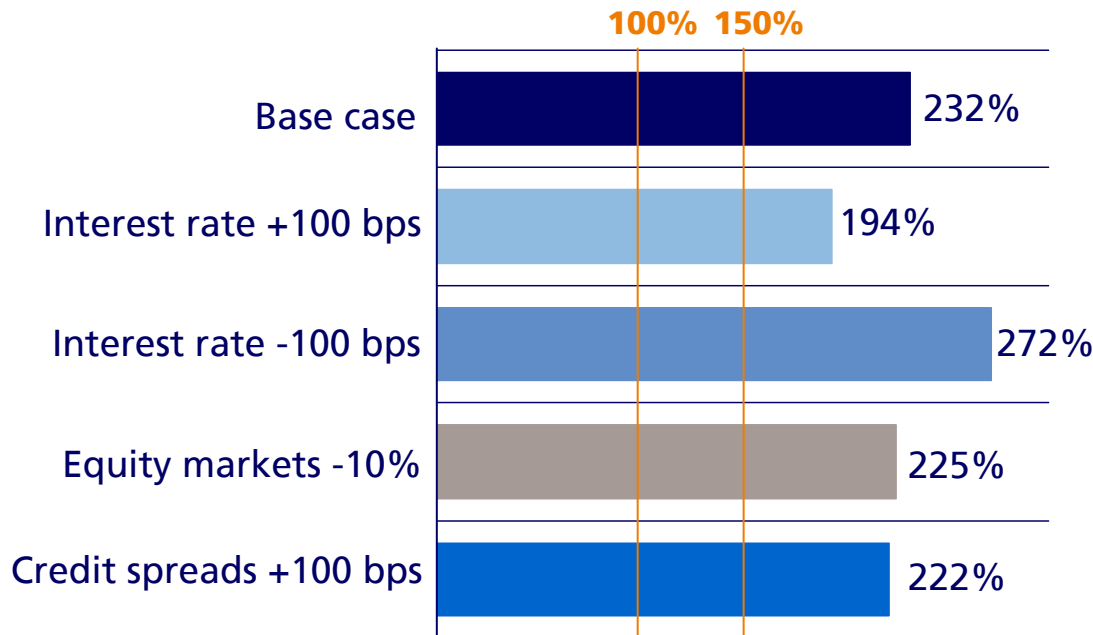
¹ The accrual for a future dividend, which is calculated as a proportional fraction of the 2009 dividend, does not represent an obligation to pay a particular amount. The 2010 dividend proposed to the AGM will be the decision of the Board in February 2011.

² Finalized, restated for accounting change and as filed with the Swiss regulator; after 2009 dividend.

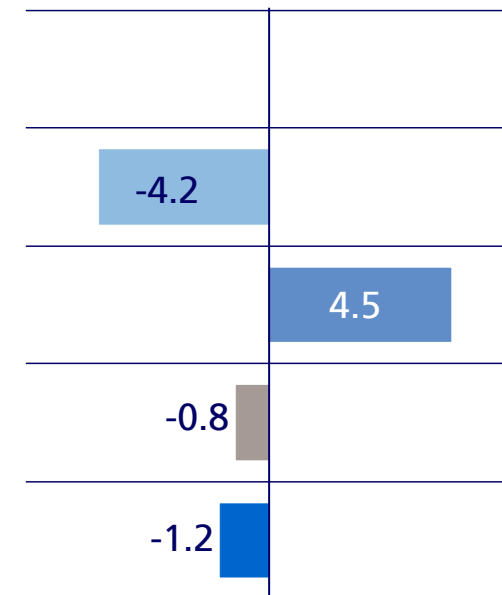
Group's Solvency I - sensitivities¹



Solvency I ratio impact (in %)



Monetary impact on IFRS equity as of June 30, 2010 (in USD bn)



¹ Solvency I requirements in accordance with the Swiss insurance supervisory law. The impact on unit-linked business is not included, as policyholders bear the investment risk. The impact on changes to the required capital is not included in the sensitivities for the Solvency I ratio. For further details, please refer to the respective section of the Risk Review 2009.

General Insurance – BOP and Combined ratio by business

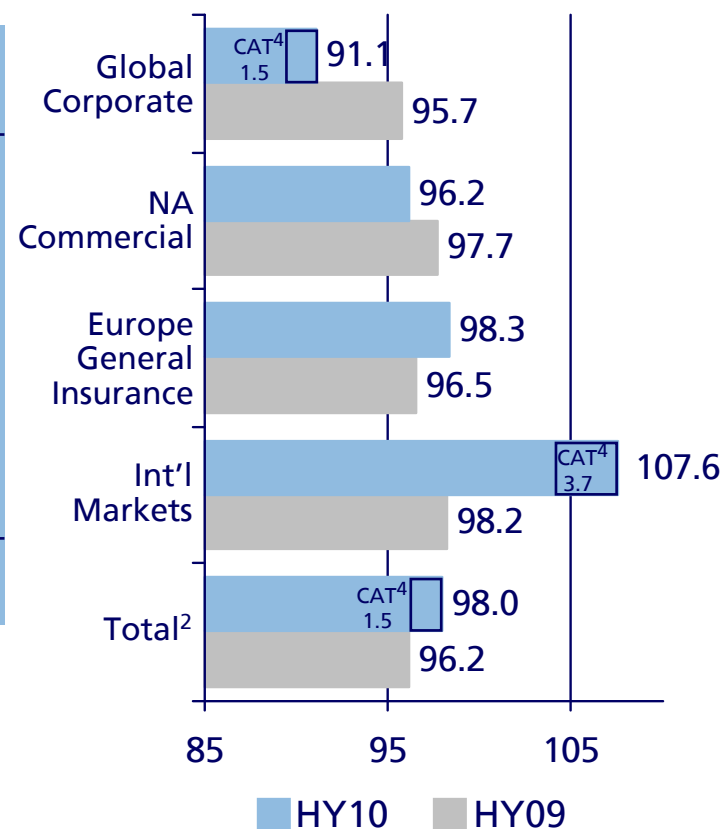


Business operating profit

in USD millions
for the six months to June 30

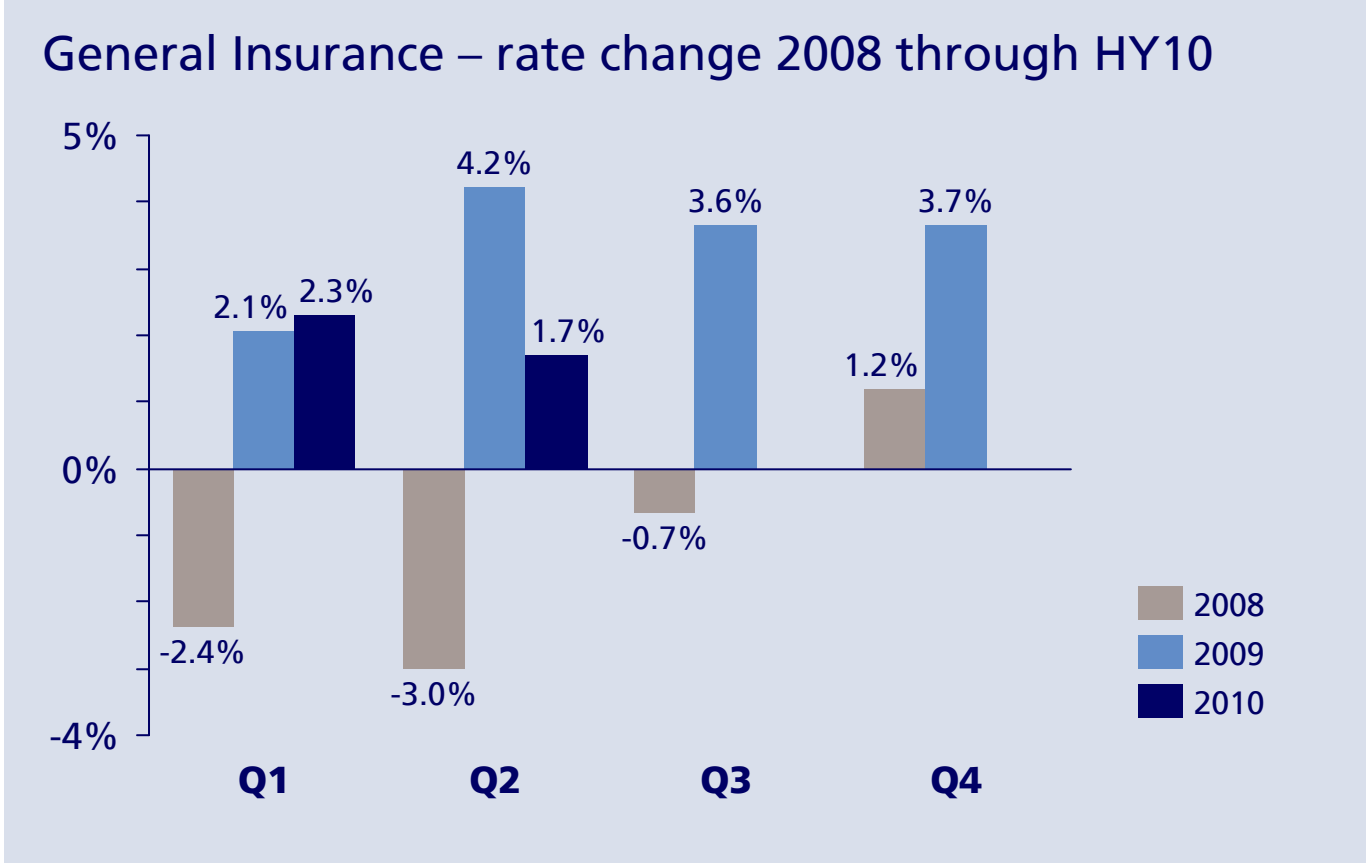
| | 2010 | 2009 | Change |
|--------------------------|--------------|--------------|-------------------------|
| Global Corporate | 462 | 354 | 31% |
| North America Commercial | 558 | 576 | -3% |
| Europe General Insurance | 420 | 624 | -33% |
| International Markets | 16 | 74 | -78% |
| Other ¹ | -80 | 87 | nm |
| Total | 1,377 | 1,714 | -20%³ |

