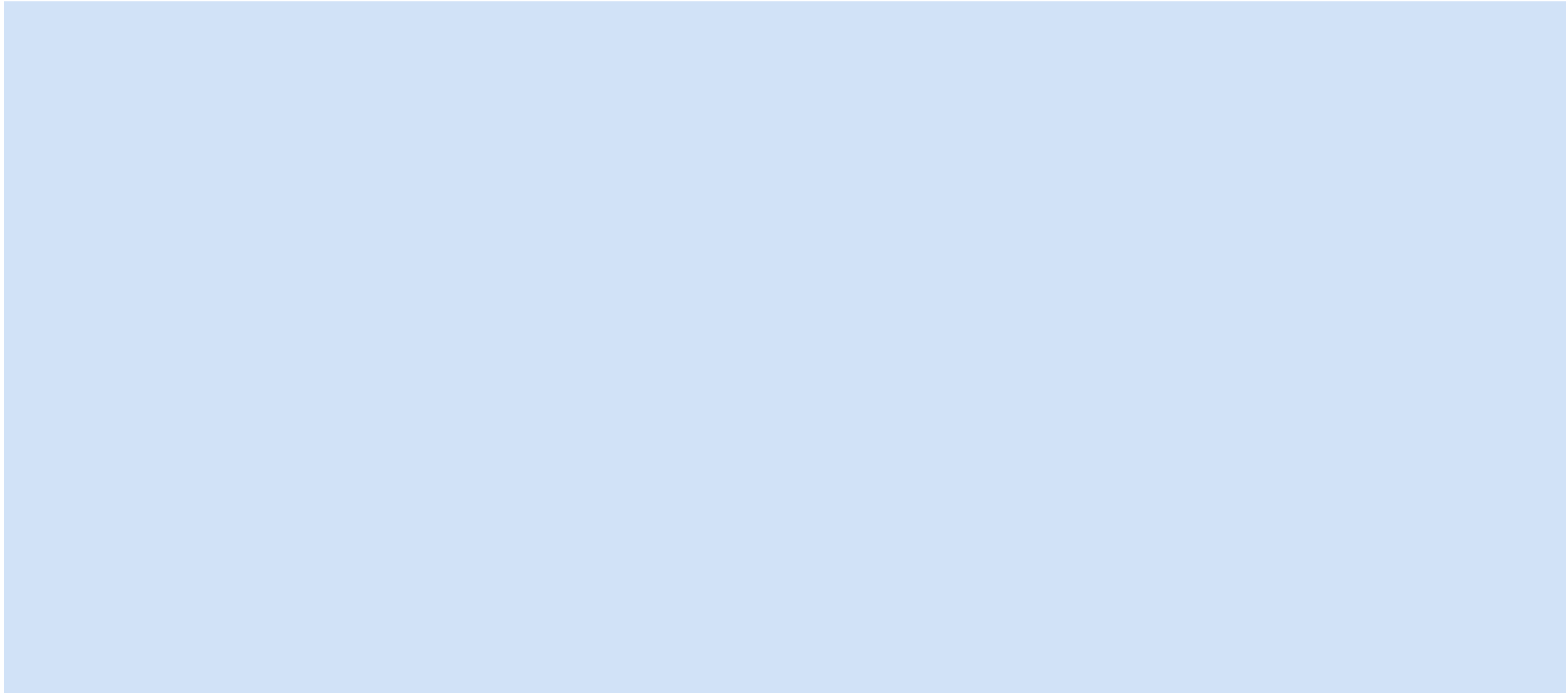


Supplementary information (unaudited) 2016

Annual results 2016



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On June 10, 2016, Zurich announced a planned change in the structure of the Group, effective July 1, 2016, which will lead to a simpler, more customer-oriented structure and reduced complexity. The new business structure will be focused on geographic regions in our core businesses of Property and Casualty (P&C) and Life – Asia Pacific, Europe, Middle East and Africa (EMEA), Latin America and North America – as well as Farmers, Group Functions and Operations and Non-Core Businesses. On September 20, 2016, Zurich announced further changes to the business structure of the Group by creating a new unit, called Commercial Insurance, which will combine its Corporate and Commercial business into a single global business. The new reporting structure will be reflected in the consolidated financial statements in 2017.

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As of January 1, 2016, the Group changed its allocation of certain reinsurance activities resulting in the reclassification of the respective balances to customer segment GI Global Functions including Group Reinsurance. The impact of these adjustments has been recognized prospectively for the year ended December 31, 2016. Prior year comparative balances have not been restated, as the impact was not considered material to the customer segment results.

The Group's life operations in the UK entered into a reinsurance agreement to transfer the risk associated with a significant annuities portfolio with effect from April 1, 2015, supplemented with three further transfers of risk relating to additional annuity policies with effect from October 1, 2015, April 1, 2016 and October 1, 2016, respectively. The gain resulting from these transactions is being recognized on a linear basis over the lifetime of the underlying agreement, which is assumed to end on June 30, 2017.

Highlights (unaudited)

Business operating
profit by segment

in USD millions, for the years ended December 31

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues														
Direct written premiums ¹	31,770	32,274	13,194	12,033	–	–	–	–	59	67	–	–	45,024	44,374
Assumed written premiums	1,352	1,746	218	186	1,587	2,145	48	47	80	90	(101)	(98)	3,184	4,116
Gross Written Premiums	33,122	34,020	13,413	12,220	1,587	2,145	48	47	139	156	(101)	(98)	48,208	48,490
Policy fees	–	–	2,117	2,227	–	–	–	–	290	281	–	–	2,407	2,508
Gross written premiums and policy fees	33,122	34,020	15,530	14,446	1,587	2,145	48	47	429	437	(101)	(98)	50,615	50,998
Less premiums ceded to reinsurers	(7,014)	(5,634)	(874)	(2,489)	–	–	(43)	(41)	(13)	(11)	101	98	(7,843)	(8,078)
Net written premiums and policy fees	26,108	28,386	14,656	11,957	1,587	2,145	6	6	416	426	–	–	42,772	42,920
Net change in reserves for unearned premiums	(6)	(335)	(119)	(82)	(65)	120	–	–	40	–	–	–	(150)	(296)
Net earned premiums and policy fees	26,102	28,051	14,537	11,876	1,521	2,266	6	6	456	426	–	–	42,622	42,624
Farmers management fees and other related revenues	–	–	–	–	2,867	2,786	–	–	–	–	–	–	2,867	2,786
Net investment result on Group investments	2,086	2,002	3,884	4,415	39	49	294	300	282	236	(401)	(427)	6,185	6,576
Net investment income on Group investments	2,019	2,002	3,244	3,320	39	49	294	300	289	328	(401)	(427)	5,484	5,572
Net capital gains/(losses) and impairments on Group investments	67	–	640	1,095	–	–	–	–	(6)	(91)	–	–	701	1,004
Net investment result on unit-linked investments	–	–	13,298	6,168	–	–	–	–	315	70	–	–	13,613	6,238
Other income	646	836	823	1,039	86	56	957	1,104	56	98	(1,380)	(1,685)	1,187	1,448
Total BOP revenues	28,834	30,889	32,543	23,498	4,513	5,156	1,257	1,411	1,109	830	(1,781)	(2,112)	66,475	59,671
<i>of which: inter-segment revenues</i>	(347)	(527)	(318)	(316)	(26)	(16)	(1,086)	(1,222)	(5)	(33)	1,781	2,112		
Benefits, losses and expenses														
Insurance benefits and losses, net ¹	17,394	20,152	11,510	8,612	1,085	1,588	–	–	502	394	–	–	30,491	30,746
Losses and loss adjustment expenses, net	17,396	20,157	–	–	1,085	1,588	–	–	54	118	–	–	18,534	21,862
Life insurance death and other benefits, net ¹	(2)	(4)	11,510	8,612	–	–	–	–	448	276	–	–	11,957	8,884
Policyholder dividends and participation in profits, net	7	3	14,114	7,706	–	–	–	–	398	154	–	–	14,519	7,863
Income tax expense/(benefit) attributable to policyholders	–	–	304	110	–	–	–	–	–	–	–	–	304	110
Underwriting and policy acquisition costs, net	5,765	5,907	2,282	2,454	487	703	–	–	11	7	(7)	(10)	8,538	9,061
Administrative and other operating expense (excl. depreciation/amortization)	2,963	3,636	2,396	2,463	1,297	1,340	1,181	1,225	122	137	(1,072)	(1,342)	6,888	7,458
Interest credited to policyholders and other interest	104	112	455	445	–	–	120	136	78	89	(281)	(315)	475	467
Restructuring provisions and other items not included in BOP	(321)	(372)	(277)	(435)	(2)	(14)	(65)	(75)	(1)	(10)	–	–	(666)	(906)
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	25,912	29,437	30,785	21,355	2,867	3,618	1,236	1,286	1,110	770	(1,360)	(1,668)	60,549	54,799
Business operating profit (before interest, depreciation and amortization)	2,921	1,452	1,758	2,143	1,647	1,538	21	125	–	60	(421)	(445)	5,926	4,872
Depreciation and impairments of property and equipment	109	127	22	28	33	36	9	7	–	–	–	–	174	198
Amortization and impairments of intangible assets	148	252	126	578	93	81	49	92	–	–	–	–	416	1,004
Interest expense on debt	97	101	10	14	–	–	727	751	10	9	(421)	(445)	423	431
Business operating profit before non-controlling interests	2,567	972	1,600	1,523	1,520	1,421	(763)	(726)	(11)	51	–	–	4,913	3,240
Non-controlling interests	133	108	255	223	–	–	(6)	(7)	–	–	–	–	382	324
Business operating profit	2,435	864	1,344	1,300	1,520	1,421	(758)	(720)	(11)	51	–	–	4,530	2,916

