

Financial Supplement 2008

Zurich Financial Services Group

Results for the Three Months ended March 31, 2008



Financial highlights (unaudited)

in USD millions, for the three months ended March 31

Income statements
by business segment

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Revenues														
Direct written premiums and policy fees	10,840	9,857	2,347	2,550	–	–	91	102	(6)	–	4	11	13,277	12,521
Assumed written premiums	351	359	24	33	–	–	430	514	65	43	(94)	(89)	775	860
Gross written premiums and policy fees	11,191	10,216	2,371	2,583	–	–	521	616	59	43	(90)	(78)	14,052	13,380
Less premiums ceded to reinsurers	(1,313)	(1,401)	(181)	(144)	–	–	–	(15)	(27)	(38)	90	78	(1,431)	(1,520)
Net written premiums and policy fees	9,878	8,816	2,190	2,439	–	–	521	601	32	5	–	–	12,621	11,860
Net change in reserves for unearned premiums	(1,952)	(1,663)	(13)	(17)	–	–	24	9	(3)	1	–	–	(1,943)	(1,671)
Net earned premiums and policy fees	7,926	7,153	2,177	2,422	–	–	546	609	29	5	–	–	10,678	10,190
Farmers management fees and other related revenues	–	–	–	–	589	542	–	–	–	–	–	–	589	542
Net investment result on Group investments	893	932	1,068	1,225	32	24	243	265	209	206	(272)	(284)	2,173	2,368
Net investment income on Group investments	931	854	1,082	1,061	26	45	241	220	154	167	(272)	(284)	2,163	2,062
Net capital gains/(losses) and impairments on Group investments	(39)	78	(14)	164	6	(21)	2	45	55	38	–	–	10	305
Net investment result on unit-linked investments	–	–	(8,395)	2,000	–	–	(613)	198	–	–	–	–	(9,008)	2,198
Net gain/(loss) on divestments of business	–	4	–	–	–	–	(1)	–	–	–	–	–	(1)	4
Other income	183	165	269	253	–	29	22	64	266	222	(311)	(250)	429	483
Total revenues	9,002	8,253	(4,881)	5,900	621	594	196	1,137	504	433	(583)	(533)	4,860	15,783
Intersegment transactions	(392)	(241)	(80)	(119)	(20)	(12)	(110)	(46)	19	(115)	583	533	–	–

Financial highlights (unaudited)

in USD millions, for the three months ended March 31

Income statements
by business segment

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Benefits, losses and expenses														
Losses and loss adjustment expenses, net of reinsurance	5,519	4,955	9	22	–	–	306	317	–	2	(16)	(18)	5,818	5,278
Life insurance death and other benefits, net of reinsurance	22	11	2,437	4,369	–	–	82	77	26	4	12	14	2,580	4,476
(Decrease)/increase in future life policyholders' benefits, net of reinsurance	1	–	(240)	(2,296)	–	–	(20)	7	(4)	(25)	3	4	(260)	(2,309)
Insurance benefits and losses, net of reinsurance	5,542	4,966	2,205	2,096	–	–	368	402	23	(19)	–	–	8,138	7,445
Policyholder dividends and participation in profits, net of reinsurance	5	1	(8,029)	2,419	–	–	(461)	241	–	–	–	–	(8,485)	2,661
Underwriting and policy acquisition costs, net of reinsurance	1,409	1,255	482	410	–	–	128	148	–	(5)	–	–	2,019	1,809
Administrative and other operating expense	722	686	446	405	300	271	(24)	80	184	261	(310)	(247)	1,319	1,456
Amortization and impairments of intangible assets	20	17	44	23	13	11	–	–	3	2	–	–	80	53
Interest expense on debt	59	64	4	6	2	2	63	55	291	300	(268)	(281)	152	146
Interest credited to policyholders and other interest	60	60	132	139	–	–	29	29	3	2	(4)	(5)	220	225
Total benefits, losses and expenses	7,818	7,049	(4,717)	5,499	315	285	104	955	504	541	(583)	(533)	3,442	13,796
Net income/(loss) before income taxes	1,184	1,204	(164)	401	307	310	92	182	(1)	(109)	–	–	1,418	1,988
Income tax benefit/(expense) attributable to policyholders													484	(80)
Income tax expense attributable to shareholders													(466)	(510)
Net income attributable to minority interests													(9)	(8)
Net income attributable to shareholders													1,427	1,390
Business operating profit	1,189	1,135	337	317	300	330	38	149	(100)	(191)	–	–	1,764	1,741

