

**The  
Chubb  
Corporation**

**Supplementary  
Investor  
Information**

**March 31, 2007**

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**  
**SUPPLEMENTARY INVESTOR INFORMATION**  
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**THE CHUBB CORPORATION**  
**CONSOLIDATED BALANCE SHEET HIGHLIGHTS**

	<u>Mar. 31</u> <u>2007</u>	<u>Dec. 31</u> <u>2006</u>
	<i>(in millions)</i>	
<b>Invested Assets (at carrying value)</b>		
Short Term Investments	\$ 2,360	\$ 2,254
Fixed Maturities		
Tax Exempt	18,126	17,748
Taxable	14,495	14,218
Equity Securities	2,037	1,957
Other Invested Assets	<u>1,655</u>	<u>1,516</u>
<b>Total Invested Assets</b>	<u>\$38,673</u>	<u>\$37,693</u>
Unrealized Appreciation of Fixed Maturities Carried at Amortized Cost	<u>\$ 7</u>	<u>\$ 7</u>
<b>Capitalization</b>		
Long Term Debt	\$ 3,335	\$ 2,466
Shareholders' Equity	<u>13,873</u>	<u>13,863</u>
<b>Total Capitalization</b>	<u>\$17,208</u>	<u>\$16,329</u>
<b>DEBT AS A PERCENTAGE OF TOTAL CAPITALIZATION</b>	19.4%	15.1%
<b>Actual Common Shares Outstanding</b>	401.5	411.3
<b>Book Value Per Common Share</b>	\$ 34.55	\$ 33.71
<b>Book Value Per Common Share, with</b> Available-for-Sale Fixed Maturities at Amortized Cost	\$ 34.28	\$ 33.38

**THE CHUBB CORPORATION**  
**SHARE REPURCHASE ACTIVITY**

*(dollars in millions, except per share amounts)*

	<b>Three Months Ended March 31, 2007</b>	<b>From December 2005 to March 31, 2007</b>
Cost of Shares Repurchased	\$605	\$1,997
Average Cost Per Share	\$51.12	\$49.94
Shares Repurchased	11,835,577	39,989,639

In December 2005, the Board of Directors authorized the repurchase of up to 28,000,000 shares of the Corporation's common stock. No shares remain under the 2005 share repurchase authorization.

In December 2006, the Board of Directors authorized the repurchase of up to 20,000,000 shares 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 December 2006. The authorizations have no expiration date. As of March 31, 2007, 28,010,361 shares remained under the share repurchase authorizations.

**THE CHUBB CORPORATION**  
**SUMMARY OF INVESTED ASSETS**  
**CORPORATE**

	Cost or Amortized Cost		Market Value		Carrying Value	
	Mar. 31 2007	Dec. 31 2006	Mar. 31 2007	Dec. 31 2006	Mar. 31 2007	Dec. 31 2006
	<i>(in millions)</i>					
Short Term Investments	\$ 1,294	\$ 793	\$ 1,294	\$ 793	\$ 1,294	\$ 793
Taxable Fixed Maturities	1,133	1,160	1,115	1,138	1,115	1,138
Equity Securities	289	289	408	416	408	416
<b>TOTAL</b>	<b><u>\$ 2,716</u></b>	<b><u>\$ 2,242</u></b>	<b><u>\$ 2,817</u></b>	<b><u>\$ 2,347</u></b>	<b><u>\$ 2,817</u></b>	<b><u>\$ 2,347</u></b>

**PROPERTY AND CASUALTY**

	Cost or Amortized Cost		Market Value		Carrying Value	
	Mar. 31 2007	Dec. 31 2006	Mar. 31 2007	Dec. 31 2006	Mar. 31 2007	Dec. 31 2006
	<i>(in millions)</i>					
Short Term Investments	\$ 1,066	\$ 1,461	\$ 1,066	\$ 1,461	\$ 1,066	\$ 1,461
Fixed Maturities						
Tax Exempt	17,865	17,449	18,133	17,755	18,126	17,748
Taxable	13,452	13,150	13,380	13,080	13,380	13,080
Common Stocks	1,294	1,235	1,584	1,502	1,584	1,502
Preferred Stocks	41	37	45	39	45	39
Other Invested Assets	1,655	1,516	1,655	1,516	1,655	1,516
<b>TOTAL</b>	<b><u>\$ 35,373</u></b>	<b><u>\$ 34,848</u></b>	<b><u>\$ 35,863</u></b>	<b><u>\$ 35,353</u></b>	<b><u>\$ 35,856</u></b>	<b><u>\$ 35,346</u></b>

