

2006

Zurich Financial Services Group



ZURICH

Financial Supplement

Results Reporting
for the Nine Months to
September 30, 2006

Results Reporting for the Nine Months to September 30, 2006 Financial Supplement (unaudited)

Table of Contents

Financial highlights

- 2 Operating statements by business segment
- 3 Assets and liabilities by business segment
- 4 Reconciliation of net income before shareholders' taxes and business operating profit by business segment

General Insurance

- 5 Customer segment reporting - Overview
- 6 Customer segment reporting - Europe General Insurance by region and split into commercial and personal
- 7 Customer segment reporting - International Businesses by region and split into commercial and personal

Global Life

- 8 Overview
- 9 Rest of Europe by country

Additional information

- 10 Principal exchange rates
- 10 Currency translation impact on key financial figures - General Insurance and Global Life
- 10 Acquisitions and divestments of businesses
- 11 Total investments: split 'Group investments' and 'Investments for unit-linked products'

Information for the three months ended September 30

- 14 Operating statements by business segment
- 15 Reconciliation of net income before shareholders' taxes and business operating profit by business segment
- 16 General Insurance - Customer segment reporting
- 17 Global Life - Overview

Summary of quarterly consolidated financial information

- 18 Summary of quarterly consolidated financial information

Operating statements by business segment

in USD millions, for the nine months ended September 30

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Revenues														
Direct written premiums and policy fees	25,304	24,853	7,250	7,748	-	-	220	284	-	-	12	11	32,786	32,896
Assumed written premiums	1,025	963	62	70	-	-	1,473	2,410	143	142	(291)	(254)	2,412	3,331
Gross written premiums and policy fees	26,329	25,816	7,312	7,818	-	-	1,693	2,694	143	142	(279)	(243)	35,198	36,227
Less premiums ceded to reinsurers	(4,115)	(3,980)	(415)	(571)	-	-	(44)	(447)	(144)	(136)	278	243	(4,440)	(4,891)
Net written premiums and policy fees	22,214	21,836	6,897	7,247	-	-	1,649	2,247	(1)	6	(1)	-	30,758	31,336
Net change in reserves for unearned premiums	(1,014)	(1,068)	10	19	-	-	16	90	8	6	-	-	(980)	(953)
Net earned premiums and policy fees	21,200	20,768	6,907	7,266	-	-	1,665	2,337	7	12	(1)	-	29,778	30,383
Farmers management fees	-	-	-	-	1,589	1,538	-	-	-	-	-	-	1,589	1,538
Net investment income	2,361	1,990	4,899	4,941	108	113	667	553	481	469	(831)	(672)	7,685	7,394
Net capital gains/(losses) on investments and impairments	327	230	4,719	8,288	7	(1)	521	1,006	243	169	-	-	5,817	9,692
Net gain/(loss) on divestments of businesses	-	(16)	-	(8)	-	-	-	7	-	8	-	-	-	(9)
Other income	260	257	693	628	5	1	140	200	582	530	(636)	(558)	1,044	1,058
Total revenues	24,148	23,229	17,218	21,115	1,709	1,651	2,993	4,103	1,313	1,188	(1,468)	(1,230)	45,913	50,056
Intersegment transactions	(909)	(720)	(199)	(116)	(18)	(13)	(115)	80	(227)	(461)	1,468	1,230	-	-
Benefits, losses and expenses														
Losses and loss adjustment expenses, net of reinsurance	14,944	15,924	63	60	-	-	844	1,152	10	7	(13)	-	15,848	17,143
Life insurance death and other benefits, net of reinsurance	23	63	7,382	7,172	-	-	264	530	12	13	10	(2)	7,691	7,776
(Decrease)/increase in future life policyholders' benefits, net of reinsurance	3	4	(1,110)	(893)	-	-	(27)	17	(47)	53	3	(7)	(1,178)	(826)
Insurance benefits and losses, net of reinsurance	14,970	15,991	6,335	6,339	-	-	1,081	1,699	(25)	73	-	(9)	22,361	24,093
Policyholder dividends and participation in profits, net of reinsurance	6	5	6,912	10,267	-	-	537	518	-	-	-	-	7,455	10,790
Underwriting and policy acquisition costs, net of reinsurance	3,685	3,420	1,086	1,241	-	-	428	958	(13)	(21)	-	-	5,186	5,598
Administrative and other operating expenses	2,278	2,010	1,137	1,050	752	691	218	307	895	750	(613)	(496)	4,667	4,312
Amortization and impairments of intangible assets	64	69	80	73	31	35	-	2	7	5	-	-	182	184
Interest expense on debt	226	163	11	20	-	-	168	127	857	717	(814)	(694)	448	333
Interest credited to policyholders and other interest	155	117	445	555	-	-	123	155	4	5	(41)	(31)	686	801
Total benefits, losses and expenses	21,384	21,775	16,006	19,545	783	726	2,555	3,766	1,725	1,529	(1,468)	(1,230)	40,985	46,111
Net income/(loss) before income taxes	2,764	1,454	1,212	1,570	926	925	438	337	(412)	(341)	-	-	4,928	3,945
Income tax expense attributable to policyholders													(255)	(597)
Income tax expense attributable to shareholders													(1,350)	(1,018)
Net income attributable to minority interests													(70)	(74)
Net income attributable to shareholders													3,253	2,256
Business operating profit	2,778	1,354	825	830	919	926	432	305	(668)	(552)	-	-	4,286	2,863

