

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**Current Report
Pursuant To Section 13 or 15 (d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) - February 4, 2020

Chubb Limited

(Exact name of registrant as specified in its charter)

Switzerland
(State or other jurisdiction
of Incorporation)

1-11778
(Commission
File Number)

98-0091805
(I.R.S. Employer
Identification No.)

**Baerengasse 32
CH-8001 Zurich, Switzerland**
(Address of principal executive offices)

Registrant's telephone number, including area code: +41 (0)43 456 76 00

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Shares, par value CHF 24.15 per share	CB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition

On February 4, 2020, Chubb Limited issued a Press Release reporting its fourth quarter and year-end 2019 results and the availability of its fourth quarter and year-end 2019 Financial Supplement. The Press Release and the Financial Supplement are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are hereby incorporated herein by reference.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits*(d) Exhibits*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, Dated February 4, 2020, Reporting Fourth Quarter and Year-End 2019 Results
99.2	Fourth Quarter and Year-End 2019 Financial Supplement
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chubb Limited

By: /s/ Philip V. Bancroft _____

Philip V. Bancroft

Executive Vice President and Chief Financial Officer

DATE: February 4, 2020



Chubb Limited
 Bäregasse 32
 CH-8001 Zurich
 Switzerland

www.chubb.com
 @Chubb

News Release

Chubb Reports Fourth Quarter Net Income Per Share of \$2.57 versus \$0.76 Prior Year, and Core Operating Income Per Share of \$2.28 versus \$2.02 Prior Year; Consolidated Net Premiums Written of \$8.0 Billion, up 8.8%, or 9.6% in Constant Dollars

Full-Year Net Income Per Share was \$9.71, up 14.4%, and Core Operating Income Per Share was \$10.11, up 7.1%; Consolidated Net Premiums Written of \$32.3 Billion, up 5.5%, or 7.0% in Constant Dollars

- Fourth quarter net income was \$1,173 million versus \$355 million prior year, and core operating income was \$1,040 million versus \$935 million prior year.
- Fourth quarter P&C net premiums written were \$7.4 billion, up 9.0%, or 9.8% in constant dollars.
- Fourth quarter P&C underwriting income was \$533 million, up 12.0%, leading to a P&C combined ratio of 92.7% compared with 93.1% prior year.
- As previously announced, after-tax catastrophe losses in the quarter were \$353 million compared with \$506 million prior year. In addition, the fourth quarter Agriculture underwriting loss was \$23 million pre-tax, with a 105.4% combined ratio, primarily attributable to crop yield shortfalls resulting from poor growing conditions, compared with underwriting income of \$161 million pre-tax and a 49.5% combined ratio prior year.
- Fourth quarter Global P&C underwriting income, which excludes Agriculture, was \$556 million, up 76.3%, leading to a Global P&C combined ratio of 91.9% compared with 95.2% prior year, and a current accident year combined ratio excluding catastrophe losses of 88.6% compared with 89.8% prior year.
- Full-year net income was \$4.5 billion, up 12.4%, and core operating income was \$4.6 billion, up 5.3%.
- Full-year P&C net premiums written were \$29.9 billion, up 5.6%, or 7.0% in constant dollars.
- Full-year P&C combined ratio was 90.6% in 2019 and 2018. Global P&C combined ratio, which excludes Agriculture, was 90.3% compared with 91.5% prior year, and current accident year combined ratio excluding catastrophe losses was 88.6% compared with 88.4% prior year.
- Full-year Agriculture underwriting income was \$89 million pre-tax with a 95.1% combined ratio, compared with \$385 million pre-tax and a 75.5% combined ratio prior year.
- Full-year pre-tax net investment income was \$3.4 billion and adjusted net investment income was \$3.6 billion.
- Book and tangible book value per share were up 11.7% and 18.6%, respectively, for the year.

ZURICH – February 4, 2020 – Chubb Limited (NYSE: CB) today reported net income for the quarter ended December 31, 2019 of \$1,173 million, or \$2.57 per share, compared with \$355 million, or \$0.76 per share, for the same quarter last year. Core operating income was \$1,040 million, or \$2.28 per share, compared with \$935 million, or \$2.02 per share, for the same quarter last year. The property and casualty (P&C) combined ratio was 92.7% and the Global P&C combined ratio, which excludes Agriculture, was 91.9%. Book and tangible book value per share increased 1.7% and 2.5%, respectively, from September 30, 2019 and now stand at \$122.42 and \$78.14, respectively. Book and tangible book value per share were favorably impacted by net realized and unrealized gains of \$162 million after-tax in the company's investment portfolio. In addition, foreign exchange favorably impacted book value by \$111 million after-tax and tangible book value by \$33 million after-tax. Annualized ROE and core operating ROE were 8.5% and 7.9%, respectively. Annualized core operating return on tangible equity was 12.8%.

Chubb Limited
Fourth Quarter Summary
(in millions of U.S. dollars, except per share amounts)
(Unaudited)

				(Per Share - Diluted)		
	2019	2018	Change	2019	2018	Change
Net income	\$1,173	\$355	231.0%	\$2.57	\$0.76	238.2%
Chubb integration expenses, net of tax	12	15	(20.0)%	0.02	0.03	(33.3)%
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	25	42	(40.5)%	0.06	0.09	(33.3)%
Adjusted net realized (gains) losses, net of tax	(170)	523	NM	(0.37)	1.14	NM
Core operating income, net of tax	\$1,040	\$935	11.2%	\$2.28	\$2.02	12.9%

For the three months ended December 31, 2019 and 2018, the tax expenses (benefits) related to the table above were \$(2) million and \$(5) million, respectively, for Chubb integration expenses; \$(4) million and \$(8) million, respectively, for amortization of fair value adjustment of acquired invested assets and long-term debt; \$2 million and \$(20) million, respectively, for adjusted net realized gains and losses; and \$173 million and \$192 million, respectively, for core operating income.

For the year ended December 31, 2019, net income was \$4,454 million, or \$9.71 per share, compared with \$3,962 million, or \$8.49 per share, for 2018. Core operating income was \$4,641 million, or \$10.11 per share, compared with \$4,407 million, or \$9.44 per share, for 2018. The P&C combined ratio was 90.6% and the Global P&C combined ratio, which excludes Agriculture, was 90.3%. Book and tangible book value per share increased 11.7% and 18.6%, respectively, from December 31, 2018. Book and tangible book value per share were favorably impacted by net realized and unrealized gains of \$3.2 billion after-tax in the company's investment portfolio, principally due to a decline in interest rates. Annualized ROE and core operating ROE were 8.4% and 9.0%, respectively. Annualized core operating return on tangible equity was 14.6%.

Chubb Limited
Full Year Summary
(in millions of U.S. dollars, except per share amounts)
(Unaudited)

				(Per Share - Diluted)		
	2019	2018	Change	2019	2018	Change
Net income	\$4,454	\$3,962	12.4%	\$9.71	\$8.49	14.4%
Chubb integration expenses, net of tax	19	47	(59.6)%	0.04	0.10	(60.0)%
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	114	175	(34.9)%	0.25	0.37	(32.4)%
Adjusted net realized (gains) losses, net of tax	54	223	(75.8)%	0.11	0.48	(77.1)%
Core operating income, net of tax	\$4,641	\$4,407	5.3%	\$10.11	\$9.44	7.1%

For the years ended December 31, 2019 and 2018, the tax expenses (benefits) related to the table above were \$(4) million and \$(12) million, respectively, for Chubb integration expenses; \$(26) million and \$(40) million, respectively, for amortization of fair value adjustment of acquired invested assets and long-term debt; \$15 million and \$5 million, respectively, for adjusted net realized gains and losses; and \$810 million and \$742 million, respectively, for core operating income.

Evan G. Greenberg, Chairman and Chief Executive Officer of Chubb Limited, commented: “It was a good quarter and year for Chubb. The quarter was marked by excellent premium revenue growth globally – our strongest organic growth in over five years. Core operating income per share was up 13% while our P&C combined ratio of 92.7% was an improvement over prior year. Our fourth quarter results benefited from lower year-over-year catastrophe losses. On the other hand, adverse weather conditions impacted our U.S. crop insurance business. The health of our property and casualty business is excellent – the global P&C combined ratio, which excludes agriculture, was 91.9% compared with 95.2% prior year, and on a current accident year basis excluding CATs, improved to 88.6% from 89.8% last year.

“P&C net premiums written in the quarter grew 9.8% in constant dollars, supported by a pricing and underwriting environment that continues to improve, with rates increasing at an accelerated pace quarter on quarter while spreading to more classes of business, risk types and countries. From what we have seen so far in '20, this trend is continuing.

“Looking at our 12-month results, we completed a very good year with per share core operating earnings up over 7%, while net premiums written grew 7% in constant dollars and underwriting income was up about 4.5%. Global P&C underwriting income, which excludes agriculture, was up 18.5%, leading to a combined ratio of 90.3% compared with 91.5% prior year. Shareholder returns were quite strong for the year, with book and tangible book value per share up 11.7% and 18.6%, respectively, driven by a combination of income and the mark from falling interest rates.

“We have started the new year in excellent shape and with a lot of momentum – our organization globally was built to capitalize on market conditions such as these. At the same time, we are focused on executing our many long-term strategic initiatives that will position us for long-term revenue and earnings growth.”

Operating highlights for the quarter ended December 31, 2019 were as follows:

Chubb Limited (in millions of U.S. dollars except for percentages)	Q4 2019	Q4 2018	Change
<u>P&C</u>			
Net premiums written (increase of 9.8% in constant dollars)	\$ 7,375	\$ 6,768	9.0%
Underwriting income	\$ 533	\$ 476	12.0%
Combined ratio	92.7%	93.1%	
Current accident year underwriting income excluding catastrophe losses	\$ 730	\$ 808	(9.6)%
Current accident year combined ratio excluding catastrophe losses	90.0%	88.3%	
<u>Global P&C (excludes Agriculture)</u>			
Net premiums written (increase of 8.9% in constant dollars)	\$ 7,099	\$ 6,571	8.0%
Underwriting income	\$ 556	\$ 315	76.3%
Combined ratio	91.9%	95.2%	
Current accident year underwriting income excluding catastrophe losses	\$ 789	\$ 670	17.7%
Current accident year combined ratio excluding catastrophe losses	88.6%	89.8%	
<u>North America Agricultural Insurance</u>			
Net premiums written	\$ 276	\$ 197	40.4%
Underwriting (loss) income	\$ (23)	\$ 161	NM
Combined ratio	105.4%	49.5%	
Current accident year underwriting (loss) income excluding catastrophe losses	\$ (59)	\$ 138	NM
Current accident year combined ratio excluding catastrophe losses	113.9%	56.8%	

- Consolidated net premiums earned increased 6.3%, or 7.0% in constant dollars, and P&C net premiums earned increased 6.3%, or 7.1% in constant dollars.
- Agriculture net premiums written increased \$79 million over the prior year, principally as a result of the premium-sharing formulas with the U.S. government which increases the premiums retained because of higher losses resulting from the crop yield shortfalls.
- Total pre-tax and after-tax catastrophe losses were \$430 million (5.9 percentage points of the combined ratio) and \$353 million, respectively, compared with \$585 million (8.5 percentage points of the combined ratio) and \$506 million, respectively, last year.
- Total pre-tax and after-tax favorable prior period development were \$233 million (3.2 percentage points of the combined ratio) and \$199 million, respectively, compared with \$253 million (3.7 percentage points of the combined ratio) and \$202 million, respectively, last year.
- Pre-tax net investment income was \$858 million and adjusted net investment income was \$893 million.
- Operating cash flow was \$1.4 billion for the quarter.

- Share repurchases totaled \$310 million during the quarter at an average purchase price of \$152.97 per share.

Operating highlights for the year ended December 31, 2019 were as follows:

Chubb Limited (in millions of U.S. dollars except for percentages)	FY 2019	FY 2018	Change
<u>P&C</u>			
Net premiums written (increase of 7.0% in constant dollars)	\$ 29,883	\$ 28,309	5.6%
Underwriting income	\$ 2,726	\$ 2,611	4.4%
Combined ratio	90.6%	90.6%	
Current accident year underwriting income excluding catastrophe losses	\$ 3,121	\$ 3,341	(6.6)%
Current accident year combined ratio excluding catastrophe losses	89.2%	88.0%	
<u>Global P&C (excludes Agriculture)</u>			
Net premiums written (increase of 6.6% in constant dollars)	\$ 28,073	\$ 26,732	5.0%
Underwriting income	\$ 2,637	\$ 2,226	18.5%
Combined ratio	90.3%	91.5%	
Current accident year underwriting income excluding catastrophe losses	\$ 3,104	\$ 3,045	2.0%
Current accident year combined ratio excluding catastrophe losses	88.6%	88.4%	
<u>North America Agricultural Insurance</u>			
Net premiums written	\$ 1,810	\$ 1,577	14.8%
Underwriting income	\$ 89	\$ 385	(77.0)%
Combined ratio	95.1%	75.5%	
Current accident year underwriting income excluding catastrophe losses	\$ 17	\$ 296	(94.4)%
Current accident year combined ratio excluding catastrophe losses	99.1%	81.6%	

- Consolidated net premiums earned increased 4.1%, or 5.5% in constant dollars, and P&C net premiums earned increased 4.0%, or 5.4% in constant dollars.
- Total pre-tax and after-tax catastrophe losses were \$1,187 million (4.1 percentage points of the combined ratio) and \$966 million, respectively, compared with \$1,626 million (5.9 percentage points of the combined ratio) and \$1,354 million, respectively, last year.
- Total pre-tax and after-tax favorable prior period development were \$792 million (2.7 percentage points of the combined ratio) and \$624 million, respectively, compared with \$896 million (3.3 percentage points of the combined ratio) and \$706 million, respectively, last year.
- Pre-tax net investment income was \$3.4 billion and adjusted net investment income was \$3.6 billion.
- Operating cash flow was \$6.3 billion for the year.
- Share repurchases totaled \$1.53 billion for the year at an average purchase price of \$146.61 per share.
- Net loss reserves increased \$542 million, or \$514 million adjusted for foreign exchange, for the year.

Details of financial results by business segment are available in the Chubb Limited Financial Supplement. Key segment items for the quarter ended December 31, 2019 are presented below:

Chubb Limited (in millions of U.S. dollars except for percentages)	Q4 2019	Q4 2018	Change
<u>Total North America P&C Insurance</u>			
Net premiums written	\$ 4,885	\$ 4,413	10.7%
Combined ratio	88.7%	89.0%	
Current accident year combined ratio excluding catastrophe losses	87.5%	85.3%	
<u>North America Commercial P&C Insurance</u>			
Net premiums written	\$ 3,438	\$ 3,143	9.4%
Major accounts retail and excess and surplus (E&S) wholesale	\$ 2,036	\$ 1,841	10.6%
Middle market and small commercial	\$ 1,402	\$ 1,302	7.6%
Combined ratio	82.6%	91.3%	
Current accident year combined ratio excluding catastrophe losses	86.4%	88.2%	
<u>North America Personal P&C Insurance</u>			
Net premiums written	\$ 1,171	\$ 1,073	9.2%
Net premiums written adjusted primarily for UPR transfer in 2018			4.6%
Combined ratio	99.6%	93.8%	
Current accident year combined ratio excluding catastrophe losses	81.4%	85.5%	
<u>North America Agricultural Insurance</u>			
Net premiums written	\$ 276	\$ 197	40.4%
Combined ratio	105.4%	49.5%	
Current accident year combined ratio excluding catastrophe losses	113.9%	56.8%	
<u>Overseas General Insurance</u>			
Net premiums written	\$ 2,381	\$ 2,238	6.3%
Net premiums written in constant dollars			8.8%
Combined ratio	93.1%	92.1%	
Current accident year combined ratio excluding catastrophe losses	91.2%	90.4%	

- North America Commercial P&C Insurance: The current accident year combined ratio excluding catastrophe losses decreased 1.8 percentage points due to a 2.1 percentage points decrease in the loss ratio, reflecting high loss activity in commercial property lines in the prior year, partially offset by an increase of 0.3 percentage point in the expense ratio.
- North America Personal P&C Insurance: The current accident year combined ratio excluding catastrophe losses decreased 4.1 percentage points primarily due to a 4.0 percentage points decrease in the loss ratio, reflecting elevated homeowners loss activity in the prior year.
- North America Agricultural Insurance: The current accident year combined ratio excluding catastrophe losses increased 57.1 percentage points primarily attributable to crop yield shortfalls resulting from poor growing conditions.

- Global Reinsurance: Net premiums written were \$109 million, down 6.0%, or 4.8% in constant dollars. The combined ratio was 94.6% compared with 166.9% prior year. The current accident year combined ratio excluding catastrophe losses was 83.3%, compared with 83.2% prior year.
- Life Insurance: Net premiums written were \$622 million, up 6.9%, principally reflecting growth in the Asian international life operations. Segment income was \$90 million, up 0.6%. International life insurance segment income was \$36 million, up 12.2%.

Key segment items for the year ended December 31, 2019 are presented below:

Chubb Limited (in millions of U.S. dollars except for percentages)	FY 2019	FY 2018	Change
<u>Total North America P&C Insurance</u>			
Net premiums written	\$ 19,972	\$ 18,736	6.6%
Combined ratio	87.8%	88.4%	
Current accident year combined ratio excluding catastrophe losses	87.1%	85.5%	
<u>North America Commercial P&C Insurance</u>			
Net premiums written	\$ 13,375	\$ 12,485	7.1%
Major accounts retail and excess and surplus (E&S) wholesale	\$ 7,950	\$ 7,370	7.9%
Middle market and small commercial	\$ 5,425	\$ 5,115	6.1%
Combined ratio	85.6%	87.0%	
Current accident year combined ratio excluding catastrophe losses	87.4%	87.3%	
<u>North America Personal P&C Insurance</u>			
Net premiums written	\$ 4,787	\$ 4,674	2.4%
Net premiums written adjusted primarily for prior year accounting policy alignment			3.3%
Combined ratio	91.1%	96.6%	
Current accident year combined ratio excluding catastrophe losses	81.4%	81.9%	
<u>North America Agricultural Insurance</u>			
Net premiums written	\$ 1,810	\$ 1,577	14.8%
Combined ratio	95.1%	75.5%	
Current accident year combined ratio excluding catastrophe losses	99.1%	81.6%	
<u>Overseas General Insurance</u>			
Net premiums written	\$ 9,262	\$ 8,902	4.0%
Net premiums written in constant dollars			8.4%
Combined ratio	91.6%	90.4%	
Current accident year combined ratio excluding catastrophe losses	90.9%	90.5%	
• North America Agricultural Insurance: The current accident year combined ratio excluding catastrophe losses increased 17.5 percentage points primarily attributable to crop yield shortfalls resulting from poor growing conditions.			