¹ Global Life includes approximately USD 3,968 million and USD 2,701 million of gross written premiums and future life policyholder benefits for certain universal life-type contracts in the Group's Spanish operations for the years ended December 31, 2016 and 2015, respectively (see note 3 of the consolidated financial statements).

Highlights (unaudited)

Reconciliation of
BOP to net income
after income taxes

in USD millions, for the years ended December 31

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Business operating profit	2,435	864	1,344	1,300	1,520	1,421	(758)	(720)	(11)	51	4,530	2,916
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	499	466	167	240	8	20	23	152	164	8	860	887
Net gain/(loss) on divestments of businesses ¹	(134)	–	47	–	–	–	(2)	10	–	–	(89)	10
Restructuring provisions	(200)	(314)	(46)	(71)	(1)	(13)	(66)	(49)	(1)	(10)	(314)	(457)
Net income/(expense) on intercompany loans ²	(12)	(17)	(15)	(17)	–	–	27	33	–	–	–	(1)
Impairments of goodwill	–	–	–	(281)	–	–	–	–	–	–	–	(281)
Change in estimates of earn-out liabilities	(29)	29	(89)	(21)	–	–	–	–	–	–	(119)	8
Other adjustments ³	(80)	(70)	(127)	(44)	(1)	(1)	(27)	(59)	–	–	(234)	(175)
Add back:												
Business operating profit attributable to non-controlling interests	133	108	255	223	–	–	(6)	(7)	–	–	382	324
Net income before shareholders' taxes	2,610	1,066	1,537	1,328	1,526	1,427	(808)	(640)	151	48	5,017	3,230
Income tax expense/(benefit) attributable to policyholders	–	–	304	110	–	–	–	–	–	–	304	110
Net income before income taxes	2,610	1,066	1,841	1,439	1,526	1,427	(808)	(640)	151	48	5,321	3,340
Income tax (expense)/benefit											(1,843)	(1,294)
attributable to policyholders											(304)	(110)
attributable to shareholders											(1,539)	(1,183)
Net income after taxes											3,478	2,047
attributable to non-controlling interests											268	205
attributable to shareholders											3,211	1,842

¹ In 2016, USD 134 million of losses in General Insurance include USD (137) million relating to the sale of businesses in South Africa and Morocco and the remeasurements of assets held for sale and USD 47 million of gains in Global Life relate to a forward sale agreement of a UK based distributor (see note 5 of the consolidated financial statements).

² The impact on Group level relates to foreign currency translation differences.

³ For the year ended December 31, 2016, total Group includes non-operating charges of USD (169) million and accounting and other restructuring charges of USD (65) million. For the year ended December 31, 2015, total Group includes accounting and other restructuring charges of USD (199) million (of which USD (67) million relates to software impairments and USD (32) million to impairments of own use properties (see note 14 and 13 of the consolidated financial statements, respectively) and USD (100) million of other restructuring related costs) relating to initiatives announced in 2015. In addition, it includes other adjustments amounting to USD 24 million.

Highlights (unaudited)

Assets and liabilities by segment

in USD millions, as of December 31

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Assets														
Total Group Investments	81,271	82,669	104,805	103,223	2,366	3,253	21,357	19,957	9,230	9,847	(29,221)	(27,711)	189,808	191,238
Cash and cash equivalents	10,766	9,756	3,402	3,049	1,449	1,312	10,608	9,649	1,683	1,632	(20,711)	(17,240)	7,197	8,159
Equity securities	8,406	10,053	6,878	8,107	18	43	492	572	115	98	–	–	15,908	18,873
Debt securities	53,634	54,773	75,074	70,919	152	574	6,562	6,330	5,901	6,329	(1,142)	(1,195)	140,181	137,730
Investment property	4,016	3,611	6,295	5,844	21	74	10	10	220	325	–	–	10,562	9,865
Mortgage loans	1,285	1,329	5,508	5,695	–	–	–	–	–	–	–	–	6,794	7,024
Other loans	3,159	3,143	7,635	9,597	726	1,249	3,685	3,396	1,309	1,460	(7,368)	(9,277)	9,146	9,569
Investments in associates and joint ventures	5	4	13	11	–	–	–	1	2	3	–	–	20	18
Investments for unit-linked contracts	–	–	115,038	115,559	–	–	–	–	10,868	11,169	–	–	125,907	126,728
Total investments	81,271	82,669	219,844	218,782	2,366	3,253	21,357	19,957	20,098	21,016	(29,221)	(27,711)	315,715	317,966
Reinsurers' share of reserves for insurance contracts	11,852	11,073	3,447	3,657	–	–	–	–	3,113	3,127	(64)	(84)	18,347	17,774
Deposits made under assumed reinsurance contracts	142	90	82	63	1,476	1,476	–	–	65	79	–	–	1,764	1,708
Deferred policy acquisition costs	4,830	4,226	12,783	13,298	167	149	–	–	15	–	1	3	17,796	17,677
Deferred origination costs	–	–	426	506	–	–	–	–	–	–	–	–	426	506
Goodwill	808	465	168	5	819	819	–	–	–	–	–	–	1,795	1,289
Other intangible assets	1,461	1,384	2,864	2,900	370	353	99	129	–	–	–	–	4,795	4,766
Other assets	14,979	14,121	6,904	6,045	1,562	1,528	982	987	1,689	1,400	(4,075)	(3,795)	22,042	20,287
Total assets (after cons. of investments in subsidiaries)	115,342	114,029	246,517	245,255	6,760	7,578	22,439	21,074	24,980	25,623	(33,359)	(31,587)	382,679	381,972
Liabilities														
Liabilities for investment contracts	–	–	68,904	70,406	–	–	–	–	209	221	–	–	69,113	70,627
Reserves for insurance contracts, gross	71,910	73,502	143,667	140,799	1,543	1,663	26	28	21,243	21,715	(64)	(84)	238,326	237,622
Reserves for losses and loss adjustment expenses, gross	56,074	57,777	–	–	918	1,103	22	23	4,200	4,142	(59)	(75)	61,155	62,971
Reserves for unearned premiums, gross	15,781	15,664	–	–	625	560	3	3	12	13	(4)	(10)	16,416	16,230
Future life policyholder benefits, gross	33	36	68,428	67,717	–	–	2	2	3,978	4,198	–	–	72,440	71,952
Policyholder contract deposits and other funds, gross	22	25	20,579	19,858	–	–	–	–	2,183	2,193	–	–	22,785	22,076
Reserves for unit-linked contracts, gross	–	–	54,660	53,224	–	–	–	–	10,870	11,169	–	–	65,530	64,393
Senior debt	415	517	–	68	–	–	9,054	10,391	300	659	(5,608)	(7,164)	4,162	4,471
Subordinated debt	905	1,081	593	708	–	–	7,741	6,374	–	23	(2,189)	(2,572)	7,050	5,614
Other liabilities	21,545	18,566	16,042	15,787	1,355	1,354	14,803	13,150	3,308	3,642	(25,497)	(21,765)	31,555	30,733
Total liabilities	94,776	93,666	229,206	227,769	2,898	3,017	31,625	29,942	25,059	26,260	(33,358)	(31,586)	350,206	349,069
Equity														
Shareholders' equity													30,660	31,178
Non-controlling interests													1,813	1,725
Total equity													32,473	32,904
Total liabilities and equity													382,679	381,972
Supplementary segment information														
Reserves for losses and loss adjustment expenses, net	47,088	49,303	–	–	918	1,103	22	23	3,349	3,309	–	–	51,378	53,739
Reserves for unearned premiums, net	12,867	12,973	–	–	625	560	3	3	12	13	–	–	13,507	13,549
Future life policyholder benefits, net	33	36	64,975	64,053	–	–	2	2	3,665	3,844	–	–	68,674	67,935
Policyholder contract deposits and other funds, net	22	25	20,579	19,858	–	–	–	–	225	237	–	–	20,827	20,121
Reserves for unit-linked contracts, net	–	–	54,660	53,224	–	–	–	–	10,870	11,169	–	–	65,530	64,393
Reserves for insurance contracts, net	60,010	62,337	140,214	137,136	1,543	1,663	26	28	18,121	18,574	–	–	219,915	219,737