Combined ratio (%)



1 GI Global Functions, Group Reinsurance and intra-segment eliminations
 2 Including GI Global Functions, Group Reinsurance and intra-segment eliminations
 3 Equivalent to -19% in local currency
 4 Major CAT (potential USD 100 million or larger)

General Insurance – written rate change 2008 through HY10



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



in USD millions

| | 2010 | 2009 |
|--|-------------|-------------|
| Net reserves for losses and LAE, as of January 1 | 55,903 | 52,986 |
| Net losses and LAE paid | -11,813 | -11,706 |
| Net losses and LAE incurred | | |
| - <i>Current year</i> | 12,588 | 12,045 |
| - <i>Prior years¹</i> | -505 | -414 |
| Foreign currency translation effects & other | -2,603 | 1,317 |
| Net reserves for losses and LAE, as of June 30 | 53,571 | 54,228 |

¹ Of which within General Insurance: USD -579 million and USD -395 million for the six months 2010 and 2009 respectively.

Global Life – Business Operating Profit: Profit by Source (1/3)



| in USD millions for the six months to June 30 | Americas | | UK | | Germany | |
|--|------------|------------|------------|------------|------------|------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Net Expense margin | -8 | -11 | -113 | -50 | 70 | 31 |
| Net Risk margin | 88 | 64 | 53 | 49 | 41 | 39 |
| Net Investment margin | 63 | 60 | 40 | 32 | 75 | 78 |
| Other profit margins | 6 | 15 | 52 | 27 | -21 | -17 |
| BOP before deferrals | 150 | 128 | 31 | 58 | 166 | 131 |
| Impact of acquisition deferrals | 23 | 23 | 108 | 33 | 44 | 44 |
| BOP before interest, depreciation and amortization | 173 | 151 | 139 | 92 | 210 | 175 |
| Interest, depreciation, amortization and non controlling interest | -15 | -11 | -26 | -32 | -45 | -30 |
| BOP before special operating items | 158 | 140 | 113 | 60 | 166 | 145 |
| Special operating items | 10 | 0 | 42 | 81 | 0 | 0 |
| Business Operating Profit | 168 | 140 | 155 | 141 | 166 | 145 |

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

Global Life – Business Operating Profit: Profit by Source (2/3)



in USD millions
for the six months to June 30

| | Switzerland | | Ireland | | Spain | |
|--|-------------|------|---------|------|-------|------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Net Expense margin | 6 | 0 | -60 | -23 | 11 | 15 |
| Net Risk margin | 44 | 70 | 31 | 27 | 22 | 15 |
| Net Investment margin | 75 | 52 | 6 | 13 | 49 | 39 |
| Other profit margins | 0 | 0 | 0 | 0 | -1 | -2 |
| BOP before deferrals | 125 | 122 | -23 | 17 | 81 | 67 |
| Impact of acquisition deferrals | -10 | -7 | 38 | 7 | 0 | 0 |
| BOP before interest, depreciation and amortization | 114 | 115 | 16 | 24 | 80 | 67 |
| Interest, depreciation, amortization and non controlling interest | -3 | -3 | -1 | -1 | -72 | -57 |
| BOP before special operating items | 112 | 113 | 15 | 23 | 8 | 10 |
| Special operating items | 0 | 0 | 12 | 0 | 9 | 2 |
| Business Operating Profit | 112 | 113 | 27 | 23 | 17 | 11 |

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

Global Life – Business Operating Profit: Profit by Source (3/3)



in USD millions
for the six months to June 30

| | Emerging Markets | | Rest of World | | Total | |
|---|------------------|-----------|---------------|-----------|------------|------------|
| | 2010 | 2009 | 2010 | 2009 | 2010 | 2009 |
| Net Expense margin | -14 | -3 | -30 | -15 | -138 | -56 |
| Net Risk margin | 16 | 24 | 17 | 9 | 312 | 297 |
| Net Investment margin | -7 | -2 | 68 | 55 | 370 | 327 |
| Other profit margins | -6 | -5 | -8 | 0 | 23 | 17 |
| BOP before deferrals | -10 | 14 | 48 | 48 | 567 | 586 |
| Impact of acquisition deferrals | 44 | 15 | 18 | 11 | 265 | 127 |
| BOP before interest, depreciation and amortization | 34 | 29 | 66 | 60 | 832 | 713 |
| Interest, depreciation, amortization and non controlling interest | -3 | 0 | -11 | -17 | -175 | -152 |
| BOP before special operating items | 30 | 29 | 55 | 42 | 657 | 562 |
| Special operating items | 12 | 0 | -21 | -4 | 63 | 79 |
| Business Operating Profit | 42 | 29 | 33 | 38 | 720 | 641 |

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

August 5, 2010

Half Year Results Reporting 2010

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Global Life – Profit by Source: Definitions



| | |
|---|--|
| + Net expense margin | Fund and non-fund based fees, acquisition and maintenance expenses, surrender charges, and any related policyholder bonuses |
| + Net risk margin | Mortality, morbidity, and longevity premiums and benefits, reinsurance result, and any related policyholder bonuses |
| + Net investment margin | Spread between investment income and interest credited, the return on free surplus and any related policyholder bonuses |
| + Other profit margins | Includes profits from non-insurance businesses, business not modeled on profit by source basis, and financial reinsurance |
| + Impact of acquisition deferrals | Movements in acquisition expense and fee intangibles |
| - Interest, depreciation, amortization and non controlling interest | Interest on funding, depreciation of fixed assets, amortization of present value of profits of acquired insurance contracts and distribution agreements, and minority interest |
| - Special operating items | Non-recurring material items |
| = | Business Operating Profit |

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

Global Life – new business by region/country



in USD millions
for the six months to
June 30

| | NBV² 2010 | NBV² 2009 | Change in LC¹ | APE 2010 | APE 2009 | Change in LC¹ |
|-----------------------------|---------------------------------|---------------------------------|-------------------------------------|---------------------|---------------------|-------------------------------------|
| Americas, of which | 54 | 69 | -21% | 144 | 114 | 27% |
| <i>US</i> | 28 | 55 | -49% | 45 | 47 | -4% |
| <i>Latin America</i> | 26 | 14 | 88% | 99 | 67 | 47% |
| United Kingdom | 70 | 48 | 43% | 445 | 341 | 28% |
| Germany | 73 | 45 | 62% | 270 | 255 | 6% |
| Switzerland | 5 | 10 | -52% | 42 | 57 | -30% |
| Ireland | 49 | 32 | 54% | 202 | 129 | 57% |
| Spain | 58 | 57 | 2% | 245 | 357 | -31% |
| Emerging markets in Asia | 50 | 46 | 11% | 222 | 229 | -2% |
| Rest of the world | 33 | 27 | 13% | 146 | 96 | 46% |
| Total | 392 | 332 | 17% | 1,716 | 1,579 | 8% |

¹ Local Currency

² New business value, after tax

Global Life – Embedded Value result



for the six months to June 30

| | 2010 USD m | 2010 Return ⁴ | 2009 USD m | 2009 Return ⁴ |
|--|---------------|-----------------------------|---------------|-----------------------------|
| Opening Embedded Value | 16,752 | | 12,818 | |
| New business value² | 392 | | 332 | |
| Expected contribution ^{1,2} | 370 | | 387 | |
| Operating variance ^{2,3} | 38 | | 244 | |
| Total operating earnings² | 800 | 9.5% | 962 | 13.0% |
| Economic variance and other | -847 | | -273 | |
| Embedded value earnings² | -47 | 4.4% | 690 | 10.9% |
| Dividends and capital movements ⁵ | -425 | | 99 | |
| Foreign currency effects (fx) | -1,238 | | 585 | |
| Closing Embedded Value after fx | 15,042 | | 14,191 | |