- Global Reinsurance: Net premiums written were \$649 million, down 3.2%, or 1.7% in constant dollars. The combined ratio was 85.0% compared with 101.8% prior year. The current accident year combined ratio excluding catastrophe losses was 82.1%, compared with 81.6% prior year.
- Life Insurance: Net premiums written were \$2,392 million, up 5.3%, or 6.4% in constant dollars, principally reflecting growth in the Asian international life operations. Segment income was \$366 million, up 18.6%. International life insurance segment income was \$152 million, up 48.0%.

All comparisons are with the same period last year unless otherwise specifically stated.

Please refer to the Chubb Limited Financial Supplement, dated December 31, 2019, which is posted on the company's investor relations website, investors.chubb.com, in the Financials section for more detailed information on individual segment performance, together with additional disclosure on reinsurance recoverable, loss reserves, investment portfolio, and debt and capital.

Chubb Limited will hold its fourth quarter earnings conference call on Wednesday, February 5, 2020 beginning at 8:30 a.m. Eastern. The earnings conference call will be available via live webcast at investors.chubb.com or by dialing 888-204-4368 (within the United States) or 323-994-2093 (international), passcode 7119857. Please refer to the Chubb website under Events and Presentations for details. A replay of the call will be available until Wednesday, February 19, 2020 and the archived webcast will be available on our website for approximately one month. To listen to the replay, please [click here](#) to register and receive dial-in numbers.

About Chubb

Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs more than 30,000 people worldwide. Additional information can be found at: www.chubb.com.

Investor Contact

Karen Beyer: (212) 827-4445; karen.beyer@chubb.com

Media Contact

Jeffrey Zack: (212) 827-4444; jeffrey.zack@chubb.com

Chubb®, Chubb logo® and Chubb. Insured.SM are trademarks of Chubb.

Regulation G - Non-GAAP Financial Measures

In presenting our results, we included and discussed certain non-GAAP measures. These non-GAAP measures, which may be defined differently by other companies, are important for an understanding of our overall results of operations and financial condition. However, they should not be viewed as a substitute for measures determined in accordance with generally accepted accounting principles (GAAP).

Throughout this document there are various measures presented on a constant-dollar basis (i.e., excludes the impact of foreign exchange). We believe it is useful to evaluate the trends in our results exclusive of the effect of fluctuations in exchange rates between the U.S. dollar and the currencies in which our international business is transacted, as these exchange rates could fluctuate significantly between periods and distort the analysis of trends. The impact is determined by assuming constant foreign exchange rates between periods by translating prior period results using the same local currency exchange rates as the comparable current period.

Net premiums written adjusted primarily for UPR transfer in 2018 and Net premiums written adjusted primarily for prior year accounting policy alignment are net premiums written in the company's North America Personal P&C Insurance segment, adjusted to exclude the year-over-year net impact totaling \$(48) million in Q4 2019 and \$42 million for full-year 2019, comprising of additional reinsurance, accounting actions, and reinstatement premiums. We believe these measures are meaningful to evaluate trends in the underlying business on a comparable basis.

Adjusted net investment income is net investment income excluding the amortization of the fair value adjustment on acquired invested assets from the acquisition of The Chubb Corporation (Chubb Corp) of \$35 million in Q4 2019 and \$161 million for full-year 2019. We believe this measure is meaningful as it highlights the underlying performance of our invested assets and portfolio management in support of our lines of business.

Adjusted net realized gains (losses), net of tax, includes net realized gains (losses) and net realized gains (losses) recorded in other income (expense) related to unconsolidated subsidiaries, and excludes realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing impacts underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations, and therefore realized gains (losses) from these derivatives are reclassified to adjusted losses and loss expenses.

P&C underwriting income is calculated by subtracting adjusted losses and loss expenses, policy acquisition costs and administrative expenses from net premiums earned by our P&C operations. We use P&C underwriting income and operating ratios to monitor the results of our operations without the impact of certain factors, including net investment income, other income (expense), interest expense, amortization expense of purchased intangibles, Chubb integration expense, income tax expense and adjusted net realized gains (losses).

Current accident year underwriting income (loss) excluding catastrophe losses is underwriting income (loss) adjusted to exclude catastrophe losses and prior period development (PPD). We believe it is useful to exclude catastrophe losses, as they are not predictable as to timing and amount, and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. We believe the use of these measures enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business.

Segment income includes underwriting income (loss), adjusted net investment income, other income (expense) – operating, and amortization expense of purchased intangibles.

Core operating income, net of tax, excludes from net income the after-tax impact of adjusted net realized gains (losses), Chubb integration expenses, and the amortization of fair value adjustment of acquired invested assets and long-term debt related to the Chubb Corp acquisition. We believe this presentation enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business. We exclude adjusted net realized gains (losses) because the amount of these gains (losses) are heavily influenced by, and fluctuate in part according to, the availability of market opportunities. We exclude the amortization of the fair value adjustments related to purchased invested assets and long-term debt and Chubb integration expenses due to the size and complexity of this acquisition. These integration expenses are distortive to our results and are not indicative of our underlying profitability. We believe that excluding these integration expenses facilitates the comparison of our financial results to our historical operating results. References to core operating income measures mean net of tax, whether or not noted.

Core operating return on equity (ROE) and Core operating return on tangible equity (ROTE) are annualized financial measures. The numerator includes core operating income, net of tax. The denominator includes the average shareholders' equity for the period adjusted to exclude unrealized gains (losses) on investments, net of tax. For the ROTe calculation, the denominator is also adjusted to exclude goodwill and other intangible assets, net of tax. These measures enhance the understanding of the return on shareholders' equity by highlighting the underlying profitability relative to shareholders' equity and tangible equity excluding the effect of unrealized gains and losses on our investments.

P&C combined ratio is the sum of the loss and loss expense ratio, acquisition cost ratio and the administrative expense ratio excluding the life business and including the realized gains and losses on the crop derivatives, as noted above.

Current accident year combined ratio excluding catastrophe losses excludes the impact of catastrophe losses and PPD from the combined ratio. We believe this measure provides a better evaluation of our underwriting performance and enhances the understanding of the trends in our property and casualty business that may be obscured by these items.

Global P&C performance metrics comprise consolidated operating results (including corporate) and exclude the operating results of the company's Life Insurance and North America Agricultural Insurance segments. We believe that these measures are useful and meaningful to investors as they are used by management to assess the company's global P&C operations which are the most economically similar. We exclude the North America Agricultural Insurance and Life Insurance segments because the results of these businesses do not always correlate with the results of our global P&C operations.

Tangible book value per common share is shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding. We believe that goodwill and other intangible assets are not indicative of our underlying insurance results or trends and make book value comparisons to less acquisitive peer companies less meaningful.

See the reconciliation of Non-GAAP Financial Measures on pages 30-36 in the Financial Supplement. These measures should not be viewed as a substitute for measures determined in accordance with GAAP, including premium, net income, return on equity, and net investment income.

NM - not meaningful comparison

Chubb®, Chubb logo® and Chubb. Insured.SM are trademarks of Chubb.

Cautionary Statement Regarding Forward-Looking Statements:

Forward-looking statements made in this press release, such as those related to company performance, including 2020 performance and growth opportunities, pricing, economic and market conditions, and our expectations and intentions and other statements that are not historical facts reflect our current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that could cause actual results to differ materially, including without limitation, the following: competition, pricing and policy term trends, the levels of new and renewal business achieved, the frequency and severity of unpredictable catastrophic events, actual loss experience, uncertainties in the reserving or settlement process, integration activities and performance of acquired companies, loss of key employees or disruptions to our operations, new theories of liability, judicial, legislative, regulatory and other governmental developments, litigation tactics and developments, investigation developments and actual settlement terms, the amount and timing of reinsurance recoverable, credit developments among reinsurers, rating agency action, possible terrorism or the outbreak and effects of war, economic, political, regulatory, insurance and reinsurance business conditions, potential strategic opportunities including acquisitions and our ability to achieve and integrate them, as well as management's response to these factors, and other factors identified in our filings with the Securities and Exchange Commission (SEC).

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Chubb Limited
Summary Consolidated Balance Sheets
(in millions of U.S. dollars, except per share data)
(Unaudited)

	December 31 2019	December 31 2018
Assets		
Investments	\$ 109,234	\$ 100,968
Cash	1,537	1,247
Insurance and reinsurance balances receivable	10,357	10,075
Reinsurance recoverable on losses and loss expenses	15,181	15,993
Goodwill and other intangible assets	21,359	21,414
Other assets	19,275	18,074
Total assets	<u>\$ 176,943</u>	<u>\$ 167,771</u>
Liabilities		
Unpaid losses and loss expenses	\$ 62,690	\$ 62,960
Unearned premiums	16,771	15,532
Other liabilities	42,151	38,967
Total liabilities	<u>\$ 121,612</u>	<u>\$ 117,459</u>
Shareholders' equity		
Total shareholders' equity	<u>55,331</u>	<u>50,312</u>
Total liabilities and shareholders' equity	<u>\$ 176,943</u>	<u>\$ 167,771</u>
Book value per common share	\$ 122.42	\$ 109.56
Tangible book value per common share	\$ 78.14	\$ 65.89
Book value per common share excluding cumulative translation losses ⁽¹⁾	\$ 126.71	\$ 113.87
Tangible book value per common share excluding cumulative translation losses ⁽¹⁾	\$ 81.16	\$ 68.87

⁽¹⁾ Cumulative translation losses were \$1.9 billion in 2019 (\$1.3 billion on tangible and \$0.6 billion on intangible net assets) and \$2.0 billion in 2018 (\$1.4 billion on tangible and \$0.6 billion on intangible net assets).

Chubb Limited
Summary Consolidated Financial Data
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

	Three Months Ended December 31		Year Ended December 31	
	2019	2018	2019	2018
Gross premiums written	\$ 9,934	\$ 9,252	\$40,124	\$37,968
Net premiums written	7,997	7,350	32,275	30,579
Net premiums earned	7,935	7,465	31,290	30,064
Losses and loss expenses	4,865	4,610	18,730	18,067
Policy benefits	225	162	740	590
Policy acquisition costs	1,542	1,480	6,153	5,912
Administrative expenses	810	728	3,030	2,886
Net investment income	858	848	3,426	3,305
Net realized gains (losses)	(55)	(687)	(530)	(652)
Interest expense	134	153	552	641
Other income (expense):				
Gains (losses) from separate account assets	24	(20)	44	(38)
Other	246	147	552	472
Amortization of purchased intangibles	76	86	305	339
Chubb integration expenses	14	20	23	59
Income tax expense	169	159	795	695
Net income	<u>\$ 1,173</u>	<u>\$ 355</u>	<u>\$ 4,454</u>	<u>\$ 3,962</u>
Diluted earnings per share:				
Net income	\$ 2.57	\$ 0.76	\$ 9.71	\$ 8.49
Core operating income	\$ 2.28	\$ 2.02	\$ 10.11	\$ 9.44
Weighted average diluted shares outstanding	455.9	463.4	458.9	466.8

P&C combined ratio

Loss and loss expense ratio	64.0%	64.3%	62.1%	62.1%
Policy acquisition cost ratio	18.8%	19.3%	19.1%	19.2%
Administrative expense ratio	9.9%	9.5%	9.4%	9.3%
P&C combined ratio	<u>92.7%</u>	<u>93.1%</u>	<u>90.6%</u>	<u>90.6%</u>
P&C underwriting income	\$ 533	\$ 476	\$ 2,726	\$ 2,611

Chubb®, Chubb logo® and Chubb. Insured.™ are trademarks of Chubb.



**Chubb Limited
Financial Supplement
for the Quarter and Year Ended December 31, 2019**

Investor Contact

Karen Beyer: (212) 827-4445
email: investorrelations@chubb.com

This report is for informational purposes only. It should be read in conjunction with documents filed by Chubb Limited with the Securities and Exchange Commission, including the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Cautionary Statement Regarding Forward-Looking Statements

Any forward-looking statements made in this financial supplement reflect Chubb Limited's current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties which may cause actual results to differ materially from as indicated by such statements. For example, forward-looking statements related to financial performance, including exposures, reserves and recoverables, could be affected by the frequency and severity of unpredictable catastrophic events, actual loss experience, uncertainties in the reserving or settlement process, currency exchange fluctuations, new theories of liability, judicial, legislative, regulatory and other governmental developments, litigation tactics and developments, investigation developments and actual settlement terms, the amount and timing of reinsurance receivable and credit developments among reinsurers.

Our forward-looking statements could also be affected by, among other things, competition, pricing and policy term trends, market acceptance, changes in demand, actual market developments, rating agency action, possible terrorism or the outbreak and effects of war, and such other factors identified in our filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Financial Supplement Table of Contents

	<u>Page</u>
I. <u>Financial Highlights</u>	
- Consolidated Financial Highlights	1
II. <u>Consolidated Results</u>	
- Consolidated Statement of Operations	2
- P&C Results—Consecutive Quarters	3
- Global P&C Results—Consecutive Quarters	4
- Catastrophe Losses	5
- Summary Consolidated Balance Sheets	6
- Line of Business	7
- Consolidated Results by Segment	8 - 11
III. <u>Segment Results</u>	
- North America Commercial P&C Insurance	12
- North America Personal P&C Insurance	13
- North America Agricultural Insurance	14
- Overseas General Insurance	15
- Global Reinsurance	16
- Life Insurance	17
- Corporate	18
IV. <u>Balance Sheet Details</u>	
- Loss Reserve Rollforward	19
- Reinsurance Recoverable Analysis	20
- Investment Portfolio	21 - 24
- Net Realized and Unrealized Gains (Losses)	25 - 26
- Debt and Capital	27
- Computation of Basic and Diluted Earnings Per Share	28
- Book Value and Book Value per Common Share	29
V. <u>Other Disclosures</u>	
- Non-GAAP Financial Measures	30 - 36
- Glossary	37

Chubb Limited
Consolidated Financial Highlights
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

Note: All dollar amounts in the Financial Supplement are rounded. However, percent changes and ratios are calculated using whole dollars. Accordingly, calculations using rounded dollars may differ.

	Three months ended December 31			Constant \$		Year ended December 31			Constant \$	
	2019	2018	% Change	2018	% Change	2019	2018	% Change	2018	% Change
Gross premiums written	\$ 9,934	\$ 9,252	7.4%	\$ 9,196	8.0%	\$ 40,124	\$ 37,968	5.7%	\$ 37,506	7.0%
Net premiums written	\$ 7,997	\$ 7,350	8.8%	\$ 7,296	9.6%	\$ 32,275	\$ 30,579	5.5%	\$ 30,165	7.0%
P&C net premiums written	\$ 7,375	\$ 6,768	9.0%	\$ 6,714	9.8%	\$ 29,883	\$ 28,309	5.6%	\$ 27,917	7.0%
Net premiums earned	\$ 7,935	\$ 7,465	6.3%	\$ 7,414	7.0%	\$ 31,290	\$ 30,064	4.1%	\$ 29,654	5.5%
Net investment income (1)	\$ 858	\$ 848	1.1%	\$ 848	1.1%	\$ 3,426	\$ 3,305	3.6%	\$ 3,287	4.2%
Adjusted net investment income (1)	\$ 893	\$ 903	-1.2%	\$ 903	-1.2%	\$ 3,587	\$ 3,553	1.0%	\$ 3,535	1.5%
P&C underwriting income	\$ 533	\$ 476	12.0%	\$ 472	12.8%	\$ 2,726	\$ 2,611	4.4%	\$ 2,553	6.8%
Agriculture underwriting income (loss)	\$ (23)	\$ 161	NM	\$ 161	NM	\$ 89	\$ 385	-77.0%	\$ 385	-77.0%
Global P&C (excludes Agriculture) underwriting income	\$ 556	\$ 315	76.3%	\$ 311	78.4%	\$ 2,637	\$ 2,226	18.5%	\$ 2,168	21.6%
Core operating income	\$ 1,040	\$ 935	11.2%	\$ 932	11.6%	\$ 4,641	\$ 4,407	5.3%	\$ 4,344	6.8%
Net income	\$ 1,173	\$ 355	231.0%			\$ 4,454	\$ 3,962	12.4%		
Operating cash flow	\$ 1,429	\$ 1,583				\$ 6,342	\$ 5,480			
P&C combined ratio										
Loss and loss expense ratio	64.0%	64.3%				62.1%	62.1%			
Policy acquisition cost and administrative expense ratio	28.7%	28.8%				28.5%	28.5%			
Combined ratio	92.7%	93.1%				90.6%	90.6%			
P&C Current Accident Year (CAY) combined ratio ex Catastrophe losses (Cats)										
CAY loss and loss expense ratio ex Cats	61.3%	59.5%				60.8%	59.6%			
CAY policy acquisition cost and administrative expense ratio ex Cats	28.7%	28.8%				28.4%	28.4%			
CAY combined ratio ex Cats	90.0%	88.3%				89.2%	88.0%			
Global P&C CAY combined ratio ex Cats										
CAY loss and loss expense ratio ex Cats	58.1%	59.7%				58.6%	58.6%			

CAY policy acquisition cost and administrative expense ratio ex Cats	30.5%	30.1%		30.0%	29.8%		
CAY combined ratio ex Cats	88.6%	89.8%		88.6%	88.4%		
ROE	8.5%	2.8%		8.4%	7.8%		
Core operating return on equity (ROE)	7.9%	7.3%		9.0%	8.7%		
Core operating return on tangible equity (ROTE)	12.8%	12.1%		14.6%	14.6%		
Effective tax rate	12.6%	31.1%		15.1%	14.9%		
Core operating effective tax rate	14.2%	17.1%		14.9%	14.4%		
Diluted earnings per share							
Net income	\$ 2.57	\$ 0.76	238.2%	\$ 9.71	\$ 8.49	14.4%	
Core operating income	\$ 2.28	\$ 2.02	12.9%	\$ 10.11	\$ 9.44	7.1%	
Weighted average basic common shares outstanding	452.7	460.6		455.9	463.6		
Weighted average diluted common shares outstanding	455.9	463.4		458.9	466.8		
	December 31 2019	September 30 2019	% Change 4Q-19 vs. 3Q-19	December 31 2018	% Change 4Q-19 vs. 4Q-18		
Book value per common share	\$ 122.42	\$ 120.33	1.7%	\$ 109.56	11.7%		
Tangible book value per common share	\$ 78.14	\$ 76.21	2.5%	\$ 65.89	18.6%		

(1) Q4 2019 and full year 2019 include \$4 million and \$13 million, respectively, of interest income on notional pool programs, compared with \$17 million and \$104 million, respectively, prior year.

