



Zurich Financial Services Group

“Déjà vu – lessons from the crisis”

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Bank of America Merrill Lynch
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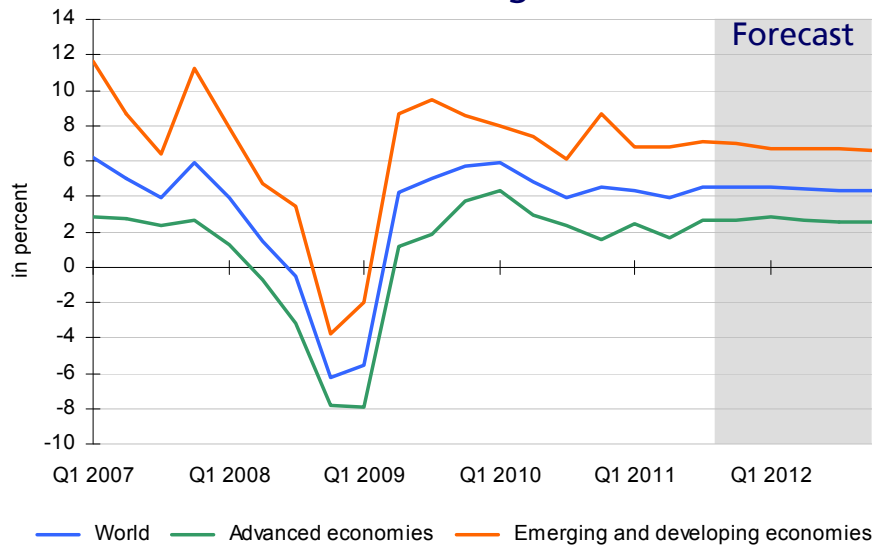
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Déjà vu

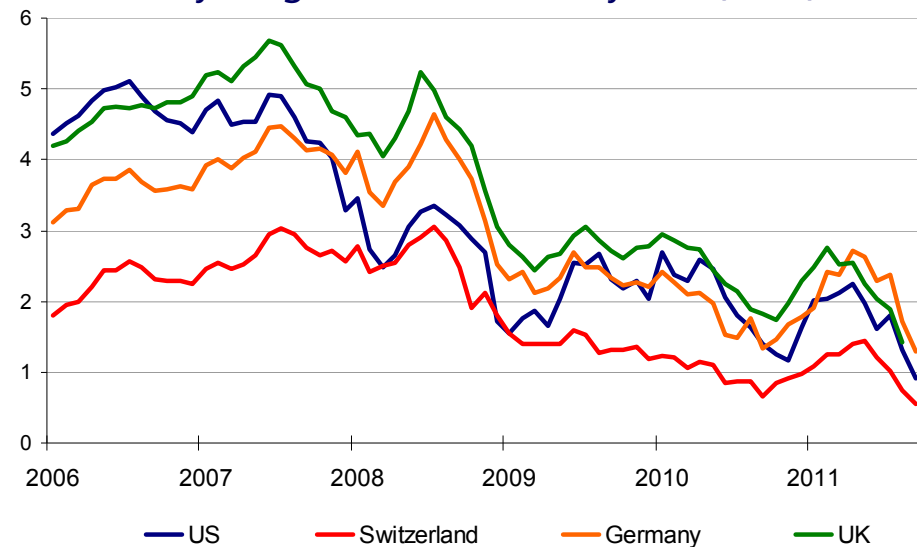


Global GDP growth



Source: IMF

5 year-government bond yields (in %)