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	
	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07
Total Group Investments	88,251	84,996	101,397	95,740	2,253	2,311	18,909	18,758	16,822	18,560	(25,046)	(26,764)	202,586	193,600
Investments for unit-linked contracts	–	–	99,917	106,355	–	–	15,005	15,738	–	–	–	–	114,922	122,092
Total investments	88,251	84,996	201,314	202,094	2,253	2,311	33,914	34,495	16,822	18,560	(25,046)	(26,764)	317,509	315,693
Reinsurers' share of reserves for insurance contracts	13,148	13,149	9,721	9,555	208	207	6,246	6,392	102	107	(2,440)	(2,440)	26,985	26,970
Deposits made under assumed reinsurance contracts	70	68	–	–	–	–	1,238	1,323	2	2	(37)	(34)	1,273	1,359
Deferred policy acquisition costs	3,639	3,306	12,275	11,547	–	–	79	89	–	–	–	(1)	15,993	14,941
Deferred origination costs	–	–	1,013	1,003	–	–	–	–	–	–	–	–	1,013	1,003
Goodwill	745	706	676	635	385	385	–	–	5	5	–	–	1,811	1,730
Other related intangible assets	–	–	784	780	1,024	1,024	–	–	–	–	–	–	1,808	1,804
Other assets	17,096	15,652	9,963	8,155	1,416	1,337	1,454	1,384	2,554	1,793	(2,522)	(2,482)	29,961	25,841
Total assets after consolidation of investments in subsidiaries	122,949	117,876	235,745	233,769	5,287	5,266	42,932	43,684	19,486	20,468	(30,046)	(31,721)	396,353	389,342
Liabilities for investment contracts	–	–	52,006	54,736	–	–	–	–	–	–	(251)	(251)	51,755	54,485
Reserves for losses and loss adjustment expenses, gross	65,279	63,383	12	6	–	–	5,942	6,084	117	114	(1,707)	(1,697)	69,642	67,890
Reserves for unearned premiums, gross	17,981	15,428	182	157	–	–	345	381	38	43	(60)	(68)	18,487	15,941
Future life policyholders' benefits, gross	108	97	83,106	77,422	–	–	2,898	2,871	411	415	(656)	(657)	85,867	80,147
Policyholders' contract deposits and other funds, gross	1,171	1,024	14,888	14,173	–	–	3,500	3,489	–	–	–	–	19,559	18,687
Reserves for unit-linked contracts, gross	–	–	51,322	54,337	–	–	15,006	15,738	–	–	–	–	66,328	70,075
Reserves for insurance contracts, gross	84,539	79,932	149,510	146,096	–	–	27,692	28,562	566	572	(2,423)	(2,423)	259,883	252,740
Debt related to capital markets and banking activities	–	–	–	–	–	–	3,599	3,385	–	–	(2,329)	(1,722)	1,270	1,663
Senior debt	2,245	5,673	411	239	–	–	671	622	19,490	18,397	(19,699)	(22,102)	3,117	2,830
Subordinated debt	2,357	2,311	90	72	180	180	99	99	5,655	5,588	(2,857)	(2,780)	5,525	5,470
Other liabilities	17,032	16,291	21,301	20,758	1,483	1,480	4,771	5,004	2,946	1,745	(2,488)	(2,443)	45,044	42,836
Total liabilities	106,173	104,207	223,317	221,901	1,663	1,660	36,832	37,673	28,656	26,302	(30,046)	(31,721)	366,595	360,023
Equity														
Common shareholders' equity													28,706	28,273
Preferred securities													671	671
Shareholders' equity													29,378	28,945
Minority interests													380	374
Total equity													29,758	29,318
Total liabilities and equity													396,353	389,342

Financial highlights (unaudited)

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

in USD millions, for the three months ended March 31

	General Insurance		Global Life		Farmers Management Services		Other Businesses		Corporate Functions		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	Net income before income taxes	1,184	1,204	(164)	401	307	310	92	182	(1)	(109)	1,418
Less income tax benefit/(expense) attributable to policyholders	–	–	484	(80)	–	–	–	–	–	–	484	(80)
Net income/(loss) before shareholders' taxes	1,184	1,204	320	321	307	310	92	182	(1)	(109)	1,902	1,908
Adjusted for: net capital (gains)/losses on investments and impairments	39	(78)	9,121	(1,534)	(6)	21	1,049	(33)	(66)	(68)	10,136	(1,692)
Policyholder allocation of net capital gains/(losses) on investments and impairments	–	–	(9,103)	1,531	–	–	(1,053)	28	–	–	(10,156)	1,559
Net income attributable to minority interests	(8)	(5)	(1)	(3)	–	–	–	–	–	–	(9)	(8)
Net (gain)/loss on divestments of businesses	–	(4)	–	–	–	–	1	–	–	–	1	(4)
Restructuring provisions and other	(26)	18	–	1	–	–	(52)	(27)	(33)	(14)	(111)	(21)
Business operating profit	1,189	1,135	337	317	300	330	38	149	(100)	(191)	1,764	1,741

Adjusted business operating profit

in USD millions, for the three months ended March 31

	General Insurance		Global Life		Farmers Management Services		Other Businesses and Corporate Functions		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	Adjusted business operating profit	1,199	1,176	286	247	288	309	(10)	9	1,764
Adjusted business operating profit return on common shareholders' equity	29.3%	34.4%	19.7%	17.0%	54.6%	62.1%	(2.0%)	(0.4%)	24.6%	27.2%