General Insurance (unaudited)

General Insurance –
Customer segment
overview

in USD millions, for the years ended December 31

	Global		North				International		GI Global Functions		Eliminations		Total	
	Corporate		America		Europe, Middle East & Africa		Markets		including Group Reinsurance					
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	7,681	8,670	11,917	10,742	10,162	10,955	3,556	3,894	257	308	(451)	(548)	33,122	34,020
Net earned premiums and policy fees	4,970	6,028	8,056	7,959	9,990	10,677	3,170	3,380	(84)	6	–	–	26,102	28,051
Insurance benefits and losses, net	4,015	5,495	5,269	5,333	6,392	7,383	1,558	1,910	160	32	–	–	17,394	20,152
Policyholder dividends and participation in profits, net	1	–	6	3	–	–	–	–	–	–	–	–	7	3
Total net technical expenses	1,163	1,368	2,470	2,478	3,140	3,432	1,467	1,583	49	37	1	–	8,289	8,898
Net underwriting result	(209)	(835)	311	146	458	(138)	145	(112)	(293)	(62)	(1)	–	412	(1,002)
Net investment income	501	516	644	618	552	583	206	211	115	75	–	(1)	2,019	2,002
Net capital gains/(losses) and impairments on investments	24	(1)	34	3	9	(2)	–	–	–	–	–	–	67	–
Net non-technical result (excl. items not included in BOP)	5	(25)	(17)	1	14	(32)	130	85	(63)	(58)	1	1	70	(29)
Business operating profit before non-controlling interests	322	(345)	973	768	1,032	411	481	183	(240)	(45)	–	–	2,567	972
Non-controlling interests	–	–	–	–	16	8	117	101	–	–	–	–	133	108
Business operating profit	322	(345)	973	768	1,016	403	364	82	(240)	(45)	–	–	2,435	864

Ratios, as % of net earned premiums and policy fees

Loss ratio	80.8%	91.2%	65.4%	67.0%	64.0%	69.1%	49.2%	56.5%	nm	nm	n/a	n/a	66.6%	71.8%
Expense ratio	23.4%	22.7%	30.7%	31.2%	31.4%	32.1%	46.3%	46.8%	nm	nm	n/a	n/a	31.8%	31.7%
Combined ratio	104.2%	113.9%	96.1%	98.2%	95.4%	101.3%	95.4%	103.3%	nm	nm	n/a	n/a	98.4%	103.6%

General Insurance (unaudited)

Customer segment reporting – Europe, Middle East & Africa by country

in USD millions, for the years ended December 31

	United Kingdom		Germany		Switzerland		Italy		Rest of Europe		Middle East & Africa		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	2,052	2,502	2,193	2,195	2,335	2,441	1,242	1,323	1,918	1,904	426	598	(2)	(9)	10,162	10,955
Net earned premiums and policy fees	2,018	2,415	2,151	2,211	2,296	2,355	1,263	1,329	1,860	1,845	403	523	–	–	9,990	10,677
Net underwriting result	59	(229)	45	(81)	203	198	104	67	69	(67)	(20)	(22)	(1)	(3)	458	(138)
Business operating profit	199	(95)	149	11	353	334	161	126	135	6	18	22	–	–	1,016	403

Ratios, as % of net earned premiums and policy fees

Loss ratio	63.0%	76.9%	65.5%	69.7%	62.7%	62.6%	62.0%	64.0%	66.3%	72.3%	63.4%	62.6%	n/a	n/a	64.0%	69.1%
Expense ratio	34.1%	32.6%	32.4%	34.0%	28.4%	29.0%	29.7%	31.0%	30.0%	31.4%	41.7%	41.6%	n/a	n/a	31.4%	32.1%
Combined ratio	97.1%	109.5%	97.9%	103.7%	91.1%	91.6%	91.8%	95.0%	96.3%	103.6%	105.1%	104.2%	n/a	n/a	95.4%	101.3%

Customer segment reporting – Europe, Middle East & Africa Commercial and Personal

in USD millions, for the years ended December 31

	Commercial		Personal		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	4,451	4,978	5,711	5,977	–	–	10,162	10,955
Net earned premiums and policy fees	4,306	4,677	5,684	6,001	–	–	9,990	10,677
Net underwriting result	130	(276)	327	138	–	–	458	(138)
Business operating profit	469	43	547	360	–	–	1,016	403

Ratios, as % of net earned premiums and policy fees

Loss ratio	65.9%	74.8%	62.5%	64.7%	n/a	n/a	64.0%	69.1%
Expense ratio	31.1%	31.1%	31.7%	33.0%	n/a	n/a	31.4%	32.1%
Combined ratio	97.0%	105.9%	94.2%	97.7%	n/a	n/a	95.4%	101.3%

General Insurance (unaudited)

Customer segment reporting –
International Markets
by region

in USD millions, for the years ended December 31

	Latin America		Asia-Pacific		Total	
	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	1,901	2,185	1,655	1,708	3,556	3,894
Net earned premiums and policy fees	1,590	1,756	1,580	1,624	3,170	3,380
Net underwriting result	66	(120)	79	8	145	(112)
Business operating profit	232	(3)	132	86	364	82

Ratios, as % of net earned premiums and policy fees

Loss ratio	41.9%	51.0%	56.4%	62.4%	49.2%	56.5%
Expense ratio	53.9%	55.8%	38.6%	37.1%	46.3%	46.8%
Combined ratio	95.8%	106.8%	95.0%	99.5%	95.4%	103.3%

Customer segment reporting –
Commercial and Personal

in USD millions, for the years ended December 31

	Commercial		Personal		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	973	1,266	2,602	2,647	(19)	(20)	3,556	3,894
Net earned premiums and policy fees	916	1,207	2,254	2,173	–	–	3,170	3,380
Net underwriting result	39	(93)	106	(19)	–	–	145	(112)
Business operating profit	171	–	193	82	–	–	364	82