Source: Datastream, September 27, 2011

Key messages

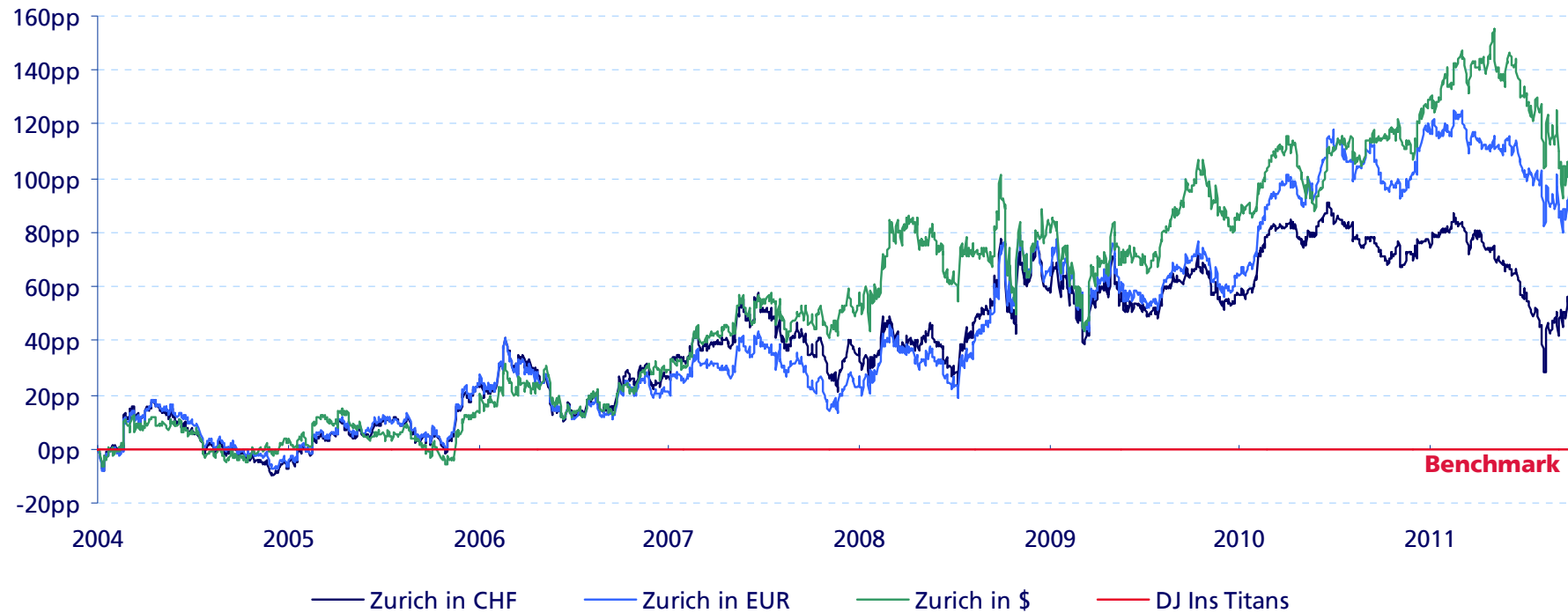


- Proven track record supported by strong cash flows and solvency position
- De-risking actions taken to address the current crisis
- Strategy positions Zurich well for the future

