



Credit Suisse Insurance Conference 2006

November 17, 2006

This presentation contains, and management may make, certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Specifically, earnings guidance and statements about our share repurchase plans are forward looking, and we may make forward-looking statements about our results of operations (including, among others, premium volume, income from continuing operations, net and operating income and return on equity), financial condition and liquidity; the sufficiency of our asbestos and other reserves (including, among others, asbestos claim payment patterns); post-merger expense savings; the cost and availability of reinsurance coverage; and strategic initiatives. Such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Some of the factors that could cause actual results to differ include, but are not limited to, the following: catastrophe losses could materially reduce our profitability and adversely impact our ratings, our ability to raise capital and the availability and cost of reinsurance; our business could be harmed because of our potential exposure to asbestos and environmental claims and related litigation; reinsurance may not protect us against losses; we are exposed to, and may face adverse developments involving mass tort claims such as those relating to exposure to potentially harmful products or substances; if actual claims exceed our loss reserves, or if changes in the estimated level of loss reserves are necessary, our financial results could be significantly and adversely affected; the effects of emerging claim and coverage issues on our business are uncertain; we may incur loss and loss adjustment expenses as a result of disclosures by, and investigations of, companies for which we have written directors' and officers' insurance relating to possible accounting irregularities, corporate governance issues and stock option "backdating," "spring loading" and other stock option grant practices; the insurance industry, including us, is the subject of a number of investigations by state and federal authorities in the United States. We cannot predict the outcome of these investigations or their impact on our business or financial results; our businesses are heavily regulated and changes in regulation may reduce our profitability and limit our growth; assessments and other surcharges for guaranty funds, second-injury funds, catastrophe funds and other mandatory pooling arrangements may reduce our profitability; a downgrade in our claims-paying and financial strength ratings could significantly reduce our business volumes, adversely impact our ability to access the capital markets and increase our borrowing costs; our investment portfolio may suffer reduced returns or losses which could reduce our profitability; the intense competition that we face could harm our ability to maintain or increase our profitability and premium volume; we may not be able to execute announced and future strategic initiatives as planned; the inability of our insurance subsidiaries to pay dividends to us in sufficient amounts would limit our ability to meet our obligations and to pay future dividends; loss or significant restriction of the use of credit scoring or other variables in the pricing and underwriting of personal lines products could reduce our future profitability; disruptions to our relationships with our distributors, independent agents and brokers could adversely affect our future income and profitability; if we experience difficulties with outsourcing relationships, our ability to conduct our business might be negatively impacted; and the effects of corporate bankruptcies on surety bond claims.

Our forward-looking statements speak only as of the date they are made, and we undertake no obligation to update forward-looking statements. For a more detailed discussion of these factors, see the information under the caption "Risk Factors" in our most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

In this presentation, we may refer to some non-GAAP financial measures, including, among others, operating income, operating income excluding catastrophes, operating return on equity, underwriting gain (loss), GAAP combined ratio excluding catastrophes and prior year development and adjusted and tangible book value per common share. For a reconciliation of these measures to the most comparable GAAP measures and a glossary of financial measures, we refer you to the press release and financial supplement that we have made available in connection with this presentation which is available on the St. Paul Travelers website (<http://investor.stpaultravelers.com/>).

St. Paul Travelers: YTD Third Quarter 2006 Highlights



(\$ in millions)

	1Q 2006	2Q 2006	3Q 2006	YTD 3Q 2006
Net income	\$ 1,006	\$ 970	\$ 1,043	\$ 3,019
Operating Income	1,011	959	1,037	3,007
GAAP Combined ratio	88.9%	89.8%	87.2%	88.6%
Net investment income growth <i>versus prior year</i>	15%	13%	7%	11%
Operating return on equity ¹	18.1%	16.6%	17.4%	17.4%
Net written premium growth ² <i>versus prior year</i>	1%	9%	6%	6%
Book value growth ¹ <i>in the period</i>	3.8%	3.5%	3.8%	11.5%
Share repurchases ³	\$ -	\$ 250	\$ 121	\$ 371

¹ Excludes the impact of FAS 115.

² Excludes the Company's run-off operations and adjusts for the estimated impact of transitioning to six-month policies for personal automobile new business (in 3Q 06).