Chubb Limited
Statement of Operations—Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Consolidated Statements of Operations

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$9,934	\$10,724	\$10,355	\$9,111	\$9,252	\$ 40,124	\$ 37,968
Net premiums written	7,997	8,622	8,343	7,313	7,350	32,275	30,579
Net premiums earned	7,935	8,327	7,891	7,137	7,465	31,290	30,064
Adjusted losses and loss expenses (1)	4,865	5,066	4,708	4,099	4,615	18,738	18,070
Realized (gains) losses on crop derivatives	—	14	(7)	1	5	8	3
Losses and loss expenses	4,865	5,052	4,715	4,098	4,610	18,730	18,067
Adjusted policy benefits (2)	201	165	164	166	182	696	628
Gains (losses) from fair value changes in separate account liabilities	(24)	7	3	(30)	20	(44)	38
Policy benefits	225	158	161	196	162	740	590
Policy acquisition costs	1,542	1,603	1,544	1,464	1,480	6,153	5,912
Administrative expenses	810	752	758	710	728	3,030	2,886
Adjusted net investment income (3)	893	910	902	882	903	3,587	3,553
Amortization expense of fair value adjustment on acquired invested assets	(35)	(37)	(43)	(46)	(55)	(161)	(248)
Net investment income	858	873	859	836	848	3,426	3,305
Adjusted realized gains (losses) (4)	(55)	(141)	(230)	(96)	(682)	(522)	(649)
Realized gains (losses) on crop derivatives	—	(14)	7	(1)	(5)	(8)	(3)
Net realized gains (losses)	(55)	(155)	(223)	(97)	(687)	(530)	(652)
Adjusted interest expense (5)	140	143	145	145	158	573	674
Amortization benefit of fair value adjustment on acquired long term debt	(6)	(5)	(5)	(5)	(5)	(21)	(33)
Interest expense	134	138	140	140	153	552	641
Gains (losses) from fair value changes in separate account assets	24	(7)	(3)	30	(20)	44	(38)
Net realized gains (losses) related to unconsolidated entities	227	41	219	(4)	139	483	431
Other income (expense) - operating	19	23	14	13	8	69	41
Other income (expense)	270	57	230	39	127	596	434
Amortization expense of purchased intangibles	76	76	77	76	86	305	339
Chubb integration expenses	14	2	4	3	20	23	59
Income tax expense	169	230	208	188	159	795	695
Net income	<u>\$1,173</u>	<u>\$ 1,091</u>	<u>\$ 1,150</u>	<u>\$1,040</u>	<u>\$ 355</u>	<u>\$ 4,454</u>	<u>\$ 3,962</u>

- (1) Adjusted losses and loss expenses used throughout this report includes realized gains and losses on crop derivatives.
- (2) Adjusted policy benefits used throughout this report excludes gains and losses from fair value changes in separate account liabilities.
- (3) Adjusted net investment income used throughout this report excludes Amortization expense of fair value adjustment on acquired invested assets.
- (4) Adjusted realized gains (losses) used throughout this report excludes realized gains and losses on crop derivatives.
- (5) Adjusted interest expense used throughout this report excludes Amortization benefit of fair value adjustment on acquired long term debt.
2019 includes nil of interest expense on notional pool programs, compared with \$15 million in Q4 2018 and \$94 million for full year 2018.

Chubb Limited
P&C Underwriting Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Chubb Limited P&C Underwriting Results

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
P&C underwriting income (Including Corporate and excluding Life Insurance)							
Gross premiums written	\$ 9,282	\$ 10,082	\$ 9,743	\$ 8,500	\$ 8,638	\$ 37,607	\$ 35,564
Net premiums written	7,375	8,010	7,764	6,734	6,768	29,883	28,309
Net premiums earned	7,322	7,729	7,320	6,576	6,890	28,947	27,846
Adjusted losses and loss expenses	4,689	4,876	4,519	3,897	4,433	17,981	17,304
Policy acquisition costs	1,376	1,427	1,394	1,336	1,328	5,533	5,355
Administrative expenses	724	672	680	631	653	2,707	2,576
P&C underwriting income	<u>\$ 533</u>	<u>\$ 754</u>	<u>\$ 727</u>	<u>\$ 712</u>	<u>\$ 476</u>	<u>\$ 2,726</u>	<u>\$ 2,611</u>
P&C CAY underwriting income ex Cats	\$ 730	\$ 819	\$ 814	\$ 758	\$ 808	\$ 3,121	\$ 3,341
% Change versus prior year period							
Net premiums written	9.0%	6.2%	4.2%	2.9%	4.2%	5.6%	4.4%
Net premiums earned	6.3%	5.0%	2.9%	1.4%	3.4%	4.0%	3.4%
Net premiums written constant \$	9.8%	7.2%	6.0%	5.1%	5.8%	7.0%	4.0%
Net premiums earned constant \$	7.1%	6.1%	4.9%	3.5%	4.9%	5.4%	3.0%
P&C combined ratio							
Loss and loss expense ratio	64.0%	63.1%	61.7%	59.3%	64.3%	62.1%	62.1%
Policy acquisition cost ratio	18.8%	18.4%	19.1%	20.3%	19.3%	19.1%	19.2%
Administrative expense ratio	9.9%	8.7%	9.3%	9.6%	9.5%	9.4%	9.3%
Combined ratio	<u>92.7%</u>	<u>90.2%</u>	<u>90.1%</u>	<u>89.2%</u>	<u>93.1%</u>	<u>90.6%</u>	<u>90.6%</u>
CAY P&C combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	61.3%	62.4%	60.5%	58.6%	59.5%	60.8%	59.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	28.7%	27.1%	28.4%	29.9%	28.8%	28.4%	28.4%
CAY combined ratio ex Cats	<u>90.0%</u>	<u>89.5%</u>	<u>88.9%</u>	<u>88.5%</u>	<u>88.3%</u>	<u>89.2%</u>	<u>88.0%</u>
Other ratios							
Net premiums written/gross premiums written	79%	79%	80%	79%	78%	79%	80%
Expense ratio	28.7%	27.1%	28.4%	29.9%	28.8%	28.5%	28.5%
Expense ratio excluding A&H	26.6%	25.1%	26.3%	28.0%	26.6%	26.4%	26.4%
Catastrophe reinstatement premiums (expensed) collected—pre-tax	\$ (14)	\$ 2	\$ —	\$ —	\$ (8)	\$ (12)	\$ (4)
Catastrophe losses—pre-tax	\$ 416	\$ 234	\$ 275	\$ 250	\$ 577	\$ 1,175	\$ 1,622
Favorable prior period development (PPD)—pre-tax	\$ (233)	\$ (167)	\$ (188)	\$ (204)	\$ (253)	\$ (792)	\$ (896)
Impact of catastrophe losses on P&C combined ratio—							
Unfavorable	5.9%	3.0%	3.8%	3.8%	8.5%	4.1%	5.9%
Impact of PPD on P&C combined ratio—Favorable	-3.2%	-2.3%	-2.6%	-3.1%	-3.7%	-2.7%	-3.3%
Impact of Cats and PPD on P&C combined ratio—							
Unfavorable	2.7%	0.7%	1.2%	0.7%	4.8%	1.4%	2.6%

Chubb Limited
Global P&C Underwriting Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Global P&C includes the company's North America Commercial P&C Insurance segment (refer to page 12), North America Personal P&C Insurance segment (refer to page 13), Overseas General Insurance segment (refer to page 15), Global Reinsurance segment (refer to page 16), and Corporate (refer to page 18). Global P&C excludes the North America Agricultural Insurance and Life Insurance segments.

Global P&C (Including Corporate and excluding Agriculture)

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
Global P&C underwriting income							
Gross premiums written	\$ 9,000	\$ 8,810	\$ 9,101	\$ 8,281	\$ 8,365	\$ 35,192	\$ 33,273
Net premiums written	7,099	7,072	7,298	6,604	6,571	28,073	26,732
Net premiums earned	6,901	6,788	6,942	6,521	6,572	27,152	26,277
Adjusted losses and loss expenses	4,236	3,996	4,210	3,923	4,272	16,365	16,190
Policy acquisition costs	1,382	1,371	1,367	1,329	1,323	5,449	5,276
Administrative expenses	727	668	676	630	662	2,701	2,585
Global P&C underwriting income	<u>\$ 556</u>	<u>\$ 753</u>	<u>\$ 689</u>	<u>\$ 639</u>	<u>\$ 315</u>	<u>\$ 2,637</u>	<u>\$ 2,226</u>
Global P&C CAY underwriting income ex Cats	\$ 789	\$ 797	\$ 774	\$ 744	\$ 670	\$ 3,104	\$ 3,045
% Change versus prior year period							
Net premiums written	8.0%	6.2%	3.3%	2.6%	3.2%	5.0%	4.5%
Net premiums earned	5.0%	4.4%	2.7%	1.2%	2.5%	3.3%	3.3%
Net premiums written constant \$	8.9%	7.3%	5.3%	4.8%	4.8%	6.6%	4.0%
Net premiums earned constant \$	5.8%	5.6%	4.7%	3.3%	4.0%	4.9%	2.9%
Combined ratio							
Loss and loss expense ratio	61.4%	58.9%	60.6%	60.2%	65.0%	60.3%	61.6%
Policy acquisition cost ratio	20.0%	20.2%	19.7%	20.4%	20.1%	20.1%	20.1%
Administrative expense ratio	10.5%	9.8%	9.8%	9.6%	10.1%	9.9%	9.8%
Combined ratio	<u>91.9%</u>	<u>88.9%</u>	<u>90.1%</u>	<u>90.2%</u>	<u>95.2%</u>	<u>90.3%</u>	<u>91.5%</u>
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	58.1%	58.5%	59.4%	58.5%	59.7%	58.6%	58.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	30.5%	29.8%	29.4%	30.1%	30.1%	30.0%	29.8%
CAY combined ratio ex Cats	<u>88.6%</u>	<u>88.3%</u>	<u>88.8%</u>	<u>88.6%</u>	<u>89.8%</u>	<u>88.6%</u>	<u>88.4%</u>
Other ratios							
Net premiums written/gross premiums written	79%	80%	80%	80%	79%	80%	80%
Expense ratio	30.5%	30.0%	29.5%	30.0%	30.2%	30.0%	29.9%
Expense ratio excluding A&H	28.6%	28.0%	27.4%	28.1%	28.2%	28.0%	27.8%
Catastrophe reinstatement premiums (expensed)							
collected—pre-tax	\$ (14)	\$ 2	\$ —	\$ —	\$ (8)	\$ (12)	\$ (4)
Catastrophe losses—pre-tax	\$ 415	\$ 231	\$ 273	\$ 248	\$ 567	\$ 1,167	\$ 1,601
Favorable prior period development (PPD)—pre-tax	\$ (196)	\$ (185)	\$ (188)	\$ (143)	\$ (220)	\$ (712)	\$ (786)

Chubb Limited
Segments Results—Catastrophe Loss Charges
(in millions of U.S. dollars)
(Unaudited)

Chubb Limited Catastrophe Loss Charges—Q4 2019

Catastrophe Loss Charges by Event—Net	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Total Consolidated excluding Reinstatement premiums	Reinstatement premiums collected (expensed)	Total Consolidated including Reinstatement premiums
Tornado in Dallas, Texas	\$ 55	\$ 145	\$ —	\$ —	\$ 2	\$ 202	\$ (11)	\$ 213
California wildfires	11	45	—	—	—	56	—	56
Other U.S. flooding, hail, tornadoes, and wind events	21	19	—	—	1	41	—	41
Civil unrest in Hong Kong and Chile	—	—	—	33	—	33	(4)	37
Typhoon Hagibis	—	—	—	20	17	37	1	36
International weather-related events	1	1	—	23	—	25	—	25
Australia wildfires	—	—	—	5	—	5	—	5
Other (includes Cats development from Q1 through Q3)	14	4	1	2	(4)	17	—	17
Total	\$ 102	\$ 214	\$ 1	\$ 83	\$ 16	\$ 416		
Reinstatement premiums collected (expensed)	—	(11)	—	(4)	1		\$ (14)	
Total before income tax	\$ 102	\$ 225	\$ 1	\$ 87	\$ 15			\$ 430
Income tax benefit								77
Total after income tax								\$ 353

Note: The above table represents catastrophe loss estimates for events that occurred in the current calendar year only (i.e., loss events occurring during the fourth quarter of 2019 and changes to catastrophe loss estimates that occurred in the previous quarters of 2019). Changes in catastrophe loss estimates in the current calendar year that relate to loss events that occurred in previous calendar years are considered prior period development and are excluded from the table above.

Chubb Limited
Summary Consolidated Balance Sheets
(in millions of U.S. dollars, except per share data)
(Unaudited)

	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018
Assets					
Fixed maturities available for sale, at fair value	\$ 85,488	\$ 85,044	\$ 82,410	\$ 80,663	\$ 78,470
Fixed maturities held to maturity, at amortized cost	12,581	12,622	12,838	13,136	13,435
Equity securities, at fair value	812	722	715	821	770
Short-term investments, at fair value	4,291	2,835	3,808	3,078	3,016
Other investments	6,062	5,955	5,968	5,562	5,277
Total investments	109,234	107,178	105,739	103,260	100,968
Cash	1,537	1,478	1,270	1,271	1,247
Securities lending collateral	994	962	1,727	1,861	1,926
Insurance and reinsurance balances receivable	10,357	10,403	10,935	9,826	10,075
Reinsurance recoverable on losses and loss expenses	15,181	15,527	15,445	16,137	15,993
Deferred policy acquisition costs	5,242	5,148	5,113	5,008	4,922
Value of business acquired	306	274	280	289	295
Prepaid reinsurance premiums	2,647	2,691	2,765	2,698	2,544
Goodwill and other intangible assets	21,359	21,378	21,566	21,419	21,414
Investments in partially-owned insurance companies	1,332	1,064	1,050	708	678
Other assets	8,754	9,045	8,626	8,870	7,709
Total assets	<u>\$ 176,943</u>	<u>\$ 175,148</u>	<u>\$ 174,516</u>	<u>\$ 171,347</u>	<u>\$ 167,771</u>
Liabilities					
Unpaid losses and loss expenses	\$ 62,690	\$ 63,012	\$ 63,205	\$ 63,143	\$ 62,960
Unearned premiums	16,771	16,571	16,403	15,909	15,532
Future policy benefits	5,814	5,738	5,568	5,552	5,506
Insurance and reinsurance balances payable	6,184	6,341	6,371	6,469	6,437
Securities lending payable	994	962	1,727	1,861	1,926
Accounts payable, accrued expenses, and other liabilities	13,189	13,583	13,055	12,629	11,890
Deferred tax liabilities	804	766	697	541	304
Short-term and long-term debt	14,858	13,295	13,380	12,580	12,596
Trust preferred securities	308	308	308	308	308
Total liabilities	121,612	120,576	120,714	118,992	117,459
Shareholders' equity					
Total shareholders' equity, excl. AOCI	54,712	54,051	53,663	53,125	52,760
Accumulated other comprehensive income (loss) (AOCI)	619	521	139	(770)	(2,448)
Total shareholders' equity	55,331	54,572	53,802	52,355	50,312
Total liabilities and shareholders' equity	<u>\$ 176,943</u>	<u>\$ 175,148</u>	<u>\$ 174,516</u>	<u>\$ 171,347</u>	<u>\$ 167,771</u>
Book value per common share	\$ 122.42	\$ 120.33	\$ 117.97	\$ 114.27	\$ 109.56
% change over prior quarter	1.7%	2.0%	3.2%	4.3%	-0.8%
Tangible book value per common share	\$ 78.14	\$ 76.21	\$ 73.74	\$ 70.46	\$ 65.89
% change over prior quarter	2.5%	3.3%	4.7%	6.9%	-1.4%

Chubb Limited
Consolidated Net Premiums Written by Line of Business
(in millions of U.S. dollars)
(Unaudited)

	4Q-19	4Q-18	% Change	Constant \$ % Change	Full Year 2019	Full Year 2018	% Change	Constant \$ % Change
Net premiums written								
Commercial multiple peril (1)	\$ 258	\$ 231	11.6%	11.6%	\$ 983	\$ 910	8.0%	8.0%
Commercial casualty	1,474	1,293	14.2%	14.9%	5,654	5,204	8.7%	9.7%
Workers' compensation	561	579	-3.4%	-3.4%	2,098	2,094	0.1%	0.1%
Professional liability	1,021	944	8.2%	9.3%	3,697	3,527	4.8%	6.3%
Surety	163	154	5.0%	6.8%	639	635	0.6%	2.7%
Property and other short-tail lines	1,058	946	11.8%	13.5%	4,468	4,016	11.3%	13.7%
Total Commercial P&C (2)	4,535	4,147	9.4%	10.2%	17,539	16,386	7.0%	8.3%
Agriculture	276	197	40.4%	40.4%	1,810	1,577	14.8%	14.8%
Personal automobile	448	422	6.0%	5.3%	1,786	1,695	5.4%	6.0%
Personal homeowners	867	776	11.7%	11.7%	3,513	3,391	3.6%	3.9%
Personal other	391	370	5.4%	8.6%	1,514	1,508	0.3%	4.0%
Total Personal lines	1,706	1,568	8.7%	9.2%	6,813	6,594	3.3%	4.4%
Total Property and Casualty lines	6,517	5,912	10.2%	11.0%	26,162	24,557	6.5%	7.7%
Global A&H lines (3)	1,060	1,041	1.8%	3.0%	4,315	4,277	0.9%	3.8%
Reinsurance lines	109	117	-6.0%	-4.8%	649	671	-3.2%	-1.7%
Life	311	280	11.5%	11.2%	1,149	1,074	7.0%	8.5%
Total consolidated	\$ 7,997	\$ 7,350	8.8%	9.6%	\$ 32,275	\$ 30,579	5.5%	7.0%

- (1) Commercial multiple peril represents retail package business (property and general liability).
- (2) Full year 2018 included a reclassification of \$56 million from Workers' compensation and \$1 million from Commercial multiple peril to Commercial casualty (\$48 million) and Property and other short-tail lines (\$9 million) to better align the reporting with current year. There is no impact to total Commercial P&C.
- (3) For purposes of this schedule only, A&H results from our Combined North America and International businesses, normally included in the Life Insurance and Overseas General Insurance segments, respectively, as well as the A&H results of our North America Commercial P&C segment, are included within the Global A&H lines above.

