



ZURICH®

Letter to Shareholders 2009

Zurich HelpPoint



Zurich's 2009 results reflect our continued ability to execute against a proven strategy rooted in operational excellence and financial discipline.



Dr. Manfred Gentz
Chairman of the Board of Directors

Martin Senn
Chief Executive Officer

Dear Shareholders, Customers and Employees

We are proud to present to you a strong set of 2009 operating results. Our business operating profit improved by 8 percent to USD 5.6 billion, and our net income increased by 6 percent to USD 3.2 billion. Furthermore, we ended 2009 with one of our strongest balance sheets ever, and a 17.2 percent business operating profit after tax return on equity that exceeds our target.

These results reflect our continued ability to execute against a proven strategy rooted in operational excellence and financial discipline. Given that strength, and with full confidence in the sustainability of the Zurich strategy, the Board will recommend at the Annual General Meeting a gross dividend of CHF 16.00 per share, which represents an exceptionally high payout of earnings to shareholders and an extraordinary increase over last year's CHF 11.00 gross dividend.

Operating performances were strong across all our core businesses. In General Insurance, profitability continued to be our primary focus, and through disciplined underwriting, portfolio management and successful rate actions we were able to achieve a business operating profit of USD 3.5 billion and improve our combined ratio to 96.8 percent. This, despite lower investment yields and lower volumes. Lower volumes were attributable to both the economic environment and the lost business we could not provide because it did not meet our rigorous underwriting standards. Issues of concern have emerged in the motor markets of certain European countries. To address them we have already taken significant rate actions, as well as other appropriate measures, and anticipate marked improvements in those businesses in the second half of 2010.

Global Life achieved outstanding results, growing at a rapid pace while maintaining strong profitability. Annual premium equivalents increased 19 percent in local currencies to USD 3.7 billion, reflecting successful growth strategies across many product lines and distribution

channels. In addition, the new business margin exceeded 21 percent, illustrating the value of the significant structural change we are making in our life business.

Similarly, Farmers continued to post greater profitability and strong growth. Business operating profit improved by a solid 10 percent, reflecting not just the ongoing successful integration of 21st Century but also continued expense management as well as higher profitability from Farmers Re following higher quota share arrangements.

And finally, total return on Group investments was 6.3 percent, including investment income, realized gains and losses and impairments, as well as changes in unrealized gains and losses reported in shareholders' equity. This result reflects our commitment to managing our investments in a disciplined way, and to continue relying on our proven methods for protecting our shareholders by managing our assets relative to liabilities on a risk-adjusted basis.

Together, these successes embody Zurich's commitments to its various stakeholders. From customers who expect us to be backed by reliable service and financial strength, to shareholders who expect sustainable value, to employees who expect challenging and fulfilling careers, Zurich aims to serve its role in society in a way that makes all our stakeholders proud. We hope you agree that we achieved that goal in 2009.

We close this message by recognizing the extraordinary accomplishments of our outgoing Chief Executive Officer, James J. Schiro, who retired at the end of the year. Under his leadership Zurich emerged from an extremely tenuous situation and is today recognized as one of the strongest global insurers. The disciplined approach he instilled and championed will continue to serve this company for many years to come. We will not forget the debt we owe him.

Thank you for your continued support.



Dr. Manfred Gentz
Chairman of the Board of Directors



Martin Senn
Chief Executive Officer

Contents

| | |
|---------------------------------------|----|
| Financial Highlights | 3 |
| Performance Overview | 4 |
| General Insurance | 6 |
| Global Life | 7 |
| Farmers | 9 |
| Other Operating Businesses | 10 |
| Non-Core Businesses | 10 |
| Investment Position and Performance | 11 |
| Consolidated Income Statements | 13 |
| Consolidated Balance Sheets | 14 |
| Consolidated Statements of Cash Flows | 16 |
| Shareholder Information | 18 |

The information contained within this Letter to Shareholders is an extract taken from the Financial Review and Consolidated Financial Statements of the Zurich Financial Services Group Annual Report 2009 and is unaudited. Comparatives are for the year ended December 31, 2008, unless otherwise stated. All amounts, unless otherwise specified, are shown in U.S. dollars and rounded to the nearest million with the consequence that the rounded amounts may not add to the rounded total in all cases. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts. Certain comparatives including segment disclosures have been restated for changes in presentation and for reclassifications as set out in notes 1 and 30 of the audited Consolidated Financial Statements to conform to the 2009 presentation. The reclassifications had no impact on previously reported business operating profit, net income or shareholders' equity. For further information please see the Financial Report, which is available on www.zurich.com or can be ordered.

Financial Highlights

| in USD millions, for the years ended December 31, unless otherwise stated | 2009 | 2008 | Change ¹ |
|---|----------------|---------|---------------------|
| Business operating profit | 5,593 | 5,186 | 8% |
| Net income attributable to shareholders | 3,215 | 3,039 | 6% |
| General Insurance gross written premiums and policy fees | 34,157 | 37,151 | (8%) |
| Global Life gross written premiums, policy fees and insurance deposits | 26,029 | 21,873 | 19% |
| Farmers Management Services management fees and other related revenues | 2,690 | 2,458 | 9% |
| Farmers Re gross written premiums and policy fees | 6,615 | 3,381 | 96% |
| General Insurance business operating profit | 3,463 | 3,535 | (2%) |
| General Insurance combined ratio | 96.8% | 98.1% | 1.3 pts |
| Global Life business operating profit | 1,477 | 1,490 | (1%) |
| Global Life new business annual premium equivalent (APE) | 3,667 | 3,261 | 12% |
| Global Life new business margin, after tax (as % of APE) | 21.3% | 23.1% | (1.8 pts) |
| Global Life new business value, after tax | 782 | 753 | 4% |
| Farmers business operating profit | 1,554 | 1,356 | 15% |
| Farmers Management Services gross management result | 1,291 | 1,142 | 13% |
| Farmers Management Services managed gross earned premium margin | 7.2% | 6.9% | 0.3 pts |
| Group investments average invested assets ² | 187,579 | 185,558 | 1% |
| Group investments result, net | 6,082 | 5,805 | 5% |
| Group investments return (as % of average invested assets) | 3.2% | 3.1% | 0.1 pts |
| Shareholders' equity | 29,678 | 22,103 | 34% |
| Solvency I ratio | 198% | 160% | 38 pts |
| Diluted earnings per share (in CHF) | 24.21 | 23.35 | 4% |
| Book value per share (in CHF) | 209.27 | 167.92 | 25% |
| Return on common shareholders' equity (ROE) | 12.6% | 12.1% | 0.5 pts |
| Business Operating Profit (after tax) return on common shareholders' equity (BOPAT ROE) | 17.2% | 16.8% | 0.4 pts |

¹ Parentheses around numbers represent an adverse variance.