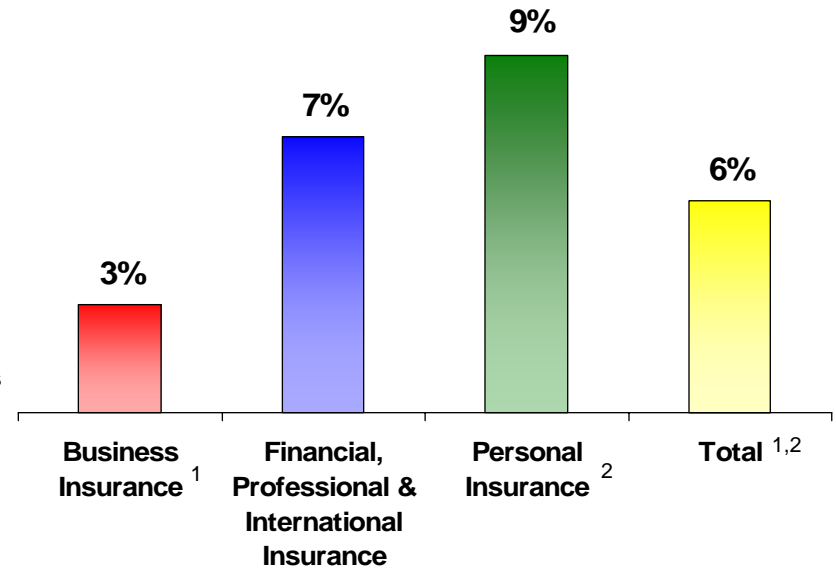
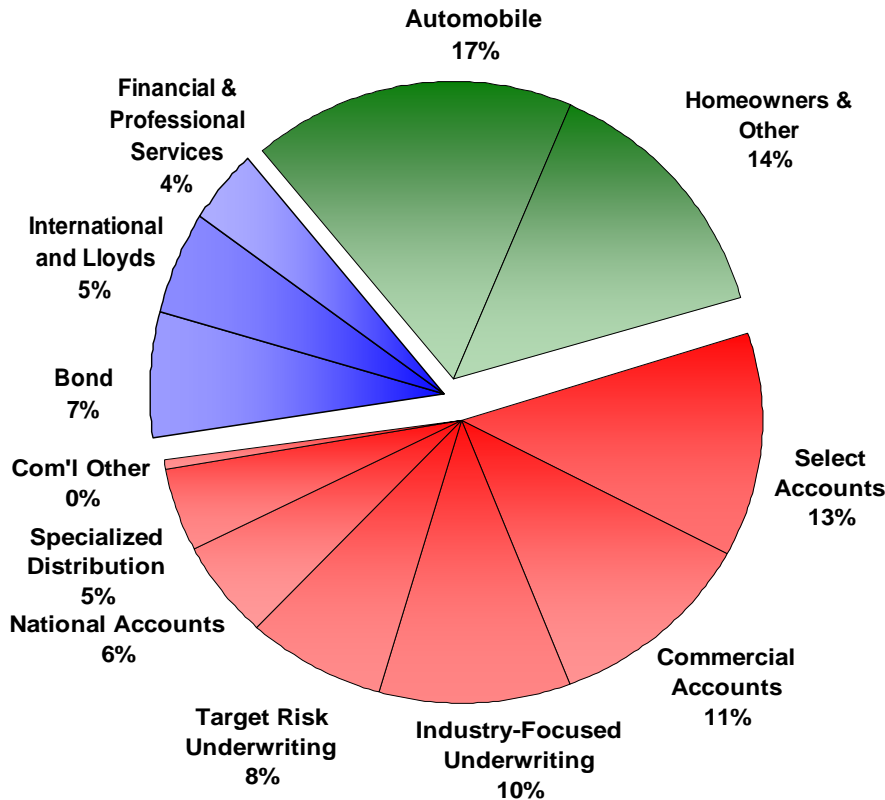
³ Under the authorized \$2 billion share repurchase program.

St. Paul Travelers: Diversity of Product and Customer



\$21 Billion Net Written Premiums
Trailing Twelve Months 3Q 06

Year-to-date 3Q 2006
Net Written Premium Growth



¹ Excludes Business Insurance Other, the Company's run-off operations.

² Adjusts for the estimated impact of transitioning to six-month policies for personal automobile new business (in 3Q 06).

Financial Objectives

- Target mid-teens return on equity over the long-term
- Maintain appropriate levels of capital to support our business and our financial ratings
- Return excess capital to shareholders

Strategic Objectives

- Be insurance carrier of choice in all of our businesses
- Grow market share over time, with focus on organic growth
- Enhance business and I.T. platforms to realize full potential of our franchise

Top Personal Lines Industry Position



(\$ in billions)

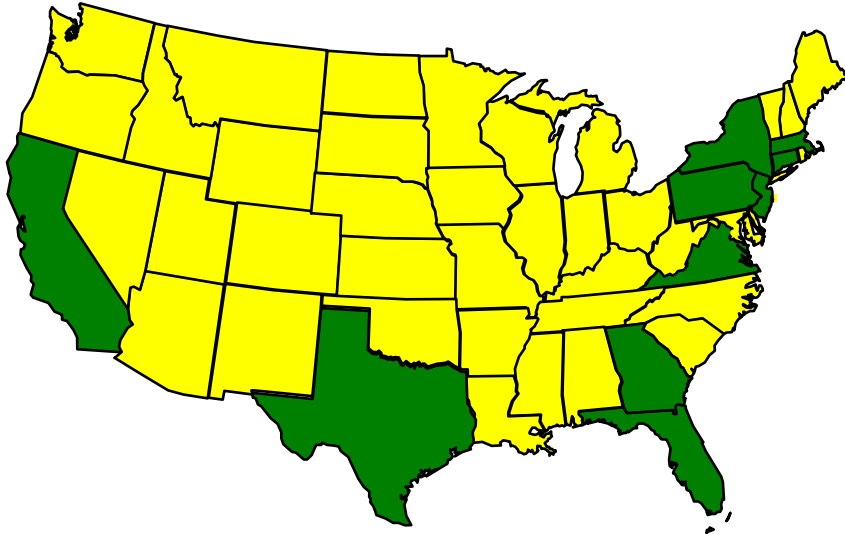
Personal Lines Industry

Company	2005 DWP	Market Share
1 State Farm	\$42.3	19.1%
2 Allstate	25.2	11.4%
3 Progressive	12.1	5.4%
4 Farmers	12.0	5.4%
5 Nationwide	10.2	4.6%
6 GEICO	10.1	4.6%
7 USAA	8.0	3.6%
8 Liberty Mutual	6.0	2.7%
9 AIG	5.8	2.6%
10 Travelers	5.7	2.6%

Personal Lines Stock Companies

Company	2005 DWP
1 Allstate	\$25.2
2 Progressive	12.1
3 GEICO	10.1
4 AIG	5.8
5 Travelers	5.7
6 Hartford	3.6
7 Safeco	3.5
8 MetLife	2.9
9 Mercury General	2.5
10 Chubb	2.2

