Annual results 2015

Investor presentation
February 11, 2016

Zurich Insurance Group

Content

Use symbols to navigate through the document

Key highlights

Key financials

Disappointing ROE, strong Z-ECM and cash remittances

FY-15 KEY RESULTS

BOP
USD 2.9bn (-37%)

NIAS
USD 1.8bn (-53%)

TARGET METRICS OVER STRATEGIC PERIOD

		Target
BOPAT ROE[1]	FY-15: 6.4%	Target: 12 - 14%
Z-ECM[2]	Q3-15: 114%	Target: 100 – 120%
Net cash remittances	FY-15: USD 3.9bn	Cumulative 3-year target: > USD 9bn

[1] Business Operating Profit after tax return on equity (annualized), excluding unrealized gains and losses.
[2] Zurich Economic Capital Model (Z-ECM).

Report card – Group

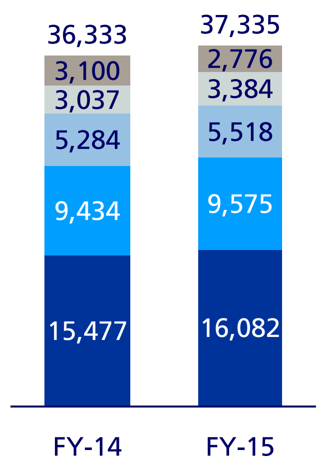
Clear priorities for next 12 months

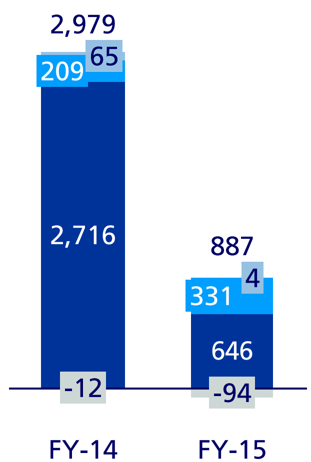
GROUP STRATEGY	FY-15 KEY ACTIONS	2016 PRIORITIES
1 Prioritizing investment in distinctive positions	• Acquisition of Rural Community Insurance Services • Stepped up investments in data and analytics capabilities	• Further investments in technology, including in data and analytics • Targeted investments in select retail markets, building 'omni channel' capabilities
2 Managing other businesses for value	• GI "turnarounds" progressing • In-force initiatives in "maximize value" life markets gaining traction, including exit from UK annuity book and sale of 7IM	• Next phase of in-force initiatives in manage for value life markets • Extract capital from some blocks of business • Footprint actions
3 Growing our operating earnings	• Efficiency initiatives launched, with aim of reducing costs by at least USD 1bn by end of 2018 • Accelerated activities in Q4 2015	• Deliver on USD 300m cost saving target by end of 2016 • Turn around GI profitability

Report card – General Insurance

Further actions required on underperforming portfolios

PRIORITY MARKETS[1]





MANAGE FOR VALUE

- Continued actions in our turnaround markets with underlying improvement in all markets
- Exited various non-strategic positions such as retail and commercial business in the Middle East, and some auto commercial business in Australia

NEXT STEPS

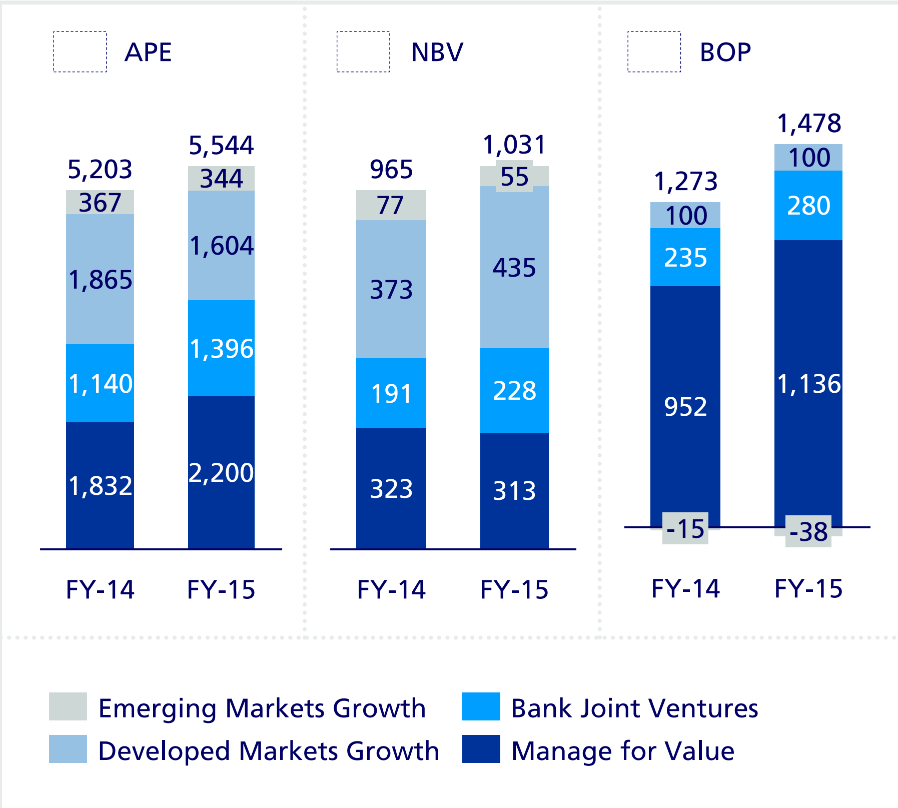
- Continue investments in NAC, Global Corporate and select retail markets
- Complete the work on GI "turnarounds"
- Address underperforming portfolios and further actions to reduce expense base

[1] All figures calculated at constant FY-14 exchange rates.

Report card – Global Life

On track to deliver sustainable BOP improvement

INVESTOR DAY BUCKETS (USDm)[1]



MANAGE FOR VALUE

- Exit of annuity book in UK
- Beginning to see BOP uplift from in-force management actions

NEXT STEPS

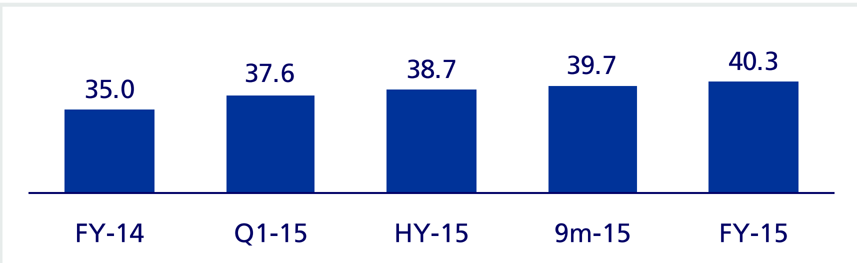
- Continue to drive profitable Bank and CLP growth
- Expand in-force management initiatives to include Ireland and Isle of Man
- Implement efficiency improvements

1 As presented at the May 21, 2015 Investor Day. All figures calculated at constant FY-14 exchange rates.

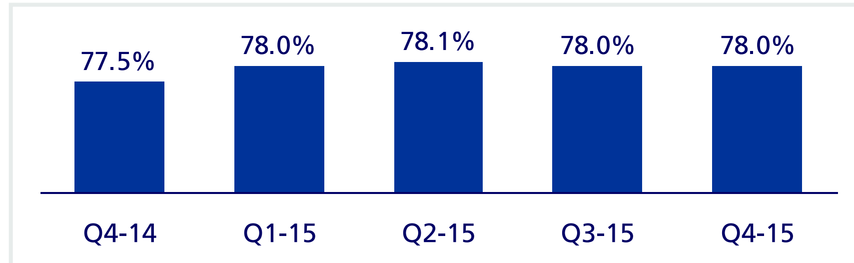
Report card – Farmers Exchanges[1]

Continued progress in strategic execution

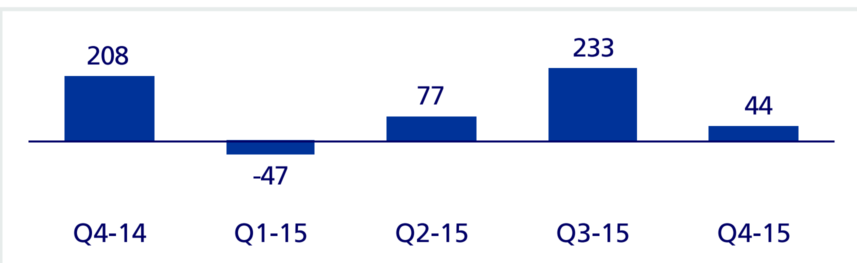
NET PROMOTER SCORE[2]



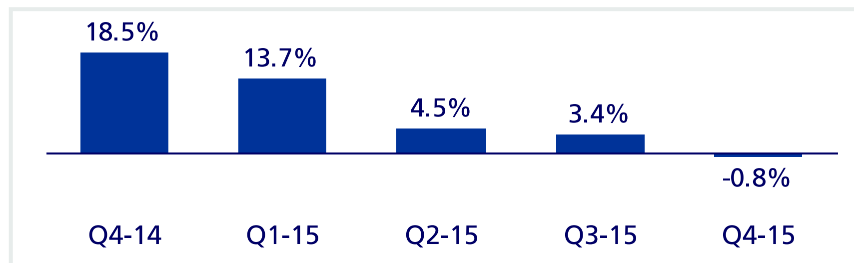
RETENTION[3]



NET GAIN / LOSS OF AGENTS[4]



NEW BUSINESS COUNT GROWTH[5]



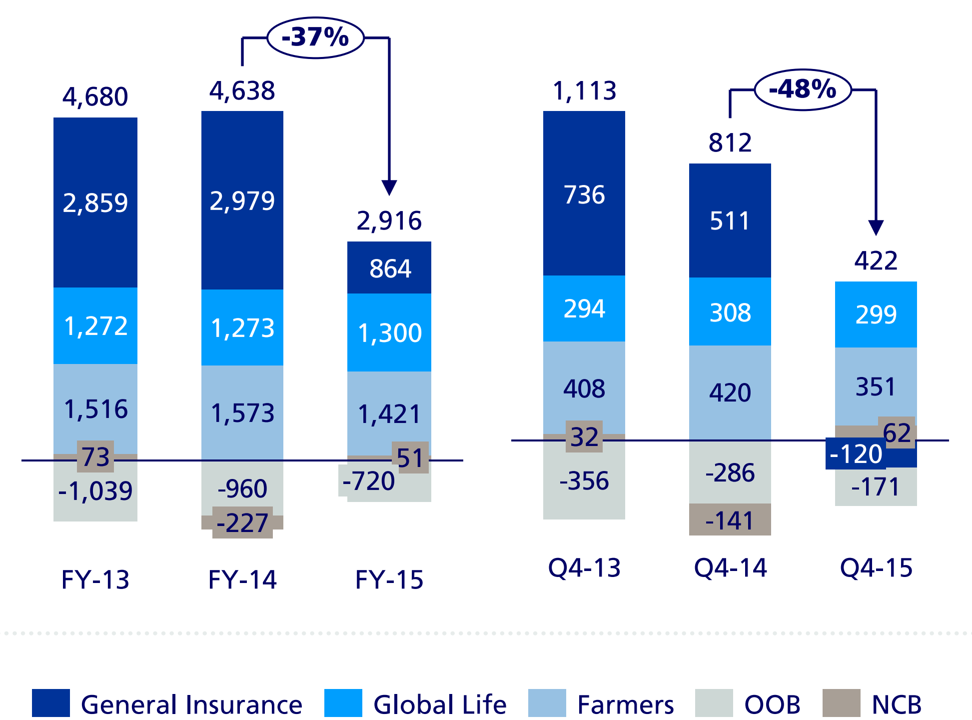
1 Provided for informational purposes only. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.
2 Survey based measure of customer loyalty (for Farmers Auto and Farmers Home only). Figures are reported on a YTD basis.
3 Reflects rolling 3-month 13/1 survival rate for Farmers Exchanges continuing operations, based on trailing 12-month weighted average GWP.
4 Change in total number of exclusive Farmers agents including full time and career agents.
5 YoY change in new business counts for continuing operations. Farmers and Bristol West Auto reflects New Business/New Household.

2015 performance

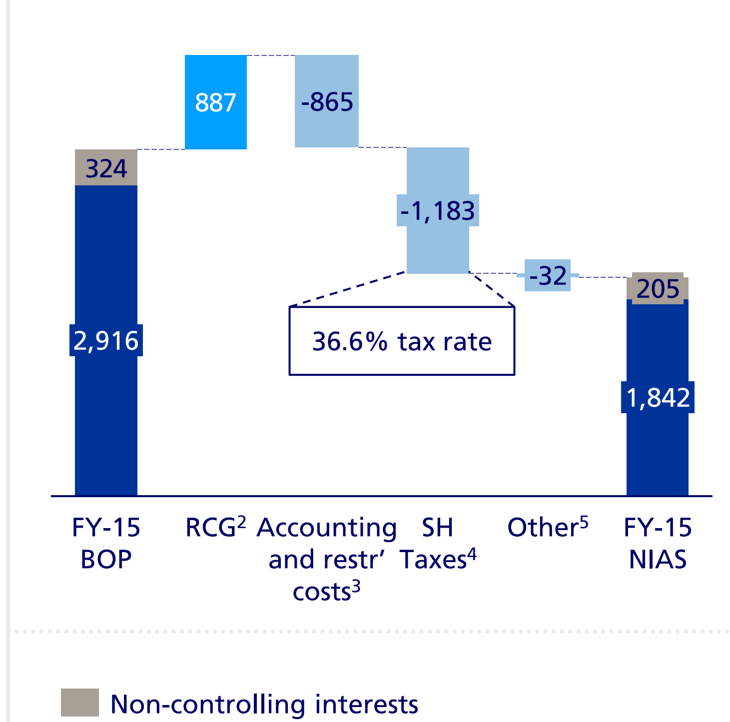
Group – Business Operating Profit

Disappointing GI results, other businesses on track

BOP BY SEGMENT (USDm)[1]



BOP TO NIAS WALK (USDm)

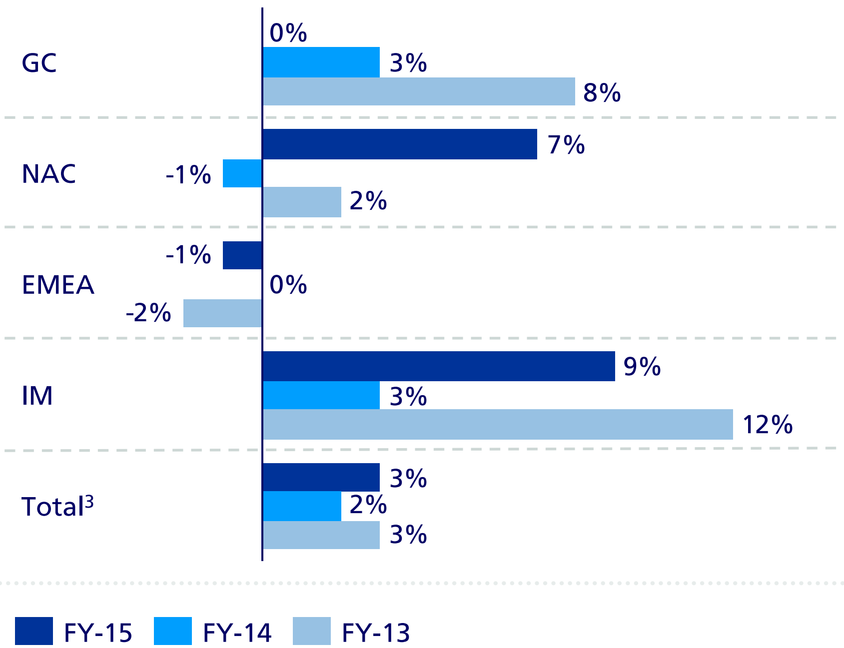


1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.
2 Realized capital gains/losses.
3 Includes impairments of goodwill, restructuring provisions and other restructuring charges.
4 Shareholder taxes (income tax expense attributable to shareholders).
5 Includes change in estimate of earn-out liabilities.

General Insurance – Topline

Rate environment consistent with previous quarters

GWP GROWTH IN LC[1] (%)



RATE CHANGE[2] (%)

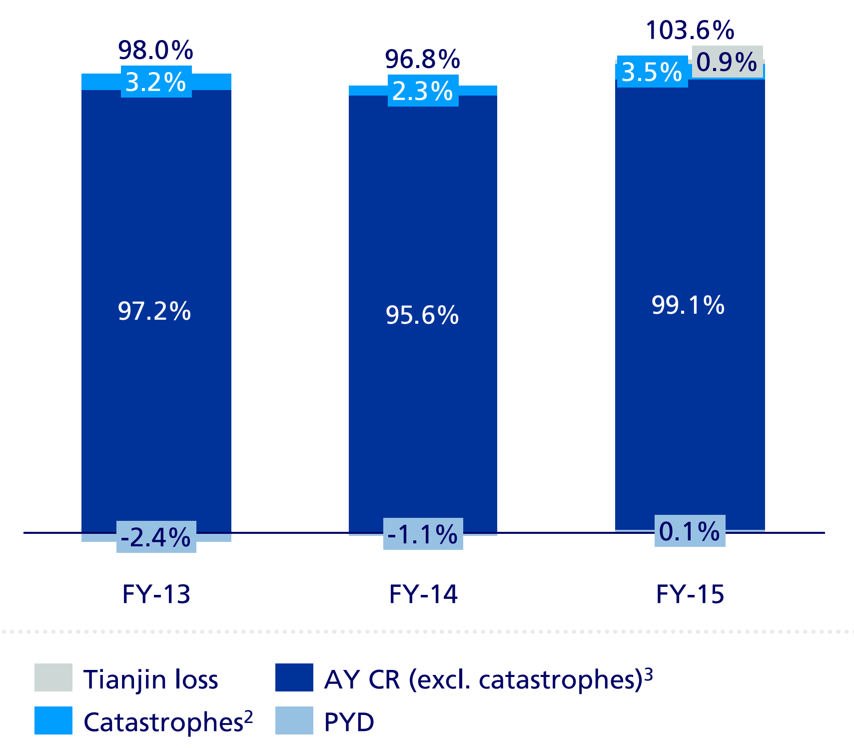
Q4-14	Q3-15	Q4-15
1%	0%	1%
1%	1%	0%
2%	1%	2%
4%	6%	5%
2%	2%	2%

1 In local currency.
2 GWP development due to premium rate change as a percentage of the renewed portfolio against the comparable prior year period.
3 Total includes GI Global Functions, Group Reinsurance and Eliminations.

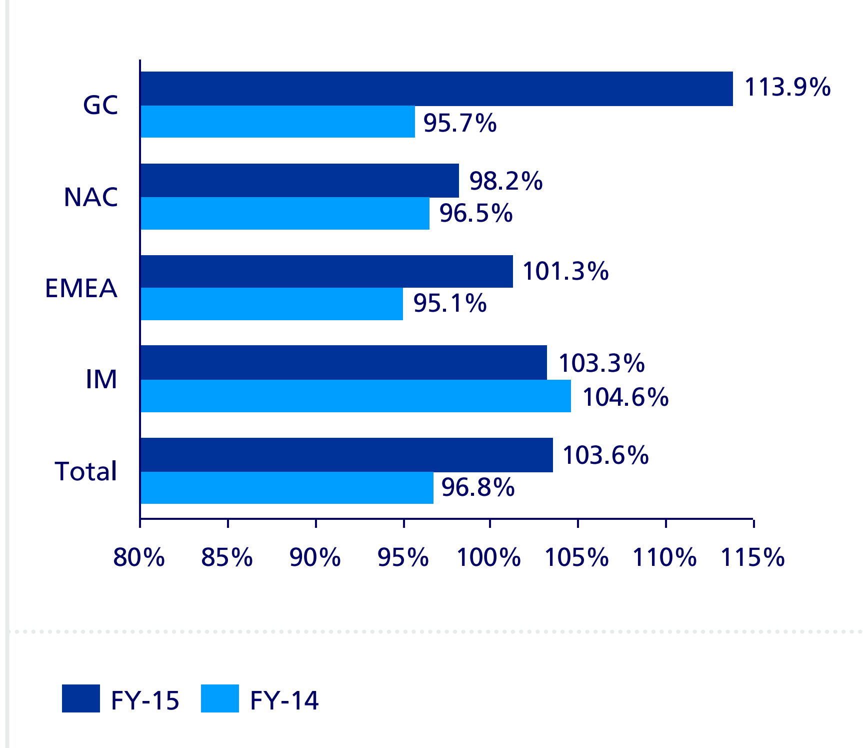
General Insurance – Combined ratio

Poor results in Global Corporate

COMBINED RATIO SPLIT (%)[1]



COMBINED RATIO BY REGION (%)[1]

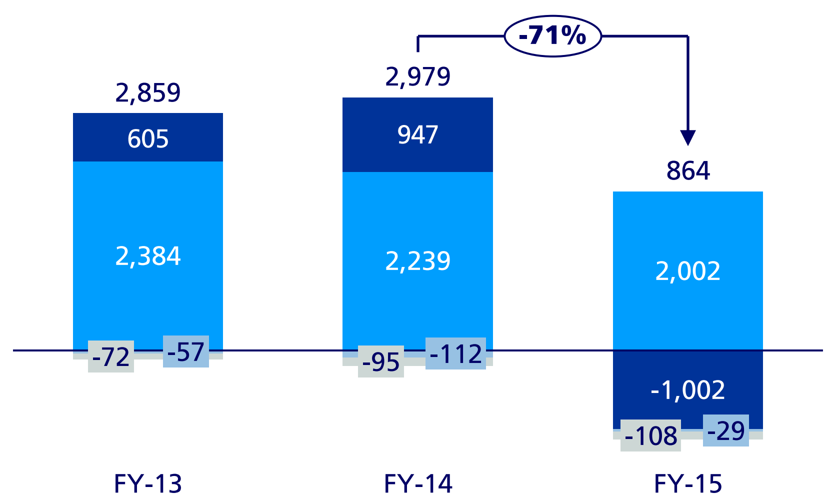


[1] 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.
[2] Catastrophes include major and mid-sized catastrophes, including significant weather related events.
[3] Accident year combined ratio (AY CR) excludes prior year reserve development (PYD).

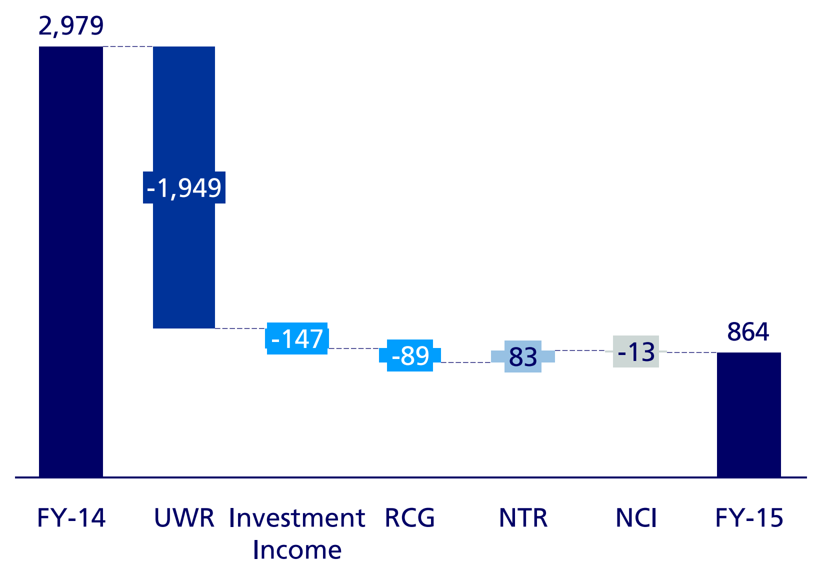
General Insurance – BOP components

Reduction in BOP driven by UW loss in Q3 and Q4

BOP BREAK DOWN (USDm)[1]



KEY DRIVERS (USDm)[1]



Underwriting result | Investment inc. / Realized capital gains (RCG) | Non-technical result (NTR) | Non-controlling interest (NCI)

[1] 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.

General Insurance – Status update

2015 results driven by combination of factors

KEY FACTORS

- Growing in a softening market – e.g. in Global Corporate in North America
- Execution of planned portfolio actions not delivered consistently
- Growing interconnectivity of risk not sufficiently accounted for in portfolio
- Slow reaction to emerging trends in rate environment
- Expense discipline not aligned to market realities

General Insurance – Focus in 2016

It will take time to adjust, but early signs for 2016 are positive

ADDRESSING KEY ISSUES

- Prioritizing technical excellence by:
  - Reinforcing underwriting culture by emphasizing the trade-off between profit and growth
  - Focusing on attritional losses
  - Reducing large loss exposure
  - Strengthening accumulation management
  - Renewing business with clear targets for rate increases and retention by account tier
- Exiting some underperforming portfolios
- Exploring the reinsurance options
- Accelerating expense program and implementing absolute expense targets

TIERING AND RATE INCREASES

- Encouraging results from rate in Global Corporate in Europe
- Rate and retention in line with our expectations, with emphasis on bottom tiers

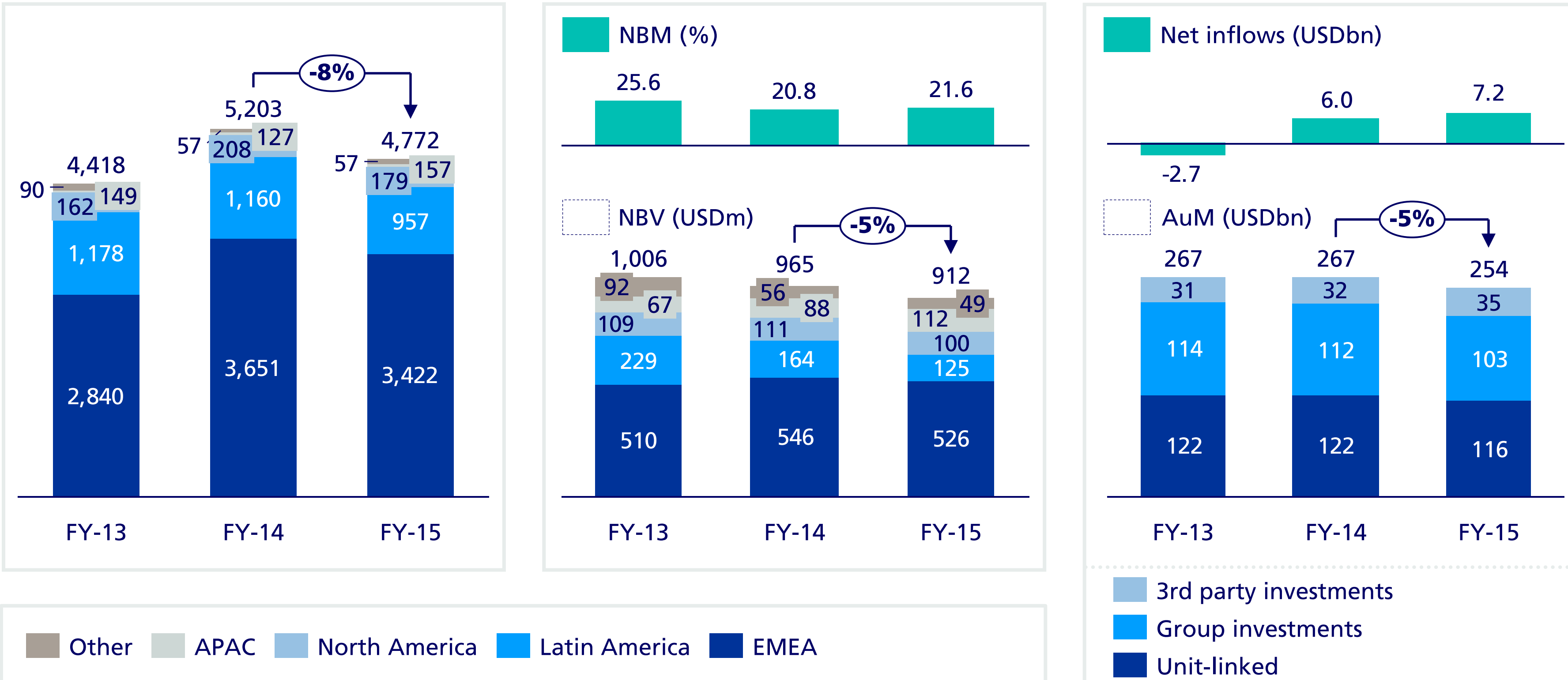
BUSINESSES EXITED

- Transportation book in US (only for GC)
- Boiler and Machinery
- Personal lines and commercial lines in ME
- CTP in motor commercial in Australia

Global Life – New business & Net Inflows

APE growth offset by currency impacts with overall higher margin

APE (USDm)[1,2] | **NBM & NBV[1,2,3]** | **NET INFLOWS & AUM[4,5]**

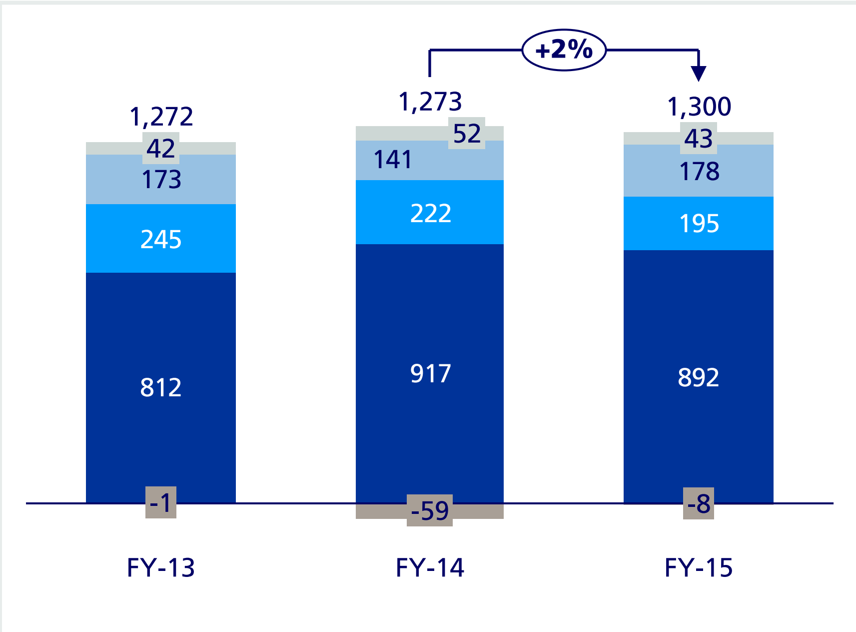


1 APE is reported before non-controlling interests. NBM and NBV are reported net of non-controlling interests.
2 2013 and 2014 restated to reflect the change in regional structure from Europe/APME to EMEA/APAC.
3 2013 and 2014 figures have been restated to reflect a change in the MCEV CRNHR methodology.
4 2013 net policyholders flows did not include inflows for certain short-duration contracts. AuM is reported as at the respective quarter end.
5 2014 Net inflows and AuM have been adjusted to reflect the full consolidation of a recently re-launched fund management business.

