

The
Chubb
Corporation

Supplementary
Investor
Information

December 31, 2006

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
December 31, 2006

Share and per share amounts have been retroactively adjusted to reflect the two-for-one stock split effective March 31, 2006.

THE CHUBB CORPORATION
SUPPLEMENTARY INVESTOR INFORMATION
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THE CHUBB CORPORATION
CONSOLIDATED BALANCE SHEET HIGHLIGHTS
AS OF DECEMBER 31

	2006	2005
	<i>(in millions)</i>	
Invested Assets (at carrying value)		
Short Term Investments	\$ 2,254	\$ 1,899
Fixed Maturities		
Tax Exempt	17,748	15,955
Taxable	14,218	14,568
Equity Securities	1,957	1,169
Other Invested Assets	<u>1,516</u>	<u>1,043</u>
Total Invested Assets	<u>\$37,693</u>	<u>\$34,634</u>
Unrealized Appreciation of Fixed Maturities Carried at Amortized Cost	<u>\$ 7</u>	<u>\$ 11</u>
Capitalization		
Long Term Debt	\$ 2,466	\$ 2,467
Shareholders' Equity	<u>13,863(a)</u>	<u>12,407</u>
Total Capitalization	<u>\$16,329</u>	<u>\$14,874</u>
DEBT AS A PERCENTAGE OF TOTAL CAPITALIZATION	15.1%	16.6%
Actual Common Shares Outstanding	411.3	418.1
Book Value Per Common Share	\$ 33.71(a)	\$ 29.68
Book Value Per Common Share, with Available-for-Sale Fixed Maturities at Amortized Cost	\$ 33.38(a)	\$ 29.13

(a) Effective December 31, 2006, the Corporation adopted Statement of Financial Accounting Standards (SFAS) No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106 and 132(R). The adoption of SFAS No. 158 decreased accumulated other comprehensive income, a component of shareholders' equity, by \$281 million or \$0.68 per common share. Restatement of prior periods is not permitted.

THE CHUBB CORPORATION
SHARE REPURCHASE ACTIVITY

	Periods Ended December 31		From December 2005 to December 31, 2006
	Fourth Quarter 2006	Twelve Months 2006	
	<i>(dollars in millions, except per share amounts)</i>		
Cost of Shares Repurchased	\$82	\$1,257	\$1,392
Average Cost Per Share	\$53.15	\$49.55	\$49.44
Shares Repurchased	1,545,530	25,366,262	28,154,062

In December 2005, the Board of Directors authorized the repurchase of up to 28,000,000 shares of the Corporation's common stock. As of December 31, 2006, no shares remained under the 2005 share repurchase authorization.

In December 2006, the Board of Directors authorized the repurchase of up to 20,000,000 additional shares of the Corporation's common stock. The authorization has no expiration date. As of December 31, 2006, 19,845,938 shares remained under the 2006 share repurchase authorization.

THE CHUBB CORPORATION
SUMMARY OF INVESTED ASSETS
AS OF DECEMBER 31
CORPORATE

	Cost or Amortized Cost		Market Value		Carrying Value	
	2006	2005	2006	2005	2006	2005
	<i>(in millions)</i>					
Short Term Investments	\$ 793	\$ 929	\$ 793	\$ 929	\$ 793	\$ 929
Taxable Fixed Maturities	1,160	1,355	1,138	1,338	1,138	1,338
Equity Securities	289	5	416	8	416	8
TOTAL	<u>\$ 2,242</u>	<u>\$ 2,289</u>	<u>\$ 2,347</u>	<u>\$ 2,275</u>	<u>\$ 2,347</u>	<u>\$ 2,275</u>

PROPERTY AND CASUALTY

	Cost or Amortized Cost		Market Value		Carrying Value	
	2006	2005	2006	2005	2006	2005
	<i>(in millions)</i>					
Short Term Investments	\$ 1,461	\$ 970	\$ 1,461	\$ 970	\$ 1,461	\$ 970
Fixed Maturities						
Tax Exempt	17,449	15,654	17,755	15,966	17,748	15,955
Taxable	13,150	13,160	13,080	13,230	13,080	13,230
Common Stocks	1,235	988	1,502	1,106	1,502	1,106
Preferred Stocks	37	52	39	55	39	55
Other Invested Assets	1,516	1,043	1,516	1,043	1,516	1,043
TOTAL	<u>\$ 34,848</u>	<u>\$ 31,867</u>	<u>\$ 35,353</u>	<u>\$ 32,370</u>	<u>\$ 35,346</u>	<u>\$ 32,359</u>