Ratios, as % of net earned premiums and policy fees

Loss ratio	57.4%	70.5%	45.8%	48.7%	n/a	n/a	49.2%	56.5%
Expense ratio	38.3%	37.2%	49.5%	52.2%	n/a	n/a	46.3%	46.8%
Combined ratio	95.8%	107.7%	95.3%	100.9%	n/a	n/a	95.4%	103.3%

Global Life (unaudited)

Global Life –
Overview

in USD millions, for the years ended December 31

	Europe, Middle East &												Total	
	North America		Latin America		Africa		Asia Pacific		Other		Eliminations		2016	2015
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues														
Life insurance deposits	389	434	2,097	1,702	12,218	12,327	114	127	–	–	–	–	14,817	14,591
Gross written premiums ¹	611	592	2,208	2,051	9,693	8,821	697	559	327	288	(124)	(91)	13,413	12,220
Policy fees	413	391	51	60	1,539	1,664	114	112	–	–	–	–	2,117	2,227
Gross written premiums and policy fees	1,024	983	2,259	2,111	11,233	10,484	811	671	327	288	(124)	(91)	15,530	14,446
Net earned premiums and policy fees	815	778	2,116	1,998	10,691	8,324	688	558	226	217	–	–	14,537	11,876
Net investment income on Group investments	251	254	352	363	2,517	2,584	117	112	7	8	(2)	–	3,244	3,320
Net capital gains/(losses) and impairments on Group investments	4	(7)	22	(6)	568	1,104	47	4	–	–	–	–	640	1,095
Net investment result on Group investments	255	247	373	357	3,085	3,688	164	116	7	8	(2)	–	3,884	4,415
Net investment income on unit-linked investments	41	48	23	10	1,385	1,573	73	79	–	–	–	–	1,522	1,710
Net capital gains/(losses) and impairments on unit-linked investments	34	(47)	1,300	968	10,436	3,566	5	(29)	–	–	–	–	11,776	4,458
Net investment result on unit-linked investments	76	1	1,323	978	11,822	5,139	78	49	–	–	–	–	13,298	6,168
Other income	80	82	60	65	525	468	38	35	125	394	(4)	(6)	823	1,039
Total BOP revenues	1,226	1,109	3,873	3,398	26,123	17,619	968	758	358	620	(6)	(7)	32,543	23,498
Benefits, losses and expenses														
Insurance benefits and losses, net ¹	442	418	926	768	9,677	7,050	301	246	165	130	–	–	11,510	8,612
Policyholder dividends and participation in profits, net	94	14	1,332	984	12,562	6,622	116	78	10	8	–	–	14,114	7,706
Income tax expense/(benefit) attributable to policyholders	–	–	–	–	296	103	8	7	–	–	–	–	304	110
Underwriting and policy acquisition costs, net	219	164	912	933	925	1,013	140	102	86	242	–	(1)	2,282	2,454
Administrative and other operating expense (excl. depreciation/amortization)	164	164	317	272	1,511	1,538	276	252	132	243	(4)	(5)	2,396	2,463
Interest credited to policyholders and other interest	168	155	8	9	238	239	41	42	–	–	–	–	455	445
Restructuring provisions and other items not included in BOP	(7)	(1)	(124)	(37)	(123)	(327)	(12)	(18)	(11)	(52)	–	–	(277)	(435)
Total BOP benefits, losses and expenses	1,079	915	3,372	2,929	25,087	16,239	869	708	382	571	(4)	(6)	30,785	21,355
Business operating profit (before interest, depreciation and amortization)	147	193	501	469	1,036	1,381	99	51	(24)	49	(1)	–	1,758	2,143
Depreciation and impairments of property and equipment	2	1	5	4	13	19	2	2	–	2	–	–	22	28
Amortization and impairments of intangible assets	28	14	18	74	72	429	7	9	1	53	–	–	126	578
Interest expense on debt	–	–	–	–	9	12	2	–	1	2	(1)	–	10	14
Business operating profit before non-controlling interests	118	178	478	392	941	921	89	39	(26)	(8)	–	–	1,600	1,523
Non-controlling interests	–	–	228	197	31	30	(3)	(4)	–	–	–	–	255	223
Business operating profit	118	178	250	195	911	892	92	43	(26)	(8)	–	–	1,344	1,300

¹ Europe, Middle East & Africa includes approximately USD 3,968 million and USD 2,701 million of gross written premiums and future life policyholder benefits for certain universal life-type contracts in the Group's Spanish operations for the years ended December 31, 2016 and 2015, respectively (see note 3 of the consolidated financial statements)

Global Life (unaudited)

Global Life –
Europe, Middle East
& Africa by country

in USD millions, for the years ended December 31

	United Kingdom		Germany		Switzerland		Ireland		Spain		Italy		Zurich International Life ¹		Rest of Europe, Middle East & Africa ²		Total		
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
	Revenues																		
Life insurance deposits	4,636	3,971	1,895	1,926	166	158	2,432	2,972	34	75	1,524	1,537	1,308	1,479	223	208	12,218	12,327	
Gross written premiums ³	793	819	1,775	2,360	1,188	1,382	248	347	4,998	3,243	443	426	101	76	147	168	9,693	8,821	
Policy fees	620	858	286	225	67	39	286	284	10	21	9	11	232	204	31	21	1,539	1,664	
Gross written premiums and policy fees	1,413	1,677	2,061	2,585	1,255	1,421	534	631	5,008	3,264	452	437	333	279	178	189	11,233	10,484	
Net earned premiums and policy fees	1,135	(255)	1,975	2,500	1,231	1,398	435	536	4,982	3,237	440	423	245	226	248	258	10,691	8,324	
Net investment income on Group investments	141	181	1,156	1,173	579	609	52	58	254	238	266	255	1	1	68	70	2,517	2,584	
Net capital gains/(losses) and impairments on Group investments	227	341	227	537	57	55	13	123	3	10	29	27	–	1	11	11	568	1,104	
Net investment result on Group investments	368	522	1,383	1,710	636	664	65	181	257	247	295	281	1	2	80	81	3,085	3,688	
Net investment income on unit-linked investments	1,026	1,163	102	88	7	6	219	228	10	55	(7)	(6)	22	25	7	14	1,385	1,573	
Net capital gains/(losses) and impairments on unit-linked investments	7,323	1,743	682	773	3	(12)	677	828	2	6	18	38	1,739	134	(7)	57	10,436	3,566	
Net investment result on unit-linked investments	8,348	2,906	784	861	10	(7)	896	1,056	11	60	12	32	1,761	159	–	71	11,822	5,139	
Other income	75	92	264	190	69	69	–	–	46	50	17	16	61	62	(8)	(11)	525	468	
Total BOP revenues	9,927	3,265	4,406	5,262	1,946	2,124	1,397	1,773	5,297	3,594	764	752	2,067	449	320	399	26,123	17,619	
Benefits, losses and expenses																			
Insurance benefits and losses, net ³	676	(835)	2,103	2,399	1,235	1,443	101	201	4,918	3,191	437	435	26	9	180	208	9,677	7,050	
Policyholder dividends and participation in profits, net	8,308	2,940	1,283	1,959	136	65	909	1,195	13	70	128	140	1,757	159	27	93	12,562	6,622	
Income tax expense/(benefit) attributable to policyholders	239	55	38	29	–	–	20	19	–	–	–	–	–	–	–	–	296	103	
Underwriting and policy acquisition costs, net	166	408	252	169	108	111	133	144	128	42	37	33	65	76	36	30	925	1,013	
Administrative and other operating expense (excl. depreciation/amortization)	346	429	369	370	247	199	138	132	135	142	106	87	139	138	29	39	1,511	1,538	
Interest credited to policyholders and other interest	59	68	140	131	7	11	26	22	2	2	4	5	–	–	–	–	238	239	
Restructuring provisions and other items not included in BOP	(66)	(19)	(24)	(301)	(2)	60	–	(1)	(14)	(32)	(3)	–	(4)	(10)	(11)	(24)	(123)	(327)	
Total BOP benefits, losses and expenses	9,729	3,048	4,162	4,755	1,732	1,890	1,327	1,713	5,182	3,415	710	700	1,984	371	262	346	25,087	16,239	
Business operating profit (before interest, depreciation and amortization)	198	217	244	507	214	234	70	60	115	179	54	53	83	78	58	53	1,036	1,381	
Depreciation and impairments of property and equipment	6	7	3	8	1	2	1	–	1	1	–	–	1	1	1	1	13	19	
Amortization and impairments of intangible assets	31	36	8	279	4	3	1	1	19	90	4	11	6	7	–	2	72	429	
Interest expense on debt	1	2	–	–	–	–	–	–	8	8	–	–	–	–	–	1	9	12	
Business operating profit before non-controlling interests	161	173	233	220	209	229	68	58	87	80	50	41	76	70	57	50	941	921	
Non-controlling interests	–	–	–	–	–	–	–	–	31	29	–	–	–	–	–	–	31	30	
Business operating profit	161	173	233	220	209	229	68	58	57	50	50	41	76	70	57	50	911	892	