Outperforming the benchmark index



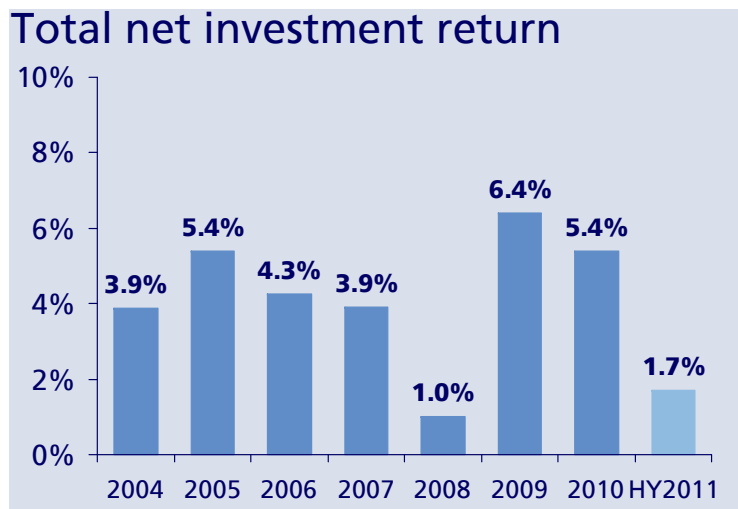
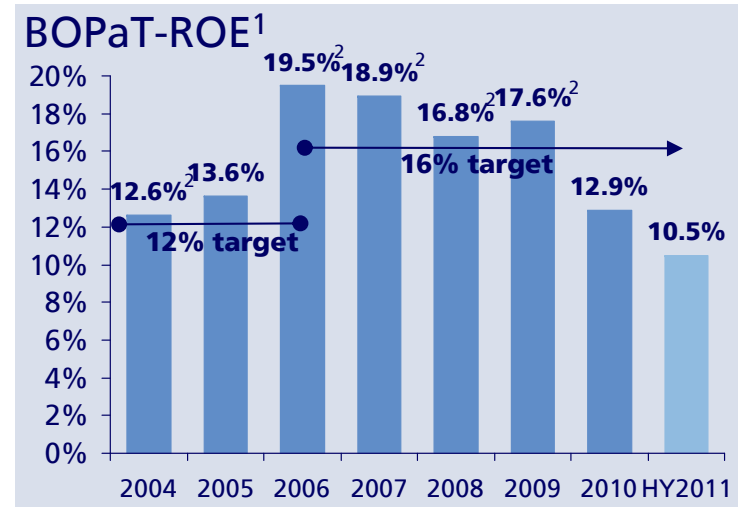
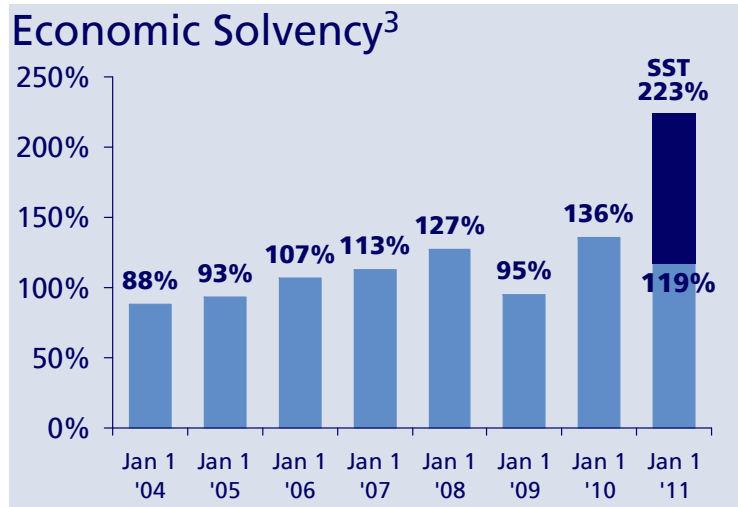
TSR out-performance 2004 – to date
(in percentage points)



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Source: Datastream, September 29

Strong track record for Zurich



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¹ Business operating profit (after tax) return on common shareholders' equity

² Restated

³ Economic solvency is based on Available Financial Resources (AFR) at the beginning of period as a percentage of expected risks to be taken during period (RBC). Economic solvency is based on **AA calibration**.

