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

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported) – April 30, 2019**

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**Chubb Limited**

(Exact name of registrant as specified in its charter)

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**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)

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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))

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.

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**Item 2.02. Results of Operations and Financial Condition**

On April 30, 2019, Chubb Limited issued a Press Release reporting its first quarter 2019 results and the availability of its first quarter 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	<a href="#">Press Release, Dated April 30, 2019, Reporting First Quarter 2019 Results</a>
99.2	<a href="#">First Quarter 2019 Financial Supplement</a>

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**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: April 30, 2019



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 Switzerland

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## News Release

### **Chubb Reports First Quarter Net Income Per Share of \$2.25 and Core Operating Income Per Share of \$2.54, Up 8.5%; Consolidated Net Premiums Written of \$7.3 Billion, Up 2.9%, or 5.1% in Constant Dollars; P&C Combined Ratio of 89.2%**

- Net income was \$1.0 billion. Core operating income was \$1.2 billion, up 6.7%. On a constant-dollar basis, core operating income was up 9.0%, or 10.9% on a per share basis.
- P&C underwriting income was \$712 million, up 10.9%, or 14.5% in constant dollars, and Global P&C underwriting income was \$639 million, up 18.4%, or 23.0% in constant dollars.
- P&C net premiums written were \$6.7 billion, up 2.9%, or 5.1% in constant dollars.
- P&C combined ratio was 89.2% compared with 90.1% prior year. P&C current accident year combined ratio excluding catastrophe losses was 88.5% compared with 87.6% prior year.
- Pre-tax catastrophe losses were \$250 million, or \$201 million after-tax, in the quarter, compared with \$380 million, or \$303 million after-tax, prior year.
- Net investment income was \$836 million pre-tax, and adjusted net investment income was \$882 million pre-tax, in line with previous guidance.
- Annualized ROE and core operating ROE were 8.1% and 9.2%, respectively. Annualized core operating return on tangible equity was 15.1%.
- Book and tangible book value per share were up 4.3% and 6.9%, respectively, in the quarter.

**ZURICH – April 30, 2019** – Chubb Limited (NYSE: CB) today reported net income for the quarter ended March 31, 2019 of \$1,040 million, or \$2.25 per share, compared with \$1,082 million, or \$2.30 per share, for the same quarter last year. Core operating income was \$1,170 million, or \$2.54 per share, compared with \$1,097 million, or \$2.34 per share, for the same quarter last year. The property and casualty (P&C) combined ratio was 89.2%. Book and tangible book value per share increased 4.3% and 6.9%, respectively, from December 31, 2018 and now stand at \$114.27 and \$70.46, respectively. Book and tangible book value per share were favorably impacted by net realized and unrealized gains of \$1,402 million after-tax in the company's investment portfolio, principally driven by a decline in interest rates.

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

				<b>(Per Share - Diluted)</b>		
	<b>2019</b>	<b>2018</b>	<b>Change</b>	<b>2019</b>	<b>2018</b>	<b>Change</b>
Net income	\$1,040	\$1,082	(3.9)%	\$2.25	\$2.30	(2.2)%
Chubb integration expenses, net of tax	2	8	(75.0)%	0.01	0.02	(50.0)%
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	33	50	(34.0)%	0.07	0.11	(36.4)%
Adjusted net realized (gains) losses, net of tax	95	(43)	NM	0.21	(0.09)	NM
Core operating income, net of tax	\$1,170	\$1,097	6.7%	\$2.54	\$2.34	8.5%

*For the three months ended March 31, 2019 and 2018, the tax expenses (benefits) related to the table above were \$(1) million and \$(2) million, respectively, for Chubb integration expenses; \$(8) million and \$(9) million, respectively, for amortization of fair value adjustment of acquired invested assets and long-term debt; \$(5) million and \$(3) million, respectively, for adjusted net realized gains and losses; and \$202 million and \$149 million, respectively, for core operating income.*

Evan G. Greenberg, Chairman and Chief Executive Officer of Chubb Limited, commented: “Chubb had a very good first quarter with core operating income per share of \$2.54, up 8.5% from prior year. Our underwriting results were highlighted by a P&C combined ratio of 89.2%. We grew premiums globally over 5% in constant dollars and took advantage of an improved pricing environment. In fact, in U.S. commercial lines, London wholesale and certain other international markets, it is the best we have seen in a number of years. Shareholder returns were quite strong with book and tangible book value per share growth of 4.3% and 6.9% and core operating and tangible ROE of 9.2% and 15.1%, respectively.

“Commercial P&C net premiums in North America were up 5% in the quarter, and in our international operations premiums were up 6% in constant dollars. Growth was broad-based across many of our businesses and territories.

“As announced in the quarter, following government approval, we are increasing our ownership stake in Huatai Insurance Group in China, which converts the company to a foreign invested enterprise and is a major milestone on the path to our goal of majority ownership. In the quarter, we also signed a 15-year exclusive distribution agreement with Banco de Chile. Initiatives such as these add to our global presence and position us to grow well into the future.”

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

**Chubb Limited**

(in millions of U.S. dollars except for percentages)

	Q1 2019	Q1 2018	Change
<b>P&amp;C</b>			
Net premiums written (increase of 5.1% in constant dollars)	\$ 6,734	\$ 6,545	2.9%
Underwriting income	\$ 712	\$ 642	10.9%
Combined ratio	89.2%	90.1%	
Current accident year underwriting income excluding catastrophe losses	\$ 758	\$ 813	(6.8)%
Current accident year combined ratio excluding catastrophe losses	88.5%	87.6%	

**Global P&C (excludes Agriculture)**

Net premiums written (increase of 4.8% in constant dollars)	\$ 6,604	\$ 6,437	2.6%
Underwriting income	\$ 639	\$ 540	18.4%
Combined ratio	90.2%	91.6%	
Current accident year underwriting income excluding catastrophe losses	\$ 744	\$ 786	(5.4)%
Current accident year combined ratio excluding catastrophe losses	88.6%	87.8%	

**North America Agricultural Insurance**

Net premiums written	\$ 130	\$ 108	19.9%
Current accident year combined ratio excluding catastrophe losses	83.9%	67.7%	

- Net premiums earned increased 1.6%, or 3.6% in constant dollars.
- Total pre-tax and after-tax catastrophe losses were \$250 million (3.8 percentage points of the combined ratio) and \$201 million, respectively, compared with \$380 million (5.8 percentage points of the combined ratio) and \$303 million, respectively, last year.
- Total pre-tax and after-tax favorable prior period development were \$204 million (3.1 percentage points of the combined ratio) and \$161 million, respectively, compared with \$209 million (3.3 percentage points of the combined ratio) and \$166 million, respectively, last year.
- Net investment income was \$836 million pre-tax, up 3.7%, and adjusted net investment income was \$882 million pre-tax, up 0.6%.
- Operating cash flow was \$1.3 billion.
- Share repurchases totaled \$367 million during the quarter at an average purchase price of \$133.28 per share.
- Net loss reserves increased \$39 million. The underlying increase in loss reserves was mostly offset by catastrophe loss payments, the seasonality in the company's crop insurance business and favorable prior period reserve development in the quarter.
- Book and tangible book value per share were favorably impacted by net realized and unrealized gains of \$1,402 million after-tax in the company's investment portfolio as noted above and realized gains of \$51 million after-tax in the company's variable annuity reinsurance business. In addition, foreign currency movement in the quarter, reflecting the weakening of the U.S. dollar against most major currencies, favorably impacted book value by \$150 million after-tax and tangible book value by \$78 million after-tax.

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

**Chubb Limited**

(in millions of U.S. dollars except for percentages)

	Q1 2019	Q1 2018	Change
<b><u>Total North America P&amp;C Insurance</u></b>			
Net premiums written	\$ 4,137	\$ 3,968	4.3%
Combined ratio	86.4%	88.8%	
Current accident year combined ratio excluding catastrophe losses	86.0%	84.7%	
<b><u>North America Commercial P&amp;C Insurance</u></b>			
Net premiums written:	\$ 2,951	\$ 2,812	5.0%
Major accounts retail and excess and surplus (E&S) wholesale	\$ 1,703	\$ 1,638	4.0%
Middle market and small commercial	\$ 1,248	\$ 1,174	6.3%
Combined ratio	86.6%	86.2%	
Current accident year combined ratio excluding catastrophe losses	87.8%	87.0%	
<b><u>North America Personal P&amp;C Insurance</u></b>			
Net premiums written	\$ 1,056	\$ 1,048	0.8%
Net premiums written adjusted primarily for additional reinsurance			2.6%
Combined ratio	91.5%	104.2%	
Current accident year combined ratio excluding catastrophe losses	81.1%	79.7%	
<b><u>North America Agricultural Insurance</u></b>			
Net premiums written	\$ 130	\$ 108	19.9%
Current accident year combined ratio excluding catastrophe losses	83.9%	67.7%	
<b><u>Overseas General Insurance</u></b>			
Net premiums written	\$ 2,395	\$ 2,384	0.4%
Net premiums written in constant dollars			6.0%
Combined ratio	92.3%	90.4%	
Current accident year combined ratio excluding catastrophe losses	91.3%	90.7%	

- North America Agricultural Insurance: Underwriting income of \$73 million in the quarter included \$61 million of favorable prior period development. The current accident year combined ratio excluding catastrophe losses was 83.9%, compared with 67.7% prior year, principally due to lower favorable expense adjustments in the current year related to the 2018 crop year true-up with the U.S. government.
- Global Reinsurance: Net premiums written increased 4.4%, or 6.4% in constant dollars. The combined ratio was 76.8% compared with 69.5% prior year. The current accident year combined ratio excluding catastrophe losses was 81.5%, compared with 77.0% prior year, primarily due to a shift in mix of business.

- Life Insurance: Net premiums written increased 3.5%, or 5.2% in constant dollars, reflecting growth in Combined Insurance North America supplemental accident and health business and growth in the Asian international life operations. Segment income was \$85 million, up 33.9%. International life insurance segment income was \$34 million, up \$17 million. Combined Insurance North America contributed segment income of \$41 million, up 24.7%.

Please refer to the Chubb Limited [Financial Supplement](#), dated March 31, 2019, which is posted on the company's investor relations website, [investors.chubb.com](http://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 first quarter earnings conference call on Wednesday, May 1, 2019 beginning at 8:30 a.m. Eastern. The earnings conference call will be available via live webcast at [investors.chubb.com](http://investors.chubb.com) or by dialing 800-347-6311 (within the United States) or 323-794-2094 (international), passcode 5310561. Please refer to the Chubb investor relations website under Events and Presentations for details. A replay of the call will be available until Wednesday, May 15, 2019 and the archived webcast will be available 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](http://www.chubb.com).

