

The
Chubb
Corporation

Supplementary
Investor
Information

June 30, 2009

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



THE CHUBB CORPORATION

Beginning in the third quarter of 2008, the “net losses paid” and “increase (decrease) in outstanding losses” amounts in the property and casualty underwriting results reflect the impact of foreign currency fluctuations differently than in the past.

The property and casualty underwriting results for 2008 that follow this page reflect modification to previously reported net losses paid and increase (decrease) in outstanding losses. Since net losses paid and increase (decrease) in outstanding losses for each line of business and in total have been modified by offsetting amounts, incurred losses for each line of business and in total are unchanged.

THE CHUBB CORPORATION
SUPPLEMENTARY INVESTOR INFORMATION
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THE CHUBB CORPORATION
CONSOLIDATED BALANCE SHEET HIGHLIGHTS
(in millions, except per share amounts)

	<u>June 30</u> <u>2009</u>	<u>% of Total</u>	<u>Dec. 31</u> <u>2008</u>	<u>% of Total</u>
Invested Assets (at carrying value)				
Short Term Investments	\$ 2,651	7%	\$ 2,478	7%
Fixed Maturities				
Tax Exempt	19,110	47	18,345	47
Taxable	15,563	39	14,410	37
Equity Securities	1,189	3	1,479	4
Other Invested Assets	1,784	4	2,026	5
Total Invested Assets	<u>\$40,297</u>	<u>100%</u>	<u>\$38,738</u>	<u>100%</u>
Unrealized Appreciation (Depreciation) of Investments				
Fixed Maturities	\$ 558		\$ (136)	
Equity Securities	(46)		(84)	
	512		(220)	
Deferred Income Tax Liability (Asset)	179		(77)	
	<u>\$ 333</u>		<u>\$ (143)</u>	
Capitalization				
Long Term Debt	\$ 3,975		\$ 3,975	
Shareholders' Equity	14,504		13,432	
Total Capitalization	<u>\$18,479</u>		<u>\$17,407</u>	
Debt as a Percentage of Total Capitalization	21.5%		22.8%	
Actual Common Shares Outstanding	349.9		352.3	
Book Value Per Common Share	\$ 41.45		\$ 38.13	
Book Value Per Common Share, with Available-for-Sale Fixed Maturities at Amortized Cost	\$ 40.41		\$ 38.38	

THE CHUBB CORPORATION
SHARE REPURCHASE ACTIVITY
(dollars in millions, except per share amounts)

	Periods Ended June 30		From December 2005 to June 30, 2009
	Second Quarter 2009	Six Months 2009	
Cost of Shares Repurchased	\$90	\$164	\$5,051
Average Cost Per Share	\$39.21	\$39.94	\$50.34
Shares Repurchased	2,310,029	4,114,529	100,330,629

In December 2005 and December 2006, the Board of Directors authorized the repurchase of up to 28,000,000 shares and 20,000,000 shares, respectively, of the Corporation's common stock. In March 2007, the Board of Directors authorized an increase of 20,000,000 shares to the authorization approved in 2006. In December 2007, the Board of Directors authorized the repurchase of up to 28,000,000 shares of the Corporation's common stock. No shares remain under these share repurchase authorizations.

In December 2008, the Board of Directors authorized the repurchase of up to 20,000,000 shares of the Corporation's common stock. The authorization has no expiration date. As of June 30, 2009, 15,669,371 shares remained under the share repurchase authorization.

THE CHUBB CORPORATION
SUMMARY OF INVESTED ASSETS
CORPORATE

	Cost or Amortized Cost		Carrying Value (a)	
	June 30 2009	Dec. 31 2008	June 30 2009	Dec. 31 2008
	<i>(in millions)</i>			
Short Term Investments	\$ 1,400	\$ 1,602	\$ 1,400	\$ 1,602
Taxable Fixed Maturities	1,011	774	1,040	780
Equity Securities	205	451	186	504
TOTAL	<u>\$ 2,616</u>	<u>\$ 2,827</u>	<u>\$ 2,626</u>	<u>\$ 2,886</u>

