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The information included in the Financial Supplement is unaudited. This document should be read in conjunction with the Company's Form 10-Q which will be filed with the Securities and Exchange Commission.

The Travelers Companies, Inc.
Financial Highlights



(\$ and shares in millions, except for per share data)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net income	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Net income per share:					
Basic	\$ 2.45	\$ 1.93	\$ 2.65	\$ 2.33	\$ 3.01
Diluted	\$ 2.42	\$ 1.92	\$ 2.62	\$ 2.32	\$ 2.99
Core income	\$ 678	\$ 494	\$ 687	\$ 571	\$ 755
Core income per share:					
Basic	\$ 2.48	\$ 1.83	\$ 2.56	\$ 2.15	\$ 2.85
Diluted	\$ 2.46	\$ 1.81	\$ 2.54	\$ 2.13	\$ 2.83
Return on equity	11.5%	9.2%	12.6%	10.9%	13.5%
Core return on equity	11.9%	8.7%	12.0%	10.0%	13.0%
Total assets, at period end	\$103,676	\$103,523	\$104,390	\$104,233	\$107,246
Total equity, at period end	\$ 22,979	\$ 22,623	\$ 22,460	\$ 22,894	\$ 24,340
Book value per share, at period end	\$ 85.03	\$ 84.51	\$ 84.82	\$ 86.84	\$ 92.94
Less: Net unrealized investment gains (losses), net of tax	0.49	(0.42)	(1.69)	(0.43)	3.85
Adjusted book value per share, at period end	\$ 84.54	\$ 84.93	\$ 86.51	\$ 87.27	\$ 89.09
Weighted average number of common shares outstanding (basic)	271.0	268.7	266.1	263.9	262.9
Weighted average number of common shares outstanding and common stock equivalents (diluted)	273.9	271.1	268.4	266.0	264.8
Common shares outstanding at period end	270.2	267.7	264.8	263.6	261.9
Common stock dividends declared	\$ 197	\$ 209	\$ 207	\$ 205	\$ 204
Common stock repurchased:					
Under Board of Directors authorization					
Shares	2.5	2.7	3.0	1.4	2.9
Cost	\$ 350	\$ 350	\$ 400	\$ 170	\$ 375
Other					
Shares	0.3	—	0.1	—	0.4
Cost	\$ 51	\$ —	\$ —	\$ —	\$ 46

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Reconciliation to Net Income and Earnings per Share



(\$ and shares in millions, except earnings per share)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net income					
Net income	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Adjustments:					
Net realized investment (gains) losses, after-tax	9	(30)	(22)	(50)	(41)
Core income	\$ 678	\$ 494	\$ 687	\$ 571	\$ 755
Basic earnings per share					
Net income	\$ 2.45	\$ 1.93	\$ 2.65	\$ 2.33	\$ 3.01
Adjustments:					
Net realized investment (gains) losses, after-tax	0.03	(0.10)	(0.09)	(0.18)	(0.16)
Core income	\$ 2.48	\$ 1.83	\$ 2.56	\$ 2.15	\$ 2.85
Diluted earnings per share					
Net income	\$ 2.42	\$ 1.92	\$ 2.62	\$ 2.32	\$ 2.99
Adjustments:					
Net realized investment (gains) losses, after-tax	0.04	(0.11)	(0.08)	(0.19)	(0.16)
Core income	\$ 2.46	\$ 1.81	\$ 2.54	\$ 2.13	\$ 2.83

Adjustments to net income and weighted average shares for net income EPS calculations: (1)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Basic and Diluted					
Net income, as reported	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Participating share-based awards - allocated income	(5)	(4)	(5)	(5)	(5)
Net income available to common shareholders - basic and diluted.....	\$ 664	\$ 520	\$ 704	\$ 616	\$ 791
Common Shares					
Basic					
Weighted average shares outstanding	271.0	268.7	266.1	263.9	262.9
Diluted					
Weighted average shares outstanding	271.0	268.7	266.1	263.9	262.9
Weighted average effects of dilutive securities - stock options and performance shares	2.9	2.4	2.3	2.1	1.9
Diluted weighted average shares outstanding.....	273.9	271.1	268.4	266.0	264.8

(1) Adjustments to net income and weighted average shares for net income EPS calculations can generally be used for the core income EPS calculations.

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Statement of Income - Consolidated



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Premiums.....	\$ 6,537	\$ 6,695	\$ 6,882	\$ 6,945	\$ 6,855
Net investment income.....	603	595	646	630	582
Fee income.....	103	112	109	108	109
Net realized investment gains (losses).....	(11)	36	29	60	53
Other revenues.....	54	39	57	53	72
Total revenues.....	7,286	7,477	7,723	7,796	7,671
Claims and expenses					
Claims and claim adjustment expenses.....	4,296	4,562	4,655	4,778	4,442
Amortization of deferred acquisition costs.....	1,061	1,081	1,117	1,122	1,117
General and administrative expenses.....	1,062	1,113	1,059	1,063	1,057
Interest expense.....	89	90	86	87	88
Total claims and expenses.....	6,508	6,846	6,917	7,050	6,704
Income before income taxes.....	778	631	806	746	967
Income tax expense.....	109	107	97	125	171
Net income.....	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Other-than-temporary impairments (OTTI)					
Total OTTI gains (losses).....	\$ —	\$ (1)	\$ —	\$ —	\$ (1)
OTTI losses recognized in net realized investment gains (losses).....	\$ —	\$ (1)	\$ —	\$ —	\$ (1)
OTTI gains (losses) recognized in other comprehensive income (loss).....	\$ —	\$ —	\$ —	\$ —	\$ —
Other statistics					
Effective tax rate on net investment income.....	14.9%	14.8%	15.4%	15.0%	14.7%
Net investment income (after-tax).....	\$ 513	\$ 507	\$ 547	\$ 535	\$ 496
Catastrophes, net of reinsurance:					
Pre-tax.....	\$ 354	\$ 488	\$ 264	\$ 610	\$ 193
After-tax.....	\$ 280	\$ 384	\$ 209	\$ 482	\$ 152
Prior year reserve development - favorable:					
Pre-tax.....	\$ 150	\$ 186	\$ 14	\$ 167	\$ 51
After-tax.....	\$ 119	\$ 148	\$ 10	\$ 132	\$ 41