### **Investor Contact**

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### **Media Contact**

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



### **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 additional reinsurance is net premiums written in the company's North America Personal P&C Insurance segment, adjusted to exclude additional reinsurance, reinstatement premiums, and prior year one-time accounting actions. We believe this measure is 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 \$46 million in Q1 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 benefits, policy acquisition costs and administrative expenses from net premiums earned of 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 excluding catastrophe losses is underwriting income 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 (loss) includes underwriting income, 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.

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.

Life Insurance gross and net premiums written measures include 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.

Tangible book value per common share, net of tax, 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 27-30 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

**Cautionary Statement Regarding Forward-Looking Statements:**

*Forward-looking statements made in this press release, such as those related to company performance, including 2019 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.*

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

	<b>March 31</b>	<b>December 31</b>
	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
Investments	\$ 103,260	\$ 100,968
Cash	1,271	1,247
Insurance and reinsurance balances receivable	9,826	10,075
Reinsurance recoverable on losses and loss expenses	16,137	15,993
Goodwill and other intangible assets	21,419	21,414
Other assets	19,434	18,074
Total assets	<u>\$ 171,347</u>	<u>\$ 167,771</u>
<b>Liabilities</b>		
Unpaid losses and loss expenses	\$ 63,143	\$ 62,960
Unearned premiums	15,909	15,532
Other liabilities	39,940	38,967
Total liabilities	<u>\$ 118,992</u>	<u>\$ 117,459</u>
<b>Shareholders' equity</b>		
Total shareholders' equity	52,355	50,312
Total liabilities and shareholders' equity	<u>\$ 171,347</u>	<u>\$ 167,771</u>
Book value per common share	\$ 114.27	\$ 109.56
Tangible book value per common share	\$ 70.46	\$ 65.89
Book value per common share excluding cumulative translation losses (1)	\$ 118.28	\$ 113.87
Tangible book value per common share excluding cumulative translation losses (1)	\$ 73.30	\$ 68.87

(1) Cumulative translation losses were \$1.8 billion in 2019 (\$1.3 billion on tangible and \$535 million on intangible net assets) and \$2.0 billion in 2018 (\$1.4 billion on tangible and \$607 million on intangible net assets).

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

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>2019</b>	<b>2018</b>
Gross premiums written	\$ 9,111	\$ 8,733
Net premiums written	7,313	7,104
Net premiums earned	7,137	7,027
Losses and loss expenses	4,098	4,102
Policy benefits	196	151
Policy acquisition costs	1,464	1,464
Administrative expenses	710	692
Net investment income	836	806
Net realized gains (losses)	(97)	(2)
Interest expense	140	157
Other income (expense):		
Gains (losses) from separate account assets	30	6
Other	9	41
Amortization of purchased intangibles	76	85
Chubb integration expenses	3	10
Income tax expense	188	135
Net income	<u>\$ 1,040</u>	<u>\$ 1,082</u>

**Diluted earnings per share:**

Net income	\$ 2.25	\$ 2.30
Core operating income	\$ 2.54	\$ 2.34
Weighted average diluted shares outstanding	461.5	469.5

**P&C combined ratio**

Loss and loss expense ratio	59.3%	60.0%
Policy acquisition cost ratio	20.3%	20.6%
Administrative expense ratio	9.6%	9.5%
P&C combined ratio	<u>89.2%</u>	<u>90.1%</u>
P&C underwriting income	\$ 712	\$ 642

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**Chubb Limited**  
**Consolidated Supplemental Segment Information**  
(in millions of U.S. dollars)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<b>2019</b>	<b>2018</b>
<b>Gross Premiums Written</b>		
North America Commercial P&C Insurance	\$ 3,977	\$ 3,678
North America Personal P&C Insurance	1,207	1,181
North America Agricultural Insurance	219	205
Overseas General Insurance	2,876	2,872
Global Reinsurance	221	205
Life Insurance <sup>(1)</sup>	932	971
<i>Total</i>	<u>\$ 9,432</u>	<u>\$ 9,112</u>
<b>Net Premiums Written</b>		
North America Commercial P&C Insurance	\$ 2,951	\$ 2,812
North America Personal P&C Insurance	1,056	1,048
North America Agricultural Insurance	130	108
Overseas General Insurance	2,395	2,384
Global Reinsurance	202	193
Life Insurance <sup>(1)</sup>	900	938
<i>Total</i>	<u>\$ 7,634</u>	<u>\$ 7,483</u>
<b>Net Premiums Earned</b>		
North America Commercial P&C Insurance	\$ 3,085	\$ 3,029
North America Personal P&C Insurance	1,154	1,140
North America Agricultural Insurance	55	43
Overseas General Insurance	2,114	2,107
Global Reinsurance	168	168
Life Insurance	561	540
<i>Total</i>	<u>\$ 7,137</u>	<u>\$ 7,027</u>
<b>Segment income (loss)</b>		
North America Commercial P&C Insurance	\$ 928	\$ 927
North America Personal P&C Insurance	159	8
North America Agricultural Insurance	76	102
Overseas General Insurance	292	336
Global Reinsurance	104	122
Life Insurance	85	64
Corporate	(127)	(144)
<i>Total</i>	<u>\$ 1,517</u>	<u>\$ 1,415</u>

(1) Life Insurance gross and net premiums written includes deposits collected on universal life and investment contracts in Q1 2019 (\$321 million) and Q1 2018 (\$379 million).



**Chubb Limited  
Financial Supplement  
for the Quarter Ended March 31, 2019**

**Investor Contact**

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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.

**Chubb Limited**  
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**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 March 31			Constant \$	Constant \$
	2019	2018	% Change	2018	% Change
Gross premiums written	\$ 9,111	\$ 8,733	4.3%	\$ 8,571	6.3%
Net premiums written	\$ 7,313	\$ 7,104	2.9%	\$ 6,960	5.1%
P&C net premiums written	\$ 6,734	\$ 6,545	2.9%	\$ 6,409	5.1%
Global P&C net premiums written	\$ 6,604	\$ 6,437	2.6%	\$ 6,301	4.8%
Net premiums earned	\$ 7,137	\$ 7,027	1.6%	\$ 6,886	3.6%
Net investment income (1)	\$ 836	\$ 806	3.7%	\$ 799	4.6%
Adjusted net investment income (1)	\$ 882	\$ 877	0.6%	\$ 870	1.3%
Interest expense (2)	\$ 140	\$ 157	-10.8%	\$ 157	-10.8%
Adjusted interest expense (2)	\$ 145	\$ 169	-14.2%	\$ 169	-14.2%
Core operating income	\$ 1,170	\$ 1,097	6.7%	\$ 1,074	9.0%
Net income	\$ 1,040	\$ 1,082	-3.9%		
Operating cash flow	\$ 1,322	\$ 551			
<b>P&amp;C combined ratio</b>					
Loss and loss expense ratio	59.3%	60.0%			
Policy acquisition cost and administrative expense ratio	29.9%	30.1%			
Combined ratio	89.2%	90.1%			
<b>Current Accident Year (CAY) P&amp;C combined ratio ex</b>					
<b>    Catastrophe losses (Cats)</b>					
CAY loss and loss expense ratio ex Cats	58.6%	57.7%			
CAY policy acquisition cost and administrative expense ratio ex Cats	29.9%	29.9%			
CAY combined ratio ex Cats	88.5%	87.6%			
ROE	8.1%	8.4%			
Core operating return on equity (ROE)	9.2%	8.7%			
Core operating return on tangible equity (ROTE)	15.1%	14.6%			
Effective tax rate	15.3%	11.1%			
Core operating effective tax rate	14.7%	12.0%			
<b>Diluted earnings per share</b>					
Net income	\$ 2.25	\$ 2.30	-2.2%		
Core operating income	\$ 2.54	\$ 2.34	8.5%		
Weighted average basic common shares outstanding	458.8	465.7			
Weighted average diluted common shares outstanding	461.5	469.5			
		December 31	% Change		
		2018	1Q-19 vs.		
			4Q-18		
Book value per common share	\$ 114.27	\$ 109.56	4.3%		
Tangible book value per common share	\$ 70.46	\$ 65.89	6.9%		
Total hybrid & financial debt/capitalization	19.8%	20.4%			

(1) Q1 2019 includes \$2 million of interest income on notional pool programs, compared with \$24 million prior year.

(2) Q1 2019 includes \$nil of interest expense on notional pool programs, compared with \$22 million prior year.

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

**Consolidated Statements of Operations**

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 9,111	\$ 9,252	\$ 10,054	\$ 9,929	\$ 8,733	\$ 37,968
Net premiums written	7,313	7,350	8,110	8,015	7,104	30,579
Net premiums earned	7,137	7,465	7,908	7,664	7,027	30,064
(1) Adjusted losses and loss expenses	4,099	4,615	4,876	4,479	4,100	18,070
Realized (gains) losses on crop derivatives	1	5	8	(8)	(2)	3
Losses and loss expenses	4,098	4,610	4,868	4,487	4,102	18,067
Policy benefits	196	162	127	150	151	590
Policy acquisition costs	1,464	1,480	1,504	1,464	1,464	5,912
Administrative expenses	710	728	719	747	692	2,886
(2) Adjusted net investment income	882	903	883	890	877	3,553
Amortization expense of fair value adjustment on acquired invested assets	(46)	(55)	(60)	(62)	(71)	(248)
Net investment income	836	848	823	828	806	3,305
(3) Adjusted realized gains (losses)	(96)	(682)	27	10	(4)	(649)
Realized gains (losses) on crop derivatives	(1)	(5)	(8)	8	2	(3)
Net realized gains (losses)	(97)	(687)	19	18	(2)	(652)
(4) Adjusted interest expense	145	158	170	177	169	674
Amortization benefit of fair value adjustment on acquired long term debt	(5)	(5)	(6)	(10)	(12)	(33)
Interest expense	140	153	164	167	157	641
Gains (losses) from fair value changes in separate account assets	30	(20)	(14)	(10)	6	(38)
Net realized gains (losses) related to unconsolidated entities	(4)	139	152	96	44	431
Other income (expense)—operating	13	8	7	29	(3)	41
Other income (expense)	39	127	145	115	47	434
Amortization expense of purchased intangibles	76	86	83	85	85	339
Chubb integration expenses	3	20	16	13	10	59
Income tax expense	188	159	183	218	135	695
Net income	<u>\$ 1,040</u>	<u>\$ 355</u>	<u>\$ 1,231</u>	<u>\$ 1,294</u>	<u>\$ 1,082</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 net investment income used throughout this report excludes Amortization expense of fair value adjustment on acquired invested assets.  
(3) Adjusted realized gains (losses) used throughout this report excludes realized gains and losses on crop derivatives.  
(4) Adjusted interest expense used throughout this report excludes Amortization benefit of fair value adjustment on acquired long term debt.