Key messages

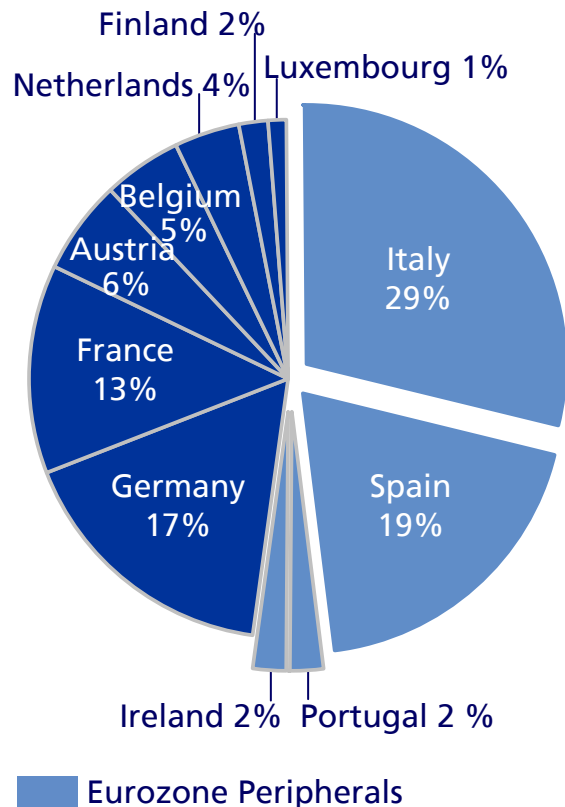


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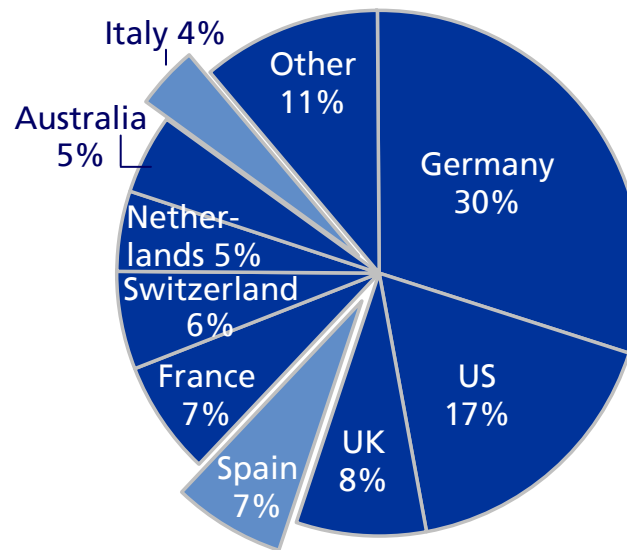
Further de-risking actions taken to balance Eurozone exposures



**Eurozone sovereign debt
USD 28bn¹**
(96% investment grade)



**Bank corporate bonds
USD 26bn¹**
(99% investment grade)



De-risking actions taken

- Lowered holdings of Italian sovereign debt by USD 2 billion
- Bought put-options on the Euro STOXX of a notional amount of USD 2.2 billion

¹ As of June 30, 2011; gross, before attribution to policyholders, taxes and other

Global Life's product mix and underwriting actions generate quality earnings



Product mix

- Focused on Unit-linked, Protection, and Corporate
- Capital light, high margin products
- De-emphasis of products with embedded options and guarantees

Disciplined underwriting

- Focus on long term value
- Not competing on uneconomical terms

Quality of earnings

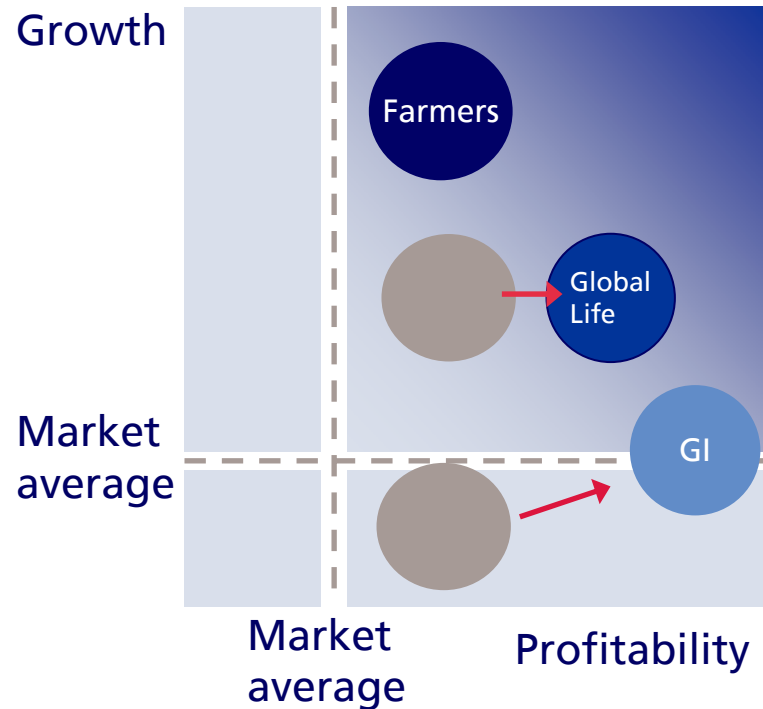
- Our risk margin reflects stability in experience compared to pricing
- Our hedging strategy has been effective in protecting our spread-based business and capital
- Limited impact of severe market movements on fees

Key messages



- Proven track record supported by strong cash flows and solvency position
- De-risking actions taken to address the current crisis
- Strategy positions Zurich well for the future

Zurich's strategy and targets drive total shareholder return



General Insurance (GI)

Improve Combined Ratio by 3 - 4 pts relative to global competitors and hold market position