¹ Operating earnings expected from in-force and net assets

² After tax

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

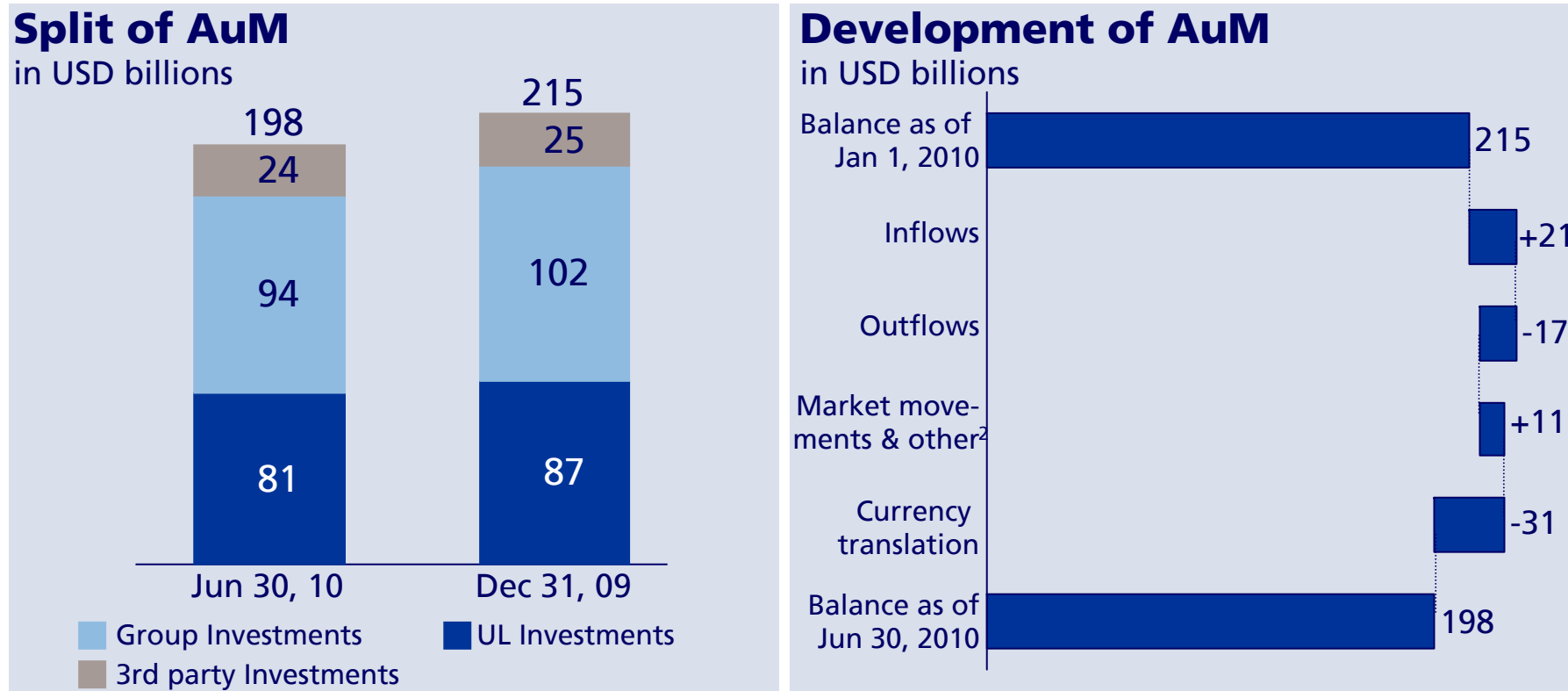
⁴ Annualized on a linear basis assuming no further variances in the remainder of 2009 and 2008, respectively

⁵ Including minority adjustments

Global Life - Assets under Management¹



AuM decreased slightly due the currency translation despite a balanced net flow



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

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

Farmers – Farmers Management Services – key performance indicators



in USD millions

for the six months to June 30¹

| | 2010 | 2009 | Change |
|--|-------------|-------------|---------------|
| Management fees and other related revenues | 1,399 | 1,247 | 12% |
| Management and other related expenses | 718 | 636 | -13% |
| Gross management result | 681 | 610 | 12% |
| Managed gross earned premium margin ² | 7.4% | 7.3% | 0.1pts |
| Business operating profit | 694 | 643 | 8% |

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

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

Farmers – Farmers Re – key performance indicators



in USD millions

for the six months to June 30

| | 2010 | 2009 | Change |
|---------------------------|--------------------|--------------------|---------------|
| Gross written premiums | 2,491 ¹ | 2,883 ² | -14% |
| Net underwriting result | 49 | 7 | n/m |
| Combined ratio | 98.5% | 99.7% | 1.2pts |
| CAT ³ impact | 4.7% | 4.2% | -0.5pts |
| Business operating profit | 151 | 80 | 88% |

¹ 2010 GWP includes the portfolio transfer related to the decrease in participation in the All Lines Quota Share (QS) reinsurance treaty from 35% to 25%, effective June 30, 2010 (including the 21stC/PAG business).

² 2009 GWP includes the portfolio transfer related to the increase in participation in the All Lines Quota Share reinsurance treaty from 25% to 37.5%, effective June 30, 2009.

³ As defined by the Farmers Exchanges

Farmers Exchanges¹ – key performance indicators



in USD millions

for the six months to June 30

| | 2010 | 2009 | Change |
|--------------------------------------|--------------------|-------|---------|
| Gross written premiums | 9,207 | 8,438 | 9% |
| Net underwriting result ² | 129 | -12 | n/m |
| Combined ratio ² | 98.6% | 99.8% | 1.2pts |
| Adjusted combined ratio ³ | 91.1% | 92.2% | 1.1pts |
| CAT ⁴ impact | 5.8% | 5.6% | -0.2pts |
| Surplus ratio | 41.7% ⁵ | 44.0% | -2.3pts |

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

² Before Quota Share treaties with Farmers Re

³ Adjusted for profit portion of management fees

⁴ As defined by the Farmers Exchanges

⁵ Estimated

21st Century¹ - contribution



in USD millions

for the six months to June 30¹

Farmers Management Services:

Management fees and other related revenues

179

Management and other related expenses

91

Gross management result

88

Business operating profit

82

Farmers Exchanges:

Gross written premiums

1,018

Adjusted combined ratio²

97.0%

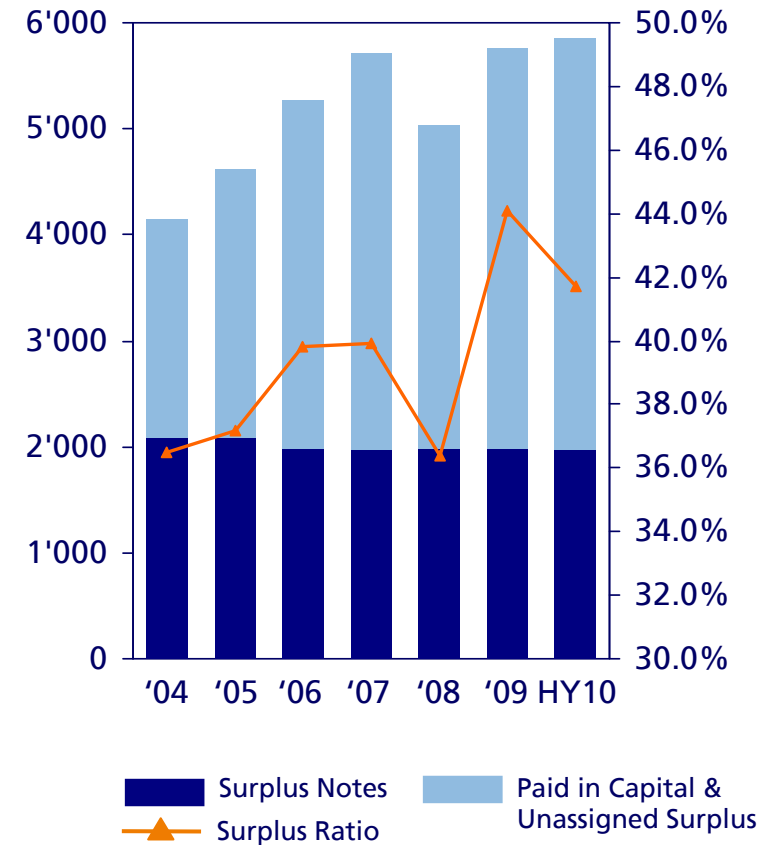
¹ Acquisition of 21st Century/Personal Auto Group (21stC/PAG). Transaction closed on July 1, 2009

² Estimated Combined Ratio adjusted for profit portion of management fees

Farmers Exchanges – financial highlights



| in USD millions for the six months to June 30 | 2010 | 2009 |
|--|--------------------|-------|
| Gross written premiums | 9,207 | 8,438 |
| Net underwriting result | 129 ¹ | -12 |
| Net surplus growth | 103 ² | 186 |
| Ending surplus | 5,859 ² | 5,220 |
| Surplus ratio | 41.7% ² | 44.0% |



