



Annual results 2012

Media presentation
with CEO Martin Senn and CFO Pierre Wauthier

February 14, 2013

Agenda



- Introduction Martin Senn
- Annual results 2012 Martin Senn / Pierre Wauthier
- Q&A
- Closing remarks Martin Senn

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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 of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy and underwriting and claims results, as well as statements regarding the Group's 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 Insurance Group Ltd or 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 key markets; (ii) the risk of a global economic downturn; (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 Insurance Group Ltd and its Group and on whether the targets will be achieved. Zurich Insurance Group 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.

All references to "Farmers Exchanges" mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled interinsurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and its subsidiaries are appointed as the attorneys-in-fact for the Farmers Exchanges and in that capacity provide certain non-claims administrative and management services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges, but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

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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.



Introduction

Martin Senn
Chief Executive Officer

February 14, 2013

FY 2012 results key messages



- Strong capital and cash flows support sustainable and attractive CHF 17 per share dividend
- Pricing and portfolio management discipline generate strong underlying profitability
- Accelerated top-line growth in target markets
- Excellent investment performance delivering 7% total return



Progressing on our strategy to deliver our 2013 targets

Financial highlights



in USD millions for the years ended December 31	2012	2011 ¹	Change
Business operating profit (BOP)	4,075	4,243	-4%
Net income attributable to shareholders	3,878	3,750	3%
General Insurance combined ratio	98.4%	98.9%	+0.5pts
Global Life new business value ²	1,085	980	11%
Farmers Mgmt Services managed GEP margin ³	7.3%	7.3%	0.0pts
Shareholders' equity	34,494	31,484	10%
Return on common shareholders' equity (ROE)	11.8%	11.9%	-0.2pts
Business operating profit (after tax) ROE	9.3%	10.2%	-0.9pts

¹ Throughout this document, certain comparatives have been restated as set out in note 1 of the Consolidated financial statements.

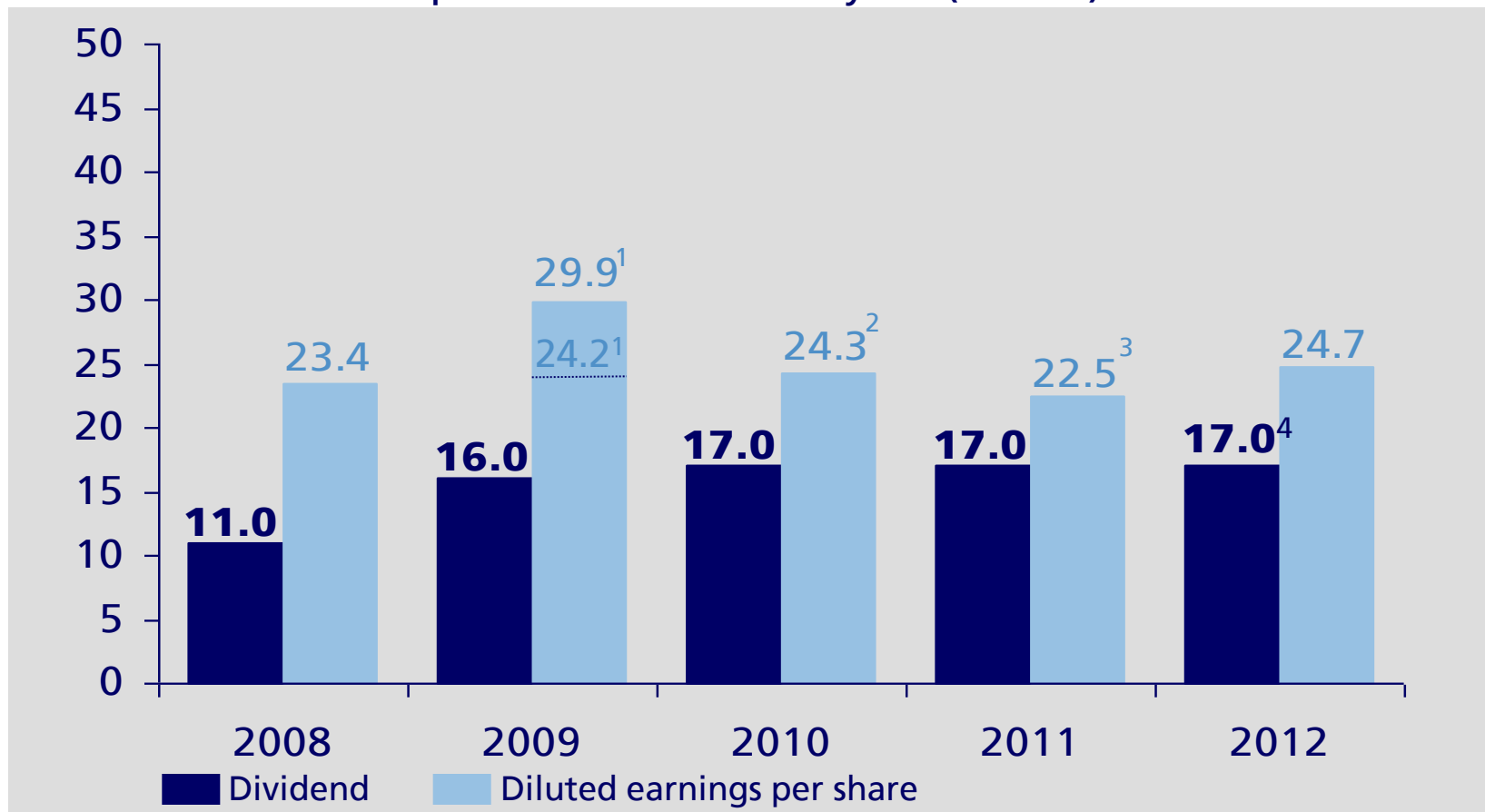
² A refinement in methodology for calculating new business value for corporate protection business was introduced in 2011. This has a transitional impact over two years from the implementation date relating to renewals of business in force at the date of the change. The renewed business contributed USD 68m of new business value in 2012 compared with USD 126m in the same period of 2011. NBV includes a contribution of USD195m in 2012 from the first time inclusion of Zurich Santander and Zurich Insurance Malaysia Berhad.