² Excluding average cash received as collateral for securities lending of USD 335 million and USD 1.0 billion in the years ended December 31, 2009 and 2008, respectively.

Performance
overview for the
year ended
December 31, 2009

Zurich Financial Services Ltd and its subsidiaries (the Group) delivered a strong set of financial results for the year ended December 31, 2009, as well as for the discrete fourth quarter 2009 which were a testament to a continued and disciplined execution of the Group's stated strategic objectives. While growth was achieved in targeted areas, particularly in the Global Life and Farmers businesses, the focus on margins was maintained, which paid off in particular in a robust operational performance from the General Insurance business. In parallel, as a result of disciplined asset/liability and risk management philosophies, capital and solvency positions increased substantially compared with December 31, 2008. The combination of sustained profitability, underscored by a business operating profit (after tax) return on common shareholders' equity of 17.2 percent for the year ended December 31, 2009, and a strong balance sheet, allowed for a dividend proposal of CHF 16.00 gross, which demonstrates the Group's commitment to shareholder value creation.

Business operating profit increased by USD 406 million or 8 percent to USD 5.6 billion in U.S. dollar terms and 10 percent on a local currency basis, with all core operating segments improving their performance on a local currency basis.

- **General Insurance** business operating profit decreased by USD 72 million or 2 percent to USD 3.5 billion in U.S. dollar terms but increased by 1 percent on a local currency basis. The overall result was driven by an improved underwriting result primarily due to the Group's disciplined approach to pricing insurance risks and lower levels of natural catastrophe losses. This improvement was partially offset by lower profitability in personal lines business in Europe and lower run-off contributions from reserves established in prior years. The overall improvement in the underwriting result compensated for lower investment result.
- **Global Life** business operating profit remained almost flat decreasing by USD 13 million or 1 percent to USD 1.5 billion in U.S. dollar terms, but increased by USD 77 million or 5 percent on a local currency basis. 2009 experienced a higher level of one-off benefits compared with 2008, which drove the overall improvement in local currency. The underlying performance of the businesses remained strong as the continued roll-out of the industrial business model, with its combined focus on distribution and product pillars as well as expense discipline through shared product manufacturing and other operational platforms, enabled us to achieve robust volumes and margin levels.
- **Farmers** business operating profit increased by USD 198 million or 15 percent to USD 1.6 billion.
Farmers Management Services business operating profit increased by USD 124 million or 10 percent to USD 1.3 billion. This increase was primarily driven by the 21st Century acquisition, which has been integrated into Farmers in line with original targets and contributed USD 81 million, and also by disciplined expense management.
Farmers Re business operating profit increased by USD 74 million, or 48 percent compared with the prior year, to USD 228 million as investment income accumulated as a result of the increased participation in the All Lines quota share reinsurance treaty.

Other Operating Businesses business operating loss improved by USD 160 million to a loss of USD 611 million primarily arising from gains on repurchases of subordinated debt executed against advantageous market conditions.

Non-Core Businesses, comprising the Group's run-off businesses and the Group's banking activities which are no longer seen to support the core insurance business but are viewed as a useful adjunct to it, reported a business operating profit of USD 143 million for the discrete fourth quarter 2009, resulting in an overall loss for the full year 2009 of USD 290 million compared with a loss of USD 423 million in 2008. The loss for the full year primarily resulted from an increase in certain life insurance reserves predominantly addressing policyholders' behavior and from increased loan loss provisions in the banking operations.

Total Group business volumes comprising gross written premiums, policy fees, insurance deposits and Farmers Management Services management fees increased by USD 4.6 billion or 7.1 percent in U.S. dollar terms and by USD 8.2 billion or 12.6 percent on a local currency basis, underscoring the Group's ability to grow selectively in line with its strategic objectives. The business volumes in the main operating segments developed as follows:

- **General Insurance** gross written premiums and policy fees decreased by 8 percent to USD 34.2 billion in U.S. dollar terms and by 4 percent on a local currency basis. Average rate increases of 3.3 percentage points were achieved through disciplined underwriting focusing on margin enhancement. This was particularly evident in the Global Corporate and North America Commercial businesses. International Markets achieved an increase in local currency as a result of organic growth, mainly in markets where economic growth continued, but also as a result of acquisitions. These positive developments on rates and volumes did not fully compensate for the effects of underwriting actions on new business and renewals, and for the effects of a difficult economic environment, where decreases in customers' insurable exposures were experienced, particularly in the construction and automotive industries in North America.
- **Global Life** gross written premiums, policy fees and insurance deposits increased by 19 percent to USD 26 billion in U.S. dollar terms and by 28 percent on a local currency basis. The new business annual premium equivalent (APE) increased by 12 percent in U.S. dollar terms and by 19 percent on a local currency basis. This growth supported net policyholder inflows of USD 5.4 billion compared with net policyholder outflows of USD 2.2 billion in 2008. This resulted in total assets under management of USD 215 billion as of December 31, 2009, compared with USD 180 billion as of December 31, 2008. The growth was primarily driven by the Bank Distribution pillar with continued strong performance in Spain, the Corporate Life & Pensions pillar in the UK and Ireland, and the Private Banking Client Solutions pillar with strong sales in both the UK and the newly established hub in Luxembourg.
- **Farmers Management Services** management fees and other related revenues increased by 9 percent to USD 2.7 billion driven by an 8 percent increase in gross earned premiums in the Farmers Exchanges, which the Group manages but does not own. 21st Century contributed USD 214 million to revenues while Small Business Solutions generated an increase in revenue of USD 31 million compared with the prior year. Since September 2008, **Farmers Re** increased its participation in the All Lines quota share reinsurance treaty with the Farmers Exchanges in various steps from 5 percent to 37.5 percent for the second half of 2009, which resulted in an increase in assumed written premiums of USD 3.2 billion to USD 6.6 billion compared with 2008. Effective December 31, 2009, the participation was reduced to 35 percent.

As a result of the strong operating performance and lower levels of net capital losses on investments due to recovering capital markets, **net income attributable to shareholders** increased by USD 176 million to USD 3.2 billion for the full year, with net income attributable to shareholders for the discrete fourth quarter of 2009 increasing for the fifth consecutive quarter since the third quarter 2008. This strong result was achieved despite charges of USD 265 million in 2009 from losses on hedges used to protect the economic solvency position included in net capital gains/(losses) on investments and impairments. The **shareholders' effective tax rate** was 21.9 percent for the year ended December 31, 2009, compared with 19.0 percent for the year ended December 31, 2008. The 2008 full year shareholders' effective tax rate was positively affected by one-off items, mainly the use of previously unrecognized net operating losses.

Compared with 2008, **ROE** increased by 0.5 percentage points to 12.6 percent while **BOPAT ROE** increased by 0.4 percentage points to 17.2 percent. **Diluted earnings per share** increased by 4 percent to CHF 24.21 for the year ended December 31, 2009, compared with CHF 23.35 for the year 2008.