¹ Before Quota Share treaties with Reinsurance Farmers
² Estimated

Farmers Exchanges – gross written premiums by line of business



in USD millions
for the six months to June 30

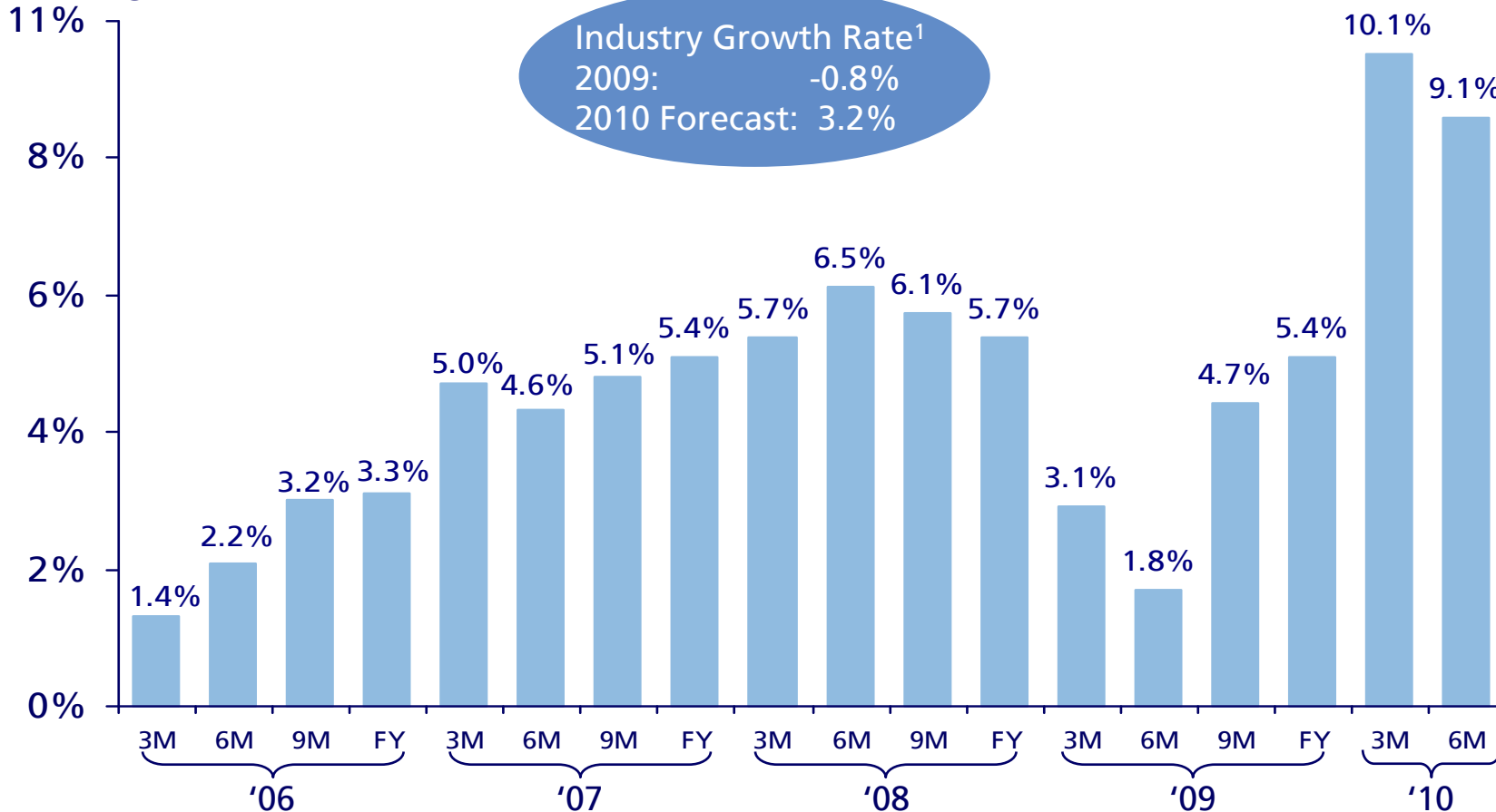
| | 2010 | 2009 | Change |
|--------------------------|--------------|--------------|-----------|
| Auto ¹ | 4,910 | 4,119 | 19% |
| Homeowners | 2,239 | 2,260 | -1% |
| Commercial P&C | 661 | 663 | -0% |
| Small Business Solutions | 294 | 299 | -2% |
| Workers' Compensation | 143 | 169 | -15% |
| Specialty | 888 | 865 | 3% |
| Other | 72 | 63 | 14% |
| Total | 9,207 | 8,438 | 9% |

¹ Includes USD 536 million of Q1 2010 premiums and 482 million of Q2 2010 premiums from 21st Century/Personal Auto Group (21stC/PAG)

Farmers Exchanges – premium growth outperforming industry



GWP growth²



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¹ Source of FY10 estimate: Conning Property-Casualty Forecast & Analysis By Line Of Insurance Q110 released 4/8/10 (weighted for Farmers' LOBs).

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

Farmers Exchanges – combined ratio



for the six months to June 30

| | 2010 ¹ | 2009 ¹ | Change |
|--------------------------------------|-------------------|-------------------|---------------|
| Auto ² | 95.8% | 96.1% | 0.3pts |
| Homeowners | 104.2% | 104.8% | 0.6pts |
| Commercial P&C | 96.8% | 96.1% | -0.7pts |
| Small Business Solutions | 102.8% | 107.4% | 4.6pts |
| Workers' Compensation | 98.9% | 98.4% | -0.5pts |
| Specialty | 98.7% | 102.8% | 4.1pts |
| Total | 98.6% | 99.8% | 1.2pts |
| Adjusted combined ratio ³ | 91.1% | 92.2% | 1.1pts |
| CAT ⁴ impact | 5.8% | 5.6% | -0.2pts |

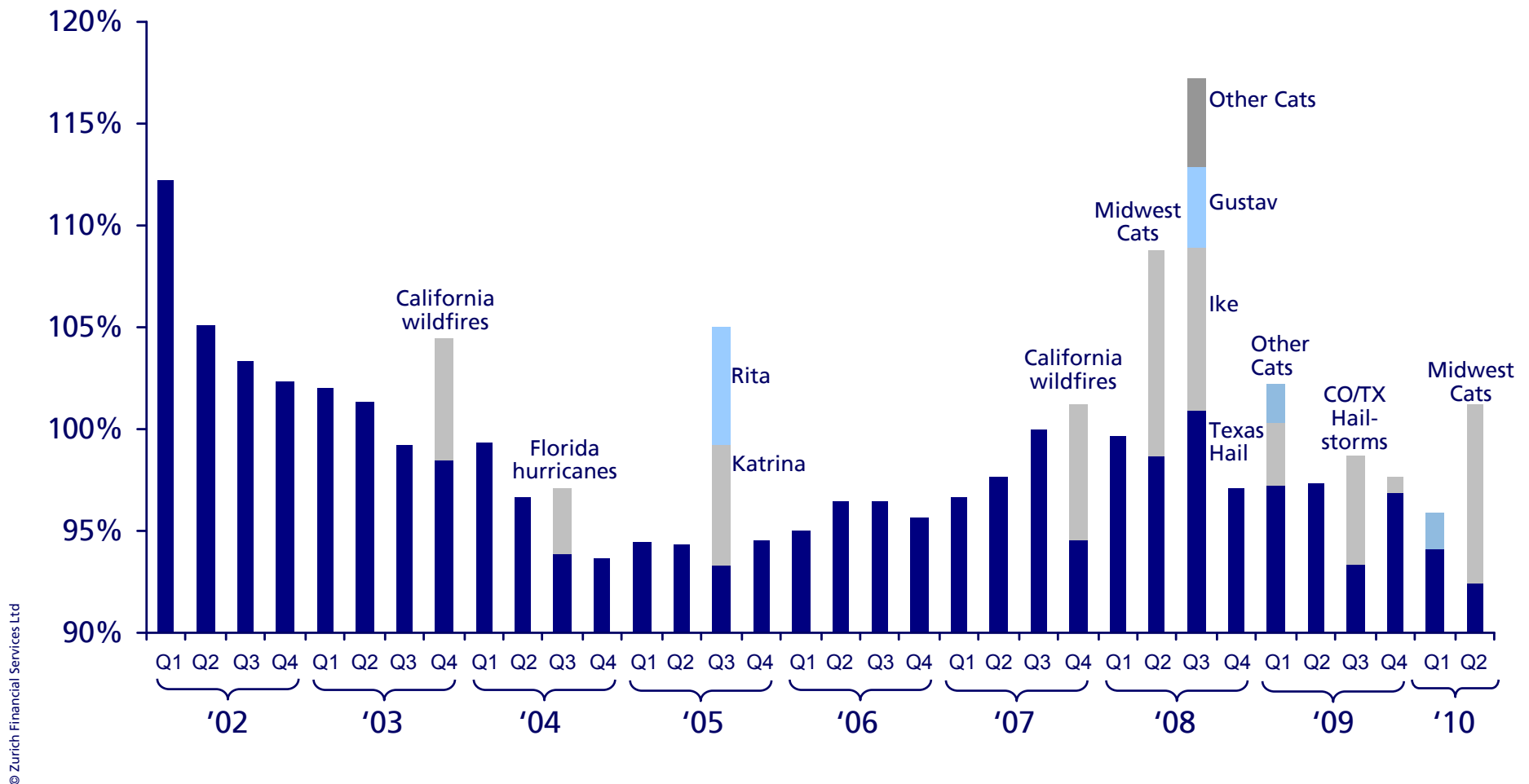
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- 1 Before quota share treaties with Farmers Re
- 2 Includes 2010 21stC/PAG results
- 3 Adjusted for profit portion of management fees
- 4 As defined by the Farmers Exchanges

