



News from *The Chubb Corporation*

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FOR IMMEDIATE RELEASE

Chubb Reports First Quarter Net Income per Share of \$1.39; Operating Income per Share Is \$1.14; Combined Ratio Is 93.6%, including Catastrophe Impact of 12.3 Points

WARREN, New Jersey, April 22, 2010 -- The Chubb Corporation [NYSE: CB] today reported that net income in the first quarter of 2010 was \$464 million compared to \$341 million in the first quarter of 2009. Net income per share increased 46% to \$1.39 from \$0.95 per share.

Operating income, which the company defines as net income excluding after-tax realized investment gains and losses, was \$381 million in the first quarter of 2010 and \$514 million in the first quarter of 2009. First quarter operating income per share declined 20% to \$1.14 in 2010 from \$1.43 in 2009.

The impact of catastrophes in the first quarter of 2010 was \$344 million pre-tax, compared with \$26 million pre-tax in the first quarter of 2009. The \$344 million includes the impact of a late-March storm on the East Coast of the U.S. that produced additional losses that were not included in the March 29th announcement of Chubb's estimated first-quarter impact of catastrophes. The impact of catastrophes includes losses and loss expenses net of reinsurance recoverable and also includes reinsurance reinstatement premiums.

The impact of catastrophes on first quarter net income and operating income per share was \$0.67 in 2010 and \$0.05 in 2009.

During the first quarter of 2010, Chubb incurred a one-time tax charge of \$22 million (\$0.07 per share) related to the recently enacted federal health care legislation, which eliminated the tax benefit associated with Medicare Part D subsidies to be received by companies that provide qualifying prescription drug coverage to retirees.

Net written premiums for the first quarter increased 1% to \$2.8 billion. Excluding the effect of currency fluctuation, premiums were down 3%. Premiums declined 4% in the U.S. and increased 16% outside the U.S. (increased 2% in local currencies).

The first quarter combined loss and expense ratio was 93.6% in 2010 compared to 88.1% in 2009. The impact of catastrophes accounted for 12.3 percentage points of the combined ratio in the first quarter of 2010, compared to 0.9 percentage points in the first quarter of 2009. Excluding the impact of catastrophes, the first quarter combined ratio was 81.3% in 2010 and 87.2% in 2009.

The expense ratio for the first quarter was 31.3% in 2010 and 30.8% in 2009.

Property and casualty investment income after taxes for the first quarter increased 2% to \$313 million in 2010 from \$306 million in 2009.

Net income for the first quarter of 2010 reflects net realized investment gains of \$127 million pre-tax (\$0.25 per share after-tax). Net income for the first quarter of 2009 reflected net realized investment losses, including impairments, of \$266 million pre-tax (\$0.48 per share after-tax).

“The headline for the property and casualty insurance industry in the first quarter was the extraordinary level of natural catastrophes worldwide, including the earthquake in Chile, storms in Australia and Europe and several severe storms on the East Coast of the U.S.,” said John D. Finnegan, Chairman, President and Chief Executive Officer. “Although these catastrophes had a negative impact of \$0.67 per share on Chubb's first quarter results, we still produced strong operating income of \$1.14 per share for the quarter -- an excellent result. This reflected outstanding underwriting results, with a combined ratio excluding catastrophes of 81.3%, nearly 6 percentage points better than a year ago. This was our best combined ratio excluding catastrophes since 2007 and was driven by strong contributions from all of our business units,” said Mr. Finnegan.

“I am very pleased with our underlying financial performance in the quarter,” Mr. Finnegan said, “and I am also very proud of the way Chubb's employees responded to the needs of our customers across the globe as a result of these catastrophes. Our commitment to superior customer service is once again differentiating Chubb in the marketplace. We understand that a loss is an opportunity to prove to our customers the value proposition we offer.”

During the first quarter of 2010, Chubb repurchased 7 million shares of its common stock at a total cost of \$344 million (an average of \$49.47 per share). As of March 31, 2010, there were 15.2 million shares of common stock remaining for repurchase under the current authorization.

First Quarter Operations Review

Chubb Personal Insurance (CPI) net written premiums increased 4% in the first quarter to \$874 million. CPI's combined ratio for the quarter was 104.4%, compared to 90.0% in the first quarter of 2009. The impact of catastrophes accounted for 22.8 percentage points in the first quarter of 2010 compared to 1.5 points in 2009. Excluding the impact of catastrophes, CPI's first quarter combined ratio was 81.6% in 2010 and 88.5% in 2009.

Net written premiums for Homeowners increased 1%, and the combined ratio was 113.3% compared to 88.2% in the year-ago first quarter. The impact of catastrophes in the first quarter accounted for 35.1 percentage points of the Homeowners combined ratio in 2010 compared to 2.4 points in 2009. Excluding the impact of catastrophes, the combined ratio for Homeowners in the first quarter was 78.2% in 2010 and 85.8% in 2009. In the first quarter of 2010, Personal Automobile net written premiums increased 11%, and the combined ratio was 91.5%. Other Personal lines grew 7% and had a combined ratio of 87.5%.

Chubb Commercial Insurance (CCI) net written premiums declined 1% in the first quarter to \$1.2 billion. The combined ratio for the quarter was 93.8% in 2010 and 90.2% in 2009. The impact of catastrophes in the first quarter accounted for 11.4 percentage points of the combined ratio in 2010 compared to 1.0 points in 2009. Excluding the impact of catastrophes, CCI's first quarter combined ratio was 82.4% in 2010 and 89.2% in 2009.

Average first quarter renewal rates in the U.S. were up 1% for CCI, which retained 84% of the U.S. premiums that came up for renewal. In the U.S., the ratio of new to lost business was 1.0 to 1.

Chubb Specialty Insurance (CSI) net written premiums were up 3% in the first quarter to \$646 million. The combined ratio for CSI was 80.9%, compared to 85.1% in the first quarter of 2009.

Professional Liability (PL) net written premiums were up 3%, and the business had a combined ratio of 86.2%. Average first quarter renewal rates in the U.S. were down 1% for PL, which retained 85% of the U.S. premiums that came up for renewal. In the U.S., the ratio of new to lost business was 1.0 to 1.

Surety net written premiums were down 1%, and the combined ratio was 39.8%.

Webcast Conference Call to be Held Today at 5 P.M.

Chubb's senior management will discuss the company's first quarter performance with investors and analysts today, April 22nd, at 5 P.M. Eastern Daylight Time. The conference call will be webcast live on the Internet at <http://www.chubb.com> and archived later in the day for replay.

About Chubb

Founded in 1882, the Chubb Group of Insurance Companies provides property and casualty insurance for personal and commercial customers worldwide through 8,500 independent agents and brokers. Chubb's global network includes branches and affiliates throughout North America, Europe, Latin America, Asia and Australia.

Chubb's Supplementary Investor Information Report has been posted on its Internet site at <http://www.chubb.com>.

All financial results in this release and attachments are unaudited.

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