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Net Income by Major Component and Combined Ratio - Consolidated



(\$ in millions, net of tax)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Underwriting gain.....	\$ 222	\$ 61	\$ 194	\$ 99	\$ 307
Net investment income.....	513	507	547	535	496
Other income (expense), including interest expense.....	(57)	(74)	(54)	(63)	(48)
Core income.....	678	494	687	571	755
Net realized investment gains (losses).....	(9)	30	22	50	41
Net income	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Combined ratio (1) (2)					
Loss and loss adjustment expense ratio.....	64.9 %	67.4 %	66.9 %	68.0 %	64.0 %
Underwriting expense ratio.....	30.6 %	30.7 %	29.7 %	29.5 %	29.7 %
Combined ratio.....	95.5 %	98.1 %	96.6 %	97.5 %	93.7 %
Impact on combined ratio:					
Net favorable prior year reserve development.....	(2.3)%	(2.8)%	(0.2)%	(2.4)%	(0.7)%
Catastrophes, net of reinsurance.....	5.4 %	7.3 %	3.8 %	8.8 %	2.8 %
Underlying combined ratio.....	92.4 %	93.6 %	93.0 %	91.1 %	91.6 %

(1) Before policyholder dividends.

(2) Billing and policy fees and other, which are a component of other revenues, are allocated as a reduction of underwriting expenses. In addition, fee income is allocated as a reduction of losses and loss adjustment expenses and underwriting expenses. In addition, general and administrative expenses include non-insurance expenses that are excluded from underwriting expenses, and accordingly are excluded in calculating the combined ratio. See following:

(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Billing and policy fees and other.....	\$ 23	\$ 22	\$ 24	\$ 24	\$ 27
Fee income:					
Loss and loss adjustment expenses.....	\$ 37	\$ 40	\$ 38	\$ 39	\$ 40
Underwriting expenses.....	66	72	71	69	69
Total fee income.....	\$ 103	\$ 112	\$ 109	\$ 108	\$ 109
Non-insurance general and administrative expenses.....	\$ 37	\$ 39	\$ 38	\$ 45	\$ 47

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Core Income - Consolidated



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Premiums.....	\$ 6,537	\$ 6,695	\$ 6,882	\$ 6,945	\$ 6,855
Net investment income.....	603	595	646	630	582
Fee income.....	103	112	109	108	109
Other revenues.....	54	39	57	53	72
Total revenues.....	7,297	7,441	7,694	7,736	7,618
Claims and expenses					
Claims and claim adjustment expenses.....	4,296	4,562	4,655	4,778	4,442
Amortization of deferred acquisition costs.....	1,061	1,081	1,117	1,122	1,117
General and administrative expenses.....	1,062	1,113	1,059	1,063	1,057
Interest expense.....	89	90	86	87	88
Total claims and expenses.....	6,508	6,846	6,917	7,050	6,704
Core income before income taxes.....	789	595	777	686	914
Income tax expense.....	111	101	90	115	159
Core income.....	\$ 678	\$ 494	\$ 687	\$ 571	\$ 755
Other statistics					
Effective tax rate on net investment income.....	14.9%	14.8%	15.4%	15.0%	14.7%
Net investment income (after-tax).....	\$ 513	\$ 507	\$ 547	\$ 535	\$ 496
Catastrophes, net of reinsurance:					
Pre-tax.....	\$ 354	\$ 488	\$ 264	\$ 610	\$ 193
After-tax.....	\$ 280	\$ 384	\$ 209	\$ 482	\$ 152
Prior year reserve development - favorable:					
Pre-tax.....	\$ 150	\$ 186	\$ 14	\$ 167	\$ 51
After-tax.....	\$ 119	\$ 148	\$ 10	\$ 132	\$ 41

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Selected Statistics - Property and Casualty Operations



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 7,418	\$ 7,429	\$ 7,462	\$ 6,943	\$ 7,839
Net written premiums	\$ 6,824	\$ 7,131	\$ 7,062	\$ 6,691	\$ 7,057
Net earned premiums.....	\$ 6,537	\$ 6,695	\$ 6,882	\$ 6,945	\$ 6,855
Losses and loss adjustment expenses	4,245	4,506	4,606	4,719	4,389
Underwriting expenses	2,072	2,147	2,082	1,999	2,116
Statutory underwriting gain	220	42	194	227	350
Policyholder dividends	13	12	12	15	13
Statutory underwriting gain after policyholder dividends.....	\$ 207	\$ 30	\$ 182	\$ 212	\$ 337
Other statutory statistics					
Reserves for losses and loss adjustment expenses	\$ 41,669	\$ 41,861	\$ 42,293	\$ 42,409	\$ 42,581
Increase in reserves.....	\$ 215	\$ 192	\$ 432	\$ 116	\$ 172
Statutory capital and surplus	\$ 20,533	\$ 20,371	\$ 20,462	\$ 20,774	\$ 21,074
Net written premiums/surplus (1).....	1.29:1	1.33:1	1.34:1	1.33:1	1.33:1

(1) Based on 12 months of rolling net written premiums.