THE CHUBB CORPORATION
INVESTMENT INCOME AFTER TAXES

	PERIODS ENDED DECEMBER 31			
	FOURTH QUARTER		TWELVE MONTHS	
	2006	2005	2006	2005
	<i>(in millions)</i>			
CORPORATE INVESTMENT INCOME	\$ 14	\$ 12	\$ 60	\$ 41
PROPERTY AND CASUALTY INVESTMENT INCOME				
Dividends	\$ 18	\$ 10	\$ 52	\$ 40
Taxable Interest	114	109	454	415
Tax Exempt Interest	176	161	680	618
Investment Expenses	(4)	(4)	(20)	(17)
TOTAL	\$ 304	\$ 276	\$ 1,166	\$ 1,056
Effective Tax Rate	19.6%	19.8%	19.8%	19.7%
After Tax Annualized Yield	3.50%	3.47%	3.48%	3.45%

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 market value.

STATUTORY POLICYHOLDERS' SURPLUS
AS OF DECEMBER 31

	2006	2005	2004
	<i>(in millions)</i>		
Estimated Statutory Policyholders' Surplus	\$11,250	\$ 8,910	\$ 7,848
Rolling Year Statutory Net Premiums Written	11,967	12,244	12,005
Ratio of Statutory Net Premiums Written to Policyholders' Surplus	1.06:1	1.37:1	1.53:1

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
TWELVE MONTHS ENDED DECEMBER 31, 2006

	Net Unpaid Losses			IBNR Increase (Decrease)	All Other Unpaid Losses Increase (Decrease)
	12/31/06	12/31/05	Increase (Decrease)		
	<i>(in millions)</i>				
Personal Insurance					
Automobile	\$ 425	\$ 418	\$ 7	\$ 11	\$ (4)
Homeowners	665	697	(32)	(18)	(14)
Other	657	580	77	62	15
Total Personal	<u>1,747</u>	<u>1,695</u>	<u>52</u>	<u>55</u>	<u>(3)</u>
Commercial Insurance					
Multiple Peril	1,593	1,596	(3)	29	(32)
Casualty	5,213	4,837	376	373	3
Workers' Compensation	1,740	1,551	189	147	42
Property and Marine	678	755	(77)	(27)	(50)
Total Commercial	<u>9,224</u>	<u>8,739</u>	<u>485</u>	<u>522</u>	<u>(37)</u>
Specialty Insurance					
Professional Liability	7,288	6,777	511	548	(37)
Surety	59	46	13	3	10
Total Specialty	<u>7,347</u>	<u>6,823</u>	<u>524</u>	<u>551</u>	<u>(27)</u>
Total Insurance	18,318	17,257	1,061	1,128	(67)
Reinsurance Assumed	<u>1,381</u>	<u>1,456</u>	<u>(75)</u>	<u>(123)</u>	<u>48</u>
Total	<u>\$19,699</u>	<u>\$18,713</u>	<u>\$ 986</u>	<u>\$ 1,005</u>	<u>\$ (19)</u>