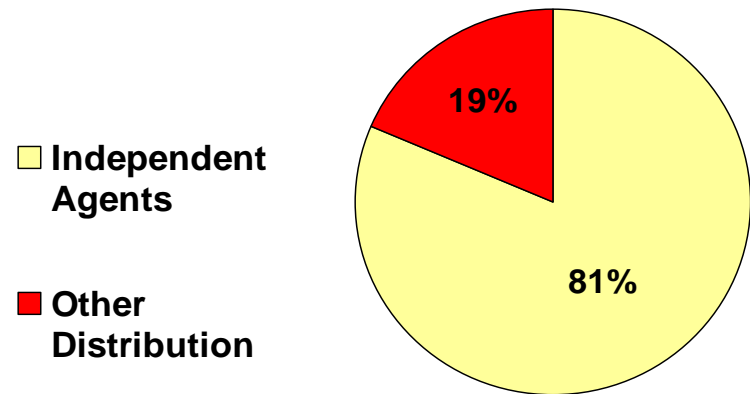
Top Ten States by NWP



(\$ in millions)

Net written premiums
 # Policies (000s)
 Agents
 Agent locations

NWP¹ by Distribution Channel



3Q 2006¹

	<u>Auto</u>	<u>Property</u>	<u>Total</u>
Net written premiums	\$3,665	\$2,959	\$6,624
# Policies (000s)	2,567	4,512	7,079
Agents			8,600
Agent locations			14,000

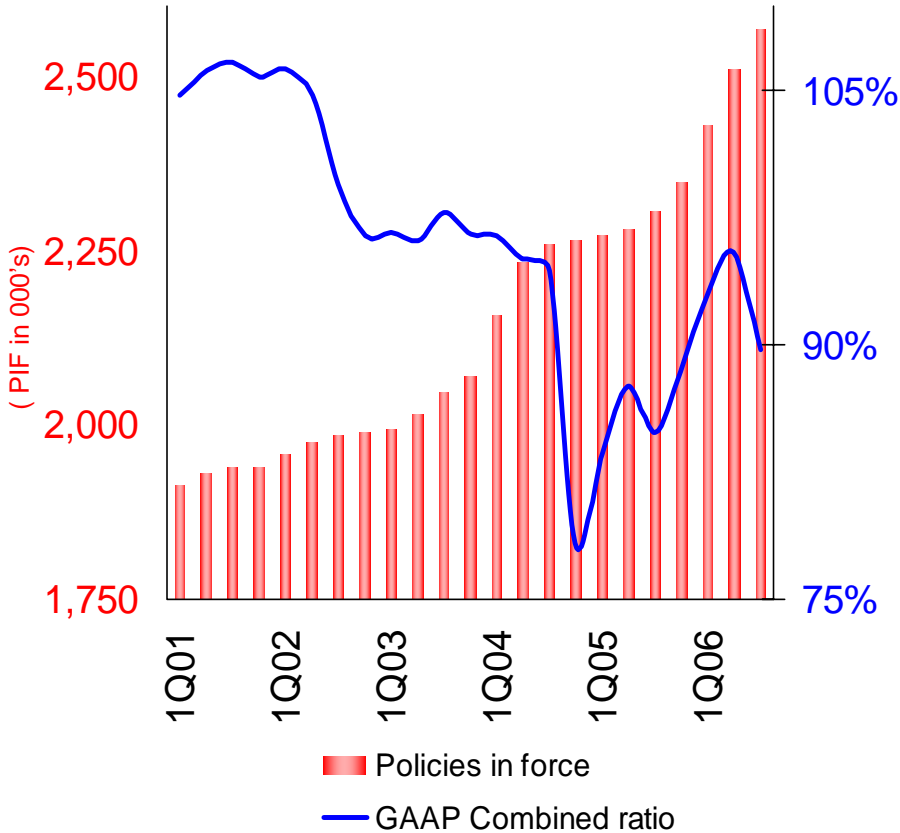
¹ NWP on a trailing twelve months basis



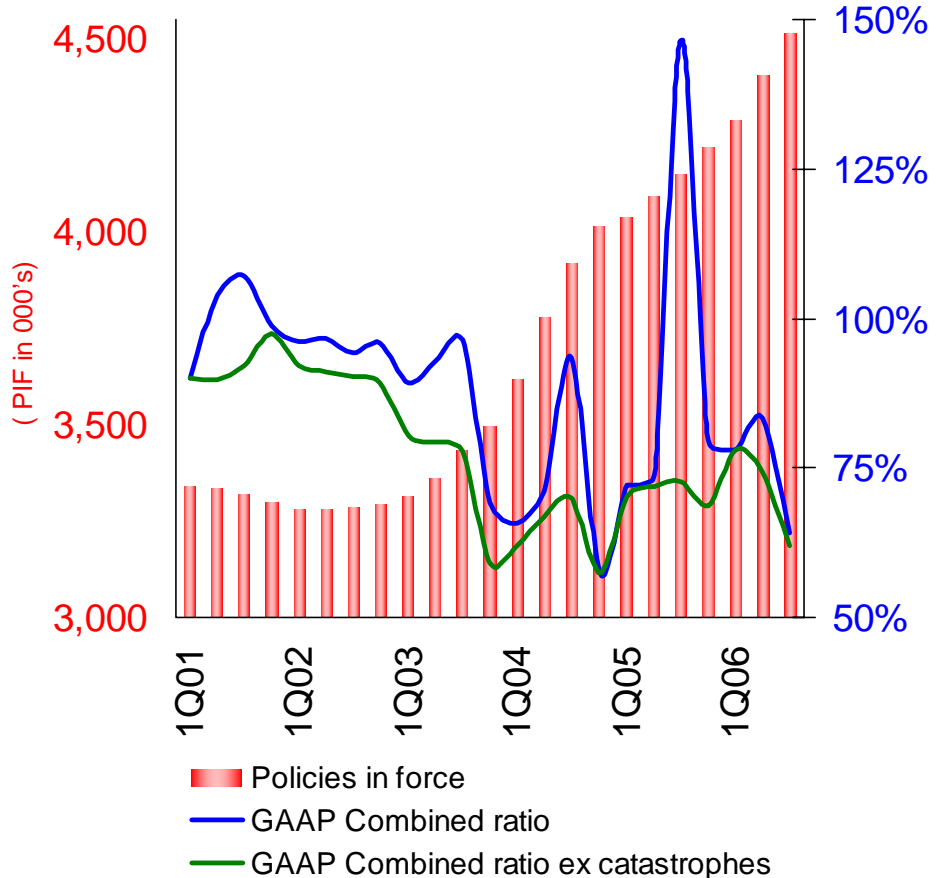
Travelers Personal Insurance: Growth & Profitability