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Written and Earned Premiums - Property and Casualty Operations



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Written premiums					
Gross.....	\$ 7,418	\$ 7,429	\$ 7,462	\$ 6,943	\$ 7,839
Ceded.....	(594)	(298)	(400)	(252)	(782)
Net.....	\$ 6,824	\$ 7,131	\$ 7,062	\$ 6,691	\$ 7,057
Earned premiums					
Gross.....	\$ 6,903	\$ 7,060	\$ 7,266	\$ 7,331	\$ 7,282
Ceded.....	(366)	(365)	(384)	(386)	(427)
Net.....	\$ 6,537	\$ 6,695	\$ 6,882	\$ 6,945	\$ 6,855

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Segment Income - Business Insurance



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Premiums.....	\$ 3,568	\$ 3,641	\$ 3,743	\$ 3,770	\$ 3,742
Net investment income.....	446	440	482	465	427
Fee income.....	99	107	103	103	104
Other revenues.....	31	20	33	28	43
Total revenues.....	4,144	4,208	4,361	4,366	4,316
Claims and expenses					
Claims and claim adjustment expenses.....	2,392	2,484	2,653	2,642	2,580
Amortization of deferred acquisition costs.....	580	588	610	610	615
General and administrative expenses.....	650	674	648	651	632
Total claims and expenses.....	3,622	3,746	3,911	3,903	3,827
Segment income before income taxes.....	522	462	450	463	489
Income tax expense.....	70	77	40	72	75
Segment income.....	\$ 452	\$ 385	\$ 410	\$ 391	\$ 414
Other statistics					
Effective tax rate on net investment income.....	14.7%	14.7%	15.3%	14.9%	14.6%
Net investment income (after-tax).....	\$ 380	\$ 376	\$ 408	\$ 395	\$ 365
Catastrophes, net of reinsurance:					
Pre-tax.....	\$ 138	\$ 168	\$ 136	\$ 197	\$ 95
After-tax.....	\$ 110	\$ 132	\$ 107	\$ 156	\$ 75
Prior year reserve development - favorable (unfavorable):					
Pre-tax.....	\$ 66	\$ 84	\$ (56)	\$ 48	\$ (21)
After-tax.....	\$ 52	\$ 68	\$ (45)	\$ 38	\$ (16)

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

Segment Income by Major Component and Combined Ratio - Business Insurance

(\$ in millions, net of tax)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Underwriting gain.....	\$ 70	\$ 19	\$ 2	\$ 3	\$ 44
Net investment income.....	380	376	408	395	365
Other income (expense).....	2	(10)	—	(7)	5
Segment income	\$ 452	\$ 385	\$ 410	\$ 391	\$ 414
Combined ratio (1) (2)					
Loss and loss adjustment expense ratio.....	65.7 %	66.9 %	69.6%	68.7 %	67.6%
Underwriting expense ratio.....	31.8 %	31.9 %	31.0%	30.7 %	30.5%
Combined ratio.....	97.5 %	98.8 %	100.6%	99.4 %	98.1%
Impact on combined ratio:					
Net (favorable) unfavorable prior year reserve development.....	(1.9)%	(2.3)%	1.5%	(1.2)%	0.6%
Catastrophes, net of reinsurance.....	3.9 %	4.6 %	3.7%	5.2 %	2.5%
Underlying combined ratio.....	95.5 %	96.5 %	95.4%	95.4 %	95.0%

(1) Before policyholder dividends.

(2) Billing and policy fees and other, which are a component of other revenues, are allocated as a reduction of underwriting expenses. In addition, fee income is allocated as a reduction of losses and loss adjustment expenses and underwriting expenses. In addition, general and administrative expenses include non-insurance expenses that are excluded from underwriting expenses, and accordingly are excluded in calculating the combined ratio. See following:

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Billing and policy fees and other.....	\$ 4	\$ 4	\$ 3	\$ 4	\$ 4
Fee income:					
Loss and loss adjustment expenses.....	\$ 37	\$ 40	\$ 38	\$ 39	\$ 40
Underwriting expenses.....	62	67	65	64	64
Total fee income	\$ 99	\$ 107	\$ 103	\$ 103	\$ 104
Non-insurance general and administrative expenses.....	\$ 28	\$ 30	\$ 29	\$ 37	\$ 38

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Selected Statistics - Business Insurance



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 4,471	\$ 4,038	\$ 3,992	\$ 3,754	\$ 4,730
Net written premiums	\$ 3,994	\$ 3,781	\$ 3,648	\$ 3,533	\$ 4,163
Net earned premiums.....	\$ 3,568	\$ 3,641	\$ 3,743	\$ 3,770	\$ 3,742
Losses and loss adjustment expenses	2,344	2,429	2,606	2,586	2,529
Underwriting expenses	1,213	1,196	1,144	1,107	1,226
Statutory underwriting gain (loss)	11	16	(7)	77	(13)
Policyholder dividends	11	9	11	12	11
Statutory underwriting gain (loss) after policyholder dividends	\$ —	\$ 7	\$ (18)	\$ 65	\$ (24)