PROPERTY AND CASUALTY

	Cost or Amortized Cost		Carrying Value (a)	
	June 30 2009	Dec. 31 2008	June 30 2009	Dec. 31 2008
	<i>(in millions)</i>			
Short Term Investments	\$ 1,251	\$ 876	\$ 1,251	\$ 876
Fixed Maturities				
Tax Exempt	18,697	18,299	19,110	18,345
Taxable	14,407	13,818	14,523	13,630
Equity Securities	1,030	1,112	1,003	975
Other Invested Assets	1,784	2,026	1,784	2,026
TOTAL	<u>\$ 37,169</u>	<u>\$ 36,131</u>	<u>\$ 37,671</u>	<u>\$ 35,852</u>

- (a) Short term investments are carried at amortized cost, which approximates fair value. Fixed maturities and equity securities are carried at fair value. Other invested assets, which include private equity limited partnerships, are carried at Chubb's equity in the net assets of the partnerships.

THE CHUBB CORPORATION
INVESTMENT INCOME AFTER TAXES

	Periods Ended June 30			
	Second Quarter		Six Months	
	2009	2008	2009	2008
	<i>(in millions)</i>			
CORPORATE INVESTMENT INCOME	<u>\$ 9</u>	<u>\$ 13</u>	<u>\$ 18</u>	<u>\$ 26</u>
PROPERTY AND CASUALTY INVESTMENT INCOME				
Tax Exempt Interest	\$ 187	\$ 184	\$ 373	\$ 369
Taxable Interest	114	127	228	254
Other	15	21	26	41
Investment Expenses	(4)	(5)	(9)	(10)
TOTAL	<u>\$ 312</u>	<u>\$ 327</u>	<u>\$ 618</u>	<u>\$ 654</u>
Effective Tax Rate	19.4%	20.2%	19.3%	20.2%
After-Tax Annualized Yield	3.42%	3.48%	3.41%	3.49%

After-tax annualized yield is based on the average invested assets for the periods presented, with fixed maturities at amortized cost and equity securities at fair value.

STATUTORY POLICYHOLDERS' SURPLUS

	<u>June 30 2009</u>	<u>Dec. 31 2008</u>	<u>June 30 2008</u>
	<i>(in millions)</i>		
Estimated Statutory Policyholders' Surplus	\$13,300	\$12,281	\$13,250
Rolling Year Statutory Net Premiums Written	\$11,366	\$11,759	\$11,901
Ratio of Statutory Net Premiums Written to Policyholders' Surplus	0.85:1	0.96:1	0.90:1

Statutory Policyholders' Surplus and Net Premiums Written include all domestic and foreign property and casualty subsidiaries.

THE CHUBB CORPORATION
PROPERTY AND CASUALTY
CHANGE IN NET UNPAID LOSSES
SIX MONTHS ENDED JUNE 30, 2009

	Net Unpaid Losses			IBNR Increase (Decrease)	All Other Unpaid Losses Increase (Decrease)
	6/30/09	12/31/08	Increase (Decrease) <i>(in millions)</i>		
Personal Insurance					
Automobile	\$ 394	\$ 391	\$ 3	\$ (7)	\$ 10
Homeowners	679	715	(36)	(3)	(33)
Other	845	815	30	43	(13)
Total Personal	1,918	1,921	(3)	33	(36)
Commercial Insurance					
Multiple Peril	1,591	1,586	5	31	(26)
Casualty	5,832	5,660	172	72	100
Workers' Compensation	2,062	1,982	80	56	24
Property and Marine	794	839	(45)	(10)	(35)
Total Commercial	10,279	10,067	212	149	63
Specialty Insurance					
Professional Liability	7,356	7,175	181	239	(58)
Surety	59	68	(9)	—	(9)
Total Specialty	7,415	7,243	172	239	(67)
Total Insurance	19,612	19,231	381	421	(40)
Reinsurance Assumed	826	924	(98)	(57)	(41)
Total	\$20,438	\$20,155	\$ 283	\$ 364	\$ (81)