Financial highlights (unaudited)

Assets and liabilities
by business segment

in USD millions, as of

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Eliminations		Total	
	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05
Total investments	78,937	74,375	188,665	174,428	3,070	3,588	33,080	32,632	16,400	19,197	(24,249)	(26,927)	295,903	277,293
<i>of which: Group investments</i>	78,937	74,375	99,840	96,997	3,070	3,588	17,822	16,225	16,400	19,197	(24,249)	(26,927)	191,820	183,455
Reinsurers' share of reserves for insurance contracts	13,661	13,974	1,725	1,561	204	202	7,362	6,294	101	73	(2,838)	(1,610)	20,215	20,494
Deposits made under assumed reinsurance contracts	70	45	–	9	–	–	1,914	2,488	2	6	(40)	(98)	1,946	2,450
Deferred policy acquisition costs	2,948	2,640	9,571	8,441	–	–	95	98	–	–	2	–	12,616	11,179
Deferred origination costs	–	–	746	690	–	–	–	–	–	–	–	–	746	690
Goodwill	162	152	474	448	–	–	–	–	4	5	–	–	640	605
Other related Intangible assets	–	–	754	740	1,024	1,024	–	–	–	–	–	–	1,778	1,764
Other assets	12,548	12,666	7,979	9,008	973	1,070	2,461	2,839	1,908	2,081	(2,692)	(2,527)	23,177	25,137
Total assets after consolidation of investments in subsidiaries	108,326	103,852	209,914	195,325	5,271	5,884	44,912	44,351	18,415	21,362	(29,817)	(31,162)	357,021	339,612
Liabilities for investment contracts	–	–	46,216	41,244	–	–	–	–	–	–	(247)	(245)	45,969	40,999
<i>Reserves for losses and loss adjustment expenses, gross</i>	57,778	54,715	133	130	–	–	7,127	6,281	111	165	(2,026)	(866)	63,123	60,425
<i>Reserves for unearned premiums, gross</i>	14,745	12,973	122	125	–	–	498	449	41	33	(113)	(49)	15,293	13,531
<i>Future life policyholders' benefits, gross</i>	163	149	71,592	68,624	–	–	2,726	2,757	439	439	(681)	(677)	74,239	71,292
<i>Policyholders' contract deposits and other funds, gross</i>	912	862	14,025	13,854	–	–	3,989	4,288	–	–	(1)	(19)	18,925	18,985
<i>Reserves for unit-linked contracts, gross</i>	–	–	46,036	39,283	–	–	15,259	16,408	–	–	–	–	61,295	55,691
Reserves for insurance contracts, gross	73,598	68,699	131,908	122,016	–	–	29,599	30,183	591	637	(2,821)	(1,611)	232,875	219,924
Debt related to capital markets and banking activities	–	–	–	–	–	–	3,494	3,833	–	–	(1,685)	(1,694)	1,809	2,139
Senior debt	4,655	6,176	442	637	–	–	552	435	16,913	17,797	(19,725)	(22,112)	2,837	2,933
Subordinated debt	2,336	2,315	–	–	–	–	94	55	4,879	5,360	(2,581)	(3,123)	4,728	4,607
Other liabilities	16,187	16,319	20,309	21,453	1,639	1,778	6,548	6,852	1,808	1,745	(2,758)	(2,377)	43,733	45,770
Total liabilities	96,776	93,509	198,875	185,350	1,639	1,778	40,287	41,358	24,191	25,539	(29,817)	(31,162)	331,951	316,372
Equity														
Common shareholders' equity													23,888	21,330
Preferred securities													671	1,096
Shareholders' equity													24,559	22,426
Minority interests													511	814
Total equity													25,070	23,240
Total liabilities and equity													357,021	339,612

¹ Other related intangible assets consists of the present value of profits of acquired insurance contracts and attorney-in-fact relationships.

Financial highlights (unaudited)

Reconciliation of net income before shareholders' taxes and business operating profit by business segment

in USD millions, for the nine months ended September 30

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net income/(loss) before shareholders' taxes	2,764	1,454	957	973	926	925	438	337	(412)	(341)	4,673	3,348
Adjusted for:												
Net capital (gains)/losses on investments and impairments ¹	(327)	(230)	(4,719)	(8,288)	(7)	1	(445)	(834)	(268)	(136)	(5,766)	(9,487)
Policyholder allocation of net capital gains/(losses) on investments and impairments	–	–	4,564	8,138	–	–	440	809	–	–	5,004	8,947
Net income attributable to minority interests	(16)	(26)	(17)	(19)	–	–	(1)	–	(36)	(29)	(70)	(74)
Net (gain)/loss on divestments of businesses	–	16	–	8	–	–	–	(7)	–	(8)	–	9
Foreign currency differences on intercompany investments	37	38	–	–	–	–	–	–	(37)	(38)	–	–
Restructuring provisions and other	320	102	40	18	–	–	–	–	85	–	445	120
Business operating profit	2,778	1,354	825	830	919	926	432	305	(668)	(552)	4,286	2,863

¹ Excluding capital markets and banking activities and certain securities held for specific economic hedging purposes.