¹ Includes business written through licenses, mainly into Asia Pacific and Middle East.² Including eliminations.³ Spain includes approximately USD 3,968 million and USD 2,701 million of gross written premiums and future life policyholder benefits for certain universal life-type contracts for the years ended December 31, 2016 and 2015, respectively (see note 3 of the consolidated financial statements).

Global Life (unaudited)

Global Life –
Reserves and
liabilities, net
of reinsurance,
by region

in USD millions, as of

	Unit-linked insurance and investment contracts		Other life insurance liabilities		Total reserves and liabilities	
	2016	2015	2016	2015	2016	2015
North America	1,751	1,438	5,696	5,577	7,447	7,015
Latin America	12,048	8,276	4,653	3,863	16,700	12,139
Europe, Middle East & Africa	108,210	112,331	72,421	71,711	180,631	184,042
<i>of which:</i>						
<i>United Kingdom</i>	57,054	60,716	2,610	3,054	59,664	63,769
<i>Germany</i>	14,183	13,530	35,338	36,418	49,521	49,948
<i>Switzerland</i>	820	841	17,494	18,015	18,314	18,855
<i>Ireland</i>	18,152	17,367	1,884	1,979	20,037	19,346
<i>Spain</i>	836	1,084	10,320	7,450	11,156	8,534
<i>Italy</i>	6,631	5,773	3,032	3,013	9,663	8,787
<i>Zurich International Life</i>	9,606	9,425	50	53	9,656	9,478
<i>Rest of Europe, Middle East & Africa</i>	927	3,596	1,693	1,729	2,620	5,325
Asia Pacific	1,555	1,585	2,506	2,489	4,061	4,074
Other	–	–	279	272	279	272
Total	123,564	123,630	85,554	83,912	209,118	207,542

Farmers (unaudited)

Farmers –
Overview

in USD millions, for the years ended December 31

	Farmers Management Services		Farmers Re		Total	
	2016	2015	2016	2015	2016	
Gross written premiums and policy fees	–	–	1,587	2,145	1,587	2,145
Net earned premiums and policy fees	–	–	1,521	2,266	1,521	2,266
Management fees and other related revenues	2,867	2,786	–	–	2,867	2,786
Insurance benefits and losses, net	–	–	(1,085)	(1,588)	(1,085)	(1,588)
Management and other related expenses	(1,500)	(1,448)	–	–	(1,500)	(1,448)
Total net technical expenses	–	–	(487)	(704)	(487)	(704)
Gross management result	1,367	1,338	–	–	n/a	n/a
Net underwriting result	–	–	(51)	(26)	n/a	n/a
Net investment income	16	13	23	36	39	49
Net capital gains/(losses) and impairments on investments	–	–	–	–	–	–
Other net income/Net non-technical result (excl. items not included in BOP)	96	9	69	52	165	61
Business operating profit before non-controlling interests	1,478	1,360	42	61	1,520	1,421
Non-controlling interests	–	–	–	–	–	–
Business operating profit	1,478	1,360	42	61	1,520	1,421
Ratios, as % of net earned premiums and policy fees						
Loss ratio			71.3%	70.1%		
Expense ratio			32.0%	31.1%		
Combined ratio			103.3%	101.2%		

Additional information (unaudited)

Principal
exchange rates

USD per foreign currency unit

	Consolidated balance sheets at end-of-period exchange rates		Consolidated income statements and cash flows at average exchange rates	
	12/31/16	12/31/15	12/31/16	12/31/15
Euro	1.0557	1.0862	1.1067	1.1109
Swiss franc	0.9845	0.9988	1.0153	1.0399
British pound	1.2346	1.4749	1.3550	1.5288
Brazilian real	0.3077	0.2525	0.2886	0.3053

Additional information (unaudited)

Net investment
result

in USD millions, for the years ended December 31

	Net investment income		Net capital gains/(losses) and impairments		Net investment result		of which impairments	
	2016	2015	2016	2015	2016	2015	2016	2015
Group investments								
Cash and cash equivalents	12	32	1	(1)	13	31	–	–
Equity securities	489	467	542	646	1,031	1,113	(168)	(162)
Debt securities	4,034	4,095	789	1,011	4,823	5,106	(12)	(4)
Investment property	547	512	408	131	956	642	–	–
Mortgage loans	222	266	5	(56)	227	210	5	(56)
Other loans	417	447	17	2	434	449	(1)	(2)
Investments in associates and joint ventures	3	8	3	31	6	39	–	–
Derivative financial instruments	–	–	(203)	127	(203)	127	–	–
Investment result, gross, for Group investments	5,726	5,827	1,561	1,891	7,287	7,718	(176)	(224)
Investment expenses for Group investments ¹	(241)	(256)	–	–	(241)	(256)	–	–
Investment result, net, for Group investments	5,484	5,572	1,561	1,891	7,045	7,462	(176)	(224)
Investments for unit-linked contracts								
Investment result, net, for investments for unit-linked contracts	1,605	1,867	12,008	4,371	13,613	6,238	–	–
Total investments								
Investment result, net, for total investments	7,089	7,439	13,569	6,261	20,658	13,700	(176)	(224)

¹ Rental operating expenses for investment property included in investment expenses for Group investments amounted to USD 88 million and USD 81 million for the years ended December 31, 2016 and 2015, respectively.Details of
investments
by category

as of

	12/31/16		12/31/15	
	USD millions	% of Group	USD millions	% of Group
Total Group Investments	189,808	100.0	191,238	100.0
Cash and cash equivalents	7,197	3.8	8,159	4.3
Equity securities:				
Fair value through profit or loss	3,359	1.8	3,519	1.8
Available-for-sale	12,548	6.6	15,354	8.0
Total equity securities	15,908	8.4	18,873	9.9
Debt securities:				
Fair value through profit or loss	5,672	3.0	6,180	3.2
Available-for-sale	131,967	69.5	128,181	67.0
Held-to-Maturity	2,543	1.3	3,369	1.8
Total debt securities	140,181	73.9	137,730	72.0
Investment property	10,562	5.6	9,865	5.2
Mortgage loans	6,794	3.6	7,024	3.7
Other loans	9,146	4.8	9,569	5.0
Investments in associates and joint ventures	20	0.0	18	0.0
Investments for unit-linked products	125,907		126,728	
Total investments	315,715		317,966	

Information for the three months ended December 31 (unaudited)

