

**The  
Chubb  
Corporation**

**Supplementary  
Investor  
Information**

**March 31, 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  
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**THE CHUBB CORPORATION**  
**CONSOLIDATED BALANCE SHEET HIGHLIGHTS**  
*(dollars in millions, except per share amounts)*

	<u>Mar. 31</u> <b>2009</b>		<u>Dec. 31</u> <b>2008</b>	
		<u>% of Total</u>		<u>% of Total</u>
<b>Invested Assets (at carrying value)</b>				
Short Term Investments	\$ 2,558	7%	\$ 2,478	7%
Fixed Maturities				
Tax Exempt	18,804	48	18,345	47
Taxable	14,634	37	14,410	37
Equity Securities	1,340	3	1,479	4
Other Invested Assets	1,795	5	2,026	5
<b>Total Invested Assets</b>	<u>\$39,131</u>	<u>100%</u>	<u>\$38,738</u>	<u>100%</u>
<b>Unrealized Appreciation (Depreciation) of Investments</b>				
Fixed Maturities	\$ 420		\$ (136)	
Equity Securities	<u>(137)</u>		<u>(84)</u>	
	283		(220)	
Deferred Income Tax Liability (Asset)	99		(77)	
	<u>\$ 184</u>		<u>\$ (143)</u>	
<b>Capitalization</b>				
Long Term Debt	\$ 3,975		\$ 3,975	
Shareholders' Equity	13,804		13,432	
<b>Total Capitalization</b>	<u>\$17,779</u>		<u>\$17,407</u>	
<b>Debt as a Percentage of Total Capitalization</b>		22.4%		22.8%
<b>Actual Common Shares Outstanding</b>	352.1		352.3	
<b>Book Value Per Common Share</b>	\$ 39.20		\$ 38.13	
<b>Book Value Per Common Share</b> , with Available-for-Sale Fixed Maturities at Amortized Cost	\$ 38.43		\$ 38.38	

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

	<b>Three Months Ended March 31, 2009</b>	<b>From December 2005 to March 31, 2009</b>
Cost of Shares Repurchased	\$74	\$4,961
Average Cost Per Share	\$40.87	\$50.61
Shares Repurchased	1,804,500	98,020,600

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 March 31, 2009, 17,979,400 shares remained under the share repurchase authorization.

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

	Cost or Amortized Cost		Carrying Value (a)	
	Mar. 31 2009	Dec. 31 2008	Mar. 31 2009	Dec. 31 2008
	<i>(in millions)</i>			
Short Term Investments	\$ 1,299	\$ 1,602	\$ 1,299	\$ 1,602
Taxable Fixed Maturities	1,038	774	1,056	780
Equity Securities	436	451	478	504
<b>TOTAL</b>	<b><u>\$ 2,773</u></b>	<b><u>\$ 2,827</u></b>	<b><u>\$ 2,833</u></b>	<b><u>\$ 2,886</u></b>

**PROPERTY AND CASUALTY**

	Cost or Amortized Cost		Carrying Value (a)	
	Mar. 31 2009	Dec. 31 2008	Mar. 31 2009	Dec. 31 2008
	<i>(in millions)</i>			
Short Term Investments	\$ 1,259	\$ 876	\$ 1,259	\$ 876
Fixed Maturities				
Tax Exempt	18,378	18,299	18,804	18,345
Taxable	13,602	13,818	13,578	13,630
Equity Securities	1,041	1,112	862	975
Other Invested Assets	1,795	2,026	1,795	2,026
<b>TOTAL</b>	<b><u>\$ 36,075</u></b>	<b><u>\$ 36,131</u></b>	<b><u>\$ 36,298</u></b>	<b><u>\$ 35,852</u></b>

- (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**

	<b>Three Months Ended</b>	
	<b>March 31</b>	
	<u>2009</u>	<u>2008</u>
	<i>(in millions)</i>	
<b>CORPORATE INVESTMENT INCOME</b>	<u>\$ 9</u>	<u>\$ 13</u>
<b>PROPERTY AND CASUALTY INVESTMENT INCOME</b>		
Tax Exempt Interest	\$ 186	\$ 185
Taxable Interest	114	127
Other	11	20
Investment Expenses	(5)	(5)
<b>TOTAL</b>	<u>\$ 306</u>	<u>\$ 327</u>
<b>Effective Tax Rate</b>	19.3%	20.2%
<b>After-Tax Annualized Yield</b>	3.41%	3.50%