General Insurance

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|--|--------------|--------------|----------------|
| Gross written premiums and policy fees | 34,157 | 37,151 | (8%) |
| Net earned premiums and policy fees | 29,071 | 30,922 | (6%) |
| Insurance benefits and losses, net of reinsurance | (20,622) | (22,441) | 8% |
| Net underwriting result | 930 | 594 | 57% |
| Net investment income | 3,070 | 3,711 | (17%) |
| Net non-technical result (excl. items not included in BOP) | (651) | (657) | 1% |
| Business operating profit | 3,463 | 3,535 | (2%) |
| Loss ratio | 70.9% | 72.6% | 1.6 pts |
| Expense ratio | 25.9% | 25.5% | (0.4 pts) |
| Combined ratio | 96.8% | 98.1% | 1.3 pts |

General Insurance delivered a much improved underwriting result in 2009, as a result of the focus on maintaining pricing and expense discipline. This substantially offset the lower non-technical result, which was primarily attributable to lower investment income, as well as the challenges posed by the economic and competitive market environment. Rate increases were achieved particularly in the Global Corporate and commercial businesses, and the Group managed expenses commensurately with reduced volumes of business. Determination to maintain pricing discipline, together with the difficult market environment which negatively impacted the level of customers' insurable exposures, resulted in lower overall business volumes and retention levels. The benefit of the absence of major insured natural catastrophes during the year was largely offset by exceptional adverse market conditions in some of the Group's European personal lines businesses. However, the economic environment also affected the investment result as yields reduced. Strong expense management and underwriting discipline with a focus on maintaining margins have resulted in a 1 percent increase in business operating profit compared with the prior year in local currency terms. In U.S. dollar terms, **business operating profit** decreased slightly by USD 72 million, or 2 percent, to USD 3.5 billion.

Gross written premiums and policy fees decreased by 8 percent or by USD 3.0 billion to USD 34.2 billion in U.S. dollar terms and by 4 percent on a local currency basis. Average rate increases of 3.3 percentage points were achieved in line with the Group's technical pricing models. As a consequence, retention and new business levels were adversely affected. The reduction measured in local currency was primarily driven by North America Commercial where certain segments of the business were heavily affected by the economic environment which led to reduced customers' insurable exposures. Global Corporate in particular was affected by the lower levels of insurance protection required by customers, which have been partially compensated for by rate increases. Europe General Insurance has also been impacted by the challenging market conditions resulting in lower premium volumes in local currency terms. International Markets increased by 3 percent in local currency terms through both organic growth and acquisitions. Despite the economic environment, the Group gained market share in certain targeted segments, positioning itself well for the future.

The **net underwriting result** increased by USD 336 million to USD 930 million with the combined ratio of 96.8 percent improving by 1.3 percentage points compared with 2008. Overall the loss ratio improved 1.6 percentage points mainly due to improvements in the attritional loss ratio reflecting realized rate increases and the impact of the Group's risk selection strategy which have begun to flow into the result, as well as the absence of major insured natural catastrophes. This improvement was offset by a higher attritional loss experience in our European personal motor business, mainly in Italy and the UK, as well as lower levels of favorable development of reserves established in prior years and higher levels of large loss experience. The lower levels of favorable development of reserves established in prior years included a charge for UK asbestos which has affected Global Corporate and Europe General Insurance. The expense ratio increased as a result of higher commissions due to a change in business mix and the Group's approach to broker remuneration. Strict expense management and the benefits of cost savings programs mostly maintained the technical expenses in line with premium volume decrease despite continued strategic investments in profitable growth opportunities and operational transformation.

Global Life

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|---|--------------|--------------|------------------|
| Insurance deposits | 13,589 | 11,079 | 23% |
| Gross written premiums and policy fees | 12,440 | 10,794 | 15% |
| Net investment income on Group investments | 4,081 | 4,518 | (10%) |
| Insurance benefits and losses, net of reinsurance | (10,594) | (9,229) | (15%) |
| Underwriting and policy acquisition costs, net of reinsurance | (1,116) | (1,887) | 41% |
| Administrative and other operating expenses | (2,237) | (2,404) | 7% |
| <i>of which:</i> | | | |
| <i>Amortization and impairments of intangible assets</i> | <i>(346)</i> | <i>(224)</i> | <i>(55%)</i> |
| <i>Depreciation and impairments of property and equipment</i> | <i>(34)</i> | <i>(42)</i> | <i>19%</i> |
| Business operating profit | 1,477 | 1,490 | (1%) |
| Total reserves for life insurance contracts, net of reinsurance, and liabilities for investment contracts | 180,145 | 154,700 | 16% |
| Assets under management ¹ | 214,512 | 180,416 | 19% |
| Embedded value – highlights | | | |
| New business annual premium equivalent (APE) | 3,667 | 3,261 | 12% |
| Present value of new business premiums (PVNBP) | 29,515 | 25,883 | 14% |
| New business margin, after tax (as % of APE) | 21.3% | 23.1% | (1.8 pts) |
| New business margin, after tax (as % of PVNBP) | 2.6% | 2.9% | (0.3 pts) |
| New business value, after tax | 782 | 753 | 4% |

¹ Assets under management comprise Group and unit-linked investments that are included in the Global Life balance sheet plus assets that are managed by third parties, for which we earn fees.

The Global Life segment continues to execute on its strategy delivering strong results with profitable growth in a difficult market environment and performing well on all key metrics. The growth was driven through the distribution and proposition pillars as well as a strong focus on in-force management resulting in net policyholder inflows compared with net policyholder outflows in 2008. Progress was made on developing the industrial business model benefiting our unit costs and a notable increase in cross-border sales. The new business value not only increased in each successive quarter of 2009, but accelerated over the course of the year underpinned by efficiency gains and focused efforts to shift the new business mix towards protection products.

New business annual premium equivalent (APE) increased by USD 406 million or 12 percent in U.S. dollar terms, to USD 3.7 billion and by 19 percent in local currency basis. Growth in Spain of USD 414 million included underlying growth of USD 45 million or 76 percent on a local currency basis and a contribution of USD 369 million from the businesses acquired in the third quarter of 2008. In the UK, APE decreased by 11 percent in U.S. dollar terms but increased by 6 percent on a local currency basis, driven by higher long-term savings sales and successful sales through our major banking partners. In the Americas, APE increased by 16 percent in U.S. dollar terms and by 21 percent on a local currency basis, driven by growth in Latin America from Corporate Life & Pensions sales, and our success in gaining participation in the reformed social security system in Chile. In Germany, APE decreased by 10 percent in U.S. dollar terms and by 5 percent on a local currency basis, as 2008 included a benefit from the final step-up of premiums in state subsidized pension contracts that increased unit-linked sales. APE in Emerging Markets in Asia were flat in U.S. dollar terms but decreased 4 percent on a local currency basis as a result of reduced sales in Hong Kong and in the International/Expats business of Zurich International Solutions (ZIS) due to market conditions. In Ireland, where the market declined over 28 percent, APE decreased by 5 percent in U.S. dollar terms but remained flat on a local currency basis as a result of strong growth in Corporate Life & Pensions business offsetting lower IFA/Brokers sales. APE in the Rest of the World increased by 69 percent in U.S. dollar terms and by 79 percent on a local currency basis driven by the

early success of the newly formed Private Banking Client Solutions hub in Luxembourg and, in Italy by successful Bank Distribution activities as well as by strong IFA/ Brokers sales through the Finanza e Futuro distribution channel acquired in 2008.