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Net Written Premiums - Business Insurance



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net written premiums by market					
Domestic					
Select Accounts.....	\$ 773	\$ 729	\$ 666	\$ 660	\$ 785
Middle Market	2,262	1,985	2,032	1,935	2,410
National Accounts.....	309	231	238	247	304
National Property and Other.....	380	518	485	422	387
Total Domestic.....	3,724	3,463	3,421	3,264	3,886
International.....	270	318	227	269	277
Total.....	\$ 3,994	\$ 3,781	\$ 3,648	\$ 3,533	\$ 4,163
Net written premiums by product line					
Domestic					
Workers' compensation.....	\$ 1,190	\$ 935	\$ 887	\$ 828	\$ 1,191
Commercial automobile.....	651	629	625	613	719
Commercial property	391	536	492	448	389
General liability	591	531	559	546	678
Commercial multi-peril.....	896	831	840	823	902
Other	5	1	18	6	7
Total Domestic.....	3,724	3,463	3,421	3,264	3,886
International.....	270	318	227	269	277
Total.....	\$ 3,994	\$ 3,781	\$ 3,648	\$ 3,533	\$ 4,163

Note: During the first quarter of 2019, the Company entered into a claims handling arrangement with a national account which would have been reflected in the “additions to claim volume under administration” and “written fees” metrics. Due to competitive sensitivity, the Company is no longer providing these voluntary metrics.

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Segment Income - Bond & Specialty Insurance



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Premiums.....	\$ 582	\$ 601	\$ 617	\$ 620	\$ 606
Net investment income.....	58	57	57	61	56
Other revenues.....	6	5	5	7	6
Total revenues.....	646	663	679	688	668
Claims and expenses					
Claims and claim adjustment expenses.....	216	175	205	176	266
Amortization of deferred acquisition costs.....	107	113	117	117	112
General and administrative expenses.....	115	116	113	115	117
Total claims and expenses.....	438	404	435	408	495
Segment income before income taxes.....	208	259	244	280	173
Income tax expense.....	35	55	48	60	35
Segment income.....	\$ 173	\$ 204	\$ 196	\$ 220	\$ 138
Other statistics					
Effective tax rate on net investment income.....	14.5%	14.3%	14.6%	14.8%	14.4%
Net investment income (after-tax).....	\$ 50	\$ 48	\$ 49	\$ 52	\$ 47
Catastrophes, net of reinsurance:					
Pre-tax.....	\$ —	\$ 5	\$ 4	\$ 7	\$ 3
After-tax.....	\$ —	\$ 4	\$ 3	\$ 6	\$ 2
Prior year reserve development - favorable:					
Pre-tax.....	\$ 35	\$ 89	\$ 53	\$ 89	\$ 3
After-tax.....	\$ 28	\$ 70	\$ 42	\$ 70	\$ 2

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

Segment Income by Major Component and Combined Ratio - Bond & Specialty Insurance

(\$ in millions, net of tax)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Underwriting gain.....	\$ 119	\$ 153	\$ 143	\$ 165	\$ 86
Net investment income.....	50	48	49	52	47
Other income.....	4	3	4	3	5
Segment income	\$ 173	\$ 204	\$ 196	\$ 220	\$ 138
Combined ratio (1)					
Loss and loss adjustment expense ratio.....	36.6 %	28.8 %	33.1 %	27.9 %	43.5 %
Underwriting expense ratio.....	38.1 %	37.7 %	37.1 %	36.9 %	37.6 %
Combined ratio.....	74.7 %	66.5 %	70.2 %	64.8 %	81.1 %
Impact on combined ratio:					
Net favorable prior year reserve development.....	(6.0)%	(14.8)%	(8.7)%	(14.4)%	(0.5)%
Catastrophes, net of reinsurance.....	— %	0.8 %	0.6 %	1.1 %	0.5 %
Underlying combined ratio.....	80.7 %	80.5 %	78.3 %	78.1 %	81.1 %

(1) General and administrative expenses include non-insurance expenses that are excluded from underwriting expenses, and accordingly are excluded in calculating the combined ratio. See following:

(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Non-insurance general and administrative expenses.....	\$ —	\$ 2	\$ 1	\$ 2	\$ 1

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Selected Statistics - Bond & Specialty Insurance



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 638	\$ 674	\$ 673	\$ 680	\$ 662
Net written premiums	\$ 574	\$ 653	\$ 644	\$ 657	\$ 587
Net earned premiums.....	\$ 582	\$ 601	\$ 617	\$ 620	\$ 606
Losses and loss adjustment expenses	213	173	204	173	264
Underwriting expenses	232	234	232	231	233
Statutory underwriting gain.....	137	194	181	216	109
Policyholder dividends	2	3	1	3	2
Statutory underwriting gain after policyholder dividends.....	\$ 135	\$ 191	\$ 180	\$ 213	\$ 107

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Net Written Premiums - Bond & Specialty Insurance



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net written premiums by market					
Domestic					
Management Liability.....	\$ 348	\$ 362	\$ 379	\$ 366	\$ 367
Surety.....	185	235	217	198	184
Total Domestic.....	533	597	596	564	551
International.....	41	56	48	93	36
Total.....	\$ 574	\$ 653	\$ 644	\$ 657	\$ 587
Net written premiums by product line					
Domestic					
Fidelity & surety.....	\$ 241	\$ 285	\$ 273	\$ 250	\$ 239
General liability.....	244	264	261	268	262
Other.....	48	48	62	46	50
Total Domestic.....	533	597	596	564	551
International.....	41	56	48	93	36
Total.....	\$ 574	\$ 653	\$ 644	\$ 657	\$ 587