Farmers Exchanges – development of the combined ratio



Quarterly combined ratio

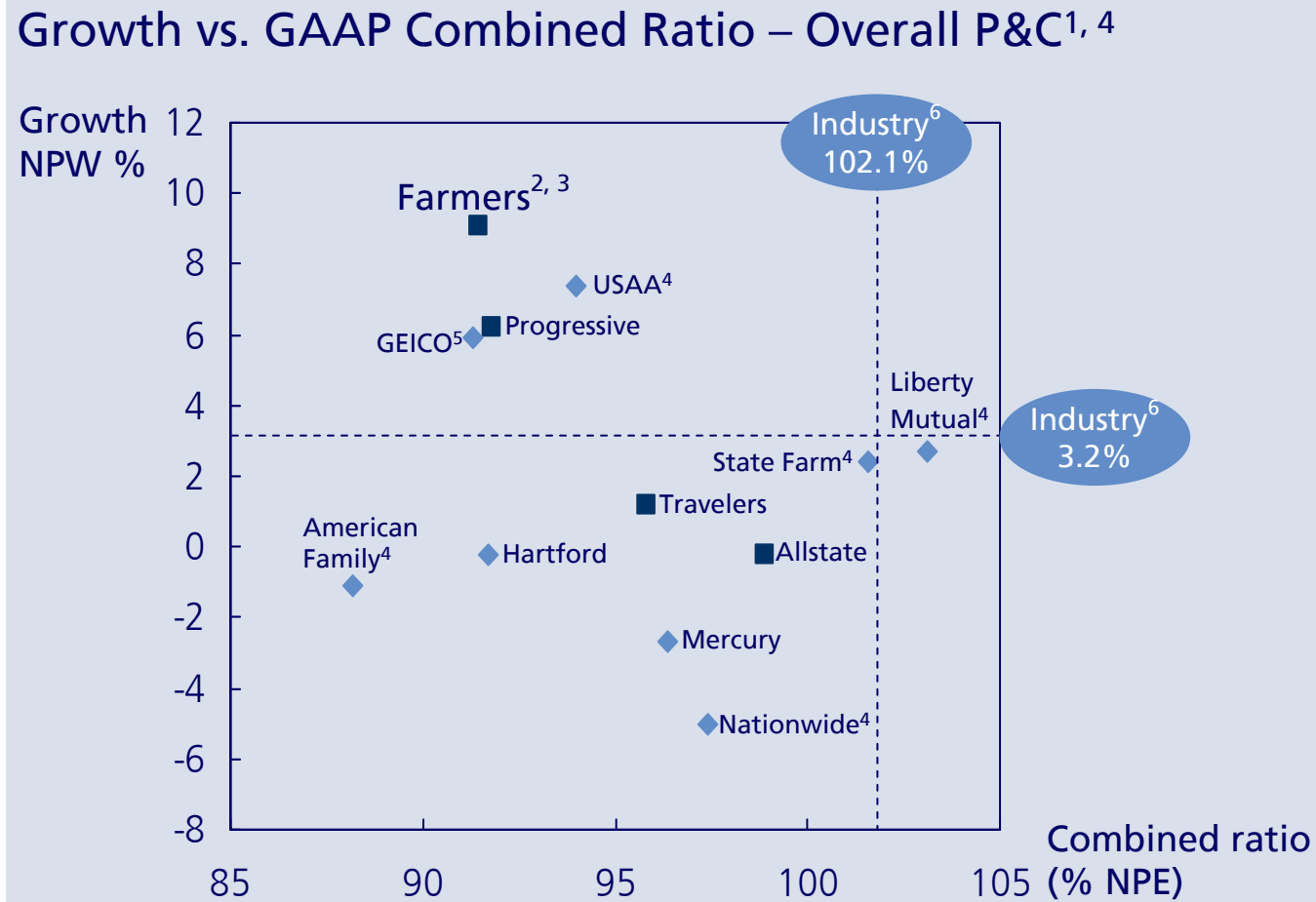


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Competitor Snapshot - Overall



- June 2010
- ◆ March 2010
- FY10 Industry Forecast



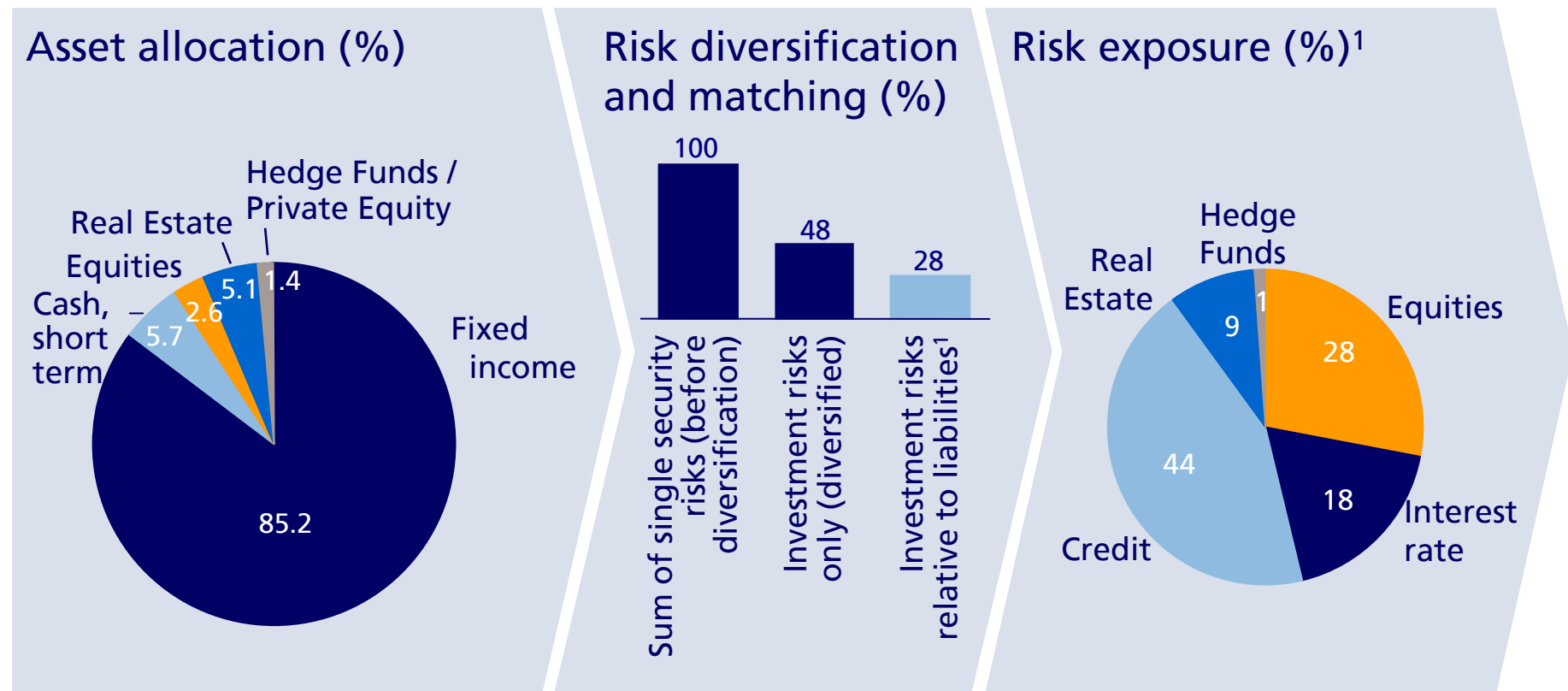
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¹ Source: Press releases and investor supplements, except for Farmers and non-public competitors
² Reflects GWP before APD and Quota Share treaties. Combined ratio excludes APD and Quota Share reinsurance agreements and is adjusted for Farmers Management Services' profit portion of management fees
³ Farmers results include 21st Century. 21st Century's 2009 results exclude the portfolio transfer
⁴ Source for non-public competitor data: AMBest database. CRs on STAT basis. Liberty Mutual's CY results reflect acquisition of Safeco
⁵ Based on NPE. GEICO does not report NPW on a quarterly basis
⁶ Source of FY10 estimate: Conning P&C Forecast & Analysis By Line of Insurance Q110 released 4/8/2010 (weighted for Farmers' LOBs). CR on STAT basis

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



Risk Allocation of Zurich's investment portfolio As of June 30, 2010

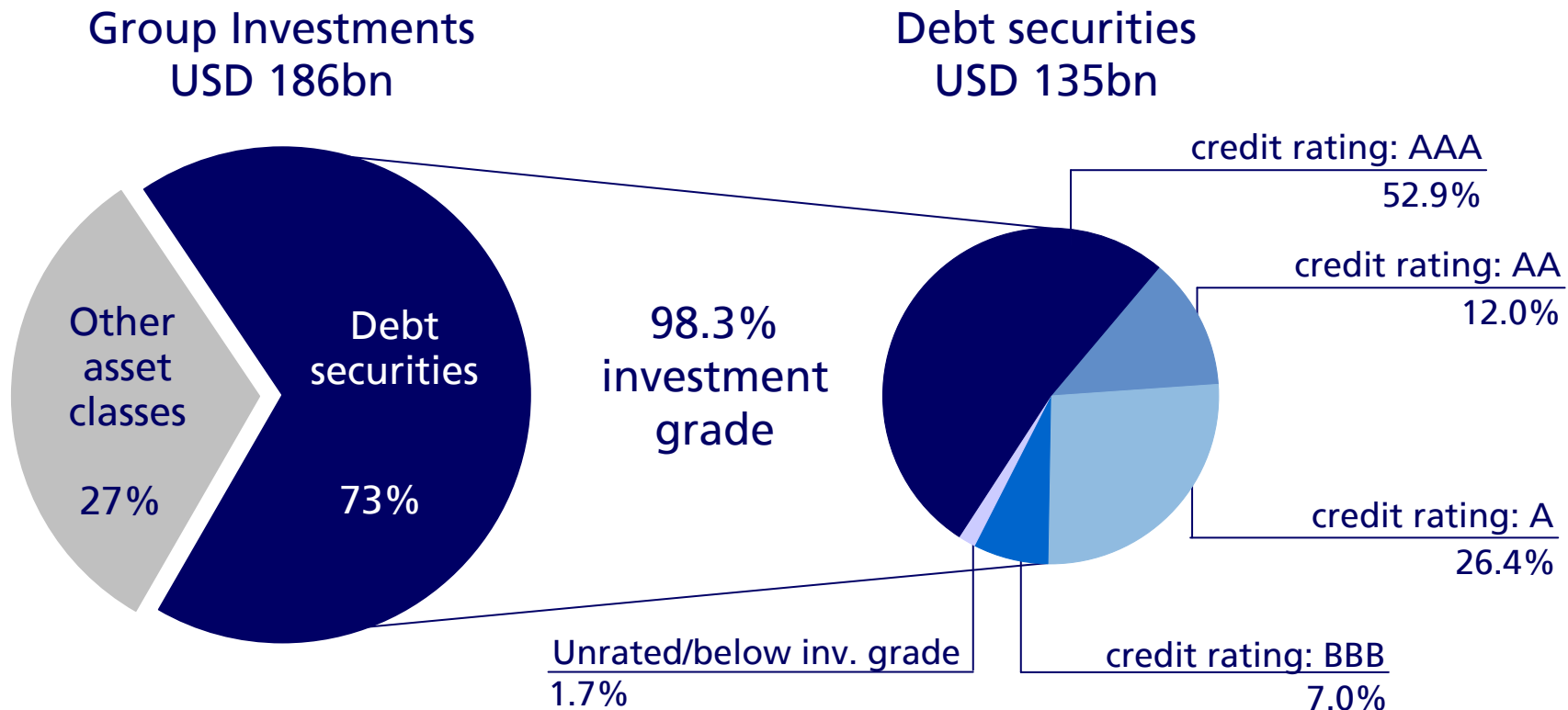


¹ Risks to Zurich's economic net ALM position measured as 12 months value at risk with 99.95% confidence interval