General Insurance (unaudited)

in USD millions, for the three months ended March 31

Customer segment reporting – overview

	Global Corporate		North America Commercial		Europe General Insurance		International Businesses		Group Reinsurance		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	Gross written premiums and policy fees	2,586	2,522	2,769	2,739	5,120	4,287	832	772	141	102	(256)	(207)	11,191
Net earned premiums and policy fees	1,334	1,240	2,318	2,269	3,620	3,068	632	558	22	18	–	–	7,926	7,153
Insurance benefits and losses	1,071	950	1,585	1,472	2,472	2,177	430	366	(16)	2	–	–	5,542	4,966
Policyholder dividends and participation in profits	3	–	2	1	–	–	–	–	–	–	–	–	5	1
Total net technical expenses	227	200	633	613	883	692	206	195	2	1	–	8	1,952	1,710
Net underwriting result	33	90	98	183	265	199	(4)	(3)	36	16	–	(8)	427	476
Net investment income	176	169	309	297	374	319	47	46	43	56	(16)	(34)	931	854
Net capital gains/(losses) and impairments on investments	(12)	4	21	11	(56)	60	8	3	1	–	–	–	(39)	78
Net non-technical result	23	(49)	(69)	(90)	(72)	(57)	(19)	(14)	(15)	(36)	17	42	(136)	(205)
Net income/(loss) before income taxes	220	214	358	401	510	522	32	32	65	36	–	–	1,184	1,204
Business operating profit	202	210	338	386	567	478	19	26	63	36	–	–	1,189	1,135
Adjusted business operating profit	207	218	340	396	562	474	17	20	75	69	–	–	1,199	1,176
Adjusted business operating profit return on common shareholders' equity	21.7%	26.5%	22.6%	31.5%	43.8%	44.7%	7.1%	10.8%	69.3%	70.0%	–	–	29.3%	34.4%
Ratios, as % of net earned premiums and policy fees														
Loss ratio	80.3%	76.6%	68.4%	64.9%	68.3%	71.0%	68.0%	65.6%	nm	nm	n/a	n/a	69.9%	69.4%
Expense ratio	17.2%	16.1%	27.4%	27.1%	24.4%	22.6%	32.6%	35.0%	nm	nm	n/a	n/a	24.7%	23.9%
Combined ratio	97.5%	92.8%	95.8%	91.9%	92.7%	93.5%	100.7%	100.6%	nm	nm	n/a	n/a	94.6%	93.3%

General Insurance (unaudited)

Customer segment reporting – Europe General Insurance by region

in USD millions, for the three months ended March 31

	United Kingdom		Germany		Switzerland		Italy		Spain		Rest of Europe		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Gross written premiums and policy fees	864	816	1,525	1,289	1,253	1,026	509	405	426	372	799	618	(256)	(238)	5,120	4,287
Net earned premiums and policy fees	965	936	672	545	570	461	494	408	325	275	594	442	–	–	3,620	3,068
Net underwriting result	76	109	54	29	102	34	16	6	11	16	5	8	1	(4)	265	199
Business operating profit	204	189	83	108	135	58	38	26	30	32	77	64	–	–	567	478

Ratios, as % of net earned premiums and policy fees

Loss ratio	66.8%	67.1%	70.0%	72.7%	60.2%	69.8%	73.3%	75.7%	75.8%	72.3%	68.4%	72.9%	n/a	n/a	68.3%	71.0%
Expense ratio	25.4%	21.2%	22.0%	22.0%	21.9%	22.9%	23.4%	22.9%	20.9%	21.8%	30.7%	25.3%	n/a	n/a	24.4%	22.6%
Combined ratio	92.2%	88.3%	91.9%	94.7%	82.1%	92.7%	96.8%	98.5%	96.7%	94.1%	99.1%	98.2%	n/a	n/a	92.7%	93.5%

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

in USD millions, for the three months ended March 31

	Commercial		Personal		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
Gross written premiums and policy fees	2,087	1,791	3,036	2,497	(3)	(1)	5,120	4,287
Net earned premiums and policy fees	1,373	1,203	2,246	1,864	–	–	3,620	3,068
Net underwriting result	88	197	176	4	1	(2)	265	199
Business operating profit	266	345	301	133	–	–	567	478

Ratios, as % of net earned premiums and policy fees

Loss ratio	70.2%	64.1%	67.2%	75.4%	n/a	n/a	68.3%	71.0%
Expense ratio	23.4%	19.5%	25.0%	24.4%	n/a	n/a	24.4%	22.6%
Combined ratio	93.6%	83.6%	92.2%	99.8%	n/a	n/a	92.7%	93.5%

General Insurance (unaudited)