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Personal Automobile		Homeowners		Other Personal		Total Personal	
	2006	2005	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 670	\$ 645	\$ 2,268	\$ 2,104	\$ 580	\$ 558	\$ 3,518	\$ 3,307
Increase (Decrease) in Unearned Premiums	4	10	92	74	13	6	109	90
Net Premiums Earned	666	635	2,176	2,030	567	552	3,409	3,217
Net Losses Paid	407	398	969	1,002	307	307	1,683	1,707
Increase (Decrease) in Outstanding Losses	7	39	(32)	17	77	59	52	115
Net Losses Incurred	414	437	937	1,019	384	366	1,735	1,822
Expenses Incurred	189	170	716	653	179	167	1,084	990
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income (Loss)	<u>\$ 63</u>	<u>\$ 28</u>	<u>\$ 523</u>	<u>\$ 358</u>	<u>\$ 4</u>	<u>\$ 19</u>	<u>\$ 590</u>	<u>\$ 405</u>
Ratios After Dividends to Policyholders:								
Loss	62.2%	68.8%	43.0%	50.2%	67.7%	66.3%	50.9%	56.6%
Expense	<u>28.2</u>	<u>26.5</u>	<u>31.6</u>	<u>31.0</u>	<u>30.9</u>	<u>29.9</u>	<u>30.8</u>	<u>30.0</u>
Combined	<u>90.4%</u>	<u>95.3%</u>	<u>74.6%</u>	<u>81.2%</u>	<u>98.6%</u>	<u>96.2%</u>	<u>81.7%</u>	<u>86.6%</u>
Premiums Written as a % of Total	5.6%	5.2%	18.9%	17.1%	4.8%	4.5%	29.3%	26.8%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Commercial Multiple Peril		Commercial Casualty		Commercial Workers' Compensation		Commercial Property and Marine		Total Commercial	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$1,290	\$1,286	\$1,731	\$1,755	\$ 901	\$ 930	\$1,203	\$1,059	\$5,125	\$5,030
Increase (Decrease) in Unearned Premiums	<u>(2)</u>	<u>(23)</u>	<u>—</u>	<u>20</u>	<u>(7)</u>	<u>6</u>	<u>55</u>	<u>7</u>	<u>46</u>	<u>10</u>
Net Premiums Earned	<u>1,292</u>	<u>1,309</u>	<u>1,731</u>	<u>1,735</u>	<u>908</u>	<u>924</u>	<u>1,148</u>	<u>1,052</u>	<u>5,079</u>	<u>5,020</u>
Net Losses Paid	556	595	820	789	321	328	544	540	2,241	2,252
Increase (Decrease) in Outstanding Losses	<u>(3)</u>	<u>126</u>	<u>376</u>	<u>431</u>	<u>189</u>	<u>240</u>	<u>(77)</u>	<u>138</u>	<u>485</u>	<u>935</u>
Net Losses Incurred	<u>553</u>	<u>721</u>	<u>1,196</u>	<u>1,220</u>	<u>510</u>	<u>568</u>	<u>467</u>	<u>678</u>	<u>2,726</u>	<u>3,187</u>
Expenses Incurred	426	421	480	453	197	199	383	364	1,486	1,437
Dividends Incurred	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>27</u>	<u>20</u>	<u>—</u>	<u>—</u>	<u>27</u>	<u>20</u>
Statutory Underwriting Income (Loss)	<u>\$ 313</u>	<u>\$ 167</u>	<u>\$ 55</u>	<u>\$ 62</u>	<u>\$ 174</u>	<u>\$ 137</u>	<u>\$ 298</u>	<u>\$ 10</u>	<u>\$ 840</u>	<u>\$ 376</u>
Ratios After Dividends to Policyholders:										
Loss	42.8%	55.1%	69.1%	70.3%	57.9%	62.9%	40.7%	64.5%	53.9%	63.8%
Expense	<u>33.0</u>	<u>32.7</u>	<u>27.7</u>	<u>25.8</u>	<u>22.5</u>	<u>21.9</u>	<u>31.8</u>	<u>34.3</u>	<u>29.2</u>	<u>28.6</u>
Combined	<u>75.8%</u>	<u>87.8%</u>	<u>96.8%</u>	<u>96.1%</u>	<u>80.4%</u>	<u>84.8%</u>	<u>72.5%</u>	<u>98.8%</u>	<u>83.1%</u>	<u>92.4%</u>
Premiums Written as a % of Total	10.8%	10.5%	14.5%	14.3%	7.5%	7.6%	10.0%	8.6%	42.8%	41.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Professional Liability		Surety		Total Specialty	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 2,641	\$ 2,798	\$ 300	\$ 244	\$ 2,941	\$ 3,042
Increase (Decrease) in Unearned Premiums	(41)	34	29	27	(12)	61
Net Premiums Earned	2,682	2,764	271	217	2,953	2,981
Net Losses Paid	1,320	1,566	21	104	1,341	1,670
Increase (Decrease) in Outstanding Losses	511	589	13	(42)	524	547
Net Losses Incurred	1,831	2,155	34	62	1,865	2,217
Expenses Incurred	620	612	93	82	713	694
Dividends Incurred	—	—	4	3	4	3
Statutory Underwriting Income (Loss)	\$ 231	\$ (3)	\$ 140	\$ 70	\$ 371	\$ 67