New business value, after tax, increased by USD 29 million or 4 percent in U.S. dollar terms, to USD 782 million and by 9 percent on a local currency basis, benefiting from increased new business value in both individual and corporate protection products. By country, the new business value improved from increased volumes in Spain and Luxembourg, improved margins in the UK, higher sales volumes in Latin America, and the benefit of lower interest rates for protection products in the U.S. and Australia. This improvement was partially offset by Germany and Switzerland with negative impacts from lower interest rates on savings products and lower sales due to the market conditions earlier in the year. Overall the new business margin after tax decreased by 1.8 percentage points to 21.3 percent compared with the prior year, primarily reflecting the impact of lower interest rates impacting Germany new business margins.

Business operating profit decreased by USD 13 million or 1 percent in U.S. dollar terms to USD 1.5 billion, but increased by 5 percent on a local currency basis. In the U.S., business operating profit included net one-off benefits of USD 159 million largely due to updated mortality assumptions. The underlying result of the Americas businesses overall remained strong. Improved investment results drove the increase in business operating profit in Switzerland. Changes to actuarial assumptions benefited Hong Kong, contributing to the improved underlying result in Emerging Markets in Asia. In the UK, USD 48 million of the reduction of USD 168 million in business operating profit reported in U.S. dollars resulted from currency translation effects. The UK underlying performance in local currency was impacted by financial market effects, and in 2008 one-time benefits and favorable claims experience, partially offset in 2009 by reduced amortization of deferred acquisition costs and intangible assets as a result of assumption changes. In Germany, the result was in line with prior year on a local currency basis and in Ireland, the result decreased due to investments in the European Hub operating infrastructure. In Italy, included in the Rest of the World, and in Spain, the business operating profit before interest, depreciation and amortization improved significantly, with costs of financing and amortization of intangible assets from recent acquisitions adversely impacting the overall business operating profit.

Insurance deposits increased by USD 2.5 billion or 23 percent in U.S. dollar terms to USD 13.6 billion and by 35 percent on a local currency basis, primarily driven by the businesses acquired in Spain in the third quarter of 2008 and by the newly formed private banking client solutions business in Luxembourg.

Gross written premiums and policy fees increased by USD 1.6 billion or 15 percent in U.S. dollar terms to USD 12.4 billion and by 22 percent on a local currency basis. The increase on a local currency basis was due to the businesses acquired in Spain in the third quarter of 2008 and growth in Americas, partially offset by decreases in Germany and Switzerland due to lower single premium business in 2009.

Net reserves increased USD 25.4 billion or by 16 percent in U.S. dollar terms to USD 180.1 billion and by 10 percent in local currency, compared with December 31, 2008. On a local currency basis, the increase was primarily driven by financial market recovery flowing through to unit-linked insurance and investment contracts, as well as growth in traditional reserves.

Assets under management increased by 19 percent in U.S. dollar terms and by 12 percent on a local currency basis, compared with December 31, 2008. Assets under management benefited from policyholder net inflows of USD 5.4 billion for the full year 2009 driven by new business as well as focused efforts on in-force management.

Farmers

Farmers business operating profit was USD 1.6 billion compared with USD 1.4 billion for the year ended December 31, 2008. Farmers Management Services contributed USD 1.3 billion compared with USD 1.2 billion in the prior year and Farmers Re contributed USD 228 million compared with USD 154 million in the prior year.

Farmers has moved aggressively to restructure and integrate the acquired 21st Century businesses which consequently added a substantial contribution to the Farmers Management Services and Farmers Exchanges, which the Group manages but does not own, results for the year 2009.

Farmers Management Services

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|--|--------------|--------------|------------|
| Management fees and other related revenues | 2,690 | 2,458 | 9% |
| Management and other related expenses | (1,399) | (1,317) | (6%) |
| Gross management result | 1,291 | 1,142 | 13% |
| Other net income | 35 | 60 | (43%) |
| Business operating profit | 1,326 | 1,202 | 10% |
| Managed gross earned premium margin | 7.2% | 6.9% | 0.3 pts |

Business operating profit increased by USD 124 million or 10 percent to USD 1.3 billion. This increase was driven by USD 81 million from 21st Century, which was acquired in July 2009, as well as disciplined expense management and an improvement of USD 10 million from Small Business Solutions, for which the rights to renew policies were acquired by the Farmers Exchanges from Zurich North America in June 2008.

Management fees and other related revenues increased by 9 percent to USD 2.7 billion driven by an 8 percent increase in gross earned premiums in the Farmers Exchanges. 21st Century contributed USD 214 million of the increase in revenues while Small Business Solutions generated an increase in revenue of USD 31 million compared with the prior year.

Management and other related expenses increased by 6 percent, or USD 81 million. The additional business from 21st Century and Small Business Solutions resulted in an increase of USD 133 million which was offset by a decrease of USD 52 million compared with 2008 reflecting the continued strict expense discipline and the benefits of ongoing operational transformation.

As a result of these changes and underlying improvements, the **gross management result** increased by USD 151 million, or 13 percent, while the **managed gross earned premium margin** improved by 0.3 percentage points to 7.2 percent from 6.9 percent.

Other Operating Businesses

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|--|--------------|--------------|------------|
| Business operating profit: | | | |
| Holding and financing | (438) | (656) | 33% |
| Headquarters | (141) | (90) | (57%) |
| Alternative investments | (32) | (25) | (26%) |
| Total business operating profit | (611) | (772) | 21% |

Holding and financing business operating loss improved by USD 219 million to a loss of USD 438 million. This was primarily driven by gains of USD 210 million resulting from the repurchases of subordinated debt and a favorable impact from movements in foreign currencies. **Headquarters** reported a business operating loss of USD 141 million compared with USD 90 million in the prior year due largely to lower revenues from reduced charges to our operating businesses.