General Insurance (unaudited)

Customer
segment
reporting -
Overview

in USD millions, for the nine months ended September 30

	Global Corporate		North America Commercial		Europe General Insurance		International Businesses		Group Reinsurance		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	5,960	5,680	8,937	8,708	9,589	9,769	2,259	2,129	491	203	(907)	(673)	26,329	25,816
Net earned premiums and policy fees	3,726	3,755	7,012	6,497	8,749	8,939	1,654	1,533	61	44	(2)	-	21,200	20,768
Insurance benefits and losses	2,899	3,417	4,852	5,098	6,068	6,393	1,081	920	70	163	-	-	14,970	15,991
Policyholder dividends and participation in profits	-	1	6	4	-	-	-	-	-	-	-	-	6	5
Total net technical expenses ¹	635	633	1,867	1,716	2,034	2,040	578	535	18	29	(12)	(5)	5,120	4,948
Net underwriting result	192	(296)	287	(321)	647	506	(5)	78	(27)	(148)	10	5	1,104	(176)
Net investment income	427	326	820	633	838	819	126	113	220	132	(70)	(33)	2,361	1,990
Net capital gains/(losses) on investments and impairments	22	27	41	(13)	240	176	24	39	-	1	-	-	327	230
Net non-technical result ²	(96)	(45)	(524)	(146)	(313)	(295)	(12)	(12)	(143)	(120)	60	28	(1,028)	(590)
Net income/(loss) before income taxes	545	12	624	153	1,412	1,206	133	218	50	(135)	-	-	2,764	1,454
Business operating profit	527	(6)	892	261	1,209	1,060	100	173	50	(134)	-	-	2,778	1,354

Ratios, as % of net earned premiums and policy fees

Loss ratio	77.8%	91.0%	69.2%	78.5%	69.4%	71.5%	65.4%	60.0%	117.6%	362.0%	n/a	n/a	70.6%	77.0%
Expense ratio ³	17.0%	16.9%	26.7%	26.4%	23.2%	22.8%	35.0%	34.9%	30.5%	65.0%	n/a	n/a	24.2%	23.9%
Combined ratio	94.8%	107.9%	95.9%	104.9%	92.6%	94.3%	100.4%	94.9%	148.1%	427.0%	n/a	n/a	94.8%	100.9%

¹ This line includes underwriting and policy acquisition costs as well as the technical part of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest and other income.² This line includes the non-technical part of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, and other income as well as net gains/losses on divestment of businesses and interest expense on debt.³ Including policyholder dividends and participation in profits.Total
investments

in %, as of	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05
Cash and cash equivalents	14.7%	19.4%	16.2%	18.2%	6.3%	8.7%	18.0%	16.4%	85.9%	95.8%	n/a	n/a	16.4%	22.1%
Equity securities	5.9%	4.1%	4.8%	4.2%	9.6%	8.8%	43.9%	45.9%	-	-	n/a	n/a	8.0%	7.0%
Debt securities	72.5%	65.1%	76.9%	76.4%	67.6%	63.9%	33.7%	33.0%	2.4%	1.5%	n/a	n/a	66.8%	62.6%
Investment in associates	0.1%	0.1%	0.1%	0.2%	-	-	-	-	-	-	n/a	n/a	0.1%	0.1%
Other investments	6.8%	11.3%	2.0%	1.0%	16.5%	18.6%	4.4%	4.7%	11.7%	2.7%	n/a	n/a	8.7%	8.2%
Total investments	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	n/a	n/a	100.0%	100.0%

General Insurance (unaudited)

Customer segment reporting - Europe General Insurance by region

in USD millions, for the nine months ended September 30

	United Kingdom		Germany		Switzerland		Italy		Spain		Rest of Europe		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	2,849	3,052	2,059	2,091	1,578	1,581	1,136	1,103	936	902	1,469	1,588	(438)	(548)	9,589	9,769
Net earned premiums and policy fees	2,711	2,874	1,597	1,633	1,244	1,236	1,161	1,096	764	723	1,272	1,377	-	-	8,749	8,939
Net underwriting result	242	99	135	100	116	72	14	63	58	60	90	112	(8)	-	647	506
Business operating profit	461	362	204	167	172	142	73	117	98	94	201	178	-	-	1,209	1,060

Ratios, as % of net earned premiums and policy fees

Loss ratio	66.8%	72.2%	69.1%	70.7%	69.3%	74.9%	75.6%	71.9%	70.5%	69.5%	68.7%	68.9%	n/a	n/a	69.4%	71.5%
Expense ratio ¹	24.3%	24.4%	22.4%	23.2%	21.4%	19.3%	23.3%	22.3%	21.8%	22.2%	24.2%	23.0%	n/a	n/a	23.2%	22.8%
Combined ratio	91.1%	96.6%	91.5%	93.9%	90.7%	94.2%	98.9%	94.2%	92.3%	91.7%	92.9%	91.9%	n/a	n/a	92.6%	94.3%

¹ Including policyholder dividends and participation in profits.