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Personal Automobile		Homeowners		Other Personal		Total Personal	
	2009	2008	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 278	\$ 303	\$ 1,151	\$ 1,213	\$ 375	\$ 376	\$ 1,804	\$ 1,892
Decrease (Increase) in Unearned Premiums	4	8	35	9	(19)	(22)	20	(5)
Net Premiums Earned	282	311	1,186	1,222	356	354	1,824	1,887
Net Losses Paid	167	191	651	547	195	192	1,013	930
Increase (Decrease) in Outstanding Losses	5	(2)	(42)	3	30	38	(7)	39
Net Losses Incurred	172	189	609	550	225	230	1,006	969
Expenses Incurred	81	88	379	393	115	123	575	604
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income (Loss)	<u>\$ 29</u>	<u>\$ 34</u>	<u>\$ 198</u>	<u>\$ 279</u>	<u>\$ 16</u>	<u>\$ 1</u>	<u>\$ 243</u>	<u>\$ 314</u>
Ratios After Dividends to Policyholders:								
Loss	61.0%	60.8%	51.4%	45.0%	63.2%	65.0%	55.1%	51.4%
Expense	29.1	29.0	32.9	32.4	30.7	32.7	31.9	31.9
Combined	<u>90.1%</u>	<u>89.8%</u>	<u>84.3%</u>	<u>77.4%</u>	<u>93.9%</u>	<u>97.7%</u>	<u>87.0%</u>	<u>83.3%</u>
Premiums Written as a % of Total	5.0%	5.1%	20.6%	20.3%	6.7%	6.3%	32.3%	31.7%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Commercial Multiple Peril		Commercial Casualty		Commercial Workers' Compensation		Commercial Property and Marine		Total Commercial	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 561	\$ 607	\$ 815	\$ 896	\$ 424	\$ 461	\$ 673	\$ 677	\$2,473	\$2,641
Decrease (Increase) in Unearned Premiums	21	21	(25)	(32)	(15)	(21)	(61)	(61)	(80)	(93)
Net Premiums Earned	582	628	790	864	409	440	612	616	2,393	2,548
Net Losses Paid	273	284	398	392	192	198	365	294	1,228	1,168
Increase (Decrease) in Outstanding Losses	(6)	(12)	153	164	71	43	(45)	156	173	351
Net Losses Incurred	267	272	551	556	263	241	320	450	1,401	1,519
Expenses Incurred	207	216	228	249	97	103	228	232	760	800
Dividends Incurred	—	—	—	—	11	17	—	—	11	17
Statutory Underwriting Income (Loss)	<u>\$ 108</u>	<u>\$ 140</u>	<u>\$ 11</u>	<u>\$ 59</u>	<u>\$ 38</u>	<u>\$ 79</u>	<u>\$ 64</u>	<u>\$ (66)</u>	<u>\$ 221</u>	<u>\$ 212</u>
Ratios After Dividends to Policyholders:										
Loss	45.9%	43.3%	69.7%	64.3%	66.1%	57.0%	52.3%	73.0%	58.8%	60.0%
Expense	36.9	35.6	28.0	27.8	23.5	23.2	33.9	34.3	30.9	30.5
Combined	<u>82.8%</u>	<u>78.9%</u>	<u>97.7%</u>	<u>92.1%</u>	<u>89.6%</u>	<u>80.2%</u>	<u>86.2%</u>	<u>107.3%</u>	<u>89.7%</u>	<u>90.5%</u>
Premiums Written as a % of Total	10.0%	10.1%	14.6%	15.0%	7.6%	7.7%	12.0%	11.3%	44.2%	44.1%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Professional Liability		Surety		Total Specialty	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 1,137	\$ 1,230	\$ 162	\$ 184	\$ 1,299	\$ 1,414
Decrease (Increase) in Unearned Premiums	98	88	9	(14)	107	74
Net Premiums Earned	1,235	1,318	171	170	1,406	1,488
Net Losses Paid	677	705	14	26	691	731
Increase (Decrease) in Outstanding Losses	111	58	(8)	58	103	116
Net Losses Incurred	788	763	6	84	794	847
Expenses Incurred	305	319	55	58	360	377
Dividends Incurred	—	—	4	1	4	1
Statutory Underwriting Income (Loss)	<u>\$ 142</u>	<u>\$ 236</u>	<u>\$ 106</u>	<u>\$ 27</u>	<u>\$ 248</u>	<u>\$ 263</u>
Ratios After Dividends to Policyholders:						
Loss	63.8%	57.9%	3.6%	49.7%	56.6%	56.9%
Expense	26.8	25.9	34.8	31.7	27.8	26.7
Combined	<u>90.6%</u>	<u>83.8%</u>	<u>38.4%</u>	<u>81.4%</u>	<u>84.4%</u>	<u>83.6%</u>
Premiums Written as a % of Total	20.4%	20.5%	2.9%	3.1%	23.3%	23.6%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 5,576	\$ 5,947	\$ 13	\$ 36	\$ 5,589	\$ 5,983
Decrease (Increase) in Unearned Premiums	47	(24)	18	3	65	(21)
Net Premiums Earned	5,623	5,923	31	39	5,654	5,962
Net Losses Paid	2,932	2,829	84	84	3,016	2,913
Increase (Decrease) in Outstanding Losses	269	506	(98)	(86)	171	420
Net Losses Incurred	3,201	3,335	(14)	(2)	3,187	3,333
Expenses Incurred	1,695	1,781	5	17	1,700	1,798
Dividends Incurred	15	18	—	—	15	18
Statutory Underwriting Income (Loss)	\$ 712	\$ 789	\$ 40	\$ 24	752	813
Increase in Deferred Acquisition Costs					20	36
GAAP Underwriting Income					\$ 772	\$ 849
Ratios After Dividends to Policyholders:						
Loss	57.1%	56.5%	*	%	56.5%	56.1%
Expense	30.5	30.0	*	%	30.5	30.1
Combined	87.6%	86.5%	*	%	87.0%	86.2%
Premiums Written as a % of Total	99.8%	99.4%	0.2%	0.6%	100.0%	100.0%

