

Zurich reports record operating profit and industry-leading return on equity

- **Group business operating profit (BOP) up 6% to a record USD 4.2 billion; Core ROE climbs to a best-ever 26.3%, Core EPS up 7%.**
- **Property & Casualty (P&C) BOP is up 9% to an all-time high of USD 2.4 billion; Insurance revenue increased 7% to a record USD 23.0 billion.**
- **P&C combined ratio (COR) of 92.4% improved 1.2 percentage points driven by strong underwriting performances in Commercial (90.5%) and Retail (94.1%).**
- **Life reported BOP of USD 1.0 billion, up 4% excluding a prior year one-off; gross written premiums (GWP) up 14% overall and 3% in Protection¹; contractual service margin (CSM) at an all-time high.**
- **Farmers delivered the strongest half-year BOP ever, up 4% to USD 1.2 billion; Farmers Exchanges² GWP up 5% and COR of 90.5% leading to a surplus ratio of 45.7%; policy count returns to growth in Q2.**
- **Net income attributable to shareholders at USD 3.1 billion, up from USD 3.0 billion in prior year.**
- **Very strong capital position with Swiss Solvency Test (SST) ratio at 255%.³**



I am proud of these outstanding results, which reinforce the strength of our underwriting discipline and operational execution. This performance underscores our ability to effectively manage our diversified portfolio, strong capital position, and high cash conversion to deliver continued industry-leading value to our shareholders, even in a volatile market environment. P&C posted profitable growth, supported by favorable pricing trends, focused management actions and superior risk selection. The Life business maintained last year's record performance, with continued premium expansion and rising demand for protection solutions. Farmers Exchanges reported excellent underwriting results and increased its policy count for the first time in more than a decade.

Mario Greco, Group Chief Executive Officer

Select financial highlights (unaudited)

for the six months ended June 30, 2025, unless otherwise stated
(for a more comprehensive set of financial highlights see page 6).

BOP (in USD billions)	Core ROE	NIAS (in USD billions)	Core EPS (in USD)
4.2	26.3%	3.1	21.7
2024: 4.0 Change in USD: 6%	2024: 25.2% Change: 1.1pts	2024: 3.0 Change in USD: 1%	2024: 20.3 Change: 7%

Zurich Insurance Group (Zurich) delivered a record set of financial results, driven by high-quality underwriting and strong momentum across all business lines.

The P&C business delivered a BOP of USD 2.4 billion, up 9%, a historic high at this stage of the year. Insurance revenue and gross written premiums increased 7%, reflecting the Group's resolute focus on high-quality, profitable growth. The combined ratio improved by 1.2 percentage points to 92.4%, driven by stronger underlying performances across commercial and retail insurance. Within the combined ratio, natural catastrophe losses totaled 1.8% compared to 2.4% in the first half of 2024, reflecting the Group's sophisticated risk selection and exposure management.

Zurich's market-leading Commercial Insurance business further improved its profitability with a combined ratio of 90.5% compared to 91.4% in the prior year period, delivering a strong BOP of USD 1.8 billion. Zurich continues to optimize its portfolio, seizing opportunities to drive profitability, including growing in preferred segments and lines of business such as Middle Market and Specialties. The Middle Market segment saw continued underlying growth maintaining strong profitability, while Specialties is growing at an attractive underwriting margin. Enhancements in the North American motor business led to a 21.3 percentage points improvement in the combined ratio to 99.3% compared to 120.6% the prior year period, bringing the business back to profitability.

Retail recorded a marked improvement with a combined ratio of 94.1%, a 2.4 percentage points improvement over the prior period, reflecting positive pricing momentum and successful management actions on the portfolio. Strong improvements in the Europe, Middle East and Africa (EMEA) motor portfolio resulted in a combined ratio of 94.7%, an improvement of 6.9 percentage points compared to 101.6% in the prior year period.

Zurich's Life business sustained the prior year record high level BOP of USD 1.0 billion, up 4% on an underlying basis, excluding a prior year non-recurring benefit of USD 55 million. Contractual service margin (CSM), which reflects unearned profit, reached an all-time high with more than USD 13 billion. Impressive growth in both new business and gross premiums⁴ of 20% and 14% respectively, on a like-for-like¹ basis, was driven by strength in unit-linked and capital efficient savings. Life Protection¹ grew 3%, gaining strong traction under the new Global Life Protection unit, which is expected to further accelerate growth in the 2025-2027 cycle.