Automobile



Homeowners and Other




- Personal lines claim organization possessed historic excellence in:
 - ❑ Managing claims adjustment expenses
 - ❑ Handling large loss, or high severity, claims

- To improve loss cost management and customer experience, initiated major investment and process re-engineering targeting high frequency, low severity claims.
 - ❑ **Faster** – speed to identification, intervention, resolution
 - ❑ **Closer** – in-house management of each claim with increased direct claimant contact
 - ❑ **Tighter** – minimize non-indemnity related leakage
 - ❑ **Better catastrophe management**

Initiative:

- Our appraisers see all damaged cars and see them faster.

Notice of Loss  Issue Payment

Countrywide Jan '04



8.0 days

Countrywide Sep '06

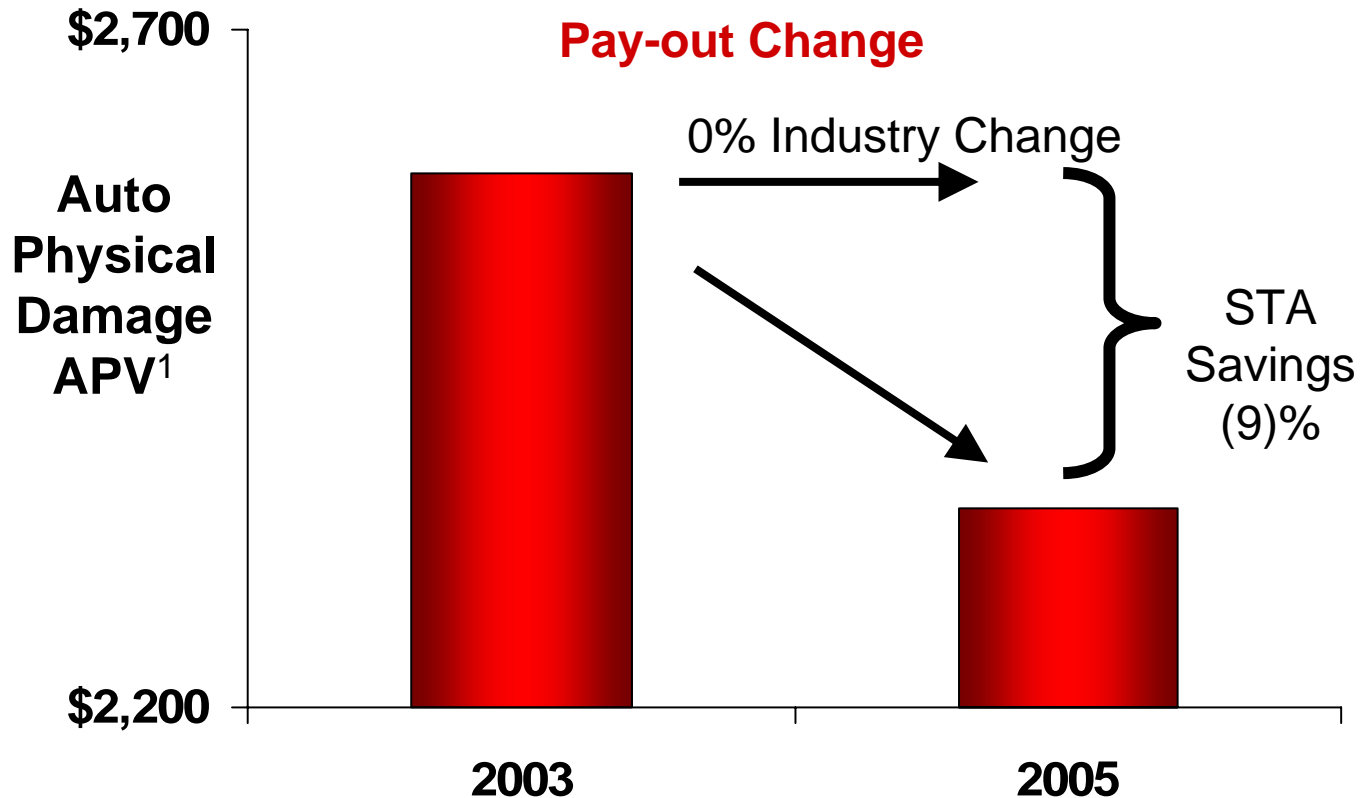


2.9 days



**5.1 day
improvement**

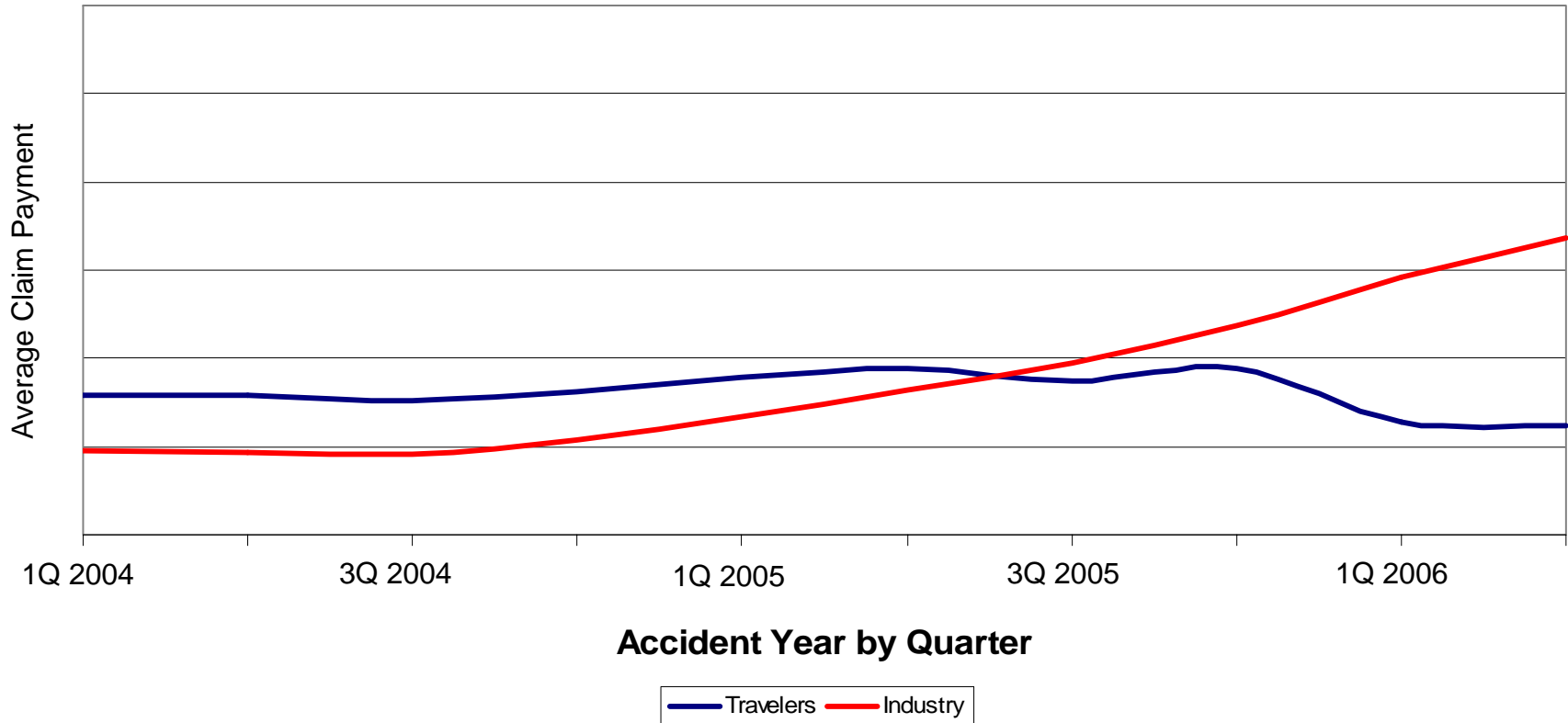
Pilot Case – Tennessee



Initiatives are favorably impacting loss costs

¹ 12 month rolling average paid value (APV) for closed auto physical damage claims
Source: ISO Fastrack data

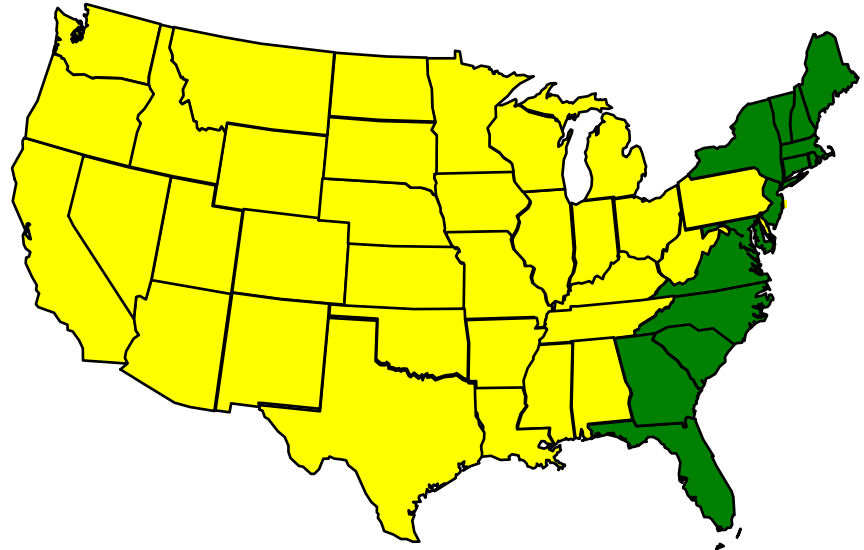
3rd Party Property Damage Severity



Initiative converting a disadvantage to a competitive advantage

**Total 3Q 2006
Trailing Twelve Month
Net Written Premium** **\$6.6B**

	<u>% of NWP</u>
Eastern States	60%
All Other	40%

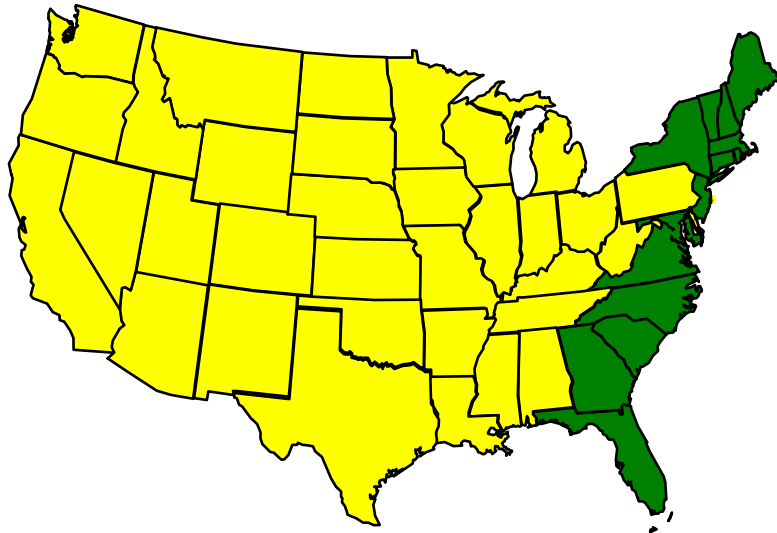


- Strong agency plant and brand recognition
- Historic penetration in Eastern states
- Greatest growth opportunity in Central and Western States