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

**Chubb Limited P&C Underwriting Results**

	1Q-19	4Q-18	3Q-18	2Q-18	1Q-18	Full Year 2018
<b>P&amp;C Underwriting income (Including Corporate and excluding Life Insurance)</b>						
Gross premiums written	\$ 8,500	\$ 8,638	\$ 9,455	\$ 9,330	\$ 8,141	\$ 35,564
Net premiums written	6,734	6,768	7,546	7,450	6,545	28,309
Net premiums earned	6,576	6,890	7,357	7,112	6,487	27,846
Adjusted losses and loss expenses	3,897	4,433	4,681	4,295	3,895	17,304
Policy acquisition costs	1,336	1,328	1,365	1,326	1,336	5,355
Administrative expenses	631	653	642	667	614	2,576
P&C Underwriting income	<u>\$ 712</u>	<u>\$ 476</u>	<u>\$ 669</u>	<u>\$ 824</u>	<u>\$ 642</u>	<u>\$ 2,611</u>
P&C CAY Underwriting income ex Cats	\$ 758	\$ 808	\$ 876	\$ 844	\$ 813	\$ 3,341
<b>% Change versus prior year period</b>						
Net premiums written	2.9%	4.2%	2.5%	5.6%	5.8%	4.4%
Net premiums written excluding merger-related actions		4.3%	2.9%	6.2%	6.6%	4.9%
Net premiums earned	1.4%	3.4%	1.0%	5.8%	3.5%	3.4%
Net premiums written constant \$	5.1%	5.8%	2.8%	4.1%	3.4%	4.0%
Net premiums written constant \$ excluding merger-related actions		6.0%	3.3%	4.7%	4.1%	4.5%
Net premiums earned constant \$	3.5%	4.9%	1.4%	4.0%	1.6%	3.0%
<b>P&amp;C combined ratio</b>						
Loss and loss expense ratio	59.3%	64.3%	63.6%	60.4%	60.0%	62.1%
Policy acquisition cost ratio	20.3%	19.3%	18.6%	18.6%	20.6%	19.2%
Administrative expense ratio	9.6%	9.5%	8.7%	9.4%	9.5%	9.3%
Combined ratio	<u>89.2%</u>	<u>93.1%</u>	<u>90.9%</u>	<u>88.4%</u>	<u>90.1%</u>	<u>90.6%</u>
<b>CAY P&amp;C combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	58.6%	59.5%	61.1%	60.0%	57.7%	59.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	29.9%	28.8%	27.1%	28.1%	29.9%	28.4%
CAY combined ratio ex Cats	<u>88.5%</u>	<u>88.3%</u>	<u>88.2%</u>	<u>88.1%</u>	<u>87.6%</u>	<u>88.0%</u>
<b>Other ratios</b>						
Net premiums written/gross premiums written	79%	78%	80%	80%	80%	80%
Expense ratio	29.9%	28.8%	27.3%	28.0%	30.1%	28.5%
Expense ratio excluding A&H	28.0%	26.6%	25.2%	25.9%	27.9%	26.4%
Catastrophe reinstatement premiums (expensed) collected—pre-tax	\$ —	\$ (8)	\$ 4	\$ —	\$ —	\$ (4)
Catastrophe losses—pre-tax	\$ 250	\$ 577	\$ 454	\$ 211	\$ 380	\$ 1,622
Impact of catastrophe losses on P&C combined ratio	3.8%	8.5%	6.1%	3.0%	5.8%	5.9%
Favorable prior period development (PPD)—pre-tax	\$ (204)	\$ (253)	\$ (243)	\$ (191)	\$ (209)	\$ (896)

**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 10), North America Personal P&C Insurance segment (refer to page 11), Overseas General Insurance segment (refer to page 13), Global Reinsurance segment (refer to page 14), and Corporate (refer to page 16). Global P&C excludes the North America Agricultural Insurance and Life Insurance segments.

**Global P&C (Including Corporate and excluding Agriculture)**

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
<b>Global P&amp;C Underwriting income</b>						
Gross premiums written	\$ 8,281	\$ 8,365	\$ 8,185	\$ 8,787	\$ 7,936	\$ 33,273
Net premiums written	6,604	6,571	6,662	7,062	6,437	26,732
Net premiums earned	6,521	6,572	6,500	6,761	6,444	26,277
Adjusted losses and loss expenses	3,923	4,272	3,954	4,014	3,950	16,190
Policy acquisition costs	1,329	1,323	1,316	1,300	1,337	5,276
Administrative expenses	630	662	640	666	617	2,585
Global P&C Underwriting income	<u>\$ 639</u>	<u>\$ 315</u>	<u>\$ 590</u>	<u>\$ 781</u>	<u>\$ 540</u>	<u>\$ 2,226</u>
Global P&C CAY Underwriting income ex Cats	\$ 744	\$ 670	\$ 790	\$ 799	\$ 786	\$ 3,045
<b>% Change versus prior year period</b>						
Net premiums written	2.6%	3.2%	3.5%	6.1%	5.1%	4.5%
Net premiums written excluding merger-related actions		3.3%	4.0%	6.8%	5.9%	5.0%
Net premiums earned	1.2%	2.5%	1.8%	6.0%	3.1%	3.3%
Net premiums written constant \$	4.8%	4.8%	3.9%	4.6%	2.6%	4.0%
Net premiums written constant \$ excluding merger-related actions		5.0%	4.4%	5.2%	3.4%	4.5%
Net premiums earned constant \$	3.3%	4.0%	2.2%	4.1%	1.2%	2.9%
<b>Combined ratio</b>						
Loss and loss expense ratio	60.2%	65.0%	60.8%	59.4%	61.3%	61.6%
Policy acquisition cost ratio	20.4%	20.1%	20.2%	19.2%	20.8%	20.1%
Administrative expense ratio	9.6%	10.1%	9.9%	9.8%	9.5%	9.8%
Combined ratio	<u>90.2%</u>	<u>95.2%</u>	<u>90.9%</u>	<u>88.4%</u>	<u>91.6%</u>	<u>91.5%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	58.5%	59.7%	58.1%	59.0%	57.6%	58.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	30.1%	30.1%	29.8%	29.2%	30.2%	29.8%
CAY combined ratio ex Cats	<u>88.6%</u>	<u>89.8%</u>	<u>87.9%</u>	<u>88.2%</u>	<u>87.8%</u>	<u>88.4%</u>
<b>Other ratios</b>						
Net premiums written/gross premiums written	80%	79%	81%	80%	81%	80%
Expense ratio	30.0%	30.2%	30.1%	29.0%	30.3%	29.9%
Expense ratio excluding A&H	28.1%	28.2%	28.1%	27.0%	28.2%	27.8%
Catastrophe reinstatement premiums (expensed) collected—pre-tax	\$ —	\$ (8)	\$ 4	\$ —	\$ —	\$ (4)
Catastrophe losses—pre-tax	\$ 248	\$ 567	\$ 446	\$ 209	\$ 379	\$ 1,601
Favorable prior period development (PPD)—pre-tax	\$ (143)	\$ (220)	\$ (242)	\$ (191)	\$ (133)	\$ (786)

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

**Chubb Limited Catastrophe Loss Charges—Q1 2019**

	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Total Consolidated including Reinstatement premiums
<b>Catastrophe Loss Charges by Event—Net</b>						
Winter-related storms	\$ 70	\$ 119	\$ 2	\$ —	\$ —	\$ 191
U.S. flooding, hail, tornadoes, and wind events	24	10	—	—	—	34
Australia storms	—	—	—	21	—	21
Other	—	—	—	4	—	4
<b>Total before income tax</b>	<b>\$ 94</b>	<b>\$ 129</b>	<b>\$ 2</b>	<b>\$ 25</b>	<b>\$ —</b>	<b>\$ 250</b>
<b>Income tax benefit</b>						<b>49</b>
<b>Total after income tax</b>						<b>\$ 201</b>

**Note:** The above table represents catastrophe loss estimates for 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 and are excluded from the table above.

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

	<b>March 31 2019</b>	<b>December 31 2018</b>
<b>Assets</b>		
Fixed maturities available for sale, at fair value	\$ 80,663	\$ 78,470
Fixed maturities held to maturity, at amortized cost	13,136	13,435
Equity securities, at fair value	821	770
Short-term investments, at fair value	3,078	3,016
Other investments	5,562	5,277
Total investments	<u>103,260</u>	<u>100,968</u>
Cash	1,271	1,247
Securities lending collateral	1,861	1,926
Insurance and reinsurance balances receivable	9,826	10,075
Reinsurance recoverable on losses and loss expenses	16,137	15,993
Deferred policy acquisition costs	5,008	4,922
Value of business acquired	289	295
Prepaid reinsurance premiums	2,698	2,544
Goodwill and other intangible assets	21,419	21,414
Investments in partially-owned insurance companies	708	678
Other assets	8,870	7,709
Total assets	<u>\$ 171,347</u>	<u>\$ 167,771</u>
<b>Liabilities</b>		
Unpaid losses and loss expenses	\$ 63,143	\$ 62,960
Unearned premiums	15,909	15,532
Future policy benefits	5,552	5,506
Insurance and reinsurance balances payable	6,469	6,437
Securities lending payable	1,861	1,926
Accounts payable, accrued expenses, and other liabilities	12,629	11,890
Deferred tax liabilities	541	304
Short-term debt	509	509
Long-term debt	12,071	12,087
Trust preferred securities	308	308
Total liabilities	<u>118,992</u>	<u>117,459</u>
<b>Shareholders' equity</b>		
Total shareholders' equity, excl. AOCI	53,125	52,760
Accumulated other comprehensive income (loss) (AOCI)	(770)	(2,448)
Total shareholders' equity	<u>52,355</u>	<u>50,312</u>
Total liabilities and shareholders' equity	<u>\$ 171,347</u>	<u>\$ 167,771</u>
<b>Book value per common share</b>	<b>\$ 114.27</b>	<b>\$ 109.56</b>
% change over prior quarter	4.3%	-0.8%
<b>Tangible book value per common share</b>	<b>\$ 70.46</b>	<b>\$ 65.89</b>
% change over prior quarter	6.9%	-1.4%

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

	<u>1Q-19</u>	<u>1Q-18</u>	<u>% Change</u>	<u>Constant \$ % Change</u>
<b>Net premiums written</b>				
Commercial multiple peril (1)	\$ 219	\$ 200	9.0%	9.0%
Commercial casualty	1,200	1,101	8.9%	10.4%
Workers' compensation	593	622	-4.6%	-4.6%
Professional liability	786	773	1.7%	3.4%
Surety	152	161	-5.4%	-2.5%
Property and other short-tail lines	<u>1,157</u>	<u>1,087</u>	6.6%	9.4%
Total Commercial P&C (2)	4,107	3,944	4.2%	5.7%
Agriculture	130	108	19.9%	19.9%
Personal automobile	421	398	6.0%	7.9%
Personal homeowners	743	738	0.6%	1.1%
Personal other	<u>368</u>	<u>387</u>	-4.9%	-1.0%
Total Personal lines	1,532	1,523	0.6%	2.3%
<b>Total Property and Casualty lines</b>	5,769	5,575	3.5%	5.1%
Global A&H lines (3)	1,073	1,072	0.1%	5.0%
Reinsurance lines	202	193	4.4%	6.4%
Life	<u>269</u>	<u>264</u>	1.6%	4.1%
<b>Total consolidated</b>	<u>\$7,313</u>	<u>\$7,104</u>	2.9%	5.1%