Customer segment reporting - Europe General Insurance split into Commercial and Personal

in USD millions, for the nine months ended September 30

	Commercial		Personal		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	3,771	3,940	5,820	5,831	(2)	(2)	9,589	9,769
Net earned premiums and policy fees	3,365	3,514	5,384	5,425	-	-	8,749	8,939
Net underwriting result	302	151	348	362	(3)	(7)	647	506
Business operating profit	611	451	598	609	-	-	1,209	1,060

Ratios, as % of net earned premiums and policy fees

Loss ratio	69.0%	74.0%	69.6%	69.9%	n/a	n/a	69.4%	71.5%
Expense ratio ¹	22.0%	21.7%	23.9%	23.4%	n/a	n/a	23.2%	22.8%
Combined ratio	91.0%	95.7%	93.5%	93.3%	n/a	n/a	92.6%	94.3%

¹ Including policyholder dividends and participation in profits.

General Insurance (unaudited)

Customer segment reporting - International Businesses by region

in USD millions, for the nine months ended September 30

	Asia/Pacific		Latin America		Rest of International Businesses		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	1,037	1,052	699	589	536	512	(13)	(24)	2,259	2,129
Net earned premiums and policy fees	785	777	469	359	400	397	-	-	1,654	1,533
Net underwriting result	16	39	(18)	4	(3)	35	-	-	(5)	78
Business operating profit	77	90	11	32	12	51	-	-	100	173

Ratios, as % of net earned premiums and policy fees

Loss ratio	62.6%	60.5%	63.7%	55.3%	72.8%	63.4%	n/a	n/a	65.4%	60.0%
Expense ratio ¹	35.5%	34.5%	40.5%	43.6%	27.7%	27.7%	n/a	n/a	35.0%	34.9%
Combined ratio	98.1%	95.0%	104.2%	98.9%	100.5%	91.1%	n/a	n/a	100.4%	94.9%

¹ Including policyholder dividends and participation in profits.

Customer segment reporting - International Businesses split into Commercial and Personal

in USD millions, for the nine months ended September 30

	Commercial		Personal		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	1,444	1,370	816	759	(1)	-	2,259	2,129
Net earned premiums and policy fees	1,059	990	595	543	-	-	1,654	1,533
Net underwriting result	2	69	(7)	8	-	1	(5)	78
Business operating profit	87	143	13	30	-	-	100	173

Ratios, as % of net earned premiums and policy fees

Loss ratio	67.4%	61.3%	61.9%	57.6%	n/a	n/a	65.4%	60.0%
Expense ratio ¹	32.4%	31.7%	39.5%	41.0%	n/a	n/a	35.0%	34.9%
Combined ratio	99.8%	93.0%	101.4%	98.6%	n/a	n/a	100.4%	94.9%

¹ Including policyholder dividends and participation in profits.

Global Life (unaudited)

Overview

in USD millions, for the nine months ended September 30

	Europe															
	United States		United Kingdom		Germany		Switzerland		Rest of Europe ¹		International Businesses		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Insurance deposits	379	379	3,308	3,009	666	547	33	15	2,680	2,026	1,300	972	-	-	8,366	6,948
Gross written premiums and policy fees	477	451	1,651	1,662	2,482	2,665	1,422	1,763	861	891	423	386	(4)	-	7,312	7,818
Net earned premiums and policy fees	335	333	1,557	1,481	2,413	2,590	1,409	1,750	819	767	374	345	-	-	6,907	7,266
Net investment income	239	235	2,154	2,240	1,129	1,148	499	563	543	484	335	271	-	-	4,899	4,941
Net capital gains/(losses) on investments and impairments	18	11	3,646	5,981	418	856	141	133	410	1,107	86	200	-	-	4,719	8,288
Other income (incl. net gain on divestments of businesses)	1	1	256	196	248	256	40	28	51	62	97	77	-	-	693	620
Total revenues	593	580	7,613	9,898	4,208	4,850	2,089	2,474	1,823	2,420	892	893	-	-	17,218	21,115
Insurance benefits and losses, net of reinsurance	169	168	1,209	774	2,648	2,780	1,444	1,853	642	573	223	191	-	-	6,335	6,339
Policyholder dividends and participation in profits, net of reinsurance	(1)	2	5,085	7,406	750	1,200	123	39	658	1,249	297	371	-	-	6,912	10,267
Underwriting and policy acquisition costs, net of reinsurance	43	52	568	567	170	240	86	138	141	168	78	76	-	-	1,086	1,241
Administrative and other operating expenses	64	54	345	349	199	158	186	146	169	194	174	149	-	-	1,137	1,050
Amortization and impairments of intangible assets	13	13	19	20	38	34	-	-	2	2	8	4	-	-	80	73
Interest expense on debt and other interest	133	134	76	137	202	246	30	30	12	26	3	2	-	-	456	575
Total benefits, losses and expenses	421	423	7,302	9,253	4,007	4,658	1,869	2,206	1,624	2,212	783	793	-	-	16,006	19,545
Net income before income taxes	172	157	311	645	201	192	220	268	199	208	109	100	-	-	1,212	1,570
Business operating profit	163	156	162	173	127	104	150	180	152	148	71	69	-	-	825	830

¹ Including interregion eliminations.