Non-Core Businesses

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|--|--------------|--------------|------------|
| Business operating profit: | | | |
| Centre | 160 | (106) | nm |
| Banking activities | (182) | 53 | nm |
| Centrally managed businesses | (279) | (496) | 44% |
| Other run-off | 10 | 126 | (92%) |
| Total business operating profit | (290) | (423) | 31% |

Centre business operating result improved by USD 266 million to a profit of USD 160 million, driven by positive impacts from interest rate and credit spread developments on an insurance portfolio where both assets and liabilities are carried at fair value. **Banking activities** decreased by USD 235 million to a loss of USD 182 million predominantly driven by an increase in loan loss provisions compared with the prior year, primarily reflecting adverse developments in the Irish property market. **Centrally managed businesses**, which comprise portfolios that the Group manages with the intention to achieve a profitable run-off over time, decreased its loss by USD 218 million to a loss of USD 279 million, primarily due to the effect of the recovering capital markets on both investments and policyholders' liabilities. The overall loss for the year 2009 resulted primarily from an increase of certain life insurance reserves addressing policyholders' behavior. **Other run-off** experienced one-off benefits in 2008 which were not repeated in 2009.

Investment Position and Performance

| Breakdown of investments | in USD millions, as of December 31 | Group investments | | Unit-linked investments | |
|--|------------------------------------|---------------------------|---------------|-------------------------|-------|
| | | 2009 | 2008 | 2009 | 2008 |
| | | Cash and cash equivalents | 11,631 | 12,428 | 5,840 |
| Equity securities: | 12,450 | 14,303 | 78,311 | 60,154 | |
| Common stocks, including equity unit trusts | 8,839 | 8,957 | 69,004 | 51,276 | |
| Unit trusts (debt securities, real estate and short-term investments) | 2,477 | 3,930 | 9,307 | 8,879 | |
| Common stock portfolios backing participating with-profit policyholder contracts | 673 | 630 | – | – | |
| Trading equity portfolios in capital markets and banking activities | 461 | 786 | – | – | |
| Debt securities | 136,344 | 118,287 | 10,194 | 9,510 | |
| Real estate held for investment | 7,789 | 7,524 | 3,897 | 4,077 | |
| Mortgage loans | 12,736 | 12,820 | – | – | |
| Policyholders' collateral and other loans | 15,077 | 13,988 | 924 | 2 | |
| Equity method accounted investments | 232 | 220 | – | – | |
| Total | 196,258 | 179,570 | 99,167 | 78,203 | |

Group investments have increased by 9 percent or USD 16.7 billion to USD 196 billion since December 31, 2008. In local currency terms, Group investments increased by 5 percent, driven by positive revaluations on debt and equity securities reflecting positive market developments and investments of new cash flows. The quality of the Group's investment portfolio remains high. Investment grade securities comprise 98.4 percent of our debt securities. The Group's investment policy remains conservative and it continues to selectively reduce those risks for which it is believed that no appropriate compensation is received or which incur high regulatory capital costs.

Unit-linked investments increased by USD 21.0 billion or 27 percent in U.S. dollar terms to USD 99.2 billion since December 31, 2008. In local currency terms, unit-linked investments increased by 18 percent, primarily as a result of higher equity valuations following the recovery of markets overall in 2009 compared with the position at the end of 2008 but particularly since the low point in the market in April 2009. This increase is mirrored in higher unit-linked insurance and investment contract liabilities.

Performance of Group investments

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|---|----------------|----------------|----------------|
| Net investment income | 7,505 | 8,698 | (14%) |
| Net capital gains/(losses) on investments and impairments | (1,423) | (2,893) | 51% |
| <i>of which: net capital gains/(losses) on investments and impairments attributable to shareholders</i> | <i>(1,375)</i> | <i>(2,110)</i> | <i>35%</i> |
| Net investment result | 6,082 | 5,805 | 5% |
| Net investment return on Group investments | 3.2% | 3.1% | 0.1 pts |
| Movements in net unrealized gains/(losses) on investments included in total equity | 5,674 | (3,902) | nm |
| Total investment result, net of investment expenses¹ | 11,756 | 1,903 | nm |
| Average Group investments ² | 187,579 | 185,558 | 1% |
| Total return on Group investments | 6.3% | 1.0% | 5.2 pts |

¹ After deducting investment expenses of USD 243 million and USD 261 million for the years ended December 31, 2009 and 2008, respectively.

² Excluding average cash received as collateral for securities lending of USD 335 million and USD 1.0 billion for the years ended December 31, 2009 and 2008, respectively.

Total return, net of investment expenses, on average Group investments was positive 6.3 percent, largely from the improvements in the value of debt securities. Debt securities, which are invested to match the Group's insurance liability profiles, returned positive 7.1 percent. Equity securities returned positive 12.6 percent. Other investments, mainly real estate and mortgages, returned a positive 2.7 percent.

Total **net investment income** decreased by USD 1.2 billion, or 14 percent in U.S. dollar terms, to USD 7.5 billion. Translating local currency income at stronger average U.S. dollar rates in 2009 contributed USD 376 million of this decrease. Net investment income yield was 4.0 percent, a decrease of 69 basis points compared with the prior year. This decrease was driven by cash balances yielding lower rates and lower income from equity securities.

Total **net capital losses on investments and impairments** were USD 1.4 billion, comprising net realized losses of USD 91 million, impairments of USD 1.4 billion and net positive revaluations of USD 62 million. The impairments arose mainly from USD 590 million attributable to equity securities, USD 573 million attributable to debt securities and USD 233 million attributable to mortgages and other investments. Net positive revaluations on securities booked as fair value through profit and loss added gains of USD 60 million, driven by gains on equity securities of USD 476 million, on real estate of USD 130 million and on debt securities of USD 5 million, which were mostly offset by losses from derivatives of USD 543 million.

Net unrealized gains have improved by USD 5.7 billion since December 31, 2008, due to a USD 1.6 billion decrease in net unrealized losses on equity securities as a result of the improvement in major global equity markets, as well as a USD 4.1 billion decrease in net unrealized losses on debt securities primarily as a result of narrowing credit spreads.

Performance of unit-linked investments

| in USD millions, for the years ended December 31 | 2009 | 2008 | Change |
|--|---------------|-----------------|-----------------|
| Net investment income | 1,638 | 3,185 | (49%) |
| Net capital (losses)/gains on investments and impairments | 10,837 | (24,916) | nm |
| Net investment result, net of investment expenses¹ | 12,475 | (21,731) | nm |
| Average investments | 88,685 | 100,148 | (11%) |
| Total return on unit-linked investments² | 14.1% | (21.7%) | 35.8 pts |

¹ After deducting investment expenses of USD 426 million and USD 581 million for the for the years ended December 31, 2009 and 2008, respectively.

² Total return is not annualized.

Total return on unit-linked investments improved by 35.8 percentage points to a positive return of 14.1 percent compared with a negative return of 21.7 percent in the prior year. **Net investment income** on unit-linked investments declined by 49 percent compared with 2008. Net capital gains of USD 10.8 billion increased significantly compared with 2008 as a result of improved capital markets.