- (1) Commercial multiple peril represents retail package business (property and general liability).
- (2) Q1 2018 included a reclassification of \$44 million from Commercial casualty, \$2 million from Workers' compensation, and \$1 million from Commercial multiple peril to Property and other short-tail lines 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**  
(in millions of U.S. dollars, except ratios)  
**(Unaudited)**

<b>Q1 2019</b>	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	\$ 2,951	\$ 1,056	\$ 130	\$ 2,395	\$ 202	\$ —	\$6,734	\$ 579	\$ 7,313
Net premiums earned	3,085	1,154	55	2,114	168	—	6,576	561	7,137
Adjusted losses and loss expenses	1,973	757	(26)	1,106	76	11	3,897	202	4,099
Policy benefits	—	—	—	—	—	—	—	196	196
(Gains) losses from fair value changes in separate account assets (1)	—	—	—	—	—	—	—	(30)	(30)
Policy acquisition costs	459	231	7	596	43	—	1,336	128	1,464
Administrative expenses	240	68	1	249	10	63	631	79	710
Underwriting income (loss)	413	98	73	163	39	(74)	712	(14)	698
Adjusted net investment income	510	64	10	144	56	9	793	89	882
Other income (expense)—operating (1)	5	—	—	(4)	9	(7)	3	10	13
Amortization expense of purchased intangibles	—	(3)	(7)	(11)	—	(55)	(76)	—	(76)
Segment income (loss)	\$ 928	\$ 159	\$ 76	\$ 292	\$ 104	\$ (127)	\$1,432	\$ 85	\$ 1,517
Adjusted interest expense							(145)		(145)
Income tax expense							(202)		(202)
Core operating income (loss)							(474)		1,170
Chubb integration expenses, net of \$1 million tax benefit							(2)		(2)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$8 million tax benefit							(33)		(33)
Adjusted net realized gains (losses), net of \$5 million tax benefit (2)							(95)		(95)
Net income (loss)							\$ (604)		\$ 1,040
Combined ratio	86.6%	91.5%	NM	92.3%	76.8%		89.2%		
CAY combined ratio ex Cats	87.8%	81.1%	83.9%	91.3%	81.5%		88.5%		

(1) For the Life Insurance segment, (Gains) losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP have been reclassified for underwriting income (loss) presentation from Other income (expense)—operating.

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



**Chubb Limited**  
**Consolidated Results**  
(in millions of U.S. dollars, except ratios)  
**(Unaudited)**

<b>Q1 2018</b>	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	\$ 2,812	\$ 1,048	\$ 108	\$ 2,384	\$ 193	\$ —	\$6,545	\$ 559	\$ 7,104
Net premiums earned	3,029	1,140	43	2,107	168	—	6,487	540	7,027
Adjusted losses and loss expenses	1,908	886	(55)	1,078	67	11	3,895	205	4,100
Policy benefits	—	—	—	—	—	—	—	151	151
(Gains) losses from fair value changes in separate account assets (1)	—	—	—	—	—	—	—	(6)	(6)
Policy acquisition costs	472	237	(1)	588	40	—	1,336	128	1,464
Administrative expenses	231	65	(3)	239	10	72	614	78	692
Underwriting income (loss)	418	(48)	102	202	51	(83)	642	(16)	626
Adjusted net investment income	503	59	7	151	64	10	794	83	877
Other income (expense)—operating (1)	6	—	—	(7)	7	(7)	(1)	(2)	(3)
Amortization expense of purchased intangibles	—	(3)	(7)	(10)	—	(64)	(84)	(1)	(85)
Segment income (loss)	\$ 927	\$ 8	\$ 102	\$ 336	\$ 122	\$ (144)	\$1,351	\$ 64	\$ 1,415
Adjusted interest expense							(169)		(169)
Income tax expense							(149)		(149)
Core operating income (loss)							(462)		1,097
Chubb integration expenses, net of \$2 million tax benefit							(8)		(8)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$9 million tax benefit							(50)		(50)
Adjusted net realized gains (losses), net of \$3 million tax benefit (2)							43		43
Net income (loss)							\$ (477)		\$ 1,082
Combined ratio	86.2%	104.2%	NM	90.4%	69.5%		90.1%		
CAY combined ratio ex Cats	87.0%	79.7%	67.7%	90.7%	77.0%		87.6%		

(1) For the Life Insurance segment, (Gains) losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP have been reclassified for underwriting income (loss) presentation from Other income (expense)—operating.

(2) 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**

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<b>Full Year 2018</b>
Gross premiums written	\$3,977	\$4,228	\$4,108	\$4,322	\$3,678	\$16,336
Net premiums written	2,951	3,143	3,199	3,331	2,812	12,485
Net premiums earned	3,085	3,077	3,019	3,277	3,029	12,402
Losses and loss expenses	1,973	2,127	1,881	2,084	1,908	8,000
Policy acquisition costs	459	451	458	448	472	1,829
Administrative expenses	240	231	251	253	231	966
Underwriting income	413	268	429	492	418	1,607
Net investment income	510	517	503	510	503	2,033
Other income (expense)—operating	5	5	1	13	6	25
Segment income	<u>\$ 928</u>	<u>\$ 790</u>	<u>\$ 933</u>	<u>\$1,015</u>	<u>\$ 927</u>	<u>\$ 3,665</u>
CAY Underwriting income ex Cats	\$ 376	\$ 362	\$ 409	\$ 410	\$ 395	\$ 1,576
<b>Combined ratio</b>						
Loss and loss expense ratio	63.9%	69.1%	62.3%	63.6%	63.0%	64.5%
Policy acquisition cost ratio	14.9%	14.7%	15.2%	13.7%	15.6%	14.7%
Administrative expense ratio	7.8%	7.5%	8.3%	7.7%	7.6%	7.8%
Combined ratio	<u>86.6%</u>	<u>91.3%</u>	<u>85.8%</u>	<u>85.0%</u>	<u>86.2%</u>	<u>87.0%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	65.0%	66.1%	63.5%	66.0%	64.0%	64.9%
CAY policy acquisition cost and administrative expense ratio ex Cats	22.8%	22.1%	23.2%	21.4%	23.0%	22.4%
CAY combined ratio ex Cats	<u>87.8%</u>	<u>88.2%</u>	<u>86.7%</u>	<u>87.4%</u>	<u>87.0%</u>	<u>87.3%</u>
Catastrophe losses—pre-tax	\$ 94	\$ 232	\$ 196	\$ 73	\$ 78	\$ 579
Favorable prior period development (PPD)—pre-tax	\$ (131)	\$ (138)	\$ (216)	\$ (155)	\$ (101)	\$ (610)
<b>% Change versus prior year period</b>						
Net premiums written	5.0%	4.8%	3.6%	4.0%	3.0%	3.9%
Net premiums written excluding merger-related actions		5.1%	4.6%	5.4%	4.4%	4.9%
Net premiums earned	1.9%	1.4%	0.1%	5.8%	-0.4%	1.7%
<b>Other ratios</b>						
Net premiums written/gross premiums written	74%	74%	78%	77%	76%	76%
<b>Production by Size—Net premiums written (1)</b>						
Major Accounts & Specialty (2)	\$1,703	\$1,841	\$1,851	\$2,040	\$1,638	\$ 7,370
Commercial (2)	1,248	1,302	1,348	1,291	1,174	5,115
Total	<u>\$2,951</u>	<u>\$3,143</u>	<u>\$3,199</u>	<u>\$3,331</u>	<u>\$2,812</u>	<u>\$12,485</u>

(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>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<b>Full Year 2018</b>
Gross premiums written	\$ 1,207	\$ 1,291	\$ 1,369	\$ 1,489	\$ 1,181	\$ 5,330
Net premiums written	1,056	1,073	1,218	1,335	1,048	4,674
Net premiums earned	1,154	1,130	1,167	1,156	1,140	4,593
Losses and loss expenses	757	755	860	728	886	3,229
Policy acquisition costs	231	238	236	228	237	939
Administrative expenses	68	67	69	68	65	269
Underwriting income (loss)	98	70	2	132	(48)	156
Net investment income	64	59	59	59	59	236
Other expense—operating	—	—	—	(1)	—	(1)
Amortization expense of purchased intangibles	(3)	(3)	(4)	(3)	(3)	(13)
Segment income	<u>\$ 159</u>	<u>\$ 126</u>	<u>\$ 57</u>	<u>\$ 187</u>	<u>\$ 8</u>	<u>\$ 378</u>
CAY Underwriting income ex Cats	<u>\$ 217</u>	<u>\$ 168</u>	<u>\$ 196</u>	<u>\$ 240</u>	<u>\$ 230</u>	<u>\$ 834</u>
<b>Combined ratio</b>						
Loss and loss expense ratio	65.5%	66.8%	73.7%	63.0%	77.7%	70.3%
Policy acquisition cost ratio	20.1%	21.1%	20.2%	19.7%	20.8%	20.4%
Administrative expense ratio	5.9%	5.9%	5.9%	5.9%	5.7%	5.9%
Combined ratio	<u>91.5%</u>	<u>93.8%</u>	<u>99.8%</u>	<u>88.6%</u>	<u>104.2%</u>	<u>96.6%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	55.1%	59.1%	57.1%	53.7%	53.3%	55.8%
CAY policy acquisition cost and administrative expense ratio ex Cats	26.0%	26.4%	26.1%	25.6%	26.4%	26.1%
CAY combined ratio ex Cats	<u>81.1%</u>	<u>85.5%</u>	<u>83.2%</u>	<u>79.3%</u>	<u>79.7%</u>	<u>81.9%</u>
Catastrophe reinstatement premiums expensed—pre-tax	\$ —	\$ (26)	\$ —	\$ —	\$ —	\$ (26)
Catastrophe losses—pre-tax	\$ 129	\$ 90	\$ 136	\$ 101	\$ 284	\$ 611
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ (10)	\$ (18)	\$ 58	\$ 7	\$ (6)	\$ 41
<b>% Change versus prior year period</b>						
Net premiums written	0.8%	-2.5%	2.0%	6.4%	6.5%	3.1%
Net premiums written adjusted primarily for additional reinsurance	2.6%	2.3%	2.7%	3.2%	2.7%	2.7%
Net premiums earned	1.2%	2.5%	4.5%	5.6%	5.1%	4.4%
<b>Other ratios</b>						
Net premiums written/gross premiums written	88%	83%	89%	90%	89%	88%