**THE CHUBB CORPORATION**  
**INVESTMENT INCOME AFTER TAXES**

	<b>THREE MONTHS ENDED</b>	
	<b>MARCH 31</b>	
	<b>2007</b>	<b>2006</b>
	<i>(in millions)</i>	
<b>CORPORATE INVESTMENT INCOME</b>	<u>\$ 14</u>	<u>\$ 15</u>
<b>PROPERTY AND CASUALTY INVESTMENT INCOME</b>		
Tax Exempt Interest	\$178	\$164
Taxable Interest	118	111
Other	16	10
Investment Expenses	<u>(7)</u>	<u>(6)</u>
<b>TOTAL</b>	<u><b>\$305</b></u>	<u><b>\$279</b></u>
<b>Effective Tax Rate</b>	19.9%	19.8%
<b>After Tax Annualized Yield</b>	3.45%	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**

	<u><b>Mar. 31</b></u> <b>2007</b>	<u><b>Dec. 31</b></u> <b>2006</b>	<u><b>Mar. 31</b></u> <b>2006</b>
	<i>(in millions)</i>		
Estimated Statutory Policyholders' Surplus	\$11,950	\$11,357	\$9,650
Rolling Year Statutory Net Premiums Written	11,899	11,967	12,112
Ratio of Statutory Net Premiums Written to Policyholders' Surplus	1.00:1	1.05:1	1.26:1

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**  
**THREE MONTHS ENDED MARCH 31, 2007**

	Net Unpaid Losses			IBNR Increase (Decrease)	All Other Unpaid Losses Increase (Decrease)
	3/31/07	12/31/06	Increase (Decrease) <i>(in millions)</i>		
<b>Personal Insurance</b>					
Automobile	\$ 423	\$ 425	(2)	\$ 3	(5)
Homeowners	642	665	(23)	(4)	(19)
Other	674	657	17	36	(19)
Total Personal	<u>1,739</u>	<u>1,747</u>	<u>(8)</u>	<u>35</u>	<u>(43)</u>
<b>Commercial Insurance</b>					
Multiple Peril	1,588	1,593	(5)	16	(21)
Casualty	5,268	5,213	55	84	(29)
Workers' Compensation	1,781	1,740	41	46	(5)
Property and Marine	702	678	24	16	8
Total Commercial	<u>9,339</u>	<u>9,224</u>	<u>115</u>	<u>162</u>	<u>(47)</u>
<b>Specialty Insurance</b>					
Professional Liability	7,351	7,288	63	147	(84)
Surety	59	59	—	—	—
Total Specialty	<u>7,410</u>	<u>7,347</u>	<u>63</u>	<u>147</u>	<u>(84)</u>
Total Insurance	18,488	18,318	170	344	(174)
<b>Reinsurance Assumed</b>	<u>1,331</u>	<u>1,381</u>	<u>(50)</u>	<u>(42)</u>	<u>(8)</u>
<b>Total</b>	<u>\$19,819</u>	<u>\$19,699</u>	<u>\$120</u>	<u>\$302</u>	<u>\$(182)</u>

**THE CHUBB CORPORATION — WORLDWIDE  
PROPERTY AND CASUALTY UNDERWRITING RESULTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND 2006  
(MILLIONS OF DOLLARS)**