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>Mar. 31</u>	<u>Dec. 31</u>	<u>Mar. 31</u>
	<u>2009</u>	<u>2008</u>	<u>2008</u>
	<i>(in millions)</i>		
Estimated Statutory Policyholders' Surplus	\$12,500	\$12,311	\$13,330
Rolling Year Statutory Net Premiums Written	\$11,565	\$11,759	\$11,910
Ratio of Statutory Net Premiums Written to Policyholders' Surplus	0.93:1	0.96:1	0.89:1

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, 2009**

	Net Unpaid Losses			IBNR Increase (Decrease)	All Other Unpaid Losses Increase (Decrease)
	3/31/09	12/31/08	Increase (Decrease) <i>(in millions)</i>		
<b>Personal Insurance</b>					
Automobile	\$ 383	\$ 391	\$ (8)	\$ (8)	\$ —
Homeowners	677	715	(38)	(9)	(29)
Other	821	815	6	21	(15)
Total Personal	<u>1,881</u>	<u>1,921</u>	<u>(40)</u>	<u>4</u>	<u>(44)</u>
<b>Commercial Insurance</b>					
Multiple Peril	1,569	1,586	(17)	9	(26)
Casualty	5,713	5,660	53	15	38
Workers' Compensation	2,018	1,982	36	33	3
Property and Marine	789	839	(50)	(8)	(42)
Total Commercial	<u>10,089</u>	<u>10,067</u>	<u>22</u>	<u>49</u>	<u>(27)</u>
<b>Specialty Insurance</b>					
Professional Liability	7,166	7,175	(9)	35	(44)
Surety	62	68	(6)	—	(6)
Total Specialty	<u>7,228</u>	<u>7,243</u>	<u>(15)</u>	<u>35</u>	<u>(50)</u>
Total Insurance	19,198	19,231	(33)	88	(121)
<b>Reinsurance Assumed</b>	<u>874</u>	<u>924</u>	<u>(50)</u>	<u>(33)</u>	<u>(17)</u>
<b>Total</b>	<u>\$20,072</u>	<u>\$20,155</u>	<u>\$ (83)</u>	<u>\$ 55</u>	<u>\$ (138)</u>

**THE CHUBB CORPORATION — WORLDWIDE**  
**PROPERTY AND CASUALTY UNDERWRITING RESULTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**  
**(DOLLARS IN MILLIONS)**

	Personal Automobile		Homeowners		Other Personal		Total Personal	
	2009	2008	2009	2008	2009	2008	2009	2008
Net Premiums Written	\$ 131	\$ 142	\$ 514	\$ 539	\$ 198	\$ 196	\$ 843	\$ 877
Decrease (Increase) in Unearned Premiums	9	14	80	70	(25)	(21)	64	63
Net Premiums Earned	140	156	594	609	173	175	907	940
Net Losses Paid	85	104	348	268	101	83	534	455
Increase (Decrease) in Outstanding Losses	(1)	(6)	(30)	12	16	26	(15)	32
Net Losses Incurred	84	98	318	280	117	109	519	487
Expenses Incurred	39	43	178	184	59	62	276	289
Dividends Incurred	—	—	—	—	—	—	—	—
Statutory Underwriting Income (Loss)	\$ 17	\$ 15	\$ 98	\$ 145	\$ (3)	\$ 4	\$ 112	\$ 164
<b>Ratios After Dividends to Policyholders:</b>								
Loss Expense	60.0%	62.8%	53.6%	46.0%	67.6%	62.3%	57.2%	51.8%
Combined	89.8%	93.1%	88.2%	80.1%	97.4%	93.9%	90.0%	84.8%
Premiums Written as a % of Total	4.8%	4.8%	18.7%	18.4%	7.2%	6.7%	30.7%	29.9%