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

**North America Agricultural Insurance**

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 219	\$ 273	\$ 1,270	\$ 543	\$ 205	\$ 2,291
Net premiums written	130	197	884	388	108	1,577
Net premiums earned	55	318	857	351	43	1,569
Adjusted losses and loss expenses (1)	(26)	161	727	281	(55)	1,114
Policy acquisition costs	7	5	49	26	(1)	79
Administrative expenses	1	(9)	2	1	(3)	(9)
Underwriting income	73	161	79	43	102	385
Net investment income	10	8	7	6	7	28
Other expense—operating	—	(1)	—	(1)	—	(2)
Amortization expense of purchased intangibles	(7)	(7)	(7)	(7)	(7)	(28)
Segment income	<u>\$ 76</u>	<u>\$ 161</u>	<u>\$ 79</u>	<u>\$ 41</u>	<u>\$ 102</u>	<u>\$ 383</u>
CAY Underwriting income ex Cats	<u>\$ 14</u>	<u>\$ 138</u>	<u>\$ 86</u>	<u>\$ 45</u>	<u>\$ 27</u>	<u>\$ 296</u>
<b>Combined ratio</b>						
Loss and loss expense ratio	NM	50.7%	84.9%	80.0%	NM	71.0%
Policy acquisition cost ratio	NM	1.5%	5.7%	7.4%	NM	5.0%
Administrative expense ratio	NM	-2.7%	0.1%	0.5%	NM	-0.5%
Combined ratio	<u>NM</u>	<u>49.5%</u>	<u>90.7%</u>	<u>87.9%</u>	<u>NM</u>	<u>75.5%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	71.1%	56.0%	84.1%	79.3%	68.9%	76.7%
CAY policy acquisition cost and administrative expense ratio ex Cats	12.8%	0.8%	5.8%	7.9%	-1.2%	4.9%
CAY combined ratio ex Cats	<u>83.9%</u>	<u>56.8%</u>	<u>89.9%</u>	<u>87.2%</u>	<u>67.7%</u>	<u>81.6%</u>
Catastrophe losses—pre-tax	\$ 2	\$ 10	\$ 8	\$ 2	\$ 1	\$ 21
Favorable prior period development (PPD)—pre-tax	\$ (61)	\$ (33)	\$ (1)	\$ —	\$ (76)	\$ (110)
<b>% Change versus prior year period</b>						
Net premiums written	19.9%	55.8%	-4.5%	-3.7%	76.2%	4.0%
Net premiums earned	27.4%	26.0%	-4.6%	2.2%	214.2%	4.1%
<b>Other ratios</b>						
Net premiums written/gross premiums written	59%	72%	70%	71%	53%	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**

	1Q-19	4Q-18	3Q-18	2Q-18	1Q-18	Full Year 2018
Gross premiums written	\$2,876	\$2,729	\$ 2,541	\$ 2,743	\$2,872	\$ 10,885
Net premiums written	2,395	2,238	2,081	2,199	2,384	8,902
Net premiums earned	2,114	2,187	2,157	2,161	2,107	8,612
Losses and loss expenses	1,106	1,166	1,114	1,071	1,078	4,429
Policy acquisition costs	596	592	582	584	588	2,346
Administrative expenses	249	257	252	266	239	1,014
Underwriting income	163	172	209	240	202	823
Net investment income	144	158	155	155	151	619
Other income (expense)—operating	(4)	(12)	7	12	(7)	—
Amortization expense of purchased intangibles	(11)	(12)	(8)	(11)	(10)	(41)
Segment income	<u>\$ 292</u>	<u>\$ 306</u>	<u>\$ 363</u>	<u>\$ 396</u>	<u>\$ 336</u>	<u>\$ 1,401</u>
CAY Underwriting income ex Cats	\$ 184	\$ 211	\$ 217	\$ 194	\$ 195	\$ 817
<b>Combined ratio</b>						
Loss and loss expense ratio	52.3%	53.3%	51.7%	49.6%	51.1%	51.4%
Policy acquisition cost ratio	28.2%	27.1%	26.9%	27.0%	27.9%	27.2%
Administrative expense ratio	11.8%	11.7%	11.7%	12.3%	11.4%	11.8%
Combined ratio	<u>92.3%</u>	<u>92.1%</u>	<u>90.3%</u>	<u>88.9%</u>	<u>90.4%</u>	<u>90.4%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	51.3%	51.6%	51.3%	51.7%	51.4%	51.5%
CAY policy acquisition cost and administrative expense ratio ex Cats	40.0%	38.8%	38.7%	39.3%	39.3%	39.0%
CAY combined ratio ex Cats	<u>91.3%</u>	<u>90.4%</u>	<u>90.0%</u>	<u>91.0%</u>	<u>90.7%</u>	<u>90.5%</u>
Catastrophe losses—pre-tax	\$ 25	\$ 85	\$ 80	\$ 26	\$ 15	\$ 206
Favorable prior period development (PPD)—pre-tax	\$ (4)	\$ (46)	\$ (72)	\$ (72)	\$ (22)	\$ (212)
<b>% Change versus prior year period</b>						
Net premiums written	0.4%	3.4%	5.9%	9.6%	7.8%	6.6%
Net premiums earned	0.3%	3.5%	4.5%	7.1%	8.8%	5.9%
Net premiums written constant \$	6.0%	7.9%	7.5%	5.1%	1.4%	5.3%
Net premiums earned constant \$	6.3%	7.9%	5.9%	2.0%	3.0%	4.7%
<b>Other ratios</b>						
Net premiums written/gross premiums written	83%	82%	82%	80%	83%	82%
<b>Production by Region—Net premiums written</b>	<b>1Q-19</b>	<b>1Q-18</b>	<b>% Change</b>	<b>Constant \$ % Change</b>		
Europe	\$1,106	\$1,110	-0.4%	4.2%		
Latin America	533	528	1.0%	12.8%		
Asia	669	657	1.7%	4.5%		
Other (1)	87	89	-1.9%	3.0%		
Total	<u>\$2,395</u>	<u>\$2,384</u>	0.4%	6.0%		

(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>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<b>Full Year 2018</b>
Gross premiums written	\$ 221	\$ 117	\$ 167	\$ 233	\$ 205	\$ 722
Net premiums written	202	117	164	197	193	671
Net premiums earned	168	178	157	167	168	670
Losses and loss expenses	76	243	86	83	67	479
Policy acquisition costs	43	42	40	40	40	162
Administrative expenses	10	12	10	9	10	41
Underwriting income (loss)	39	(119)	21	35	51	(12)
Net investment income	56	65	63	65	64	257
Other income (expense)—operating	9	6	13	6	7	32
Segment income (loss)	<u>\$ 104</u>	<u>\$ (48)</u>	<u>\$ 97</u>	<u>\$ 106</u>	<u>\$ 122</u>	<u>\$ 277</u>
CAY Underwriting income ex Cats	\$ 31	\$ 27	\$ 27	\$ 28	\$ 39	\$ 121
<b>Combined ratio</b>						
Loss and loss expense ratio	45.7%	137.1%	55.0%	49.4%	40.1%	71.6%
Policy acquisition cost ratio	25.4%	23.7%	25.2%	24.2%	23.6%	24.2%
Administrative expense ratio	5.7%	6.1%	6.5%	5.7%	5.8%	6.0%
Combined ratio	<u>76.8%</u>	<u>166.9%</u>	<u>86.7%</u>	<u>79.3%</u>	<u>69.5%</u>	<u>101.8%</u>
<b>CAY combined ratio ex Cats</b>						
CAY loss and loss expense ratio ex Cats	50.5%	50.1%	51.2%	53.0%	47.7%	50.5%
CAY policy acquisition cost and administrative expense ratio ex Cats	31.0%	33.1%	31.6%	30.5%	29.3%	31.1%
CAY combined ratio ex Cats	<u>81.5%</u>	<u>83.2%</u>	<u>82.8%</u>	<u>83.5%</u>	<u>77.0%</u>	<u>81.6%</u>
Catastrophe reinstatement premiums collected—pre-tax	\$ —	\$ 18	\$ 4	\$ —	\$ —	\$ 22
Catastrophe losses—pre-tax	\$ —	\$ 160	\$ 34	\$ 9	\$ 2	\$ 205
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ (8)	\$ 4	\$ (24)	\$ (16)	\$ (14)	\$ (50)
<b>% Change versus prior year period</b>						
Net premiums written as reported			-			
	4.4%	11.0%	14.3%	3.8%	-3.0%	-2.1%
Net premiums earned as reported			-			
	0.1%	10.2%	15.7%	-0.6%	11.0%	-4.9%
Net premiums written constant \$			-			
	6.4%	11.7%	14.7%	1.5%	-4.8%	-3.3%
Net premiums earned constant \$			-			
	2.6%	10.6%	16.0%	-3.1%	12.8%	-6.0%
<b>Other ratios</b>						
Net premiums written/gross premiums written	91%	99%	98%	85%	94%	93%

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

**Life Insurance**

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Gross premiums written	\$ 611	\$ 614	\$ 599	\$ 599	\$ 592	\$ 2,404
Net premiums written	579	582	564	565	559	2,270
Net premiums earned	561	575	551	552	540	2,218
Losses and loss expenses	202	182	195	184	205	766
Policy benefits (1)	196	162	127	150	151	590
(Gains) losses from fair value changes in separate account assets (1)	(30)	20	14	10	(6)	38
Policy acquisition costs	128	152	139	138	128	557
Administrative expenses	79	75	77	80	78	310
Net investment income	89	88	85	85	83	341
Life Insurance underwriting income (2)	75	72	84	75	67	298
Other income (expense)—operating	10	18	(6)	2	(2)	12
Amortization expense of purchased intangibles	—	(1)	—	—	(1)	(2)
Segment income	<u>\$ 85</u>	<u>\$ 89</u>	<u>\$ 78</u>	<u>\$ 77</u>	<u>\$ 64</u>	<u>\$ 308</u>
<b>% Change versus prior year period</b>						
Net premiums written	3.5%	4.8%	4.8%	8.0%	6.7%	6.1%
Net premiums earned	3.9%	3.9%	4.6%	7.2%	6.8%	5.6%
Net premiums written constant \$	5.2%	6.3%	5.1%	6.5%	5.0%	5.7%
Net premiums earned constant \$	5.5%	5.4%	4.9%	5.7%	5.0%	5.3%

- (1) (Gains) 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) for purposes of presenting Life Insurance underwriting income. The offsetting movement in the separate account liabilities is included in Policy benefits.
- (2) 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>1Q-19</u>	<u>1Q-18</u>	<u>% Change</u>	<u>Constant \$ % Change</u>
International life insurance net premiums written	\$ 227	\$ 217	4.4%	7.4%
International life insurance deposits (3)	321	379	-15.1%	-12.3%
Total international life insurance net premiums written and deposits	<u>\$ 548</u>	<u>\$ 596</u>	-8.0%	-5.1%
International life insurance segment income	<u>\$ 34</u>	<u>\$ 17</u>	100.8%	106.6%