Systematic Geographic Diversification

(\$ in millions)

	3Q 2006 Trailing Twelve Month Net Written Premium	Agent Location Growth ¹ '03-'06	YTD 3Q '06 Net Written Premium Growth
Total	\$6,624	3,400 or 32%	\$396
% of Total			
Eastern States	60%	29%	31%
All Other	40%	71%	69%



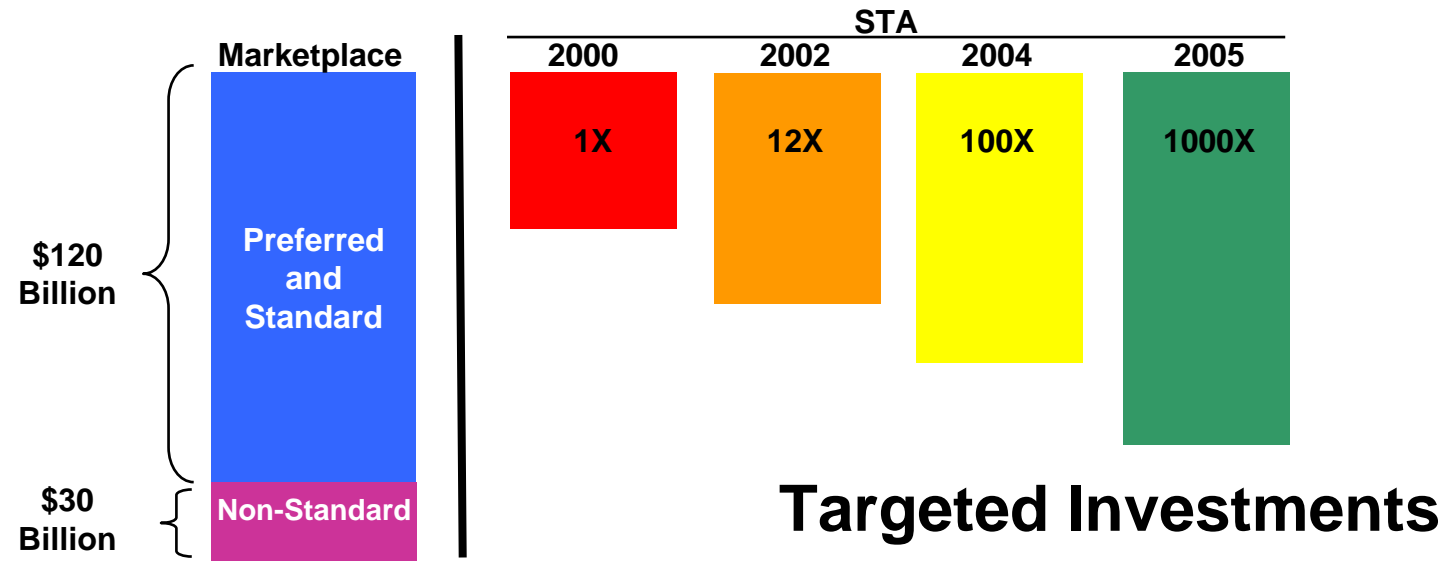
- 300+ person field organization is face-to-face with agents
- Sophisticated multi-year agency distribution strategy underway
- Premium growth matched with targeted distribution expansion

¹ Represents growth in the number of Agent Locations and the corresponding percentage change since year end 2002. Company has approximately 8,600 agents with 14,000 locations.

- Focused initiatives impacting agents and customers.
 - ❑ Rate, quote and issue platform
 - ❑ Service and policy administration
 - ❑ Billing and receivable management
 - ❑ Claims

- Cumulative impact drives sales and retention.

Increased speed and accuracy appeals to agents and customers while driving better data - *everyone wins!*



- R&D staff
- Product management staff
- Rate, quote and issue platform
- Management information systems

QuantumAutoSM – Monitoring Profile and Results



Geography

Vehicle Attributes

Rating Attributes

Policy Attributes

Driver Attributes

Production Metrics				Leading Indicators			
Quotes	Sales	Close Ratio	Account Round %	Average Premium	Phys Dam Actual	Frequency Expected	Phys Dmg Loss Ratio

Changes in Policy Attributes

	<u>Pre-Quantum</u>	<u>Quantum</u>
Average Driver Age	51	45
Incident Activity	22%	30%
Minimum Limits	18%	10%
Liability Only	14%	7%

Results in line with expectations

<u>Past</u>	<u>Present</u>	
		Stable carrier performance
		Ease of doing business
		Homeowners stability
		Agency relationships
		# Agent locations
		Compensation
		Broad product reach
		Competitiveness

Legend				
	Weak.....Strong			

	Increase Since Quantum Introduction ¹
# of Agents Quoting	over 1.2x
Quotes per Agent	over 1.5x

- Quote activity impacted by multi-pronged investments in success drivers
- Quotes drive sales

¹ Based on monthly quote activity in Quantum Auto states for first three months following introduction vs. month preceding introduction. Includes states where was Quantum Auto introduced June 2006 and prior.