Chubb Limited
Consolidated Results—Three months ended December 31, 2019
(in millions of U.S. dollars, except ratios)
(Unaudited)

Q4 2019	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 3,438	\$ 1,171	\$ 276	\$ 2,381	\$ 109	\$ —	\$ 7,375	\$ 622	\$ 7,997
Net premiums earned	3,262	1,185	421	2,287	167	—	7,322	613	7,935
Adjusted losses and loss expenses	1,968	865	453	1,221	107	75	4,689	176	4,865
Adjusted policy benefits	—	—	—	—	—	—	—	201	201
Policy acquisition costs	454	240	(6)	646	42	—	1,376	166	1,542
Administrative expenses	273	75	(3)	262	9	108	724	86	810
Underwriting income (loss)	567	5	(23)	158	9	(183)	533	(16)	517
Adjusted net investment income	519	64	8	145	54	8	798	95	893
Other income (expense)— operating	(1)	(1)	—	(2)	18	(6)	8	11	19
Amortization expense of purchased intangibles	—	(3)	(7)	(11)	—	(55)	(76)	—	(76)
Segment income (loss)	\$ 1,085	\$ 65	\$ (22)	\$ 290	\$ 81	\$ (236)	\$ 1,263	\$ 90	\$ 1,353
Adjusted interest expense									(140)
Income tax expense									(173)
Core operating income (loss)									(549)
Chubb integration expenses, net of \$2 million tax benefit									(12)
Amortization of fair value adjustment of acquired invested assets and long- term debt, net of \$4 million tax benefit									(25)
Adjusted net realized gains (losses), net of \$2 million tax (1)									170
Net income (loss)							\$ (416)		\$ 1,173
Combined ratio	82.6%	99.6%	105.4%	93.1%	94.6%		92.7%		
CAY combined ratio ex Cats	86.4%	81.4%	113.9%	91.2%	83.3%		90.0%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results—Full Year 2019
(in millions of U.S. dollars, except ratios)
(Unaudited)

Full Year 2019	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 13,375	\$ 4,787	\$ 1,810	\$ 9,262	\$ 649	\$ —	\$29,883	\$ 2,392	\$ 32,275
Net premiums earned	12,922	4,694	1,795	8,882	654	—	28,947	2,343	31,290
Adjusted losses and loss expenses	8,206	3,043	1,616	4,606	352	158	17,981	757	18,738
Adjusted policy benefits	—	—	—	—	—	—	—	696	696
Policy acquisition costs	1,831	948	84	2,501	169	—	5,533	620	6,153
Administrative expenses	1,028	286	6	1,033	35	319	2,707	323	3,030
Underwriting income (loss)	1,857	417	89	742	98	(477)	2,726	(53)	2,673
Adjusted net investment income	2,082	258	30	588	220	36	3,214	373	3,587
Other income (expense)—operating	3	(3)	(1)	(12)	58	(24)	21	48	69
Amortization expense of purchased intangibles	—	(12)	(28)	(45)	—	(218)	(303)	(2)	(305)
Segment income (loss)	\$ 3,942	\$ 660	\$ 90	\$ 1,273	\$ 376	\$ (683)	\$ 5,658	\$ 366	\$ 6,024
Adjusted interest expense						(573)			(573)
Income tax expense						(810)			(810)
Core operating income (loss)						(2,066)			4,641
Chubb integration expenses, net of \$4 million tax benefit						(19)			(19)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$26 million tax benefit						(114)			(114)
Adjusted net realized gains (losses), net of \$15 million tax (1)						(54)			(54)
Net income (loss)						\$ (2,253)			\$ 4,454
Combined ratio	85.6%	91.1%	95.1%	91.6%	85.0%		90.6%		
CAY combined ratio ex Cats	87.4%	81.4%	99.1%	90.9%	82.1%		89.2%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results—Three months ended December 31, 2018
(in millions of U.S. dollars, except ratios)
(Unaudited)

Q4 2018	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 3,143	\$ 1,073	\$ 197	\$ 2,238	\$ 117	\$ —	\$ 6,768	\$ 582	\$ 7,350
Net premiums earned	3,077	1,130	318	2,187	178	—	6,890	575	7,465
Adjusted losses and loss expenses	2,127	755	161	1,166	243	(19)	4,433	182	4,615
Adjusted policy benefits	—	—	—	—	—	—	—	182	182
Policy acquisition costs	451	238	5	592	42	—	1,328	152	1,480
Administrative expenses	231	67	(9)	257	12	95	653	75	728
Underwriting income (loss)	268	70	161	172	(119)	(76)	476	(16)	460
Adjusted net investment income	517	59	8	158	65	8	815	88	903
Other income (expense)— operating	5	—	(1)	(12)	6	(8)	(10)	18	8
Amortization expense of purchased intangibles	—	(3)	(7)	(12)	—	(63)	(85)	(1)	(86)
Segment income (loss)	\$ 790	\$ 126	\$ 161	\$ 306	\$ (48)	\$ (139)	\$ 1,196	\$ 89	\$ 1,285
Adjusted interest expense							(158)		(158)
Income tax expense							(192)		(192)
Core operating income (loss)							(489)		935
Chubb integration expenses, net of \$5 million tax benefit							(15)		(15)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$8 million tax benefit							(42)		(42)
Adjusted net realized gains (losses), net of \$20 million tax benefit (1)							(523)		(523)
Net income (loss)							\$ (1,069)		\$ 355
Combined ratio	91.3%	93.8%	49.5%	92.1%	166.9%		93.1%		
CAY combined ratio ex Cats	88.2%	85.5%	56.8%	90.4%	83.2%		88.3%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results—Full Year 2018
(in millions of U.S. dollars, except ratios)
(Unaudited)

Full Year 2018	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 12,485	\$ 4,674	\$ 1,577	\$ 8,902	\$ 671	\$ —	\$28,309	\$ 2,270	\$ 30,579
Net premiums earned	12,402	4,593	1,569	8,612	670	—	27,846	2,218	30,064
Adjusted losses and loss expenses	8,000	3,229	1,114	4,429	479	53	17,304	766	18,070
Adjusted policy benefits	—	—	—	—	—	—	—	628	628
Policy acquisition costs	1,829	939	79	2,346	162	—	5,355	557	5,912
Administrative expenses	966	269	(9)	1,014	41	295	2,576	310	2,886
Underwriting income (loss)	1,607	156	385	823	(12)	(348)	2,611	(43)	2,568
Adjusted net investment income	2,033	236	28	619	257	39	3,212	341	3,553
Other income (expense)—operating	25	(1)	(2)	—	32	(25)	29	12	41
Amortization expense of purchased intangibles	—	(13)	(28)	(41)	—	(255)	(337)	(2)	(339)
Segment income (loss)	\$ 3,665	\$ 378	\$ 383	\$ 1,401	\$ 277	\$ (589)	\$ 5,515	\$ 308	\$ 5,823
Adjusted interest expense							(674)		(674)
Income tax expense							(742)		(742)
Core operating income (loss)							(2,005)		4,407
Chubb integration expenses, net of \$12 million tax benefit							(47)		(47)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$40 million tax benefit							(175)		(175)
Adjusted net realized gains (losses), net of \$5 million tax (1)							(223)		(223)
Net income (loss)							\$ (2,450)		\$ 3,962
Combined ratio	87.0%	96.6%	75.5%	90.4%	101.8%		90.6%		
CAY combined ratio ex Cats	87.3%	81.9%	81.6%	90.5%	81.6%		88.0%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Commercial P&C Insurance

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
Gross premiums written	\$4,576	\$4,533	\$4,518	\$3,977	\$4,228	\$ 17,604	\$ 16,336
Net premiums written	3,438	3,452	3,534	2,951	3,143	13,375	12,485
Net premiums earned	3,262	3,185	3,390	3,085	3,077	12,922	12,402
Losses and loss expenses	1,968	2,051	2,214	1,973	2,127	8,206	8,000
Policy acquisition costs	454	459	459	459	451	1,831	1,829
Administrative expenses	273	256	259	240	231	1,028	966
Underwriting income	567	419	458	413	268	1,857	1,607
Net investment income	519	532	521	510	517	2,082	2,033
Other income (expense)—operating	(1)	1	(2)	5	5	3	25
Segment income	\$ 1,085	\$ 952	\$ 977	\$ 928	\$ 790	\$ 3,942	\$ 3,665
CAY underwriting income ex Cats	\$ 445	\$ 398	\$ 410	\$ 376	\$ 362	\$ 1,629	\$ 1,576
Combined ratio							
Loss and loss expense ratio	60.3%	64.4%	65.3%	63.9%	69.1%	63.5%	64.5%
Policy acquisition cost ratio	13.9%	14.4%	13.6%	14.9%	14.7%	14.2%	14.7%
Administrative expense ratio	8.4%	8.1%	7.6%	7.8%	7.5%	7.9%	7.8%
Combined ratio	82.6%	86.9%	86.5%	86.6%	91.3%	85.6%	87.0%
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	64.0%	65.5%	66.7%	65.0%	66.1%	65.3%	64.9%
CAY policy acquisition cost and administrative expense ratio ex Cats	22.4%	22.1%	21.2%	22.8%	22.1%	22.1%	22.4%
CAY combined ratio ex Cats	86.4%	87.6%	87.9%	87.8%	88.2%	87.4%	87.3%
Catastrophe losses—pre-tax	\$ 102	\$ 88	\$ 137	\$ 94	\$ 232	\$ 421	\$ 579
Favorable prior period development (PPD)—pre-tax	\$ (224)	\$ (109)	\$ (185)	\$ (131)	\$ (138)	\$ (649)	\$ (610)
% Change versus prior year period							
Net premiums written	9.4%	7.9%	6.0%	5.0%	4.8%	7.1%	3.9%
Net premiums earned	6.0%	5.5%	3.4%	1.9%	1.4%	4.2%	1.7%
Other ratios							
Net premiums written/gross premiums written	75%	76%	78%	74%	74%	76%	76%
Production by Size—Net premiums written (1)							
Major Accounts & Specialty (2)	\$2,036	\$2,029	\$2,182	\$1,703	\$1,841	\$ 7,950	\$ 7,370
Commercial (2)	1,402	1,423	1,352	1,248	1,302	5,425	5,115
Total	\$3,438	\$3,452	\$3,534	\$2,951	\$3,143	\$ 13,375	\$ 12,485

(1) The 2018 net premiums written amounts for Major Accounts & Specialty and Commercial have been revised to better align the reporting with the current year. The Commercial transfers to (from) Major Accounts & Specialty in 2018 were: \$8 million for Q1, (\$1) million for Q3, and \$2 million for Q4. There is no impact to total North America Commercial P&C Insurance.

(2) Major Accounts & Specialty: large corporate accounts and wholesale business. Commercial: principally middle market and small commercial accounts.

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Personal P&C Insurance

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 1,349	\$ 1,422	\$ 1,483	\$ 1,207	\$ 1,291	\$ 5,461	\$ 5,330
Net premiums written	1,171	1,251	1,309	1,056	1,073	4,787	4,674
Net premiums earned	1,185	1,187	1,168	1,154	1,130	4,694	4,593
Losses and loss expenses	865	674	747	757	755	3,043	3,229
Policy acquisition costs	240	240	237	231	238	948	939
Administrative expenses	75	72	71	68	67	286	269
Underwriting income	5	201	113	98	70	417	156
Net investment income	64	66	64	64	59	258	236
Other income (expense)—operating	(1)	(1)	(1)	—	—	(3)	(1)
Amortization expense of purchased intangibles	(3)	(3)	(3)	(3)	(3)	(12)	(13)
Segment income	<u>\$ 65</u>	<u>\$ 263</u>	<u>\$ 173</u>	<u>\$ 159</u>	<u>\$ 126</u>	<u>\$ 660</u>	<u>\$ 378</u>
CAY underwriting income ex Cats	\$ 223	\$ 222	\$ 214	\$ 217	\$ 168	\$ 876	\$ 834
Combined ratio							
Loss and loss expense ratio	73.0%	56.9%	64.0%	65.5%	66.8%	64.8%	70.3%
Policy acquisition cost ratio	20.3%	20.2%	20.2%	20.1%	21.1%	20.2%	20.4%
Administrative expense ratio	6.3%	6.0%	6.1%	5.9%	5.9%	6.1%	5.9%
Combined ratio	<u>99.6%</u>	<u>83.1%</u>	<u>90.3%</u>	<u>91.5%</u>	<u>93.8%</u>	<u>91.1%</u>	<u>96.6%</u>
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	55.1%	55.1%	55.3%	55.1%	59.1%	55.1%	55.8%
CAY policy acquisition cost and administrative expense ratio ex Cats	26.3%	26.2%	26.4%	26.0%	26.4%	26.3%	26.1%
CAY combined ratio ex Cats	<u>81.4%</u>	<u>81.3%</u>	<u>81.7%</u>	<u>81.1%</u>	<u>85.5%</u>	<u>81.4%</u>	<u>81.9%</u>
Catastrophe reinstatement premiums expensed—pre-tax	\$ (11)	\$ —	\$ —	\$ —	\$ (26)	\$ (11)	\$ (26)
Catastrophe losses—pre-tax	\$ 214	\$ 83	\$ 117	\$ 129	\$ 90	\$ 543	\$ 611
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ (7)	\$ (62)	\$ (16)	\$ (10)	\$ (18)	\$ (95)	\$ 41
% Change versus prior year period							
Net premiums written	9.2%	2.7%	-2.0%	0.8%	-2.5%	2.4%	3.1%
Net premiums written adjusted primarily for additional reinsurance	4.6%	3.9%	2.4%	2.6%	2.3%	3.3%	2.7%
Net premiums earned	4.8%	1.7%	1.1%	1.2%	2.5%	2.2%	4.4%
Other ratios							
Net premiums written/gross premiums written	87%	88%	88%	88%	83%	88%	88%

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Agricultural Insurance

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 282	\$ 1,272	\$ 642	\$ 219	\$ 273	\$ 2,415	\$ 2,291
Net premiums written	276	938	466	130	197	1,810	1,577
Net premiums earned	421	941	378	55	318	1,795	1,569
Adjusted losses and loss expenses (1)	453	880	309	(26)	161	1,616	1,114
Policy acquisition costs	(6)	56	27	7	5	84	79
Administrative expenses	(3)	4	4	1	(9)	6	(9)
Underwriting income (loss)	(23)	1	38	73	161	89	385
Net investment income	8	8	4	10	8	30	28
Other income (expense)—operating	—	—	(1)	—	(1)	(1)	(2)
Amortization expense of purchased intangibles	(7)	(7)	(7)	(7)	(7)	(28)	(28)
Segment income (loss)	<u>\$ (22)</u>	<u>\$ 2</u>	<u>\$ 34</u>	<u>\$ 76</u>	<u>\$ 161</u>	<u>\$ 90</u>	<u>\$ 383</u>
CAY underwriting income (loss) ex Cats	<u>\$ (59)</u>	<u>\$ 22</u>	<u>\$ 40</u>	<u>\$ 14</u>	<u>\$ 138</u>	<u>\$ 17</u>	<u>\$ 296</u>
Combined ratio							
Loss and loss expense ratio	107.6%	93.5%	81.9%	NM	50.7%	90.1%	71.0%
Policy acquisition cost ratio	-1.5%	6.0%	7.3%	NM	1.5%	4.7%	5.0%
Administrative expense ratio	-0.7%	0.4%	0.9%	NM	-2.7%	0.3%	-0.5%
Combined ratio	<u>105.4%</u>	<u>99.9%</u>	<u>90.1%</u>	<u>NM</u>	<u>49.5%</u>	<u>95.1%</u>	<u>75.5%</u>
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	113.6%	91.3%	81.4%	71.1%	56.0%	93.5%	76.7%
CAY policy acquisition cost and administrative expense ratio ex Cats	0.3%	6.4%	8.2%	12.8%	0.8%	5.6%	4.9%
CAY combined ratio ex Cats	<u>113.9%</u>	<u>97.7%</u>	<u>89.6%</u>	<u>83.9%</u>	<u>56.8%</u>	<u>99.1%</u>	<u>81.6%</u>
Catastrophe losses—pre-tax	\$ 1	\$ 3	\$ 2	\$ 2	\$ 10	\$ 8	\$ 21
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ (37)	\$ 18	\$ —	\$ (61)	\$ (33)	\$ (80)	\$ (110)
% Change versus prior year period							
Net premiums written	40.4%	6.2%	20.1%	19.9%	55.8%	14.8%	4.0%
Net premiums earned	32.4%	9.8%	7.7%	27.4%	26.0%	14.4%	4.1%
Other ratios							
Net premiums written/gross premiums written	98%	74%	73%	59%	72%	75%	69%

(1) Includes Realized gains (losses) on crop derivatives.