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Segment Income (Loss) - Personal Insurance



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Premiums.....	\$ 2,387	\$ 2,453	\$ 2,522	\$ 2,555	\$ 2,507
Net investment income.....	99	98	107	104	99
Fee income.....	4	5	6	5	5
Other revenues.....	17	14	17	18	22
Total revenues.....	2,507	2,570	2,652	2,682	2,633
Claims and expenses					
Claims and claim adjustment expenses.....	1,688	1,903	1,797	1,960	1,596
Amortization of deferred acquisition costs.....	374	380	390	395	390
General and administrative expenses.....	288	316	290	291	300
Total claims and expenses.....	2,350	2,599	2,477	2,646	2,286
Segment income (loss) before income taxes.....	157	(29)	175	36	347
Income tax expense (benefit).....	28	(12)	22	4	69
Segment income (loss).....	\$ 129	\$ (17)	\$ 153	\$ 32	\$ 278
Other statistics					
Effective tax rate on net investment income.....	15.6%	15.6%	16.1%	15.7%	15.4%
Net investment income (after-tax).....	\$ 83	\$ 83	\$ 90	\$ 88	\$ 84
Catastrophes, net of reinsurance:					
Pre-tax.....	\$ 216	\$ 315	\$ 124	\$ 406	\$ 95
After-tax.....	\$ 170	\$ 248	\$ 99	\$ 320	\$ 75
Prior year reserve development - favorable (unfavorable):					
Pre-tax.....	\$ 49	\$ 13	\$ 17	\$ 30	\$ 69
After-tax.....	\$ 39	\$ 10	\$ 13	\$ 24	\$ 55

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

Segment Income (Loss) by Major Component and Combined Ratio - Personal Insurance

(\$ in millions, net of tax)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Underwriting gain (loss).....	\$ 33	\$ (111)	\$ 49	\$ (69)	\$ 177
Net investment income.....	83	83	90	88	84
Other income.....	13	11	14	13	17
Segment income (loss).....	\$ 129	\$ (17)	\$ 153	\$ 32	\$ 278
Combined ratio (1)					
Loss and loss adjustment expense ratio.....	70.7 %	77.6 %	71.2 %	76.8 %	63.7 %
Underwriting expense ratio.....	26.8 %	27.3 %	26.0 %	25.8 %	26.4 %
Combined ratio.....	97.5 %	104.9 %	97.2 %	102.6 %	90.1 %
<i>Domestic Agency combined ratio</i>	96.5 %	103.6 %	95.4 %	101.9 %	88.9 %
Impact on combined ratio:					
Net (favorable) unfavorable prior year reserve development.....	(2.0)%	(0.5)%	(0.6)%	(1.1)%	(2.8)%
Catastrophes, net of reinsurance.....	9.0 %	12.8 %	4.9 %	15.9 %	3.8 %
Underlying combined ratio.....	90.5 %	92.6 %	92.9 %	87.8 %	89.1 %

(1) Billing and policy fees and other, which are a component of other revenues, and fee income are allocated as a reduction of underwriting expenses.

(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Billing and policy fees and other.....	\$ 19	\$ 18	\$ 21	\$ 20	\$ 23
Fee income.....	\$ 4	\$ 5	\$ 6	\$ 5	\$ 5

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Selected Statistics - Personal Insurance



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 2,309	\$ 2,717	\$ 2,797	\$ 2,509	\$ 2,447
Net written premiums	\$ 2,256	\$ 2,697	\$ 2,770	\$ 2,501	\$ 2,307
Net earned premiums.....	\$ 2,387	\$ 2,453	\$ 2,522	\$ 2,555	\$ 2,507
Losses and loss adjustment expenses	1,688	1,904	1,796	1,960	1,596
Underwriting expenses	627	717	706	661	657
Statutory underwriting gain (loss).....	\$ 72	\$ (168)	\$ 20	\$ (66)	\$ 254
Policies in force (in thousands)					
Automobile	2,976	2,981	2,986	2,983	2,981
Homeowners and Other	4,879	4,961	5,037	5,087	5,163

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Net Written Premiums - Personal Insurance



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net written premiums by market					
Domestic					
Agency					
Automobile.....	\$ 1,183	\$ 1,258	\$ 1,305	\$ 1,226	\$ 1,224
Homeowners and Other.....	832	1,137	1,168	1,011	837
Total Agency.....	2,015	2,395	2,473	2,237	2,061
Direct-to-Consumer.....	92	99	108	97	95
Total Domestic.....	2,107	2,494	2,581	2,334	2,156
International.....	149	203	189	167	151
Total.....	\$ 2,256	\$ 2,697	\$ 2,770	\$ 2,501	\$ 2,307

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

Selected Statistics - Personal Insurance - Domestic Agency Automobile (1)