Total investments

in %, as of	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05	09/30/06	12/31/05
Cash and cash equivalents	6.6%	6.3%	6.6%	7.8%	2.0%	1.0%	4.9%	3.0%	4.7%	5.0%	6.7%	7.2%	n/a	n/a	5.1%	5.3%
Equity securities	6.5%	5.4%	57.8%	56.4%	17.6%	15.6%	10.9%	10.4%	45.1%	42.7%	48.8%	46.8%	n/a	n/a	39.8%	37.7%
Debt securities	81.4%	82.4%	25.3%	26.4%	41.3%	45.2%	56.6%	60.1%	46.7%	48.3%	36.3%	37.2%	n/a	n/a	37.6%	39.9%
Investments in associates	-	-	-	-	-	-	-	-	-	-	0.5%	0.6%	n/a	n/a	-	-
Other investments	5.5%	5.9%	10.3%	9.4%	39.1%	38.2%	27.6%	26.5%	3.5%	4.0%	7.7%	8.2%	n/a	n/a	17.5%	17.1%
Total investments	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	n/a	n/a	100.0%	100.0%

Global Life (unaudited)

Rest of Europe
by country

in USD millions, for the nine months ended September 30

	Italy		Spain		Ireland		Isle of Man		Other European Countries		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	278	328	141	149	173	162	110	119	164	137	-	-	866	895
Net earned premiums and policy fees	294	348	129	136	141	38	91	109	164	136	-	-	819	767
Net investment income	188	163	124	125	143	110	17	12	71	74	-	-	543	484
Business operating profit	39	51	28	30	42	23	31	29	12	15	-	-	152	148

Additional information (unaudited)

Principal
exchange
rates

USD per foreign currency unit	Balance sheets as of		Operating statements and cash flows for the nine months ended	
	09/30/06	12/31/05	09/30/06	09/30/05
Euro	1.2674	1.1849	1.2440	1.2636
Swiss franc	0.7996	0.7614	0.7943	0.8160
British pound sterling	1.8723	1.7228	1.8170	1.8445

Currency translation
impact on key
financial figures -
General Insurance

variance over the prior period, for the nine months ended September 30, 2006	in USD millions	in %	change in USD	change in local currency
Gross written premiums and policy fees	(248)	(1%)	2%	3%
Net investment income	(21)	(1%)	19%	20%
Net capital gains on investments and impairments	(7)	(3%)	42%	45%
Insurance benefits and losses	147	1%	6%	5%

Currency translation
impact on key
financial figures -
Global Life

variance over the prior period, for the nine months ended September 30, 2006	in USD millions	in %	change in USD	change in local currency
Insurance deposits	(136)	(2%)	20%	22%
Gross written premiums and policy fees	(117)	(1%)	(6%)	(5%)
Net investment income	(76)	(2%)	(1%)	1%
Net capital gains on investments and impairments	(77)	(1%)	(43%)	(42%)
Insurance benefits and losses	105	2%	0%	(2%)

Acquisitions and divestments of businesses in 2006

In the nine months ended September 30, 2006, the Group did not complete any significant acquisition or divestment.

Additional information (unaudited)

Total investments: split 'Group investments' and 'Investments for unit-linked products'

Total investments include Group investments and investments for unit-linked products. Group investments include investments where the Group bears all or part of the investment risk. Investments for unit-linked products include investments where contract holders bear the investment risk but the respective investment result is included in the Group's operating statements. This investment result for unit-linked products is passed to the contract holders with a corresponding charge in policyholder dividends and participation in profits so that there is no effect on the Group's net income. A summary of the investment income, capital gains, losses and impairments recognized in the operating statements including the split between Group investments and investments for unit-linked products is given below.

Investment result

in USD millions, for the nine months ended September 30

	Net investment income		Net capital gains/(losses) and impairments		Investment result	
	2006	2005	2006	2005	2006	2005
Group investments						
Cash and cash equivalents	356	363	3	6	359	369
Equity securities	408	369	961	574	1,369	943
Debt securities	3,960	3,944	(160)	605	3,800	4,549
Real estate held for investment	304	326	175	126	479	452
Mortgage loans	353	367	3	23	356	390
Policyholders' collateral and other loans	445	485	(20)	72	425	557
Investments in associates	51	107	(11)	–	40	107
Other investments:						
Short-term investments	62	58	–	–	62	58
Investments held by investment companies	7	9	236	171	243	180
Other ¹	83	42	(57)	143	26	185
Other investments	152	109	179	314	331	423
Investment result, gross, for Group investments	6,029	6,070	1,130	1,720	7,159	7,790
Investment expenses for Group investments ²	(180)	(184)	–	–	(180)	(184)
Investment result, net, for Group investments	5,849	5,886	1,130	1,720	6,979	7,606
Investments for unit-linked products						
Investment result, net, for investments for unit-linked products	1,836	1,508	4,687	7,972	6,523	9,480
Total investments						
Investment result, net, for total investments	7,685	7,394	5,817	9,692	13,502	17,086

¹ Including net capital losses on derivative financial instruments of USD (57) million and USD 147 million for the nine months ended September 30, 2006 and 2005, respectively.