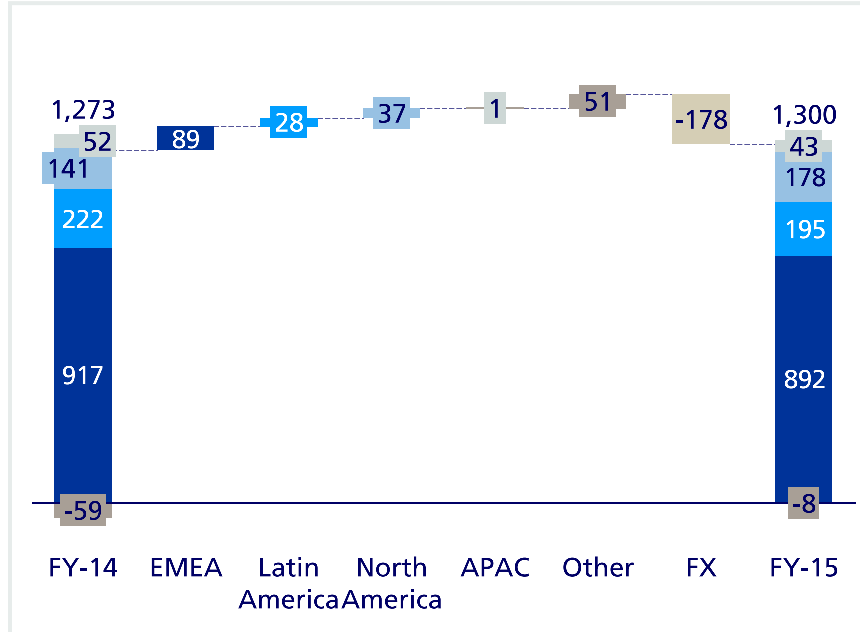
Global Life – BOP by region

BOP increase across all regions, offset by currency impacts

BOP BY REGION (USDm)[1]



KEY DRIVERS (USDm)[1]



Other | APAC | North America | Latin America | EMEA

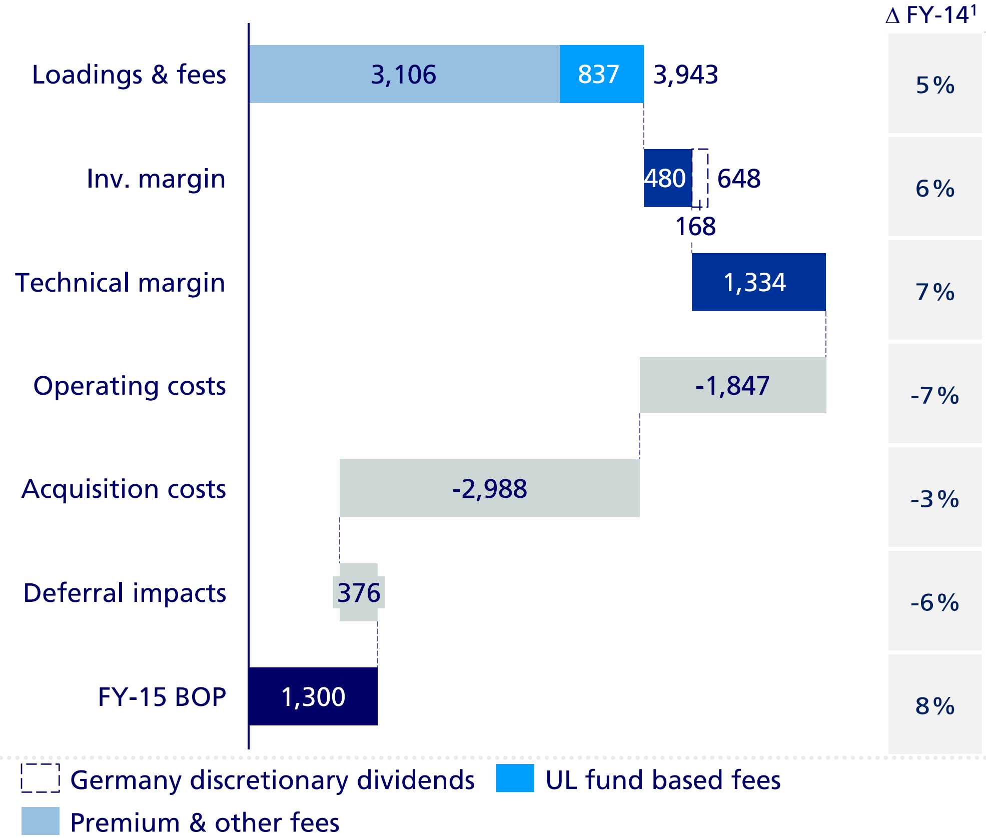
[1] 2013 and 2014 restated to reflect the change in regional structure from Europe/APME to EMEA/APAC.

Global Life – Source of earnings

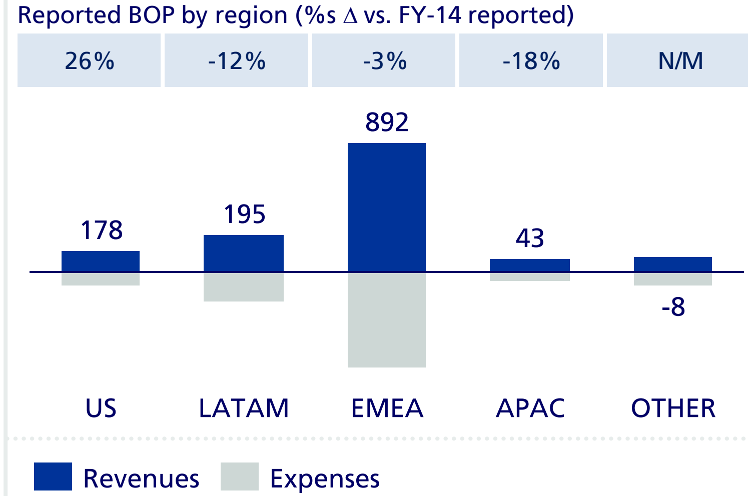
Growth in local currency revenues and new business investment

ZURICH

BOP BY SOURCE OF EARNINGS (USDm)



REGIONAL BOP & KPI (USDm)



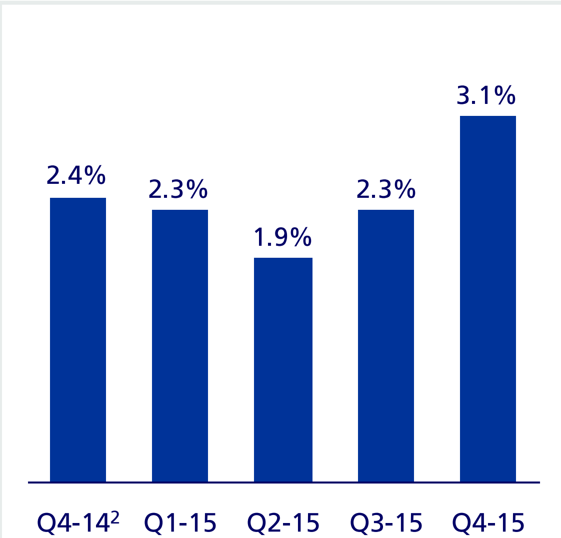
KPI	FY-14[1]	FY-15[1]	As a % of
UL fund based fees	0.7%	0.6%	Average UL AuM
Other loadings	12%	12%	GWP & Deposits
Investment margin[2]	0.7%	0.7%	Average NL reserves
Operating costs	0.9%	0.9%	Average reserves
Acquisition costs	73%	71%	APE

1 Adjusted for distorting impacts – Refer to Global Life Source of earnings briefing document for details; FY-14 deltas at constant FX.
2 Excluding German discretionary dividends.

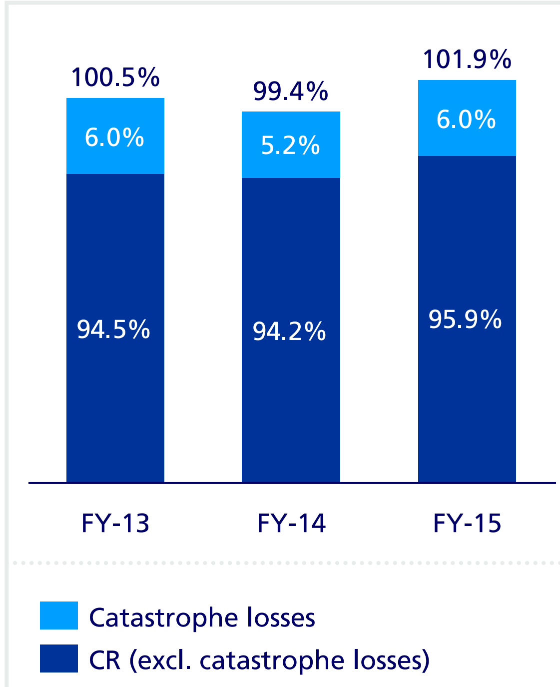
Farmers Exchanges[1] – KPIs

Continued growth, Capital remitted by Farmers Reinsurance Co.

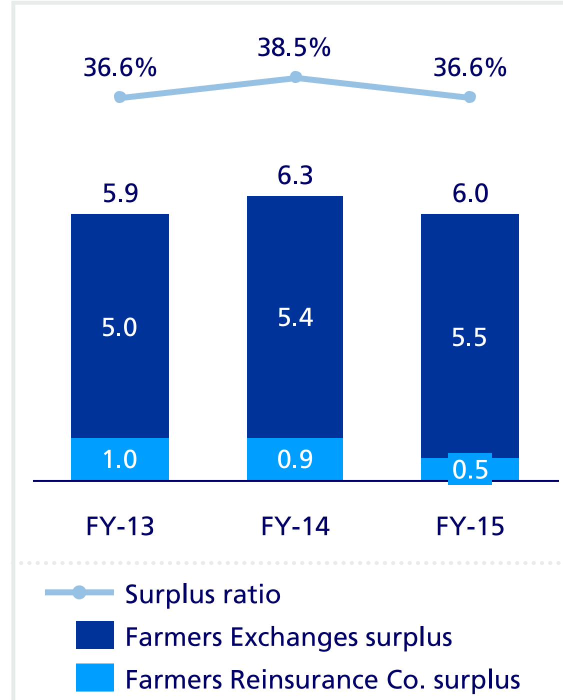
GWP GROWTH (%)[3]



COMBINED RATIO (%)[3]



SURPLUS[4] (USDbn)

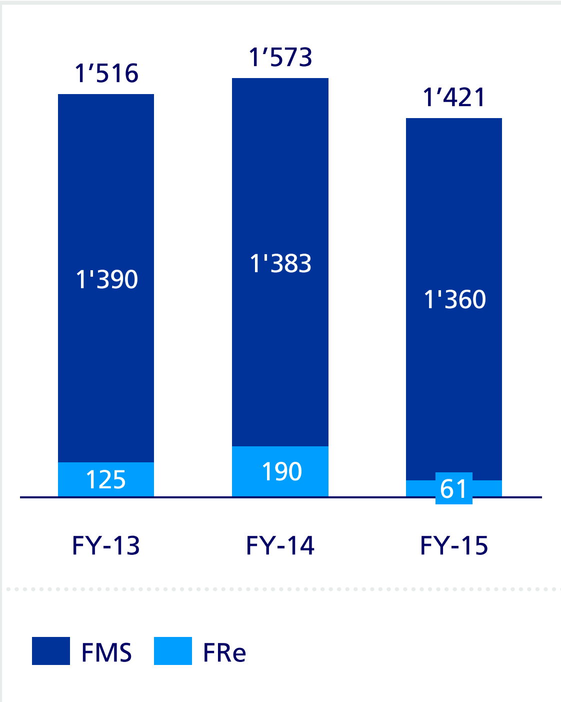


1 Provided for informational purposes only. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.
2 Adjusting for a one-time accounting change growth was 1.9% in Q4-14.
3 Before quota share treaties with Farmers Reinsurance Company, Zurich Insurance Company Ltd and a third party reinsurer.
4 Estimated. Surplus ratio excludes surplus of Farmers Reinsurance Company.

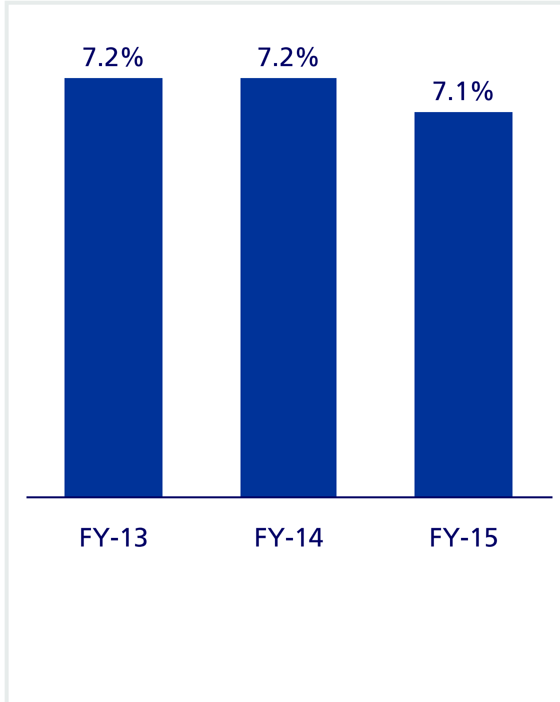
Farmers – KPIs

Stable FMS results, Farmers Re results down due to higher CR

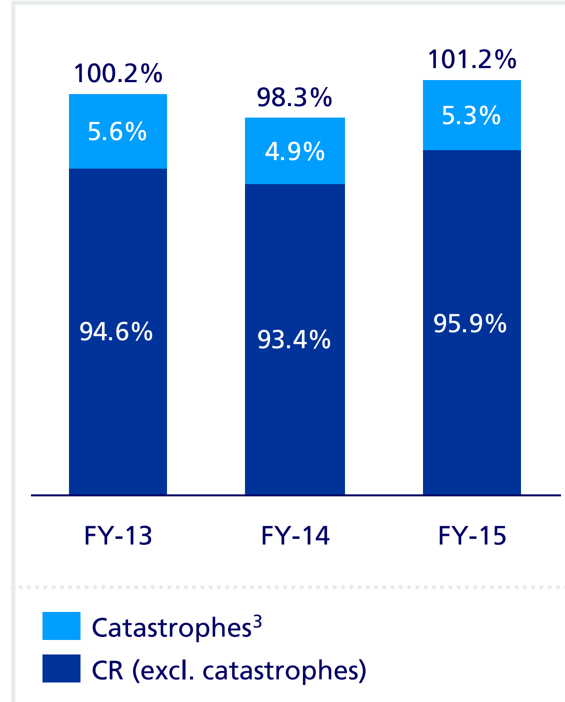
BOP (USDm)



MGEP MARGIN (%)[1]



FARMERS RE CR (%)[2]



1 Margin on gross earned premiums of the Farmers Exchanges. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc. (or Farmers Management Services (FMS)), a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.

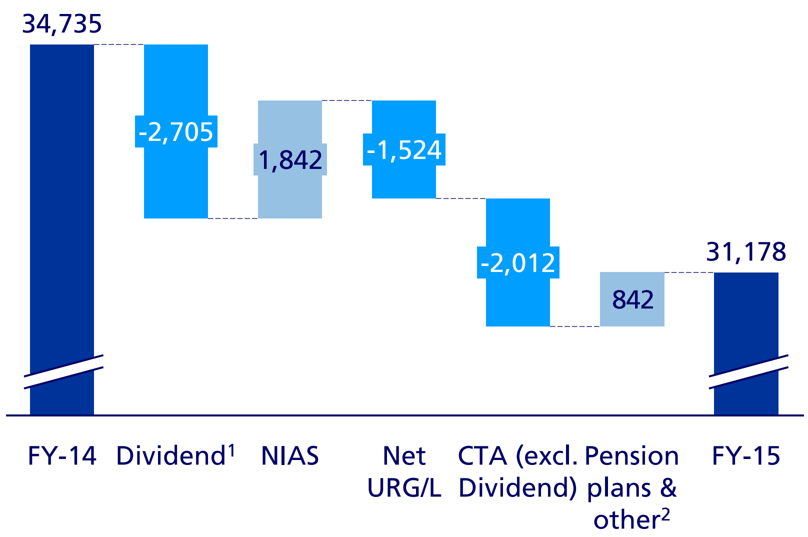
2 Farmers Re (FRe) business includes all reinsurance assumed from the Farmers Exchanges by the Group (i.e. Farmers Reinsurance Company and Zurich Insurance Company Ltd).

3 As defined by the Quota Share reinsurance treaties.

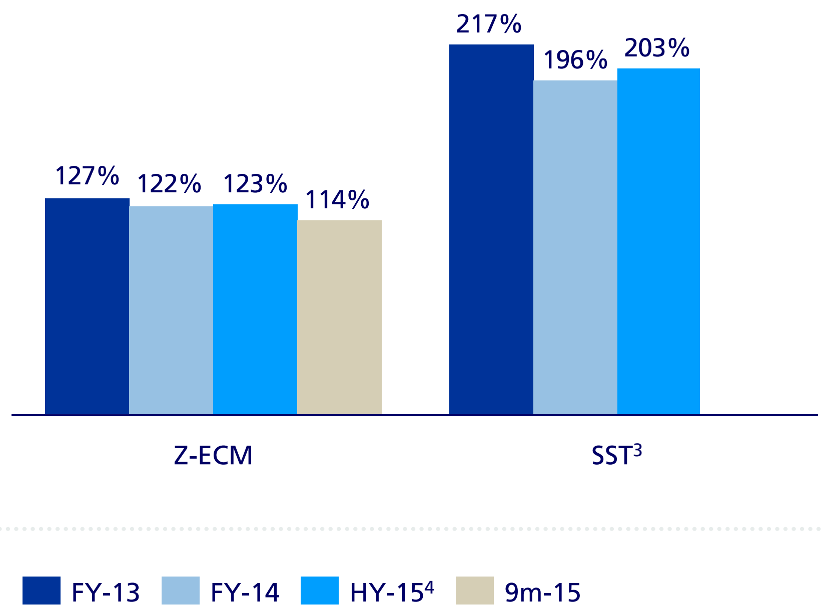
Group – Balance sheet and capital

Strong capital position across all metrics

SHAREHOLDERS' EQUITY (USDm)



SOLVENCY RATIOS (%)

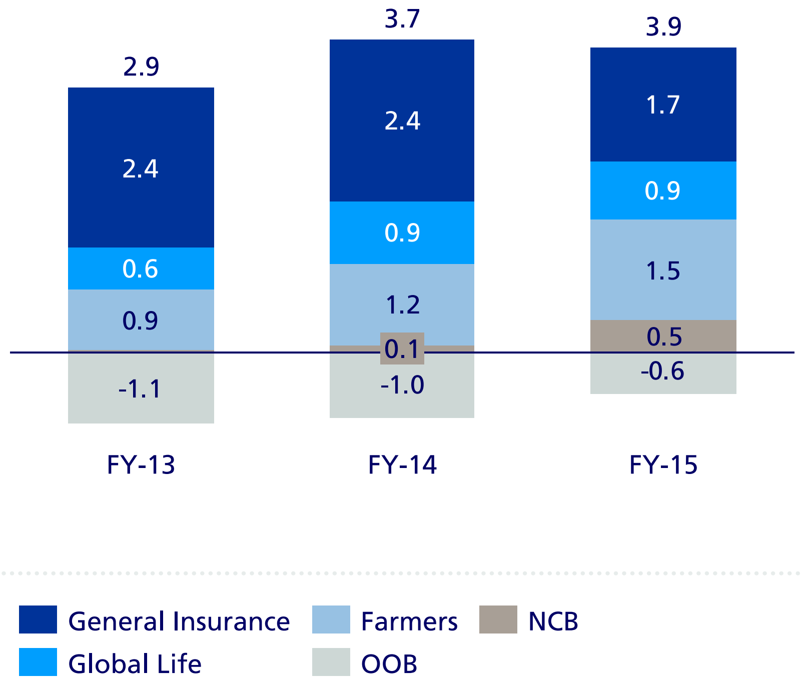


1 Dividend as approved by the AGM on April 1, 2015, and at transaction day exchange rates. Dividend at historical exchange rates amounts to USD 1,683m, with the difference of USD 1,022m reflected in the cumulative foreign currency translation adjustment (CTA).
2 Includes share-based payments transactions, issuance of share capital and other.
3 The Swiss Solvency Test (SST) ratio is calculated based on the Group's internal model, which is subject to the review and approval of the Group's regulator, the Swiss Financial Market Supervisory Authority (FINMA). The ratio is filed with FINMA at the full year and is subject to its approval.
4 Excluding macro equity hedge.

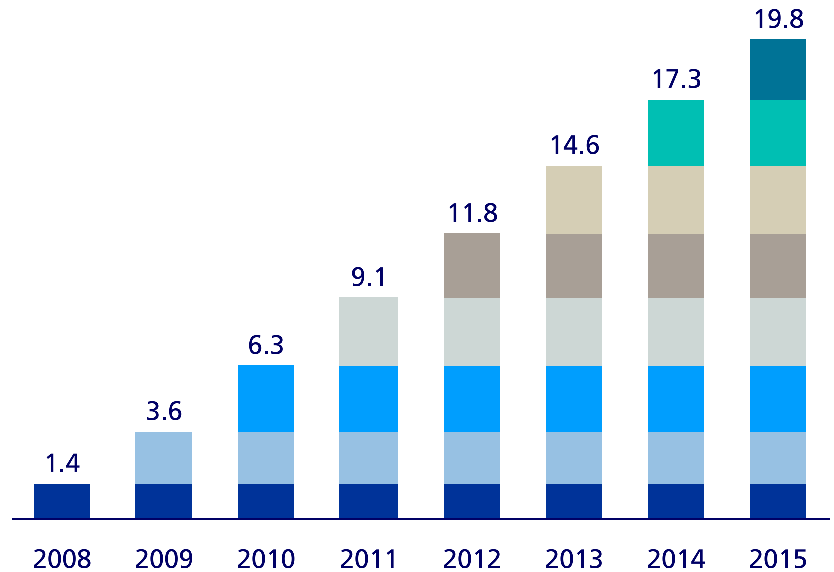
Group – Cash remittances & dividend proposal

Overall good cash remittance, dividend maintained

NET CASH REMITTANCES (USDbn)



CUMULATIVE DIVIDEND (USDbn)[1]



[1] 2015 dividend estimated based on CHF/USD exchange rate as of February 9, 2016.

Factors influencing 2016

General Insurance	• OUE ratio expected to be broadly stable • Significant improvement in loss ratio, weighted to second half • Lower volatility, in part due to greater tactical use of reinsurance
Global Life	• Continued growth and investment in Bancassurance and CLP • Expect to see underlying improvement but with further strength of US dollar likely to impact reported earnings
Farmers	• Modest growth in FMS revenues, expected margin ~7% • Significant reduction in Farmers Re premiums due to lower quota share participation and cancellation of APD treaty
Other factors	• Continued strengthening of USD has modest negative impact on 2016 • Actions under way to achieve >$1bn cost savings in 2018; likely ongoing high level of restructuring costs, update to be provided with Q1

Key messages

GI results	Disappointing 2015 but comprehensive remediation plans now being implemented
GI outlook	Expect to see a progressive improvement in profitability during 2016, with a reduction in volatility
Life and Farmers	Global Life and Farmers are on track
Cash and capital	Very strong Z-ECM ratio and cash remittances underpin proposed dividend of CHF 17 per share

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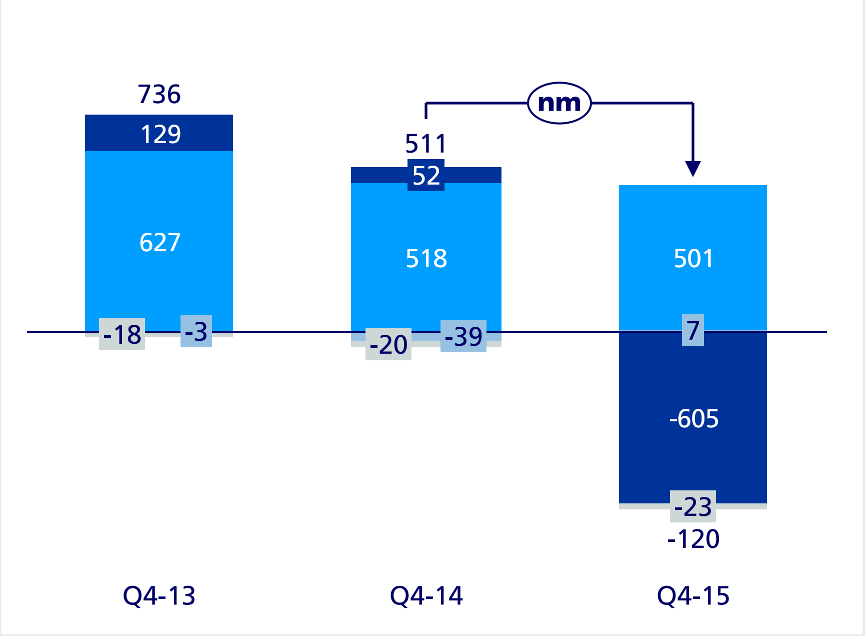
Appendix

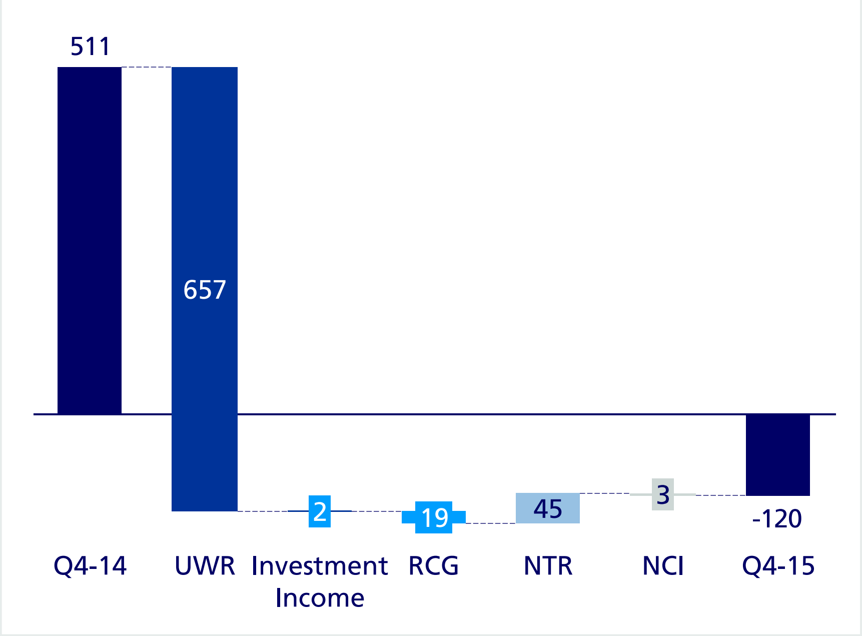
GI – Q4 BOP components

BOP again significantly lower than PY

BOP BREAK DOWN (USDm)



KEY DRIVERS (USDm)