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 1,192	\$ 1,265	\$ 1,310	\$ 1,231	\$ 1,240
Net written premiums	\$ 1,183	\$ 1,258	\$ 1,305	\$ 1,226	\$ 1,224
Net earned premiums.....	\$ 1,158	\$ 1,192	\$ 1,227	\$ 1,242	\$ 1,228
Losses and loss adjustment expenses	823	851	840	900	810
Underwriting expenses	285	299	297	288	296
Statutory underwriting gain	\$ 50	\$ 42	\$ 90	\$ 54	\$ 122
Other statistics					
Combined ratio (2):					
Loss and loss adjustment expense ratio	71.1 %	71.4 %	68.5 %	72.5 %	66.0 %
Underwriting expense ratio	23.7 %	24.0 %	22.8 %	22.8 %	23.4 %
Combined ratio	94.8 %	95.4 %	91.3 %	95.3 %	89.4 %
Impact on combined ratio:					
Net (favorable) unfavorable prior year reserve development.....	(2.3)%	(2.8)%	(1.8)%	(1.9)%	(3.4)%
Catastrophes, net of reinsurance.....	0.8 %	2.7 %	0.5 %	0.3 %	0.7 %
Underlying combined ratio	96.3 %	95.5 %	92.6 %	96.9 %	92.1 %
Catastrophe losses, net of reinsurance:					
Pre-tax	\$ 10	\$ 32	\$ 6	\$ 4	\$ 9
After-tax	\$ 8	\$ 25	\$ 5	\$ 3	\$ 7
Prior year reserve development - favorable (unfavorable):					
Pre-tax	\$ 27	\$ 34	\$ 22	\$ 24	\$ 42
After-tax	\$ 21	\$ 27	\$ 18	\$ 19	\$ 33
Policies in force (in thousands)	2,519	2,517	2,518	2,518	2,516
Change from prior year quarter	1.5 %	0.1 %	(0.4)%	(0.4)%	(0.1)%
Change from prior quarter	(0.4)%	(0.1)%	— %	— %	(0.1)%

(1) Represents Automobile policies sold through agents, brokers and other intermediaries, and excludes direct to consumer.

(2) Billing and policy fees and other, which are a component of other revenues, and fee income are allocated as a reduction of underwriting expenses.

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Billing and policy fees and other.....	\$ 10	\$ 10	\$ 11	\$ 11	\$ 12
Fee income.....	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

Selected Statistics - Personal Insurance - Domestic Agency Homeowners and Other (1)

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory underwriting					
Gross written premiums	\$ 873	\$ 1,148	\$ 1,180	\$ 1,012	\$ 954
Net written premiums	\$ 832	\$ 1,137	\$ 1,168	\$ 1,011	\$ 837
Net earned premiums.....	\$ 972	\$ 996	\$ 1,025	\$ 1,038	\$ 1,011
Losses and loss adjustment expenses	687	841	746	857	604
Underwriting expenses	255	320	313	281	277
Statutory underwriting gain (loss).....	\$ 30	\$ (165)	\$ (34)	\$ (100)	\$ 130
Other statistics					
Combined ratio (2):					
Loss and loss adjustment expense ratio.....	70.7 %	84.4%	72.8%	82.6 %	59.8 %
Underwriting expense ratio	27.8 %	29.2%	27.5%	27.2 %	28.4 %
Combined ratio	98.5 %	113.6%	100.3%	109.8 %	88.2 %
Impact on combined ratio:					
Net (favorable) unfavorable prior year reserve development.....	(2.4)%	2.2%	0.7%	(0.6)%	(2.4)%
Catastrophes, net of reinsurance.....	20.7 %	26.2%	11.1%	37.9 %	8.0 %
Underlying combined ratio	80.2 %	85.2%	88.5%	72.5 %	82.6 %
Catastrophe losses, net of reinsurance:					
Pre-tax	\$ 201	\$ 262	\$ 114	\$ 394	\$ 80
After-tax	\$ 159	\$ 207	\$ 90	\$ 311	\$ 63
Prior year reserve development - favorable (unfavorable):					
Pre-tax	\$ 24	\$ (22)	\$ (7)	\$ 6	\$ 25
After-tax	\$ 19	\$ (17)	\$ (6)	\$ 5	\$ 19
Policies in force (in thousands)	4,453	4,530	4,601	4,652	4,726
Change from prior year quarter	5.5 %	5.8%	5.7%	5.7 %	6.1 %
Change from prior quarter	1.2 %	1.7%	1.6%	1.1%	1.6 %

(1) Represents Homeowners and Other Lines sold through agents, brokers and other intermediaries, and excludes direct to consumer.

(2) Billing and policy fees and other, which are a component of other revenues, and fee income are allocated as a reduction of underwriting expenses.

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Billing and policy fees and other.....	\$ 6	\$ 7	\$ 7	\$ 7	\$ 8
Fee income.....	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Interest Expense and Other



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Revenues					
Other revenues.....	\$ —	\$ —	\$ 2	\$ —	\$ 1
Claims and expenses					
Interest expense	89	90	86	87	88
General and administrative expenses	9	7	8	6	8
Total claims and expenses.....	98	97	94	93	96
Loss before income tax benefit.....	(98)	(97)	(92)	(93)	(95)
Income tax benefit	(22)	(19)	(20)	(21)	(20)
Loss	\$ (76)	\$ (78)	\$ (72)	\$ (72)	\$ (75)

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Consolidated Balance Sheet



(\$ in millions)