Global Life

Rank Top 5 of European-based global peers by New Business Value

Farmers

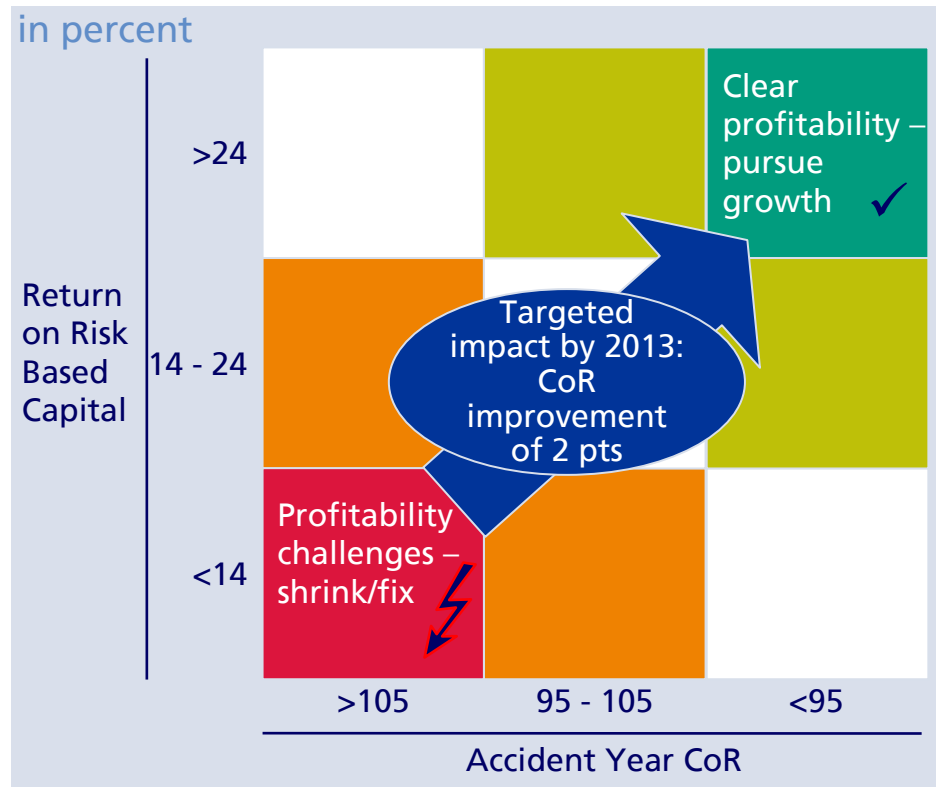
Maintain top tier market share growth in U.S. Personal Lines

● **BOPaT-ROE of 16% over medium term**

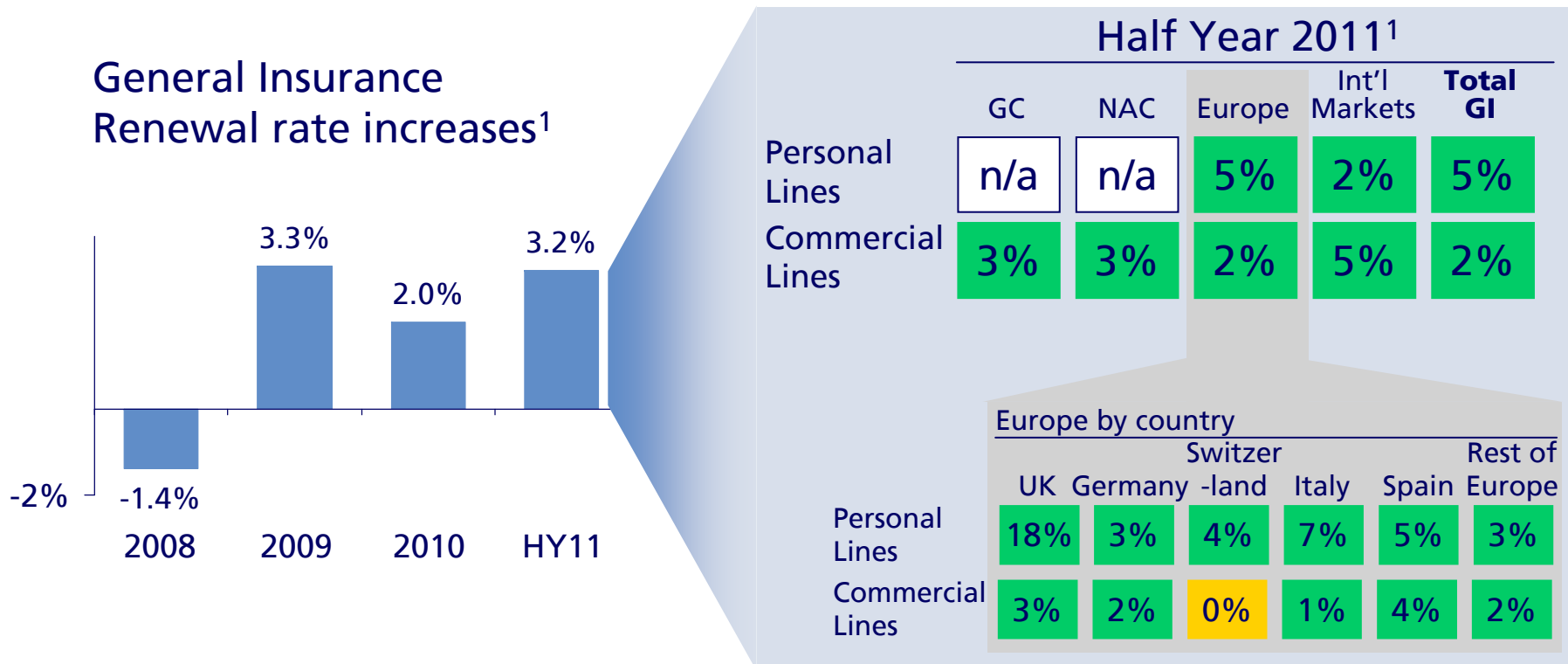
● **Delivering attractive Total Shareholder Return**