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



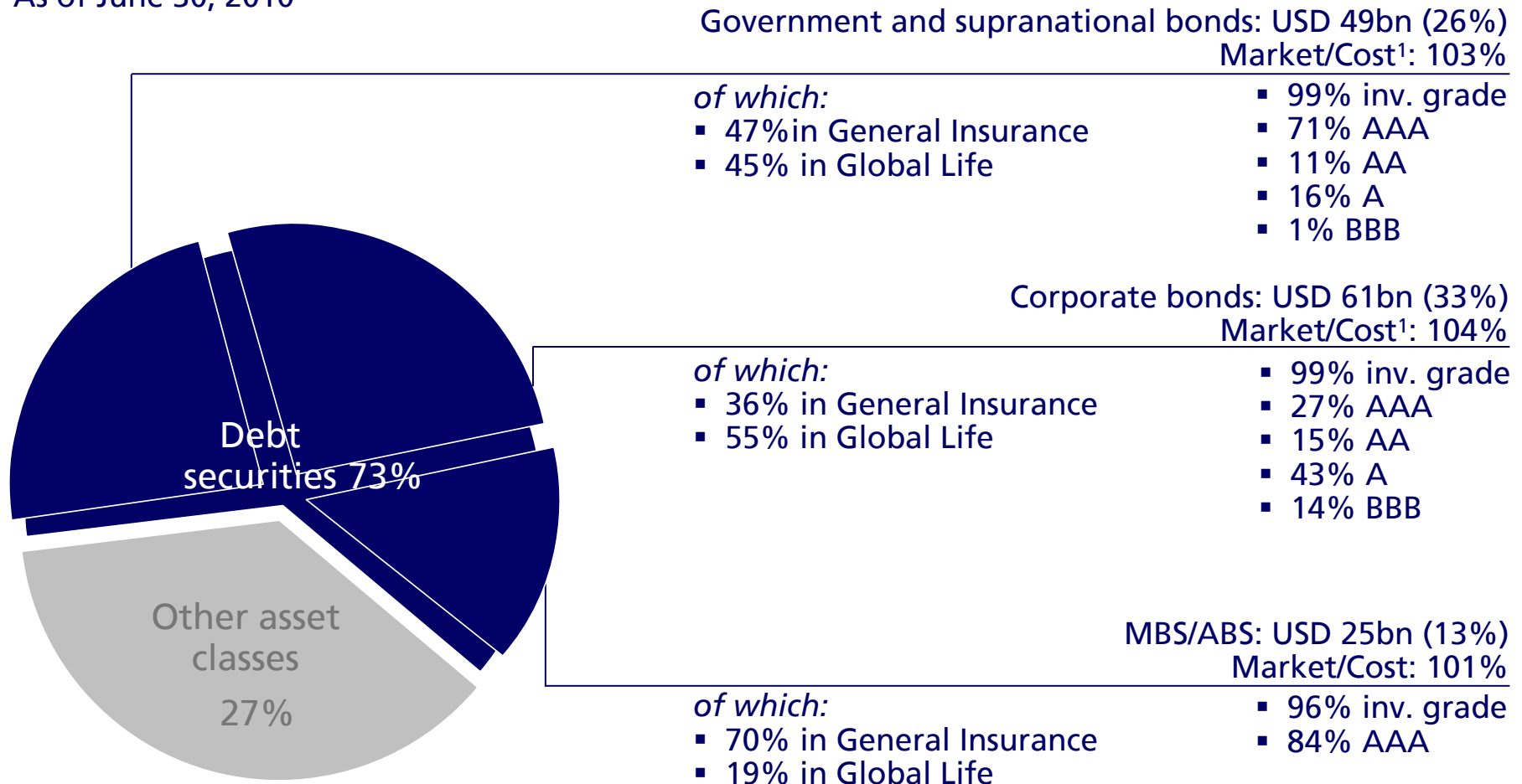
As of June 30, 2010



Group Investments – Zurich’s debt securities are well balanced



Group Investments - USD 186bn (100%)
As of June 30, 2010



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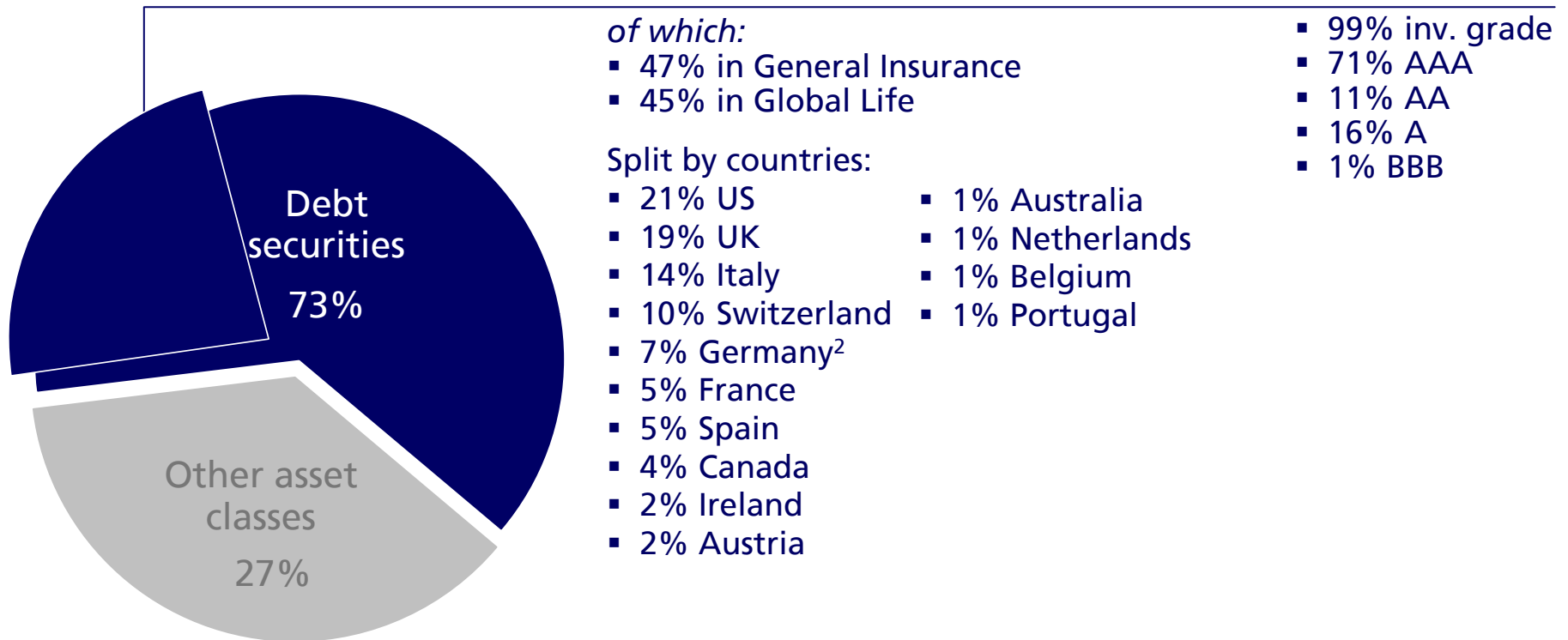
¹ Market value to Cost value ratio

Group Investments – Government & supranational bonds are well diversified



Group Investments - USD 186bn (100%)
As of June 30, 2010

Government and supranational bonds: USD 49bn¹ (26%)
Market/Cost: 103%



¹ This excludes government-backed issuers like GNMA, FNMA, FHLM and other agencies.

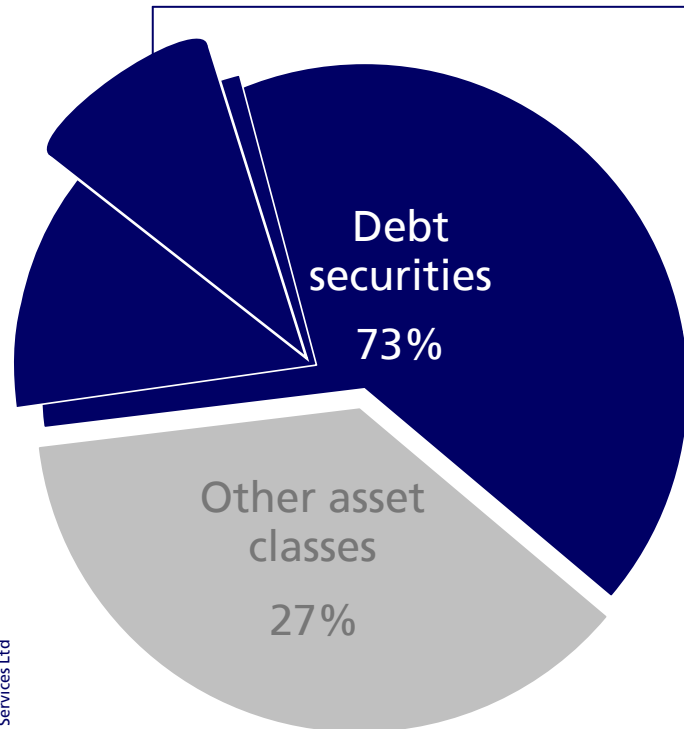
² In addition to the 7% holding in Germany above, the balance sheet item "Other loans" includes USD 5.6bn of "Schuldscheindarlehen" issued by the Federal Republic of Germany and German Federal States, bringing the total for Germany to USD 9.1bn.