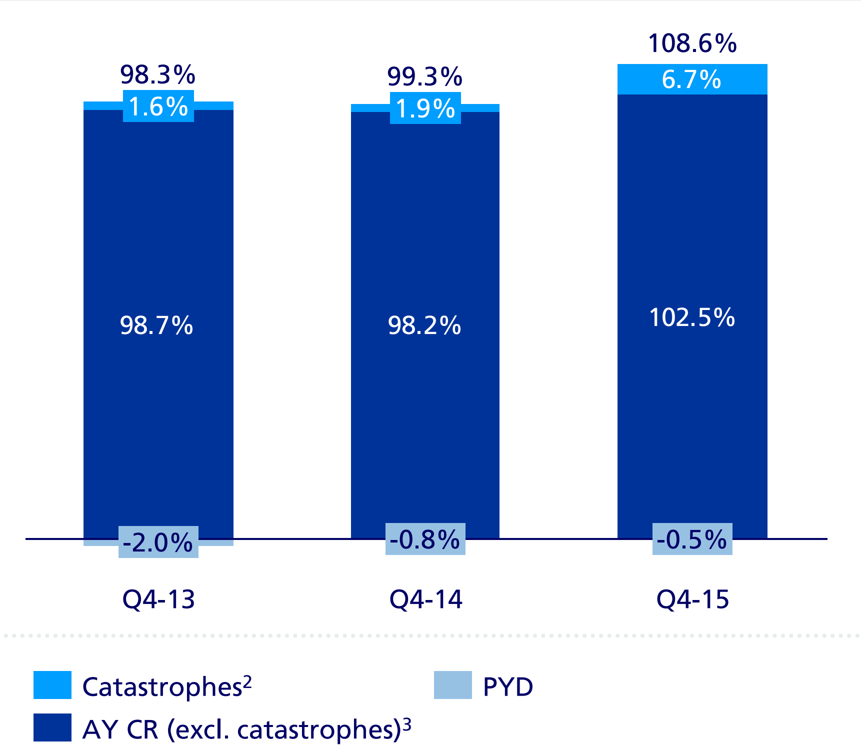


Underwriting result | Investment inc. / Realized capital gains (RCG) | Non-technical result (NTR) | Non-controlling interest (NCI)

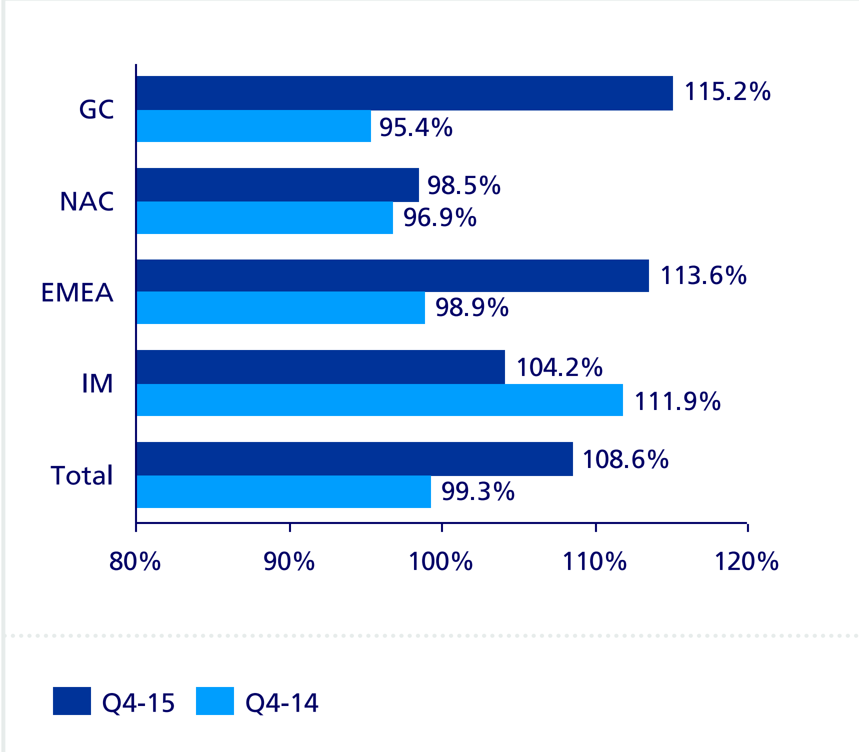
GI – Q4 Combined ratio

Large losses and UK floods lead to higher CR

COMBINED RATIO SPLIT (%)[1]



COMBINED RATIO BY REGION (%)[1]

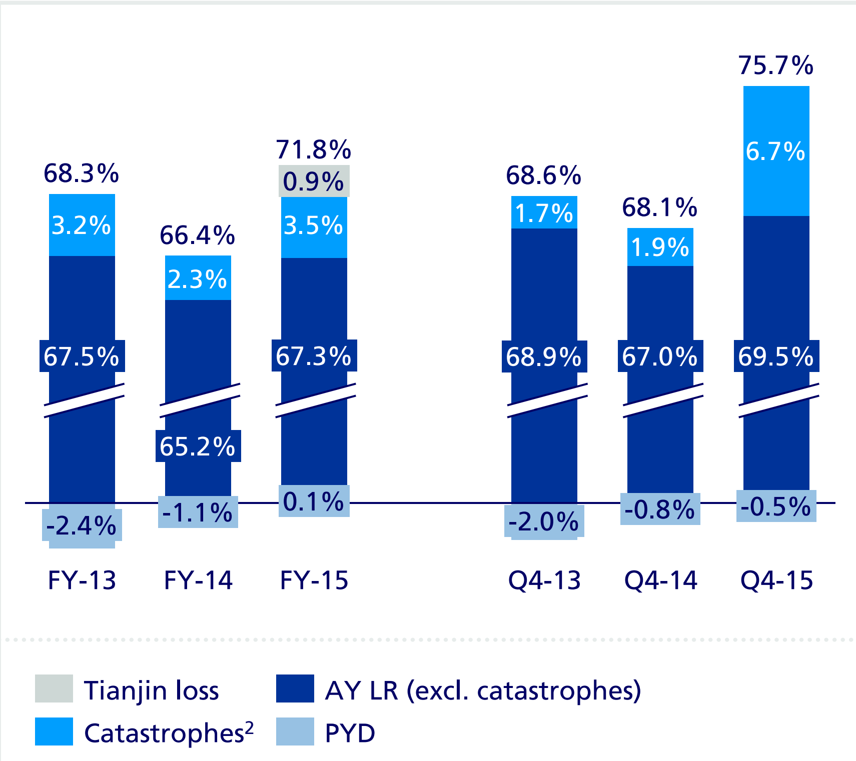


1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.
2 Catastrophes include major and mid-sized catastrophes, including significant weather related events.
3 Accident year combined ratio (AY CR) excludes prior year reserve development (PYD).

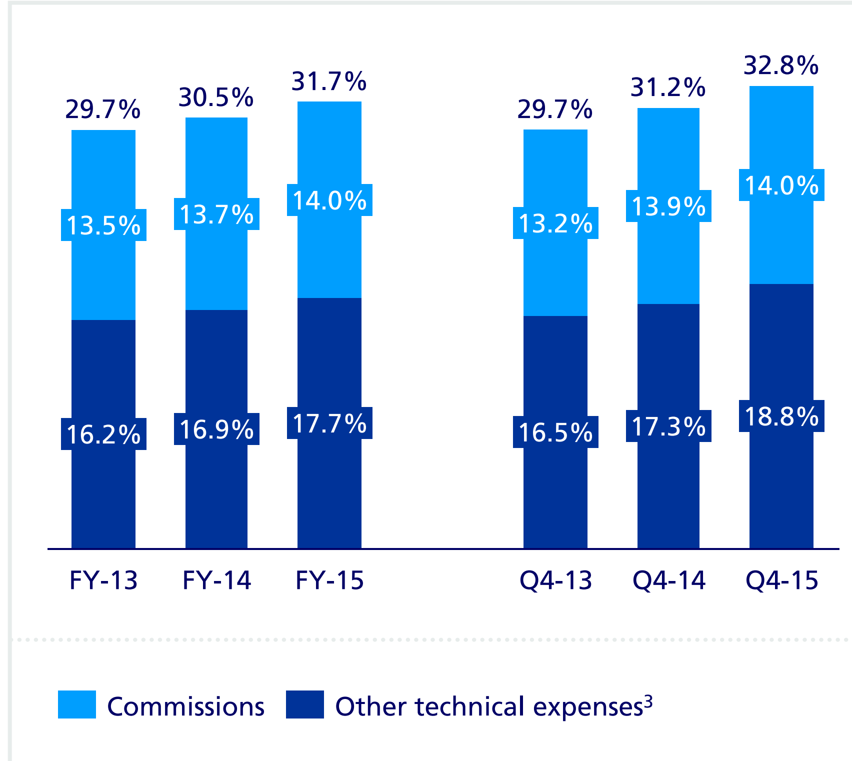
GI – Combined ratio details

Higher AY loss ratio mainly due to large losses

LOSS RATIO (%)[1]



EXPENSE RATIO (%)[1]

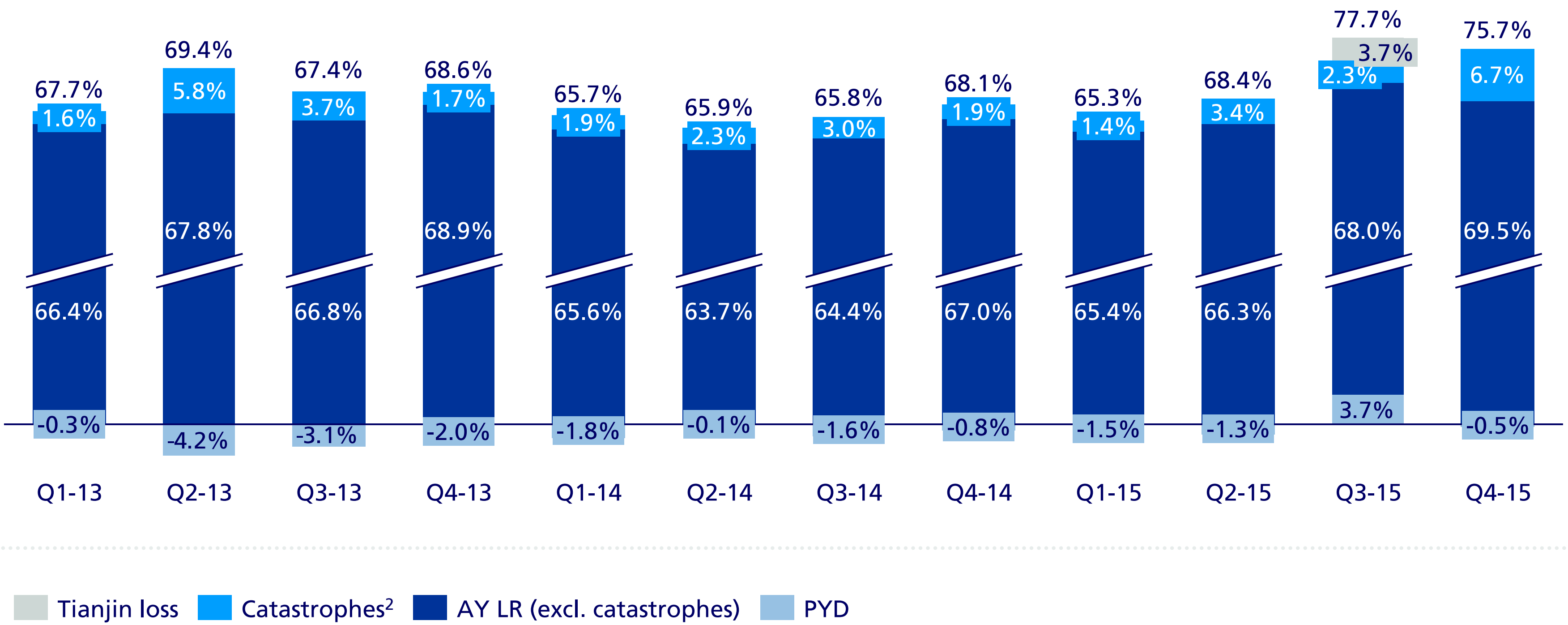


1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.
2 Catastrophes include major and mid-sized catastrophes including significant weather related events.
3 Includes the amortization costs of upfront payments for distribution agreements.

GI – Loss ratio details

In 2015 AY LR is trending upwards

LOSS RATIO (%)[1]



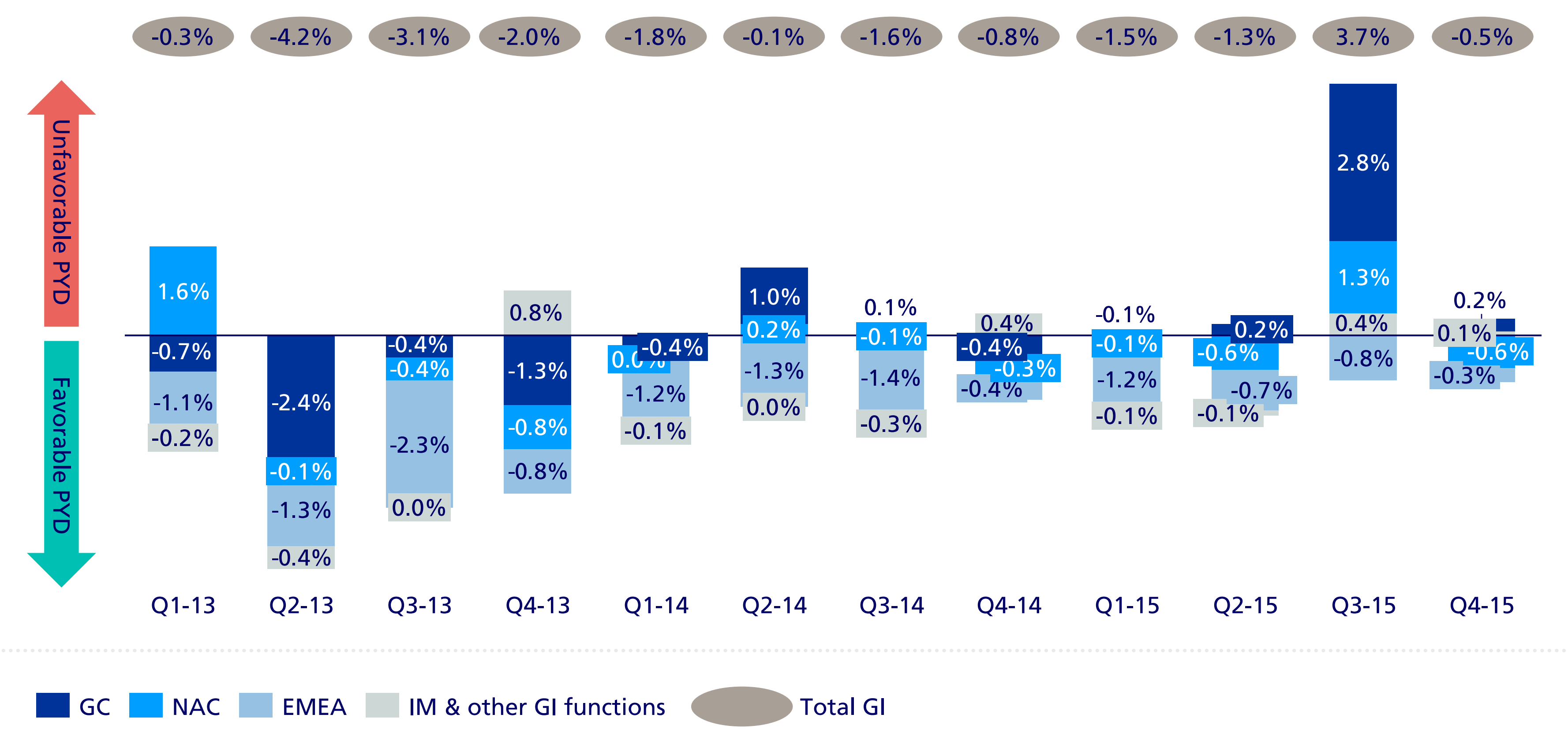
1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.
2 Catastrophes include major and mid-sized catastrophes including significant weather related events.

GI – Prior year development (PYD) by region

Q3-15 was an exceptional quarter

ZURICH

PYD (% OF NET EARNED PREMIUM)[1]



[1] 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015. 2013 was not restated.

GI – Loss and paid to ultimate triangles

Consistent reserving approach over time for the group

ZURICH

ULTIMATE NET LOSS AND PAID TO ULTIMATE RATIOS (%)

	AY	2008	2009	2010	2011	2012	2013	2014	2015
Ultimate Net Loss Ratio[1,2]	In the year	76.6%	74.5%	75.8%	76.1%	72.4%	70.7%	67.4%	71.8%
	1 year later	76.2%	74.5%	75.6%	75.7%	70.9%	70.2%	68.3%	
	2 years later	74.3%	72.9%	74.3%	75.4%	70.4%	70.3%		
	3 years later	74.2%	72.9%	73.8%	75.5%	70.5%			
	4 years later	74.0%	72.8%	73.7%	75.5%				
	5 years later	73.5%	72.5%	73.6%					
	6 years later	73.5%	72.2%						
	7 years later	73.7%							
Paid to Ultimate Loss Ratio[1,3]	In the year	37.3%	38.6%	38.2%	37.6%	37.1%	36.3%	35.8%	33.3%
	1 year later	62.6%	63.0%	63.1%	62.2%	63.5%	60.8%	58.9%	
	2 years later	72.0%	72.4%	72.7%	71.6%	72.4%	70.7%		
	3 years later	78.4%	79.7%	79.9%	77.8%	78.7%			
	4 years later	83.7%	85.1%	84.5%	83.0%				
	5 years later	87.1%	88.6%	88.0%					
	6 years later	89.5%	90.7%						
	7 years later	91.2%							

KEY TAKEAWAYS

- Initial 2015 AY higher due to more cat and large losses in 2015
- AYs 2012-2014 contributed the majority of unfavorable PYD in 2015
- Paid to ultimate ratios have for the most part developed consistently

1 In % of net earned premiums in the respective accident year.
2 Refers to General Insurance only. Financial Statements present total Group non-life business which includes General Insurance, Farmers Re and Non-Core Businesses.
3 Ratio of paid to ultimate losses shows cumulative losses paid out for a given accident year, divided by the ultimate losses for that accident year, expressed as a percentage. Approximations made for cumulative FX movements over time to improve comparability.

GI – GC Loss and paid to ultimate triangles

Recent accident year loss ratios reflect strengthening in 2015

ZURICH

ULTIMATE NET LOSS AND PAID TO ULTIMATE RATIOS (%)

	AY	2008	2009	2010	2011	2012	2013	2014	2015
Ultimate Net Loss Ratio[1]	In the year	96.3%	80.2%	83.7%	92.8%	81.7%	79.4%	73.5%	87.6%
	1 year later	95.4%	82.3%	84.2%	93.8%	79.8%	81.3%	77.8%	
	2 years later	90.3%	77.8%	83.1%	89.9%	77.9%	81.4%		
	3 years later	91.5%	77.3%	82.7%	89.1%	78.1%			
	4 years later	90.8%	77.2%	82.6%	89.8%				
	5 years later	90.2%	77.0%	82.4%					
	6 years later	90.4%	76.5%						
	7 years later	91.5%							
Paid to Ultimate Loss Ratio[2]	In the year	23.9%	19.8%	20.5%	21.4%	20.6%	17.6%	17.0%	17.1%
	1 year later	49.7%	45.1%	43.9%	46.4%	48.5%	43.0%	37.9%	
	2 years later	62.1%	57.5%	59.6%	60.9%	60.8%	56.5%		
	3 years later	69.6%	65.9%	71.2%	69.4%	69.5%			
	4 years later	76.4%	72.0%	78.7%	75.9%				
	5 years later	80.5%	77.3%	84.9%					
	6 years later	83.9%	81.3%						
	7 years later	86.0%							

KEY TAKEAWAYS

- Reserve strengthening during 2015 is seen in latest diagonal
- Lower AY 2013 and 2014 paid to ultimate ratios reflect more conservative loss picks made during 2015

1 In % of net earned premiums in the respective accident year.
2 Ratio of paid to ultimate losses shows cumulative losses paid out for a given accident year, divided by the ultimate losses for that accident year, expressed as a percentage. Approximations made for cumulative FX movements over time to improve comparability.

GI – NAC Loss and paid to ultimate triangles

Regional views highlight different mix of business by region

ULTIMATE NET LOSS AND PAID TO ULTIMATE RATIOS (%)

	AY	2008	2009	2010	2011	2012	2013	2014	2015
Ultimate Net Loss Ratio[1]	In the year	72.5%	70.3%	73.0%	73.0%	74.1%	67.8%	66.6%	67.0%
	1 year later	70.0%	67.1%	71.8%	71.0%	73.5%	66.4%	66.9%	
	2 years later	67.8%	65.2%	70.9%	71.6%	74.2%	68.4%		
	3 years later	67.2%	66.3%	70.4%	72.5%	73.8%			
	4 years later	67.0%	66.3%	70.9%	72.1%				
	5 years later	66.3%	65.8%	70.7%					
	6 years later	66.3%	65.7%						
	7 years later	66.6%							
Paid to Ultimate Loss Ratio[2]	In the year	22.7%	20.3%	21.2%	22.4%	22.2%	21.5%	23.0%	21.5%
	1 year later	47.8%	43.4%	44.6%	48.6%	52.9%	47.8%	47.3%	
	2 years later	59.5%	54.5%	57.2%	60.6%	64.1%	61.2%		
	3 years later	69.2%	67.3%	68.1%	69.8%	73.0%			
	4 years later	77.4%	76.6%	75.5%	78.3%				
	5 years later	81.8%	81.8%	80.7%					
	6 years later	85.5%	85.0%						
	7 years later	88.3%							

KEY TAKEAWAYS

- NAC strengthened 2013 and 2014 AYs, while initial NAC 2015 AY LR is in line with latest view of 2014
- Paid to ultimate decrease in AYs 2013 to 2015 due to reserve strengthening in Q2 and Q3, plus conservative current year LR

1 In % of net earned premiums in the respective accident year.
2 Ratio of paid to ultimate losses shows cumulative losses paid out for a given accident year, divided by the ultimate losses for that accident year, expressed as a percentage. Approximations made for cumulative FX movements over time to improve comparability.

GI – EMEA Loss and paid to ultimate triangles

EMEA continues to see positive PYD development

ULTIMATE NET LOSS AND PAID TO ULTIMATE RATIOS (%)

	AY	2008	2009	2010	2011	2012	2013	2014	2015
Ultimate Net Loss Ratio[1]	In the year	74.6%	76.7%	75.0%	72.4%	71.0%	71.0%	66.7%	71.1%
	1 year later	75.2%	78.1%	76.2%	71.4%	68.9%	70.0%	66.5%	
	2 years later	74.5%	77.6%	75.0%	71.7%	68.1%	69.6%		
	3 years later	74.5%	77.0%	74.3%	71.7%	67.8%			
	4 years later	74.4%	76.8%	73.8%	71.7%				
	5 years later	74.0%	76.6%	73.6%					
	6 years later	74.0%	76.2%						
	7 years later	73.7%							
Paid to Ultimate Loss Ratio[2]	In the year	49.5%	51.1%	50.1%	49.4%	51.2%	50.7%	50.3%	47.6%
	1 year later	74.6%	76.0%	75.7%	73.0%	76.1%	74.3%	72.8%	
	2 years later	81.7%	83.4%	82.8%	80.1%	82.8%	81.2%		
	3 years later	86.0%	87.8%	87.3%	84.7%	87.0%			
	4 years later	89.2%	91.1%	90.5%	88.0%				
	5 years later	91.6%	93.3%	92.5%					
	6 years later	93.0%	94.3%						
	7 years later	94.0%							

KEY TAKEAWAYS

- EMEA saw reserve releases during 2015 in line with prior years
- 2015 AY pick and paid to ultimate ratios reflect UK storm losses

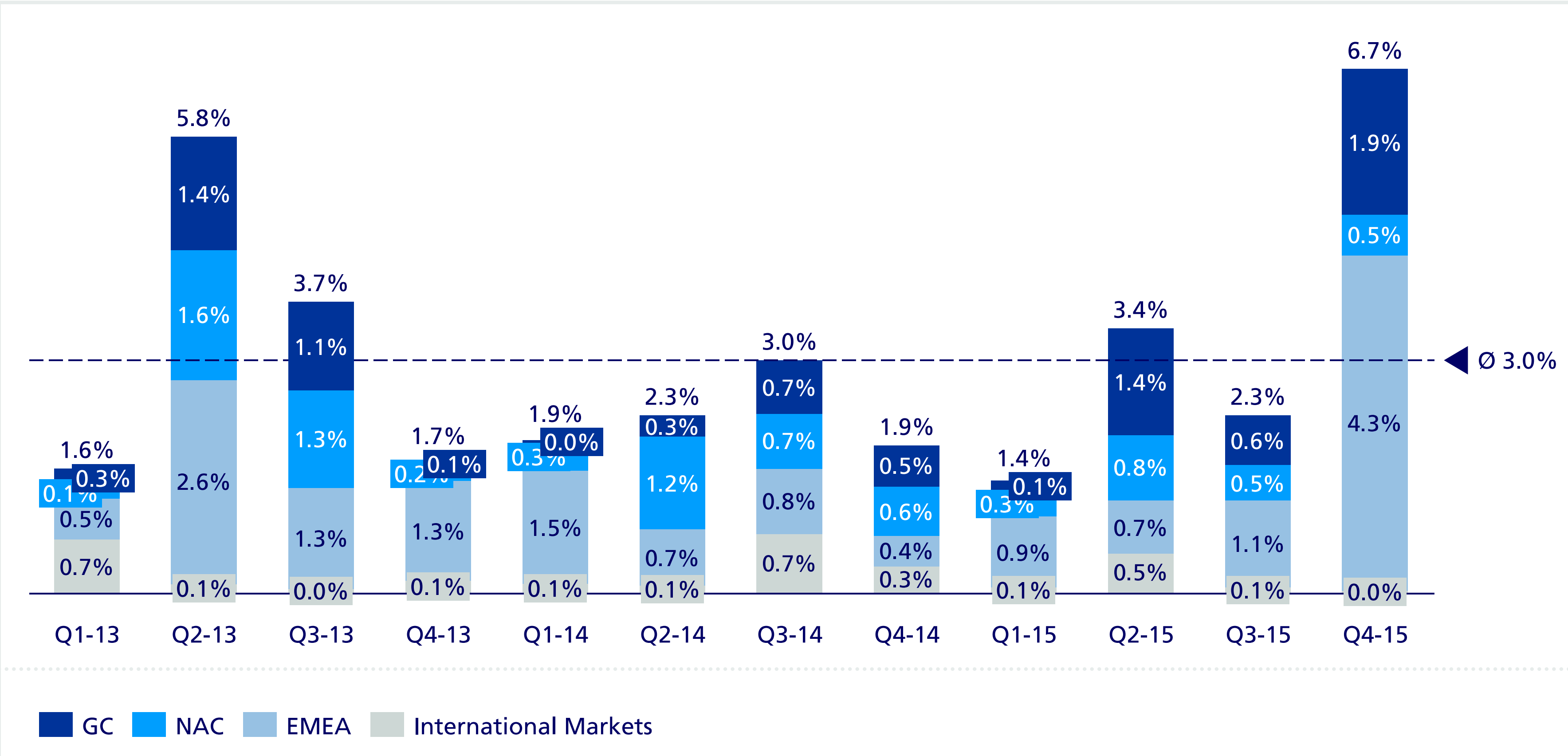
1 In % of net earned premiums in the respective accident year.

2 Ratio of paid to ultimate losses shows cumulative losses paid out for a given accident year, divided by the ultimate losses for that accident year, expressed as a percentage. Approximations made for cumulative FX movements over time to improve comparability.

GI – Catastrophes split by region

Last three years have been below our plan assumption

CATASTROPHES (% OF NET EARNED PREMIUM)[1]

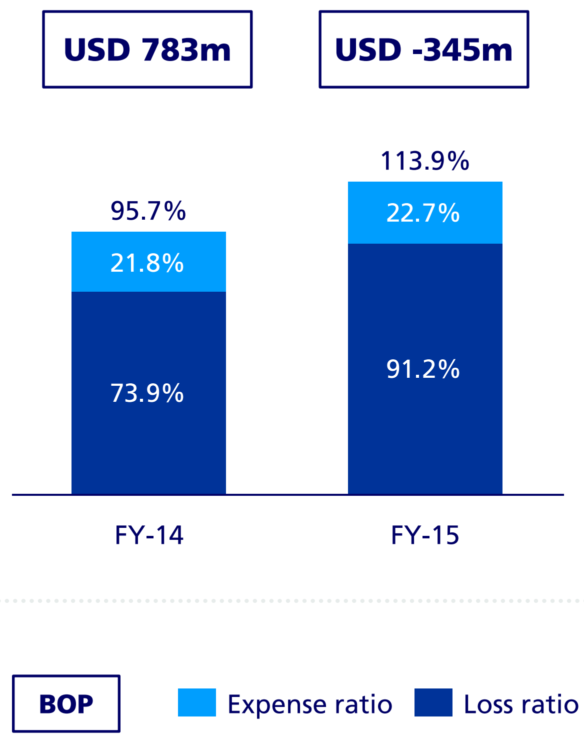


[1] Catastrophes include major and mid-sized catastrophes, including significant weather related events. Q3-15 excludes Tianjin loss.