	Personal Automobile		Homeowners		Other Personal		Total Personal	
	2007	2006	2007	2006	2007	2006	2007	2006
Net Premiums Written	\$ 147	\$ 155	\$ 520	\$ 488	\$ 173	\$ 149	\$ 840	\$ 792
Increase (Decrease) in Unearned Premiums	(18)	(9)	(55)	(46)	19	10	(54)	(45)
Net Premiums Earned	<u>165</u>	<u>164</u>	<u>575</u>	<u>534</u>	<u>154</u>	<u>139</u>	<u>894</u>	<u>837</u>
Net Losses Paid	110	98	243	236	80	87	433	421
Increase (Decrease) in Outstanding Losses	<u>(2)</u>	<u>3</u>	<u>(23)</u>	<u>(13)</u>	<u>17</u>	<u>(2)</u>	<u>(8)</u>	<u>(12)</u>
Net Losses Incurred	<u>108</u>	<u>101</u>	<u>220</u>	<u>223</u>	<u>97</u>	<u>85</u>	<u>425</u>	<u>409</u>
Expenses Incurred	44	44	171	156	52	44	267	244
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income	<u>\$ 13</u>	<u>\$ 19</u>	<u>\$ 184</u>	<u>\$ 155</u>	<u>\$ 5</u>	<u>\$ 10</u>	<u>\$ 202</u>	<u>\$ 184</u>
Ratios After Dividends to Policyholders:								
Loss	65.5%	61.6%	38.2%	41.7%	63.0%	61.2%	47.5%	48.9%
Expense	<u>29.9</u>	<u>28.4</u>	<u>32.9</u>	<u>32.0</u>	<u>30.1</u>	<u>29.5</u>	<u>31.8</u>	<u>30.8</u>
Combined	<u>95.4%</u>	<u>90.0%</u>	<u>71.1%</u>	<u>73.7%</u>	<u>93.1%</u>	<u>90.7%</u>	<u>79.3%</u>	<u>79.7%</u>
Premiums Written as a % of Total	5.1%	5.3%	18.1%	16.7%	6.0%	5.1%	29.2%	27.1%

**THE CHUBB CORPORATION — WORLDWIDE  
PROPERTY AND CASUALTY UNDERWRITING RESULTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND 2006  
(MILLIONS OF DOLLARS)**

	Commercial Multiple Peril		Commercial Casualty		Commercial Workers' Compensation		Commercial Property and Marine		Total Commercial	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Net Premiums Written	\$ 307	\$ 326	\$ 441	\$ 440	\$ 257	\$ 256	\$ 301	\$ 303	\$ 1,306	\$ 1,325
Increase (Decrease) in Unearned Premiums	(13)	(1)	12	5	29	26	1	16	29	46
Net Premiums Earned	320	327	429	435	228	230	300	287	1,277	1,279
Net Losses Paid	160	129	230	191	86	82	145	150	621	552
Increase (Decrease) in Outstanding Losses	(5)	(3)	55	99	41	49	24	(57)	115	88
Net Losses Incurred	155	126	285	290	127	131	169	93	736	640
Expenses Incurred	107	104	123	122	52	49	111	101	393	376
Dividends Incurred	—	—	—	—	4	7	—	—	4	7
Statutory Underwriting Income	\$ 58	\$ 97	\$ 21	\$ 23	\$ 45	\$ 43	\$ 20	\$ 93	\$ 144	\$ 256
Ratios After Dividends to Policyholders:										
Loss Expense	48.4%	38.5%	66.4%	66.7%	56.7%	58.7%	56.3%	32.4%	57.8%	50.3%
	34.9	31.9	27.9	27.7	20.6	19.7	36.9	33.3	30.2	28.5
Combined	83.3%	70.4%	94.3%	94.4%	77.3%	78.4%	93.2%	65.7%	88.0%	78.8%
Premiums Written as a % of Total	10.7%	11.1%	15.4%	15.0%	9.0%	8.8%	10.5%	10.4%	45.6%	45.3%

**THE CHUBB CORPORATION – WORLDWIDE  
PROPERTY AND CASUALTY UNDERWRITING RESULTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND  
(MILLIONS OF DOLLARS)**

	Professional Liability		Surety		Total Specialty	
	2007	2006	2007	2006	2007	2006
Net Premiums Written	\$ 597	\$ 615	\$ 84	\$ 65	\$ 681	\$ 680
Increase (Decrease) in Unearned Premiums	(66)	(70)	6	1	(60)	(69)
Net Premiums Earned	663	685	78	64	741	749
Net Losses Paid	354	236	1	(1)	355	235
Increase (Decrease) in Outstanding Losses	63	244	—	3	63	247
Net Losses Incurred	417	480	1	2	418	482
Expenses Incurred	156	157	25	22	181	179
Dividends Incurred	—	—	1	—	1	—
Statutory Underwriting Income	<u>\$ 90</u>	<u>\$ 48</u>	<u>\$ 51</u>	<u>\$ 40</u>	<u>\$ 141</u>	<u>\$ 88</u>
Ratios After Dividends to Policyholders:						
Loss	62.9%	70.1%	1.3%	3.1%	56.5%	64.4%
Expense	<u>26.1</u>	<u>25.5</u>	<u>30.1</u>	<u>33.9</u>	<u>26.6</u>	<u>26.3</u>
Combined	<u>89.0%</u>	<u>95.6%</u>	<u>31.4%</u>	<u>37.0%</u>	<u>83.1%</u>	<u>90.7%</u>
Premiums Written as a % of Total	20.9%	21.0%	2.9%	2.2%	23.8%	23.2%