Consolidated Income Statements

| in USD millions, for the years ended December 31 | 2009 | 2008 |
|---|---------------|---------------|
| Revenues | | |
| Gross written premiums and policy fees | 53,817 | 51,894 |
| Less premiums ceded to reinsurers | (5,844) | (6,226) |
| Net written premiums and policy fees | 47,973 | 45,667 |
| Net change in reserves for unearned premiums | (746) | (1,560) |
| Net earned premiums and policy fees | 47,227 | 44,107 |
| Farmers management fees and other related revenues | 2,690 | 2,458 |
| Net investment result on Group investments | 6,082 | 5,805 |
| Net investment income on Group investments | 7,505 | 8,698 |
| Net capital gains/(losses) and impairments on Group investments | (1,423) | (2,893) |
| Net investment result on unit-linked investments | 12,475 | (21,731) |
| Net gain/(loss) on divestments of businesses | (5) | 16 |
| Other income | 1,802 | 1,693 |
| Total revenues | 70,272 | 32,349 |
| Benefits, losses and expenses | | |
| Insurance benefits and losses, gross of reinsurance ¹ | 39,522 | 31,387 |
| Less ceded insurance benefits and losses ¹ | (3,261) | 3,425 |
| Insurance benefits and losses, net of reinsurance | 36,261 | 34,811 |
| Policyholder dividends and participation in profits, net of reinsurance | 12,859 | (21,514) |
| Underwriting and policy acquisition costs, net of reinsurance | 8,254 | 8,287 |
| Administrative and other operating expense | 7,248 | 6,729 |
| Interest expense on debt | 586 | 599 |
| Interest credited to policyholders and other interest | 533 | 773 |
| Total benefits, losses and expenses | 65,741 | 29,685 |
| Net income before income taxes | 4,531 | 2,663 |
| Income tax expense | (1,295) | 452 |
| attributable to policyholders | (387) | 1,184 |
| attributable to shareholders | (908) | (732) |
| Net income after taxes | 3,236 | 3,116 |
| attributable to non-controlling interests | 21 | 77 |
| attributable to shareholders | 3,215 | 3,039 |
| in USD | | |
| Basic earnings per share | 22.51 | 21.80 |
| Diluted earnings per share | 22.35 | 21.63 |
| in CHF | | |
| Basic earnings per share | 24.39 | 23.53 |
| Diluted earnings per share | 24.21 | 23.35 |

¹ Effective June 30, 2008, the underlying contracts relating to a UK annuity portfolio reinsured in 2007 were transferred to the reinsurer. This transaction had no net impact on the consolidated income statement in 2008, but impacted each of these line items by USD 7.0 billion.

Consolidated Balance Sheets

| Assets | in USD millions, as of December 31 | Restated | | |
|--|------------------------------------|----------------|----------------|----------------|
| | | 2009 | 2008 | 2007 |
| Investments | | | | |
| Total Group investments | | 196,258 | 179,570 | 193,600 |
| Cash and cash equivalents | | 11,631 | 12,428 | 14,111 |
| Equity securities | | 12,450 | 14,303 | 20,496 |
| Debt securities | | 136,344 | 118,287 | 125,535 |
| Real estate held for investment | | 7,789 | 7,524 | 7,563 |
| Mortgage loans | | 12,736 | 12,820 | 12,718 |
| Other loans | | 15,077 | 13,988 | 12,941 |
| Equity method accounted investments | | 232 | 220 | 238 |
| Investments for unit-linked contracts | | 99,167 | 78,203 | 122,092 |
| Total investments | | 295,425 | 257,773 | 315,693 |
| Reinsurers' share of reserves for insurance contracts ¹ | | 18,627 | 18,595 | 26,970 |
| Deposits made under assumed reinsurance contracts | | 3,861 | 2,397 | 1,359 |
| Deferred policy acquisition costs | | 16,181 | 14,323 | 14,941 |
| Deferred origination costs | | 856 | 770 | 1,003 |
| Accrued investment income | | 2,744 | 2,429 | 2,593 |
| Receivables | | 13,182 | 13,229 | 12,846 |
| Other assets | | 3,327 | 4,095 | 3,405 |
| Mortgage loans given as collateral | | 1,102 | 1,233 | 2,243 |
| Deferred tax assets | | 2,257 | 2,901 | 1,682 |
| Assets held for sale ² | | 67 | – | – |
| Property and equipment | | 1,942 | 1,889 | 1,972 |
| Goodwill | | 2,297 | 1,677 | 1,553 |
| Other intangible assets | | 7,044 | 6,633 | 3,083 |
| Total assets | | 368,914 | 327,944 | 389,342 |

¹ Effective June 30, 2008, the underlying contracts relating to a UK annuity portfolio ceded in 2007 for an amount of USD 7.1 billion were transferred to the reinsurer, resulting in a reduction of reinsurers' share of reserves for insurance contracts.

² As of December 31, 2009, assets held for sale include land and buildings held for own use reclassified in March and December 2009 as assets held for sale.

Liabilities
and equity

| in USD millions, as of December 31 | | 2009 | 2008 | Restated 2007 |
|---|--|----------------|----------------|------------------|
| Liabilities | | | | |
| Reserve for premium refunds | | 649 | 620 | 625 |
| Liabilities for investment contracts | | 46,124 | 35,979 | 54,485 |
| Deposits received under ceded reinsurance contracts | | 1,558 | 1,619 | 1,739 |
| Deferred front-end fees | | 5,543 | 4,695 | 5,791 |
| Reserves for insurance contracts ¹ | | 241,412 | 222,179 | 252,740 |
| Obligations to repurchase securities | | 3,976 | 3,608 | 5,370 |
| Accrued liabilities | | 2,839 | 2,820 | 2,755 |
| Other liabilities | | 17,485 | 16,944 | 20,257 |
| Collateralized loans | | 1,102 | 1,233 | 2,243 |
| Deferred tax liabilities | | 4,464 | 3,485 | 4,057 |
| Debt related to capital markets and banking activities | | 839 | 2,527 | 1,663 |
| Senior and subordinated debt | | 11,444 | 8,455 | 8,300 |
| Total liabilities | | 337,435 | 304,163 | 360,023 |
| Equity | | | | |
| Share capital | | 10 | 10 | 10 |
| Additional paid-in capital | | 11,400 | 10,131 | 10,289 |
| Net unrealized gains/(losses) on available-for-sale investments | | 334 | (2,957) | 202 |
| Cash flow hedges | | (9) | (16) | (103) |
| Cumulative translation adjustment | | (396) | (1,341) | 1,385 |
| Revaluation reserve | | 98 | 99 | 83 |
| Retained earnings | | 17,680 | 15,616 | 16,406 |
| Common shareholders' equity | | 29,117 | 21,542 | 28,273 |
| Preferred securities | | 561 | 561 | 671 |
| Shareholders' equity | | 29,678 | 22,103 | 28,945 |
| Non-controlling interests | | 1,800 | 1,678 | 374 |
| Total equity | | 31,478 | 23,781 | 29,318 |
| Total liabilities and equity | | 368,914 | 327,944 | 389,342 |

¹ Effective June 30, 2008, the underlying contracts relating to a UK annuity portfolio ceded in 2007 for an amount of USD 7.1 billion were transferred to the reinsurer, resulting in a reduction of reserves for insurance contracts.