GI Global Corporate – KPIs

Clear set of actions identified to address performance issues

FY-15 KEY FINANCIALS[1]



GWP Growth[2]	Zurich rate change[3]	Combined Ratio
0%	0%	114%

KEY DRIVERS

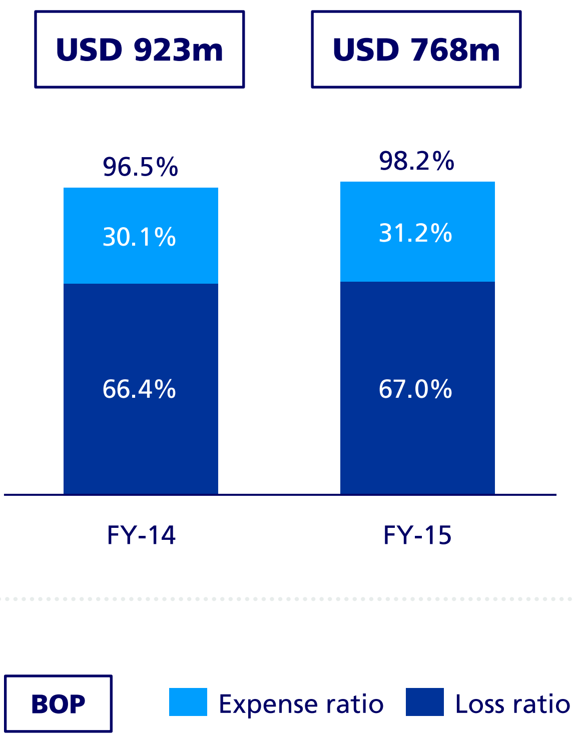
- Flat growth reflecting continued market pressure, and underwriting actions triggered to improve profitability
- Flat rate increase, with main pressure in property lines and across all lines in APAC
- CR impacted by the Tianjin loss, higher large losses and Auto / General Liability in North America

1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015.
2 In local currency.
3 GWP development due to premium rate change as a percentage of the renewed portfolio against the comparable prior year period.

GI North America Commercial – KPIs

Continued growth, uptick in combined ratio

FY-15 KEY FINANCIALS



GWP Growth[1]	Zurich rate change[2]	Combined Ratio
7%	1%	98%

KEY DRIVERS

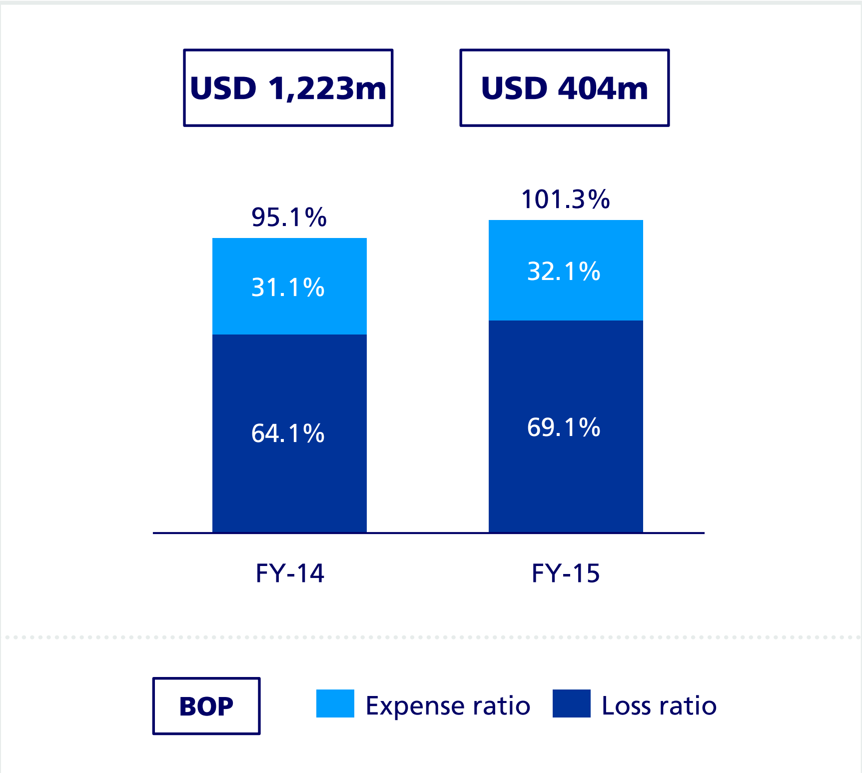
- Modest growth with continued execution of strategic growth initiatives (incl. captives) and increase in retentions
- Market pressure on rates, especially in property lines and workers' comp
- Combined ratio increased mainly due to a higher attritional loss ratio and slightly higher commissions, partly offset by lower catastrophes

1 In local currency.
2 GWP development due to premium rate change as a percentage of the renewed portfolio against the comparable prior year period.

GI EMEA – KPIs

Combined ratio impacted by floods and large losses in the UK

FY-15 KEY FINANCIALS[1]



GWP Growth[2]	Zurich rate change[3]	Combined Ratio
-1%	2%	101%

KEY DRIVERS

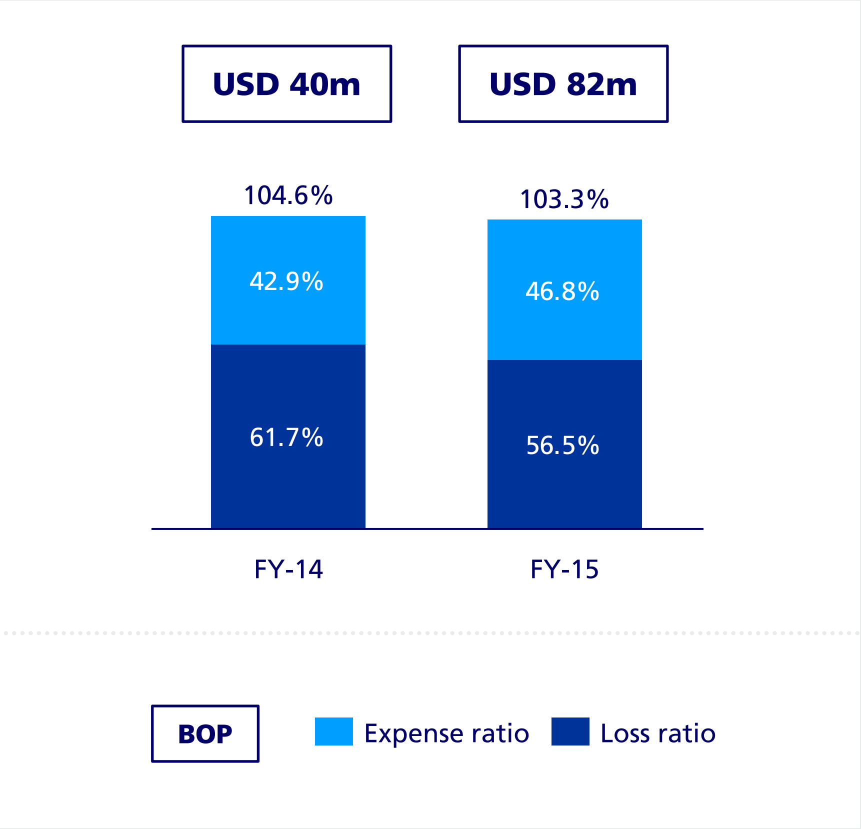
- 1% growth excluding Russia Retail[4] and some other one-offs, expansion in Switzerland and Spain, offset by declines in UK and Italy
- Continued low single digit rate increases in most markets
- Higher CR mainly due to UK floods, large losses in UK and DE, and increased expense ratio partly due to one-offs in both years

1 2014 restated for the transfer of certain General Insurance business to Non-Core Business (NCB) in 2015.
2 In local currency.
3 GWP development due to premium rate change as a percentage of the renewed portfolio against the comparable prior year period.
4 Zurich's Russia Retail business was sold in Q4-14.

GI International Markets – KPIs

Lower AY loss ratio offset by turnaround actions

FY-15 KEY FINANCIALS



GWP Growth[1]	Zurich rate change[2]	Combined Ratio
9%	5%	103%

KEY DRIVERS

- Growth mainly driven by the new extended warranty distribution agreement in Brazil
- Higher rate increases due to actions to improve profitability in Latin America
- Increase in expenses is driven by the turnaround actions and the amortization of the upfront payment for the new distribution agreement in Brazil; some improvement in the AY LR, but still more required

1 In local currency.
2 GWP development due to premium rate change as a percentage of the renewed portfolio against the comparable prior year period.

GI – Rate change monitor

Increased pricing pressure in most regions

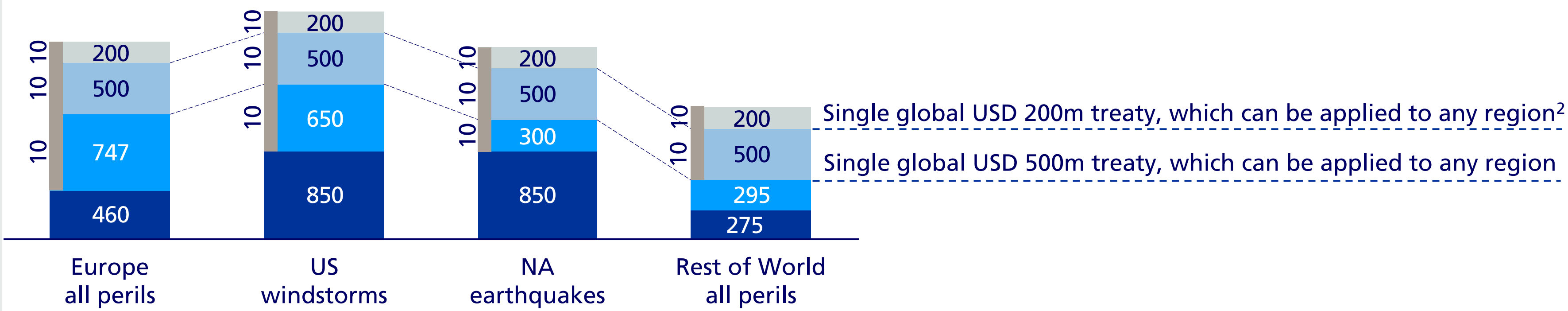
Q4-15 ZURICH RATE CHANGE ASSESSMENT

Business	Assessment
Group	Moderate rate increases at prior year levels with market pressure, particularly in US property lines.
Global Corporate	Higher rates in the US and in international markets despite competitive market conditions. Lower rates in EMEA but first signs of corrective actions becoming apparent.
North America Commercial	Continued small positive rate increases, although market conditions are challenging in property, liability and workers' compensation lines.
EMEA	Fairly stable rate increases, slightly above our expectations and with different local market dynamics.
UK	Rate increases in all lines although lower than prior year.
Germany	Rate increases in our main lines, overall broadly in line with expectations.
Switzerland	Solid rate increases, ahead of prior year, mainly in commercial motor.
Italy	Flat rates, higher than prior year, with pressure on motor.
Spain	Solid rate increases, ahead of prior year, mainly in motor.
International Markets	Increases in APAC, particularly in Australia, but below prior year levels. Strong rate increases in Latin America are consistent with prior quarter.

GI – Natural catastrophe reinsurance

Program further benefitted from lower reinsurance prices

NATURAL CATASTROPHE REINSURANCE TREATIES[1] (USDm)



Combined global cat treaty[2] | Global cat treaty | Regional cat treaties | Retention | % of co-participation

GLOBAL AGGREGATE CAT TREATY

All cat losses exceeding USD 25m | Global aggregate cat treaty | Combined global cat treaty[2] | % of co-participation

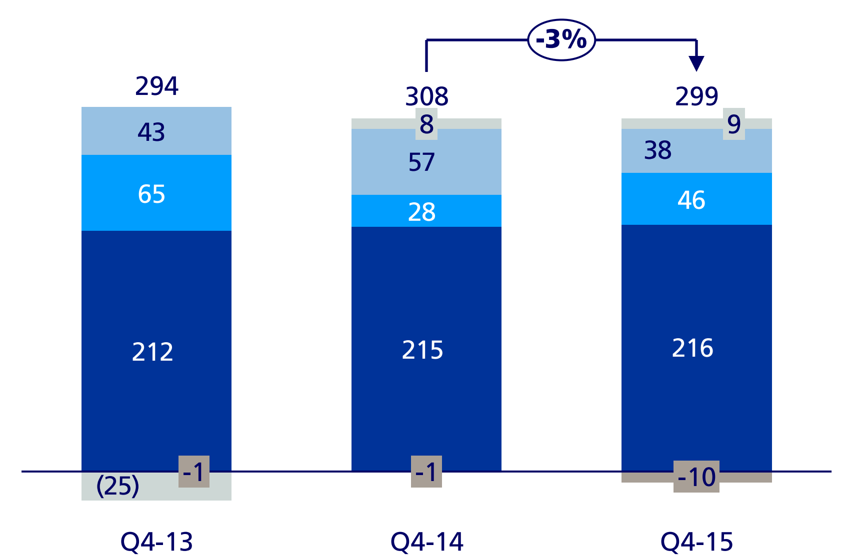
[1] US Cat Treaty and Global Aggregate Cat Treaty renewed on January 1, 2016; Europe Cat Treaty and Global Cat Treaty renewed on April 1, 2015 (calculated with EUR/USD exchange rate as of January 31, 2016); and International Cat Treaty renewed on July 1, 2015.

[2] This USD 200m cover is the same combined global occurrence / aggregate treaty presiding over the global catastrophe treaty. This cover can be used only once, either for aggregated losses or for an individual event.

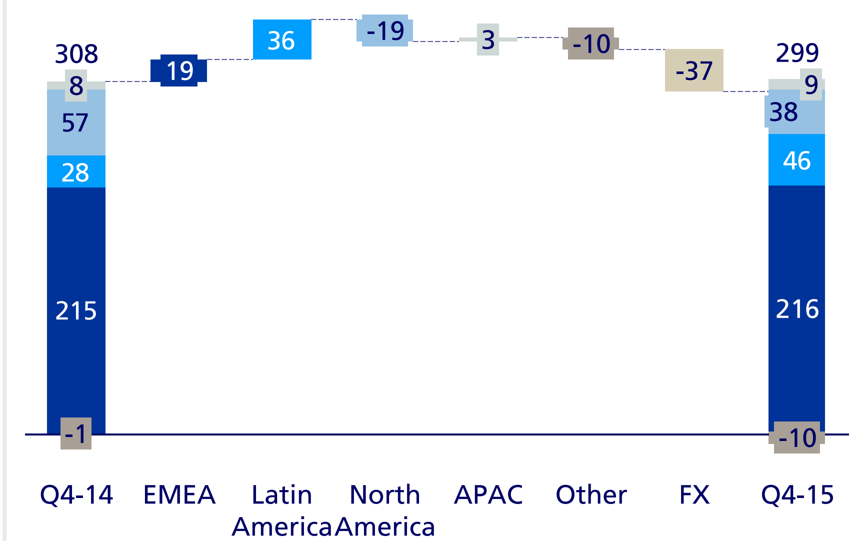
GL – Q4 BOP by region

Strong local currency growth in EMEA and Latin America

BOP BY REGION (USDm)



KEY DRIVERS (USDm)

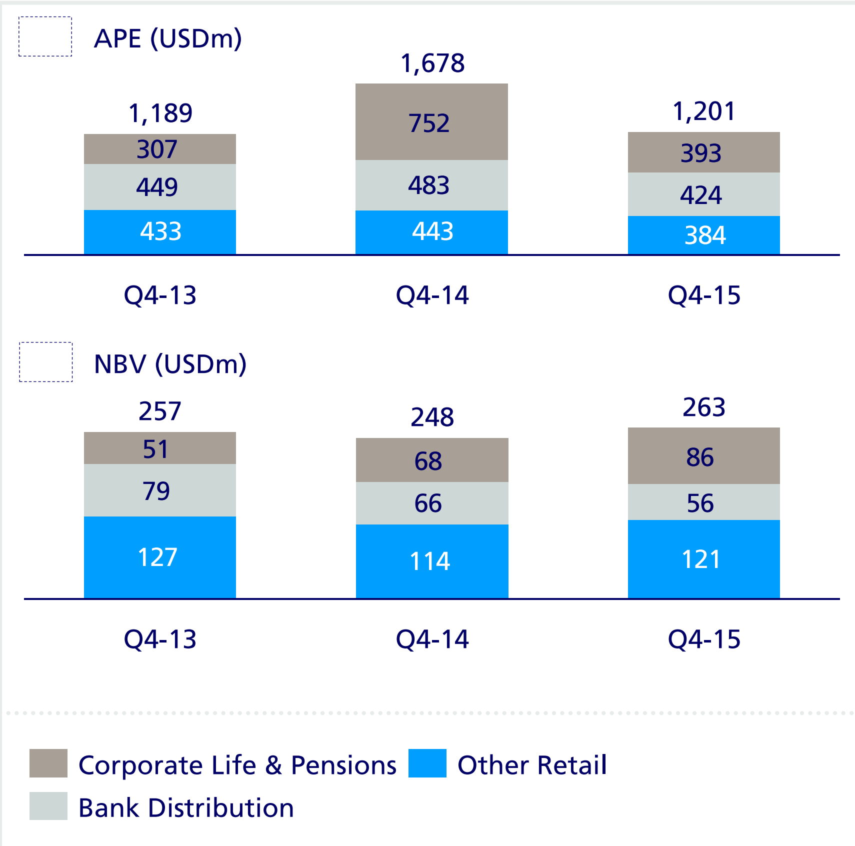


Other APAC North America Latin America EMEA

GL – New business by pillar

Higher NBV benefitting from favorable CLP and Retail mix

Q4-15 KEY FINANCIALS[1,2]



NBM	PVNBP	CLP single premium
24.9%	USD 13.3bn	USD 1.2bn

KEY DRIVERS

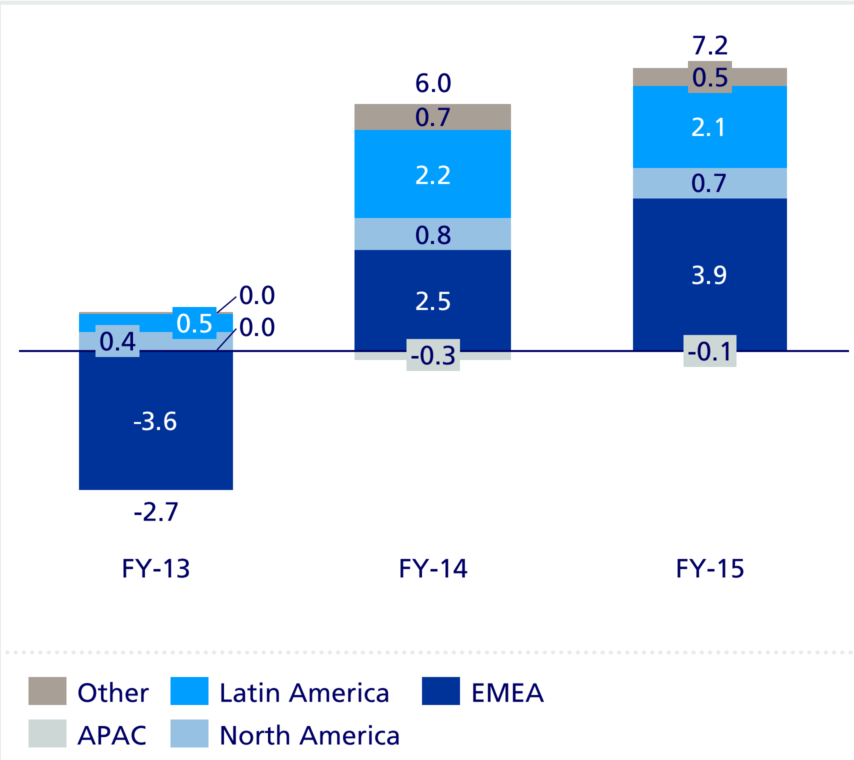
- CLP protection and pensions NBV increased mainly from higher volumes in Switzerland and business mix with higher margins in Ireland and the UK.
- Bank NBV negatively impacted by FX effects, most notably from the devaluation of the Brazilian Real, lower margins from business mix in Spain and lower volumes in Zurich international Life, partially offset by new generation of product in Germany.
- Other retail NBV increased particularly in individual protection business mainly from higher volumes with higher margins in Japan partially offset by the UK and Australia.

1 APE is reported before non-controlling interests. NBM and NBV are reported net of non-controlling interests.
2 2013 and 2014 NBV figures have been restated to reflect a change in the MCEV CRNHR methodology.

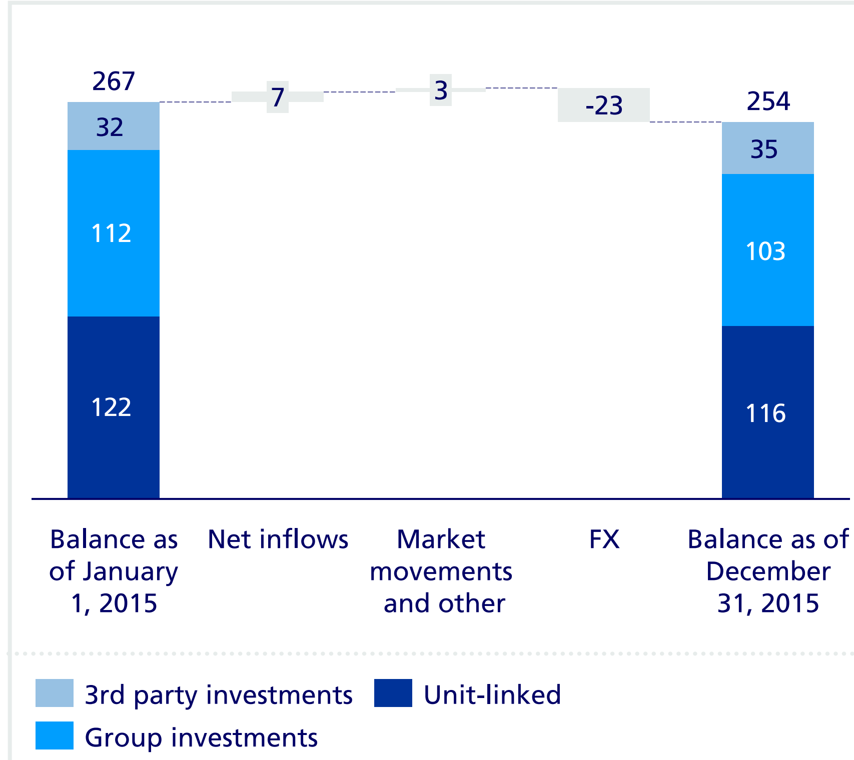
GL – Net inflows & Assets under management

Higher net inflows and asset growth offset by currency impacts

NET INFLOWS BY REGION (USDbn)[1,2,3]



AUM DEVELOPMENT (USDbn)[3]

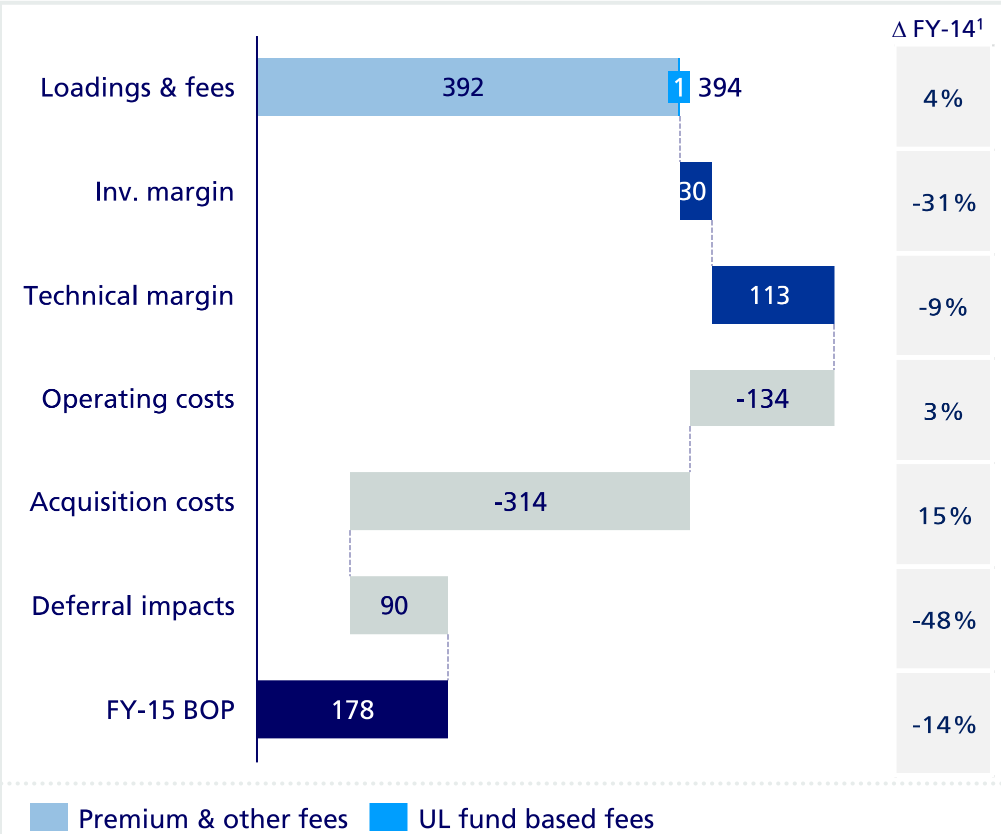


1 In 2013 net policyholders flows did not include inflows for certain short-duration contracts.
2 2013 and 2014 restated to reflect the change in regional structure from Europe/APME to EMEA/APAC.
3 2014 Net inflows and AuM have been adjusted to reflect the full consolidation of a recently re-launched fund management business.

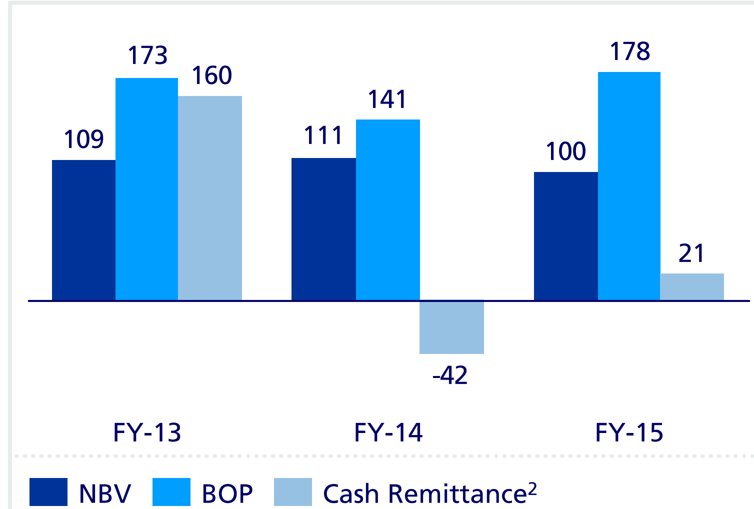
GL North America – Key financials

Slight deterioration in BOP, adjusted for distorting impacts

BOP BY SOURCE OF EARNINGS (USDm)



KEY FINANCIALS & KPI (USDm)



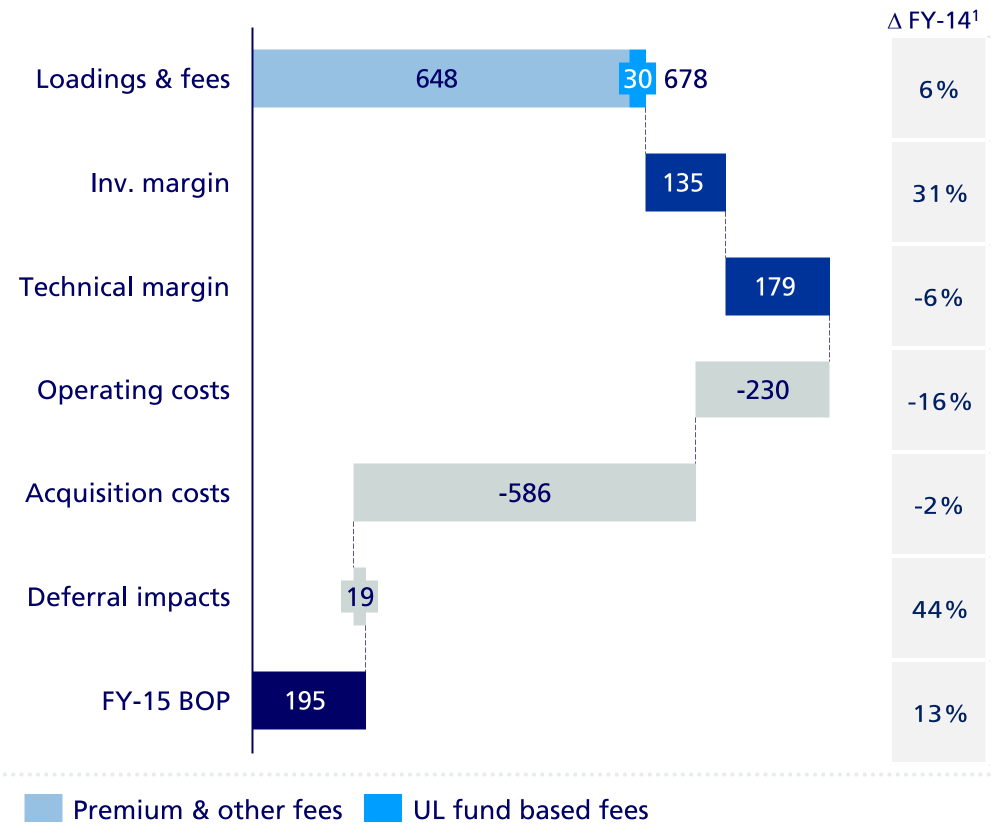
KPI	FY-14[1]	FY-15[1]	As a % of
UL fund based fees	0.1%	0.1%	Average UL AuM
Other loadings	26%	28%	GWP & Deposits
Investment margin	0.8%	0.5%	Average NL reserves
Operating costs	2.1%	2.0%	Average reserves
Acquisition costs	178%	176%	APE

1 Adjusted for distorting impacts – refer to Global Life Source of earnings briefing document for details; FY-14 deltas at constant FX.
2 Cash remittance received centrally.