**THE CHUBB CORPORATION — WORLDWIDE**  
**PROPERTY AND CASUALTY UNDERWRITING RESULTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 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
<b>Net Premiums Written</b>	\$ 269	\$ 295	\$ 409	\$ 460	\$ 236	\$ 248	\$ 346	\$ 337	\$1,260	\$1,340
<b>Decrease (Increase) in Unearned Premiums</b>	<u>24</u>	<u>23</u>	<u>(12)</u>	<u>(25)</u>	<u>(30)</u>	<u>(31)</u>	<u>(44)</u>	<u>(41)</u>	<u>(62)</u>	<u>(74)</u>
<b>Net Premiums Earned</b>	<u>293</u>	<u>318</u>	<u>397</u>	<u>435</u>	<u>206</u>	<u>217</u>	<u>302</u>	<u>296</u>	<u>1,198</u>	<u>1,266</u>
<b>Net Losses Paid</b>	151	140	196	162	89	99	182	154	618	555
<b>Increase (Decrease) in Outstanding Losses</b>	<u>(10)</u>	<u>(5)</u>	<u>101</u>	<u>118</u>	<u>42</u>	<u>28</u>	<u>(39)</u>	<u>18</u>	<u>94</u>	<u>159</u>
<b>Net Losses Incurred</b>	<u>141</u>	<u>135</u>	<u>297</u>	<u>280</u>	<u>131</u>	<u>127</u>	<u>143</u>	<u>172</u>	<u>712</u>	<u>714</u>
<b>Expenses Incurred</b>	101	106	114	129	51	53	116	118	382	406
<b>Dividends Incurred</b>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6</u>	<u>8</u>	<u>—</u>	<u>—</u>	<u>6</u>	<u>8</u>
<b>Statutory Underwriting Income (Loss)</b>	<u>\$ 51</u>	<u>\$ 77</u>	<u>\$ (14)</u>	<u>\$ 26</u>	<u>\$ 18</u>	<u>\$ 29</u>	<u>\$ 43</u>	<u>\$ 6</u>	<u>\$ 98</u>	<u>\$ 138</u>
<b>Ratios After Dividends to Policyholders:</b>										
<b>Loss</b>	48.1%	42.5%	74.8%	64.4%	65.5%	60.8%	47.4%	58.1%	59.7%	56.7%
<b>Expense</b>	<u>37.6</u>	<u>35.9</u>	<u>27.9</u>	<u>28.0</u>	<u>22.2</u>	<u>22.1</u>	<u>33.5</u>	<u>35.0</u>	<u>30.5</u>	<u>30.5</u>
<b>Combined</b>	<u>85.7%</u>	<u>78.4%</u>	<u>102.7%</u>	<u>92.4%</u>	<u>87.7%</u>	<u>82.9%</u>	<u>80.9%</u>	<u>93.1%</u>	<u>90.2%</u>	<u>87.2%</u>
<b>Premiums Written as a % of Total</b>	9.8%	10.0%	14.9%	15.7%	8.6%	8.4%	12.6%	11.5%	45.9%	45.6%

**THE CHUBB CORPORATION — WORLDWIDE**  
**PROPERTY AND CASUALTY UNDERWRITING RESULTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**  
**(DOLLARS IN MILLIONS)**

	Professional Liability		Surety		Total Specialty	
	2009	2008	2009	2008	2009	2008
<b>Net Premiums Written</b>	\$ 553	\$ 604	\$ 77	\$ 99	\$ 630	\$ 703
<b>Decrease (Increase) in Unearned Premiums</b>	64	64	7	(17)	71	47
<b>Net Premiums Earned</b>	617	668	84	82	701	750
<b>Net Losses Paid</b>	307	362	8	12	315	374
<b>Increase (Decrease) in Outstanding Losses</b>	82	19	(5)	(11)	77	8
<b>Net Losses Incurred</b>	389	381	3	1	392	382
<b>Expenses Incurred</b>	156	161	26	29	182	190
<b>Dividends Incurred</b>	—	—	2	1	2	1
<b>Statutory Underwriting Income (Loss)</b>	\$ 72	\$ 126	\$ 53	\$ 51	\$ 125	\$ 177
<b>Ratios After Dividends to Policyholders:</b>						
<b>Loss</b>	63.1%	57.0%	3.6%	1.2%	56.1%	51.0%
<b>Expense</b>	28.2	26.7	34.7	29.6	29.0	27.1
<b>Combined</b>	91.3%	83.7%	38.3%	30.8%	85.1%	78.1%
<b>Premiums Written as a % of Total</b>	20.2%	20.6%	2.8%	3.4%	23.0%	24.0%

**THE CHUBB CORPORATION — WORLDWIDE**  
**PROPERTY AND CASUALTY UNDERWRITING RESULTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008**  
**(DOLLARS IN MILLIONS)**