Homeowners Leadership Position



(\$ in billions)

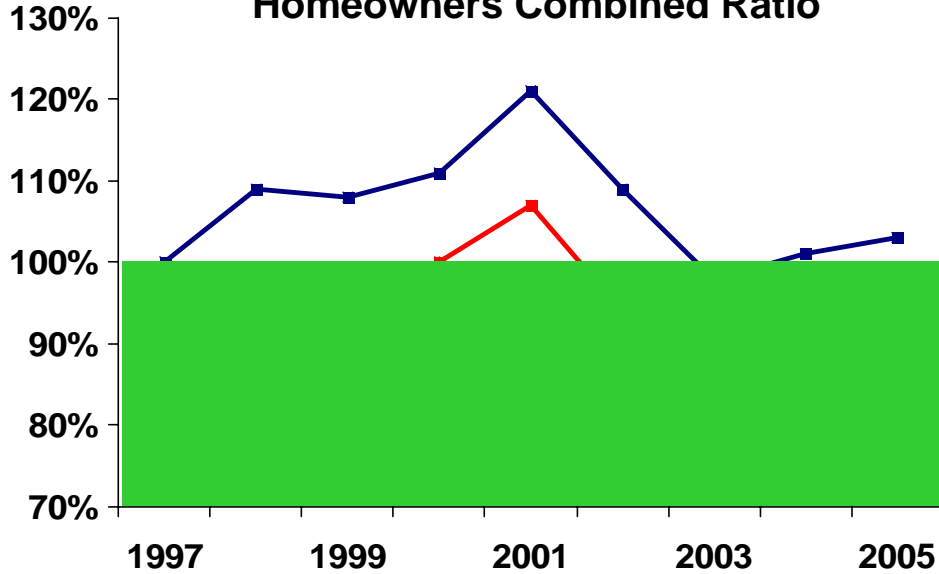
	Company	2005 DWP	Market Share	Distribution Type
1	State Farm	\$12.8	22%	Captive
2	Allstate	7.1	12%	Captive (~90%)
3	Farmers	3.9	7%	Captive
4	Nationwide	2.7	5%	Captive
5	Travelers	2.4	4%	Agency
6	USAA	2.3	4%	Captive
7	Liberty Mutual	1.7	3%	Captive / Agency
8	Chubb	1.6	3%	Agency
9	American Family	1.4	2%	Captive
10	Hartford	0.9	2%	Agency