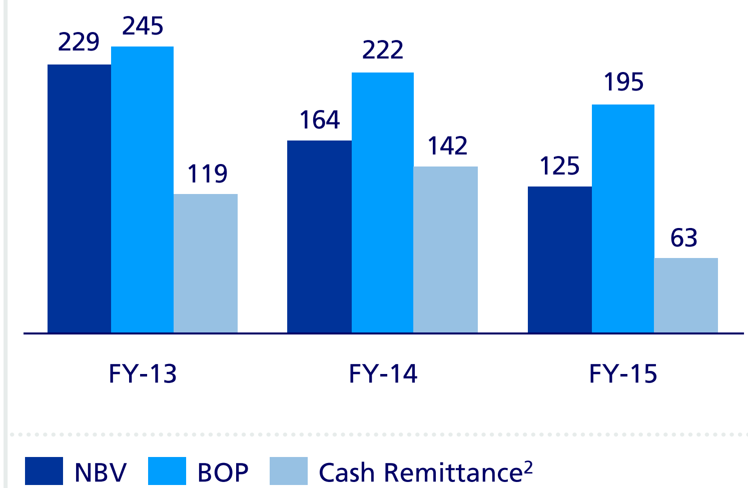
GL Latin America – Key financials

Local currency BOP growth

BOP BY SOURCE OF EARNINGS (USDm)



KEY FINANCIALS & KPI (USDm)



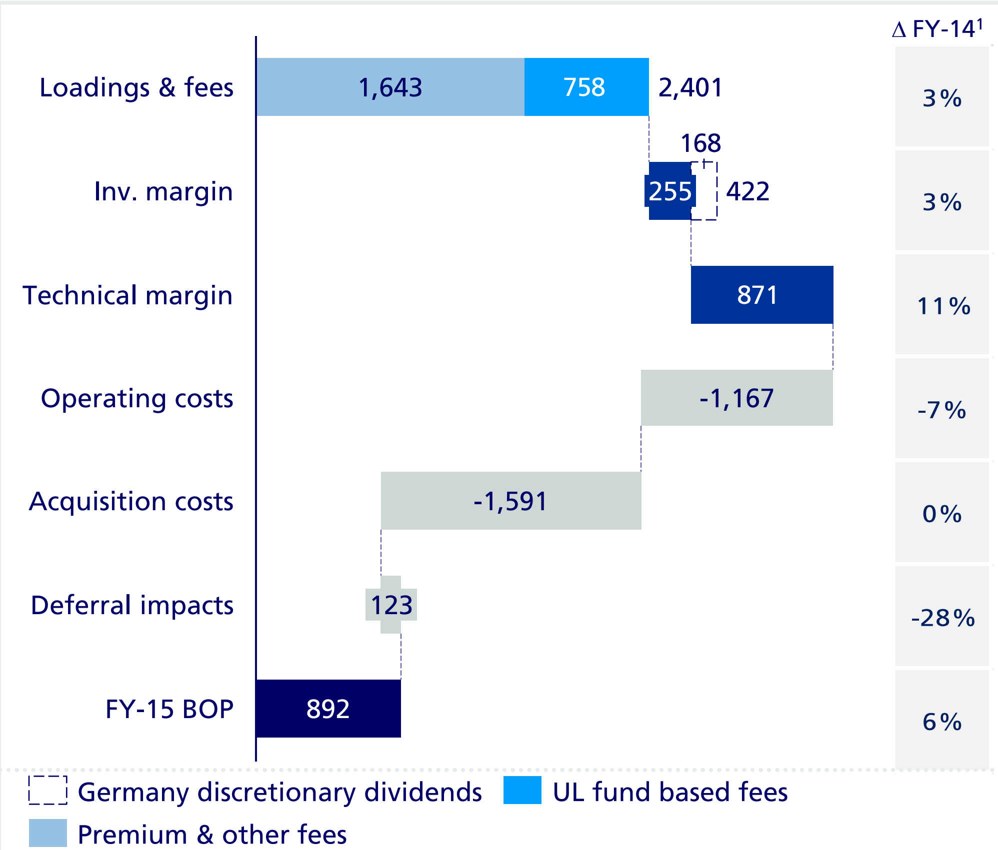
KPI	FY-14[1]	FY-15[1]	As a % of
UL fund based fees	0.6%	0.6%	Average UL AuM
Other loadings	27%	28%	GWP & Deposits
Investment margin	3.2%	3.8%	Average NL reserves
Operating costs	2.7%	2.7%	Average reserves
Acquisition costs	102%	98%	APE

1 Adjusted for distorting impacts – refer to Global Life Source of earnings briefing document for details; FY-14 deltas at constant FX.
2 Cash remittance received centrally including FY data.

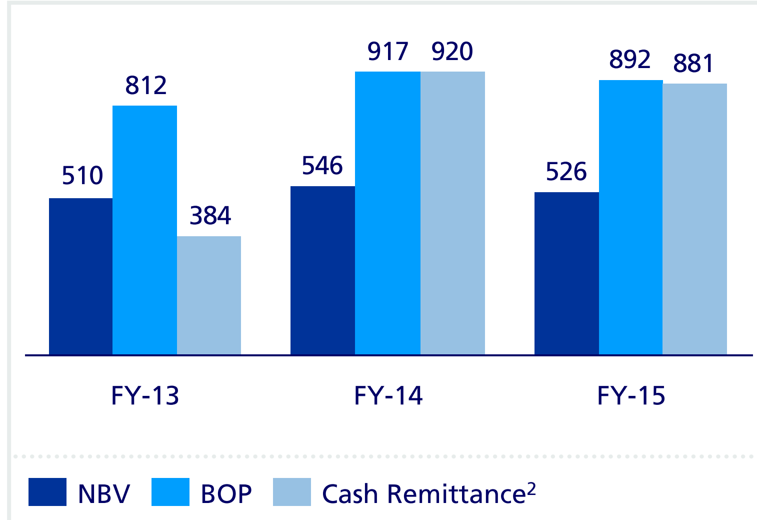
GL EMEA – Key financials

Growth in Loadings & fees and Technical margin

BOP BY SOURCE OF EARNINGS (USDm)



KEY FINANCIALS & KPI (USDm)



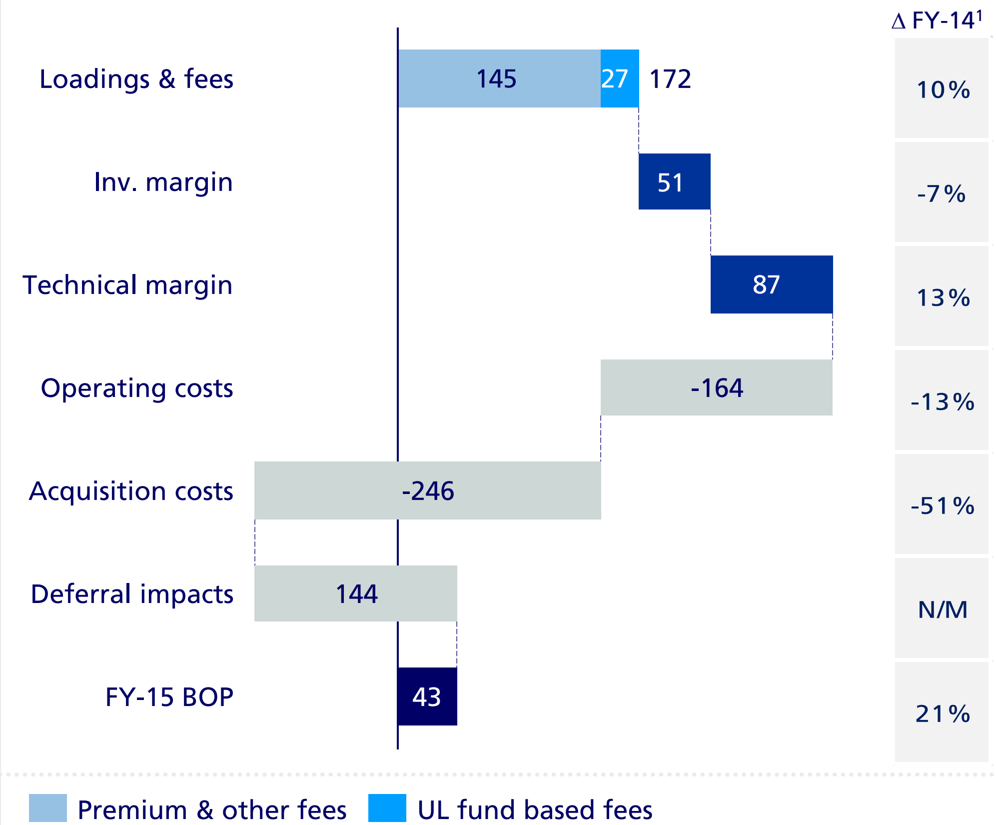
KPI	FY-14[1]	FY-15[1]	As a % of
UL fund based fees	0.7%	0.6%	Average UL AuM
Other loadings	8%	8%	GWP & Deposits
Investment margin[3]	0.6%	0.5%	Average NL reserves
Operating costs	0.6%	0.6%	Average reserves
Acquisition costs	52%	49%	APE

1 Adjusted for distorting impacts – refer to Global Life Source of earnings briefing document for details; FY-14 deltas at constant FX.
2 Cash remittance received centrally.
3 Adjusted for German discretionary dividends.

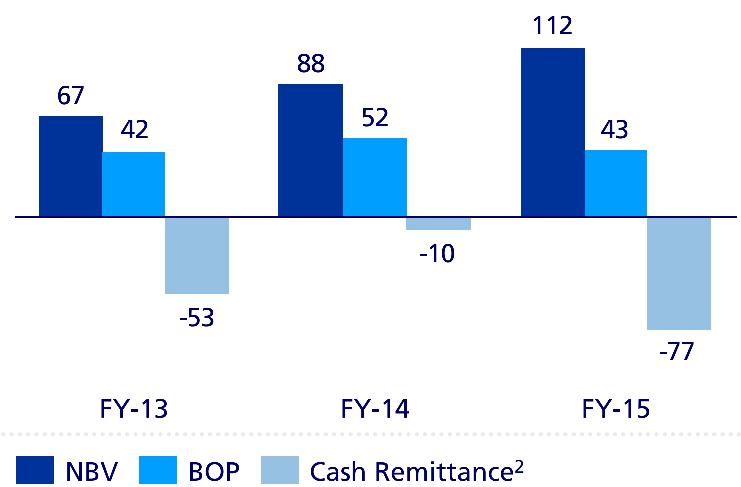
GL APAC – Key financials

Volume driven growth offset by acquisition costs

BOP BY SOURCE OF EARNINGS (USDm)



KEY FINANCIALS & KPI (USDm)



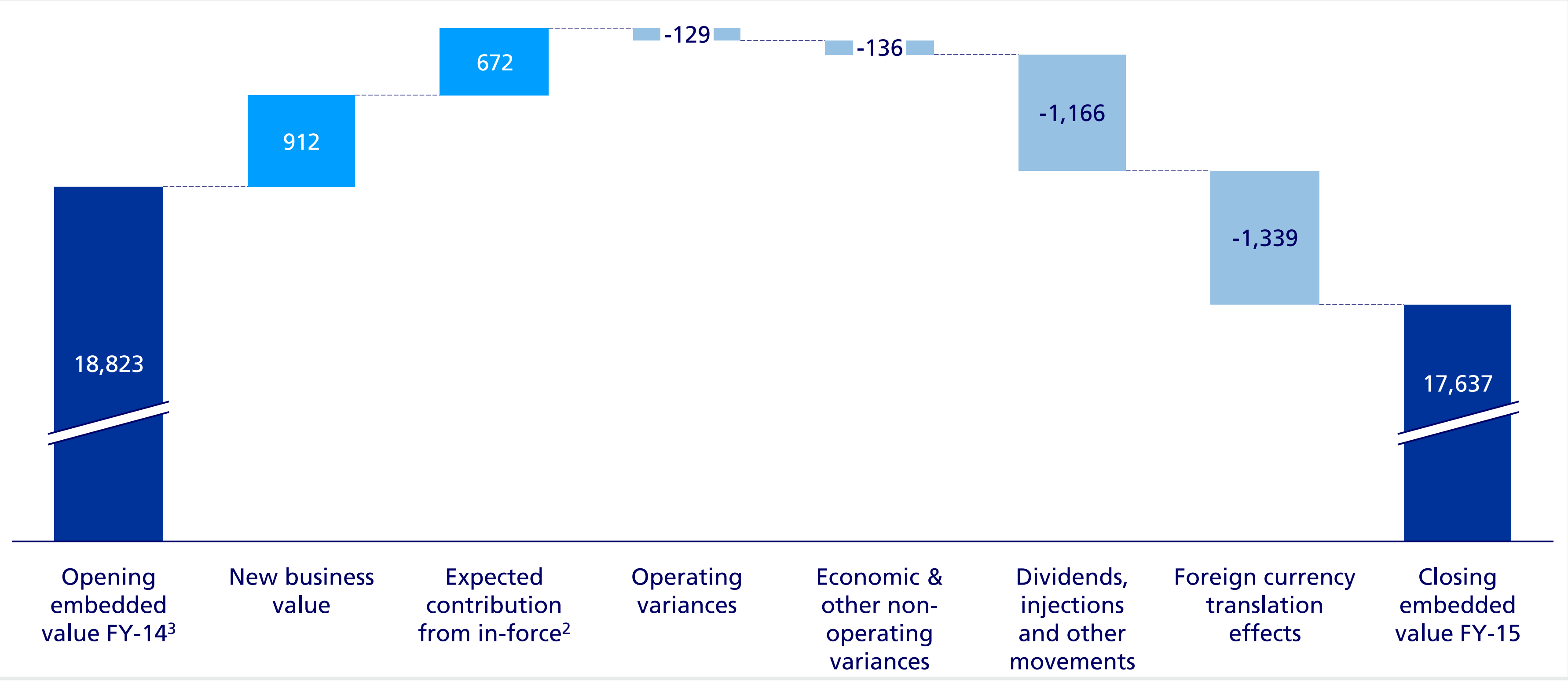
KPI	FY-14[1]	FY-15[1]	As a % of
UL fund based fees	0.9%	0.7%	Average UL AuM
Other loadings	16%	18%	GWP & Deposits
Investment margin	2.1%	1.8%	Average NL reserves
Operating costs	3.3%	3.7%	Average reserves
Acquisition costs	152%	159%	APE

1 Adjusted for distorting impacts – refer to Global Life Source of earnings briefing document for details; FY-14 deltas at constant FX.
2 Cash remittance received centrally.

GL – Embedded value result

Positive new business and profit release offset by FX

EMBEDDED VALUE DEVELOPMENT[1] (USDm)

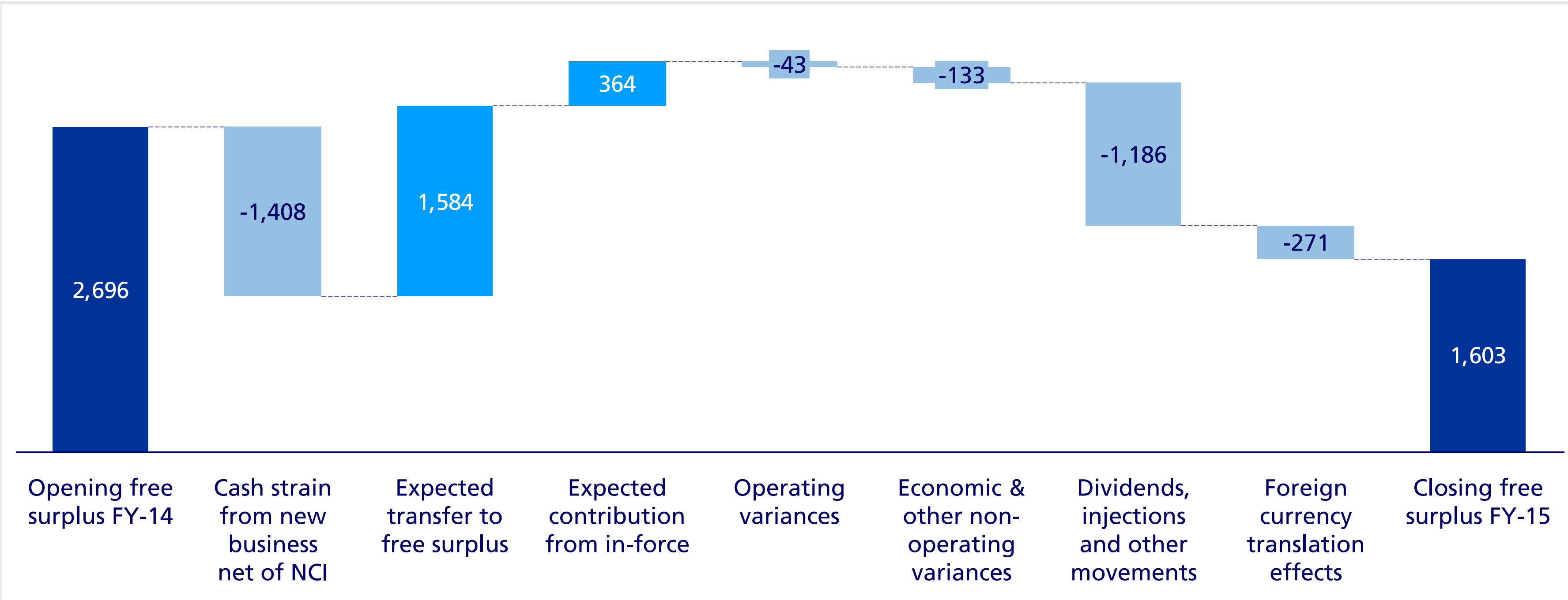


1 All metrics are reported net of non-controlling interests.
2 Operating earnings expected from business in-force and net assets.
3 Opening embedded value has been restated to include the change in the CRNHR methodology, effective January 1, 2015.

GL – MCEV free surplus roll-forward[1]

Overall decrease due to dividends and foreign currency translation

FREE SURPLUS DEVELOPMENT (USDm)

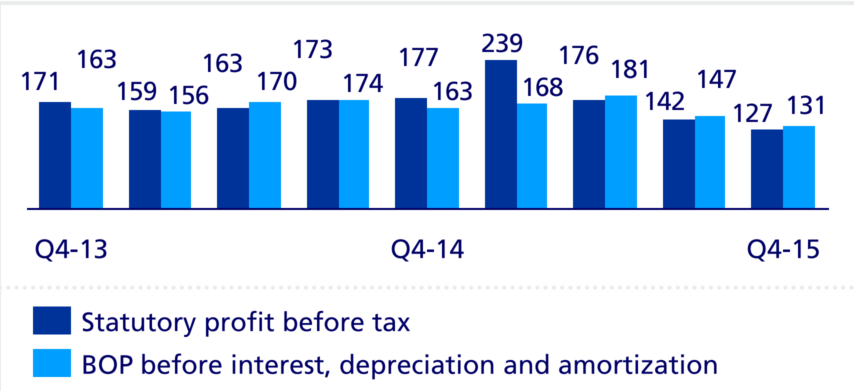


1 The free surplus is the market value of any asset allocated to, but not required to, support the in-force covered business of Global Life at the valuation date. This means that components of the free surplus might be used for example to fund future new business growth or pension deficits. Free surplus is calculated as Shareholders' net assets less the required capital. The required capital is the sum of the minimum amount of solvency capital required to satisfy local regulators and the additional capital that the management of the Company considers appropriate to hold in addition to minimum solvency capital. Some of the assets making up the free surplus are not available for distribution. Examples of constraints are Group internal loans needed for liquidity, intangible assets and policyholder resources allowed under local regulation to cover solvency requirements.

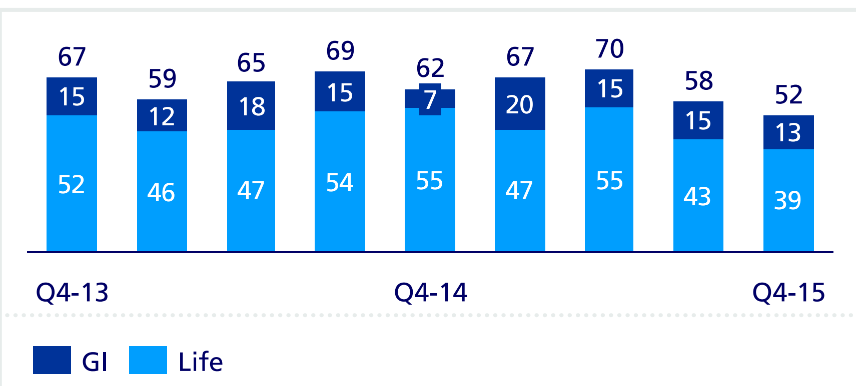
Zurich Santander – Quarterly results

Continued growth offset in USD by adverse FX development

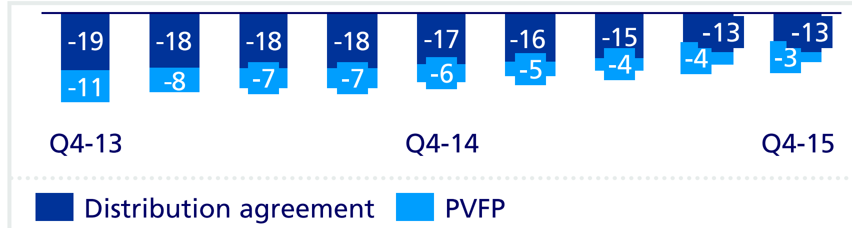
PROFIT BEFORE TAX GI & LIFE (100%)



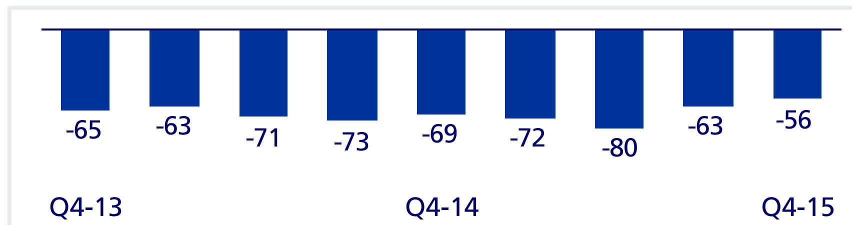
CORE SEGMENT BOP GI & LIFE (51%)



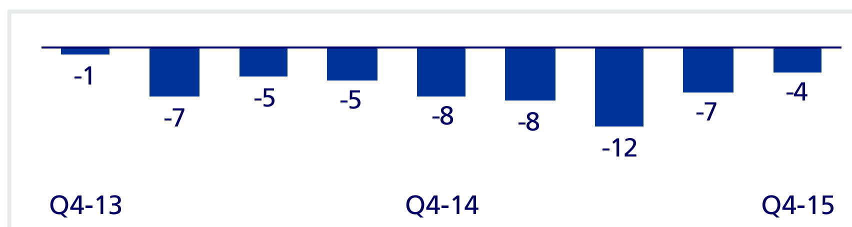
INTANGIBLES AMORTIZATION (100%)



MINORITY ADJUSTMENT (-49%)



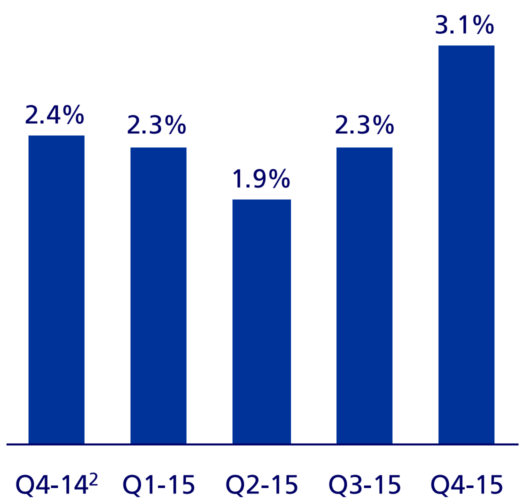
EARN-OUT & PPA ADJUSTMENTS (51%)



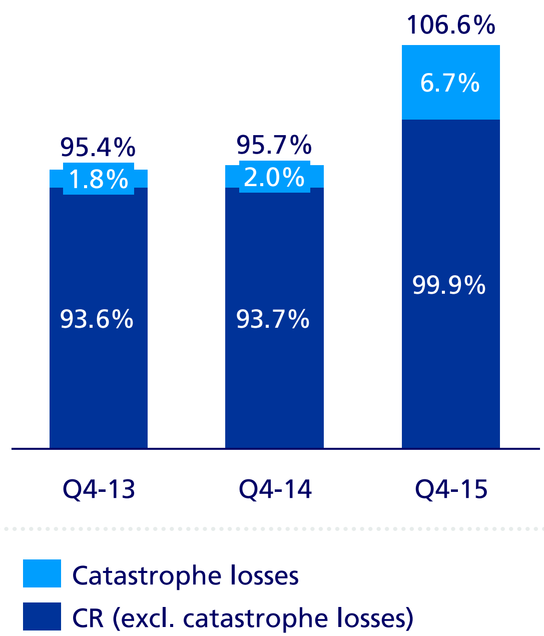
Farmers Exchanges[1] – Q4 KPIs

Continued growth primarily driven by rate increases

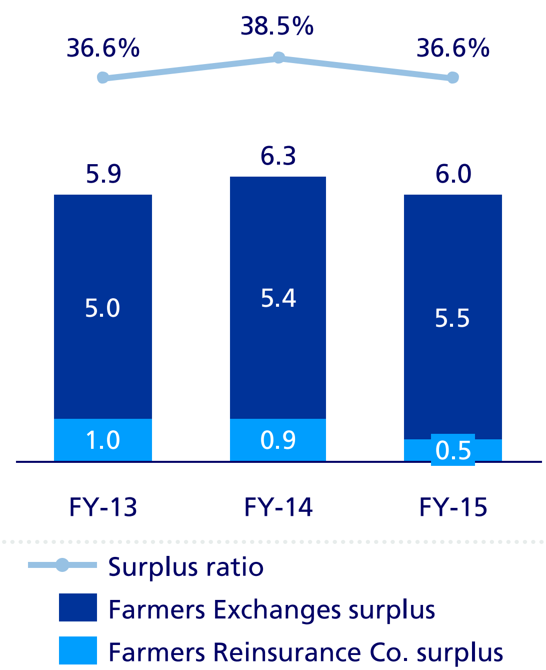
GWP GROWTH (%)[3]



COMBINED RATIO (%)[3]



SURPLUS[4] (USDbn)

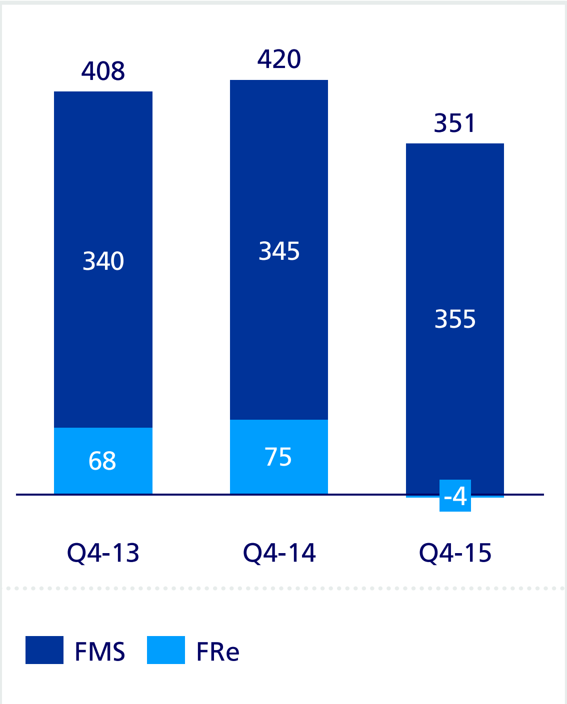


1 Provided for informational purposes only. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.
2 Adjusting for a one-time accounting change growth was 1.9% in Q4-14 and -0.2% in FY-14.
3 Before quota share treaties with Farmers Reinsurance Company, Zurich Insurance Company Ltd and a third party reinsurer.
4 Estimated. Surplus ratio excludes surplus of Farmers Reinsurance Company.