Consolidated Statements of Cash Flows

| in USD millions, for the years ended December 31 | 2009 | 2008 |
|---|----------------|--------------|
| Cash flows from operating activities | | |
| Net income attributable to shareholders | 3,215 | 3,039 |
| Adjustments for: | | |
| Net (gain)/loss on divestments of businesses | 5 | (16) |
| Income from equity method accounted investments | (4) | (8) |
| Depreciation, amortization and impairments of fixed and intangible assets | 892 | 654 |
| Other non-cash items | 554 | 1,377 |
| Underwriting activities: | 13,102 | (24,588) |
| <i>Reserves for insurance contracts, gross¹</i> | 8,882 | (19,773) |
| <i>Reinsurers' share of reserves for insurance contracts¹</i> | 566 | 7,056 |
| <i>Liabilities for investment contracts</i> | 6,674 | (9,486) |
| <i>Deferred policy acquisition costs</i> | (1,455) | (975) |
| <i>Deferred origination costs</i> | (16) | 8 |
| <i>Deposits made under assumed reinsurance contracts</i> | (1,453) | (1,308) |
| <i>Deposits received under ceded reinsurance contracts</i> | (97) | (110) |
| Investments: | (19,844) | 30,690 |
| <i>Net capital (gains)/losses on total investments and impairments</i> | (9,419) | 27,808 |
| <i>Net change in trading securities</i> | 214 | 2,042 |
| <i>Sales and maturities</i> | | |
| <i>Debt securities</i> | 209,776 | 80,270 |
| <i>Equity securities</i> | 49,510 | 66,830 |
| <i>Other</i> | 48,457 | 30,311 |
| <i>Purchases</i> | | |
| <i>Debt securities</i> | (218,147) | (82,002) |
| <i>Equity securities</i> | (50,007) | (63,314) |
| <i>Other</i> | (50,227) | (31,256) |
| Proceeds from sale and repurchase agreements | (14) | (443) |
| Movements in receivables and payables | (60) | (3,173) |
| Net changes in debt for capital markets and banking activities | (1,745) | 1,035 |
| Net changes in other operational assets and liabilities | 974 | 509 |
| Deferred income tax, net | 453 | (1,725) |
| Net cash (used in)/provided by operating activities | (2,470) | 7,350 |

¹ Effective June 30, 2008, the underlying contracts relating to a UK annuity portfolio ceded in 2007 for an amount of USD 7.1 billion were transferred to the reinsurer, resulting in a reduction of both the reinsurers' share of reserves for insurance contracts and gross reserves for insurance contracts.

| in USD millions, for the years ended December 31 | 2009 | 2008 |
|---|---------------|----------------|
| Cash flows from investing activities | | |
| Sales of property and equipment | 86 | 309 |
| Purchase of property and equipment | (359) | (444) |
| Investments in equity method accounted investments, net | 6 | 11 |
| Acquisitions of companies, net of cash acquired | (307) | (1,319) |
| Divestments of companies, net of cash balances | (10) | (6) |
| Dividends from equity method accounted investments | 5 | 5 |
| Net cash used in investing activities | (581) | (1,443) |
| Cash flows from financing activities | | |
| Dividends paid | (1,426) | (2,104) |
| Issuance of share capital | 929 | – |
| Net movement in treasury shares | 367 | (812) |
| Redemption of preferred securities and repayments to non-controlling interests | – | (124) |
| Issuance of debt | 3,475 | 2,420 |
| Repayments of debt outstanding | (898) | (1,930) |
| Net cash provided by/(used in) financing activities | 2,448 | (2,551) |
| Foreign currency translation effects on cash and cash equivalents | 870 | (1,896) |
| Change in cash and cash equivalents excluding change in cash held as collateral for securities lending ¹ | 267 | 1,460 |
| Cash and cash equivalents as of January 1, excluding cash held as collateral for securities lending | 16,711 | 15,251 |
| Cash and cash equivalents as of December 31, excluding cash held as collateral for securities lending | 16,978 | 16,711 |
| Change in cash held as collateral for securities lending | 316 | (1,700) |
| Cash and cash equivalents as of January 1, including cash held as collateral for securities lending | 16,888 | 17,128 |
| Cash and cash equivalents as of December 31, including cash held as collateral for securities lending | 17,471 | 16,888 |
| of which: | | |
| – cash and cash equivalents – Group Investments | 11,631 | 12,428 |
| – cash and cash equivalents – unit linked | 5,840 | 4,460 |
| Other supplementary cash flow disclosures | | |
| Other interest income received | 7,146 | 8,831 |
| Dividend income received | 1,644 | 2,943 |
| Other interest expense paid | (1,146) | (1,478) |
| Income tax paid | (1,019) | (1,253) |

As of December 31, 2009 and 2008, cash and cash equivalents held to meet local regulatory requirements were USD 1,715 million and USD 1,131 million, respectively.

Cash and cash equivalents

| in USD millions, as of December 31 | 2009 | 2008 |
|--|---------------|---------------|
| Cash and cash equivalents comprise the following: | | |
| Cash at bank and in hand | 7,167 | 7,829 |
| Cash equivalents | 9,811 | 8,882 |
| Cash held as collateral for securities lending | 493 | 177 |
| Total | 17,471 | 16,888 |

Zurich Financial Services Ltd Registered Share Data

Key indicators

| as of December 31 | 2009 | 2008 |
|--|-------------|-------------|
| Number of shares issued | 147,473,068 | 142,122,620 |
| Number of dividend-bearing shares ¹ | 147,473,068 | 142,122,620 |
| Market capitalization (in CHF millions at end of period) | 33,403 | 32,262 |
| Authorized capital, number of shares | 5,200,000 | 6,000,000 |
| Contingent capital, number of shares | 12,643,831 | 8,676,107 |

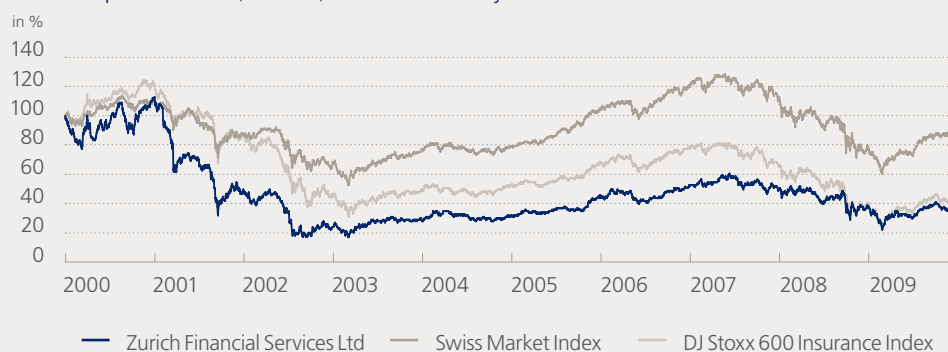
¹ Treasury shares are not entitled to dividends.