Business operating
profit by segment

in USD millions, for the three months ended December 31

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues														
Direct written premiums	7,092	7,026	3,551	3,492	–	–	–	–	13	12	–	–	10,656	10,530
Assumed written premiums	282	361	32	22	372	424	14	12	18	22	(23)	(21)	694	819
Gross Written Premiums	7,373	7,386	3,583	3,514	372	424	14	12	31	34	(23)	(21)	11,350	11,350
Policy fees	–	–	500	441	–	–	–	–	75	71	–	–	575	512
Gross written premiums and policy fees	7,373	7,386	4,083	3,954	372	424	14	12	106	105	(23)	(21)	11,925	11,862
Less premiums ceded to reinsurers	(1,618)	(1,340)	(267)	(290)	–	–	(11)	(10)	(3)	–	23	21	(1,876)	(1,620)
Net written premiums and policy fees	5,755	6,046	3,816	3,664	372	424	3	3	103	105	–	–	10,049	10,242
Net change in reserves for unearned premiums	520	1,010	(48)	(60)	13	151	(1)	(1)	5	–	–	–	489	1,100
Net earned premiums and policy fees	6,275	7,056	3,768	3,604	385	575	1	2	108	105	–	–	10,538	11,342
Farmers management fees and other related revenues	–	–	–	–	723	705	–	–	–	–	–	–	723	705
Net investment result on Group investments	521	501	888	959	10	11	71	75	(195)	(41)	(98)	(99)	1,195	1,406
Net investment income on Group investments	485	499	744	801	10	11	71	75	67	72	(98)	(99)	1,278	1,358
Net capital gains/(losses) and impairments on Group investments	36	3	144	158	–	–	–	–	(262)	(113)	–	–	(83)	48
Net investment result on unit-linked investments	–	–	3,097	5,735	–	–	–	–	(197)	76	–	–	2,900	5,811
Other income	181	221	190	233	5	13	241	261	15	52	(300)	(385)	333	394
Total BOP revenues	6,976	7,778	7,943	10,531	1,122	1,303	313	338	(269)	192	(398)	(484)	15,687	19,657
<i>of which: inter-segment revenues</i>	(69)	(125)	(63)	(78)	(6)	(3)	(260)	(275)	(1)	(3)	398	484	–	–
Benefits, losses and expenses														
Insurance benefits and losses, net	4,063	5,344	2,770	2,896	258	420	–	(2)	(103)	(22)	–	–	6,988	8,635
Losses and loss adjustment expenses, net	4,065	5,349	–	–	258	420	–	(2)	(26)	74	–	–	4,297	5,841
Life insurance death and other benefits, net	(2)	(6)	2,770	2,896	–	–	–	–	(77)	(96)	–	–	2,691	2,794
Policyholder dividends and participation in profits, net	2	(1)	3,531	5,950	–	–	–	–	(176)	83	–	–	3,357	6,032
Income tax expense/(benefit) attributable to policyholders	–	–	51	128	–	–	–	–	–	–	–	–	51	128
Underwriting and policy acquisition costs, net	1,456	1,530	551	462	123	178	–	–	2	1	–	(3)	2,133	2,167
Administrative and other operating expense (excl. depreciation/amortization)	866	1,163	650	691	257	336	304	333	41	49	(232)	(299)	1,885	2,271
Interest credited to policyholders and other interest	24	28	109	112	–	–	28	34	16	21	(65)	(78)	112	118
Restructuring provisions and other items not included in BOP	(170)	(350)	(102)	(368)	1	(12)	(23)	(42)	–	(4)	–	–	(295)	(777)
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	6,242	7,713	7,559	9,870	638	922	309	323	(220)	127	(297)	(380)	14,230	18,575
Business operating profit (before interest, depreciation and amortization)	735	65	384	661	484	381	5	15	(50)	64	(102)	(104)	1,457	1,082
Depreciation and impairments of property and equipment	33	59	6	6	8	7	2	2	–	–	–	–	49	74
Amortization and impairments of intangible assets	44	78	(1)	307	26	23	17	13	–	–	–	–	87	421
Interest expense on debt	25	24	2	3	–	–	180	173	3	2	(102)	(104)	109	98
Business operating profit before non-controlling interests	633	(96)	377	344	450	351	(194)	(172)	(53)	62	–	–	1,213	489
Non-controlling interests	22	23	65	46	–	–	(2)	(1)	–	–	–	–	86	67
Business operating profit	611	(120)	312	299	450	351	(193)	(171)	(53)	62	–	–	1,128	422

Information for the three months ended December 31 (unaudited)

Reconciliation of
BOP to net income
after income taxes

in USD millions, for the three months ended December 31

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Business operating profit	611	(120)	312	299	450	351	(193)	(171)	(53)	62	1,128	422
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	159	68	18	3	–	4	32	(2)	127	2	336	75
Net gain/(loss) on divestments of businesses ¹	(95)	–	–	–	–	–	(1)	–	–	–	(96)	–
Restructuring provisions	(117)	(276)	(5)	(43)	1	(12)	(27)	(43)	–	(4)	(148)	(378)
Net income/(expense) on intercompany loans	(3)	(4)	(4)	(4)	–	–	6	8	–	–	–	–
Impairments of goodwill	–	–	–	(232)	–	–	–	–	–	–	–	(232)
Change in estimates of earn-out liabilities	(37)	(2)	(77)	(20)	–	–	–	–	–	–	(113)	(22)
Other adjustments ²	(14)	(69)	(17)	(69)	–	–	(3)	(6)	–	–	(34)	(145)
Add back:												
Business operating profit attributable to non-controlling interests	22	23	65	46	–	–	(2)	(1)	–	–	86	67
Net income before shareholders' taxes	527	(379)	294	(21)	450	343	(187)	(216)	74	60	1,158	(213)
Income tax expense/(benefit) attributable to policyholders	–	–	51	128	–	–	–	–	–	–	51	128
Net income before income taxes	527	(379)	345	107	450	343	(187)	(216)	74	60	1,209	(85)
Income tax expense											(474)	(315)
attributable to policyholders											(51)	(128)
attributable to shareholders											(422)	(187)
Net income after taxes											735	(400)
attributable to non-controlling interests											51	24
attributable to shareholders											685	(424)

¹ For the three months ended December 31, 2016, USD 95 million of losses in General Insurance include USD (96) million relating to the sale of businesses in South Africa and Morocco (see note 5 of the consolidated financial statements).

² For the three months ended December 31, 2016, total Group includes non-operating charges of USD (32) million and accounting and other restructuring charges of USD (2) million. For the three months ended December 31, 2015, total Group includes accounting and other restructuring charges of USD (96) million (of which USD (18) million relates to software impairments and USD (32) million to impairments of own use properties (see note 14 and 13 of the consolidated financial statements, respectively) and USD (46) million of other restructuring related costs) relating to initiatives announced in 2015.

Information for the three months ended December 31 (unaudited)

General Insurance –
Customer segment
overview

in USD millions, for the three months ended December 31

	Global Corporate		North America Commercial		Europe, Middle East & Africa		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Gross written premiums and policy fees	1,748	1,752	2,787	2,706	1,981	2,172	900	817	67	90	(110)	(151)	7,373
Net earned premiums and policy fees	1,148	1,516	2,023	2,175	2,307	2,573	820	791	(22)	1	–	–	6,275	7,056
Insurance benefits and losses, net	1,029	1,400	1,263	1,473	1,477	2,047	410	428	(115)	(5)	–	–	4,063	5,344
Policyholder dividends and participation in profits, net	–	–	2	(1)	–	–	–	–	–	–	–	–	2	(1)
Total net technical expenses	293	345	627	671	742	876	407	396	43	30	–	–	2,113	2,318
Net underwriting result	(174)	(230)	132	32	87	(349)	2	(33)	51	(24)	–	–	97	(605)
Net investment income	118	137	162	152	126	134	53	53	26	21	–	–	485	499
Net capital gains/(losses) and impairments on investments	13	1	19	3	4	(1)	–	–	–	–	–	–	36	3
Net non-technical result (excl. items not included in BOP)	6	10	4	5	25	(3)	(8)	1	(12)	(6)	–	–	16	7
Business operating profit before non-controlling interests	(38)	(82)	317	192	242	(218)	47	20	65	(9)	–	–	633	(96)
Non-controlling interests	–	–	–	–	5	3	17	20	–	–	–	–	22	23
Business operating profit	(38)	(82)	317	192	238	(221)	30	–	65	(9)	–	–	611	(120)