Group Investments¹ – Eurozone Government & supranational bonds are well diversified



As of June 30, 2010

Eurozone Government and supranational
bonds: USD 20bn (100%)
Market/Cost: 103%



of which:

- 32% in General Insurance
- 68% in Global Life

Split by countries

- 34% Italy
- 18% Germany²
- 14% France
- 12% Spain
- 5% Ireland
- 5% Austria
- 3% Belgium
- 3% Netherlands
- 2% Portugal
- 1% Greece
- 1% Finland
- 1% Luxembourg

Split by credit rating

- 99% inv. grade
- 42% AAA
- 20% AA
- 37% A

¹ Total Group Investments of USD 186bn

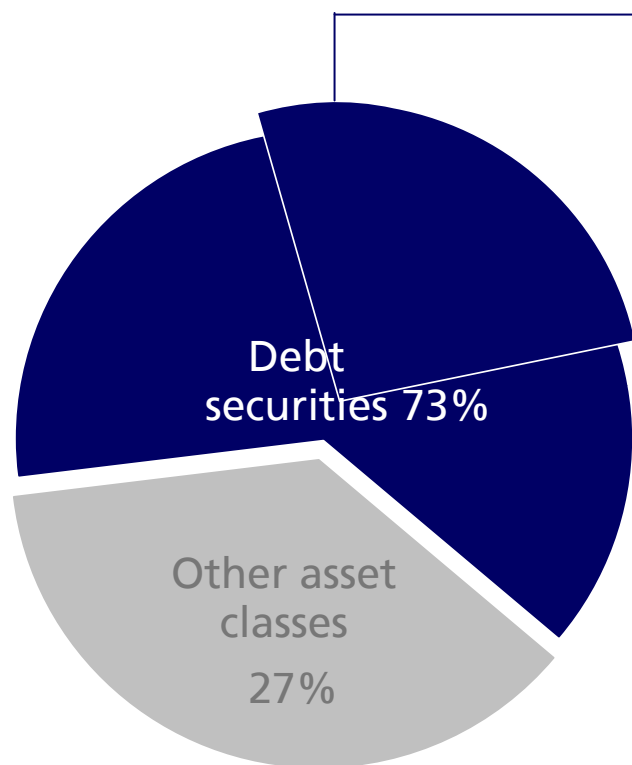
² In addition to the 18% holding in Germany above, the balance sheet item "Other loans" includes USD 5.6bn of "Schuldscheindarlehen" issued by the Federal Republic of Germany and German Federal States, bringing the total for Germany to USD 9.1bn.

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



Group Investments - USD 186bn (100%)
As of June 30, 2010

Corporate bonds: USD 61bn (33%)
Market/Cost: 104%



Split by industries

- 42% Banks, including 15%¹ covered bonds
- 9% Cities, Agencies, Cantons, Provinces, including 1%¹ covered bonds
- 6% Financial Institutions, including 0.5%¹ covered bonds
- 6% Utilities
- 4% Telecom
- 3% Oil & gas
- 3% Conglomerates
- 3% Insurance
- 2% Pharmaceuticals

Split by credit rating

- 99% inv. Grade
- 27% AAA
- 15% AA
- 43% A
- 14% BBB

Split by country/region

- 32% US
- 24% Germany
- 8% UK
- 5% France
- 5% Spain
- 4% Switzerland
- 14% Rest of Europe

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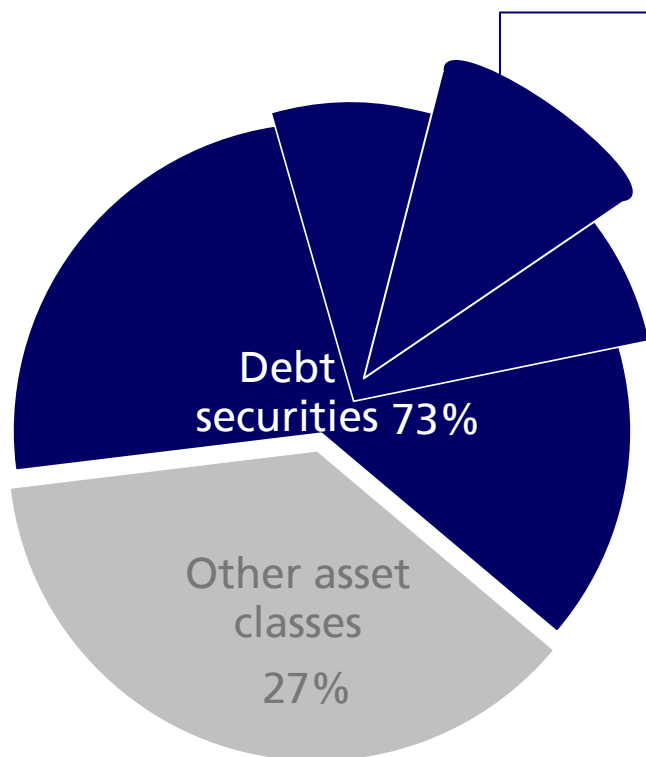
¹ 100% = USD 61bn

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



Group Investments - USD 186bn (100%)
As of June 30, 2010

Banks Corporate bonds: USD 26bn (14%)
Market/Cost: 102%



Split by seniority

- 37% Covered bonds
- 48% Senior bonds
- 15% Subordinated

Split by credit rating

- 100% inv. grade
- 40% AAA
- 13% AA
- 44% A
- 3% BBB

Split by country/region

- 36% Germany
- 20% U.S.
- 6% Spain
- 6% U.K.
- 5% Switzerland
- 4% France
- 4% Netherlands
- 4% Australia
- 3% Italy

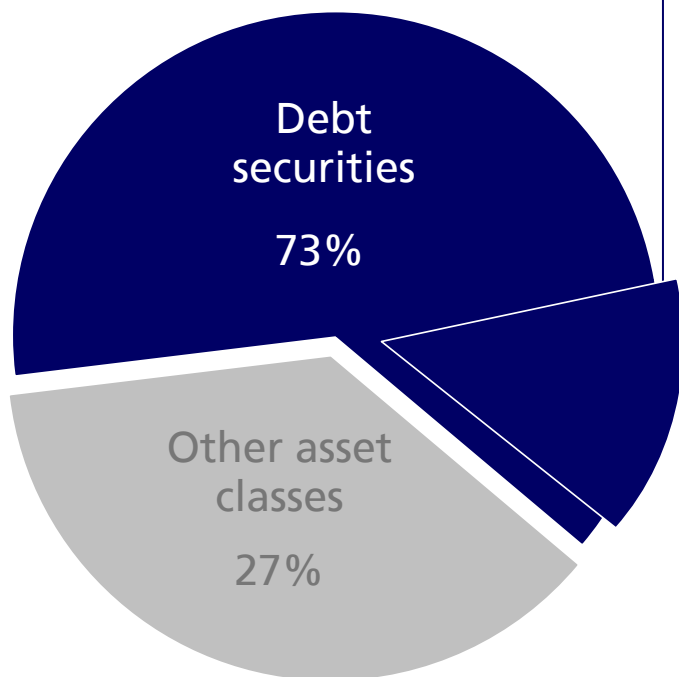
of which:

- 32% in General Insurance
- 64% in Global Life

Group Investments – Split of total MBS/ABS of USD 25bn (13%)



Group Investments
USD 186bn (100%)



MBS/ABS: USD 25bn (13%)
Market/Cost: 101%

| | |
|------------------|--|
| <i>includes:</i> | <ul style="list-style-type: none"> ▪ 96% inv. grade ▪ 84% AAA |
| | <p><i>US MBS: USD 16.1bn (8.7%)</i> Market/Cost: 103%</p> <ul style="list-style-type: none"> ▪ 95% inv. grade; 88% AAA |
| | <p><i>US ABS¹: USD 3.8bn (2.0%)</i> Market/Cost: 102%</p> <ul style="list-style-type: none"> ▪ 97% inv. grade, 86% AAA ▪ e.g. Automobile and Credit Card ABS |
| | <p><i>UK MBS/ABS: USD 2.3bn (1.2%)</i> Market/Cost: 91%</p> <ul style="list-style-type: none"> ▪ 98% inv. grade; 69% AAA ▪ Commercial MBS of USD 0.7bn (39% AAA) ▪ "Whole Loan" Residential MBS USD 1.3bn (92% AAA) |
| | <p><i>German ABS: USD 0.3bn (0.2%)</i> Market/Cost: 106%</p> <ul style="list-style-type: none"> ▪ 100% inv. grade; 73% AAA ▪ mostly German MBS ("Pfandbriefe") |
| | <p><i>Swiss MBS: USD 0.8bn (0.4%)</i> Market/Cost: 108%</p> <ul style="list-style-type: none"> ▪ 100% AAA ▪ 100% Swiss MBS ("Pfandbriefe") |