Ratios After Dividends to Policyholders:						
Loss	68.3%	78.0%	12.8%	28.7%	63.2%	74.4%
Expense	23.5	21.8	31.4	34.2	24.3	22.9
Combined	91.8%	99.8%	44.2%	62.9%	87.5%	97.3%
Premiums Written as a % of Total	22.1%	22.8%	2.5%	2.0%	24.6%	24.8%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$11,584	\$11,379	\$ 390	\$ 904	\$11,974	\$12,283
Increase (Decrease) in Unearned Premiums	<u>143</u>	<u>161</u>	<u>(127)</u>	<u>(54)</u>	<u>16</u>	<u>107</u>
Net Premiums Earned	<u>11,441</u>	<u>11,218</u>	<u>517</u>	<u>958</u>	<u>11,958</u>	<u>12,176</u>
Net Losses Paid	5,265	5,629	323	280	5,588	5,909
Increase (Decrease) in Outstanding Losses	<u>1,061</u>	<u>1,597</u>	<u>(75)</u>	<u>307</u>	<u>986</u>	<u>1,904</u>
Net Losses Incurred	<u>6,326</u>	<u>7,226</u>	<u>248</u>	<u>587</u>	<u>6,574</u>	<u>7,813</u>
Expenses Incurred	3,283	3,121	184	315	3,467	3,436
Dividends Incurred	<u>31</u>	<u>23</u>	<u>—</u>	<u>—</u>	<u>31</u>	<u>23</u>
Statutory Underwriting Income (Loss)	<u>\$ 1,801</u>	<u>\$ 848</u>	<u>\$ 85</u>	<u>\$ 56</u>	\$ 1,886	\$ 904
Increase in Deferred Acquisition Costs					<u>19</u>	<u>17</u>
GAAP Underwriting Income					<u>\$ 1,905</u>	<u>\$ 921</u>
Ratios After Dividends to Policyholders:						
Loss	55.5%	64.6%	48.0%	61.3%	55.2%	64.3%
Expense	<u>28.4</u>	<u>27.4</u>	<u>47.2</u>	<u>34.8</u>	<u>29.0</u>	<u>28.0</u>
Combined	<u>83.9%</u>	<u>92.0%</u>	<u>95.2%</u>	<u>96.1%</u>	<u>84.2%</u>	<u>92.3%</u>
Premiums Written as a % of Total	96.7%	92.6%	3.3%	7.4%	100.0%	100.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	United States		Foreign		Worldwide Total	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 9,520	\$ 9,932	\$ 2,454	\$ 2,351	\$ 11,974	\$ 12,283
Increase (Decrease) in Unearned Premiums	(44)	44	60	63	16	107
Net Premiums Earned	9,564	9,888	2,394	2,288	11,958	12,176
Net Losses Paid	4,828	4,885	760	1,024	5,588	5,909
Increase (Decrease) in Outstanding Losses	494	1,613	492	291	986	1,904
Net Losses Incurred	5,322	6,498	1,252	1,315	6,574	7,813
Expenses Incurred	2,652	2,676	815	760	3,467	3,436
Dividends Incurred	31	23	—	—	31	23
Statutory Underwriting Income (Loss)	\$ 1,559	\$ 691	\$ 327	\$ 213	1,886	904
Increase in Deferred Acquisition Costs					19	17
GAAP Underwriting Income					\$ 1,905	\$ 921
Ratios After Dividends to Policyholders:						
Loss	55.8%	65.9%	52.3%	57.5%	55.2%	64.3%
Expense	27.9	27.0	33.2	32.3	29.0	28.0
Combined	83.7%	92.9%	85.5%	89.8%	84.2%	92.3%
Premiums Written as a % of Total	79.5%	80.9%	20.5%	19.1%	100.0%	100.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	<u>Personal Automobile</u>		<u>Homeowners</u>		<u>Other Personal</u>		<u>Total Personal</u>	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Net Premiums Written	\$ 159	\$ 159	\$ 562	\$ 520	\$ 158	\$ 141	\$ 879	\$ 820
Increase (Decrease) in Unearned Premiums	(9)	(3)	3	(6)	8	3	2	(6)
Net Premiums Earned	168	162	559	526	150	138	877	826
Net Losses Paid	113	108	224	309	80	96	417	513
Increase (Decrease) in Outstanding Losses	(6)	(9)	17	(50)	35	13	46	(46)
Net Losses Incurred	107	99	241	259	115	109	463	467
Expenses Incurred	46	43	183	163	49	42	278	248
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income (Loss)	<u>\$ 15</u>	<u>\$ 20</u>	<u>\$ 135</u>	<u>\$ 104</u>	<u>\$ (14)</u>	<u>\$ (13)</u>	<u>\$ 136</u>	<u>\$ 111</u>
Ratios After Dividends to Policyholders:								
Loss	63.7%	61.1%	43.1%	49.3%	76.7%	79.2%	52.8%	56.6%
Expense	<u>28.9</u>	<u>27.2</u>	<u>32.6</u>	<u>31.2</u>	<u>31.0</u>	<u>29.9</u>	<u>31.6</u>	<u>30.2</u>
Combined	<u>92.6%</u>	<u>88.3%</u>	<u>75.7%</u>	<u>80.5%</u>	<u>107.7%</u>	<u>109.1%</u>	<u>84.4%</u>	<u>86.8%</u>