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Overseas General Insurance

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
Gross premiums written	\$ 2,964	\$ 2,705	\$ 2,863	\$ 2,876	\$ 2,729	\$ 11,408	\$ 10,885
Net premiums written	2,381	2,228	2,258	2,395	2,238	9,262	8,902
Net premiums earned	2,287	2,256	2,225	2,114	2,187	8,882	8,612
Losses and loss expenses	1,221	1,154	1,125	1,106	1,166	4,606	4,429
Policy acquisition costs	646	630	629	596	592	2,501	2,346
Administrative expenses	262	257	265	249	257	1,033	1,014
Underwriting income	158	215	206	163	172	742	823
Net investment income	145	148	151	144	158	588	619
Other income (expense)—operating	(2)	(3)	(3)	(4)	(12)	(12)	—
Amortization expense of purchased intangibles	(11)	(11)	(12)	(11)	(12)	(45)	(41)
Segment income	\$ 290	\$ 349	\$ 342	\$ 292	\$ 306	\$ 1,273	\$ 1,401
CAY underwriting income ex Cats	\$ 202	\$ 225	\$ 195	\$ 184	\$ 211	\$ 806	\$ 817
Combined ratio							
Loss and loss expense ratio	53.3%	51.1%	50.6%	52.3%	53.3%	51.9%	51.4%
Policy acquisition cost ratio	28.3%	28.0%	28.3%	28.2%	27.1%	28.1%	27.2%
Administrative expense ratio	11.5%	11.4%	11.9%	11.8%	11.7%	11.6%	11.8%
Combined ratio	93.1%	90.5%	90.8%	92.3%	92.1%	91.6%	90.4%
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	51.5%	50.7%	51.1%	51.3%	51.6%	51.2%	51.5%
CAY policy acquisition cost and administrative expense ratio ex Cats	39.7%	39.3%	40.1%	40.0%	38.8%	39.7%	39.0%
CAY combined ratio ex Cats	91.2%	90.0%	91.2%	91.3%	90.4%	90.9%	90.5%
Catastrophe reinstatement premiums expensed—pre-tax	\$ (4)	\$ —	\$ —	\$ —	\$ —	\$ (4)	\$ —
Catastrophe losses—pre-tax	\$ 83	\$ 35	\$ 9	\$ 25	\$ 85	\$ 152	\$ 206
Favorable prior period development (PPD)—pre-tax	\$ (43)	\$ (25)	\$ (20)	\$ (4)	\$ (46)	\$ (92)	\$ (212)
% Change versus prior year period							
Net premiums written	6.3%	7.1%	2.7%	0.4%	3.4%	4.0%	6.6%
Net premiums earned	4.6%	4.6%	3.0%	0.3%	3.5%	3.1%	5.9%
Net premiums written constant \$	8.8%	10.7%	8.5%	6.0%	7.9%	8.4%	5.3%
Net premiums earned constant \$	6.9%	8.0%	9.2%	6.3%	7.9%	7.6%	4.7%
Other ratios							
Net premiums written/gross premiums written	80%	82%	79%	83%	82%	81%	82%

Production by Region—Net premiums written	4Q-19		4Q-18		Constant \$		Full Year		Full Year	
	\$	\$	% Change	% Change	2019	2018	% Change	% Change	2019	2018
Europe	\$ 933	\$ 867	7.6%	11.4%	\$ 3,631	\$ 3,508	3.5%	8.2%		
Latin America	620	584	6.2%	9.1%	2,277	2,181	4.4%	10.6%		
Asia	762	708	7.5%	8.2%	3,021	2,884	4.7%	7.6%		
Other (1)	66	79	-16.9%	-15.8%	333	329	1.1%	4.8%		
Total	<u>\$ 2,381</u>	<u>\$ 2,238</u>	6.3%	8.8%	<u>\$ 9,262</u>	<u>\$ 8,902</u>	4.0%	8.4%		

(1) Primarily includes Eurasia and Africa, and the company's international supplemental A&H business of Combined Insurance.

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Global Reinsurance

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 111	\$ 150	\$ 237	\$ 221	\$ 117	\$ 719	\$ 722
Net premiums written	109	141	197	202	117	649	671
Net premiums earned	167	160	159	168	178	654	670
Losses and loss expenses	107	79	90	76	243	352	479
Policy acquisition costs	42	42	42	43	42	169	162
Administrative expenses	9	9	7	10	12	35	41
Underwriting income (loss)	9	30	20	39	(119)	98	(12)
Net investment income	54	55	55	56	65	220	257
Other income (expense)—operating	18	16	15	9	6	58	32
Segment income (loss)	<u>\$ 81</u>	<u>\$ 101</u>	<u>\$ 90</u>	<u>\$ 104</u>	<u>\$ (48)</u>	<u>\$ 376</u>	<u>\$ 277</u>
CAY underwriting income ex Cats	\$ 28	\$ 28	\$ 30	\$ 31	\$ 27	\$ 117	\$ 121
Combined ratio							
Loss and loss expense ratio	64.2%	49.6%	55.9%	45.7%	137.1%	53.9%	71.6%
Policy acquisition cost ratio	24.7%	26.2%	26.9%	25.4%	23.7%	25.7%	24.2%
Administrative expense ratio	5.7%	5.3%	4.9%	5.7%	6.1%	5.4%	6.0%
Combined ratio	<u>94.6%</u>	<u>81.1%</u>	<u>87.7%</u>	<u>76.8%</u>	<u>166.9%</u>	<u>85.0%</u>	<u>101.8%</u>
CAY combined ratio ex Cats							
CAY loss and loss expense ratio ex Cats	52.5%	49.9%	49.7%	50.5%	50.1%	50.6%	50.5%
CAY policy acquisition cost and administrative expense ratio ex Cats	30.8%	32.2%	32.0%	31.0%	33.1%	31.5%	31.1%
CAY combined ratio ex Cats	<u>83.3%</u>	<u>82.1%</u>	<u>81.7%</u>	<u>81.5%</u>	<u>83.2%</u>	<u>82.1%</u>	<u>81.6%</u>
Catastrophe reinstatement premiums collected—pre-tax	\$ 1	\$ 2	\$ —	\$ —	\$ 18	\$ 3	\$ 22
Catastrophe losses—pre-tax	\$ 16	\$ 25	\$ 10	\$ —	\$ 160	\$ 51	\$ 205
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ 4	\$ (25)	\$ —	\$ (8)	\$ 4	\$ (29)	\$ (50)
% Change versus prior year period							
Net premiums written as reported	-6.0%	14.0%	0.2%	4.4%	11.0%	-3.2%	-2.1%
Net premiums earned as reported	-5.8%	1.9%	-5.0%	0.1%	10.2%	-2.3%	-4.9%
Net premiums written constant \$	-	-	-	-	-	-	-
Net premiums earned constant \$	-4.8%	12.8%	1.3%	6.4%	11.7%	-1.7%	-3.3%
Net premiums earned constant \$	-5.0%	3.1%	-3.5%	2.6%	10.6%	-0.8%	-6.0%
Other ratios							
Net premiums written/gross premiums written	99%	94%	83%	91%	99%	90%	93%

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Life Insurance

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 652	\$ 642	\$ 612	\$ 611	\$ 614	\$ 2,517	\$ 2,404
Net premiums written	622	612	579	579	582	2,392	2,270
Net premiums earned	613	598	571	561	575	2,343	2,218
Losses and loss expenses	176	190	189	202	182	757	766
Adjusted policy benefits	201	165	164	166	182	696	628
Policy acquisition costs	166	176	150	128	152	620	557
Administrative expenses	86	80	78	79	75	323	310
Net investment income	95	92	97	89	88	373	341
Life Insurance underwriting income (1)	79	79	87	75	72	320	298
Other income (expense)—operating	11	17	10	10	18	48	12
Amortization expense of purchased intangibles	—	(1)	(1)	—	(1)	(2)	(2)
Segment income	<u>\$ 90</u>	<u>\$ 95</u>	<u>\$ 96</u>	<u>\$ 85</u>	<u>\$ 89</u>	<u>\$ 366</u>	<u>\$ 308</u>
% Change versus prior year period							
Net premiums written	6.9%	8.5%	2.5%	3.5%	4.8%	5.3%	6.1%
Net premiums earned	6.6%	8.7%	3.4%	3.9%	3.9%	5.6%	5.6%
Net premiums written constant \$	6.8%	9.1%	4.3%	5.2%	6.3%	6.4%	5.7%
Net premiums earned constant \$	6.5%	9.3%	5.2%	5.5%	5.4%	6.6%	5.3%

- (1) We assess the performance of our Life Insurance business based on Life Insurance underwriting income which includes Net investment income and (Gains) losses from fair value changes in separate account assets.

International life insurance net premiums written and deposits breakdown (excludes Combined North America and Life reinsurance businesses):

	<u>4Q-19</u>	<u>4Q-18</u>	<u>% Change</u>	<u>Constant \$ % Change</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>	<u>% Change</u>	<u>Constant \$ % Change</u>
International life insurance net premiums written	\$ 266	\$ 233	14.6%	14.1%	\$ 981	\$ 887	10.6%	12.6%
International life insurance deposits (2)	404	375	7.9%	8.1%	1,463	1,538	-4.9%	-2.3%
Total international life insurance net premiums written and deposits	<u>\$ 670</u>	<u>\$ 608</u>	10.5%	10.4%	<u>\$ 2,444</u>	<u>\$ 2,425</u>	0.8%	3.2%
International life insurance segment income	<u>\$ 36</u>	<u>\$ 32</u>	12.2%	11.2%	<u>\$ 152</u>	<u>\$ 103</u>	48.0%	51.0%

- (2) Includes deposits collected on universal life and investment contracts. Consistent with GAAP, premiums collected on universal life and investment contracts are considered deposits and excluded from revenues.

Chubb Limited
Segment Results—Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Corporate

	<u>4Q-19</u>	<u>3Q-19</u>	<u>2Q-19</u>	<u>1Q-19</u>	<u>4Q-18</u>	<u>Full Year 2019</u>	<u>Full Year 2018</u>
Gross premiums written	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Net premiums written	—	—	—	—	—	—	—
Net premiums earned	—	—	—	—	—	—	—
Losses and loss expenses	75	38	34	11	(19)	158	53
Policy acquisition costs	—	—	—	—	—	—	—
Administrative expenses	108	74	74	63	95	319	295
Underwriting loss	(183)	(112)	(108)	(74)	(76)	(477)	(348)
Adjusted net investment income	8	9	10	9	8	36	39
Other income (expense)—operating	(6)	(7)	(4)	(7)	(8)	(24)	(25)
Adjusted interest expense	(140)	(143)	(145)	(145)	(158)	(573)	(674)
Amortization expense of purchased intangibles	(55)	(54)	(54)	(55)	(63)	(218)	(255)
Income tax expense	(173)	(219)	(216)	(202)	(192)	(810)	(742)
Core operating loss	(549)	(526)	(517)	(474)	(489)	(2,066)	(2,005)
Chubb integration expenses, net of tax	(12)	(2)	(3)	(2)	(15)	(19)	(47)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(25)	(24)	(32)	(33)	(42)	(114)	(175)
Adjusted net realized gains (losses), net of tax ⁽¹⁾	170	(119)	(10)	(95)	(523)	(54)	(223)
Net loss	<u>\$ (416)</u>	<u>\$ (671)</u>	<u>\$ (562)</u>	<u>\$ (604)</u>	<u>\$ (1,069)</u>	<u>\$ (2,253)</u>	<u>\$ (2,450)</u>
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ 74	\$ 36	\$ 33	\$ 10	\$ (22)	\$ 153	\$ 45

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Loss Reserve Rollforward
(in millions of U.S. dollars, except ratios)
(Unaudited)

	Unpaid Losses			Net Paid to Incurred Ratio
	Gross	Ceded	Net	
Balance at June 30, 2017	\$60,394	\$12,485	\$47,909	
Losses and loss expenses incurred	8,410	2,163	6,247	
Losses and loss expenses paid	(5,207)	(909)	(4,298)	69%
Other (incl. foreign exch. revaluation)	556	131	425	
Balance at September 30, 2017	\$64,153	\$13,870	\$50,283	
Losses and loss expenses incurred	5,755	1,483	4,272	
Losses and loss expenses paid	(6,419)	(1,298)	(5,121)	120%
Other (incl. foreign exch. revaluation)	(310)	(41)	(269)	
Balance at December 31, 2017	\$63,179	\$14,014	\$49,165	
Losses and loss expenses incurred	5,028	926	4,102	
Losses and loss expenses paid	(5,448)	(1,206)	(4,242)	103%
Other (incl. foreign exch. revaluation)	380	88	292	
Balance at March 31, 2018	\$63,139	\$13,822	\$49,317	
Losses and loss expenses incurred	5,458	971	4,487	
Losses and loss expenses paid	(5,304)	(931)	(4,373)	97%
Other (incl. foreign exch. revaluation)	(515)	(127)	(388)	
Balance at June 30, 2018	\$62,778	\$13,735	\$49,043	
Losses and loss expenses incurred	6,472	1,604	4,868	
Losses and loss expenses paid	(5,771)	(1,268)	(4,503)	93%
Other (incl. foreign exch. revaluation)	(450)	(106)	(344)	
Balance at September 30, 2018	\$63,029	\$13,965	\$49,064	
Losses and loss expenses incurred	6,687	2,077	4,610	
Losses and loss expenses paid	(6,556)	(1,334)	(5,222)	113%
Other (incl. foreign exch. revaluation)	(200)	(19)	(181)	
Balance at December 31, 2018	\$62,960	\$14,689	\$48,271	
Losses and loss expenses incurred	5,261	1,163	4,098	
Losses and loss expenses paid	(5,197)	(1,178)	(4,019)	98%
Other (incl. foreign exch. revaluation)	119	33	86	
Balance at March 31, 2019	\$63,143	\$14,707	\$48,436	
Losses and loss expenses incurred	5,758	1,043	4,715	
Losses and loss expenses paid	(5,581)	(1,489)	(4,092)	87%
Other (incl. foreign exch. revaluation)	(115)	(28)	(87)	
Balance at June 30, 2019	\$63,205	\$14,233	\$48,972	
Losses and loss expenses incurred	6,783	1,731	5,052	
Losses and loss expenses paid	(6,751)	(1,568)	(5,183)	103%
Other (incl. foreign exch. revaluation)	(225)	(64)	(161)	
Balance at September 30, 2019	\$63,012	\$14,332	\$48,680	
Losses and loss expenses incurred	5,855	990	4,865	
Losses and loss expenses paid	(6,382)	(1,203)	(5,179)	106%
Other (incl. foreign exch. revaluation)	205	62	143	
Balance at December 31, 2019	\$62,690	\$14,181	\$48,509	
Add net recoverable on paid losses	—	1,000	(1,000)	
Balance including net recoverable on paid losses	\$62,690	\$15,181	\$47,509	

Chubb Limited
Reinsurance Recoverable Analysis
(in millions of U.S. dollars)
(Unaudited)

Net Reinsurance Recoverable by Division

	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018
Reinsurance recoverable on paid losses and loss expenses					
Active operations	\$ 887	\$ 1,072	\$ 1,079	\$ 1,124	\$ 980
Brandywine and Other Run-off	189	193	209	381	396
Total	<u>\$ 1,076</u>	<u>\$ 1,265</u>	<u>\$ 1,288</u>	<u>\$ 1,505</u>	<u>\$ 1,376</u>
Reinsurance recoverable on unpaid losses and loss expenses					
Active operations	\$ 13,223	\$ 13,427	\$13,315	\$ 13,720	\$ 13,705
Brandywine and Other Run-off	1,198	1,155	1,166	1,235	1,235
Total	<u>\$ 14,421</u>	<u>\$ 14,582</u>	<u>\$14,481</u>	<u>\$ 14,955</u>	<u>\$ 14,940</u>
Gross reinsurance recoverable					
Active operations	\$ 14,110	\$ 14,499	\$14,394	\$ 14,844	\$ 14,685
Brandywine and Other Run-off	1,387	1,348	1,375	1,616	1,631
Total	<u>\$ 15,497</u>	<u>\$ 15,847</u>	<u>\$15,769</u>	<u>\$ 16,460</u>	<u>\$ 16,316</u>
Provision for uncollectible reinsurance (1)					
Active operations	\$ (180)	\$ (187)	\$ (187)	\$ (187)	\$ (185)
Brandywine and Other Run-off	(136)	(133)	(137)	(136)	(138)
Total	<u>\$ (316)</u>	<u>\$ (320)</u>	<u>\$ (324)</u>	<u>\$ (323)</u>	<u>\$ (323)</u>
Net reinsurance recoverable					
Active operations	\$ 13,930	\$ 14,312	\$14,207	\$ 14,657	\$ 14,500
Brandywine and Other Run-off	1,251	1,215	1,238	1,480	1,493
Total	<u>\$ 15,181</u>	<u>\$ 15,527</u>	<u>\$15,445</u>	<u>\$ 16,137</u>	<u>\$ 15,993</u>

(1) The provision for uncollectible reinsurance is based on a default analysis applied to gross reinsurance, net of usable collateral of approximately \$3.9 billion.