Per share data

| in CHF | 2009 | 2008 |
|---|--------------------|--------|
| Gross dividend | 16.00 ¹ | 11.00 |
| Basic earnings per share | 24.39 | 23.53 |
| Diluted earnings per share | 24.21 | 23.35 |
| Book value per share, as of December 31 | 209.27 | 167.92 |
| Nominal value per share | 0.10 | 0.10 |
| Price at end of period | 226.50 | 227.00 |
| Price period high | 260.00 | 336.50 |
| Price period low | 127.80 | 175.80 |

¹ Proposed gross dividend, subject to approval by shareholders at the Annual General Meeting 2010; expected payment date as from April 8, 2010.

Zurich share performance (indexed) over the last ten years



Dividend/ payout history

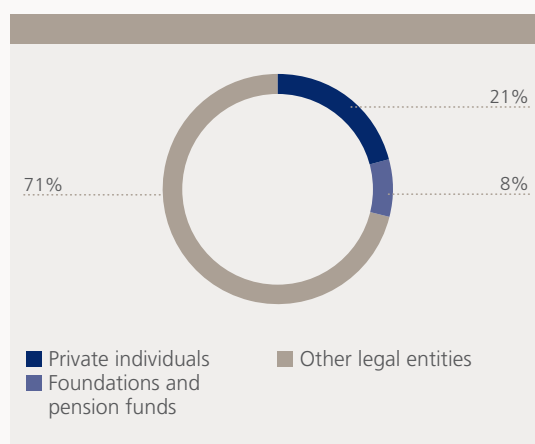
| | Financial Year | Gross amount per registered share in CHF | Payment date as from |
|----------------------------------|----------------|--|----------------------------|
| Dividend | 2009 | 16.00 ¹ | April 8, 2010 ¹ |
| Dividend | 2008 | 11.00 | April 7, 2009 |
| Dividend | 2007 | 15.00 | April 8, 2008 |
| Dividend | 2006 | 11.00 | April 10, 2007 |
| Dividend/nominal value reduction | 2005 | 7.00 | July 4, 2006 |
| Nominal value reduction | 2004 | 4.00 | July 4, 2005 |
| Nominal value reduction | 2003 | 2.50 | July 1, 2004 |
| Nominal value reduction | 2002 | 1.00 | July 15, 2003 |

¹ Proposed gross dividend, subject to approval by shareholders at the Annual General Meeting 2010; expected payment date as from April 8, 2010.

Share trading

Zurich Financial Services Ltd shares are listed on the SIX Swiss Exchange and traded on the SIX Swiss Exchange Blue Chip Segment; ticker symbol: ZURN; the Swiss security number (Valorenummer) is 1107539. Trading in Zurich Financial Services Ltd shares on the Blue Chip Segment is conducted in Swiss francs.

Zurich Financial Services Ltd shareholders registered in the share ledger



The shares registered in the share ledger as of December 31, 2009, were owned by 117,331 shareholders of whom 111,529 were private individuals holding 21% of the registered shares (13% of all issued shares), 2,047 were foundations and pension funds holding 8% of the registered shares (or 5% of all issued shares), and 3,755 were other legal entities holding 71% of the registered shares (or 43% of all issued shares).

Significant shareholders

As of December 31, 2009 Zurich Financial Services Ltd is not aware of any person or institution, other than the following, who, directly or indirectly, had an interest as beneficial owner in shares, option rights and/or conversion rights relating to shares of Zurich Financial Services Ltd representing 3% or more of its issued shares:

- BlackRock, Inc., 40 East 52nd Street, New York, 10022, U.S.A., along with its subsidiaries, reported as per December 15, 2009, a purchase position of 3.39% of registered Zurich Financial Services Ltd shares.
- Barclays Plc, 1 Churchill Place, London E14 5HP, United Kingdom, along with its subsidiaries, reported as per May 1, 2009, a purchase position of 3.02% of registered Zurich Financial Services Ltd shares.

Securities custody service

Zurich offers its shareholders the opportunity to deposit Zurich Financial Services Ltd registered shares free of charge at SIX SAG Ltd in Switzerland. The securities deposit regulations as well as the application form for a securities custody account can be downloaded from their Web site: www.six-sag.com

Financial Calendar

Annual General Meeting 2010
March 30, 2010

Ex-dividend date
April 1, 2010

Dividend – record date
April 7, 2010

Dividend payable as from
April 8, 2010

Results Reporting for the Three Months to March 31, 2010
May 6, 2010

Investors' Day – Business Update
June 22, 2010

Half Year Results Reporting 2010
August 5, 2010

Results Reporting for the Nine Months to September 30, 2010
November 4, 2010

Publications

Business Review 2009
The Business Review contains information about Zurich's products, services and business performance, including a short summary of financial information. It is available in German, French and English.

Financial Report 2009
The Financial Report contains detailed information about Zurich's financial performance, its structure, executive bodies, risk management, corporate governance and remuneration. It is available in German, French and English, with the financials in English only.



For more information please visit
www.zurich.com

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American Depositary Receipts
Zurich Financial Services Ltd has an American Depositary Receipt program with The Bank of New York Mellon (BNY). For information relating to an ADR account, please call BNY Mellon's Shareowner Services in the USA on +1-888-BNY-ADRs (1-888-269-2377) or outside the USA on +1-201-680-6825. General information on the company's ADR-program can be obtained from The Bank of New York Mellon at www.adrbnymellon.com.

Disclaimer & Cautionary Statement

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predicated on or indicate future events, trends, plans or objectives. Forward-looking statements include statements regarding our targeted profit improvement, return on equity targets, expense reductions, pricing conditions, dividend policy and underwriting claims improvements, as well as statements regarding our understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans and objectives of Zurich Financial Services Ltd or the Zurich Financial Services Group (the "Group") to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in our key markets; (ii) the risk of the global economic downturn and a downturn in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; and (viii) changes in laws and regulations and in the policies of regulators may have a direct bearing on the results of operations of Zurich Financial Services Ltd and its Group and on whether the targets will be achieved. Zurich Financial Services Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

It should be noted that past performance is not a guide to future performance.

Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

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The Letter to Shareholders is published in English, German and French. In the event of inconsistencies in the German and French translations, the English original version shall prevail.

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