Homeowners is a core competency for Travelers

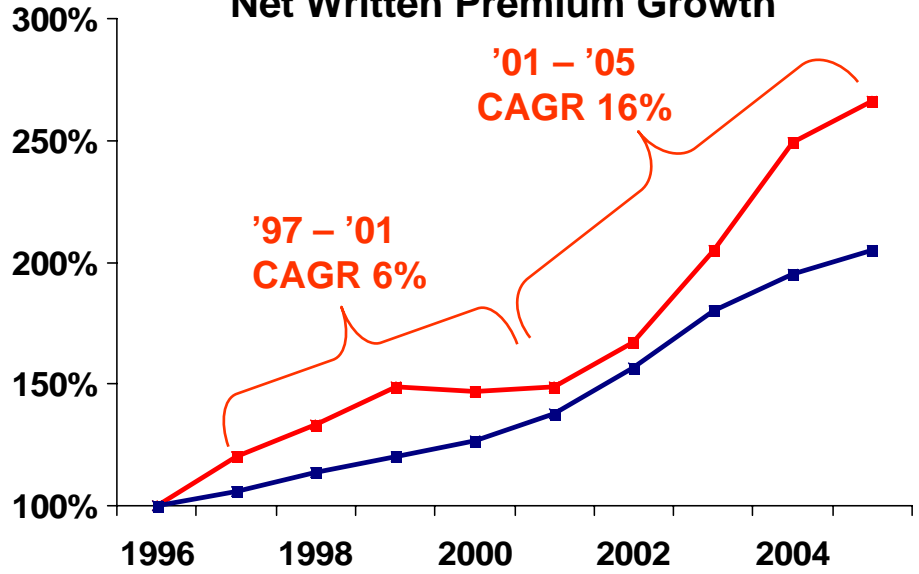
Building Upon Strength



Homeowners Combined Ratio



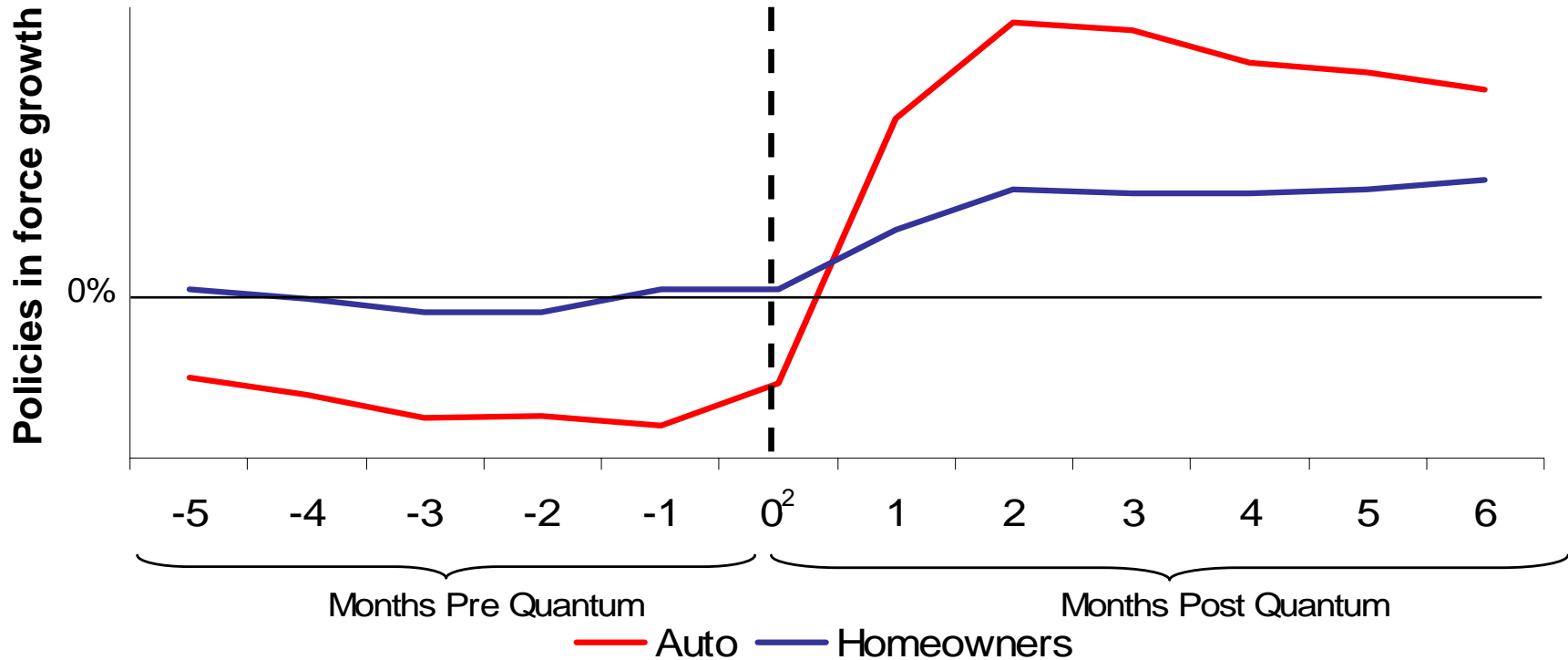
Net Written Premium Growth



— STA — Industry

- Consistently outperformed industry profitability
- Results achieved through risk sophistication and disciplined execution

Pre and Post Quantum: Auto & Homeowners Growth¹



Independent results improve when both products are strong

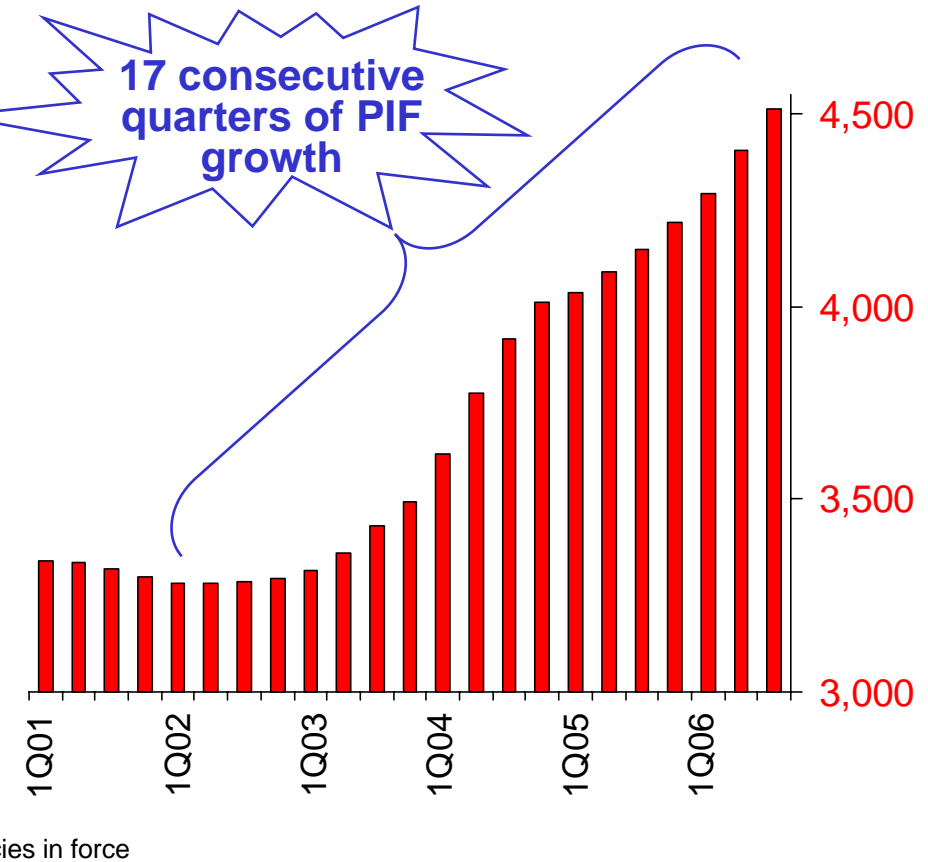
¹ States that have at least 6 months of Quantum experience. Data as of month end October 2006.

² Month "0" is the Quantum implementation month.

Automobile

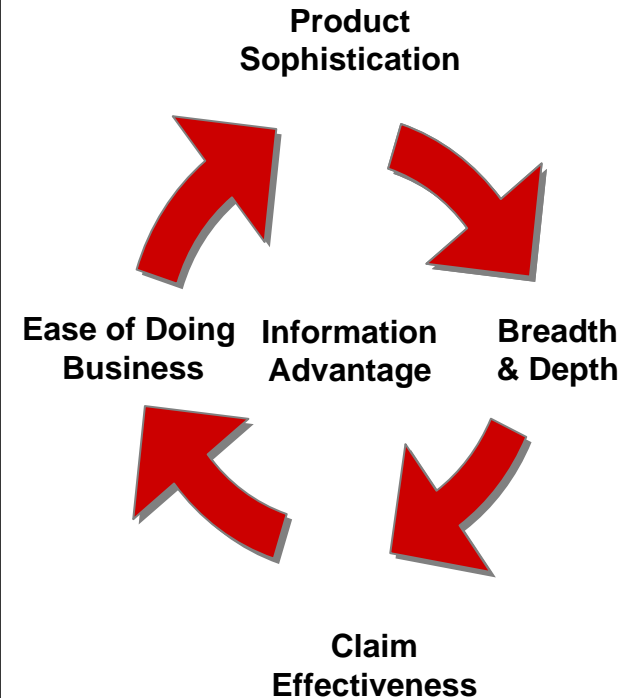


Homeowners and Other



Consistent, profitable growth

- Homeowners segmentation advances
- Continued distribution expansion
- Broaden claim initiatives
- Expand information advantage
- Grow and leverage talent, knowledge, leadership edge



Continuing to fuel coordinated profitable growth

- **For further information please see St. Paul Travelers reports filed with the SEC pursuant to the Securities Exchange Act of 1934 which are available at the SEC's website (www.sec.gov)**
- **Copies of this presentation and related financial supplement are publicly available on the St. Paul Travelers website (<http://investor.stpaultravelers.com/>)**



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