- (3) 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>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Gross premiums written	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Net premiums written	—	—	—	—	—	—
Net premiums earned	—	—	—	—	—	—
Losses and loss expenses	11	(19)	13	48	11	53
Policy acquisition costs	—	—	—	—	—	—
Administrative expenses	63	95	58	70	72	295
Underwriting loss	(74)	(76)	(71)	(118)	(83)	(348)
Adjusted net investment income	9	8	11	10	10	39
Other expense—operating	(7)	(8)	(8)	(2)	(7)	(25)
Adjusted interest expense	(145)	(158)	(170)	(177)	(169)	(674)
Amortization expense of purchased intangibles	(55)	(63)	(64)	(64)	(64)	(255)
Income tax expense	(202)	(192)	(183)	(218)	(149)	(742)
Core operating loss	(474)	(489)	(485)	(569)	(462)	(2,005)
Chubb integration expenses, net of tax	(2)	(15)	(14)	(10)	(8)	(47)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(33)	(42)	(42)	(41)	(50)	(175)
Adjusted net realized gains (losses), net of tax <sup>(1)</sup>	(95)	(523)	165	92	43	(223)
Net loss	<u>\$ (604)</u>	<u>\$ (1,069)</u>	<u>\$ (376)</u>	<u>\$ (528)</u>	<u>\$ (477)</u>	<u>\$ (2,450)</u>
Unfavorable (favorable) prior period development (PPD)—pre-tax	\$ 10	\$ (22)	\$ 12	\$ 45	\$ 10	\$ 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	
<b>Balance at June 30, 2017</b>	<b>\$60,394</b>	<b>\$12,485</b>	<b>\$47,909</b>	
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	
<b>Balance at September 30, 2017</b>	<b>\$64,153</b>	<b>\$13,870</b>	<b>\$50,283</b>	
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)	
<b>Balance at December 31, 2017</b>	<b>\$63,179</b>	<b>\$14,014</b>	<b>\$49,165</b>	
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	
<b>Balance at March 31, 2018</b>	<b>\$63,139</b>	<b>\$13,822</b>	<b>\$49,317</b>	
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)	
<b>Balance at June 30, 2018</b>	<b>\$62,778</b>	<b>\$13,735</b>	<b>\$49,043</b>	
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)	
<b>Balance at September 30, 2018</b>	<b>\$63,029</b>	<b>\$13,965</b>	<b>\$49,064</b>	
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)	
<b>Balance at December 31, 2018</b>	<b>\$62,960</b>	<b>\$14,689</b>	<b>\$48,271</b>	
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	
<b>Balance at March 31, 2019</b>	<b>\$63,143</b>	<b>\$14,707</b>	<b>\$48,436</b>	
Add net recoverable on paid losses	—	1,430	(1,430)	
<b>Balance including net recoverable on paid losses</b>	<b>\$63,143</b>	<b>\$16,137</b>	<b>\$47,006</b>	

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

**Net Reinsurance Recoverable by Division**

	<b>March 31 2019</b>	<b>December 31 2018</b>
<b>Reinsurance recoverable on paid losses and loss expenses</b>		
Active operations	\$ 1,124	\$ 980
Brandywine and Other Run-off	381	396
Total	<u>\$ 1,505</u>	<u>\$ 1,376</u>
<b>Reinsurance recoverable on unpaid losses and loss expenses</b>		
Active operations	\$ 13,720	\$ 13,705
Brandywine and Other Run-off	1,235	1,235
Total	<u>\$ 14,955</u>	<u>\$ 14,940</u>
<b>Gross reinsurance recoverable</b>		
Active operations	\$ 14,844	\$ 14,685
Brandywine and Other Run-off	1,616	1,631
Total	<u>\$ 16,460</u>	<u>\$ 16,316</u>
<b>Provision for uncollectible reinsurance (1)</b>		
Active operations	\$ (187)	\$ (185)
Brandywine and Other Run-off	(136)	(138)
Total	<u>\$ (323)</u>	<u>\$ (323)</u>
<b>Net reinsurance recoverable</b>		
Active operations	\$ 14,657	\$ 14,500
Brandywine and Other Run-off	1,480	1,493
Total	<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)

	<u>March 31</u> <u>2019</u>		<u>December 31</u> <u>2018</u>	
<b>Market Value</b>				
Fixed maturities available for sale	\$ 80,663		\$ 78,470	
Fixed maturities held to maturity	13,240		13,259	
Short-term investments	3,078		3,016	
Total fixed maturities	<u>\$ 96,981</u>		<u>\$ 94,745</u>	
<b>Asset Allocation by Market Value</b>				
Treasury	\$ 4,551	5%	\$ 4,799	5%
Agency	392	0%	528	1%
Corporate and asset-backed	30,364	31%	29,091	31%
Mortgage-backed	18,924	20%	18,026	19%
Municipal	15,796	16%	16,327	17%
Non-U.S.	23,876	25%	22,958	24%
Short-term investments	3,078	3%	3,016	3%
Total fixed maturities	<u>\$ 96,981</u>	<u>100%</u>	<u>\$ 94,745</u>	<u>100%</u>
<b>Credit Quality by Market Value</b>				
AAA	\$ 14,917	16%	\$ 14,571	15%
AA	37,023	38%	36,715	39%
A	17,867	19%	17,253	18%
BBB	11,961	12%	12,035	13%
BB	8,807	9%	8,363	9%
B	6,148	6%	5,596	6%
Other	258	0%	212	0%
Total fixed maturities	<u>\$ 96,981</u>	<u>100%</u>	<u>\$ 94,745</u>	<u>100%</u>
<b>Cost/Amortized Cost</b>				
Fixed maturities available for sale	\$ 79,624		\$ 79,323	
Fixed maturities held to maturity	13,136		13,435	
Short-term investments	3,078		3,016	
Subtotal fixed maturities	95,838		95,774	
Equity securities	821		770	
Other investments	5,562		5,277	
Total investment portfolio	<u>\$ 102,221</u>		<u>\$ 101,821</u>	
Avg. duration of fixed maturities	3.6 years		3.7 years	
Avg. market yield of fixed maturities	3.2%		3.7%	
Avg. credit quality	A/Aa		A/Aa	
Avg. yield on invested assets (1)	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**

	<u>S&amp;P Credit Rating</u>					<u>Total</u>
	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>BB and below</u>	
<b>Mortgage-backed securities</b>						
<b>Market Value at March 31, 2019</b>						
Agency residential mortgage-backed (RMBS)	\$ —	\$ 15,505	\$ —	\$ —	\$ —	\$ 15,505
Non-agency RMBS	25	47	69	27	20	188
Commercial mortgage-backed	2,877	249	105	—	—	3,231
<b>Total mortgage-backed securities at market value</b>	<u>\$2,902</u>	<u>\$15,801</u>	<u>\$ 174</u>	<u>\$ 27</u>	<u>\$ 20</u>	<u>\$18,924</u>

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

	<u>S&amp;P Credit Rating</u>					<u>Total</u>
	<u>Investment Grade</u>					
	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>		
<b>Market Value at March 31, 2019</b>						
Asset-backed	\$ 2,908	\$ 249	\$ 41	\$ 32		\$ 3,230
Banks	—	33	2,015	1,171		3,219
Basic Materials	—	—	95	191		286
Communications	—	161	399	921		1,481
Consumer, Cyclical	1	306	508	510		1,325
Consumer, Non-Cyclical	59	506	1,452	1,426		3,443
Diversified Financial Services	—	104	380	279		763
Energy	—	49	180	473		702
Industrial	—	44	563	718		1,325
Utilities	—	17	755	332		1,104
All Others	167	367	1,139	880		2,553
<b>Total</b>	<u>\$ 3,135</u>	<u>\$ 1,836</u>	<u>\$ 7,527</u>	<u>\$ 6,933</u>		<u>\$ 19,431</u>

	<u>S&amp;P Credit Rating</u>				<u>Total</u>
	<u>Below Investment Grade</u>				
	<u>BB</u>	<u>B</u>	<u>CCC</u>		
<b>Market Value at March 31, 2019</b>					
Asset-backed	\$ 1	\$ 3	\$ 7		\$ 11
Banks	—	—	—		—
Basic Materials	401	185	—		586
Communications	934	689	34		1,657
Consumer, Cyclical	1,074	621	22		1,717
Consumer, Non-Cyclical	1,091	1,268	35		2,394
Diversified Financial Services	205	160	9		374
Energy	764	419	10		1,193
Industrial	652	611	22		1,285
Utilities	250	21	32		303
All Others	877	511	25		1,413
<b>Total</b>	<u>\$6,249</u>	<u>\$4,488</u>	<u>\$196</u>		<u>\$10,933</u>

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

**Non-U.S. Fixed Income Portfolio**  
**March 31, 2019**

Non-U.S. Government Securities	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
United Kingdom	\$ —	\$ 1,138	\$ —	\$ —	\$ —	\$ 1,138
Republic of Korea	—	1,088	—	—	—	1,088
Canada	841	—	—	—	—	841
Federative Republic of Brazil	—	—	—	—	763	763
Province of Ontario	—	9	659	—	—	668
United Mexican States	—	—	421	142	—	563
Kingdom of Thailand	—	—	506	—	—	506
Province of Quebec	—	490	—	—	—	490
Commonwealth of Australia	321	3	—	—	—	324
Federal Republic of Germany	308	—	—	—	—	308
Other Non-U.S. Government Securities	572	1,424	962	602	981	4,541
<b>Total</b>	<b>\$ 2,042</b>	<b>\$ 4,152</b>	<b>\$ 2,548</b>	<b>\$ 744</b>	<b>\$ 1,744</b>	<b>\$ 11,230</b>

Non-U.S. Corporate Securities	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
United Kingdom	\$ 108	\$ 115	\$ 634	\$ 815	\$ 323	\$ 1,995
Canada	97	278	330	490	350	1,545
United States (1)	3	23	185	337	636	1,184
France	7	36	598	274	42	957
Australia	113	207	369	127	17	833
Netherlands	59	91	281	144	104	679
Germany	60	35	158	248	33	534
Japan	—	45	419	55	—	519
Switzerland	47	11	186	187	29	460
China	—	—	279	60	36	375
Other Non-U.S. Corporate Securities	412	435	953	1,055	710	3,565
<b>Total</b>	<b>\$ 906</b>	<b>\$ 1,276</b>	<b>\$ 4,392</b>	<b>\$ 3,792</b>	<b>\$ 2,280</b>	<b>\$ 12,646</b>

(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>March 31, 2019</u>	<u>Market Value</u>	<u>Rating</u>
1	Wells Fargo & Co	\$ 578	A-
2	Bank of America Corp	518	A-
3	JP Morgan Chase & Co	479	A-
4	Comcast Corp	380	A-
5	HSBC Holdings Plc	354	A
6	Verizon Communications Inc	336	BBB+
7	Anheuser-Busch InBev NV	334	A-
8	Citigroup Inc	327	BBB+
9	AT&T Inc	316	BBB
10	Morgan Stanley	302	BBB+