	March 31, 2019	December 31, 2018
Assets		
Fixed maturities, available for sale, at fair value (amortized cost \$64,216 and \$63,601)	\$ 65,500	\$ 63,464
Equity securities, at fair value (cost \$375 and \$382)	400	368
Real estate investments	969	904
Short-term securities	4,094	3,985
Other investments	3,554	3,557
Total investments	74,517	72,278
Cash	357	373
Investment income accrued	591	624
Premiums receivable	7,947	7,506
Reinsurance recoverables	8,281	8,370
Ceded unearned premiums	935	578
Deferred acquisition costs	2,190	2,120
Deferred taxes	115	445
Contractholder receivables	4,811	4,785
Goodwill	3,949	3,937
Other intangible assets	341	345
Other assets	3,212	2,872
Total assets	\$ 107,246	\$ 104,233
Liabilities		
Claims and claim adjustment expense reserves	\$ 50,718	\$ 50,668
Unearned premium reserves	14,122	13,555
Contractholder payables	4,811	4,785
Payables for reinsurance premiums	635	289
Debt	7,057	6,564
Other liabilities	5,563	5,478
Total liabilities	82,906	81,339
Shareholders' equity		
Common stock (1,750.0 shares authorized; 262.0 and 263.7 shares issued, 261.9 and 263.6 shares outstanding)	23,243	23,144
Retained earnings	35,795	35,204
Accumulated other comprehensive loss	(682)	(1,859)
Treasury stock, at cost (514.2 and 510.9 shares)	(34,016)	(33,595)
Total shareholders' equity	24,340	22,894
Total liabilities and shareholders' equity	\$ 107,246	\$ 104,233

The Travelers Companies, Inc.
Investment Portfolio



(at carrying value, \$ in millions)

	March 31, 2019	Pre-tax Book Yield (1)	December 31, 2018	Pre-tax Book Yield (1)
Investment portfolio				
Taxable fixed maturities (including redeemable preferred stock).....	\$ 36,451	3.26 %	\$ 35,150	3.23 %
Tax-exempt fixed maturities.....	29,049	3.18 %	28,314	3.18 %
Total fixed maturities.....	65,500	3.22%	63,464	3.21%
Non-redeemable preferred stocks.....	43	3.98 %	52	4.86 %
Public common stocks.....	357		316	
Total equity securities.....	400		368	
Real estate investments.....	969		904	
Short-term securities.....	4,094	2.60%	3,985	2.54%
Private equities.....	2,297		2,293	
Hedge funds.....	217		222	
Real estate partnerships.....	655		675	
Other investments.....	385		367	
Total other investments.....	3,554		3,557	
Total investments.....	\$ 74,517		\$ 72,278	
Net unrealized investment gains (losses), net of tax, included in shareholders' equity.....	\$ 1,007		\$ (113)	

(1) Yields are provided for those investments with an embedded book yield.

The Travelers Companies, Inc.
Investment Portfolio - Fixed Maturities Data



(at carrying value, \$ in millions)

	March 31, 2019	December 31, 2018
Fixed maturities		
U.S. Treasury securities and obligations of U.S. Government corporations and agencies	\$ 2,030	\$ 2,064
Obligations of states and political subdivisions:		
Pre-refunded	2,594	2,852
All other	26,753	25,759
Total	29,347	28,611
Debt securities issued by foreign governments	1,194	1,257
Mortgage-backed securities - principally obligations of U.S. Government agencies	2,649	2,573
Corporates (including redeemable preferreds)	30,280	28,959
Total fixed maturities	\$ 65,500	\$ 63,464

Fixed Maturities
Quality Characteristics (1)

	March 31, 2019		December 31, 2018	
	Amount	% of Total	Amount	% of Total
Quality Ratings				
Aaa	\$ 26,754	40.8%	\$ 26,089	41.1%
Aa	16,448	25.1	16,027	25.3
A	11,228	17.1	10,539	16.6
Baa	9,533	14.6	9,334	14.7
Total investment grade	63,963	97.6	61,989	97.7
Ba	898	1.4	912	1.4
B	511	0.8	466	0.7
Caa and lower	128	0.2	97	0.2
Total below investment grade	1,537	2.4	1,475	2.3
Total fixed maturities	\$ 65,500	100.0%	\$ 63,464	100.0%
Average weighted quality	Aa2, AA		Aa2, AA	
Weighted average duration of fixed maturities and short-term securities, net of securities lending activities and net receivables and payables on investment sales and purchases	4.4		4.5	

(1) Rated using external rating agencies or by Travelers when a public rating does not exist. Below investment grade assets refer to securities rated “Ba” or below.

The Travelers Companies, Inc.
Investment Income



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Gross investment income					
Fixed maturities	\$ 481	\$ 489	\$ 498	\$ 512	\$ 511
Short-term securities	19	21	25	27	28
Other	113	94	134	100	53
	613	604	657	639	592
Investment expenses	10	9	11	9	10
Net investment income, pre-tax	603	595	646	630	582
Income taxes	90	88	99	95	86
Net investment income, after-tax	\$ 513	\$ 507	\$ 547	\$ 535	\$ 496
Effective tax rate	14.9%	14.8%	15.4%	15.0%	14.7%
Average invested assets (1)	\$72,524	\$72,618	\$73,059	\$73,758	\$74,040
Average yield pre-tax (1)	3.3%	3.3%	3.5%	3.4%	3.1%
Average yield after-tax	2.8%	2.8%	3.0%	2.9%	2.7%

(1) Excludes net unrealized investment gains (losses), and is adjusted for cash, receivables for investment sales, payables on investment purchases and accrued investment income.