Ratios, as % of net earned premiums and policy fees

Loss ratio	89.6%	92.4%	62.4%	67.7%	64.0%	79.5%	50.1%	54.2%	nm	nm	n/a	n/a	64.8%	75.7%
Expense ratio	25.6%	22.8%	31.1%	30.8%	32.2%	34.0%	49.7%	50.1%	nm	nm	n/a	n/a	33.7%	32.8%
Combined ratio	115.2%	115.2%	93.5%	98.5%	96.2%	113.6%	99.8%	104.2%	nm	nm	n/a	n/a	98.5%	108.6%

Customer segment
reporting – Europe,
Middle East & Africa
by country

in USD millions, for the three months ended December 31

	United Kingdom		Germany		Switzerland		Italy		Rest of Europe		Middle East & Africa		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Gross written premiums and policy fees	462	602	365	299	258	233	403	438	453	456	42	148	–	(4)	1,981	2,172
Net earned premiums and policy fees	449	591	514	524	555	548	299	326	457	460	33	125	–	–	2,307	2,573
Net underwriting result	(22)	(272)	9	(61)	33	24	40	7	29	(38)	(5)	(7)	4	(3)	87	(349)
Business operating profit	13	(237)	63	(35)	65	54	51	22	48	(24)	(2)	(1)	–	–	238	(221)

Ratios, as % of net earned premiums and policy fees

Loss ratio	71.3%	113.8%	64.8%	74.3%	62.8%	61.5%	55.4%	65.8%	63.4%	77.0%	61.7%	63.9%	n/a	n/a	64.0%	79.5%
Expense ratio	33.6%	32.2%	33.4%	37.3%	31.3%	34.1%	31.3%	32.1%	30.2%	31.2%	54.5%	41.3%	n/a	n/a	32.2%	34.0%
Combined ratio	104.9%	146.0%	98.2%	111.6%	94.1%	95.6%	86.6%	97.8%	93.7%	108.2%	116.3%	105.2%	n/a	n/a	96.2%	113.6%

Information for the three months ended December 31 (unaudited)

Global Life –
Overview

in USD millions, for the three months ended December 31

	North America		Latin America		Europe, Middle East & Africa		Asia Pacific		Other		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues														
Life insurance deposits	91	107	622	522	3,003	3,073	33	32	–	–	–	–	3,749	3,734
Gross written premiums	151	147	669	537	2,509	2,666	233	148	38	28	(17)	(13)	3,583	3,514
Policy fees	104	101	14	8	349	305	34	28	–	–	–	–	500	441
Gross written premiums and policy fees	255	248	683	545	2,858	2,970	267	176	38	28	(17)	(13)	4,083	3,954
Net earned premiums and policy fees	202	196	592	460	2,692	2,744	224	149	58	56	–	–	3,768	3,604
Net investment income on Group investments	58	63	84	92	566	616	35	28	2	2	–	–	744	801
Net capital gains/(losses) and impairments on Group investments	2	1	3	2	171	145	(32)	10	–	–	–	–	144	158
Net investment result on Group investments	60	64	87	94	737	761	3	38	2	2	–	–	888	959
Net investment income on unit-linked investments	1	4	10	(3)	347	421	7	20	–	–	–	–	366	442
Net capital gains/(losses) and impairments on unit-linked investments	12	18	355	339	2,363	4,905	1	31	–	–	–	–	2,731	5,293
Net investment result on unit-linked investments	13	22	365	336	2,710	5,326	9	51	–	–	–	–	3,097	5,735
Other income	19	21	20	20	142	92	13	9	(2)	92	(2)	(2)	190	233
Total BOP revenues	293	303	1,064	910	6,281	8,923	249	248	58	150	(3)	(2)	7,943	10,531
Benefits, losses and expenses														
Insurance benefits and losses, net	85	116	264	210	2,340	2,465	39	64	41	41	–	–	2,770	2,896
Policyholder dividends and participation in profits, net	17	23	371	338	3,118	5,525	24	64	1	–	–	–	3,531	5,950
Income tax expense/(benefit) attributable to policyholders	–	–	–	–	51	121	1	7	–	–	–	–	51	128
Underwriting and policy acquisition costs, net	75	38	249	205	172	119	48	37	6	63	–	–	551	462
Administrative and other operating expense (excl. depreciation/amortization)	32	44	119	62	380	469	92	62	28	57	(2)	(2)	650	691
Interest credited to policyholders and other interest	44	37	(1)	2	56	58	10	14	–	–	–	–	109	112
Restructuring provisions and other items not included in BOP	(2)	–	(66)	(8)	(32)	(344)	(1)	(13)	(1)	(3)	–	–	(102)	(368)
Total BOP benefits, losses and expenses	251	259	937	808	6,085	8,413	213	234	76	159	(2)	(2)	7,559	9,870
Business operating profit (before interest, depreciation and amortization)	42	44	127	102	197	510	36	14	(18)	(8)	–	–	384	661
Depreciation and impairments of property and equipment	–	–	2	–	3	5	1	–	–	–	–	–	6	6
Amortization and impairments of intangible assets	7	5	5	16	(15)	280	3	5	–	1	–	–	(1)	307
Interest expense on debt	–	–	–	–	2	2	–	–	–	1	–	–	2	3
Business operating profit before non-controlling interests	35	38	120	86	207	223	33	8	(18)	(10)	–	–	377	344
Non-controlling interests	–	–	60	40	7	7	(1)	(1)	–	–	–	–	65	46
Business operating profit	35	38	61	46	200	216	34	9	(18)	(10)	–	–	312	299

Information for the three months ended December 31 (unaudited)