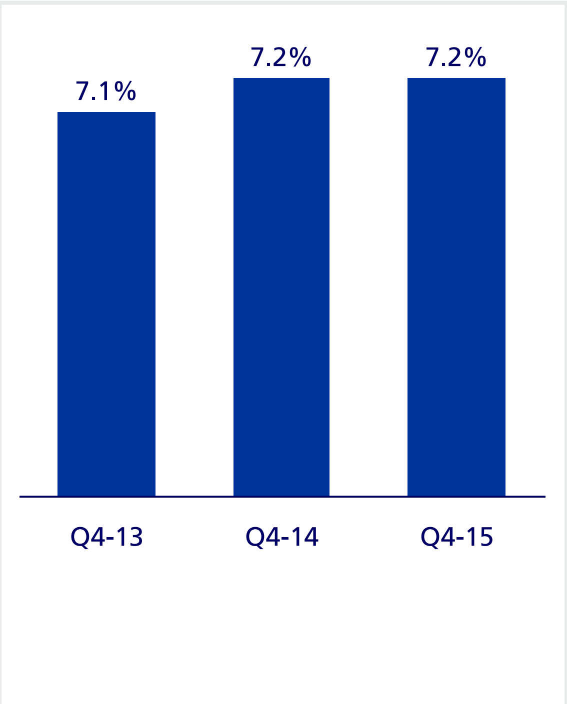
Farmers – Q4 KPIs

Farmers Re CR deterioration driven by cat and underlying losses

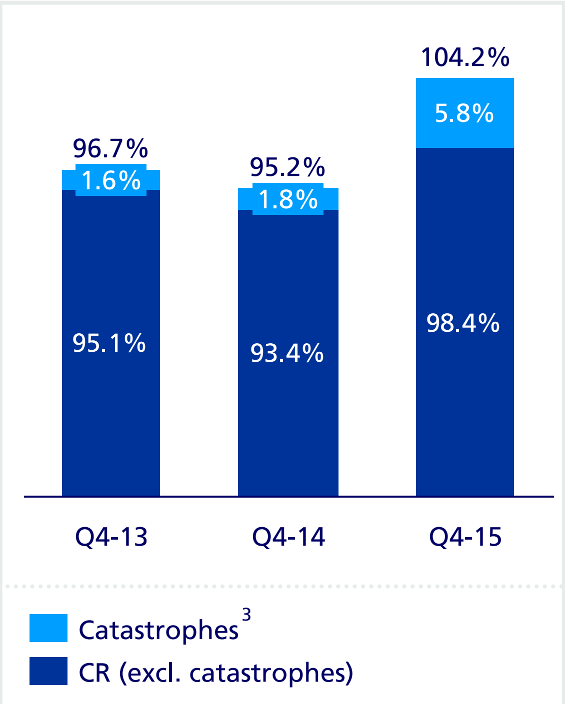
BOP (USDm)



MGEP MARGIN (%)[1]



FARMERS RE CR (%)[2]



1 Margin on gross earned premiums of the Farmers Exchanges. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc. (or Farmers Management Services (FMS)), a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.

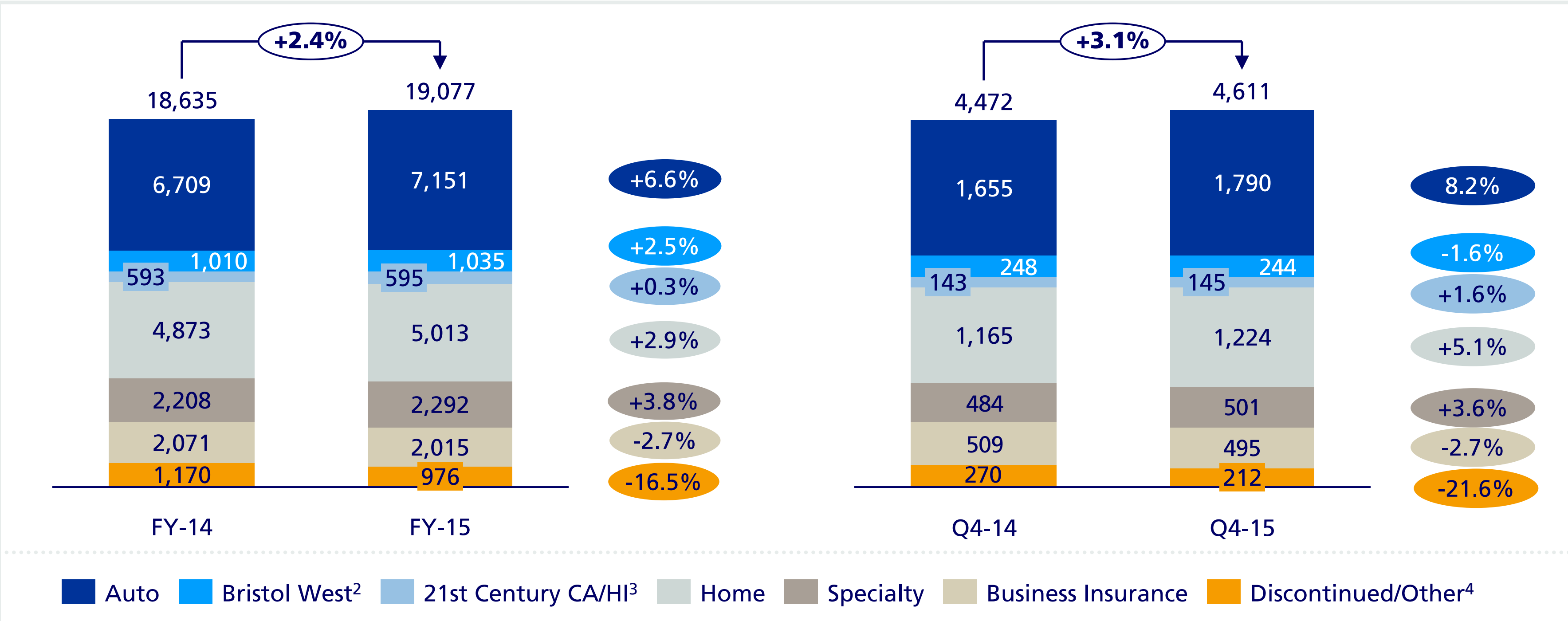
2 Farmers Re (FRe) business includes all reinsurance assumed from the Farmers Exchanges by the Group (i.e. Farmers Reinsurance Company and Zurich Insurance Company Ltd).

3 As defined by the All Lines quota share reinsurance treaty.

Farmers Exchanges[1] – GWP

Growth primarily driven by rate

DEVELOPMENT OF GWP BY BUSINESS LINE (USDm)



1 Provided for informational purposes only. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides administrative and management services to the Farmers Exchanges as its attorney-in-fact and receives fees for its services.

2 Bristol West writes non-standard Auto business. Note that Specialty Auto has been moved to Auto from Bristol West as per Q4-14. Previous year figures have not been restated as the impact is relatively small.

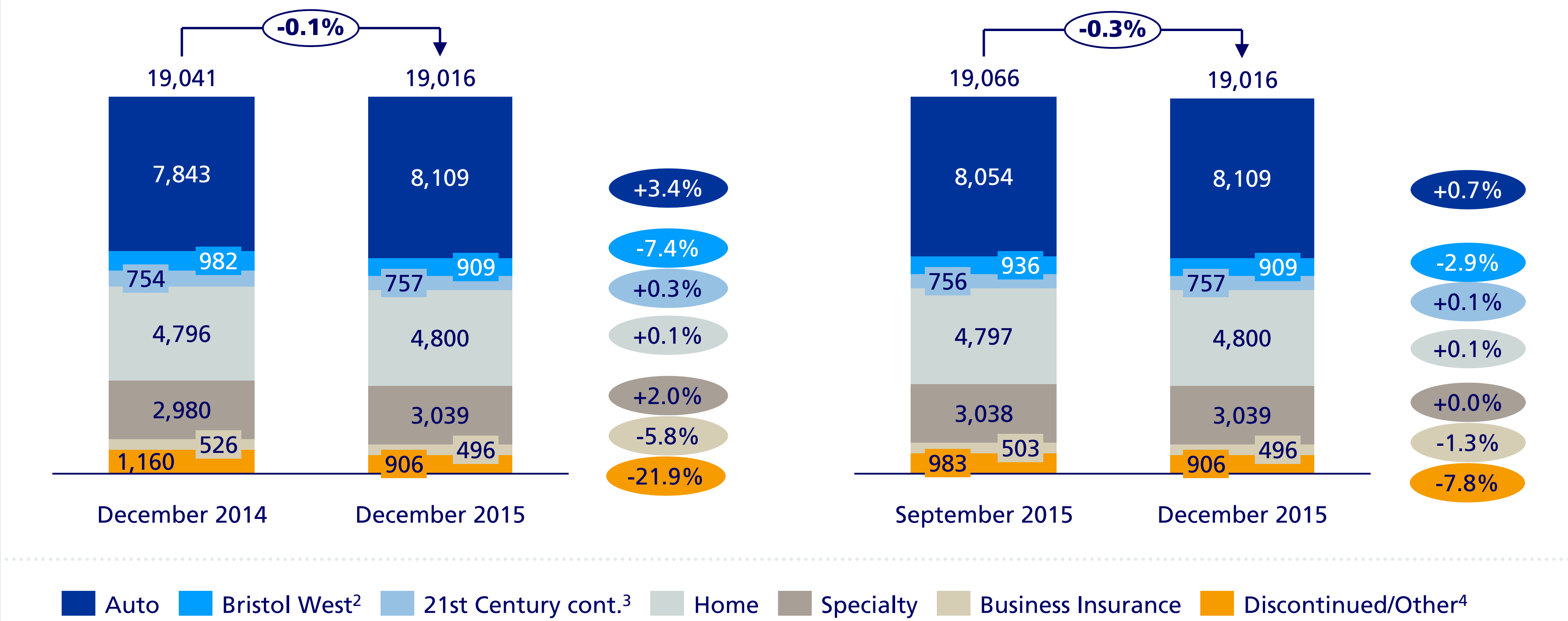
3 21st Century continuing operations in California and Hawaii.

4 Discontinued /Other includes 21st Century excl. CA/HI and other discontinued operations and miscellaneous pools.

Farmers Exchanges – PIF/VIF

VIF growth in Auto business slowing down in Q4-15

DEVELOPMENT OF PIF/VIF[1] BY BUSINESS LINE (THOUSANDS)

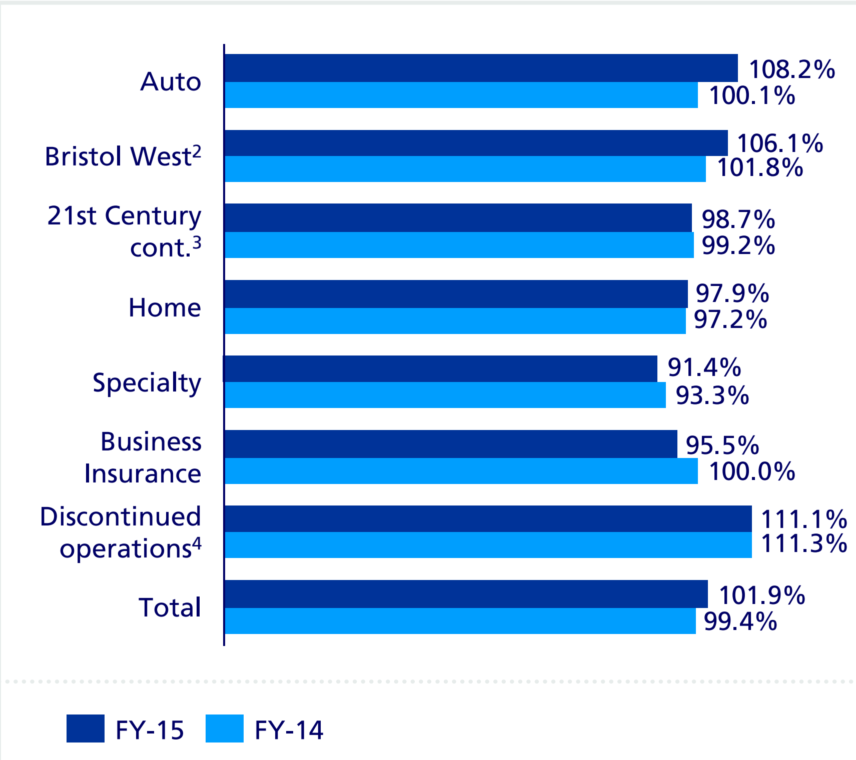


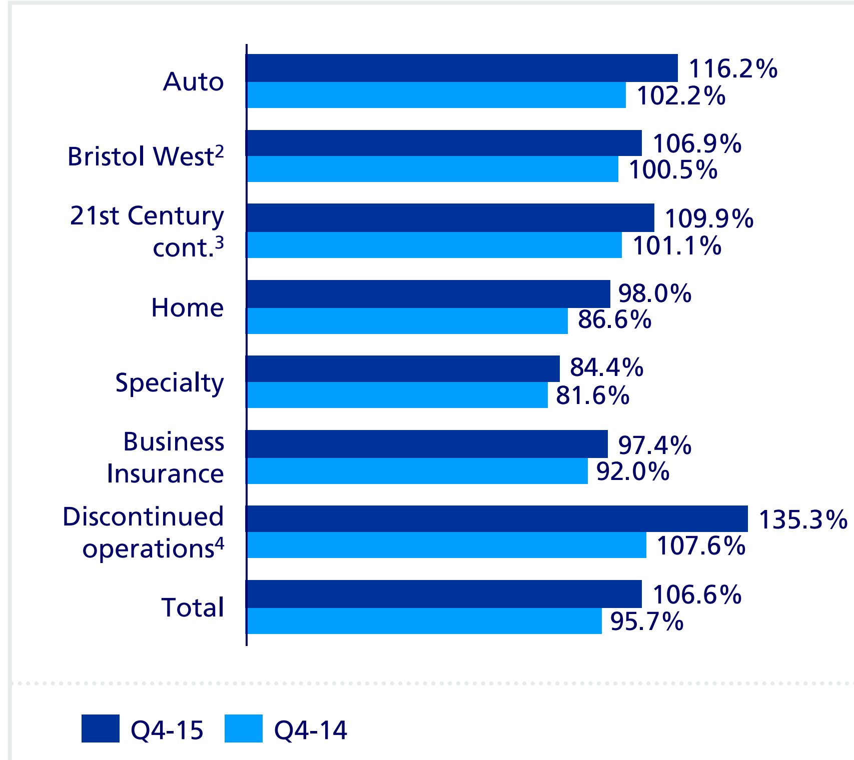
1 Policies-in-force (PIF) or Vehicle-in-force (VIF) for Auto businesses.
2 Bristol West writes non-standard Auto business. Note that Specialty Auto has been moved to Auto from Bristol West as per Q4-14. Previous year figures have not been restated as the impact is relatively small.
3 21st Century continuing operations in California and Hawaii.
4 Discontinued/Other includes 21st Century excl. CA/HI and other discontinued operations and miscellaneous pools.

Farmers Exchanges – Combined ratio

Continued impact of unfavorable claim trends on Auto business

COMBINED RATIO BY BUSINESS LINE (%)[1]



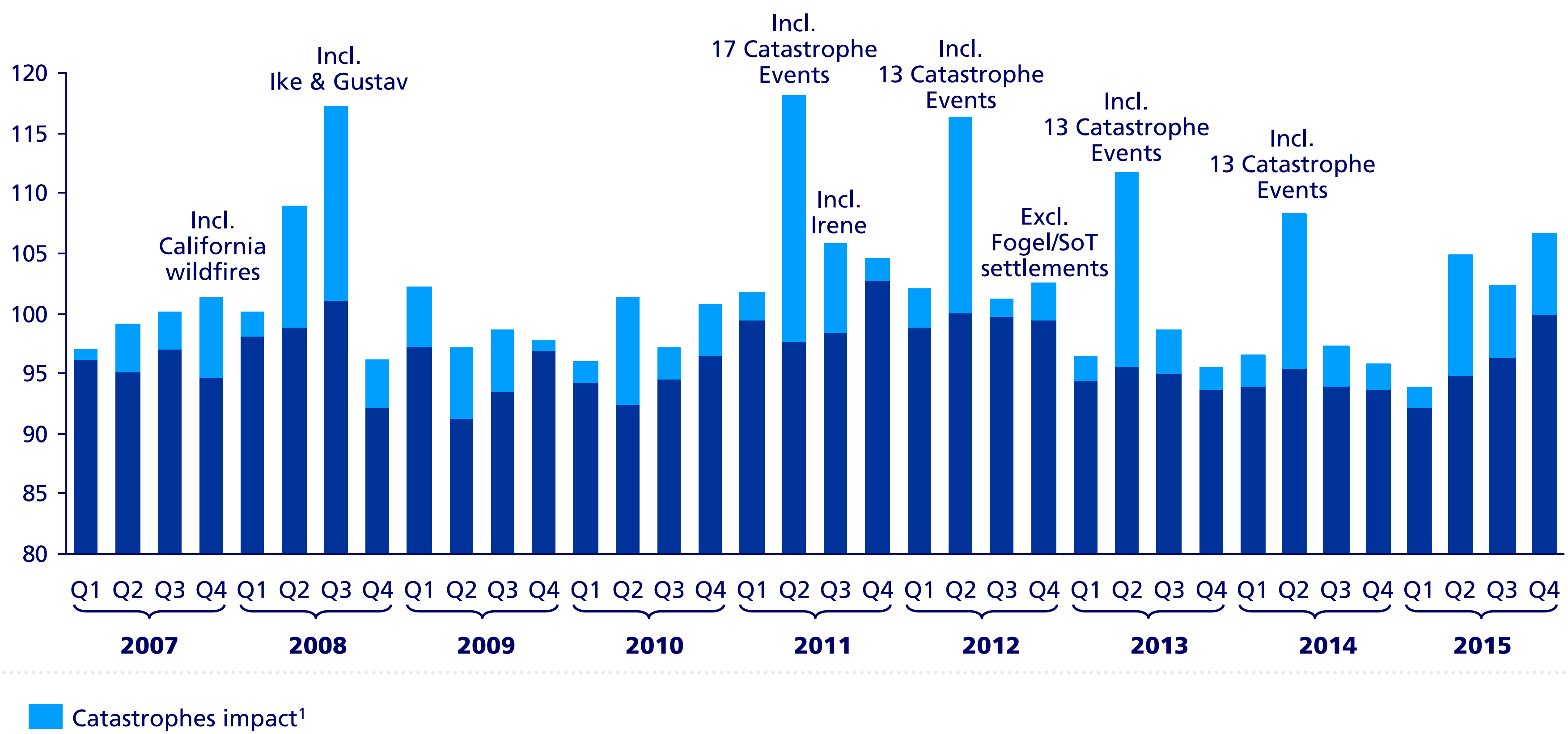


1 Combined ratio is before quota share treaties with Farmers Reinsurance Company, Zurich Insurance Company Ltd and a third party reinsurer.
2 Bristol West writes non-standard Auto business. Note that Specialty Auto has been moved to Auto from Bristol West as per Q4-14. Previous year figures have not been restated as the impact is relatively small.
3 21st Century continuing operations in California and Hawaii.
4 Discontinued/Other includes 21st Century excl. CA/HI and other discontinued operations and miscellaneous pools.

Farmers Exchanges – Combined ratio history

Severe December weather impacting Q4-15

QUARTERLY COMBINED RATIO (%)

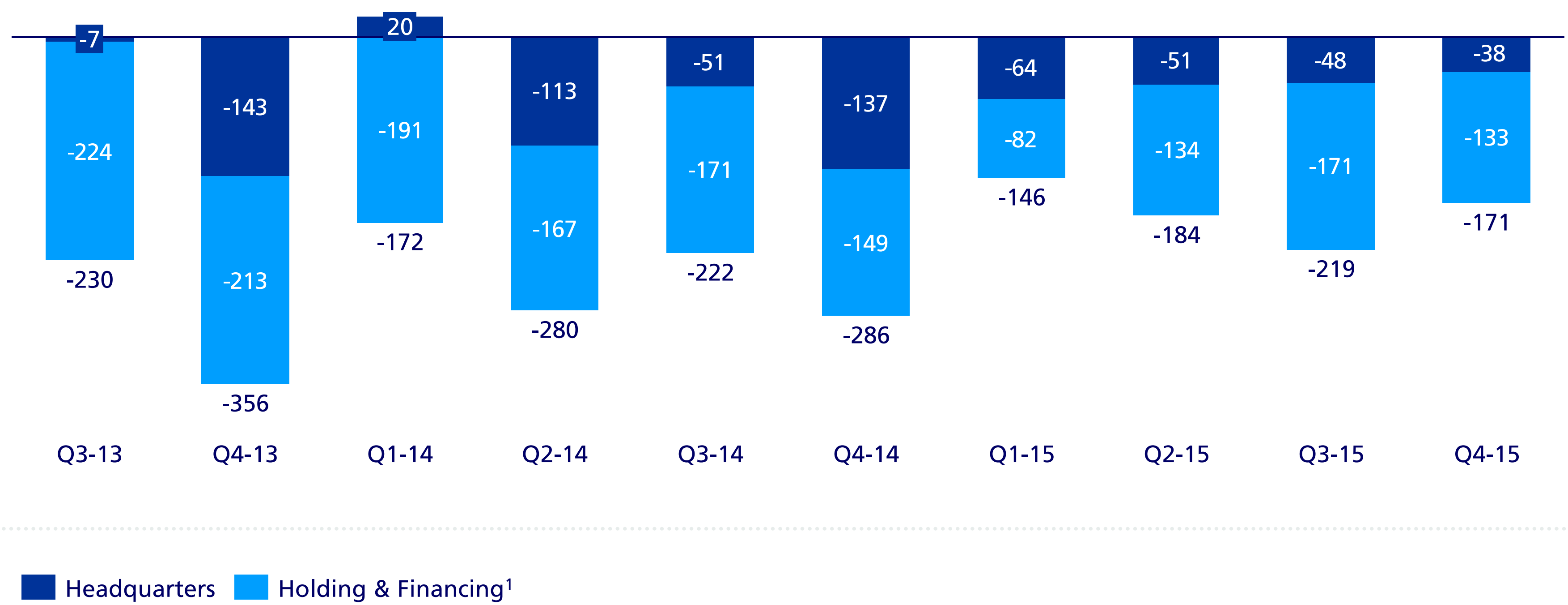


[1] Farmers Exchanges adopted industry standard ISO defined catastrophes as per July 2011.

Other Operating Businesses

Lower than expected Headquarters expenses in Q4-15

QUARTERLY BOP SPLIT (USDm)

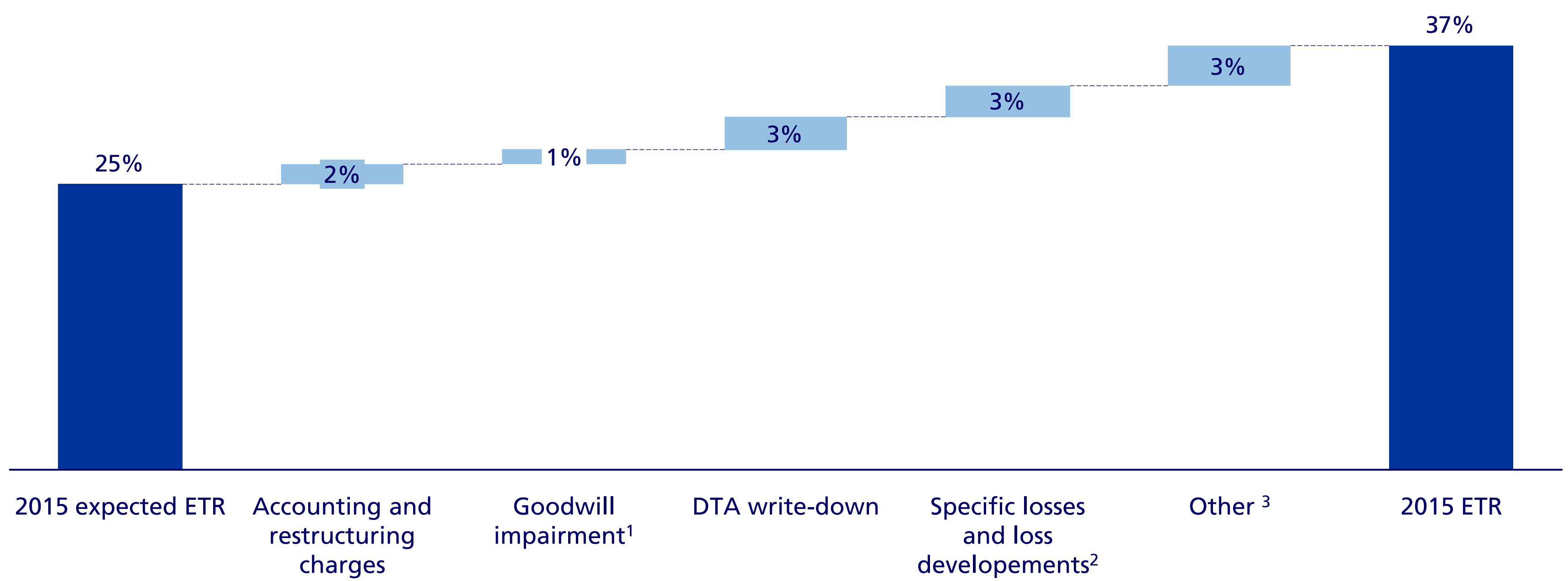


1 Includes Alternative Investments.

Group - Shareholders effective tax rate

Special events drive 2015 effective tax rate to 37%

SHAREHOLDERS EFFECTIVE TAX RATE (ETR) WALK



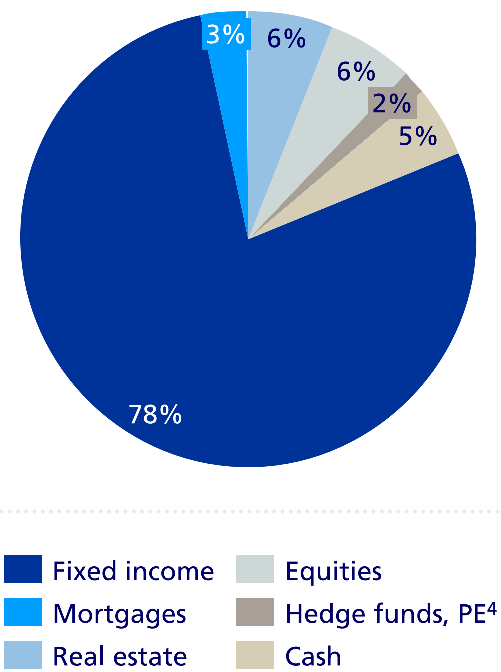
1 German Life goodwill write-down mainly.
2 Includes Tianjin, UK floods and US reserving.
3 Other includes changes in profit mix, impact of tax reforms and other items.

Group Investments – Asset allocation

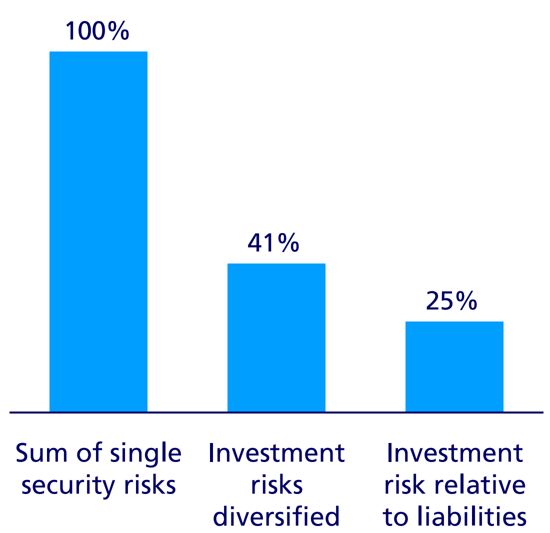
Zurich's sources of investment risk and return are balanced

ASSET ALLOCATION[1]

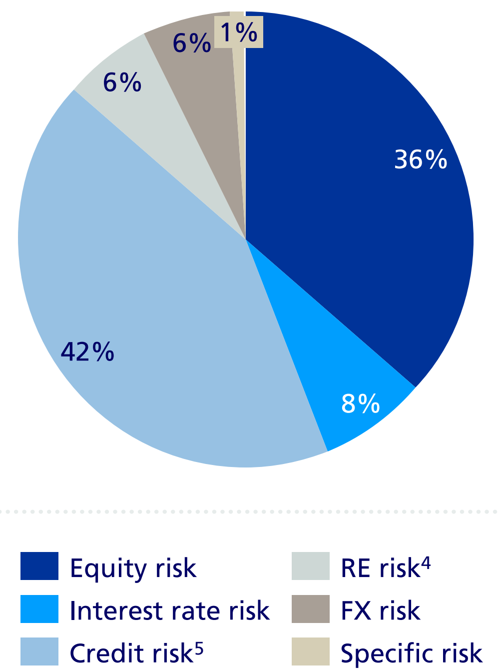
Total Group Investments: USD 191bn



RISK DIVERSIFICATION[2]



RISK DRIVERS[2,3]



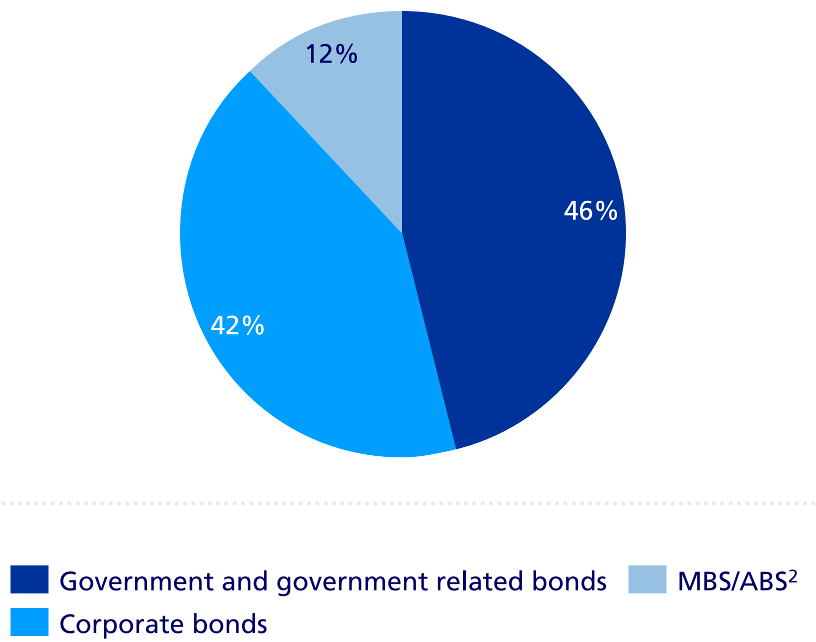
1 Economic view.
2 Estimated.
3 Risk drivers of Market risk (at Expected Shortfall 99% based on Monte Carlo simulation) show marginal contribution to the total Market risk.
4 PE = Private equity, RE = Real estate.
5 Credit risk consists of swap spread risk, credit spread risk and credit default risk.