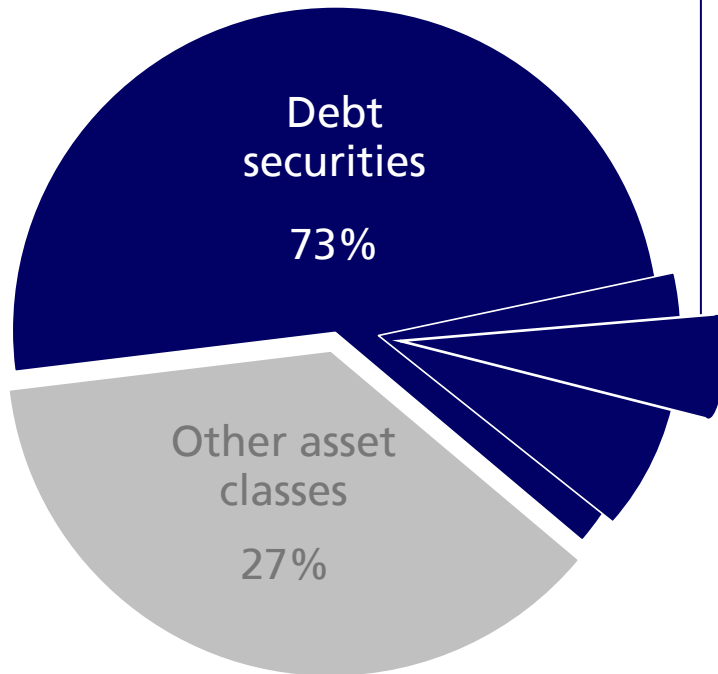
As of June 30, 2010

¹ US ABS in addition to the US MBS mentioned above

Group Investments – Split of US MBS of USD 16.1bn (8.7%)



Group Investments
USD 186bn (100%)



US-MBS: USD 16.1bn (8.7%)
Market/Cost: 103%

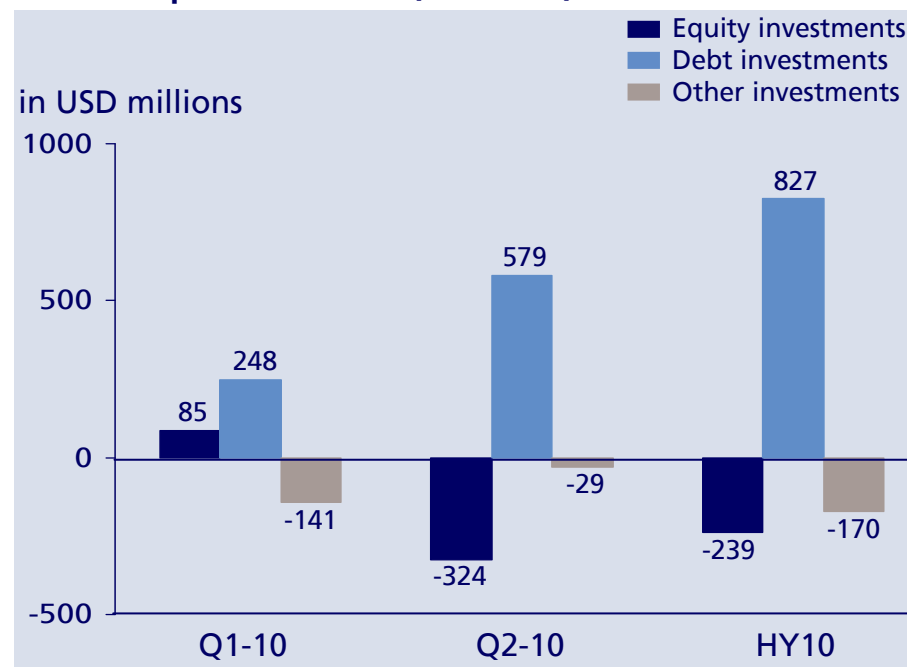
| | |
|------------------|--|
| <i>of which:</i> | <ul style="list-style-type: none"> ▪ 95% inv. grade ▪ 88% AAA |
| | <p><i>US "Agency" MBS: USD 9.7bn (5.2%)</i> Market/Cost: 105%</p> <ul style="list-style-type: none"> ▪ 100% AAA ▪ USD 2.3bn backed by GNMA ▪ USD 7.4bn backed by FNMA and FHLMC |
| | <p><i>US Commercial MBS: USD 5.1bn (2.7%)</i> Market/Cost: 101%</p> <ul style="list-style-type: none"> ▪ 98% inv. grade ▪ 77% AAA |
| | <p><i>US "Whole Loan" Residential MBS: USD 1.3bn (0.7%)</i> Market/Cost: 99%</p> <ul style="list-style-type: none"> ▪ 54% inv. grade ▪ 37% AAA |

As of June 30, 2010

Group investments – capital losses in P&L



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



Total **191** **227** **418**

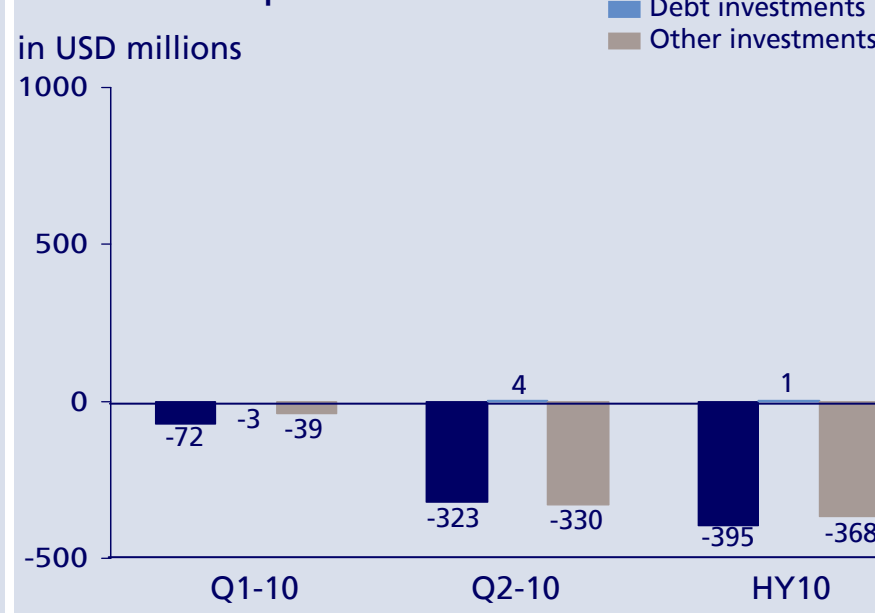
of which in:

| | | | |
|----------|-----|------|-----|
| - GI | 28% | -13% | 6% |
| - G-Life | 57% | 56% | 56% |

of which:

| | | | |
|--------------------------------|----|----|----|
| - attributable to shareholders | 22 | 24 | 46 |
|--------------------------------|----|----|----|

of which: impairments



Total **-114** **-649** **-763**

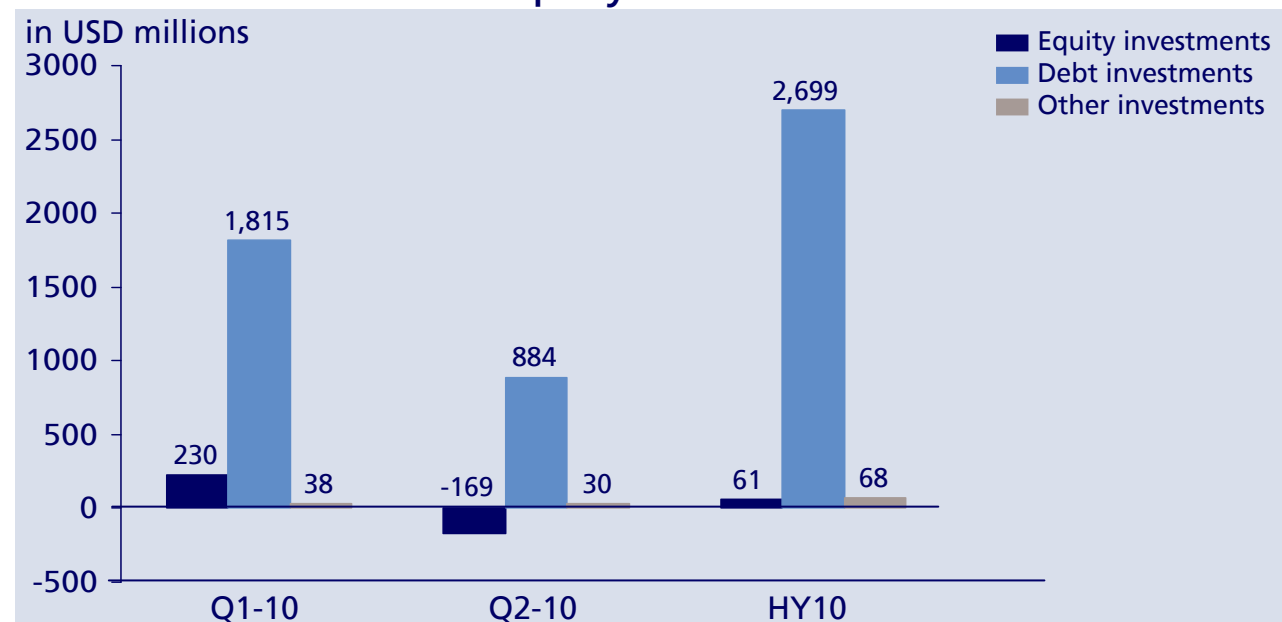
of which in:

| | | | |
|----------|-----|-----|-----|
| - GI | 53% | 28% | 32% |
| - G-Life | 33% | 19% | 21% |

Group investments – unrealized gains / losses



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



| Total ¹ | Q1-10 | Q2-10 | HY10 |
|--------------------|--------------|------------|--------------|
| | 2,083 | 745 | 2,828 |

of which in:

| | | | |
|----------|-----|-----|-----|
| - GI | 38% | 54% | 42% |
| - G-Life | 58% | 29% | 50% |

of which:

| | | | |
|---|-----|-----|-------|
| - attributable to shareholders ² | 949 | 665 | 1,614 |
|---|-----|-----|-------|

¹ Before attribution to policyholders and other

² After attribution to policyholders and other