Farmers Exchanges² achieved 5% year-over-year GWP growth, capitalizing on a supportive rate environment, improved retention, and a return to policy count growth in the second quarter. A stand-out underwriting result, despite the impact of the Los Angeles wildfires, brought the surplus ratio to 45.7%, up 3.3 percentage points since the year-end of 2024, laying the foundation for future mid to high single digit growth. Moody's Ratings affirmed Farmers Insurance Group's credit rating and changed the outlook from stable to positive on June 23, 2025, based on its enhanced profitability, reduced exposure to catastrophes and improved capitalization.

Farmers reported a new record BOP of USD 1.2 billion for the first half of the year, up 4% against the prior year period. Farmers Management Services (FMS) BOP rose 3%, driven by sustained premium growth at the Farmers Exchanges² and rising contributions from the Agency Brokerages. Farmers Re also delivered higher BOP, underscoring the outstanding underwriting performance at the Farmers Exchanges².

Business performance

Property & Casualty

in USD millions, for the six months ended June 30 unless otherwise stated.

	2025	2024	Change in USD	Change like-for-like ¹
P&C business operating profit (BOP)	2,429	2,224	9%	10%
P&C gross written premium and policy fees	27,144	25,342	7%	5%
P&C insurance revenue	23,014	21,446	7%	5%
P&C combined ratio	92.4%	93.6%	1.2pts	Nm

P&C business operating profit (BOP) of USD 2,429 million was 9% higher than in the previous year driven by higher insurance revenue and a stronger technical result. The combined ratio improved by 1.2 percentage points year on year to 92.4%, driven by a strong recovery in the Retail business and further margin improvement in Commercial Insurance. Within the combined ratio, natural catastrophe losses totaled 1.8% compared to 2.4% in the first half of 2024.

Gross written premiums (GWP) grew 7% in U.S. dollars and 5% on a like-for-like¹ basis adjusting for currency movements and prior year's completed acquisitions of the AIG global personal travel insurance and assistance business as well as the Zurich Kotak General Insurance business. All geographies contributed positively towards topline growth on a like-for-like¹ basis. The Group achieved price increases of 3% in the first half of the year.

In Commercial Insurance, GWP increased 3% compared to the prior year, with an overall rate increase of 2%. In North America, GWP increased 3% in line with rate increases, where pricing remains supportive to write profitable business. In EMEA, GWP increased 4%, driven by further growth in the property, specialties and motor portfolios. Middle market growth was strong in preferred segments in North America and EMEA, supported by resilient rate momentum and underlying exposure growth. This was offset by the effect of planned management actions in certain U.S. program businesses. The combined ratio of 90.5% for the first half of the year improved 0.9 percentage points year on year, driven by a 1.7 percentage points improvement of the loss ratio.

In Retail, GWP increased 15% supported by rate changes of 5% during the first six months of the year. EMEA showed strong top-line growth of 10%, of which two-thirds were driven by Germany, Switzerland and the United Kingdom. Growth across the region was due to continuous strong rates supported by an 8% increase in motor rates and overall net new business. Asia Pacific grew by 17% driven by strong performances in the motor, specialties and property businesses across the region. The combined ratio of 94.1% for the first half of the year improved by 2.4 percentage points year on year with a lower loss ratio due to strong improvements in the motor and property portfolios.

Life

in USD millions, for the six months ended June 30 unless otherwise stated.

	2025	2024	Change in USD ⁵	Change like-for-like ¹
Life business operating profit (BOP)	1,031	1,048	(2%)	2%
Life gross premiums and deposits (GWP) ⁴	18,233	16,287	12%	14%
Life present value of new business premiums (PVNBP)	10,039	8,510	18%	20%
Life new business contractual service margin (NB CSM)	572	543	5%	6%
Life insurance revenue, short-term contracts	1,378	1,363	1%	11%
Life fee revenue, investment contracts	384	345	11%	10%

Life BOP of USD 1.0 billion sustained the previous year's record level, underscoring continued strength in the business. The insurance service result and fee result improved year on year, benefiting from a record-high CSM, short-term insurance revenue growth and higher investment contracts' assets under management. The prior year BOP included USD 55 million of a non-recurring benefit in the first half of 2024 from the non-completion of the disposal of a legacy back book in Germany.

GWP⁴ for unit-linked and investment contracts increased by 5% on a like-for-like¹ basis to USD 10.2 billion, driven by growth in North America and Asia-Pacific. Protection GWP⁴ of USD 4.7 billion were 3% higher year on year on a like-for-like basis¹ driven by growth in EMEA, Asia-Pacific and captive employee benefit solutions. Savings and annuities GWP⁴ of USD 3.3 billion were 98% higher year on year on a like-for-like¹ basis driven by the successful launch of a capital efficient retail savings product in Spain through the joint venture with Banco Sabadell.