Customer segment reporting – International Businesses by region

in USD millions, for the three months ended March 31

	Latin America		Asia		Australia		Africa		Rest of International Businesses		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
	Gross written premiums and policy fees	312	279	203	196	140	130	185	165	–	–	(8)	2	832
Net earned premiums and policy fees	198	169	141	134	156	134	137	121	–	–	–	–	632	558
Net underwriting result	9	(3)	4	(9)	(25)	5	7	3	–	–	–	–	(4)	(3)
Business operating profit	21	7	5	(5)	(7)	24	10	8	(11)	(8)	–	–	19	26

Ratios, as % of net earned premiums and policy fees

Loss ratio	56.1%	58.6%	55.1%	65.0%	90.9%	68.5%	72.6%	72.7%	n/a	n/a	n/a	n/a	68.0%	65.6%
Expense ratio	39.5%	43.0%	41.8%	41.6%	25.0%	28.0%	22.0%	24.4%	n/a	n/a	n/a	n/a	32.6%	35.0%
Combined ratio	95.6%	101.6%	96.9%	106.6%	115.9%	96.5%	94.6%	97.1%	n/a	n/a	n/a	n/a	100.7%	100.6%

Customer segment reporting - International Businesses split into Commercial and Personal

in USD millions, for the three months ended March 31

	Commercial		Personal		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
Gross written premiums and policy fees	509	466	333	306	(11)	–	832	772
Net earned premiums and policy fees	411	356	222	202	–	–	632	558
Net underwriting result	(17)	(8)	14	4	–	–	(4)	(3)
Business operating profit	(2)	14	21	12	–	–	19	26

Ratios, as % of net earned premiums and policy fees

Loss ratio	74.6%	70.1%	55.9%	57.5%	n/a	n/a	68.0%	65.6%
Expense ratio	29.6%	32.1%	38.0%	40.3%	n/a	n/a	32.6%	35.0%
Combined ratio	104.2%	102.2%	93.9%	97.8%	n/a	n/a	100.7%	100.6%

Global Life (unaudited)

Overview

in USD millions, for the three months ended March 31

	United States		United Kingdom		Germany		Switzerland		Ireland		Emerging markets		Rest of the world		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Insurance deposits	128	127	1,326	1,157	395	271	18	23	318	323	576	376	266	378	–	–	3,027	2,656
Gross written premiums and policy fees	180	167	44	460	923	807	743	674	80	71	146	132	259	274	(4)	(2)	2,371	2,583
Net earned premiums and policy fees	125	111	(1)	440	897	783	742	667	58	56	132	117	224	248	–	–	2,177	2,422
Net investment result on Group investments	88	85	33	220	559	410	221	255	22	55	65	48	80	150	–	–	1,068	1,225
Net investment income on Group investments	83	85	182	256	453	388	164	164	26	19	39	29	133	119	–	–	1,082	1,061
Net capital gains/(losses) and impairments on Group investments	5	–	(150)	(36)	106	23	56	92	(4)	36	26	19	(53)	31	–	–	(14)	164
Net investment result on unit-linked investments	(48)	(1)	(5,283)	1,540	(1,163)	127	(49)	5	(738)	120	(580)	117	(534)	91	–	–	(8,395)	2,000
Net investment income on unit-linked investments	1	(4)	602	550	16	9	1	1	49	31	3	1	38	43	–	–	711	630
Net capital gains/(losses) on unit-linked investments	(49)	3	(5,886)	989	(1,179)	118	(49)	4	(787)	90	(584)	116	(572)	48	–	–	(9,106)	1,369
Other income	2	–	106	103	89	85	15	12	–	–	18	19	37	33	–	–	269	253
Total revenues	167	196	(5,145)	2,303	383	1,406	929	940	(658)	231	(365)	301	(192)	523	–	–	(4,881)	5,900
Insurance benefits and losses, net of reinsurance	72	58	148	186	939	817	730	702	27	11	81	61	208	261	–	–	2,205	2,096
Policyholder dividends and participation in profits, net of reinsurance	(46)	(1)	(5,332)	1,623	(874)	287	20	118	(729)	170	(575)	124	(492)	97	–	–	(8,029)	2,419
Underwriting and policy acquisition costs, net of reinsurance	11	14	247	212	70	68	44	34	23	18	45	40	42	25	–	–	482	410
Administrative and other operating expenses	26	24	108	108	97	101	67	45	19	13	51	42	77	72	–	–	446	405
Amortization and impairments of intangible assets	5	5	30	6	8	11	–	–	–	–	–	1	1	1	–	–	44	23
Interest expense on debt and other interest	44	45	19	30	55	55	8	11	–	–	6	–	4	5	–	–	136	145
Total benefits, losses and expenses	110	145	(4,779)	2,164	294	1,339	868	910	(660)	212	(391)	268	(160)	460	–	–	(4,717)	5,499
Net income before income taxes	57	51	(366)	139	89	67	61	30	2	19	26	33	(32)	63	–	–	(164)	401
Income tax benefit/(expense) attributable to policyholders	–	–	460	(60)	(12)	(10)	–	–	5	(2)	–	–	30	(7)	–	–	484	(80)
Net income before shareholders' tax	57	51	94	79	77	57	61	30	7	17	26	33	(2)	56	–	–	320	321
Business operating profit	53	51	85	89	66	54	57	49	6	15	25	22	45	38	–	–	337	317