Premiums Written as a % of Total	5.3%	5.1%	18.9%	16.8%	5.3%	4.5%	29.5%	26.4%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Commercial Multiple Peril		Commercial Casualty		Commercial Workers' Compensation		Commercial Property and Marine		Total Commercial	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 322	\$ 351	\$ 428	\$ 434	\$ 207	\$ 204	\$ 305	\$ 281	\$1,262	\$1,270
Increase (Decrease) in Unearned Premiums	<u>(1)</u>	<u>16</u>	<u>(1)</u>	<u>(4)</u>	<u>(22)</u>	<u>(29)</u>	<u>12</u>	<u>(6)</u>	<u>(12)</u>	<u>(23)</u>
Net Premiums Earned	<u>323</u>	<u>335</u>	<u>429</u>	<u>438</u>	<u>229</u>	<u>233</u>	<u>293</u>	<u>287</u>	<u>1,274</u>	<u>1,293</u>
Net Losses Paid	180	180	270	238	74	80	124	184	648	682
Increase (Decrease) in Outstanding Losses	<u>(56)</u>	<u>(4)</u>	<u>40</u>	<u>57</u>	<u>44</u>	<u>62</u>	<u>(14)</u>	<u>(33)</u>	<u>14</u>	<u>82</u>
Net Losses Incurred	<u>124</u>	<u>176</u>	<u>310</u>	<u>295</u>	<u>118</u>	<u>142</u>	<u>110</u>	<u>151</u>	<u>662</u>	<u>764</u>
Expenses Incurred	104	108	133	113	50	47	97	89	384	357
Dividends Incurred	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7</u>	<u>3</u>	<u>—</u>	<u>—</u>	<u>7</u>	<u>3</u>
Statutory Underwriting Income (Loss)	<u>\$ 95</u>	<u>\$ 51</u>	<u>\$ (14)</u>	<u>\$ 30</u>	<u>\$ 54</u>	<u>\$ 41</u>	<u>\$ 86</u>	<u>\$ 47</u>	<u>\$ 221</u>	<u>\$ 169</u>
Ratios After Dividends to Policyholders:										
Loss	38.4%	52.6%	72.2%	67.2%	53.2%	62.1%	37.5%	52.9%	52.3%	59.3%
Expense	<u>32.3</u>	<u>30.9</u>	<u>31.1</u>	<u>26.0</u>	<u>25.0</u>	<u>23.3</u>	<u>31.8</u>	<u>31.4</u>	<u>30.6</u>	<u>28.1</u>
Combined	<u>70.7%</u>	<u>83.5%</u>	<u>103.3%</u>	<u>93.2%</u>	<u>78.2%</u>	<u>85.4%</u>	<u>69.3%</u>	<u>84.3%</u>	<u>82.9%</u>	<u>87.4%</u>
Premiums Written as a % of Total	10.8%	11.3%	14.4%	14.0%	7.0%	6.6%	10.3%	9.1%	42.5%	41.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Professional Liability		Surety		Total Specialty	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 699	\$ 763	\$ 75	\$ 66	\$ 774	\$ 829
Increase (Decrease) in Unearned Premiums	42	53	6	1	48	54
Net Premiums Earned	657	710	69	65	726	775
Net Losses Paid	483	463	14	42	497	505
Increase (Decrease) in Outstanding Losses	(55)	88	(7)	(38)	(62)	50
Net Losses Incurred	428	551	7	4	435	555
Expenses Incurred	163	152	23	22	186	174
Dividends Incurred	—	—	1	1	1	1
Statutory Underwriting Income (Loss)	\$ 66	\$ 7	\$ 38	\$ 38	\$ 104	\$ 45
Ratios After Dividends to Policyholders:						
Loss	65.2%	77.6%	10.3%	5.3%	60.0%	71.6%
Expense	23.3	20.0	31.1	34.2	24.1	21.1
Combined	88.5%	97.6%	41.4%	39.5%	84.1%	92.7%
Premiums Written as a % of Total	23.5%	24.7%	2.5%	2.1%	26.0%	26.8%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 2,915	\$ 2,919	\$ 59	\$ 178	\$ 2,974	\$ 3,097
Increase (Decrease) in Unearned Premiums	38	25	(59)	(7)	(21)	18
Net Premiums Earned	2,877	2,894	118	185	2,995	3,079
Net Losses Paid	1,562	1,700	87	55	1,649	1,755
Increase (Decrease) in Outstanding Losses	(2)	86	(57)	58	(59)	144
Net Losses Incurred	1,560	1,786	30	113	1,590	1,899
Expenses Incurred	848	779	39	73	887	852
Dividends Incurred	8	4	—	—	8	4
Statutory Underwriting Income (Loss)	<u>\$ 461</u>	<u>\$ 325</u>	<u>\$ 49</u>	<u>\$ (1)</u>	\$ 510	\$ 324
Increase (Decrease) in Deferred Acquisition Costs					(21)	7
GAAP Underwriting Income					<u>\$ 489</u>	<u>\$ 331</u>
Ratios After Dividends to Policyholders:						
Loss	54.4%	61.8%	25.4%	60.9%	53.2%	61.8%
Expense	<u>29.1</u>	<u>26.7</u>	<u>66.1</u>	<u>40.9</u>	<u>29.9</u>	<u>27.5</u>
Combined	<u>83.5%</u>	<u>88.5%</u>	<u>91.5%</u>	<u>101.8%</u>	<u>83.1%</u>	<u>89.3%</u>
Premiums Written as a % of Total	98.0%	94.2%	2.0%	5.8%	100.0%	100.0%