² Including rental operating expenses for real estate held for investment of USD 77 million and USD 77 million for the nine months ended September 30, 2006 and 2005, respectively.

Additional information (unaudited)

Details of investment balances as of September 30, 2006 and December 31, 2005 are given in the tables below.

Breakdown of investments

as of

	Group investments				Investments for unit-linked products		Total investments	
	09/30/06		12/31/05		09/30/06	12/31/05	09/30/06	12/31/05
	USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Cash and cash equivalents	16,621	8.7%	18,723	10.2%	4,914	4,759	21,535	23,482
Equity securities (including trading equity portfolios in capital markets and banking activities):								
Fair value through profit or loss	4,073	2.1%	3,928	2.2%	82,457	74,764	86,530	78,692
<i>of which: trading</i>	2,450	1.3%	2,180	1.2%	–	–	2,450	2,180
<i>of which: trading equity portfolios in capital markets and banking activities</i>	2,240	1.2%	2,026	1.1%	–	–	2,240	2,026
Available-for-sale	13,298	6.9%	11,622	6.3%	–	–	13,298	11,622
Total equity securities	17,371	9.0%	15,550	8.5%	82,457	74,764	99,828	90,314
Debt securities:								
Fair value through profit or loss	8,434	4.4%	8,590	4.7%	8,092	7,286	16,526	15,876
<i>of which: trading</i>	497	0.3%	663	0.3%	–	–	497	663
Available-for-sale	110,265	57.5%	104,144	56.7%	–	–	110,265	104,144
Held-to-maturity	5,604	2.9%	5,277	2.9%	–	–	5,604	5,277
Total debt securities	124,303	64.8%	118,011	64.3%	8,092	7,286	132,395	125,297
Real estate held for investment	6,815	3.5%	6,314	3.4%	8,064	6,388	14,879	12,702
Mortgage loans	10,283	5.4%	9,307	5.1%	–	–	10,283	9,307
Policyholders' collateral and other loans	12,768	6.7%	11,984	6.5%	2	3	12,770	11,987
Investments in associates	519	0.3%	580	0.3%	–	–	519	580
Other investments:								
Short-term investments	1,265	0.7%	962	0.5%	554	638	1,819	1,600
Investments held by investment companies	1,799	0.9%	1,928	1.1%	–	–	1,799	1,928
Other	76	0.0%	96	0.1%	–	–	76	96
Total other investments	3,140	1.6%	2,986	1.7%	554	638	3,694	3,624
Total investments	191,820	100.0%	183,455	100.0%	104,083	93,838	295,903	277,293

Additional information (unaudited)

Equity securities (including trading equity portfolios in capital markets and banking activities)	as of		Group investments				Investments for unit-linked products		Total investments	
			09/30/06		12/31/05		09/30/06	12/31/05	09/30/06	12/31/05
			USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Common stocks, including equity unit trusts			10,459	5.4%	9,413	5.2%	77,314	69,898	87,773	79,311
Unit trusts (debt securities, real estate, short-term investments)			3,081	1.6%	2,420	1.3%	5,143	4,866	8,224	7,286
Common stock portfolios backing the participating with-profit policyholder contracts			1,591	0.8%	1,691	0.9%	–	–	1,591	1,691
Trading equity portfolios in capital markets and banking activities			2,240	1.2%	2,026	1.1%	–	–	2,240	2,026
Total equity securities			17,371	9.0%	15,550	8.5%	82,457	74,764	99,828	90,314