Chubb Limited
Investment Portfolio
(in millions of U.S. dollars)
(Unaudited)

	December 31 2019		September 30 2019		June 30 2019		March 31 2019		December 31 2018						
Market Value															
Fixed maturities available for sale	\$	85,488	\$	85,044	\$	82,410	\$	80,663	\$	78,470					
Fixed maturities held to maturity		13,005		13,096		13,177		13,240		13,259					
Short-term investments		4,291		2,835		3,808		3,078		3,016					
Total fixed maturities		<u>\$102,784</u>		<u>\$100,975</u>		<u>\$ 99,395</u>		<u>\$ 96,981</u>		<u>\$ 94,745</u>					
Asset Allocation by Market Value															
Treasury / Agency	\$	4,630	5%	\$	4,840	5%	\$	4,833	5%	\$	5,327	6%			
Corporate and asset-backed		34,259	33%		33,881	34%		30,364	31%		29,091	31%			
Mortgage-backed		21,588	21%		21,488	21%		18,924	20%		18,026	19%			
Municipal		12,824	12%		13,369	13%		15,796	16%		16,327	17%			
Non-U.S.		25,192	25%		24,562	24%		23,876	25%		22,958	24%			
Short-term investments		4,291	4%		2,835	3%		3,078	3%		3,016	3%			
Total fixed maturities		<u>\$102,784</u>	<u>100%</u>		<u>\$100,975</u>	<u>100%</u>		<u>\$ 96,981</u>	<u>100%</u>		<u>\$ 94,745</u>	<u>100%</u>			
Credit Quality by Market Value															
AAA	\$	15,714	15%	\$	14,696	15%	\$	15,276	15%	\$	14,917	16%	\$	14,571	15%
AA		37,504	37%		37,752	37%		37,211	38%		37,023	38%		36,715	39%
A		19,236	19%		18,977	19%		18,476	19%		17,867	19%		17,253	18%
BBB		13,650	13%		13,228	13%		12,682	13%		11,961	12%		12,035	13%
BB		9,474	9%		9,317	9%		9,161	9%		8,807	9%		8,363	9%
B		6,897	7%		6,739	7%		6,375	6%		6,148	6%		5,596	6%
Other		309	0%		266	0%		214	0%		258	0%		212	0%
Total fixed maturities		<u>\$102,784</u>	<u>100%</u>		<u>\$100,975</u>	<u>100%</u>		<u>\$ 99,395</u>	<u>100%</u>		<u>\$ 96,981</u>	<u>100%</u>		<u>\$ 94,745</u>	<u>100%</u>
Cost/Amortized Cost															
Fixed maturities available for sale	\$	82,580		\$	82,036		\$	80,119		\$	79,624		\$	79,323	
Fixed maturities held to maturity		12,581			12,622			12,838			13,136			13,435	
Short-term investments		4,291			2,838			3,808			3,078			3,016	
Subtotal fixed maturities		<u>99,452</u>			<u>97,496</u>			<u>96,765</u>			<u>95,838</u>			<u>95,774</u>	
Equity securities		812			722			715			821			770	
Other investments		6,062			5,955			5,968			5,562			5,277	
Total investment portfolio		<u>\$106,326</u>			<u>\$104,173</u>			<u>\$103,448</u>			<u>\$102,221</u>			<u>\$101,821</u>	
Avg. duration of fixed maturities		3.8			3.8			3.8			3.6			3.7	
		years			years			years			years			years	
Avg. market yield of fixed maturities		2.7%			2.7%			2.9%			3.2%			3.7%	
Avg. credit quality		A/Aa			A/Aa			A/Aa			A/Aa			A/Aa	
Avg. yield on invested assets (1)		3.4%			3.5%			3.5%			3.5%			3.5%	

(1) Calculated using adjusted net investment income.

Chubb Limited
Investment Portfolio—2
(in millions of U.S. dollars)
(Unaudited)

Mortgage-backed Fixed Income Portfolio

Mortgage-backed securities

	S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
Market Value at December 31, 2019						
Agency residential mortgage-backed (RMBS)	\$ 187	\$17,722	\$ —	\$ —	\$ —	\$17,909
Non-agency RMBS	184	32	75	18	10	319
Commercial mortgage-backed	2,946	272	136	6	—	3,360
Total mortgage-backed securities at market value	\$3,317	\$18,026	\$ 211	\$ 24	\$ 10	\$21,588

U.S. Corporate and Asset-backed Fixed Income Portfolios

Market Value at December 31, 2019

	S&P Credit Rating					Total
	Investment Grade					
	AAA	AA	A	BBB		
Asset-backed	\$ 3,274	\$ 331	\$ 64	\$ 69		\$ 3,738
Banks	—	34	2,243	1,390		3,667
Basic Materials	—	—	97	201		298
Communications	—	165	487	1,084		1,736
Consumer, Cyclical	—	354	501	584		1,439
Consumer, Non-Cyclical	60	572	1,733	1,261		3,626
Diversified Financial Services	7	110	360	377		854
Energy	—	70	214	879		1,163
Industrial	—	53	678	814		1,545
Utilities	—	3	869	414		1,286
All Others	200	357	1,393	1,077		3,027
Total	\$ 3,541	\$2,049	\$8,639	\$ 8,150		\$22,379

Market Value at December 31, 2019

	S&P Credit Rating				Total
	Below Investment Grade				
	BB	B	CCC		
Asset-backed	\$ —	\$ 18	\$ 5		\$ 23
Banks	—	—	—		—
Basic Materials	365	211	4		580
Communications	910	805	37		1,752
Consumer, Cyclical	1,196	750	34		1,980
Consumer, Non-Cyclical	1,307	1,390	30		2,727
Diversified Financial Services	173	161	8		342
Energy	687	373	1		1,061
Industrial	746	664	16		1,426
Utilities	272	36	10		318
All Others	988	647	36		1,671
Total	\$6,644	\$5,055	\$ 181		\$11,880

Chubb Limited
Investment Portfolio—3
(in millions of U.S. dollars)
(Unaudited)

Non-U.S. Fixed Income Portfolio
December 31, 2019

Non-U.S. Government Securities

	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
Republic of Korea	\$ —	\$ 1,032	\$ —	\$ —	\$ —	\$ 1,032
United Kingdom	—	924	—	—	—	924
Canada	835	—	—	—	—	835
Federative Republic of Brazil	—	—	—	—	688	688
Kingdom of Thailand	—	—	652	—	—	652
Province of Ontario	—	9	635	—	—	644
United Mexican States	—	—	455	112	—	567
Province of Quebec	—	496	—	—	—	496
Commonwealth of Australia	362	—	3	—	—	365
Socialist Republic of Vietnam	—	—	—	—	362	362
Other Non-U.S. Government Securities	876	1,501	969	659	885	4,890
Total	\$2,073	\$3,962	\$2,714	\$ 771	\$ 1,935	\$11,455

Non-U.S. Corporate Securities

	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
United Kingdom	\$ 78	\$ 124	\$ 807	\$ 906	\$ 401	\$ 2,316
Canada	105	278	417	541	440	1,781
United States (1)	—	—	209	307	640	1,156
France	8	41	729	308	50	1,136
Australia	108	186	355	142	22	813
Netherlands	48	92	285	141	119	685
Japan	—	48	467	72	—	587
Germany	66	41	150	268	35	560
Switzerland	49	3	230	193	36	511
China	—	—	249	73	49	371
Other Non-U.S. Corporate Securities	373	450	948	1,242	808	3,821
Total	\$ 835	\$1,263	\$4,846	\$4,193	\$ 2,600	\$13,737

(1) Countries represent the ultimate parent company's country of risk. Non-U.S. corporate securities could be issued by foreign subsidiaries of U.S. corporations.

Chubb Limited
Investment Portfolio—4
(in millions of U.S. dollars)
(Unaudited)

Fixed Maturity Investment Portfolio

Top 10 Global Corporate Exposures

<u>December 31, 2019</u>		<u>Market Value</u>	<u>Rating</u>
1	Wells Fargo & Co	\$ 637	A-
2	Bank of America Corp	575	A-
3	JP Morgan Chase & Co	568	A-
4	Comcast Corp	461	A-
5	HSBC Holdings Plc	396	A
6	AT&T Inc	392	BBB
7	Citigroup Inc	392	BBB+
8	Verizon Communications Inc	381	BBB+
9	Goldman Sachs Group Inc	369	BBB+
10	Morgan Stanley	358	BBB+

Chubb Limited
Net Realized and Unrealized Gains (Losses)
(in millions of U.S. dollars)
(Unaudited)

	Three months ended December 31, 2019								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (1)	\$ 4	\$ (2)	\$ 2	\$ (96)	\$ 29	\$ (67)	\$ (92)	\$ 27	\$ (65)
Public equity (1):									
Realized gains (losses) on sales	(18)	4	(14)	—	—	—	(18)	4	(14)
Mark-to-market	37	(7)	30	—	—	—	37	(7)	30
Private equity:									
Realized gains (losses) on sales	(1)	—	(1)	—	—	—	(1)	—	(1)
Mark-to-market	222	(10)	212	—	—	—	222	(10)	212
Total investment portfolio	244	(15)	229	(96)	29	(67)	148	14	162
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (2)	4	—	4	—	—	—	4	—	4
Foreign exchange	(79)	13	(66)	156	21	177	77	34	111
Partially-owned entities (3)	4	—	4	(3)	—	(3)	1	—	1
Other (4)	(1)	—	(1)	(14)	5	(9)	(15)	5	(10)
Net gains (losses)	<u>\$ 172</u>	<u>\$ (2)</u>	<u>\$ 170</u>	<u>\$ 43</u>	<u>\$ 55</u>	<u>\$ 98</u>	<u>\$ 215</u>	<u>\$ 53</u>	<u>\$ 268</u>

- (1) The quarter includes pre-tax realized losses on derivatives of: \$8 million in fixed income and \$19 million in public equity. Other-than-temporary impairments for the quarter in realized losses were \$8 million pre-tax for fixed maturities.
- (2) The quarter includes \$49 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (3) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.
- (4) Other unrealized gains (losses) are primarily related to the company's postretirement programs.

	Three months ended December 31, 2018								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (5)	\$ (313)	\$ 21	\$ (292)	\$ (75)	\$ (42)	\$ (117)	\$ (388)	\$ (21)	\$ (409)
Public equity:									
Realized gains (losses) on sales	9	(1)	8	—	—	—	9	(1)	8
Mark-to-market	(88)	17	(71)	—	—	—	(88)	17	(71)
Private equity:									
Realized gains (losses) on sales	120	—	120	—	—	—	120	—	120
Mark-to-market	(19)	(12)	(31)	—	—	—	(19)	(12)	(31)
Total investment portfolio	(291)	25	(266)	(75)	(42)	(117)	(366)	(17)	(383)
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (6)	(263)	—	(263)	—	—	—	(263)	—	(263)
Foreign exchange	29	(11)	18	(143)	30	(113)	(114)	19	(95)
Partially-owned entities (7)	8	—	8	—	—	—	8	—	8
Other (8)	(26)	6	(20)	(260)	55	(205)	(286)	61	(225)
Net gains (losses)	<u>\$ (543)</u>	<u>\$ 20</u>	<u>\$ (523)</u>	<u>\$ (478)</u>	<u>\$ 43</u>	<u>\$ (435)</u>	<u>\$ (1,021)</u>	<u>\$ 63</u>	<u>\$ (958)</u>

- (5) The quarter includes \$153 million pre-tax realized losses on fixed income derivatives. Other-than-temporary impairments for the quarter in realized losses were \$33 million pre-tax for fixed maturities.
- (6) The quarter includes \$118 million of gains on applicable hedges. These gains are both pre-tax and after-tax.
- (7) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.
- (8) Other realized losses, pre-tax, primarily includes \$23 million related to impairment of fixed assets. Other unrealized gains (losses) are primarily related to the company's post-retirement programs.

Chubb Limited
Net Realized and Unrealized Gains (Losses)
(in millions of U.S. dollars)
(Unaudited)

	Year ended December 31, 2019								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (1)	\$ (413)	\$ 8	\$ (405)	\$ 3,738	\$ (647)	\$ 3,091	\$ 3,325	\$ (639)	\$ 2,686
Public equity (1):									
Realized gains (losses) on sales	5	(1)	4	—	—	—	5	(1)	4
Mark-to-market	46	(10)	36	—	—	—	46	(10)	36
Private equity:									
Realized gains (losses) on sales	(5)	—	(5)	—	—	—	(5)	—	(5)
Mark-to-market	449	(10)	439	—	—	—	449	(10)	439
Total investment portfolio	82	(13)	69	3,738	(647)	3,091	3,820	(660)	3,160
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (2)	(142)	—	(142)	—	—	—	(142)	—	(142)
Foreign exchange	7	(1)	6	13	24	37	20	23	43
Partially-owned entities (3)	19	(1)	18	(3)	—	(3)	16	(1)	15
Other (4)	(5)	—	(5)	(76)	18	(58)	(81)	18	(63)
Net gains (losses)	\$ (39)	\$ (15)	\$ (54)	\$ 3,672	\$ (605)	\$ 3,067	\$ 3,633	\$ (620)	\$ 3,013

- (1) Full year includes pre-tax realized losses on derivatives of: \$382 million in fixed income and \$53 million in public equity. Full year other-than-temporary impairments in realized losses were \$58 million pre-tax for fixed maturities.
- (2) Full year includes \$138 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (3) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.
- (4) Other unrealized gains (losses) are primarily related to the company's postretirement programs.

	Year ended December 31, 2018								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (5)	\$ (377)	\$ 30	\$ (347)	\$ (1,996)	\$ 297	\$ (1,699)	\$ (2,373)	\$ 327	\$ (2,046)
Public equity:									
Realized gains (losses) on sales	70	(13)	57	—	—	—	70	(13)	57
Mark-to-market	(129)	27	(102)	—	—	—	(129)	27	(102)
Private equity:									
Realized gains (losses) on sales	120	—	120	—	—	—	120	—	120
Mark-to-market	298	(36)	262	—	—	—	298	(36)	262
Total investment portfolio	(18)	8	(10)	(1,996)	297	(1,699)	(2,014)	305	(1,709)
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (6)	(252)	—	(252)	—	—	—	(252)	—	(252)
Foreign exchange	131	(31)	100	(802)	35	(767)	(671)	4	(667)
Partially-owned entities (7)	8	—	8	—	—	—	8	—	8
Other (8)	(87)	18	(69)	(321)	67	(254)	(408)	85	(323)
Net gains (losses)	\$ (218)	\$ (5)	\$ (223)	\$ (3,119)	\$ 399	\$ (2,720)	\$ (3,337)	\$ 394	\$ (2,943)

- (5) Full year includes \$75 million pre-tax realized losses on fixed income derivatives. Full year other-than-temporary impairments in realized losses were \$49 million pre-tax for fixed maturities.
- (6) Full year includes \$4 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (7) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.
- (8) Other realized losses, pre-tax, primarily includes \$36 million related to the early redemption of the \$1.0 billion junior subordinated capital securities in April 2018, \$24 million related to lease impairments, and \$23 million related to impairment of fixed assets. Other unrealized gains (losses) are primarily related to the company's post-retirement programs.

Chubb Limited
Debt and Capital
(in millions of U.S. dollars, except ratios)
(Unaudited)

	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018	December 31 2017
Financial Debt:						
Total short-term debt (1)	\$ 1,299	\$ 10	\$ 9	\$ 509	\$ 509	\$ 1,013
Total long-term debt (1) (2)	13,559	13,285	13,371	12,071	12,087	11,556
Total financial debt	\$ 14,858	\$ 13,295	\$ 13,380	\$ 12,580	\$ 12,596	\$ 12,569
Hybrid debt:						
Total trust preferred securities	308	308	308	308	308	308
Total	\$ 15,166	\$ 13,603	\$ 13,688	\$ 12,888	\$ 12,904	\$ 12,877
Capitalization:						
Shareholders' equity	\$ 55,331	\$ 54,572	\$ 53,802	\$ 52,355	\$ 50,312	\$ 51,172
Hybrid debt	308	308	308	308	308	308
Financial debt	14,858	13,295	13,380	12,580	12,596	12,569
Total capitalization	\$ 70,497	\$ 68,175	\$ 67,490	\$ 65,243	\$ 63,216	\$ 64,049
Leverage ratios (based on total capital):						
Hybrid debt	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%
Financial debt	21.1%	19.5%	19.8%	19.3%	19.9%	19.6%
Total hybrid & financial debt	21.5%	20.0%	20.3%	19.8%	20.4%	20.1%

Note: As of December 31, 2019, there was \$0.6 billion usage of credit facilities on a total commitment of \$1.0 billion.

- (1) During Q4 2019, the \$1.3 billion 2.3% senior notes were reclassified to short-term debt.
(2) In December 2019, we issued \$1.6 billion of senior notes in the European market (€700 million at 0.30% due 2024 and €700 million at 0.875% due 2029).

Chubb Limited
Computation of Basic and Diluted Earnings Per Share
(in millions of U.S. dollars, except share and per share data)
(Unaudited)

	Three months ended December 31		Year ended December 31	
	2019	2018	2019	2018
Numerator				
Core operating income to common shares	\$ 1,040	\$ 935	\$ 4,641	\$ 4,407
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(29)	(50)	(140)	(215)
Tax benefit on amortization adjustment	4	8	26	40
Chubb integration expenses, pre-tax	(14)	(20)	(23)	(59)
Tax benefit on Chubb integration expenses	2	5	4	12
Adjusted net realized gains (losses), pre-tax	172	(543)	(39)	(218)
Tax (expense) benefit on adjusted net realized gains (losses)	(2)	20	(15)	(5)
Net income	<u>\$ 1,173</u>	<u>\$ 355</u>	<u>\$ 4,454</u>	<u>\$ 3,962</u>
Rollforward of Common Shares Outstanding				
Shares—beginning of period	453,533,642	461,100,790	459,203,378	463,833,179
Repurchase of shares	(2,024,400)	(2,493,873)	(10,442,238)	(7,719,035)
Shares issued, excluding option exercises	120,831	441,681	1,267,773	2,023,850
Issued for option exercises	341,494	154,780	1,942,654	1,065,384
Shares—end of period	<u>451,971,567</u>	<u>459,203,378</u>	<u>451,971,567</u>	<u>459,203,378</u>
Denominator				
Weighted average shares outstanding (1)	452,714,275	460,636,999	455,910,463	463,629,203
Effect of other dilutive securities	3,222,730	2,783,223	3,004,200	3,173,145
Adj. wtd. avg. shares outstanding and assumed conversions	<u>455,937,005</u>	<u>463,420,222</u>	<u>458,914,663</u>	<u>466,802,348</u>
Basic earnings per share				
Core operating income	\$ 2.30	\$ 2.03	\$ 10.18	\$ 9.51
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.06)	(0.09)	(0.25)	(0.38)
Chubb integration expenses, net of tax	(0.02)	(0.03)	(0.04)	(0.10)
Adjusted net realized gains (losses), net of tax	0.37	(1.14)	(0.12)	(0.48)
Net income	<u>\$ 2.59</u>	<u>\$ 0.77</u>	<u>\$ 9.77</u>	<u>\$ 8.55</u>
Diluted earnings per share				
Core operating income	\$ 2.28	\$ 2.02	\$ 10.11	\$ 9.44
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.06)	(0.09)	(0.25)	(0.37)
Chubb integration expenses, net of tax	(0.02)	(0.03)	(0.04)	(0.10)
Adjusted net realized gains (losses), net of tax	0.37	(1.14)	(0.11)	(0.48)
Net income	<u>\$ 2.57</u>	<u>\$ 0.76</u>	<u>\$ 9.71</u>	<u>\$ 8.49</u>

(1) Includes unvested restricted stock units that are not included in common shares outstanding as the shares are not issued until time of vesting, but are eligible to receive dividends (participating securities).