Global Life (unaudited)

Emerging markets

in USD millions, for the three months ended March 31

	ZIS		Hong Kong		Latin America		Eliminations		Total	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Insurance deposits	514	316	49	51	13	9	–	–	576	376
Gross written premiums and policy fees	47	48	18	15	82	71	(1)	(1)	146	132
Net earned premiums and policy fees	39	45	16	13	76	59	–	–	132	117
Net investment result on Group investments	31	9	10	10	23	29	–	–	65	48
Net investment income on Group investments	6	3	9	8	24	19	–	–	39	29
Net capital gains/(losses) and impairments on Group investments	24	6	1	2	–	10	–	–	26	19
Net investment result on unit-linked investments	(501)	100	(54)	13	(25)	4	–	–	(580)	117
Total benefits, losses and expenses	(432)	156	(28)	36	69	76	–	–	(391)	268
Business operating profit	13	10	–	2	11	10	–	–	25	22

Rest of the world

in USD millions, for the three months ended March 31

	Total		of which			
	Total		Italy		Spain	
	2008	2007	2008	2007	2008	2007
Insurance deposits	266	378	151	259	76	62
Gross written premiums and policy fees	259	274	51	73	69	59
Net earned premiums and policy fees	224	248	53	76	50	45
Net investment result on Group investments	80	150	53	52	(7)	54
Net investment income on Group investments	133	119	51	43	40	37
Net capital gains/(losses) and impairments on Group investments	(53)	31	2	9	(47)	17
Net investment result on unit-linked investments	(534)	91	(159)	(3)	(98)	16
Total benefits, losses and expenses	(160)	460	(60)	119	(21)	87
Business operating profit	45	38	10	9	15	12

Global Life (unaudited)

Total investments	in %, as of		United States		United Kingdom		Germany		Switzerland		Ireland		Emerging markets		Rest of the world		Total	
	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07
	Total Group investments	93.3	92.8	15.1	14.5	84.1	82.6	97.2	97.0	29.6	28.9	37.8	35.7	61.1	58.9	50.4	47.4	
Cash and cash equivalents	6.7	6.3	14.5	9.7	1.4	1.7	3.3	2.5	7.1	8.0	7.5	10.6	2.4	2.6	4.2	3.9		
Equity securities	3.9	3.6	3.7	7.8	8.1	8.0	8.6	8.9	18.9	21.4	4.6	5.4	11.0	12.0	7.9	8.6		
Debt securities	83.3	84.0	67.9	68.5	43.4	43.1	54.2	55.5	68.5	65.2	78.6	75.1	78.5	77.2	57.3	57.4		
Investments in associates	–	–	0.2	0.2	–	–	–	–	–	–	–	–	1.0	1.0	0.1	0.1		
Other investments	6.1	6.0	13.8	13.9	47.1	47.2	33.8	33.1	5.4	5.3	9.2	8.9	7.1	7.2	30.5	30.0		
Investments for unit-linked contracts	6.7	7.2	84.9	85.5	15.9	17.4	2.8	3.0	70.4	71.1	62.2	64.3	38.9	41.1	49.6	52.6		
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	100.0	100.0	100.0	100.0		

Global Life – Reserves for life insurance contracts and liabilities for investment contracts, net of reinsurance	in USD millions, as of		United States		United Kingdom		Germany		Switzerland		Ireland		Emerging markets		Rest of the world		Eliminations		Total	
	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07	03/31/08	12/31/07
	Unit-linked insurance and investment contracts	823	856	68,133	73,400	8,459	8,768	1,776	1,630	7,306	7,324	7,357	7,525	9,475	9,570	–	–	103,328	109,072	
Other life insurance liabilities	4,793	4,803	5,809	5,971	47,300	43,672	16,904	15,086	1,639	1,536	3,191	2,955	8,639	8,018	2	3	88,278	82,044		
Total reserves and liabilities	5,616	5,658	73,943	79,371	55,759	52,439	18,680	16,716	8,945	8,860	10,548	10,479	18,114	17,589	2	3	191,606	191,117		

Additional information (unaudited)

Principal exchange rates

USD per foreign currency unit

	Balance sheets		Income statements and cash flows	
	03/31/08	12/31/07	03/31/08	03/31/07
Euro	1.5802	1.4601	1.4969	1.3106
Swiss franc	1.0079	0.8822	0.9351	0.8110
British pound sterling	1.9855	1.9849	1.9779	1.9549

Currency translation impact on key financial figures - General Insurance

variance over the prior period, for the three months ended March 31, 2008

	Balance sheets		Income statements and cash flows	
	in USD millions	in %	change in USD	change in local currency
Gross written premiums and policy fees	803	8%	10%	2%
Net investment income on total investments	40	5%	9%	4%
Net capital gains/(losses) and impairments on total investments	(2)	(3%)	(150%)	(147%)
Insurance benefits and losses, net of reinsurance	(332)	(7%)	(12%)	(5%)
Business operating profit	68	6%	5%	(1%)