**THE CHUBB CORPORATION – WORLDWIDE  
PROPERTY AND CASUALTY UNDERWRITING RESULTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND 2006  
(MILLIONS OF DOLLARS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2007	2006	2007	2006	2007	2006
Net Premiums Written	\$ 2,827	\$ 2,797	\$ 40	\$ 128	\$ 2,867	\$ 2,925
Increase (Decrease) in Unearned Premiums	(85)	(68)	(33)	(26)	(118)	(94)
Net Premiums Earned	2,912	2,865	73	154	2,985	3,019
Net Losses Paid	1,409	1,208	51	92	1,460	1,300
Increase (Decrease) in Outstanding Losses	170	323	(50)	(5)	120	318
Net Losses Incurred	1,579	1,531	1	87	1,580	1,618
Expenses Incurred	841	799	29	51	870	850
Dividends Incurred	5	7	—	—	5	7
Statutory Underwriting Income	<u>\$ 487</u>	<u>\$ 528</u>	<u>\$ 43</u>	<u>\$ 16</u>	530	544
Decrease in Deferred Acquisition Costs					(3)	(8)
GAAP Underwriting Income					<u>\$ 527</u>	<u>\$ 536</u>
Ratios After Dividends to Policyholders:						
Loss	54.3%	53.6%	*	*	53.0%	53.8%
Expense	29.8	28.6	*	*	30.4	29.1
Combined	84.1%	82.2%	*	*	83.4%	82.9%
Premiums Written as a % of Total	98.6%	95.6%	1.4%	4.4%	100.0%	100.0%

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

**THE CHUBB CORPORATION – WORLDWIDE  
PROPERTY AND CASUALTY UNDERWRITING RESULTS  
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND 2006  
(MILLIONS OF DOLLARS)**

	United States		Foreign		Worldwide Total	
	2007	2006	2007	2006	2007	2006
Net Premiums Written	\$ 2,166	\$ 2,268	\$ 701	\$ 657	\$ 2,867	\$ 2,925
Increase (Decrease) in Unearned Premiums	(183)	(176)	65	82	(118)	(94)
Net Premiums Earned	<u>2,349</u>	<u>2,444</u>	<u>636</u>	<u>575</u>	<u>2,985</u>	<u>3,019</u>
Net Losses Paid	1,167	1,093	293	207	1,460	1,300
Increase (Decrease) in Outstanding Losses	<u>113</u>	<u>237</u>	<u>7</u>	<u>81</u>	<u>120</u>	<u>318</u>
Net Losses Incurred	<u>1,280</u>	<u>1,330</u>	<u>300</u>	<u>288</u>	<u>1,580</u>	<u>1,618</u>
Expenses Incurred	623	621	247	229	870	850
Dividends Incurred	<u>5</u>	<u>7</u>	<u>—</u>	<u>—</u>	<u>5</u>	<u>7</u>
Statutory Underwriting Income	<u>\$ 441</u>	<u>\$ 486</u>	<u>\$ 89</u>	<u>\$ 58</u>	530	544
Decrease in Deferred Acquisition Costs					<u>(3)</u>	<u>(8)</u>
GAAP Underwriting Income					<u>\$ 527</u>	<u>\$ 536</u>
Ratios After Dividends to Policyholders:						
Loss	54.6%	54.6%	47.2%	50.1%	53.0%	53.8%
Expense	<u>28.8</u>	<u>27.5</u>	<u>35.2</u>	<u>34.9</u>	<u>30.4</u>	<u>29.1</u>
Combined	<u>83.4%</u>	<u>82.1%</u>	<u>82.4%</u>	<u>85.0%</u>	<u>83.4%</u>	<u>82.9%</u>
Premiums Written as a % of Total	75.5%	77.5%	24.5%	22.5%	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.