



Results Reporting for the Nine Months to September 30, 2005

Key Quotes by James J. Schiro

Chief Executive Officer

November 17, 2005

We have achieved a business operating profit of 2.9 billion dollars and a net income of 2.3 billion dollars. These are record figures for the nine month period. They were achieved despite an unparalleled series of catastrophes in North America and Europe, which cost the Group 1.1 billion dollars before tax.

We also delivered a return on equity of 14.9%. This is in excess of our target rate and places us in the top range of our industry.

We are confident about the strength of our businesses. Our key performance indicators have improved across the board, and our balance sheet is strong.

Improvements in our Life Insurance operations are further taking hold. The Life businesses are gaining market share as a result of our strong distribution capability, with particularly encouraging results in Spain and Italy.

In general insurance, progress is most visible in Europe, where the combined ratio improved more than 2 percentage points to 94.4%.

The strong underlying profitability trend in General Insurance, in combination with growing and substantial contributions of our Farmers and Life segments, vindicates our strategy of driving a diversified portfolio.

To maintain our momentum, we remain committed to operational excellence. We see tangible efficiency gains from working better and smarter in our core operations. For 2005, we targeted benefits of 500 million dollars, with the main efficiency benefits coming from distribution, claims processing and underwriting. After the first nine months, we are well on track toward achieving this target. For the next two years, we are planning to add another 1 billion dollars for a total of 1.5 billion dollars in the three years 2005 through 2007.

But operational excellence is not a strategy. It is only the entry ticket into the top league. We must become even more innovative in our ability to differentiate our products and services.

The achievement of our strategic goals vitally depends on our market presence and ability to attract and retain new customers. That's why we are building Zurich into a leading global brand.

Enhancing Zurich's market presence comes at a good time. Rates in general insurance markets are favorable and the demographics of ageing provide demand pull for innovative life insurance products in Europe. We have the operational setup, the financial discipline and the capital strength to write profitable business in our general and life insurance markets.

In the first nine months of 2005, we absorbed major challenges without missing a beat toward achieving – and exceeding – our performance targets. My colleagues and I are confident that our momentum is sustainable and that we will continue to perform in the top range of our industry.