Currency translation impact on key financial figures - Global Life

variance over the prior period, for the three months ended March 31, 2008

	Balance sheets		Income statements and cash flows	
	in USD millions	in %	change in USD	change in local currency
Insurance deposits	146	5%	14%	8%
Gross written premiums and policy fees	268	10%	(8%)	(19%)
Net investment result on Group investments	114	9%	(13%)	(22%)
Net investment income on Group investments	104	10%	2%	(8%)
Net capital gains and impairments on Group investments	10	6%	(109%)	(115%)
Net investment result on unit-linked investments	(379)	(19%)	(520%)	(501%)
Insurance benefits and losses, net of reinsurance	(254)	(12%)	(5%)	7%
Business operating profit	25	8%	6%	(2%)

Additional information (unaudited)

Investment result

in USD millions, for the three months ended March 31

	Net investment income		Net capital gains/ (losses) on investments and impairments ¹		Investment result	
	2008	2007	2008	2007	2008	2007
Group investments						
Cash and cash equivalents	141	146	–	–	141	146
Equity securities	147	150	(277)	435	(130)	586
Debt securities	1,487	1,436	(190)	(112)	1,296	1,324
Real estate held for investment	125	106	43	19	168	125
Mortgage loans	162	127	–	–	162	126
Policyholders' collateral and other loans	153	138	(5)	(4)	148	134
Investments in associates	2	8	1	–	3	8
Other investments:	9	17	438	(34)	447	(17)
<i>Short-term investments</i>	11	18	–	–	11	18
<i>Investments held by investment companies</i>	–	1	88	7	88	8
<i>Other</i> ²	(2)	(2)	350	(41)	348	(43)
Investment result, gross, for Group investments	2,227	2,127	10	305	2,237	2,433
Investment expenses for Group investments ³	(64)	(65)	–	–	(64)	(65)
Investment result, net, for Group investments	2,163	2,062	10	305	2,173	2,368
Investments for unit-linked products						
Investment result, net, for investments for unit-linked products	1,144	794	(10,152)	1,403	(9,008)	2,198
Total investments						
Investment result, net, for total investments	3,307	2,857	(10,142)	1,708	(6,835)	4,565

¹ Impairments on total investments amounted to USD (235) million and USD 2 million for the three months ended March 31, 2008 and 2007, respectively.

² Including net capital gains/ (losses) on derivative financial instruments of USD 338 million and USD (41) million for the three months ended March 31, 2008 and 2007, respectively, of which net capital losses on derivatives attributable to cash flow hedges ineffectiveness amounted to USD 6 million for the three months ended March 31, 2008.

³ Including rental operating expense for real estate held for total investments of USD 45 million and USD 49 million for the three months ended March 31, 2008 and 2007, respectively.

Additional information (unaudited)

Breakdown of investments

	Group investments				Investments for unit-linked products		Total investments	
	03/31/08		12/31/07		03/31/08	12/31/07	03/31/08	12/31/07
	USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Cash and cash equivalents	15,678	7.7	13,943	7.2	4,348	2,993	20,026	16,936
Equity securities (including trading equity portfolios in capital markets and banking activities):								
Fair value through profit or loss	3,948	1.9	4,042	2.1	91,817	100,178	95,764	104,220
<i>of which: trading</i>	2,795	1.4	2,768	1.4	–	–	2,795	2,768
<i>of which: trading equity portfolios in capital markets and banking activities</i>	1,511	0.7	1,606	0.8	–	–	1,511	1,606
Available-for-sale	14,959	7.4	14,547	7.5	–	–	14,959	14,547
Total equity securities	18,907	9.3	18,589	9.6	91,817	100,178	110,723	118,767
Debt securities:								
Fair value through profit or loss	8,729	4.3	8,843	4.6	10,305	10,112	19,034	18,954
<i>of which: trading</i>	599	0.3	616	0.3	–	–	599	616
Available-for-sale	113,373	56.0	109,278	56.4	–	–	113,373	109,278
Held-to-maturity	5,872	2.9	5,642	2.9	–	–	5,872	5,642
Total debt securities	127,974	63.2	123,762	63.9	10,305	10,112	138,279	133,874
Real estate held for investment	8,416	4.2	7,563	3.9	7,242	7,823	15,658	15,386
Mortgage loans	13,991	6.9	12,718	6.6	–	–	13,991	12,718
Other loans	13,701	6.8	12,936	6.7	2	2	13,703	12,938
Investments in associates	234	0.1	238	0.1	–	–	234	238
Other investments:								
Short-term investments	1,833	0.9	1,944	1.0	1,209	985	3,041	2,929
Investments held by investment companies	1,777	0.9	1,827	0.9	–	–	1,777	1,827
Other	76	0.0	80	0.0	–	–	76	80
Total other investments	3,686	1.8	3,851	2.0	1,209	985	4,895	4,836
Total investments	202,586	100.0	193,600	100.0	114,922	122,092	317,509	315,693