**Operating
statements
by business
segment**

in USD millions, for the three months ended September 30

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Revenues														
Direct written premiums and policy fees	7,632	6,892	2,154	2,335	-	-	67	89	-	-	9	4	9,862	9,320
Assumed written premiums	220	289	25	23	-	-	536	692	41	70	(91)	(121)	731	953
Gross written premiums and policy fees	7,852	7,181	2,179	2,358	-	-	603	781	41	70	(82)	(117)	10,593	10,273
Less premiums ceded to reinsurers	(1,168)	(1,063)	(134)	(248)	-	-	(59)	(95)	(46)	(67)	81	117	(1,326)	(1,356)
Net written premiums and policy fees	6,684	6,118	2,045	2,110	-	-	544	686	(5)	3	(1)	-	9,267	8,917
Net change in reserves for unearned premiums	590	745	17	13	-	-	(5)	15	6	3	-	-	608	776
Net earned premiums and policy fees	7,274	6,863	2,062	2,123	-	-	539	701	1	6	(1)	-	9,875	9,693
Farmers management fees	-	-	-	-	535	518	-	-	-	-	-	-	535	518
Net investment income	816	661	1,627	1,579	39	41	165	104	176	132	(294)	(193)	2,529	2,324
Net capital gains/(losses) on investments and impairments	112	113	2,565	4,477	-	(1)	671	603	154	91	-	-	3,502	5,283
Net gain/(loss) on divestment of businesses	-	4	-	1	-	-	-	-	-	(1)	-	-	-	4
Other income	79	87	234	232	(2)	1	35	70	193	172	(217)	(183)	322	379
Total revenues	8,281	7,728	6,488	8,412	572	559	1,410	1,478	524	400	(512)	(376)	16,763	18,201
Intersegment transactions	(358)	(233)	(20)	(45)	(6)	(12)	66	(7)	(194)	(79)	512	376	-	-
Benefits, losses and expenses														
Losses and loss adjustment expenses, net of reinsurance	5,110	5,739	21	21	-	-	277	381	3	3	(2)	6	5,409	6,150
Life insurance death and other benefits, net of reinsurance	9	14	1,919	1,734	-	-	94	130	4	6	1	(12)	2,027	1,872
(Decrease)/increase in future life policyholders' benefits, net of reinsurance	1	1	(162)	(23)	-	-	115	(117)	22	(16)	2	1	(22)	(154)
Insurance benefits and losses, net of reinsurance	5,120	5,754	1,778	1,732	-	-	486	394	29	(7)	1	(5)	7,414	7,868
Policyholder dividends and participation in profits, net of reinsurance	3	1	3,220	5,152	-	-	497	403	-	-	-	-	3,720	5,556
Underwriting and policy acquisition costs, net of reinsurance	1,260	1,185	457	373	-	-	142	346	(2)	(12)	-	-	1,857	1,892
Administrative and other operating expenses	696	700	370	386	258	231	58	142	294	229	(207)	(139)	1,469	1,549
Amortization and impairments of intangible assets	25	23	23	22	10	12	-	-	2	2	-	-	60	59
Interest expense on debt	78	46	3	4	-	-	60	42	300	247	(287)	(229)	154	110
Interest credited to policyholders and other interest	57	34	153	194	-	-	41	38	4	2	(19)	(3)	236	265
Total benefits, losses and expenses	7,239	7,743	6,004	7,863	268	243	1,284	1,365	627	461	(512)	(376)	14,910	17,299
Net income/(loss) before income taxes	1,042	(15)	484	549	304	316	126	113	(103)	(61)	-	-	1,853	902
Income tax (expense)/benefit attributable to policyholders													(134)	(200)
Income tax expense attributable to shareholders													(400)	(227)
Net income attributable to minority interests													(23)	(18)
Net income attributable to shareholders													1,296	457
Business operating profit	997	(31)	268	294	304	317	134	151	(264)	(173)	-	-	1,439	558

Information for the three months ended September 30, 2006 (unaudited)

**Reconciliation of net
income before share-
holders' taxes and
business operating
profit by business
segment**

in USD millions, for the three months ended September 30

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net income/(loss) before shareholders' taxes	1,042	(15)	350	349	304	316	126	113	(103)	(61)	1,719	702
Adjusted for:												
Net capital (gains)/losses on investments and impairments ¹	(112)	(113)	(2,565)	(4,477)	-	1	(620)	(531)	(134)	(97)	(3,431)	(5,217)
Policyholder allocation of net capital gains/(losses) on investments and impairments	-	-	2,476	4,427	-	-	628	568	-	-	3,104	4,995
Net income attributable to minority interests	(3)	(9)	(6)	(6)	-	-	-	1	(14)	(4)	(23)	(18)
Net (gain)/loss on divestments of businesses	-	(4)	-	(1)	-	-	-	-	-	1	-	(4)
Foreign currency differences on intercompany investments	13	12	-	-	-	-	-	-	(13)	(12)	-	-
Restructuring provisions and other	57	98	13	2	-	-	-	-	-	-	70	100
Business operating profit	997	(31)	268	294	304	317	134	151	(264)	(173)	1,439	558

¹ Excluding capital markets and banking activities and certain securities held for specific economic hedging purposes.

Information for the three months ended September 30, 2006 (unaudited)

Customer
segment
reporting -
Overview

in USD millions, for the three months ended September 30

	Global Corporate		North America Commercial		Europe General Insurance		International Businesses		Group Reinsurance		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Gross written premiums and policy fees	1,534	1,323	2,904	2,748	2,778	2,632	730	657	120	52	(214)	(231)	7,852	7,181
Net earned premiums and policy fees	1,272	1,199	2,368	2,159	3,060	2,932	557	521	19	52	(2)	-	7,274	6,863
Insurance benefits and losses	998	1,347	1,647	1,998	2,103	2,051	365	298	7	60	-	-	5,120	5,754
Policyholder dividends and participation in profits	-	-	3	1	-	-	-	-	-	-	-	-	3	1
Total net technical expenses ¹	230	240	629	581	714	700	201	190	5	5	(12)	4	1,767	1,720
Net underwriting result	44	(388)	89	(421)	243	181	(9)	33	7	(13)	10	(4)	384	(612)
Net investment income	146	107	286	226	286	272	41	36	80	22	(23)	(2)	816	661
Net capital gains/(losses) on investments and impairments	16	14	29	(9)	60	89	7	19	-	-	-	-	112	113
Net non-technical result ²	(31)	5	(98)	(42)	(117)	(118)	(6)	(1)	(31)	(27)	13	6	(270)	(177)
Net income/(loss) before income taxes	175	(262)	306	(246)	472	424	33	87	56	(18)	-	-	1,042	(15)
Business operating profit	163	(276)	324	(142)	428	346	26	57	56	(16)	-	-	997	(31)