* Combined, loss and expense ratios are no longer presented for Reinsurance Assumed since this business is in run-off.

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	United States		Outside the United States		Worldwide Total	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 4,266	\$ 4,479	\$ 1,323	\$ 1,504	\$ 5,589	\$ 5,983
Decrease (Increase) in Unearned Premiums	142	43	(77)	(64)	65	(21)
Net Premiums Earned	4,408	4,522	1,246	1,440	5,654	5,962
Net Losses Paid	2,486	2,305	530	608	3,016	2,913
Increase (Decrease) in Outstanding Losses	(5)	340	176	80	171	420
Net Losses Incurred	2,481	2,645	706	688	3,187	3,333
Expenses Incurred	1,231	1,262	469	536	1,700	1,798
Dividends Incurred	15	18	—	—	15	18
Statutory Underwriting Income (Loss)	<u>\$ 681</u>	<u>\$ 597</u>	<u>\$ 71</u>	<u>\$ 216</u>	752	813
Increase in Deferred Acquisition Costs					20	36
GAAP Underwriting Income					<u>\$ 772</u>	<u>\$ 849</u>
Ratios After Dividends to Policyholders:						
Loss	56.5%	58.7%	56.7%	47.8%	56.5%	56.1%
Expense	29.0	28.3	35.4	35.6	30.5	30.1
Combined	<u>85.5%</u>	<u>87.0%</u>	<u>92.1%</u>	<u>83.4%</u>	<u>87.0%</u>	<u>86.2%</u>
Premiums Written as a % of Total	76.3%	74.9%	23.7%	25.1%	100.0%	100.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Personal Automobile		Homeowners		Other Personal		Total Personal	
	2009	2008	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 147	\$ 161	\$ 637	\$ 674	\$ 177	\$ 180	\$ 961	\$ 1,015
Decrease (Increase) in Unearned Premiums	(5)	(6)	(45)	(61)	6	(1)	(44)	(68)
Net Premiums Earned	142	155	592	613	183	179	917	947
Net Losses Paid	82	87	303	279	94	109	479	475
Increase (Decrease) in Outstanding Losses	6	4	(12)	(9)	14	12	8	7
Net Losses Incurred	88	91	291	270	108	121	487	482
Expenses Incurred	42	45	201	209	56	61	299	315
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income (Loss)	<u>\$ 12</u>	<u>\$ 19</u>	<u>\$ 100</u>	<u>\$ 134</u>	<u>\$ 19</u>	<u>\$ (3)</u>	<u>\$ 131</u>	<u>\$ 150</u>
Ratios After Dividends to Policyholders:								
Loss	62.0%	58.7%	49.2%	44.1%	59.0%	67.6%	53.1%	50.9%
Expense	28.5	28.0	31.5	31.0	31.7	33.9	31.1	31.0
Combined	<u>90.5%</u>	<u>86.7%</u>	<u>80.7%</u>	<u>75.1%</u>	<u>90.7%</u>	<u>101.5%</u>	<u>84.2%</u>	<u>81.9%</u>
Premiums Written as a % of Total	5.2%	5.3%	22.3%	22.1%	6.2%	5.9%	33.7%	33.3%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Commercial Multiple Peril		Commercial Casualty		Commercial Workers' Compensation		Commercial Property and Marine		Total Commercial	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 292	\$ 312	\$ 406	\$ 436	\$ 188	\$ 213	\$ 327	\$ 340	\$1,213	\$1,301
Decrease (Increase) in Unearned Premiums	(3)	(2)	(13)	(7)	15	10	(17)	(20)	(18)	(19)