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

	Three months ended March 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)	\$ (151)	\$ 8	\$ (143)	\$ 1,889	\$ (330)	\$ 1,559	\$ 1,738	\$ (322)	\$ 1,416
Public equity	(22)	5	(17)	—	—	—	(22)	5	(17)
Private equity	(7)	4	(3)	—	—	—	(7)	4	(3)
Mark-to-market on public and private equity	15	(9)	6	—	—	—	15	(9)	6
Total investment portfolio	(165)	8	(157)	1,889	(330)	1,559	1,724	(322)	1,402
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (2)	51	—	51	—	—	—	51	—	51
Foreign exchange	13	(3)	10	147	(7)	140	160	(10)	150
Partially-owned entities (3)	1	—	1	—	—	—	1	—	1
Other (4)	—	—	—	(27)	6	(21)	(27)	6	(21)
Net gains (losses)	\$ (100)	\$ 5	\$ (95)	\$ 2,009	\$ (331)	\$ 1,678	\$ 1,909	\$ (326)	\$ 1,583

- (1) The quarter includes \$107 million pre-tax realized losses on fixed income derivatives. Other-than-temporary impairments for the quarter in realized gains (losses) were \$13 million pre-tax for fixed maturities.
- (2) The quarter includes \$63 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 March 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)	\$ (6)	\$ 2	\$ (4)	\$ (1,211)	\$ 223	\$ (988)	\$ (1,217)	\$ 225	\$ (992)
Public equity	10	(2)	8	—	—	—	10	(2)	8
Private equity	44	(9)	35	—	—	—	44	(9)	35
Mark-to-market on public and private equity	8	3	11	—	—	—	8	3	11
Total investment portfolio	56	(6)	50	(1,211)	223	(988)	(1,155)	217	(938)
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (6)	60	—	60	—	—	—	60	—	60
Foreign exchange	(77)	9	(68)	397	(19)	378	320	(10)	310
Partially-owned entities (7)	(1)	—	(1)	—	—	—	(1)	—	(1)
Other (8)	2	—	2	(23)	4	(19)	(21)	4	(17)
Net gains (losses)	\$ 40	\$ 3	\$ 43	\$ (837)	\$ 208	\$ (629)	\$ (797)	\$ 211	\$ (586)

- (5) The quarter includes \$17 million pre-tax realized gains on fixed income derivatives. Other-than-temporary impairments for the quarter in realized gains (losses) were \$1 million for fixed maturities.
- (6) The quarter includes \$22 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 unrealized gains (losses) are primarily related to the company's postretirement programs.

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

	<u>March 31</u> <u>2019</u>	<u>December 31</u> <u>2018</u>	<u>December 31</u> <u>2017</u>
<b>Financial Debt:</b>			
Total short-term debt	\$ 509	\$ 509	\$ 1,013
Total long-term debt	<u>12,071</u>	<u>12,087</u>	<u>11,556</u>
Total financial debt	\$ 12,580	\$ 12,596	\$ 12,569
<b>Hybrid debt:</b>			
Total trust preferred securities	308	308	308
Total	<u>\$ 12,888</u>	<u>\$ 12,904</u>	<u>\$ 12,877</u>
<b>Capitalization:</b>			
Shareholders' equity	\$ 52,355	\$ 50,312	\$ 51,172
Hybrid debt	308	308	308
Financial debt	<u>12,580</u>	<u>12,596</u>	<u>12,569</u>
Total capitalization	<u>\$ 65,243</u>	<u>\$ 63,216</u>	<u>\$ 64,049</u>
<b>Leverage ratios (based on total capital):</b>			
Hybrid debt	0.5%	0.5%	0.5%
Financial debt	<u>19.3%</u>	<u>19.9%</u>	<u>19.6%</u>
Total hybrid & financial debt	19.8%	20.4%	20.1%

Note: As of March 31, 2019, there was \$0.7 billion usage of credit facilities on a total commitment of \$1.0 billion.



**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 March 31	
	2019	2018
<b>Numerator</b>		
Core operating income to common shares	\$ 1,170	\$ 1,097
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(41)	(59)
Tax benefit on amortization adjustment	8	9
Chubb integration expenses, pre-tax	(3)	(10)
Tax benefit on Chubb integration expenses	1	2
Adjusted net realized gains (losses), pre-tax	(100)	40
Tax benefit on adjusted net realized gains (losses)	5	3
Net income	<u>\$ 1,040</u>	<u>\$ 1,082</u>
<b>Rollforward of Common Shares Outstanding</b>		
Shares—beginning of period	459,203,378	463,833,179
Repurchase of shares	(2,753,754)	—
Shares issued, excluding option exercises	1,167,876	1,575,789
Issued for option exercises	561,705	422,518
Shares—end of period	<u>458,179,205</u>	<u>465,831,486</u>
<b>Denominator</b>		
Weighted average shares outstanding (1)	458,805,185	465,703,240
Effect of other dilutive securities	2,731,755	3,770,351
Adj. wtd. avg. shares outstanding and assumed conversions	<u>461,536,940</u>	<u>469,473,591</u>
<b>Basic earnings per share</b>		
Core operating income	\$ 2.55	\$ 2.35
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.07)	(0.11)
Chubb integration expenses, net of tax	(0.01)	(0.02)
Adjusted net realized gains (losses), net of tax	(0.20)	0.10
Net income	<u>\$ 2.27</u>	<u>\$ 2.32</u>
<b>Diluted earnings per share</b>		
Core operating income	\$ 2.54	\$ 2.34
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.07)	(0.11)
Chubb integration expenses, net of tax	(0.01)	(0.02)
Adjusted net realized gains (losses), net of tax	(0.21)	0.09
Net income	<u>\$ 2.25</u>	<u>\$ 2.30</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**

	<u>March 31</u> <u>2019</u>	<u>December 31</u> <u>2018</u>	<u>March 31</u> <u>2018</u>
Shareholders' equity	\$ 52,355	\$ 50,312	\$ 51,287
Less: goodwill and other intangible assets, net of tax	20,070	20,054	20,706
Numerator for tangible book value per share	<u>\$ 32,285</u>	<u>\$ 30,258</u>	<u>\$ 30,581</u>
Book value—% change over prior quarter	4.1%	-1.2%	0.2%
Tangible book value—% change over prior quarter	6.7%	-1.8%	0.1%
Denominator	<u>458,179,205</u>	<u>459,203,378</u>	<u>465,831,486</u>
Book value per common share	\$ 114.27	\$ 109.56	\$ 110.10
Tangible book value per common share	\$ 70.46	\$ 65.89	\$ 65.65
<b><u>Reconciliation of Book Value</u></b>			
Shareholders' equity, beginning of quarter (1)	\$ 50,300	\$ 50,934	\$ 51,172
Core operating income	1,170	935	1,097
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(33)	(42)	(50)
Chubb integration expenses, net of tax	(2)	(15)	(8)
Adjusted net realized gains (losses), net of tax (2)	(95)	(523)	43
Net unrealized gains (losses) on the investment portfolio	1,559	(117)	(988)
Repurchase of shares	(367)	(318)	—
Dividend declared on common shares	(335)	(336)	(332)
Cumulative translation	140	(113)	378
Postretirement benefit liability	(21)	(205)	(18)
Other (3)	39	112	(7)
	<u>\$ 52,355</u>	<u>\$ 50,312</u>	<u>\$ 51,287</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, 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 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 29-30.

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.

Book value per common share, net of tax is shareholders' equity divided by the shares outstanding. Tangible book value per common share, net of tax 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.

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 excluding merger-related actions is a meaningful measure to evaluate trends in our underlying business on a comparable basis. Since the acquisition of the Chubb Corp, we have entered into new reinsurance agreements with third-party reinsurers for the Chubb Corp businesses and have taken other merger-related underwriting actions, including exiting certain types of business that do not meet our underwriting standards or adhere to our risk diversification strategy. We exclude the impact of accounting policy alignment to conform the timing of premium recognition of certain Chubb Corp foreign subsidiaries to be on the same basis as Chubb Limited.

Net premiums written adjusted primarily for additional reinsurance in the company's North America Personal P&C Insurance segment, adjusted to exclude \$18 million of additional reinsurance, reinstatement premiums, and one-time accounting actions in Q1 2019. In addition to excluding additional reinsurance and the one-time accounting actions for the reasons noted above, 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 ratios)  
(Unaudited)

**Regulation G—Non-GAAP Financial Measures (continued)**

**Core operating income**

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

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Net income, as reported	\$ 1,040	\$ 355	\$ 1,231	\$ 1,294	\$ 1,082	\$ 3,962
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(41)	(50)	(54)	(52)	(59)	(215)
Tax benefit on amortization adjustment	8	8	12	11	9	40
Chubb integration expenses, pre-tax	(3)	(20)	(16)	(13)	(10)	(59)
Tax benefit on Chubb integration expenses	1	5	2	3	2	12
Adjusted realized gains (losses), pre-tax	(96)	(682)	27	10	(4)	(649)
Net realized gains (losses) related to unconsolidated entities, pre-tax (1)	(4)	139	152	96	44	431
Tax (expense) benefit on adjusted net realized gains (losses)	5	20	(14)	(14)	3	(5)
Core operating income	<u>\$ 1,170</u>	<u>\$ 935</u>	<u>\$ 1,122</u>	<u>\$ 1,253</u>	<u>\$ 1,097</u>	<u>\$ 4,407</u>

(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).

**Core operating ROE**

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 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.

	<u>1Q-19</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Net income	\$ 1,040	\$ 1,082	\$ 3,962
Core operating income	\$ 1,170	\$ 1,097	\$ 4,407
Equity—beginning of period, as reported (1)	\$ 50,300	\$ 51,172	\$ 51,172
Less: unrealized gains (losses) on investments, net of deferred tax	(545)	1,033	1,154
Equity—beginning of period, as adjusted	\$ 50,845	\$ 50,139	\$ 50,018
Less: goodwill and other intangible assets, net of tax	\$ 20,054	\$ 20,621	\$ 20,621
Equity—beginning of period, as adjusted ex goodwill and other intangible assets	\$ 30,791	\$ 29,518	\$ 29,397
Equity—end of period, as reported	\$ 52,355	\$ 51,287	\$ 50,312
Less: unrealized gains (losses) on investments, net of deferred tax	1,014	45	(545)
Equity—end of period, as adjusted	\$ 51,341	\$ 51,242	\$ 50,857
Less: goodwill and other intangible assets, net of tax	\$ 20,070	\$ 20,706	\$ 20,054
Equity—end of period, as adjusted ex goodwill and other intangible assets	\$ 31,271	\$ 30,536	\$ 30,803
Weighted average equity, as reported	\$ 51,328	\$ 51,230	\$ 50,742
Weighted average equity, as adjusted	\$ 51,093	\$ 50,691	\$ 50,438
Weighted average equity, as adjusted ex goodwill and other intangible assets	\$ 31,031	\$ 30,027	\$ 30,100
ROE	8.1%	8.4%	7.8%
Core operating ROE	9.2%	8.7%	8.7%
Core operating ROTe	15.1%	14.6%	14.6%

(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.