Ratios, as % of net earned premiums and policy fees

Loss ratio	78.4%	112.5%	69.6%	92.5%	68.7%	69.9%	65.5%	57.3%	47.3%	111.5%	n/a	n/a	70.4%	83.8%
Expense ratio ³	18.1%	20.1%	26.7%	27.0%	23.3%	23.9%	36.0%	36.5%	23.2%	9.9%	n/a	n/a	24.3%	25.2%
Combined ratio	96.5%	132.6%	96.3%	119.5%	92.0%	93.8%	101.5%	93.8%	70.5%	121.4%	n/a	n/a	94.7%	109.0%

¹ This line includes underwriting and policy acquisition costs as well as the technical part of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest and other income.² This line includes the non-technical part of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, and other income as well as net gains/losses on divestment of businesses and interest expense on debt.³ Including policyholder dividends and participation in profits.

Information for the three months ended September 30, 2006 (unaudited)

Global Life -
Overview

in USD millions, for the three months ended September 30

	Europe															
	USA		United Kingdom		Germany		Switzerland		Rest of Europe ¹		International Businesses		Eliminations		Total	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Insurance deposits	120	120	1,147	917	248	190	18	5	766	730	448	343	-	-	2,747	2,305
Gross written premiums and policy fees	160	153	598	649	845	846	218	311	231	261	129	136	(2)	2	2,179	2,358
Net earned premiums and policy fees	112	111	582	589	823	821	212	309	218	173	115	120	-	-	2,062	2,123
Net investment income	78	77	733	743	384	356	155	168	189	150	88	85	-	-	1,627	1,579
Net capital gains/(losses) on investments and impairments	11	11	1,698	3,306	238	340	61	62	462	578	95	180	-	-	2,565	4,477
Other income (incl. net gain on divestments of businesses)	-	-	92	70	80	94	14	8	14	30	34	31	-	-	234	233
Total revenues	201	199	3,105	4,708	1,525	1,611	442	547	883	931	332	416	-	-	6,488	8,412
Insurance benefits and losses, net of reinsurance	57	58	342	282	887	894	222	345	195	89	75	64	-	-	1,778	1,732
Policyholder dividends and participation in profits, net of reinsurance	4	6	2,137	3,843	379	455	23	25	543	593	134	230	-	-	3,220	5,152
Underwriting and policy acquisition costs, net of reinsurance	13	16	290	180	59	52	25	28	44	71	26	26	-	-	457	373
Administrative and other operating expenses	21	18	121	121	65	43	75	69	24	85	64	50	-	-	370	386
Amortization and impairments of intangible assets	5	4	7	5	10	11	-	-	-	1	1	1	-	-	23	22
Interest expense on debt and other interest	45	45	31	44	66	93	8	7	4	9	2	-	-	-	156	198
Total benefits, losses and expenses	145	147	2,928	4,475	1,466	1,548	353	474	810	848	302	371	-	-	6,004	7,863
Net income before income taxes	56	52	177	233	59	63	89	73	73	83	30	45	-	-	484	549
Business operating profit	56	51	51	111	50	36	45	24	45	44	21	28	-	-	268	294

¹ Including interregion eliminations.

Summary of
quarterly
consolidated
financial
information

in USD millions, for the three months ended	09/30/06	06/30/06	03/31/06	12/31/05	09/30/05	06/30/05	03/31/05	12/31/04	09/30/04	06/30/04	03/31/04
Gross written premiums and policy fees	10,593	11,171	13,434	10,570	10,273	12,062	13,892	11,715	11,165	12,123	14,233
Net earned premiums and policy fees	9,875	9,611	10,292	10,074	9,693	10,359	10,331	10,987	10,191	10,097	10,515
Net investment income and net capital gains on investments and impairments	6,031	(142)	7,613	6,061	7,607	5,878	3,601	6,458	3,079	2,879	3,179
Other revenues	857	906	870	995	901	869	817	1,206	882	902	839
Total revenues	16,763	10,375	18,775	17,130	18,201	17,106	14,749	18,651	14,152	13,878	14,533
Insurance benefits and losses, net of reinsurance	7,414	7,183	7,764	8,326	7,868	8,325	7,900	9,212	8,606	7,827	8,467
Policyholder dividends and participation in profits, net of reinsurance	3,720	(2,101)	5,836	3,642	5,556	3,350	1,884	4,838	1,514	999	1,401
Other expenses	3,776	3,700	3,693	3,641	3,875	3,681	3,672	3,765	3,501	3,747	3,669
Total benefits, losses and expenses	14,910	8,782	17,293	15,609	17,299	15,356	13,456	17,815	13,621	12,573	13,537
Net income before income taxes	1,853	1,593	1,482	1,521	902	1,750	1,293	836	531	1,305	996
Net income attributable to shareholders	1,296	1,172	785	958	457	1,020	779	609	373	840	644
Business operating profit	1,439	1,488	1,359	1,084	558	1,271	1,034	498	512	1,104	874

Interim results are not necessarily indicative of full-year results.