General Insurance re-underwriting to improve the Combined Ratio



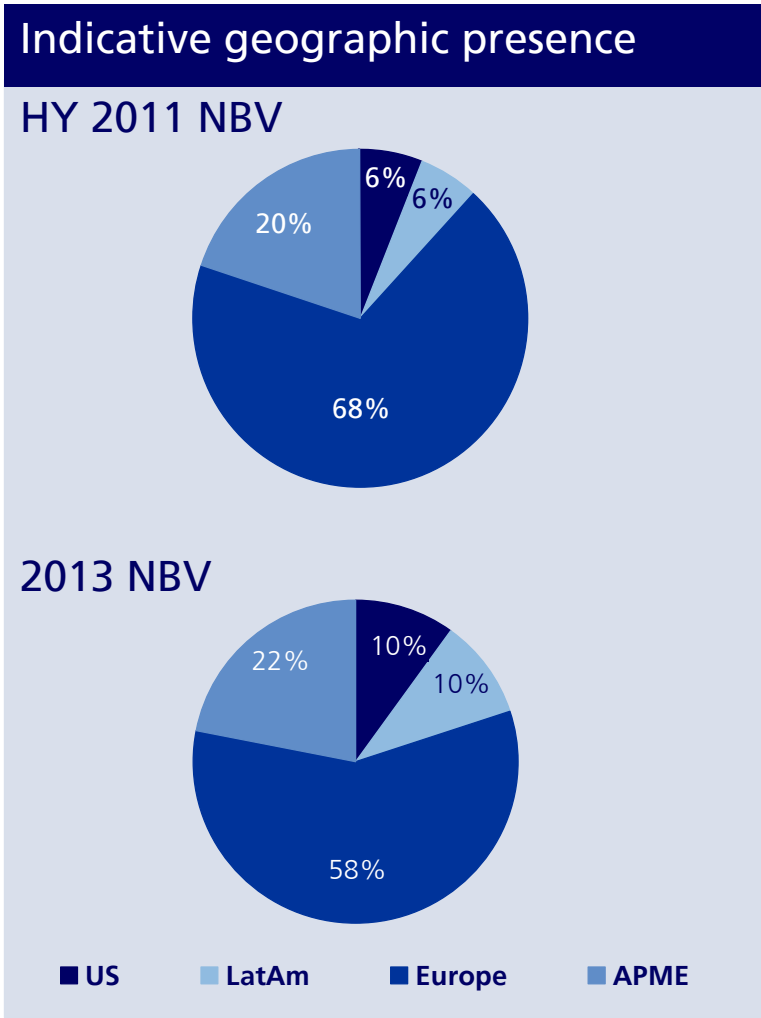
Rate change to increase underwriting profitability



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¹ The Zurich Rate Change Monitor expresses the Gross Written Premium development due to premium rate change as a percentage of the renewed portfolio against a comparable prior period.

Global Life further diversifies into growth markets



- Strong **organic growth** in LatAm and APME driving New Business Value (NBV)
- Recent acquisitions all in **fast-growing target markets** which offer **attractive sustainable returns**

Conclusion



- Proven track record supported by strong cash flows and solvency position
- De-risking actions taken to address the current crisis
- Strategy positions Zurich well for the future



Focused execution of our strategy to deliver our targets



Q & A