Net Premiums Earned	289	310	393	429	203	223	310	320	1,195	1,282
Net Losses Paid	122	144	202	230	103	99	183	140	610	613
Increase (Decrease) in Outstanding Losses	4	(7)	52	46	29	15	(6)	138	79	192
Net Losses Incurred	126	137	254	276	132	114	177	278	689	805
Expenses Incurred	106	110	114	120	46	50	112	114	378	394
Dividends Incurred	—	—	—	—	5	9	—	—	5	9
Statutory Underwriting Income (Loss)	<u>\$ 57</u>	<u>\$ 63</u>	<u>\$ 25</u>	<u>\$ 33</u>	<u>\$ 20</u>	<u>\$ 50</u>	<u>\$ 21</u>	<u>\$ (72)</u>	<u>\$ 123</u>	<u>\$ 74</u>
Ratios After Dividends to Policyholders:										
Loss	43.6%	44.2%	64.6%	64.4%	66.7%	53.3%	57.1%	86.9%	57.9%	63.2%
Expense	36.3	35.3	28.1	27.5	25.1	24.5	34.3	33.5	31.3	30.5
Combined	<u>79.9%</u>	<u>79.5%</u>	<u>92.7%</u>	<u>91.9%</u>	<u>91.8%</u>	<u>77.8%</u>	<u>91.4%</u>	<u>120.4%</u>	<u>89.2%</u>	<u>93.7%</u>
Premiums Written as a % of Total	10.3%	10.2%	14.3%	14.3%	6.6%	7.0%	11.5%	11.2%	42.7%	42.7%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Professional Liability		Surety		Total Specialty	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 584	\$ 626	\$ 85	\$ 85	\$ 669	\$ 711
Decrease (Increase) in Unearned Premiums	34	24	2	3	36	27
Net Premiums Earned	618	650	87	88	705	738
Net Losses Paid	370	343	6	14	376	357
Increase (Decrease) in Outstanding Losses	29	39	(3)	69	26	108
Net Losses Incurred	399	382	3	83	402	465
Expenses Incurred	149	158	29	29	178	187
Dividends Incurred	—	—	2	—	2	—
Statutory Underwriting Income (Loss)	<u>\$ 70</u>	<u>\$ 110</u>	<u>\$ 53</u>	<u>\$ (24)</u>	<u>\$ 123</u>	<u>\$ 86</u>
Ratios After Dividends to Policyholders:						
Loss	64.6%	58.8%	3.5%	94.3%	57.2%	63.0%
Expense	25.5	25.2	35.0	34.1	26.7	26.3
Combined	<u>90.1%</u>	<u>84.0%</u>	<u>38.5%</u>	<u>128.4%</u>	<u>83.9%</u>	<u>89.3%</u>
Premiums Written as a % of Total	20.5%	20.5%	3.0%	2.8%	23.5%	23.3%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 2,843	\$ 3,027	\$ 3	\$ 20	\$ 2,846	\$ 3,047
Decrease (Increase) in Unearned Premiums	(26)	(60)	8	(1)	(18)	(61)
Net Premiums Earned	2,817	2,967	11	19	2,828	2,986
Net Losses Paid	1,465	1,445	42	52	1,507	1,497
Increase (Decrease) in Outstanding Losses	113	307	(48)	(55)	65	252
Net Losses Incurred	1,578	1,752	(6)	(3)	1,572	1,749
Expenses Incurred	855	896	2	8	857	904
Dividends Incurred	7	9	—	—	7	9
Statutory Underwriting Income (Loss)	\$ 377	\$ 310	\$ 15	\$ 14	392	324
Increase in Deferred Acquisition Costs					4	23
GAAP Underwriting Income					\$ 396	\$ 347
Ratios After Dividends to Policyholders:						
Loss	56.2%	59.2%	*	%	55.7%	58.7%
Expense	30.1	29.7	*	%	30.2	29.8
Combined	86.3%	88.9%	*	%	85.9%	88.5%
Premiums Written as a % of Total	99.9%	99.3%	0.1%	0.7%	100.0%	100.0%