Global Life –
Europe, Middle East
& Africa by country

in USD millions, for the three months ended December 31

	United Kingdom		Germany		Switzerland		Ireland		Spain		Italy		Zurich International Life ¹		Rest of Europe, Middle East & Africa ²		Total		
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
	Revenues																		
Life insurance deposits	1,102	843	387	403	72	52	855	814	14	17	216	460	308	413	50	72	3,003	3,073	
Gross written premiums	191	230	448	582	260	295	63	127	1,276	1,166	221	169	13	39	38	57	2,509	2,666	
Policy fees	162	206	34	8	21	13	66	66	2	2	4	3	53	(1)	6	6	349	305	
Gross written premiums and policy fees	353	436	482	590	281	309	130	194	1,278	1,169	225	171	65	39	44	63	2,858	2,970	
Net earned premiums and policy fees	236	259	462	565	277	305	107	171	1,274	1,163	228	173	46	26	63	81	2,692	2,744	
Net investment income on Group investments	29	39	267	288	120	143	10	11	62	59	60	61	–	–	17	15	566	616	
Net capital gains/(losses) and impairments on Group investments	(60)	5	136	128	37	(4)	11	2	1	1	38	13	1	1	7	(1)	171	145	
Net investment result on Group investments	(30)	44	403	416	157	139	21	12	63	60	98	74	1	1	23	15	737	761	
Net investment income on unit-linked investments	207	293	88	77	1	–	47	45	1	2	(2)	(1)	5	8	1	(2)	347	421	
Net capital gains/(losses) and impairments on unit-linked investments	1,468	2,953	9	636	8	21	624	684	7	14	24	28	227	517	(3)	52	2,363	4,905	
Net investment result on unit-linked investments	1,675	3,246	97	712	8	22	671	729	8	16	22	27	231	525	(3)	50	2,710	5,326	
Other income	16	22	81	29	19	19	–	–	11	12	4	7	14	8	(4)	(6)	142	92	
Total BOP revenues	1,897	3,571	1,042	1,723	462	485	798	912	1,357	1,252	353	281	293	559	80	139	6,281	8,923	
Benefits, losses and expenses																			
Insurance benefits and losses, net	25	53	481	586	285	338	17	83	1,262	1,151	235	181	(6)	8	42	64	2,340	2,465	
Policyholder dividends and participation in profits, net	1,662	3,151	408	1,005	59	(18)	682	733	6	20	59	55	231	530	10	49	3,118	5,525	
Income tax expense/(benefit) attributable to policyholders	31	115	14	3	–	–	5	3	–	–	–	–	–	–	–	–	51	121	
Underwriting and policy acquisition costs, net	76	72	(33)	(32)	25	30	32	44	35	11	10	6	17	(23)	10	11	172	119	
Administrative and other operating expense (excl. depreciation/amortization)	61	122	99	118	65	75	34	34	42	46	38	25	36	23	6	26	380	469	
Interest credited to policyholders and other interest	13	17	36	30	(2)	4	7	6	–	–	1	1	–	–	–	–	56	58	
Restructuring provisions and other items not included in BOP	(8)	(16)	(6)	(289)	–	(1)	–	–	(13)	(17)	(2)	–	(3)	1	–	(22)	(32)	(344)	
Total BOP benefits, losses and expenses	1,860	3,514	1,000	1,421	432	428	778	904	1,332	1,211	341	268	275	539	67	128	6,085	8,413	
Business operating profit (before interest, depreciation and amortization)	37	57	42	302	30	57	20	8	25	41	12	13	18	20	13	11	197	510	
Depreciation and impairments of property and equipment	1	2	1	2	–	–	–	–	–	–	–	–	–	–	–	–	3	5	
Amortization and impairments of intangible assets	7	10	(30)	242	1	1	1	–	4	22	1	3	1	1	–	–	(15)	280	
Interest expense on debt	–	–	–	–	–	–	–	–	2	2	–	–	–	–	–	–	2	2	
Business operating profit before non-controlling interests	29	46	72	58	28	56	19	8	19	16	11	10	17	19	13	11	207	223	
Non-controlling interests	–	–	–	–	–	–	–	–	7	7	–	–	–	–	–	–	7	7	
Business operating profit	29	46	72	58	28	56	19	8	12	9	11	10	17	19	13	11	200	216	

¹ Includes business written through licenses, mainly into Asia Pacific and Middle East.² Including eliminations.

Information for the three months ended December 31 (unaudited)

Farmers –
Overview

in USD millions, for the three months ended December 31

	Farmers Management Services		Farmers Re		Total	
	2016	2015	2016	2015	2016	
Gross written premiums and policy fees	–	–	372	424	372	424
Net earned premiums and policy fees	–	–	385	575	385	575
Management fees and other related revenues	723	705	–	–	723	705
Insurance benefits and losses, net	–	–	(258)	(420)	(258)	(420)
Management and other related expenses	(376)	(359)	–	–	(376)	(359)
Total net technical expenses	–	–	(123)	(179)	(123)	(179)
Gross management result	347	346	–	–	n/a	n/a
Net underwriting result	–	–	4	(24)	n/a	n/a
Net investment income	4	3	5	8	10	11
Net capital gains/(losses) and impairments on investments	–	–	–	–	–	–
Other net income/Net non-technical result (excl. items not included in BOP)	78	5	11	12	89	18
Business operating profit before non-controlling interests	429	355	21	(4)	450	351
Non-controlling interests	–	–	–	–	–	–
Business operating profit	429	355	21	(4)	450	351
Ratios, as % of net earned premiums and policy fees						
Loss ratio			66.9%	73.1%		
Expense ratio			32.0%	31.1%		
Combined ratio			98.9%	104.2%		

Summary of quarterly consolidated information (unaudited)

Summary of quarterly consolidated information¹

in USD millions, for the three months ended	12/31/16	09/30/16	06/30/16	03/31/16	12/31/15	09/30/15	06/30/15	03/31/15	12/31/14
Gross written premiums and policy fees	11,925	11,612	13,674	13,404	11,862	12,264	12,461	14,411	12,564
Net earned premiums and policy fees	10,538	10,853	10,780	10,451	11,342	11,270	8,952	11,061	12,306
Net investment result on Group investments	1,531	1,861	1,920	1,734	1,481	1,959	1,890	2,133	2,464
Net investment income on Group investments	1,278	1,388	1,480	1,339	1,358	1,405	1,478	1,331	1,437
Net capital gains/(losses) on Group investments and impairments	253	473	440	395	123	553	412	802	1,027
Net investment result on unit-linked investments	2,900	6,480	3,664	570	5,811	(4,803)	(3,444)	8,673	3,849
Other revenues	959	1,000	932	1,074	1,099	1,037	1,067	1,040	900
Total revenues	15,927	20,194	17,296	13,828	19,732	9,463	8,465	22,907	19,519
Insurance benefits and losses, net of reinsurance	6,988	7,850	8,091	7,563	8,635	8,737	5,512	7,861	9,096
Policyholder dividends and participation in profits, net of reinsurance	3,357	6,665	3,743	754	6,032	(4,368)	(2,700)	8,898	4,206
Other expenses	4,374	4,165	4,189	4,187	5,150	4,641	4,560	4,268	4,936
Total benefits, losses and expenses	14,718	18,680	16,023	12,504	19,817	9,010	7,372	21,027	18,238
Net income before income taxes	1,209	1,515	1,273	1,324	(85)	453	1,093	1,880	1,281
Net income attributable to shareholders	685	912	739	875	(424)	207	840	1,219	860
Business operating profit	1,128	1,208	1,107	1,087	422	256	943	1,295	812

¹ Following the restatement for the cumulative foreign currency translation adjustment, the quarterly consolidated financial information for 12/31/14 has been restated.

Summary of quarterly consolidated information – Key performance indicators by segment¹

in USD millions, for the three months ended	12/31/16	09/30/16	06/30/16	03/31/16	12/31/15	09/30/15	06/30/15	03/31/15	12/31/14
Total revenues	15,927	20,194	17,296	13,828	19,732	9,463	8,465	22,907	19,519
General Insurance	7,040	7,437	7,624	7,096	7,846	7,823	7,820	7,866	8,339
Global Life	7,961	11,388	8,223	5,185	10,533	157	(353)	13,401	9,124
Farmers	1,122	1,157	1,131	1,111	1,307	1,303	1,284	1,282	1,756
Other ²	(196)	213	318	436	46	181	(286)	358	300
Total benefits, losses and expenses	(14,718)	(18,680)	(16,023)	(12,504)	(19,817)	(9,010)	(7,372)	(21,027)	(18,238)
General Insurance	(6,514)	(6,700)	(6,889)	(6,485)	(8,225)	(7,897)	(7,229)	(6,938)	(7,634)
Global Life	(7,616)	(10,858)	(7,772)	(4,670)	(10,427)	217	676	(12,766)	(8,574)
Farmers	(672)	(764)	(792)	(768)	(964)	(952)	(949)	(884)	(1,315)
Other ²	84	(358)	(571)	(581)	(202)	(378)	130	(440)	(714)
Net income before income taxes	1,209	1,515	1,273	1,324	(85)	453	1,093	1,880	1,281
General Insurance	527	737	736	611	(379)	(75)	591	928	705
Global Life	345	530	451	515	107	373	323	636	550
Farmers	450	394	339	343	343	351	335	398	441
Other ²	(113)	(146)	(253)	(145)	(156)	(197)	(156)	(81)	(414)
Business operating profit	1,128	1,208	1,107	1,087	422	256	943	1,295	812
General Insurance	611	618	663	542	(120)	(183)	460	706	511
Global Life	312	365	349	317	299	328	355	319	308
Farmers	450	392	335	343	351	351	328	391	420
Other ²	(246)	(167)	(241)	(115)	(109)	(240)	(200)	(120)	(428)

¹ Following the restatement for the cumulative foreign currency translation adjustment, the quarterly consolidated financial information for 12/31/14 has been restated.

² Including intersegment elimination.

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