Additional information (unaudited)

Equity securities (including trading equity portfolios in capital markets and banking activities)	Group investments				Investments for unit-linked products		Total investments	
	03/31/08		12/31/07		03/31/08	12/31/07	03/31/08	12/31/07
	USD millions	% of total	USD millions	% of total	USD millions	USD millions	USD millions	USD millions
Common stocks, including equity unit trusts	12,215	6.0	12,418	6.4	82,371	90,593	94,586	103,011
Unit trusts (debt securities, real estate, short-term investments)	4,027	2.0	3,291	1.7	9,446	9,585	13,473	12,876
Common stock portfolios backing the participating with-profit policyholder contracts	1,153	0.6	1,274	0.7	–	–	1,153	1,274
Trading equity portfolios in capital markets and banking activities	1,511	0.7	1,606	0.8	–	–	1,511	1,606
Total equity securities	18,907	9.3	18,589	9.6	91,817	100,178	110,724	118,767

Summary of quarterly consolidated financial information (unaudited)

Summary of quarterly consolidated financial information	in USD millions, for the three months ended									
	03/31/08	12/31/07	09/30/07	06/30/07	03/31/07	12/31/06	09/30/06	06/30/06	03/31/06	
Gross written premiums and policy fees	14,052	11,476	10,924	11,692	13,380	11,246	10,593	11,171	13,434	
Net earned premiums and policy fees	10,678	10,694	10,069	2,827	10,190	10,731	9,874	9,612	10,292	
Net investment result on Group investments	2,173	2,627	2,682	2,417	2,368	2,455	2,600	2,165	2,214	
Net investment income on Group investments	2,163	2,208	2,101	2,220	2,062	2,050	1,977	1,958	1,914	
Net capital gains/(losses) on Group investments and impairments	10	420	580	198	305	406	623	207	300	
Net investment result on unit-linked investments	(9,008)	17	872	4,055	2,198	5,064	3,430	(2,306)	5,399	
Other revenues	1,017	1,046	1,101	975	1,029	836	859	906	870	
Total revenues	4,860	14,386	14,722	10,277	15,783	19,087	16,764	10,376	18,775	
Insurance benefits and losses, net of reinsurance	8,138	7,811	7,560	475	7,445	7,846	7,414	7,182	7,765	
Policyholder dividends and participation in profits, net of reinsurance	(8,485)	321	1,259	4,302	2,661	5,451	3,720	(2,101)	5,836	
Other expenses	3,790	4,379	3,978	3,701	3,689	3,956	3,749	3,659	3,660	
Total benefits, losses and expenses	3,442	12,510	12,799	8,476	13,796	17,252	14,883	8,741	17,260	
Net income before income taxes	1,418	1,876	1,924	1,799	1,988	1,836	1,880	1,635	1,515	
Net income attributable to shareholders	1,427	1,529	1,509	1,286	1,390	1,294	1,315	1,201	810	
Business operating profit	1,764	1,786	1,618	1,556	1,741	1,612	1,482	1,549	1,392	

Financial Supplement (unaudited)

Explanatory notes

The information contained within the Financial Supplement is unaudited. This document should be read in conjunction with the Zurich Financial Services Group Annual Report 2007.

Information regarding accounting policies and embedded value performance measures is located in the notes to the Consolidated Financial Statements and the Embedded Value Report in the Annual Report 2007.

The Group

Business operating profit – This measure is the basis on which we manage all our business units. It indicates the underlying performance of our business units by eliminating the impact of financial market volatility and other non-operational variables. Business operating profit reflects adjustments for taxes, net capital gains on investments and impairments (except for the capital markets and banking operations included in Other Businesses and investments in hedge funds and certain securities held for specific economic hedging purposes), policyholders' share of investment results for the life businesses, non-operational foreign exchange movements, and significant items arising from special circumstances, including gains and losses on divestments of businesses. **Adjusted business operating profit** is adjusted for notional investment income on the difference between the average actual IFRS equity and the average allocated IFRS equity using one global swap rate. Allocated IFRS equity is equal to a segment's pro rata share of the Group's risk based capital at the respective period end. These measures are not a substitute for net income as determined in accordance with International Financial Reporting Standards (IFRS).

Business operating profit (after-tax) return on common shareholders' equity – This measure indicates the level of business operating profit or loss relative to resources provided by common shareholders. It is calculated as business operating profit or loss, annualized on a linear basis and adjusted for preferred shareholder dividends and taxes, divided by the average value of common shareholders' equity on a simple basis using the value at the beginning and end of the period. **Adjusted business operating profit return on common shareholders' equity** is based on average IFRS Group equity and is allocated to each segment based on its share of risk-based capital.