* Combined, loss and expense ratios are no longer presented for Reinsurance Assumed since this business is in run-off.

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED JUNE 30, 2009 AND 2008
(DOLLARS IN MILLIONS)**

	United States		Outside the United States		Worldwide Total	
	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 2,229	\$ 2,344	\$ 617	\$ 703	\$ 2,846	\$ 3,047
Decrease (Increase) in Unearned Premiums	(48)	(89)	30	28	(18)	(61)
Net Premiums Earned	2,181	2,255	647	731	2,828	2,986
Net Losses Paid	1,238	1,165	269	332	1,507	1,497
Increase (Decrease) in Outstanding Losses	(34)	230	99	22	65	252
Net Losses Incurred	1,204	1,395	368	354	1,572	1,749
Expenses Incurred	631	648	226	256	857	904
Dividends Incurred	7	9	—	—	7	9
Statutory Underwriting Income (Loss)	<u>\$ 339</u>	<u>\$ 203</u>	<u>\$ 53</u>	<u>\$ 121</u>	392	324
Increase in Deferred Acquisition Costs					4	23
GAAP Underwriting Income					<u>\$ 396</u>	<u>\$ 347</u>
Ratios After Dividends to Policyholders:						
Loss	55.4%	62.1%	56.9%	48.4%	55.7%	58.7%
Expense	28.4	27.8	36.6	36.4	30.2	29.8
Combined	<u>83.8%</u>	<u>89.9%</u>	<u>93.5%</u>	<u>84.8%</u>	<u>85.9%</u>	<u>88.5%</u>
Premiums Written as a % of Total	78.3%	76.9%	21.7%	23.1%	100.0%	100.0%

THE CHUBB CORPORATION

Definitions of Key Terms

Underwriting Income (Loss)

Management evaluates underwriting results separately from investment results. The underwriting operations consist of four separate business units: personal insurance, commercial insurance, specialty insurance and reinsurance assumed. Performance of the business units is measured based on statutory underwriting results. Statutory accounting principles applicable to property and casualty insurance companies differ in certain respects from generally accepted accounting principles (GAAP). Under statutory accounting principles, policy acquisition and other underwriting expenses are recognized immediately, not at the time premiums are earned. Statutory underwriting income (loss) is arrived at by reducing premiums earned by losses and loss expenses incurred and statutory underwriting expenses incurred.