Chubb Limited
Book Value and Book Value per Common Share
(in millions of U.S. dollars, except share and per share data)
(Unaudited)

Reconciliation of Book Value per Common Share

	December 31 2019	September 30 2019	June 30 2019	March 31 2019	December 31 2018
Shareholders' equity	\$ 55,331	\$ 54,572	\$ 53,802	\$ 52,355	\$ 50,312
Less: goodwill and other intangible assets, net of tax	20,012	20,010	20,170	20,070	20,054
Numerator for tangible book value per share	<u>\$ 35,319</u>	<u>\$ 34,562</u>	<u>\$ 33,632</u>	<u>\$ 32,285</u>	<u>\$ 30,258</u>
Book value—% change over prior quarter	1.4%	1.4%	2.8%	4.1%	-1.2%
Tangible book value—% change over prior quarter	2.2%	2.8%	4.2%	6.7%	-1.8%
Denominator	<u>451,971,567</u>	<u>453,533,642</u>	<u>456,077,819</u>	<u>458,179,205</u>	<u>459,203,378</u>
Book value per common share	\$ 122.42	\$ 120.33	\$ 117.97	\$ 114.27	\$ 109.56
Tangible book value per common share	\$ 78.14	\$ 76.21	\$ 73.74	\$ 70.46	\$ 65.89
Reconciliation of Book Value					
Shareholders' equity, beginning of quarter (1)	\$ 54,572	\$ 53,802	\$ 52,355	\$ 50,300	\$ 50,934
Core operating income	1,040	1,236	1,195	1,170	935
Amortization of fair value adjustment of acquired invested assets and long-term debt	(25)	(24)	(32)	(33)	(42)
Chubb integration expenses	(12)	(2)	(3)	(2)	(15)
Adjusted net realized gains (losses) (2)	170	(119)	(10)	(95)	(523)
Net unrealized gains (losses) on investments	(70)	580	1,019	1,559	(117)
Repurchase of shares	(310)	(478)	(376)	(367)	(318)
Dividend declared on common shares	(340)	(341)	(344)	(335)	(336)
Cumulative translation gains (losses)	177	(185)	(95)	140	(113)
Postretirement benefit liability	(9)	(13)	(15)	(21)	(205)
Other (3)	138	116	108	39	112
	<u>\$ 55,331</u>	<u>\$ 54,572</u>	<u>\$ 53,802</u>	<u>\$ 52,355</u>	<u>\$ 50,312</u>

- (1) January 1, 2019 included a \$12 million after-tax reduction to beginning equity related to the adoption of new accounting guidance on premium amortization of purchased callable debt securities.
- (2) Includes net realized gains (losses) related to unconsolidated entities.
- (3) Other primarily includes proceeds from exercise of stock options and stock compensation, offset by the value of any share cancellations for restricted stock vesting taxes.

Chubb Limited
Non-GAAP Financial Measures
(Unaudited)

Regulation G—Non-GAAP Financial Measures

In presenting our results, we included and discussed certain non-GAAP measures. These non-GAAP measures, which may be defined differently by other companies, are important for an understanding of our overall results of operations and financial condition. However, they should not be viewed as a substitute for measures determined in accordance with generally accepted accounting principles (GAAP).

Throughout this document there are various measures presented on a constant-dollar basis (i.e., excludes the impact of foreign exchange). We believe it is useful to evaluate the trends in our results exclusive of the effect of fluctuations in exchange rates between the U.S. dollar and the currencies in which our international business is transacted, as these exchange rates could fluctuate significantly between periods and distort the analysis of trends. The impact is determined by assuming constant foreign exchange rates between periods by translating prior period results using the same local currency exchange rates as the comparable current period.

Underwriting income is calculated by subtracting adjusted losses and loss expenses, adjusted policy benefits, policy acquisition costs and administrative expenses from net premiums earned. We use underwriting income and operating ratios to monitor the results of our operations without the impact of certain factors, including net investment income, other income (expense), interest expense, amortization expense of purchased intangibles, Chubb integration expense, income tax expense and adjusted net realized gains (losses).

CAY underwriting income excluding catastrophe losses (Cats) is underwriting income adjusted to exclude Cats and prior period development (PPD). We believe it is useful to exclude Cats, as they are not predictable as to timing and amount, and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. We believe the use of these measures enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business.

Segment income (loss) includes underwriting income, adjusted net investment income, other income (expense) – operating, and amortization expense of purchased intangibles.

Adjusted losses and loss expenses include realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing impacts underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations, and therefore realized gains (losses) from these derivatives are reclassified to adjusted losses and loss expenses.

Adjusted policy benefits includes gains and losses from fair value changes in separate account assets, as well as the offsetting movement in separate account liabilities, for purposes of reporting Life Insurance underwriting income. The gains and losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP have been reclassified from Other (income) expense. We view gains and losses from fair value changes in both separate account assets and liabilities as part of the results of our underwriting operations, and therefore these gains and losses are reclassified to adjusted policy benefits.

Adjusted net investment income is net investment income excluding the amortization of the fair value adjustment on acquired invested assets from the acquisition of The Chubb Corporation (Chubb Corp). We believe this measure is meaningful as it highlights the underlying performance of our invested assets and portfolio management in support of our lines of business.

Adjusted interest expense is interest expense excluding the amortization of the fair value adjustment on acquired long-term debt, related to the Chubb Corp acquisition due to the size and complexity of this acquisition.

Other income (expense) – operating excludes from consolidated Other income (expense) the portion of net realized gains and losses related to unconsolidated entities and gains and losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP. Net realized gains (losses) related to unconsolidated entities is excluded from core operating income in order to enhance the understanding of our results of underwriting operations as they are heavily influenced by, and fluctuate in part according to, market conditions. Other income (expense) – operating and net realized gains and losses related to unconsolidated entities are recorded to Other income (expense) in our income statement on a GAAP basis.

P&C underwriting income and P&C combined ratio exclude the Life Insurance segment. P&C loss and loss expense ratio and P&C combined ratio include adjusted losses and loss expenses in the ratio numerator. P&C expense ratio and P&C combined ratio include policy acquisition costs and administrative expenses in the ratio numerator. A reconciliation of combined ratio to P&C combined ratio is provided on pages 33-36.

CAY P&C combined ratio excluding catastrophe losses excludes Cats and PPD from the P&C combined ratio. We exclude Cats as they are not predictable as to timing and amount and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. The combined ratio numerator is adjusted to exclude Cats, net premiums earned adjustments on PPD, prior period expense adjustments and reinstatement premiums on PPD, and the denominator is adjusted to exclude net premiums earned adjustments on PPD and reinstatement premiums on Cats and PPD. In periods where there are adjustments on loss sensitive policies, these adjustments are excluded from PPD and net premiums earned when calculating the ratios. We believe this measure provides a better evaluation of our underwriting performance and enhances the understanding of the trends in our P&C business that may be obscured by these items. This measure is commonly reported among our peer companies and allows for a better comparison.

Expense ratio excluding accident and health (A&H) excludes the impact of our A&H business from our expense ratio. The expense ratio for the A&H business is typically higher than our traditional P&C business, and we believe that this measure provides better comparison to our peer companies that may not have a significant A&H block of business.

Global P&C performance metrics comprise consolidated operating results (including corporate) and exclude the operating results of the company's Life

Insurance and North America Agricultural Insurance segments. We believe that these measures are useful and meaningful to investors as they are used by management to assess the company's global P&C operations which are the most economically similar. We exclude the North America Agricultural Insurance and Life Insurance segments because the results of these businesses do not always correlate with the results of our global P&C operations.

Core operating income, net of tax, excludes from net income, the after-tax impact of adjusted net realized gains (losses), Chubb integration expenses, and the amortization of fair value adjustment of acquired invested assets and long-term debt related to the Chubb Corp acquisition. We believe this presentation enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business. We exclude adjusted net realized gains (losses) because the amount of these gains (losses) are heavily influenced by, and fluctuate in part according to the availability of market opportunities. We exclude the amortization of the fair value adjustments related to purchased invested assets and long-term debt and Chubb integration expenses due to the size and complexity of this acquisition. These integration expenses are distortive to our results and are not indicative of our underlying profitability. We believe that excluding these integration expenses facilitates the comparison of our financial results to our historical operating results. References to core operating income measures mean net of tax, whether or not noted.

Core operating effective tax rate is income tax expense excluding tax expense (benefit) on adjusted net realized gains (losses), tax benefit on amortization of fair value of acquired invested assets and debt, and tax benefit on Chubb integration expenses, divided by income excluding adjusted net realized gains (losses) before tax, amortization of fair value of acquired invested assets and debt before tax, and Chubb integration expenses before tax. We believe the use of this measure is meaningful to show the tax on the underlying performance of our insurance business, by excluding the tax on adjusted net realized gains (losses), the tax on amortization of the fair value adjustments related to purchased invested assets and long-term debt and the tax on Chubb integration expenses. Refer to the definition of core operating income, net of tax above for more information on these adjustments.

Book value per common share, is shareholders' equity divided by the shares outstanding. Tangible book value per common share, is shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding. We believe that goodwill and other intangible assets are not indicative of our underlying insurance results or trends and make book value comparisons to less acquisitive peer companies less meaningful. Book value per common share excluding mark-to-market, excludes unrealized investment gains (losses). Tangible book value per common share excluding mark-to-market, excludes goodwill and other intangible assets, net of tax, as well as unrealized investment gains (losses), net of tax. We exclude unrealized investment gains (losses) because the amount of these gains (losses) is heavily influenced by changes in market conditions, including interest rate changes, and we believe that excluding these gains and losses would highlight the underlying growth in book value and tangible book value.

International life insurance net premiums written and deposits collected includes deposits collected on universal life and investment contracts (life deposits). Life deposits are not reflected as revenues in our consolidated statements of operations in accordance with GAAP. However, we include life deposits in presenting growth in our life insurance business because new life deposits are an important component of production and key to our efforts to grow our business.

Net premiums written adjusted primarily for additional reinsurance is net premiums written in the company's North America Personal P&C Insurance segment, adjusted to exclude the year-over-year net impact for the quarter and full-year of \$(48) million and \$42 million, respectively, of additional reinsurance, reinstatement premiums, and accounting actions. In addition to excluding additional reinsurance and the accounting actions, we exclude the impact of Fireman's Fund non-renewal and unearned premium reserve (UPR) transfer. We believe this measure is meaningful to evaluate trends in the underlying business on a comparable basis.

Chubb Limited
Non-GAAP Financial Measures—2
(in millions of U.S. dollars, except per share data and ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

Core operating effective tax rate

The following table presents the reconciliation of effective tax rate to the Core operating effective tax rate:

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
Tax expense, as reported	\$ 169	\$ 230	\$ 208	\$ 188	\$ 159	\$ 795	\$ 695
Less: tax benefit on amortization of fair value of acquired invested assets and debt	(4)	(8)	(6)	(8)	(8)	(26)	(40)
Less: tax benefit on Chubb integration expenses	(2)	—	(1)	(1)	(5)	(4)	(12)
Less: tax expense (benefit) on adjusted net realized gains (losses)	2	19	(1)	(5)	(20)	15	5
Tax expense, adjusted	\$ 173	\$ 219	\$ 216	\$ 202	\$ 192	\$ 810	\$ 742
Income before tax, as reported	\$ 1,342	\$ 1,321	\$ 1,358	\$ 1,228	\$ 514	\$ 5,249	\$ 4,657
Less: amortization of fair value of acquired invested assets and debt	(29)	(32)	(38)	(41)	(50)	(140)	(215)
Less: Chubb integration expenses	(14)	(2)	(4)	(3)	(20)	(23)	(59)
Less: adjusted realized gains (losses)	(55)	(141)	(230)	(96)	(682)	(522)	(649)
Less: realized gains (losses) related to unconsolidated entities	227	41	219	(4)	139	483	431
Core operating income before tax	\$ 1,213	\$ 1,455	\$ 1,411	\$ 1,372	\$ 1,127	\$ 5,451	\$ 5,149
Effective tax rate	12.6%	17.4%	15.3%	15.3%	31.1%	15.1%	14.9%
Adjustment for tax impact of amortization of fair value of acquired invested assets and debt	0.0%	0.2%	0.1%	0.1%	0.0%	0.1%	0.2%
Adjustment for tax impact of Chubb integration expenses	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%
Adjustment for tax impact of adjusted net realized gains (losses)	1.6%	-2.5%	-0.1%	-0.7%	-14.1%	-0.3%	-0.8%
Core operating effective tax rate	14.2%	15.1%	15.3%	14.7%	17.1%	14.9%	14.4%

Core operating income

The following table presents the reconciliation of Net income to Core operating income:

	4Q-19	3Q-19	2Q-19	1Q-19	4Q-18	Full Year 2019	Full Year 2018
Net income, as reported	\$ 1,173	\$ 1,091	\$ 1,150	\$ 1,040	\$ 355	\$ 4,454	\$ 3,962
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(29)	(32)	(38)	(41)	(50)	(140)	(215)
Tax benefit on amortization adjustment	4	8	6	8	8	26	40
Chubb integration expenses, pre-tax	(14)	(2)	(4)	(3)	(20)	(23)	(59)
Tax benefit on Chubb integration expenses	2	—	1	1	5	4	12
Adjusted realized gains (losses), pre-tax	(55)	(141)	(230)	(96)	(682)	(522)	(649)
Net realized gains (losses) related to unconsolidated entities, pre-tax (1)	227	41	219	(4)	139	483	431
Tax (expense) benefit on adjusted net realized gains (losses)	(2)	(19)	1	5	20	(15)	(5)
Core operating income	\$ 1,040	\$ 1,236	\$ 1,195	\$ 1,170	\$ 935	\$ 4,641	\$ 4,407
Catastrophe losses—after-tax	\$ 353	\$ 191	\$ 221	\$ 201	\$ 506	\$ 966	\$ 1,354
Favorable prior period development (PPD)—after-tax	\$ (199)	\$ (112)	\$ (152)	\$ (161)	\$ (202)	\$ (624)	\$ (706)
Core operating income per share	\$ 2.28	\$ 2.70	\$ 2.60	\$ 2.54	\$ 2.02	\$ 10.11	\$ 9.44
Impact of Cats on Core operating income per share—Unfavorable	\$ (0.77)	\$ (0.41)	\$ (0.48)	\$ (0.43)	\$ (1.09)	\$ (2.11)	\$ (2.90)
Impact of PPD on Core operating income per share—Favorable	\$ 0.43	\$ 0.24	\$ 0.33	\$ 0.35	\$ 0.43	\$ 1.36	\$ 1.51
Impact of Cats and PPD on Core operating income per share—Unfavorable	\$ (0.34)	\$ (0.17)	\$ (0.15)	\$ (0.08)	\$ (0.66)	\$ (0.75)	\$ (1.39)

(1) Realized gains (losses) on partially-owned entities, which are investments where we hold more than an insignificant percentage of the investee's shares. The net income or loss is included in other income (expense).

Chubb Limited
Non-GAAP Financial Measures—3
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

Core operating ROE

Core operating return on equity (ROE) and Core operating return on tangible equity (ROTE) are annualized non-GAAP financial measures. The numerator includes core operating income, net of tax. The denominator includes the average shareholders' equity for the period adjusted to exclude unrealized gains (losses) on investments, net of tax. For the ROTE calculation, the denominator is also adjusted to exclude goodwill and other intangible assets, net of tax. These measures enhances the understanding of the return on shareholders' equity by highlighting the underlying profitability relative to shareholders' equity and tangible equity excluding the effect of unrealized gains and losses on our investments.