Group Investments – Debt securities portfolio[1]

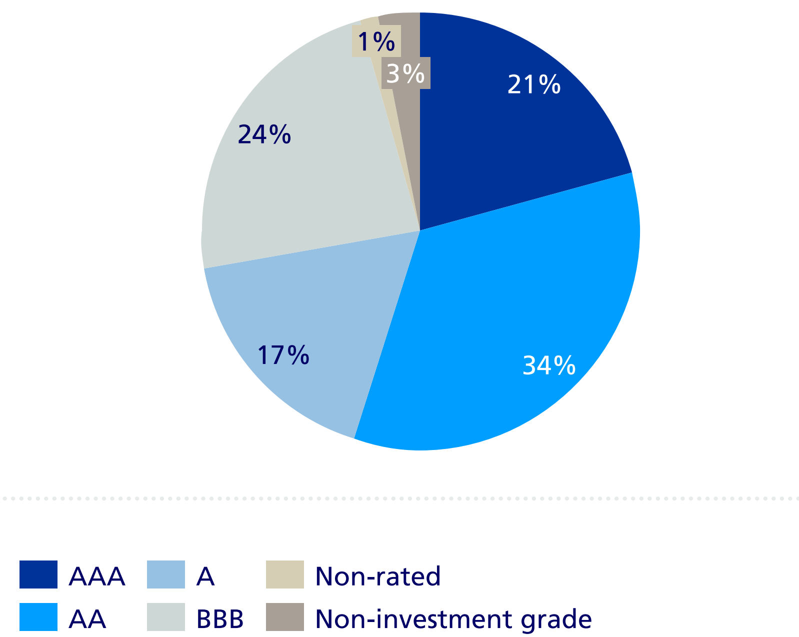
Debt securities portfolio is of a high quality

BY CATEGORY

Total debt securities: USD 138bn



BY RATING



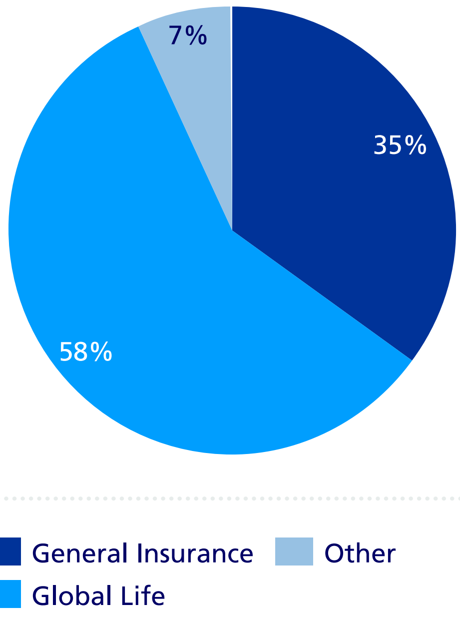
1 Accounting view.
2 MBS = Mortgage backed securities, ABS = Asset backed securities

Group Investments – Bond portfolio[1]

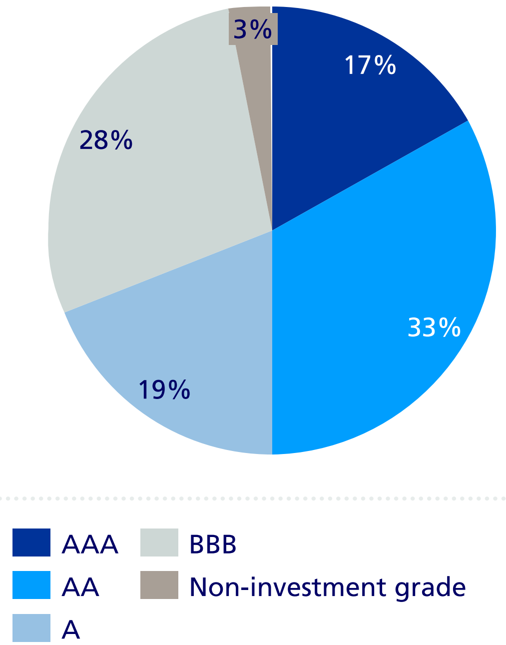
High quality and well diversified

BY SEGMENT

Total bonds: USD 122bn



BY RATING



BY COUNTRY

- 25% USA
- 11% United Kingdom
- 9% France
- 9% Italy
- 8% Germany
- 8% Switzerland
- 6% Spain
- 3% Netherlands
- 3% Australia
- 2% Canada
- 2% Austria
- 2% Belgium
- 2% Chile
- 10% Rest of World[2]

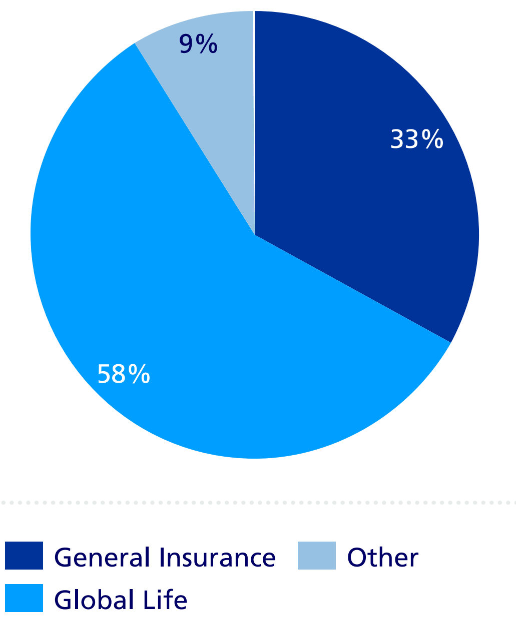
1 Accounting view.
2 All items with 1% share or lower.

Group Investments – Government bonds & Other[1]

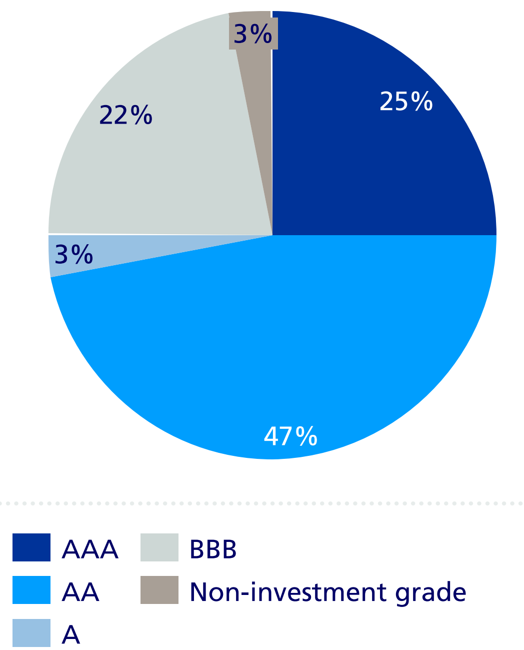
High quality and well diversified

BY SEGMENT

Total government bonds: USD 64bn



BY RATING



BY COUNTRY

- 21% USA
- 13% Italy
- 11% Germany
- 9% United Kingdom
- 9% Switzerland
- 8% France
- 7% Spain
- 3% Belgium
- 3% Austria
- 2% Canada
- 2% Netherlands
- 2% Brazil
- 9% Rest of World[2]

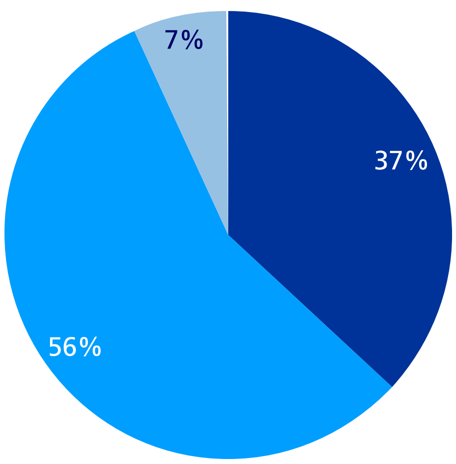
1 Accounting view.
2 All items with 1% share or lower.

Group Investments – Corporate bonds[1]

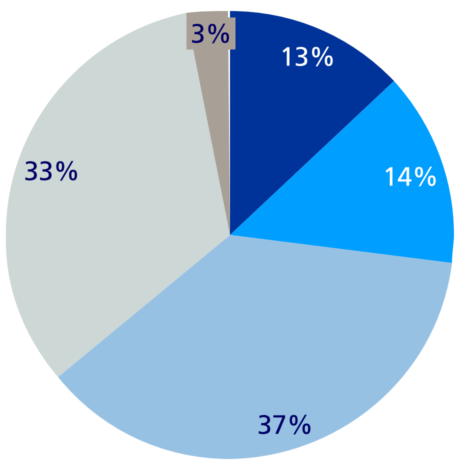
High quality and well diversified

BY SEGMENT

Total corporate bonds: USD 58bn



BY RATING



BY INDUSTRY

- 50% Financial Institutions
  o/w 85% Banks
  o/w 10% Insurance
- 18% Manufacturing
- 9% Utilities
- 5% Oil & Gas
- 4% Telecom
- 3% Chemicals & Pharmaceuticals
- 3% Transportation
- 2% Real Estate
- 6% Other[2]

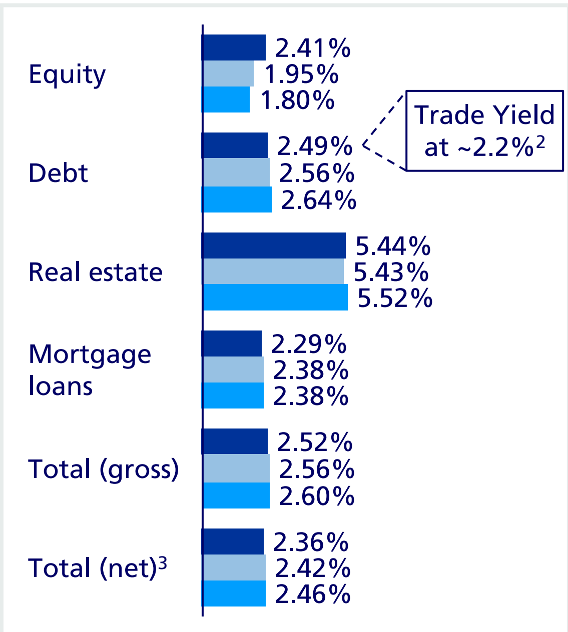
1 Accounting view.
2 All items with 1% share or lower.

Group Investments – Investment income yield[1]

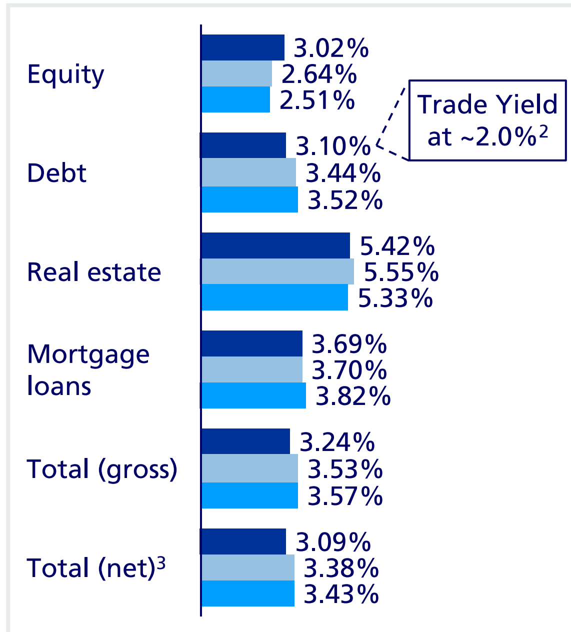
Higher risk premium offset by lower yields and USD appreciation

ZURICH

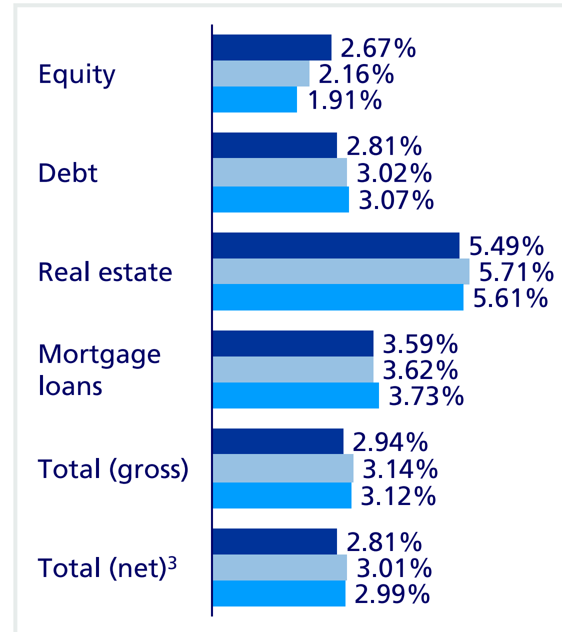
GENERAL INSURANCE



GLOBAL LIFE



GROUP



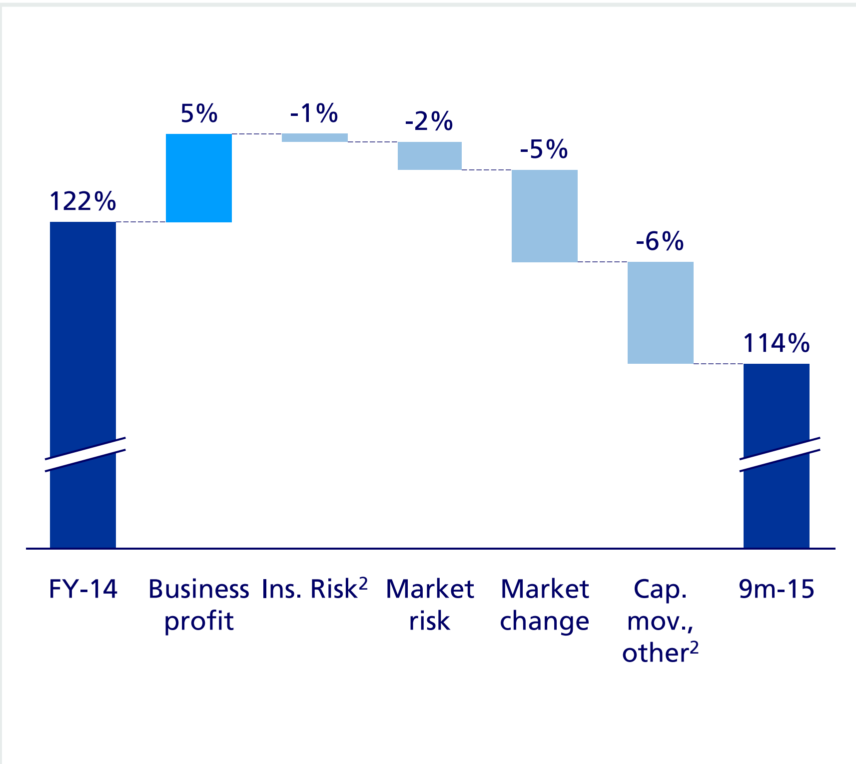
FY-15 FY-14 FY-13

1 Calculated based on the asset class average, not annualized, accounting view before eliminations.
2 Calculated as a weighted average trade yield of purchased debt securities, on an annual basis.
3 Net of investment expenses.

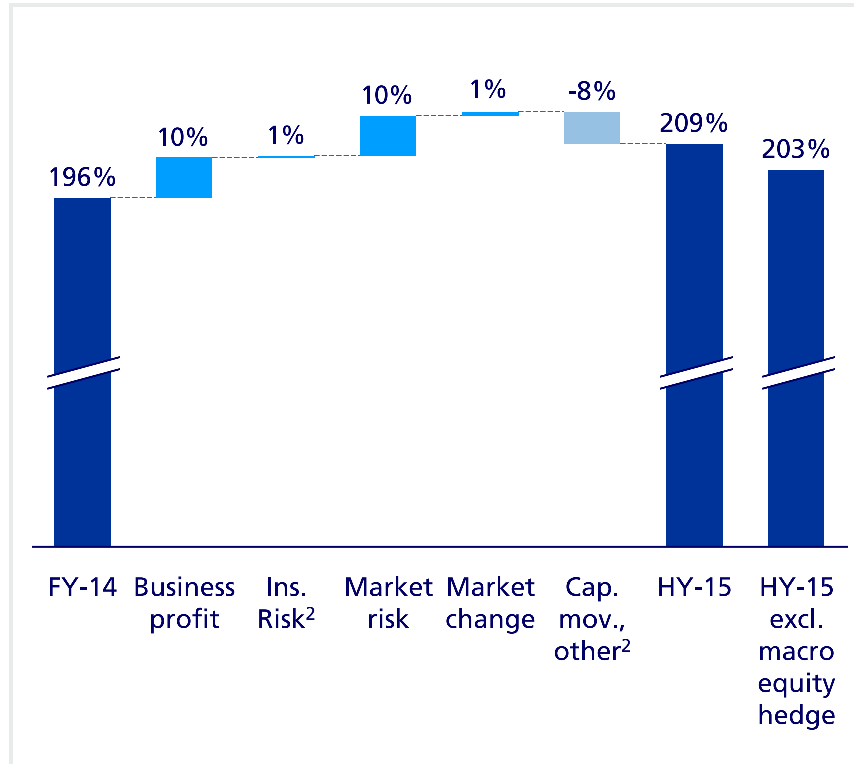
Group – Economic capital models

Strong capital position across all metrics

Z-ECM RATIO DEVELOPMENT (%)



SST[1] RATIO DEVELOPMENT (%)



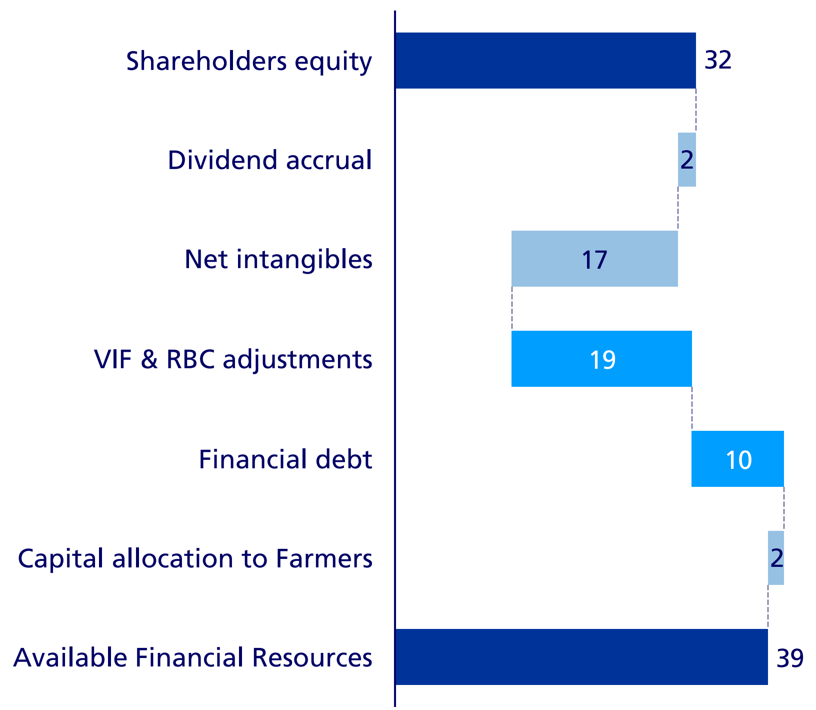
1 The Swiss Solvency Test (SST) ratio is calculated based on the Group's internal model, which is subject to the review and approval of the Group's regulator, the Swiss Financial Market Supervisory Authority (FINMA). The ratio is filed with FINMA at the full year and is subject to its approval.

2 Insurance risk, capital movements, model changes and change in diversification benefit.

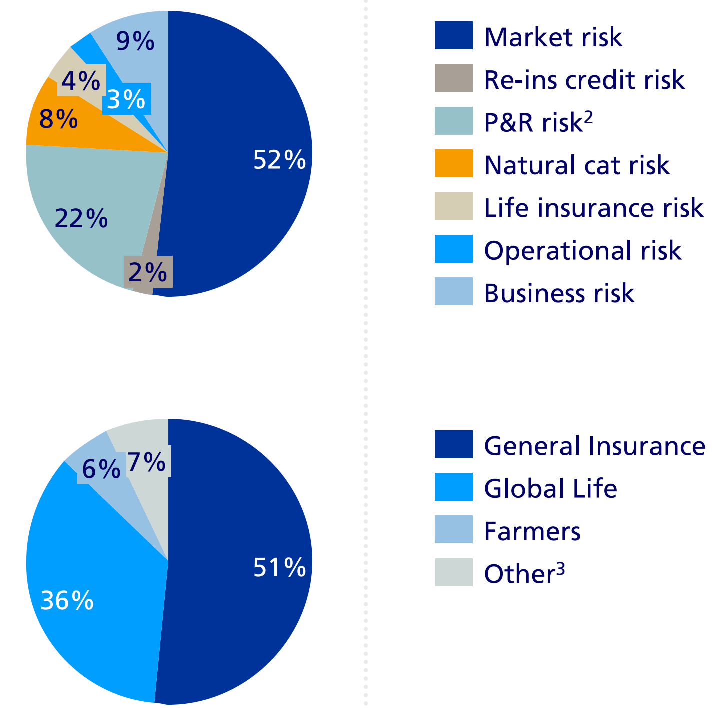
Group – Z-ECM components

Well diversified capital base by risk type

9M-15 AFR COMPOSITION (USDbn)



RBC BY RISK TYPE AND BUSINESS[1]

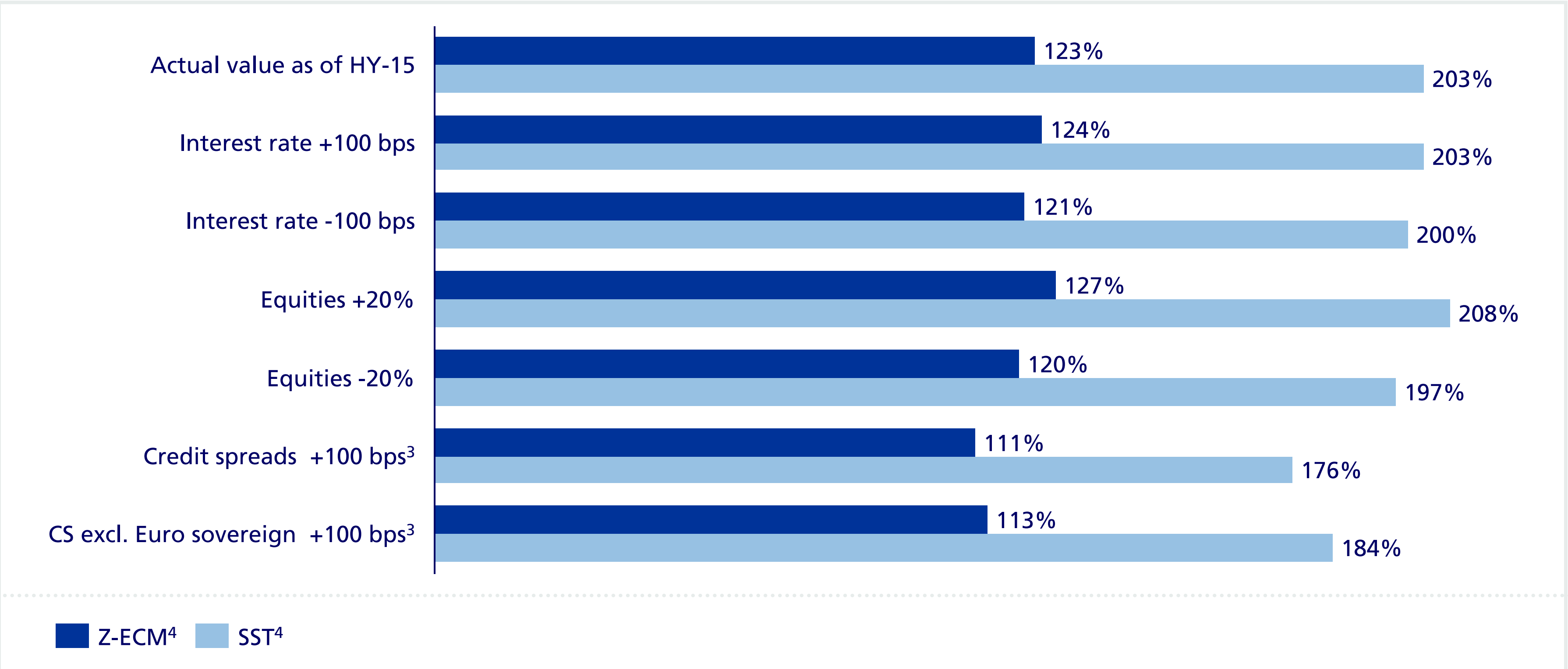


[1] RBC figures are shown excluding the macro equity hedge. Diversification benefit changes are allocated on a pro-rata basis.
[2] Premium & reserving risk.
[3] Includes Other Operating Businesses and Non-Core Businesses.

Group – Solvency ratio sensitivities[1]

Solvency ratios resilient to market movements

SOLVENCY RATIO IMPACT[2]



1 Sensitivities are shown excluding the macro equity hedge. They are best estimate and non-linear, i.e. will vary depending on prevailing market conditions at the time.
2 The impact of the changes to the required capital is approximated and only taken into account on Market risk.
3 Credit Spreads (CS) include mortgages and incl./excl. Euro sovereign spreads. Z-ECM sensitivity is net of profit sharing with policyholders.
4 Z-ECM: 99.95% Value at Risk; SST: 99.00% Expected Shortfall.

Group – EPS, BVPS and ROE calculations[1]

ZURICH

EPS AND BVPS (CHF)

No., CHF	FY-14	FY-15
Common shares issued	149.64m	150.40m
Treasury shares	1.29m	1.24m
Common shares outst.	148.34m	149.16m
WAvg for basic EPS	148.03m	148.96m
Dilution impact	1.32m	0.36m
WAvg diluted EPS	149.35m	149.32m
NIAS (USDm)	**3,949**	**1,842**
Avg USD/CHF rate	1.094	1.040
Basic EPS	**24.39**	**11.89**
Diluted EPS	**24.17**	**11.86**
BVPS[3]	**232.65**	**209.27**

BOPAT ROE AND ROE (%)

USDm, %	FY-14	FY-15
SHE	**34,735**	**31,178**
Net URGL / CF hedges	4,374	2,850
Adj. SHE	30,362	28,328
Avg. adj. SHE[2]	30,320	28,785
BOP	**4,638**	**2,916**
SH effective income tax rate	27.0%	36.6%
BOP after tax	**3,386**	**1,849**
NIAS	3,949	1,842
BOPAT ROE[2]	**11.2%**	**6.4%**
NIAS ROE[2]	13.0%	6.4%

1 Earnings per share (EPS), Book value per share (BVPS), Business Operating Profit after Tax (BOPAT), Shareholders equity (SHE), Unrealized gains/losses (URGL), Average (Avg), Weighted average (WAvg).
2 Denominator is calculated as the sum of each quarterly average, divided by the number of quarters.
3 Based on common shares outstanding and end-period USD/CHF rates of 1.006 and 0.999.

Group – Currency impact

Move in currency is mainly translational

FY-15 KEY RESULTS

	KPI	USDm	reported	at constant currency
Group	BOP	2,916	-37%	-34%
	NIAS	1,842	-53%	-64%
General Insurance	GWP	34,020	-6%	+3%
	NEP	28,051	-7%	+2%
	Net underwriting result	-1002	nm	nm
	Investment income	2’002	-7%	+1%
	BOP	864	-71%	-70%
Global Life	APE	4,772	-8%	+7%
	NBV	912	-5%	+7%
	BOP	1,300	+2%	+16%
OOB	BOP	-720	+25%	+21%

Commentary

Page 4: Key financials

Zurich's results for 2015 are very disappointing. While it is important to understand the starting point for 2016, the focus is on making sure that all necessary steps are taken to return the group to the required level of profitability as soon as possible.

The issues are concentrated in the General Insurance business, mainly in Global Corporate. General insurance has a full year combined ratio of 104% and this is principally due to a very high level of large individual losses, which were around 4 percentage points higher than expected.

As a result of the issues within General Insurance, earnings were well short of prior year levels and the Business Operating Profit after tax return on equity of 6% was a long way below the target range of 12-14%.