³ Margin on gross earned premiums of the Farmers Exchanges. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides non-claims management services to the Farmers Exchanges and receives fees for its services.

Proposed dividend of CHF 17.0⁴ per share for 2012



Dividends / EPS in respect of the business year (in CHF)



¹ CHF 29.9 as restated; CHF 24.2 as reported in 2009

² CHF 24.3 as restated; CHF 24.4 as reported in 2010

³ CHF 22.5 as restated; CHF 22.6 as reported in 2011

⁴ The Board of Directors proposed a dividend of CHF 17 out of capital contribution reserves to the Annual General Meeting 2013.



Annual results 2012

Martin Senn
Chief Executive Officer

Pierre Wauthier
Chief Financial Officer

February 14, 2013

Business operating profit by segment



in USD millions	Q4-12	Q4-11 ¹	Change	2012	2011 ¹	Change
General Insurance	21	515	-96%	2,097	2,247	-7%
Global Life	380	348	9%	1,338	1,353	-1%
Farmers (incl. Farmers Re)	416	390	7%	1,414	1,486	-5%
Other Operating Businesses	-258	-248	-4%	-903	-835	-8%
Total BOP operating business segments	559	1,005	-44%	3,946	4,251	-14%
Non-Core Businesses	10	-20	nm	128	-8	nm
Total BOP	569	985	-42%	4,075	4,243	-4%
Net income attributable to shareholders	983	540	82%	3,878	3,750	3%

¹ Throughout this document, certain comparatives have been restated as set out in note 1 of the Consolidated financial statements.

General Insurance – key performance indicators



in USD millions for the years ended December 31	2012	2011 ³	Change	Change in LC ¹
GWP and policy fees	35,610	34,572	3%	7%
Rate change ²	3.7%	3.5%	0.2pts	
Loss ratio	70.3%	72.0%	+1.7pts	
Expense ratio	28.1%	26.9%	-1.2pts	
Combined ratio	98.4%	98.9%	+0.5pts	
Business operating profit	2,097	2,247	-7%	-5%

¹ Local currency

² For details, please refer to specific notes on slide 12 "Rate Change Monitor" of the Analyst Presentation

³ Throughout this document, certain comparatives have been restated as set out in note 1 of the Consolidated financial statements.