	Total Insurance		Reinsurance Assumed		Worldwide Total	
	2009	2008	2009	2008	2009	2008
<b>Net Premiums Written</b>	<u>\$ 2,733</u>	<u>\$ 2,920</u>	<u>\$ 10</u>	<u>\$ 16</u>	<u>\$ 2,743</u>	<u>\$ 2,936</u>
<b>Decrease (Increase) in Unearned Premiums</b>	<u>73</u>	<u>36</u>	<u>10</u>	<u>4</u>	<u>83</u>	<u>40</u>
<b>Net Premiums Earned</b>	<u>2,806</u>	<u>2,956</u>	<u>20</u>	<u>20</u>	<u>2,826</u>	<u>2,976</u>
<b>Net Losses Paid</b>	1,467	1,384	42	32	1,509	1,416
<b>Increase (Decrease) in Outstanding Losses</b>	<u>156</u>	<u>199</u>	<u>(50)</u>	<u>(31)</u>	<u>106</u>	<u>168</u>
<b>Net Losses Incurred</b>	<u>1,623</u>	<u>1,583</u>	<u>(8)</u>	<u>1</u>	<u>1,615</u>	<u>1,584</u>
<b>Expenses Incurred</b>	840	885	3	9	843	894
<b>Dividends Incurred</b>	<u>8</u>	<u>9</u>	<u>—</u>	<u>—</u>	<u>8</u>	<u>9</u>
<b>Statutory Underwriting Income (Loss)</b>	<u>\$ 335</u>	<u>\$ 479</u>	<u>\$ 25</u>	<u>\$ 10</u>	360	489
<b>Increase in Deferred Acquisition Costs</b>					<u>16</u>	<u>13</u>
<b>GAAP Underwriting Income</b>					<u>\$ 376</u>	<u>\$ 502</u>
<b>Ratios After Dividends to Policyholders:</b>						
<b>Loss</b>	58.0%	53.7%	* %	* %	57.3%	53.4%
<b>Expense</b>	<u>30.8</u>	<u>30.4</u>	<u>*</u>	<u>*</u>	<u>30.8</u>	<u>30.5</u>
<b>Combined</b>	<u>88.8%</u>	<u>84.1%</u>	<u>* %</u>	<u>* %</u>	<u>88.1%</u>	<u>83.9%</u>
<b>Premiums Written as a % of Total</b>	99.6%	99.5%	0.4%	0.5%	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 THREE MONTHS ENDED MARCH 31, 2009 AND 2008**  
**(DOLLARS IN MILLIONS)**

	United States		Outside the United States		Worldwide Total	
	2009	2008	2009	2008	2009	2008
<b>Net Premiums Written</b>	<b>\$ 2,037</b>	<b>\$ 2,135</b>	<b>\$ 706</b>	<b>\$ 801</b>	<b>\$ 2,743</b>	<b>\$ 2,936</b>
<b>Decrease (Increase) in Unearned Premiums</b>	<b>190</b>	<b>132</b>	<b>(107)</b>	<b>(92)</b>	<b>83</b>	<b>40</b>
<b>Net Premiums Earned</b>	<b>2,227</b>	<b>2,267</b>	<b>599</b>	<b>709</b>	<b>2,826</b>	<b>2,976</b>
<b>Net Losses Paid</b>	<b>1,248</b>	<b>1,140</b>	<b>261</b>	<b>276</b>	<b>1,509</b>	<b>1,416</b>
<b>Increase (Decrease) in Outstanding Losses</b>	<b>29</b>	<b>110</b>	<b>77</b>	<b>58</b>	<b>106</b>	<b>168</b>
<b>Net Losses Incurred</b>	<b>1,277</b>	<b>1,250</b>	<b>338</b>	<b>334</b>	<b>1,615</b>	<b>1,584</b>
<b>Expenses Incurred</b>	<b>600</b>	<b>614</b>	<b>243</b>	<b>280</b>	<b>843</b>	<b>894</b>
<b>Dividends Incurred</b>	<b>8</b>	<b>9</b>	<b>—</b>	<b>—</b>	<b>8</b>	<b>9</b>
<b>Statutory Underwriting Income (Loss)</b>	<b>\$ 342</b>	<b>\$ 394</b>	<b>\$ 18</b>	<b>\$ 95</b>	<b>360</b>	<b>489</b>
<b>Increase in Deferred Acquisition Costs</b>					<b>16</b>	<b>13</b>
<b>GAAP Underwriting Income</b>					<b>\$ 376</b>	<b>\$ 502</b>
<b>Ratios After Dividends to Policyholders:</b>						
<b>Loss Expense</b>	<b>57.5%</b>	<b>55.4%</b>	<b>56.4%</b>	<b>47.1%</b>	<b>57.3%</b>	<b>53.4%</b>
	<b>29.6</b>	<b>28.9</b>	<b>34.4</b>	<b>35.0</b>	<b>30.8</b>	<b>30.5</b>
<b>Combined</b>	<b>87.1%</b>	<b>84.3%</b>	<b>90.8%</b>	<b>82.1%</b>	<b>88.1%</b>	<b>83.9%</b>
<b>Premiums Written as a % of Total</b>	<b>74.3%</b>	<b>72.7%</b>	<b>25.7%</b>	<b>27.3%</b>	<b>100.0%</b>	<b>100.0%</b>

## **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 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 Return on Equity

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 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 current quarter-end, prior year-end and interim quarter-end balances. Management uses operating return on equity, among other measures, to assess the overall performance of the Corporation.