Management uses underwriting results determined in accordance with GAAP, among other measures, to assess the overall performance of the underwriting operations. To convert statutory underwriting results to a GAAP basis, policy acquisition expenses are deferred and amortized over the period in which the related premiums are earned. Underwriting income (loss) determined in accordance with GAAP is defined as premiums earned less losses and loss expenses incurred and GAAP underwriting expenses incurred.

Property and Casualty Investment Income After Income Tax

Management uses property and casualty investment income after income tax, a non-GAAP financial measure, to evaluate its investment performance because it reflects the impact of any change in the proportion of the investment portfolio invested in tax exempt securities and is therefore more meaningful for analysis purposes than investment income before income taxes.

Book Value per Common Share with Available-for-Sale Fixed Maturities at Amortized Cost

Book value per common share represents the portion of consolidated shareholders' equity attributable to one share of common stock outstanding as of the balance sheet date. Consolidated shareholders' equity includes, as part of accumulated other comprehensive income (loss), the after-tax appreciation or depreciation, including unrealized other-than-temporary impairment losses, of the Corporation's available-for-sale fixed maturities, which are carried at fair value. The appreciation or depreciation of available-for-sale fixed maturities is subject to fluctuation due to changes in interest rates and therefore could distort the analysis of trends. Management believes that book value per common share with available-for-sale fixed maturities at amortized cost, a non-GAAP financial measure, is an important measure of the underlying equity attributable to one share of common stock.

Combined Loss and Expense Ratio or Combined Ratio

The combined loss and expense ratio, expressed as a percentage, is the key measure of underwriting profitability. Management uses the combined loss and expense ratio calculated in accordance with statutory accounting principles applicable to property and casualty insurance companies to evaluate the performance of the underwriting operations. It is the sum of the ratio of losses and loss expenses to premiums earned (loss ratio) plus the ratio of statutory underwriting expenses to premiums written (expense ratio) after reducing both premium amounts by dividends to policyholders.

THE CHUBB CORPORATION

Definitions of Key Terms

Operating Income

Operating income, a non-GAAP financial measure, is net income excluding after-tax realized investment gains and losses. Management uses operating income, among other measures, to evaluate its performance because the realization of investment gains and losses in any given period is largely discretionary as to timing and can fluctuate significantly, which could distort the analysis of trends.

Return on Equity and Operating Return on Equity

Return on equity is the ratio of annualized net income divided by average shareholders' equity. Average shareholders' equity is the average of the beginning and all quarter-end balances within the period.

Operating return on equity, a non-GAAP measure, is the ratio of annualized operating income divided by average shareholders' equity excluding the after-tax unrealized appreciation or depreciation of investments. Consolidated shareholders' equity includes, as part of accumulated other comprehensive income (loss), the after-tax appreciation or depreciation, including unrealized other-than-temporary impairment losses, of the Corporation's available-for-sale fixed maturities and equity securities, which are carried at fair value. The appreciation or depreciation of available-for-sale fixed maturities and equity securities is subject to fluctuation and could distort the analysis of trends. Average shareholders' equity excluding the after-tax unrealized appreciation or depreciation of investments is the average of the beginning and all quarter-end balances within the period. Management uses operating return on equity, among other measures, to assess the overall performance of the Corporation.

	Periods Ended June 30			
	Second Quarter		Six Months	
	2009	2008	2009	2008
	<i>(dollars in millions)</i>			
Annualized Net Income	\$ 2,204	\$ 1,876	\$ 1,784	\$ 2,266
Average Shareholders' Equity	\$14,154	\$14,240	\$13,913	\$14,308
Return on Equity	15.6%	13.2%	12.8%	15.8%
Annualized Operating Income	\$ 2,132	\$ 2,072	\$ 2,094	\$ 2,276
Average Shareholders' Equity Excluding Unrealized Appreciation or Depreciation	\$13,896	\$14,020	\$13,789	\$13,986
Operating Return on Equity	15.3%	14.8%	15.2%	16.3%