	4Q-19	4Q-18	Full Year 2019	Full Year 2018
Net income	\$ 1,173	\$ 355	\$ 4,454	\$ 3,962
Core operating income	\$ 1,040	\$ 935	\$ 4,641	\$ 4,407
Equity—beginning of period, as reported (1)	\$ 54,572	\$ 50,934	\$ 50,300	\$ 51,172
Less: unrealized gains (losses) on investments, net of deferred tax	2,613	(428)	(545)	1,154
Equity—beginning of period, as adjusted	\$ 51,959	\$ 51,362	\$ 50,845	\$ 50,018
Less: goodwill and other intangible assets, net of tax	\$ 20,010	\$ 20,121	\$ 20,054	\$ 20,621
Equity—beginning of period, as adjusted ex goodwill and other intangible assets	\$ 31,949	\$ 31,241	\$ 30,791	\$ 29,397
Equity—end of period, as reported	\$ 55,331	\$ 50,312	\$ 55,331	\$ 50,312
Less: unrealized gains (losses) on investments, net of deferred tax	2,543	(545)	2,543	(545)
Equity—end of period, as adjusted	\$ 52,788	\$ 50,857	\$ 52,788	\$ 50,857
Less: goodwill and other intangible assets, net of tax	20,012	20,054	20,012	20,054
Equity—end of period, as adjusted ex goodwill and other intangible assets	\$ 32,776	\$ 30,803	\$ 32,776	\$ 30,803
Weighted average equity, as reported	\$ 54,952	\$ 50,623	\$ 52,816	\$ 50,742
Weighted average equity, as adjusted	\$ 52,374	\$ 51,110	\$ 51,817	\$ 50,438
Weighted average equity, as adjusted ex goodwill and other intangible assets	\$ 32,363	\$ 31,022	\$ 31,784	\$ 30,100
ROE	8.5%	2.8%	8.4%	7.8%
Core operating ROE	7.9%	7.3%	9.0%	8.7%
Core operating ROTE	12.8%	12.1%	14.6%	14.6%
Private equities realized gains (losses), after-tax (2)	\$ 211	\$ 89	\$ 434	\$ 382
Impact of Private equities if included in Core operating ROE - Favorable (2)	1.7 pts	0.7 pt	0.8 pt	0.8 pt

Reconciliation of Book Value and Tangible Book Value per Share, excluding mark-to-market

	December 31 2019	December 31 2018	% Change
Book value	\$ 55,331	\$ 50,312	
Less: unrealized gains (losses) on investments, net of deferred tax	2,543	(545)	
Book value excluding mark-to-market	52,788	50,857	
Less: goodwill and other intangible assets, net of tax	20,012	20,054	
Tangible book value excluding mark-to-market	\$ 32,776	\$ 30,803	
Denominator	451,971,567	459,203,378	
Book value per share excluding mark-to-market	\$ 116.80	\$ 110.75	5.5%
Tangible book value per share excluding mark-to-market	\$ 72.52	\$ 67.08	8.1%

- (1) January 1, 2019 included a \$12 million after-tax reduction to beginning equity related to the adoption of new accounting guidance on premium amortization of purchased callable debt securities.
- (2) We record the change in the fair value mark and gains (losses) on sales of private equity funds as realized gains (losses) instead of investment income.

Chubb Limited
Non-GAAP Financial Measures—4
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

P&C combined ratio

The P&C combined ratio includes the impact of realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing will impact underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations.

The following tables present the calculation of combined ratio, as reported, for each segment to P&C combined ratio, adjusted for catastrophe losses (Cats) and prior period development (PPD).

		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Q4 2019								
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 1,968	\$ 865	\$ 453	\$ 1,221	\$ 107	\$ 75	\$4,689
Realized (gains) losses on crop derivatives		—	—	—	—	—	—	—
Adjusted losses and loss expenses	A	\$ 1,968	\$ 865	\$ 453	\$ 1,221	\$ 107	\$ 75	\$4,689
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(102)	(225)	(1)	(87)	(15)	—	(430)
Reinstatement premiums collected (expensed) on catastrophe losses		—	(11)	—	(4)	1	—	(14)
Catastrophe losses, gross of related adjustments		(102)	(214)	(1)	(83)	(16)	—	(416)
PPD and related adjustments								
PPD, net of related adjustments—favorable (unfavorable)		224	7	37	43	(4)	(74)	233
Net premiums earned adjustments on PPD—unfavorable (favorable)		—	—	4	—	—	—	4
Expense adjustments—unfavorable (favorable)		—	—	(10)	—	—	—	(10)
PPD reinstatement premiums—unfavorable (favorable)		—	—	—	—	(1)	—	(1)
PPD, gross of related adjustments—favorable (unfavorable)		224	7	31	43	(5)	(74)	226
CAY loss and loss expense ex Cats	B	\$ 2,090	\$ 658	\$ 483	\$ 1,181	\$ 86	\$ 1	\$4,499
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 727	\$ 315	\$ (9)	\$ 908	\$ 51	\$ 108	\$2,100
Expense adjustments—favorable (unfavorable)		—	—	10	—	—	—	10
Policy acquisition costs and administrative expenses, adjusted	D	\$ 727	\$ 315	\$ 1	\$ 908	\$ 51	\$ 108	\$2,110
Denominator								
Net premiums earned	E	\$ 3,262	\$ 1,185	\$ 421	\$ 2,287	\$ 167		\$7,322
Reinstatement premiums (collected) expensed on catastrophe losses		—	11	—	4	(1)		14
Net premiums earned adjustments on PPD—unfavorable (favorable)		—	—	4	—	—		4
PPD reinstatement premiums—unfavorable (favorable)		—	—	—	—	(1)		(1)
Net premiums earned excluding adjustments	F	\$ 3,262	\$ 1,196	\$ 425	\$ 2,291	\$ 165		\$7,339
P&C combined ratio								
Loss and loss expense ratio	A/E	60.3%	73.0%	107.6%	53.3%	64.2%		64.0%
Policy acquisition cost and administrative expense ratio	C/E	22.3%	26.6%	-2.2%	39.8%	30.4%		28.7%
P&C combined ratio		82.6%	99.6%	105.4%	93.1%	94.6%		92.7%
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	64.0%	55.1%	113.6%	51.5%	52.5%		61.3%

Policy acquisition cost and administrative expense ratio, adjusted	D/F	22.4%	26.3%	0.3%	39.7%	30.8%	28.7%
CAY P&C combined ratio ex Cats		<u>86.4%</u>	<u>81.4%</u>	<u>113.9%</u>	<u>91.2%</u>	<u>83.3%</u>	<u>90.0%</u>
Combined ratio							
Combined ratio							92.7%
Add: impact of gains and losses on crop derivatives							<u>0.0%</u>
P&C combined ratio							<u>92.7%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Non-GAAP Financial Measures—5
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

Full Year 2019		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 8,206	\$ 3,043	\$ 1,608	\$ 4,606	\$ 352	\$ 158	\$17,973
Realized (gains) losses on crop derivatives		—	—	8	—	—	—	8
Adjusted losses and loss expenses	A	\$ 8,206	\$ 3,043	\$ 1,616	\$ 4,606	\$ 352	\$ 158	\$17,981
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(421)	(554)	(8)	(156)	(48)	—	(1,187)
Reinstatement premiums collected (expensed) on catastrophe losses		—	(11)	—	(4)	3	—	(12)
Catastrophe losses, gross of related adjustments		(421)	(543)	(8)	(152)	(51)	—	(1,175)
PPD and related adjustments								
PPD, net of related adjustments—favorable (unfavorable)		649	95	80	92	29	(153)	792
Net premiums earned adjustments on PPD—unfavorable (favorable)		38	—	36	—	1	—	75
Expense adjustments—unfavorable (favorable)		(3)	—	(13)	—	(1)	—	(17)
PPD reinstatement premiums—unfavorable (favorable)		(1)	(4)	—	1	(1)	—	(5)
PPD, gross of related adjustments—favorable (unfavorable)		683	91	103	93	28	(153)	845
CAY loss and loss expense ex Cats	B	\$ 8,468	\$ 2,591	\$ 1,711	\$ 4,547	\$ 329	\$ 5	\$17,651
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 2,859	\$ 1,234	\$ 90	\$ 3,534	\$ 204	\$ 319	\$ 8,240
Expense adjustments—favorable (unfavorable)		3	—	13	—	1	—	17
Policy acquisition costs and administrative expenses, adjusted	D	\$ 2,862	\$ 1,234	\$ 103	\$ 3,534	\$ 205	\$ 319	\$ 8,257
Denominator								
Net premiums earned	E	\$ 12,922	\$ 4,694	\$ 1,795	\$ 8,882	\$ 654		\$28,947
Reinstatement premiums (collected) expensed on catastrophe losses		—	11	—	4	(3)		12
Net premiums earned adjustments on PPD—unfavorable (favorable)		38	—	36	—	1		75
PPD reinstatement premiums—unfavorable (favorable)		(1)	(4)	—	1	(1)		(5)
Net premiums earned excluding adjustments	F	\$ 12,959	\$ 4,701	\$ 1,831	\$ 8,887	\$ 651		\$29,029
P&C combined ratio								
Loss and loss expense ratio	A/E	63.5%	64.8%	90.1%	51.9%	53.9%		62.1%
Policy acquisition cost and administrative expense ratio	C/E	22.1%	26.3%	5.0%	39.7%	31.1%		28.5%
P&C combined ratio		85.6%	91.1%	95.1%	91.6%	85.0%		90.6%
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	65.3%	55.1%	93.5%	51.2%	50.6%		60.8%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	22.1%	26.3%	5.6%	39.7%	31.5%		28.4%
CAY P&C combined ratio ex Cats		87.4%	81.4%	99.1%	90.9%	82.1%		89.2%
Combined ratio								
Combined ratio								90.6%

Add: impact of gains and losses on crop derivatives	0.0%
P&C combined ratio	<u>90.6%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Non-GAAP Financial Measures—6
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

Q4 2018		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 2,127	\$ 755	\$ 156	\$ 1,166	\$ 243	\$ (19)	\$ 4,428
Realized (gains) losses on crop derivatives		—	—	5	—	—	—	5
Adjusted losses and loss expenses	A	<u>\$ 2,127</u>	<u>\$ 755</u>	<u>\$ 161</u>	<u>\$ 1,166</u>	<u>\$ 243</u>	<u>\$ (19)</u>	<u>\$ 4,433</u>
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(232)	(116)	(10)	(85)	(142)	—	(585)
Reinstatement premiums collected (expensed) on catastrophe losses		—	(26)	—	—	18	—	(8)
Catastrophe losses, gross of related adjustments		<u>(232)</u>	<u>(90)</u>	<u>(10)</u>	<u>(85)</u>	<u>(160)</u>	<u>—</u>	<u>(577)</u>
PPD and related adjustments								
PPD, net of related adjustments—favorable (unfavorable)		138	18	33	46	(4)	22	253
Net premiums earned adjustments on PPD—unfavorable (favorable)		—	—	—	—	1	—	1
Expense adjustments—unfavorable (favorable)		—	—	(6)	—	—	—	(6)
PPD reinstatement premiums—unfavorable (favorable)		2	—	—	2	—	—	4
PPD, gross of related adjustments—favorable (unfavorable)		<u>140</u>	<u>18</u>	<u>27</u>	<u>48</u>	<u>(3)</u>	<u>22</u>	<u>252</u>
CAY loss and loss expense ex Cats	B	<u>\$ 2,035</u>	<u>\$ 683</u>	<u>\$ 178</u>	<u>\$ 1,129</u>	<u>\$ 80</u>	<u>\$ 3</u>	<u>\$ 4,108</u>
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 682	\$ 305	\$ (4)	\$ 849	\$ 54	\$ 95	\$ 1,981
Expense adjustments—favorable (unfavorable)		—	—	6	—	—	—	6
Policy acquisition costs and administrative expenses, adjusted	D	<u>\$ 682</u>	<u>\$ 305</u>	<u>\$ 2</u>	<u>\$ 849</u>	<u>\$ 54</u>	<u>\$ 95</u>	<u>\$ 1,987</u>
Denominator								
Net premiums earned	E	\$ 3,077	\$ 1,130	\$ 318	\$ 2,187	\$ 178		\$ 6,890
Reinstatement premiums (collected) expensed on catastrophe losses		—	26	—	—	(18)		8
Net premiums earned adjustments on PPD—unfavorable (favorable)		—	—	—	—	1		1
PPD reinstatement premiums—unfavorable (favorable)		2	—	—	2	—		4
Net premiums earned excluding adjustments	F	<u>\$ 3,079</u>	<u>\$ 1,156</u>	<u>\$ 318</u>	<u>\$ 2,189</u>	<u>\$ 161</u>		<u>\$ 6,903</u>
P&C combined ratio								
Loss and loss expense ratio	A/E	69.1%	66.8%	50.7%	53.3%	137.1%		64.3%
Policy acquisition cost and administrative expense ratio	C/E	22.2%	27.0%	-1.2%	38.8%	29.8%		28.8%
P&C combined ratio		<u>91.3%</u>	<u>93.8%</u>	<u>49.5%</u>	<u>92.1%</u>	<u>166.9%</u>		<u>93.1%</u>
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	66.1%	59.1%	56.0%	51.6%	50.1%		59.5%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	22.1%	26.4%	0.8%	38.8%	33.1%		28.8%
CAY P&C combined ratio ex Cats		<u>88.2%</u>	<u>85.5%</u>	<u>56.8%</u>	<u>90.4%</u>	<u>83.2%</u>		<u>88.3%</u>
Combined ratio								
Combined ratio								93.0%

Add: impact of gains and losses on crop derivatives	0.1%
P&C combined ratio	<u>93.1%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Non-GAAP Financial Measures—7
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G—Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

Full Year 2018		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 8,000	\$ 3,229	\$ 1,111	\$ 4,429	\$ 479	\$ 53	\$17,301
Realized (gains) losses on crop derivatives		—	—	3	—	—	—	3
Adjusted losses and loss expenses	A	\$ 8,000	\$ 3,229	\$ 1,114	\$ 4,429	\$ 479	\$ 53	\$17,304
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(579)	(637)	(21)	(206)	(183)	—	(1,626)
Reinstatement premiums collected (expensed) on catastrophe losses		—	(26)	—	—	22	—	(4)
Catastrophe losses, gross of related adjustments		(579)	(611)	(21)	(206)	(205)	—	(1,622)
PPD and related adjustments								
PPD, net of related adjustments—favorable (unfavorable)		610	(41)	110	212	50	(45)	896
Net premiums earned adjustments on PPD—unfavorable (favorable)		29	—	40	—	8	—	77
Expense adjustments—unfavorable (favorable)		7	—	(10)	—	(1)	—	(4)
PPD reinstatement premiums—unfavorable (favorable)		7	1	—	4	—	—	12
PPD, gross of related adjustments—favorable (unfavorable)		653	(40)	140	216	57	(45)	981
CAY loss and loss expense ex Cats	B	\$ 8,074	\$ 2,578	\$ 1,233	\$ 4,439	\$ 331	\$ 8	\$16,663
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 2,795	\$ 1,208	\$ 70	\$ 3,360	\$ 203	\$ 295	\$ 7,931
Expense adjustments—favorable (unfavorable)		(7)	—	10	—	1	—	4
Policy acquisition costs and administrative expenses, adjusted	D	\$ 2,788	\$ 1,208	\$ 80	\$ 3,360	\$ 204	\$ 295	\$ 7,935
Denominator								
Net premiums earned	E	\$ 12,402	\$ 4,593	\$ 1,569	\$ 8,612	\$ 670		\$27,846
Reinstatement premiums (collected) expensed on catastrophe losses		—	26	—	—	(22)		4
Net premiums earned adjustments on PPD—unfavorable (favorable)		29	—	40	—	8		77
PPD reinstatement premiums—unfavorable (favorable)		7	1	—	4	—		12
Net premiums earned excluding adjustments	F	\$ 12,438	\$ 4,620	\$ 1,609	\$ 8,616	\$ 656		\$27,939
P&C combined ratio								
Loss and loss expense ratio	A/E	64.5%	70.3%	71.0%	51.4%	71.6%		62.1%
Policy acquisition cost and administrative expense ratio	C/E	22.5%	26.3%	4.5%	39.0%	30.2%		28.5%
P&C combined ratio		87.0%	96.6%	75.5%	90.4%	101.8%		90.6%
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	64.9%	55.8%	76.7%	51.5%	50.5%		59.6%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	22.4%	26.1%	4.9%	39.0%	31.1%		28.4%
CAY P&C combined ratio ex Cats		87.3%	81.9%	81.6%	90.5%	81.6%		88.0%
Combined ratio								
Combined ratio								90.6%

Add: impact of gains and losses on crop derivatives	0.0%
P&C combined ratio	<u>90.6%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Glossary

Chubb Limited Consolidated comprises all segments including Corporate.

P&C combined ratio: The sum of the loss and loss expense ratio, acquisition cost ratio and the administrative expense ratio excluding the life business and including the realized gains and losses on the crop derivatives.

Book value per common share: Shareholders' equity divided by the shares outstanding.

Tangible book value per common share: Shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding.

Average market yield of fixed maturities: Weighted average yield to maturity of our fixed income portfolio based on the market prices of the holdings as of that date.

Average yield on invested assets: Adjusted net investment income divided by average cost of fixed maturities and other investments, and average market value of equity securities.

Total capitalization: The sum of the short-term debt, long-term debt, trust preferreds, and shareholders' equity.

Chubb integration expenses: Chubb integration expenses comprise legal and professional fees and all other costs directly related to the integration activities of the Chubb Corp acquisition. Chubb integration expenses are incurred by the overall company and are therefore included in Corporate. These costs are not related to the on-going business activities of the segments and are therefore excluded from our definition of segment income.

Catastrophe losses (Cats): We generally define catastrophe loss events consistent with the definition of the Property Claims Service (PCS) for events in the U.S. and Canada. PCS defines a catastrophe as an event that causes damage of \$25 million or more in insured property losses and affects a significant number of insureds. For events outside of the U.S. and Canada, we generally use a similar definition. Catastrophe loss events are events that occurred in the current calendar year only. Changes in catastrophe loss estimates in the current calendar year that relate to loss events that occurred in previous calendar years are considered prior period development.

Prior period development (PPD) arises from changes to loss estimates recognized in the current year that relate to loss events that occurred in previous calendar years and excludes the effect of losses from the development of earned premium from previous accident years.

Reinstatement premiums are additional premiums paid on certain reinsurance agreements in order to reinstate coverage that had been exhausted by loss occurrences. The reinstatement premium amount is typically a pro rata portion of the original ceded premium paid based on how much of the reinsurance limit had been exhausted.

Net premiums earned adjustments within prior period development are adjustments to the initial premium earned on retrospectively rated policies based on actual claim experience that develops after the policy period ends. The premium adjustments correlate to the prior period loss development on these same policies and are fully earned in the period the adjustments are recorded.

Prior period expense adjustments typically relate to either profit commission reserves or policyholder dividend reserves based on actual claim experience that develops after the policy period ends. The expense adjustments correlate to the prior period loss development on these same policies.

NM: Not meaningful.