**Core operating effective tax rate**

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

	<u>1Q-19</u>	<u>4Q-18</u>	<u>3Q-18</u>	<u>2Q-18</u>	<u>1Q-18</u>	<u>Full Year 2018</u>
Tax expense, as reported	\$ 188	\$ 159	\$ 183	\$ 218	\$ 135	\$ 695
Less: tax benefit on amortization of fair value of acquired invested assets and debt	(8)	(8)	(12)	(11)	(9)	(40)
Less: tax benefit on Chubb integration expenses	(1)	(5)	(2)	(3)	(2)	(12)
Less: tax expense (benefit) on adjusted net realized gains (losses)	(5)	(20)	14	14	(3)	5
Tax expense, adjusted	<u>\$ 202</u>	<u>\$ 192</u>	<u>\$ 183</u>	<u>\$ 218</u>	<u>\$ 149</u>	<u>\$ 742</u>

Income before tax, as reported	\$1,228	\$ 514	\$ 1,414	\$1,512	\$ 1,217	\$ 4,657
Less: amortization of fair value of acquired invested assets and debt	(41)	(50)	(54)	(52)	(59)	(215)
Less: Chubb integration expenses	(3)	(20)	(16)	(13)	(10)	(59)
Less: adjusted realized gains (losses)	(96)	(682)	27	10	(4)	(649)
Less: realized gains (losses) related to unconsolidated entities	(4)	139	152	96	44	431
Core operating income before tax	<u>\$1,372</u>	<u>\$1,127</u>	<u>\$ 1,305</u>	<u>\$1,471</u>	<u>\$ 1,246</u>	<u>\$ 5,149</u>
Effective tax rate	15.3%	31.1%	12.9%	14.4%	11.1%	14.9%
Adjustment for tax impact of amortization of fair value of acquired invested assets and debt	0.1%	0.0%	0.4%	0.2%	0.2%	0.2%
Adjustment for tax impact of Chubb integration expenses	0.0%	0.1%	0.0%	0.1%	0.1%	0.1%
Adjustment for tax impact of adjusted net realized gains (losses)	-0.7%	-14.1%	0.8%	0.1%	0.6%	-0.8%
Core operating effective tax rate	<u>14.7%</u>	<u>17.1%</u>	<u>14.1%</u>	<u>14.8%</u>	<u>12.0%</u>	<u>14.4%</u>

Reconciliation Non-GAAP 2

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**Chubb Limited**  
**Non-GAAP Financial Measures—3**  
(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
<b>Q1 2019</b>								
<b>Numerator</b>								
<b>Losses and loss expenses</b>								
Losses and loss expenses		\$ 1,973	\$ 757	\$ (27)	\$ 1,106	\$ 76	\$ 11	\$3,896
Realized (gains) losses on crop derivatives		—	—	1	—	—	—	1
Adjusted losses and loss expenses	<b>A</b>	<u>\$ 1,973</u>	<u>\$ 757</u>	<u>\$ (26)</u>	<u>\$ 1,106</u>	<u>\$ 76</u>	<u>\$ 11</u>	<u>\$3,897</u>
Catastrophe losses		(94)	(129)	(2)	(25)	—	—	(250)
<b>PPD and related adjustments</b>								
PPD, net of related adjustments—favorable (unfavorable)		131	10	61	4	8	(10)	204
Net premiums earned adjustments on PPD— unfavorable (favorable)		2	—	32	—	—	—	34
Expense adjustments—unfavorable (favorable)		(4)	—	(3)	—	—	—	(7)
PPD reinstatement premiums—unfavorable (favorable)		—	(3)	—	—	—	—	(3)
PPD—gross of related adjustments—favorable (unfavorable)		129	7	90	4	8	(10)	228
<b>CAY loss and loss expense ex Cats</b>	<b>B</b>	<u>\$ 2,008</u>	<u>\$ 635</u>	<u>\$ 62</u>	<u>\$ 1,085</u>	<u>\$ 84</u>	<u>\$ 1</u>	<u>\$3,875</u>
<b>Policy acquisition costs and administrative expenses</b>								
Policy acquisition costs and administrative expenses	<b>C</b>	\$ 699	\$ 299	\$ 8	\$ 845	\$ 53	\$ 63	\$1,967
Expense adjustments—favorable (unfavorable)		4	—	3	—	—	—	7
Policy acquisition costs and administrative expenses, adjusted	<b>D</b>	<u>\$ 703</u>	<u>\$ 299</u>	<u>\$ 11</u>	<u>\$ 845</u>	<u>\$ 53</u>	<u>\$ 63</u>	<u>\$1,974</u>
<b>Denominator</b>								
<b>Net premiums earned</b>	<b>E</b>	\$ 3,085	\$ 1,154	\$ 55	\$ 2,114	\$ 168		\$6,576
Net premiums earned adjustments on PPD— unfavorable (favorable)		2	—	32	—	—		34
PPD reinstatement premiums—unfavorable (favorable)		—	(3)	—	—	—		(3)
<b>Net premiums earned excluding adjustments</b>	<b>F</b>	<u>\$ 3,087</u>	<u>\$ 1,151</u>	<u>\$ 87</u>	<u>\$ 2,114</u>	<u>\$ 168</u>		<u>\$6,607</u>
<b>P&amp;C combined ratio</b>								
Loss and loss expense ratio	<b>A/E</b>	63.9%	65.5%	-48.3%	52.3%	45.7%		59.3%
Policy acquisition cost and administrative expense ratio	<b>C/E</b>	22.7%	26.0%	14.7%	40.0%	31.1%		29.9%
P&C combined ratio		<u>86.6%</u>	<u>91.5%</u>	<u>-33.6%</u>	<u>92.3%</u>	<u>76.8%</u>		<u>89.2%</u>
<b>CAY P&amp;C combined ratio ex Cats</b>								
Loss and loss expense ratio, adjusted	<b>B/F</b>	65.0%	55.1%	71.1%	51.3%	50.5%		58.6%
Policy acquisition cost and administrative expense ratio, adjusted	<b>D/F</b>	22.8%	26.0%	12.8%	40.0%	31.0%		29.9%
CAY P&C combined ratio ex Cats		<u>87.8%</u>	<u>81.1%</u>	<u>83.9%</u>	<u>91.3%</u>	<u>81.5%</u>		<u>88.5%</u>
<b>Combined ratio</b>								
Combined ratio								89.2%
Add: impact of gains and losses on crop derivatives								0.0%
P&C combined ratio								<u>89.2%</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—4**  
(in millions of U.S. dollars, except ratios)  
(Unaudited)

**Regulation G—Non-GAAP Financial Measures (continued)**

**P&C combined ratio (continued)**

<b>Q1 2018</b>	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
<b>Numerator</b>							
<b>Losses and loss expenses</b>							
Losses and loss expenses	\$ 1,908	\$ 886	\$ (53)	\$ 1,078	\$ 67	\$ 11	\$3,897
Realized (gains) losses on crop derivatives	—	—	(2)	—	—	—	(2)
Adjusted losses and loss expenses	<b>A</b> \$ 1,908	<b>\$ 886</b>	<b>\$ (55)</b>	<b>\$ 1,078</b>	<b>\$ 67</b>	<b>\$ 11</b>	<b>\$3,895</b>
Catastrophe losses	(78)	(284)	(1)	(15)	(2)	—	(380)
<b>PPD and related adjustments</b>							
PPD, net of related adjustments—favorable (unfavorable)	101	6	76	22	14	(10)	209
Net premiums earned adjustments on PPD— unfavorable (favorable)	—	—	40	—	1	—	41
Expense adjustments—unfavorable (favorable)	6	—	(4)	—	—	—	2
PPD reinstatement premiums—unfavorable (favorable)	4	—	—	—	—	—	4
PPD—gross of related adjustments—favorable (unfavorable)	111	6	112	22	15	(10)	256
<b>CAY loss and loss expense ex Cats</b>	<b>B</b> \$ 1,941	<b>\$ 608</b>	<b>\$ 56</b>	<b>\$ 1,085</b>	<b>\$ 80</b>	<b>\$ 1</b>	<b>\$3,771</b>
<b>Policy acquisition costs and administrative expenses</b>							
Policy acquisition costs and administrative expenses	<b>C</b> \$ 703	<b>\$ 302</b>	<b>\$ (4)</b>	<b>\$ 827</b>	<b>\$ 50</b>	<b>\$ 72</b>	<b>\$1,950</b>
Expense adjustments—favorable (unfavorable)	(6)	—	4	—	—	—	(2)
Policy acquisition costs and administrative expenses, adjusted	<b>D</b> \$ 697	<b>\$ 302</b>	<b>\$ —</b>	<b>\$ 827</b>	<b>\$ 50</b>	<b>\$ 72</b>	<b>\$1,948</b>
<b>Denominator</b>							
<b>Net premiums earned</b>	<b>E</b> \$ 3,029	<b>\$ 1,140</b>	<b>\$ 43</b>	<b>\$ 2,107</b>	<b>\$ 168</b>		<b>\$6,487</b>
Net premiums earned adjustments on PPD— unfavorable (favorable)	—	—	40	—	1		41
PPD reinstatement premiums—unfavorable (favorable)	4	—	—	—	—		4
<b>Net premiums earned excluding adjustments</b>	<b>F</b> \$ 3,033	<b>\$ 1,140</b>	<b>\$ 83</b>	<b>\$ 2,107</b>	<b>\$ 169</b>		<b>\$6,532</b>
<b>P&amp;C combined ratio</b>							
Loss and loss expense ratio	<b>A/E</b>	63.0%	77.7%	-127.6%	51.1%	40.1%	60.0%
Policy acquisition cost and administrative expense ratio	<b>C/E</b>	23.2%	26.5%	-10.7%	39.3%	29.4%	30.1%
P&C combined ratio		86.2%	104.2%	-138.3%	90.4%	69.5%	90.1%
<b>CAY P&amp;C combined ratio ex Cats</b>							
Loss and loss expense ratio, adjusted	<b>B/F</b>	64.0%	53.3%	68.9%	51.4%	47.7%	57.7%
Policy acquisition cost and administrative expense ratio, adjusted	<b>D/F</b>	23.0%	26.4%	-1.2%	39.3%	29.3%	29.9%
CAY P&C combined ratio ex Cats		87.0%	79.7%	67.7%	90.7%	77.0%	87.6%
<b>Combined ratio</b>							
Combined ratio							90.1%
Add: impact of gains and losses on crop derivatives							0.0%
P&C combined ratio							90.1%

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.

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**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.

**Core operating effective tax rate:** 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.

**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.