New business premiums rose 20% on a like-for-like¹ basis to USD 10.0 billion, driven by the above-mentioned retail savings product in Spain and unit-linked growth in Asia-Pacific, Latin America and North America. New business written in the first half of the year added USD 572 million of CSM, up 6% like-for-like¹ compared with the prior year, driven by sales growth.

Short-term insurance contracts, predominantly related to the Latin American protection business, generated USD 1.4 billion of insurance revenue in the first six months of the year, with 11% growth in local currencies.

Fee revenue generated by investment contracts, which are mainly written in EMEA, grew 10% on a like-for-like¹ basis benefiting from higher assets under management.

Farmers

in USD millions, for the six months ended June 30 unless otherwise stated.

	2025	2024	Change in USD
Farmers Exchanges²			
Gross written premiums	15,014	14,257	5%
Gross earned premiums	14,205	13,833	3%
Combined ratio	90.5%	95.2%	4.7pts
Surplus ratio ⁶	45.7%	42.4%	3.3pts
Farmers			
Farmers business operating profit (BOP)	1,154	1,115	4%

The **Farmers Exchanges²**, owned by their policyholders, reported a strong performance with GWP up 5% year on year, driven by an increase in new business and higher retention. Gross earned premiums rose 3%, reflecting continued growth in the underlying portfolio.

Despite the losses from the wildfires in Los Angeles, the combined ratio for the first six months was at an outstanding 90.5%. This testifies to the quality and resilience of Farmers Exchanges² portfolio, following the thorough transformation actions over the last two years. The surplus ratio rose to 45.7%, an improvement of 3.3 percentage points since the end of 2024, driven primarily by robust organic surplus generation and investment income. The Farmers Exchanges² increased their policy count in the second quarter, maintaining a strong financial position, as reflected in their surplus ratio, which positions them well for future growth.

Farmers reported a 4% increase in BOP, reaching USD 1.2 billion for the first half of the year. Farmers Management Services (FMS) grew, supported by a higher gross earned premium base at the Farmers Exchanges² and stable margins, coupled with a growing BOP contribution from the Agency Brokerages. The Agency Brokerages increased fee service revenue by 22% and their BOP contribution by 26% to USD 30 million for the first six months. Farmers Re also performed strongly, benefiting from an excellent underwriting performance at the Farmers Exchanges², partially offset by a lower participation rate of 8.0% compared to 10.0% in the prior year.

Capital position

As of June 30, 2025, Zurich's Swiss Solvency Test (SST) ratio remains very strong at 255%³, which compares with 253% as of December 31, 2024.

¹ Like-for-like comparisons represent the change in local currencies after adjusting for acquisitions, disposals and the transfer of a Life portfolio to Non-Core Businesses.

² Zurich Insurance Group has no ownership interest in the Farmers Exchanges. Farmers Group, Inc., a wholly owned subsidiary of the Group, and certain of its subsidiaries, provide certain non-claims services and ancillary services to the Farmers Exchanges as its attorney-in-fact and receive fees for their services.

³ Estimated Swiss Solvency Test (SST) ratio as of June 30, 2025, calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority FINMA. The SST ratio as of December 31 has to be filed with FINMA by end of April in the subsequent year and is subject to review by FINMA.

⁴ Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).

⁵ Parentheses around numbers represent an adverse variance.

⁶ Surplus ratio as of June 30, 2025, and December 31, 2024, respectively.

Financial highlights (unaudited)

The following table presents the summarized consolidated results of the Group for the six months ended June 30, 2025, and June 30, 2024, and the financial position as of June 30, 2025, and June 30, 2024, respectively. All amounts are shown in U.S. dollars and rounded to the nearest million unless otherwise stated, with the consequence that the rounded amounts may not add up to the rounded total in all cases. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts. This document should be read in conjunction with other financial reports published by Zurich Insurance Group on zurich.com. In addition to the figures stated in accordance with International Financial Reporting Standards (IFRS), the Group uses business operating profit (BOP), new business measures and other performance indicators to enhance the understanding of its results. Details of these measures are set out in the separately published Glossary. These should be viewed as complementary to, and not as substitutes for the IFRS figures.

In USD millions, for the six months ended June 30 unless otherwise stated.