Global Life – key performance indicators



in USD millions

for the years ended December 31

	2012	2011	Change	Change in LC ⁵
GWP and policy fees (incl. insurance deposits) ¹	30,259	27,711	9%	16%
Net inflows to Assets under Mgmt ¹	1,402	2,769	-49%	-47%
Annual Premium Equivalent (APE) ²	4,767	3,992	19%	24%
New business margin, after tax ^{2,3}	22.8%	24.5%	-1.7pts	
New business value, after tax ^{2,3}	1,085	980	11%	16%
MCEV operating return	11.4%	8.5%		
Closing MCEV ⁴	18,861	15,846		
Business operating profit	1,338	1,353	-1%	5%

¹ Including Zurich Santander and Zurich Insurance Malaysia Berhad for the period from the dates of acquisition to December 31, 2012.

² APE, NBM and NBV include the first time contributions from Zurich Santander and Zurich Insurance Malaysia Berhad (USD 737m APE, 0.7pts NBM, USD 195m NBV)

³ A refinement in methodology for calculating new business value for corporate protection business was introduced in 2011. This has a transitional impact over two years from the implementation date relating to renewals of business in force at the date of the change. The renewed business contributed USD 68m of new business value in 2012 compared with USD 126m in the same period of 2011.

⁴ Including USD 1.2bn contribution to the closing MCEV from the first time inclusion of Zurich Santander and Zurich Insurance Malaysia Berhad.

⁵ Local currency

Farmers – key performance indicators



in USD millions

for the years ended December 31

Farmers Management Services

Management fees and other related revenues

Managed gross earned premium margin¹

Business operating profit

Farmers Re²

Gross written premiums³

Combined ratio

CAT impact⁴

Business operating profit

	2012	2011	Change
Management fees and other related revenues	2,846	2,767	3%
Managed gross earned premium margin ¹	7.3%	7.3%	0.0 pts
Business operating profit	1,441	1,370	5%
Farmers Re²			
Gross written premiums ³	4,361	3,529	24%
Combined ratio	103.7%	100.8%	-2.9pts
CAT impact ⁴	5.9%	5.7%	-0.2pts
Business operating profit	-26	116	nm

¹ Margin on gross earned premiums of the Farmers Exchanges. Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, provides non-claims management services to the Farmers Exchanges and receives fees for its services.

² Farmers Re business includes all reinsurance assumed from the Farmers Exchanges by the Group.

³ Effective December 31, 2012, the All Lines quota share reinsurance treaty participation rate with the Farmers Exchanges was reduced to 18.5% from 20%, subject to the final approval from the California Department of Insurance. During 2012, the All Lines quota share reinsurance treaty participation rate with the Farmers Exchanges was 20%. For 2011, the All Lines quota share reinsurance treaty participation rate with the Farmers Exchanges was 12%, effective December 31, 2010.

⁴ As defined by the All Lines quota share reinsurance treaty.

Investment performance of Group Investments



in USD millions

for the years ended December 31

	2012	2011	Change
Net investment income	6,711	7,185	-7%
Net capital gains/(losses) on investments and impairments ¹	2,201	2,182	1%
<i>of which attributable to shareholders</i>	1,687	1,515	11%
Net investment result	8,911	9,367	-5%
Net investment result in % ²	4.4%	4.8%	-0.4 pts
Movements in net unrealized gains on investments included in shareholders' equity ³	5,349	1,090	nm
Total return on Group investments ²	7.0%	5.3%	1.7 pts
Total Group Investments	208,707	197,677	6%

¹ Including impairments of USD 208m (FY-11: USD 458m)

² As % of average investments of USD 203,192m in 2012 and USD 196,788m in 2011

³ Before attribution to policyholders and other

Top line development by segment



in USD millions
for the years ended December 31

	2012	2011	Change	Change in LC ¹
General Insurance				
GWP and policy fees	35,610	34,572	3%	7%
Global Life				
GWP and policy fees and insurance deposits	30,259	27,711	9%	16%
Annual Premium Equivalent (APE) ²	4,767	3,992	19%	24%
Farmers				
Farmers management fees	2,846	2,767	3%	3%
Farmers Re GWP	4,361	3,529	24%	24%

¹ Local currency

² APE includes the first time contributions from Zurich Santander and Zurich Insurance Malaysia Berhad of USD 737m.



Q&A



Closing remarks

Martin Senn
Chief Executive Officer

February 14, 2013