Actions are underway under a new team to address the challenges within the GI business, with positive early indications from 1 January renewals, and the group is very confident that results will be much improved in 2016.

Global Life has achieved good growth in new business value and Business Operating Profit while also taking further actions in freeing up capital from manage for value operations. At the Farmers Exchanges, which are owned by their policyholders, 6 consecutive quarters of top-line growth and positive trends in other key metrics show that strategic execution is on track.

In terms of capital, the Z-ECM ratio is comfortably in the upper half of the target range as of 30 September, and Zurich is in a very strong position under key regulatory and rating capital models. In addition, cash remittances in 2015 were ahead of run rate expectations despite the lower earnings, and are expected to exceed $10bn for the 2014 to 2016 period, ahead of target.

Page 5: Report card – Group

Progress has been made in executing the group's strategy in a number of key areas.

In terms of investing in priority markets, the life business has continued to show good momentum in Bancassurance and Corporate Life and Pensions. General Insurance continues to make investments in data and analytics capabilities, and to transform its retail customer propositions in adapting to an 'omni channel' world. Technology will play a key role in shaping the future of the insurance industry in the next five years, and Zurich is making the investments to be at the forefront of this change.

During the year actions were taken to improve the group's footprint. This included exits of some markets, for example, putting Singapore life into run-off, as well as additions of new capabilities through bolt-on acquisitions, such as Rural Community Insurance Services, a leading US crop insurer. This acquisition is still subject to regulatory approval but is expected to be completed in the first half of 2016.

Results for some turnaround businesses improved considerably and Farmers continues to show momentum across all areas of its transformation program.

Steps have started to be taken to overhaul efficiency, and Zurich has set a target of reducing expenses by at least $1bn by the end of 2018. This will be achieved through applying new technology and lean processes as well as offshoring and near-shoring certain activities. We estimate that as a result of these measures, around 8,000 roles across Zurich will be affected over the next three years.

The key priorities for 2016 will be turning around the performance of the General Insurance business, and continuing actions to position the group for 2017 and beyond, including enhancing efficiency and the group's footprint.

Page 6: Report card – General Insurance

2015 was a disappointing year for General Insurance. In particular, results for Q3 and Q4 were impacted by a very high level of large individual losses, with Q3 also impacted by reserve charges in North America relating to commercial auto liability and a sub-portfolio of construction liability business.

These charges led to a sharp decline in the earnings of a number of priority businesses, in particular Global Corporate and some European operations.

The new General Insurance leadership team have identified the root causes of recent problems and have a comprehensive action plan under way across all aspects of the business. These actions will help GI to get back on track in 2016 and to reduce the volatility that has impacted the results in recent quarters.

At the same time there has been positive momentum in the business across each of the three strategic cornerstones, including investments in data and analytics, the return to profitability of the GI South Africa business and exits from a number of peripheral markets as the process of improving our footprint starts. More action is needed, but GI has made progress in some important areas.

While the 2015 financial performance of Global Corporate is not acceptable, it’s franchise and capabilities are second to none. This business of course remains a key priority for Zurich, but it needs to deliver profitability in line with its market leading proposition to customers.

Across the General Insurance business, Zurich has the brand, the people, the platforms and the resources to achieve top-tier performance, and the actions under way will help to achieve this.

Page 7: Report card – Global Life

Global Life has delivered on expectations in 2015, despite market headwinds and the challenges of a low yield environment.

An increase in new business value of 7% in local currency is due to success in bank joint ventures as well as investments in a number of developed markets, such as Corporate Life and Pensions in the UK.

Business Operating Profit increased by 16% in local currency despite lower investment returns and other market headwinds. While this is partly due to one-off factors, bank joint ventures continue to show steady growth, and GL has already achieved its 2016 goal of a run rate increase in BOP of more than $80m from in-force management initiatives.

Further, structural actions such as the sale of a block of UK annuities to Rothesay Life and the disposal of Seven Investment Management helped the life business generate cash remittances of $900m, well above expectations for the second year in a row.

While the external environment remains a challenge the life business has a clear set of priorities and further progress is expected in 2016.

Page 8: Report card – Farmers Exchanges

There has also been very good progress in the execution of Farmers Exchanges' strategy, evident in a continued improvement in customer satisfaction as measured by the Net Promoter Score, and an increase in customer retention. The Farmers Exchanges also saw continued growth in the size of the exclusive agency network, with the number of agents increasing by around 300 to over 13,500.

There were challenges in 2015 as well, with an increase in auto claims costs putting pressure on the combined ratios of Farmers Exchanges and Farmers Re. While many competitors see similar claims trends and are taking corrective pricing actions, a focus on restoring profitability of the auto business has contributed to a slowdown in new business growth. In addition, in accelerating the strategic direction set at the end of 2013, the Farmers Exchanges took the decision to put the 21st Century business outside of California and Hawaii into run-off, by stopping all new business under the 21st Century brand and offering existing policyholders other Farmers policies.

The continued progress at Farmers Exchanges is encouraging, and the team has done an excellent job of restoring momentum to the business in the last two years.

Page 10: Group – Business Operating Profit

Zurich has reported Business Operating Profit of $2.9bn and Net Income Attributable to Shareholders of $1.8bn for 2015.

The weak performance from the General Insurance business has led to the group reporting sharply lower earnings in comparison to the prior year.

Other Operating Businesses BOP expense of $720m has benefitted from lower interest costs and from several one-off positive factors, including currency gains in the first half of 2015. While marketing and other costs increased in Q4 as expected, this was more than offset by some one-off factors.

Non-Core Businesses had a BOP result of $51m for the year, with gains related to the commutation of a General Insurance run-off portfolio and successful in-force management activities in a closed Life book partially offset by the strengthening of APH reserves.

Looking at the reconciliation of operating profit to net income, capital gains realizations for the year were $887m and $75m for Q4. For the full year this breaks down as roughly $380m on fixed income and $500m on equities. In Q4 we saw a lower level of gains, driven by some derivative losses and lower realizations.

Accounting and restructuring charges for 2015 amounted to $865m. Results for Q4 included $474m of restructuring costs, of which roughly $220m related to the initiatives announced at the Investor Day in May 2015. The remainder related to actions taken following conclusion of the GI review as well as further local initiatives. Q4 charges also included $232m for the write-off of the remaining German Life goodwill related to the acquisition of Deutsche Herold, reflecting the ongoing challenge of low interest rates.

The 2015 shareholders' effective tax rate increased to 36.6%. The increase in the fourth quarter is primarily driven by the fact that the write-down of goodwill in Germany and certain accounting and restructuring charges are not tax deductible, as well as a write-off of deferred tax assets and other factors, such as mix of earnings. Given the likely transitional nature of this year for GI, as well as possible further accounting and restructuring charges, we expect the tax rate in 2016 will be some 2-3 percentage points higher than the previous run rate level of 25%.

Page 11: General Insurance – Topline

For the full year 2015 gross written premiums grew by 3% in local currency and were down 6% in US dollars. In Q4 the top-line was flat in local currency and down 7% in US dollars, driven by some one-off items in EMEA and a small decline in the Global Corporate business.

Rate increases on renewal business remained stable at 2% for Q4, with an overall consistent picture compared to prior quarters.

Global Corporate's gross premiums were flat in local currency for the year, with a 2% decline in Q4 as a result of reshaping actions in a number of portfolios.

For North America Commercial, gross premiums were up 7% for the year with continued execution of strategic initiatives, including strong growth in captives. Excluding the latter, growth for the year was around 3%.

Gross premiums for EMEA were flat in local currency for the full year on a like for like basis. The same is true for Q4 2015 once adjusted for some one-off items such as the exit of personal lines in the Netherlands and a change in gross written premium accounting for multi-year contracts in Germany.

In International Markets premiums for the full year increased by roughly 9% in local currency, mainly due to the extended warranty distribution agreement in Brazil and inflation in Venezuela. In the Asia Pacific region, a decline in premiums in Australia was partly offset by continuing solid growth in Japan and Hong Kong.

Page 12: General Insurance – Combined ratio

GI's combined ratio of 108.6% for Q4 discrete is 9.3 percentage points higher than in Q4 2014 and 6.7 percentage points higher than in the first nine months of 2015. The increase in Q4 compared to the rest of the year is mainly due to higher natural catastrophe claims and a further increase in large losses, each contributing roughly 3 percentage points. The Q4 expense ratio is up by roughly 1 percentage point, driven by a catch-up in general expenses and some non-recurring items.

The combined ratio for full year 2015 is 103.6%, 6.7 percentage points higher than in 2014. The main item here is the significant increase in large losses which added around 3.5 percentage points to the combined ratio, including claims from the Tianjin port explosions. The balance of the increase is due to a more normal level of catastrophe claims compared to a light year in 2014, lower prior year reserve development and a higher expense ratio, in roughly equal measure.

Looking into these changes in more detail, the increase in large losses is principally an issue within the Global Corporate business, which experienced a higher level of large individual property and liability claims. In addition, the personal and commercial lines operations in EMEA were impacted by more and higher large losses, mainly in the UK and Germany.

In terms of other key components of the accident year ex-cat combined ratio, the attritional loss ratio remained essentially flat overall, with improvement in Global Corporate and International Markets offset by a higher attritional loss ratio in NAC. The increase in NAC is due to higher severity in liability and frequency in the motor book, partially offset by a better crop result.

The expense ratio of 31.7% increased by 1.2 percentage points compared to 2014. Commissions were up 0.3 percentage points driven by the extended warranty business in Brazil and some further mix shifts in NAC. The rest of the uptick was driven in equal parts by an increase in premium taxes mainly in North America and other increases such as investments and higher management expenses, but also due to some favorable non-recurring items in 2014.

The impact from natural catastrophes and other weather events was 3.5 percentage points for 2015, higher than in 2014 but in line with expectations.

The roughly zero contribution from prior year reserves was 1 percentage point lower than in 2014 and is below the expected positive PYD result of 1-2%. The main reason for this is the charges in Q3 in North America on commercial auto liability and a sub-portfolio of the construction liability business. The fourth quarter saw a return to a positive contribution, and was in line with the 1-2% expectation, adjusting for a one-off item relating to the discount rate applied to certain annuity reserves and expected claims associated with the positive impact of prior year premiums.

More information on prior year reserve movements is provided in the appendix. GI continues to have a robust and conservative reserving process which is well established throughout the organization and supported by different regular internal and external reviews, and there is no need to the change previous guidance on prior year development.

In terms of performance by region, Global Corporate is the key contributor to the poor results in 2015, mainly driven by a substantial increase in large claims and a much higher level of losses related to prior year.

NAC's combined ratio is almost 2% higher than in the previous year due to a higher attritional loss ratio, mainly a result of commercial motor and liability.

UK floods and large losses in Germany and UK added roughly 4.5 points to the EMEA combined ratio.

And in International Markets, improvement in the attritional loss ratio, a more benign year for natural catastrophe losses and a positive result from prior year reserves development were offset by further turnaround actions in Brazil.

Page 13: General Insurance – BOP components

The decline in the GI underwriting result is reflected in the increase of the combined ratio of almost 7 percentage points.

Investment income declined by $147m on a reported basis but is slightly up compared to last year in local currency. In Q4 investment income was up 8% in local currency mainly due to continued implementation of the illiquid assets strategy.

Hedge fund investments had a flat quarter after losses of $60m in Q3. For the year the result was down by almost $90m compared to the previous year due to volatile equity markets.

For the full year the non-technical result is unfavorable to BOP by roughly $30m and $83m better than the previous year. The result in 2015 includes a currency gain of $73m and some other smaller positive items throughout the year. Excluding these items, non-technical expenses would be within the given run-rate expense of $40m to $50m per quarter.

Page 14: General Insurance – Status Update

Clearly, GI results in the second half of 2015 have fallen far short of what was expected. Some of this is due to likely one-off items, but there are a number of other factors relevant to the results, with some of the key ones explained below.

First, while GI saw good growth in some of its priority markets, such as NAC, the push for growth in other areas was not supported by the market. For example Global Corporate in North America grew in the first nine months during a period of market softening and declining rates across all lines of business, with the exception of Motor.

Second, there was insufficient underwriting discipline in some areas of the business. For example in Global Corporate, issues with accumulation management were identified and going forward GI will need to better account for the interconnectivity of risks.

And third, the reaction to emerging trends such as the increase in large losses was too slow. A thorough review of large losses is ongoing and as a first countermeasure, the group has purchased additional reinsurance to better manage large loss volatility. Realistic targets for the business units have been set to drive the right behaviors, with reduced growth plans where necessary to ensure realization of planned loss ratio improvements through tightened underwriting discipline.

Page 15: General Insurance – Focus in 2016

In the second half of 2015, following the appointment of new members in the GI management team, a detailed review was performed leading to the identification of a comprehensive set of actions, centering around four themes – restoring technical excellence, footprint and portfolio review, reinsurance use and acceleration of the expense program. While the actions under way will take time to materialize in quarterly numbers, actions have been taken in several areas.

With respect to technical excellence, GI has intensified efforts to closely measure progress by implementing an enhanced performance management framework and setting more realistic plan assumptions and focus on the right metrics for the right function and role. All of this should drive a greater level of accountability and joint responsibility for delivering the plan.

The review of the key priority portfolios is ongoing as reshaping these should provide relatively quick improvements. In the Global Corporate business initial signs from execution on tiering and renewal plans are encouraging. In Global Corporate's EMEA business rate increases as of 1 January are positive, with pricing for the worst performing tiers 5-10 percentage points up over last year and retention reduced in the bottom tiers. In Global Corporate's North America business, rate increases were achieved in motor and property despite an increasingly competitive market environment.

GI has also purchased additional reinsurance cover. To reduce the risk in more volatile books, quota share arrangements were implemented, for example, in Global Corporate's North American property book. In addition, a per risk aggregate cover was purchased to provide higher protection for high frequency of large losses. Further areas for increased use of reinsurance are being reviewed.

In terms of the acceleration of the expense program, GI has kicked off a number of actions in the second half of 2015 across Global Corporate, the UK, Germany, Australia and in the GI management layer aimed at transforming how the business operates in order to achieve further savings. Most of the actions have already been executed in December 2015. While GI expects to see some of these impacts come through in Q1, impact on overall profitability will ramp up over the course of 2016.

And lastly, during the course of the fourth quarter the exit of different businesses was announced which amounted to roughly $400m in gross written premium. These include the transportation book in the North America Global Corporate business as well as boiler and machinery business. In the Middle East personal and commercial lines were exited. In December Zurich Australia announced its plan to put compulsory third party insurance in motor commercial in New South Wales into run-off from 1 March 2016.

These are a few examples of actions taken and GI expects to continue to review its portfolio and footprint as part of Zurich's key objective for 2016 of putting this business back on track.

Page 16: Global Life – New business

Global Life new business APE volumes for the full year 2015 increased 7% in local currency compared to 2014, driven by good performance in most regions.

EMEA increased local currency new business volumes by 6%, with growth in most countries, primarily driven by individual savings volumes in Italy and Banco Sabadell, and Corporate Life and Pensions growth in Switzerland.

Asia Pacific saw a year of strong sales of protection business in Japan, with local currency volumes increasing 44% over the prior year for the region. Latin America volumes in local currency increased by 9%, due to good performance at Zurich Santander. And while North America experienced positive volumes in the Farmers New World Life business, a decrease in the Zurich branded business, driven by lower IFA sales, led to an overall 14% reduction in APE for the region.

Analyzed by pillar, Bank Distribution businesses delivered double digit growth, increasing 16% year on year, while Retail volumes were up 6% in local currency. Corporate Life and Pensions sales were flat compared to the prior year as double digit growth leading into Q4 was muted by volumes that were below the exceptional level of the prior year quarter.

New business value increased 7% in local currency year on year, in-line with volume growth, supported by strong individual protection sales in Japan and Zurich Santander, and higher margins on Corporate Life and Pensions sales in EMEA. Compared to Q3 new business value was 7% higher in local currencies, mainly due to improved retail sales and higher Corporate Life and Pensions margins outpacing lower volumes.

And finally, net inflows were positive for the year, primarily driven by increased sales in EMEA.

Page 17: Global Life – BOP by region

Global Life Business Operating Profit increased 16% in local currency, or 2% compared to the prior year period in dollars, to $1.3bn. This is a strong result in a challenging environment.

In EMEA, earnings decreased by 3%, while local currency BOP grew by 10% with continued positive results across most countries complemented by profits stemming from the ongoing transfer of an annuity book in the UK and other in-force management initiatives in Switzerland and Germany.

In Latin America Zurich Santander earnings increased by 21% in local currency, benefitting from favorable experience in Brazil, however this was impacted by weaker results from the Zurich business in the region. Taken together, the Latin America businesses grew earnings by 13% in local currency but decreased by 12% in US dollars.

And while North America reported double digit BOP growth, earnings were slightly down on a like for like basis, in part due to an individual large claim in Q3.

Page 18: Global Life – Source of earnings

Adjusting for various one-off factors, and as explained in the updated Sources of Earnings briefing document, revenues grew 6% in local currency in 2015. The main driver was 5% local currency growth in loadings and fees, where volumes in Zurich Santander, EMEA, and Japan supported loadings growth of 5%, while cross border unit-linked sales in Ireland contributed to fund based fees growth of 7%, despite market turbulence in the second half of the year. This growth was achieved despite offsetting factors in the UK where, in retail, higher margin in-force business is being replaced by lower margin new business, resulting in a decrease in loadings and fees.

Adjusting for one-off factors and in local currency, the investment margin increased by 6% driven by higher yields in Latin America, while EMEA was flat as growth in Italy and Spain was offset by continuing yield pressure in Germany and Switzerland. The technical margin when adjusted for one-off items grew by 7% in local currency, mainly benefitting from positive claims experience and in-force management initiatives.

Expenses increased by 5% in local currency on an adjusted basis. While operating costs increased by 7%, when viewed as a percentage of reserves the KPI is flat. Acquisition costs, excluding the impact of deferrals, increased by 3% following volume growth in most regions. This was partially offset by decreased volumes and related commissions in Zurich Latin America, as well as in North America, where there was a drop in volumes in the high commission IFA business compared to the prior year.

Taken together, and adjusting for various one-offs factors, the improvement in BOP was 8% in local currency. Further adjusting for the proceeds related to the ongoing transfer of an annuity book in the UK would result in an underlying BOP improvement of around 3% year on year.

This is a good result from the life business, where actions around in-force management initiatives and manage for value operations have shown tangible progress in 2015.

Page 19: Farmers Exchanges – KPIs

Zurich does not own the Farmers Exchanges, but the following points are relevant to the performance of the Farmers business segment.

Premium growth in 2015 was 2.4% overall and 3.6% for continuing operations. There was some acceleration in the fourth quarter with continuing operations growing by nearly 5%.

This premium growth was largely driven by rate increases taken in Farmers Exchanges' major business lines. Auto experienced a considerable slowdown in the growth of overall vehicles-in-force in the fourth quarter reflecting these rate increases and as well as some underwriting actions.

The Farmers Exchanges' combined ratio was around 102% for the year and 107% for the quarter. This is due to deterioration in profitability of auto business, where the combined ratio was 107% for the year and around 115% for the quarter.

In auto, industry-wide unfavorable frequency and severity trends, particularly in bodily injury, continue to negatively impact results. This is particularly the case in Farmers Exchanges given that adverse claims trends are most notable in California and Texas, which account for around 50% of Farmers Exchanges' auto premiums. Q4 was impacted by prior quarter and prior year adverse development as severity increased adding some 4 points to the overall quarter ex catastrophe loss ratio.

Given that these claims trends are expected to continue, Farmers Exchanges will continue to push for more rate increases, although the benefits of this and other underwriting actions are likely to take time to be fully evident in improved auto profitability.

Despite profitability pressures, the Farmers Exchanges surplus slightly increased over the year, with the decrease in surplus ratio expected given a reduction in Quota Share reinsurance support as of the beginning of the year.

There are significant changes in the Farmers Exchanges Quota Share reinsurance support for 2016, in part due to the anticipated call of $300m of surplus notes in 2016. Effective January 1, 2016, the Auto Physical Damage Quota Share reinsurance treaty, with premium cessions of around $700 million in 2015, has been terminated. Meanwhile, effective December 31, 2015, the overall All Lines Quota Share reinsurance treaty participation has been increased from 14% to 20%, subject to the approval of the California Department of Insurance, although with Farmers Re's share reducing from 10% to 8% and with a commensurately higher involvement of third party reinsurers. The changes had a small positive immediate impact on the year-end surplus ratio and in sum will result in slightly more capital support for the Farmers Exchanges in 2016.

The surplus of Farmers Reinsurance Company, which is shown on this slide but is not included in the calculation of the Farmers Exchanges surplus ratio, was significantly reduced, in line with the previously communicated intentions to redeploy this capital elsewhere in the Zurich Group.

Page 20: Farmers – KPIs

Farmers BOP decreased by 10% largely driven by Farmers Re while Farmers Management Services continued to be a stable and reliable source of profit.

At Farmers Management Services the gross management result remained virtually unchanged with flat management fees and expenses. However, other income decreased due to the unfavorable fluctuation in the mark-to-market valuation of certain employee benefits and the gain on the sale of the former headquarter buildings in the prior year. This resulted in a decrease of Farmers Management Services BOP of 2% for 2015. In the fourth quarter BOP increased by 3% reflecting higher management fees and lower management expenses.

Farmers Re BOP declined 68%. This reflects lower premiums given the reduction of Quota Share reinsurance participation but more importantly a deterioration of the underwriting result by $92 million. The combined ratio was around 101% for the year and 104% for the quarter, an increase of 3 percentage points and 9 percentage points, respectively. The main reasons were higher underlying losses and negative prior-year development, mainly within the auto businesses.

Termination of the Auto Physical Damage reinsurance treaty and reduced participation in the All Lines Quota Share will lead to a further significant reduction of Farmers Re's earned premiums in 2016, and thus further reduce volatility in Zurich's results.

Page 21: Group – Balance sheet and capital

Shareholders' equity decreased by over $3.6 billion in 2015, mainly due to a reduction in unrealized investment gains and the impact of continued strengthening of the US dollar against most major currencies.

The Z-ECM ratio dropped by 9 points to 114% in the third quarter. This is mainly due to market changes, such as lower yields and higher spreads, as well as the group's reduced earnings in the quarter.

In evaluating the overall excess capital position of the group, Zurich takes into account a number of key capital and liquidity metrics, reflecting the internal view, as well as external regulatory and rating agency capital models. At the investor day and again at the time of Q3 results Zurich quantified the level of excess capital at around $3bn.

There have been two major influences on excess capital in Q4. First, the group's earnings are a long way short of expectations, and while some of the causes of the Q4 loss do not influence the capital position, the majority of the shortfall does have an impact. Second, Zurich committed to deploying roughly $0.8bn in two bolt on acquisitions, of which the biggest is the acquisition of RCIS in the US.

In terms of 2016, lower GI earnings compared to previous expectations will be for the most part balanced by a small decline in exposure and capital benefits from expanded use of reinsurance.

In addition, as highlighted at the investor day, there are a number of capital levers open to the group, such as issuing hybrid debt, in line with a stated intention to slightly increase leverage, and adapting the planned capital allocation. Some of these options are factored into the evaluation of the group's current position, but there are a number of other actions that can be deployed as well.

In summary, while the group's resilience has been tested in the second half and the level of excess capital position has reduced from previously stated levels, Zurich still has a healthy buffer over what is required by AA standards, and also has considerable financial flexibility.

Page 22: Cash remittances & dividend proposal

Cash remittances of $3.9bn for 2015 are in line with the indication given at half year, and are again well ahead of the run rate needed to achieve the cumulative $9bn target for 2014 to 2016.

There were a number of one-off items in 2015, including $485m in cash remittances from the Farmers Reinsurance US legal entity, accelerated cash from former banking activities in non-core and a lower OOB expense due to one-off factors.

Weaker profitability will have an impact on GI's cash remittances in 2016, but this does not change the group's overall expectation of achieving cash remittances in excess of $10bn for the 2014 to 2016 period.

In the longer-term, underlying cash generation will fund growth and cash returns to investors. In this respect, it is important to recognize the qualities that make Zurich a highly cash generative group – in particular, the Farmers business model, and a very efficient structure, with most of the group's capital pooled in a small number of legal entities that have close proximity to the ultimate holding company.

When combined with the expected rebound in profitability in GI, and with potential benefits from Solvency II in the medium term, high and sustainable cash generation will remain as one of the group's key strengths and differentiators in comparison to some peers.

These factors, as well as an overall evaluation of the group's balance sheet and earnings outlook, underpin Zurich's current dividend policy and payout, and the Board of Directors proposes an unchanged dividend of CHF 17 per share for approval at the AGM.

Payment of this dividend would take the cumulative cash returned to investors since the start of the credit crisis to roughly $20bn, or almost 70% of Zurich's current market cap. There are very few financial services companies that can make this claim, and while recent performance has fallen well short of expectations, the management and the Board of Directors continue to place a great deal of importance on generating an attractive and sustainable cash return to shareholders.

Page 23: Factors influencing 2016

General Insurance has a comprehensive plan to improve profitability, focused on reducing the loss ratio in absolute terms, and also reducing volatility.

Actions under way to reinforce technical disciplines, reprice lower tier business and exit some lines of business are expected to have a significant positive impact on profitability. General Insurance has also put in place additional quota share reinsurance on some more volatile lines such as excess energy, in addition to purchasing an aggregate cover relating to large loss experience.

While the reinsurance attaches to all risks in 2016, naturally the benefits of the aggregate protection will be weighted towards the second half of the year. In addition, actions underway to improve core underwriting profitability are only likely to be fully evident in the group's earnings in Q3 and Q4. The same is also true of actions being taken around expenses.

Global Life is expected to progress further in Bank Distribution and Corporate Life and Pensions. The costs of these investments will be funded from expense savings. While continued improvement in run rate earnings is expected, the further strength of the US dollar will be likely to have a negative impact on reported earnings.

Farmers is expected to see an increase in management fees, and an overall margin of 7%. Farmers Re earnings are likely to be lower, but this is a good trade off in terms of capital deployment.

In terms of improving efficiency, Zurich remains committed to achieving cost savings of more than $300m in 2016 and at least $1bn by the end of 2018. This will likely lead to higher restructuring costs in 2016 and 2017 than previously indicated. Zurich also expects to incur further charges at a local level as steps are taken to improve the geographic footprint, and a further update will be provided with Q1 results.

Page 24: Key messages

The last 12 months has brought many challenges to the group, and there is a lot to do to restore confidence and to get the General Insurance business back on track.

The group expects to see the benefits of the comprehensive action plan now being implemented emerge progressively over the course of the year, and remains optimistic that a very significant improvement in the combined ratio can be achieved in 2016, subject to natural catastrophe losses. Nonetheless, based on current expectations, it is unlikely that Zurich will be able to achieve a Business Operating Profit after-tax return on equity within the target range of 12-14%.

Global Life and Farmers – which account for roughly half the group – are performing in line with expectations and are showing good strategic progress as well.

And while the ROE target is unlikely to be achieved, the group is well positioned on its other two targets. Specifically, Zurich's projected capital position is very strong based on internal and external metrics, and the group expects to over-achieve against the cash remittance target despite markedly lower General Insurance earnings compared to expectations set back in 2013. This underpins the proposed payment of an unchanged dividend of CHF 17 per share.

At the time of Q3 results Zurich announced that the group would take a decision in February 2016 on how it would deploy excess capital, and that this would be communicated with the full year results. In line with this timetable, the Board of Directors has carefully evaluated capital deployment options.

While the Board is confident in the reserves, capital, cash generation and future earnings prospects for the group, it has concluded that it is important to maintain the Group's capital strength and flexibility in the current circumstances and has, therefore, decided not to return additional capital to investors at this time. This is not the outcome that was expected at the investor day, nor indeed later in the year, but it is the right course of action.

In summary, the right actions are being taken to address General Insurance challenges. Zurich has an excellent team in place that will be further strengthened with the addition of Mario Greco, who will lead preparations for a new strategic cycle in 2017. Further, the group remains in a very strong position, in terms of balance sheet, cash generation, and financial flexibility, and looks forward to a rapid recovery in profitability in 2016.

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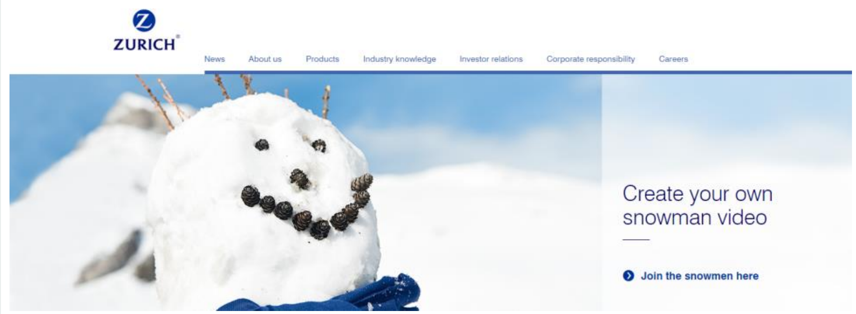

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Calendar:

- March 30, 2016, Annual General Meeting 2016
- May 12, 2016, Results for the three months to March 31, 2016
- August 11, 2016, Half year results 2016
- November 10, 2016, Results for the nine months to September 30, 2016
- December 1, 2016, Investor Day