	2025	2024	Change ¹
Business operating profit (BOP)	4,227	3,988	6%
Net income attributable to shareholders after tax	3,065	3,026	1%
P&C business operating profit (BOP)	2,429	2,224	9%
P&C gross written premiums and policy fees	27,144	25,342	7%
P&C insurance revenue	23,014	21,446	7%
P&C combined ratio	92.4%	93.6%	1.2pts
Life business operating profit (BOP)	1,031	1,048	(2%)
Life gross premiums and deposits (GWP) ²	18,233	16,287	12%
Life present value of new business premiums (PVNBP)	10,039	8,510	18%
Life new business contractual service margin (NB CSM)	572	543	5%
Life insurance revenue, short-term contracts	1,378	1,363	1%
Life fee revenue, investment contracts	384	345	11%
Farmers business operating profit (BOP)	1,154	1,115	4%
Farmers Management Services managed gross earned premium (GEP) margin	7.0%	7.0%	0.0pts
Average Group investments ³	161,872	149,189	9%
Net investment result on Group investments ³	3,042	3,385	(10%)
Net investment return on Group investments ^{3,4}	1.9%	2.3%	(0.4pts)
Total return on Group investments ^{3,4}	1.3%	0.9%	0.4pts
Shareholders' equity	24,725	24,119	3%
Swiss Solvency Test ⁵	255%	253%	2pts
Core earnings per share (in USD) ⁶	21.68	20.30	7%
Diluted earnings per share (in CHF)	18.37	18.50	(0.68%)
Book value per share (in CHF)	137.64	150.11	(8.31%)
Return on common shareholders' equity (ROE) ⁷	25.9%	25.9%	0.0pts
Business operating profit (after tax) return on common shareholders' equity (Core ROE) ⁷	26.3%	25.2%	1.1pts

¹ Parentheses around numbers represent an adverse variance.

² Gross written premiums for Protection, gross policyholder inflows (incl. deposits) for all other lines of business (including investment and asset management contracts).

³ Including investment cash and derivatives.

⁴ Calculated on average Group investments.

⁵ Ratios as of June 30, 2025 and December 31, 2024. Estimated Swiss Solvency Test (SST) ratio as of June 30, 2025, calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority FINMA. The SST ratio as of December 31 has to be filed with FINMA by end of April in the subsequent year and is subject to review by FINMA.

⁶ Business Operating Profit after tax divided by weighted average number of shares (diluted).

⁷ Shareholders' equity used to determine ROE and Core ROE is adjusted for net unrealized gains/(losses).

Further information

Supplemental financial information and written comments to accompany the investor presentation, as well as the Half-Year Report 2025 are available on Zurich's [webpage](#).

Q&A session for media

There will be a conference call Q&A session for media starting at 09:00 CEST. Media may dial in using the details provided below. The call will be held in English. Please dial in approximately 10 minutes prior to the start of the conference call.

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Q&A session for analysts and investors

There will be a conference call Q&A session for analysts and investors starting at 13:00 CEST. Media may listen in. A podcast of this Q&A session will be available from 17:00 CEST.

Participants who wish to attend the Live Q&A session will need to register ahead of the call under this link ([Zurich Q&A call registration](#)) and follow the on-screen instructions.

Zurich Insurance Group (Zurich) is a leading global multi-line insurer founded more than 150 years ago, which has grown into a business serving more than 75 million customers in more than 200 countries and territories, while delivering industry-leading total shareholder returns.

Reflecting its purpose to 'create a brighter future together,' Zurich offers protection services that go beyond traditional insurance, to support its customers in building resilience. Since 2020, the Zurich Forest project supports reforestation and biodiversity restoration in Brazil's Atlantic Forest.

The Group has more than 63,000 employees and is headquartered in Zurich, Switzerland. Zurich Insurance Group Ltd (ZURN) is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information is available at www.zurich.com.

Disclaimer and cautionary statement

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy, underwriting and claims results, business initiatives (including, but not limited to, sustainability matters), as well as statements regarding the Group's understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans, policies, initiatives and objectives of Zurich Insurance Group Ltd or the Group to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in key markets; (ii) the risk of a global economic downturn, in the financial services industries in particular; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; (viii) increased litigation activity and regulatory actions; and (ix) changes in laws and regulations and in the policies of regulators, and the possibility of conflict between different governmental standards and regulatory regimes may have a direct bearing on the results of operations of Zurich Insurance Group Ltd and the Group and on whether the targets will be achieved. Zurich Insurance Group Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

All references to 'Farmers Exchanges' mean Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange and their subsidiaries and affiliates. The three Exchanges are California domiciled interinsurance exchanges owned by their policyholders with governance oversight by their Boards of Governors. Farmers Group, Inc. and certain of its subsidiaries are appointed as the attorneys-in-fact for the three Exchanges and in that capacity provide certain non-claims services and ancillary services to the Farmers Exchanges. Neither Farmers Group, Inc., nor its parent companies, Zurich Insurance Company Ltd and Zurich Insurance Group Ltd, have any ownership interest in the Farmers Exchanges. Financial information about the Farmers Exchanges is proprietary to the Farmers Exchanges but is provided to support an understanding of the performance of Farmers Group, Inc. and Farmers Reinsurance Company.

It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of full year results.

Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

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