Investments – The line item total investments on our consolidated balance sheets includes Group investments and investments for unit-linked products. Our **Group investments** are those for which we bear part or all of the investment risk. They also include investments related to investment policies with discretionary participation features. Average invested assets exclude cash collateral received for securities lending. We manage our diversified Group investments portfolio to optimize benefits for both shareholders and policyholders while ensuring compliance with local regulatory and business requirements under the guidance of our Asset/Liability Management and Investment Committee. **Investments for unit-linked products** include such investments, where the policyholder bears the investment risk, and are held for liabilities related to unit-linked investment contracts and reserves for unit-linked insurance contracts. They are managed in accordance with the investment objectives of each unit-linked fund. The investment result for unit-linked products is passed to policyholders through a charge to policyholder dividends and participation in profits.

Operational debt – This non-IFRS term refers to debt items that are excluded from rating agency leverage calculations such as collateralized loans, debt related to banking activities and obligations to repurchase securities.

Other related intangible assets – These assets on our Global Life and Farmers Management Services balance sheets consist of the present value of profits of acquired insurance contracts and attorney-in-fact relationships.

Return on common shareholders' equity (ROE) – This measure indicates the level of profit or loss relative to resources provided by common shareholders. It is calculated as net income after taxes attributable to common shareholders, annualized on a linear basis, divided by the average value of common shareholders' equity on a simple basis using the value at the beginning and end of the period.

General Insurance

The following General Insurance measures are net of reinsurance.

Net underwriting result – This performance measure is calculated as the difference between earned premiums and policy fees and the sum of insurance benefits and losses and net technical expenses.

Total net technical expenses – This line item includes underwriting and policy acquisition costs, as well as the technical elements of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, and other income.

Combined ratio – This performance measure indicates the level of claims and net technical expenses during the period relative to earned premiums and policy fees. It is calculated as earned premiums and policy fees minus the net underwriting result, divided by net earned premiums and policy fees.

Loss ratio – This performance measure indicates the level of claims during the period relative to earned premiums and policy fees. It is calculated as insurance benefits and losses, which include paid claims, claims incurred but not reported (IBNR) and claims handling costs, divided by earned premiums and policy fees.

Expense ratio – This performance measure indicates the level of technical expenses during the period relative to earned premiums and policy fees. It is calculated as the sum of net technical expenses and policyholder dividends and participation in profits, divided by earned premiums and policy fees.

Net non-technical result – This line item includes the non-technical elements of administrative and other operating expenses, amortization of intangible assets, interest credited to policyholders and other interest, other income, as well as net gains and losses on divestments of businesses and interest expense on debt.

Global Life

More detailed information regarding embedded value performance measures is located in the Embedded Value Report in the Annual Report 2007.

Embedded value (EV) principles – This methodology uses a “bottom-up” market consistent approach, which explicitly allows for market risk. In particular, asset and liability cash flows are valued using risk discount rates consistent with those applied to similar cash flows in the capital markets, and options and guarantees are valued using market consistent models calibrated to observable market prices.

Insurance deposits – These deposits, similar to customer account balances, are not recorded as revenues. However, the fees charged on insurance deposits are recorded as revenue within the gross written premiums and policy fees line item. These deposits arise from investment contracts and insurance contracts that are accounted for under deposit accounting. They represent the pure savings part, which is invested.

New business annual premium equivalent (APE) – This measure is calculated as new business annual premiums plus 10 percent of single premiums. **Present value of new business premiums (PVNBP)** is calculated as the value of new business premiums discounted at the risk free rate.

New business value, after tax – This measure reflects the value added by new business written during the period, including allowing for frictional costs, time value of options and guarantees, and the cost of non-market risk, and is valued at the point of sale. It is calculated as the present value of the projected after-tax profit from life insurance contracts sold during the period.

Farmers Management Services

Gross management result – This performance measure is calculated as management fees and other related revenues minus management and other related expenses, which include amortization and impairments of intangible assets.

Managed gross earned premium margin – This performance measure is calculated as gross operating profit of Farmers Management Services divided by the gross earned premiums of the Farmers Exchanges, which we manage but do not own.

Surplus ratio (Farmers Exchanges) – This measure indicates the amount of capital available to support the volume of insurance business written, and is calculated by dividing the end-of-period surplus balance by the net premium written in the preceding twelve-month period.

Disclaimer & Cautionary Statement

This communication is directed only at persons who (i) have professional experience in matters relating to investments or (ii) are persons falling within Article 49 (2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) or to whom it may otherwise lawfully be communicated (all such persons together being referred to as relevant persons). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of the full year results.

Persons requiring advice should consult an independent adviser.

THIS COMMUNICATION DOES NOT CONTAIN AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES; SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION, AND ANY PUBLIC OFFERING OF SECURITIES TO BE MADE IN THE UNITED STATES WILL BE MADE BY MEANS OF A PROSPECTUS THAT MAY BE OBTAINED FROM THE ISSUER AND THAT WILL CONTAIN DETAILED INFORMATION ABOUT THE COMPANY AND MANAGEMENT, AS WELL AS FINANCIAL STATEMENTS.