**THE CHUBB CORPORATION — WORLDWIDE
PROPERTY AND CASUALTY UNDERWRITING RESULTS
FOR THE QUARTERS ENDED DECEMBER 31, 2006 AND 2005
(MILLIONS OF DOLLARS)**

	United States		Foreign		Worldwide Total	
	2006	2005	2006	2005	2006	2005
Net Premiums Written	\$ 2,317	\$ 2,475	\$ 657	\$ 622	\$ 2,974	\$ 3,097
Increase (Decrease) in Unearned Premiums	(60)	(23)	39	41	(21)	18
Net Premiums Earned	2,377	2,498	618	581	2,995	3,079
Net Losses Paid	1,431	1,436	218	319	1,649	1,755
Increase (Decrease) in Outstanding Losses	(157)	126	98	18	(59)	144
Net Losses Incurred	1,274	1,562	316	337	1,590	1,899
Expenses Incurred	669	660	218	192	887	852
Dividends Incurred	8	4	—	—	8	4
Statutory Underwriting Income (Loss)	<u>\$ 426</u>	<u>\$ 272</u>	<u>\$ 84</u>	<u>\$ 52</u>	510	324
Increase (Decrease) in Deferred Acquisition Costs					(21)	7
GAAP Underwriting Income					<u>\$ 489</u>	<u>\$ 331</u>
Ratios After Dividends to Policyholders:						
Loss	53.8%	62.7%	51.1%	57.8%	53.2%	61.8%
Expense	<u>29.0</u>	<u>26.7</u>	<u>33.2</u>	<u>31.0</u>	<u>29.9</u>	<u>27.5</u>
Combined	<u>82.8%</u>	<u>89.4%</u>	<u>84.3%</u>	<u>88.8%</u>	<u>83.1%</u>	<u>89.3%</u>
Premiums Written as a % of Total	77.9%	79.9%	22.1%	20.1%	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, the after-tax appreciation or depreciation on the Corporation's available-for-sale fixed maturities, which are carried at market value. The appreciation or depreciation on 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 Ratio or Combined Loss and Expense 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.