Net Realized and Unrealized Investment Gains (Losses) included in Shareholders' Equity

(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Net realized investment gains (losses)					
Fixed maturities.....	\$ —	\$ 12	\$ 18	\$ 2	\$ 16
Equity securities.....	(14)	12	6	(37)	41
Other (1).....	3	12	5	95	(4)
Realized investment gains (losses) before tax.....	(11)	36	29	60	53
Related taxes.....	(2)	6	7	10	12
Net realized investment gains (losses).....	\$ (9)	\$ 30	\$ 22	\$ 50	\$ 41
Gross investment gains (1).....	\$ 26	\$ 63	\$ 41	\$ 105	\$ 65
Gross investment losses before impairments (1).....	(37)	(26)	(12)	(45)	(11)
Net investment gains (losses) before impairments.....	(11)	37	29	60	54
Other-than-temporary impairment losses.....	—	(1)	—	—	(1)
Net realized investment gains (losses) before tax.....	(11)	36	29	60	53
Related taxes.....	(2)	6	7	10	12
Net realized investment gains (losses).....	\$ (9)	\$ 30	\$ 22	\$ 50	\$ 41
(\$ in millions)	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	March 31, 2019
Net unrealized investment gains (losses), net of tax, included in shareholders' equity, by asset type					
Fixed maturities.....	\$ 173	\$ (138)	\$ (561)	\$ (137)	\$ 1,284
Equity securities & other.....	2	3	1	—	—
Unrealized investment gains (losses) before tax.....	175	(135)	(560)	(137)	1,284
Related taxes.....	42	(23)	(113)	(24)	277
Balance, end of period.....	\$ 133	\$ (112)	\$ (447)	\$ (113)	\$ 1,007

(1) Includes the following gross investment gains and gross investment losses related to U.S. Treasury futures, which are settled daily:

Gross investment Treasury future gains.....	\$ 25	\$ 11	\$ 7	\$ —	\$ 1
Gross investment Treasury future losses.....	\$ 14	\$ 8	\$ 5	\$ —	\$ 1

The Company entered into these arrangements as part of its strategy to manage the duration of its fixed maturity portfolio. In a changing interest rate environment, the change in the value of the futures contracts can be expected to partially offset changes in the value of the fixed maturity portfolio.

The Travelers Companies, Inc.
Reinsurance Recoverables



(\$ in millions)

	March 31, 2019	December 31, 2018
Gross reinsurance recoverables on paid and unpaid claims and claim adjustment expenses	\$ 3,427	\$ 3,485
Allowance for uncollectible reinsurance	(109)	(110)
Net reinsurance recoverables (i)	3,318	3,375
Mandatory pools and associations (ii)	1,993	2,005
Structured settlements (iii).....	2,970	2,990
Total reinsurance recoverables.....	\$ 8,281	\$ 8,370

(i) The Company's top five reinsurer groups, including retroactive reinsurance, included in net reinsurance recoverables is as follows:

Reinsurer	A.M. Best Rating of Group's Predominant Reinsurer	March 31, 2019
Swiss Re Group	A+ second highest of 16 ratings	\$ 423
Munich Re Group	A+ second highest of 16 ratings	312
Berkshire Hathaway.....	A++ highest of 16 ratings	279
Axa Group.....	A+ second highest of 16 ratings	192
Sompo Japan Nipponkoa Group.....	A+ second highest of 16 ratings	129

The gross reinsurance recoverables on paid and unpaid claims and claim adjustment expenses represent the current and estimated future amounts due from reinsurers on known and incurred but not reported claims. The ceded reserves are estimated in a manner consistent with the underlying direct and assumed reserves. Although this total comprises recoverables due from nearly one thousand different reinsurance entities, about half is attributable to 10 reinsurer groups.

The net reinsurance recoverables reflect an allowance for uncollectible reinsurance that is based upon the Company's ongoing review of amounts outstanding, reinsurer solvency, the Company's experience, current economic conditions, and other relevant factors. Of the total net recoverables due from reinsurers at March 31, 2019, after deducting mandatory pools and associations and structured settlement balances, \$2.7 billion, or 82%, were rated by A.M. Best Company. Of the total rated by A.M. Best Company, 99% were rated A- or better. The remaining 18% of net recoverables from reinsurers were comprised of the following: 3% related to the Company's participation in voluntary pools, 12% related to recoverables from captive insurance companies and 3% were balances from other companies not rated by A.M. Best Company. In addition, \$0.8 billion of the net recoverables were collateralized by letters of credit, funds held or trust agreements at March 31, 2019.

(ii) The mandatory pools and associations represent various involuntary assigned risk pools that the Company is required to participate in. These pools principally involve workers' compensation and automobile insurance, which provide various insurance coverages to insureds that otherwise are unable to purchase coverage in the open market. The costs of these mandatory pools in most states are usually charged back to the participating members in proportion to voluntary writings of related business in that state. In the event that a member of the pool becomes insolvent, the remaining members assume an additional pro rata share of the pool's liabilities.

(iii) Included in reinsurance recoverables are certain amounts related to structured settlements, which comprise annuities purchased from various life insurance companies to settle certain personal physical injury claims, of which workers' compensation claims comprise a significant portion. In cases where the Company did not receive a release from the claimant, the amount due from the life insurance company related to the structured settlement is included in the Company's consolidated balance sheet as a liability and as a reinsurance recoverable, as the Company retains the contingent liability to pay the claimant in the event that the life insurance company fails to make the required annuity payments. The Company would be required to make such payments, to the extent the purchased annuities are not covered by state guaranty associations.

The Company's top five groups by structured settlement is as follows:

Group	A.M. Best Rating of Group's Predominant Insurer	March 31, 2019
Fidelity & Guaranty Life Group	A- fourth highest of 16 ratings	\$ 792
Genworth Financial Group (1).....	B+ sixth highest of 16 ratings	346
John Hancock Group.....	A+ second highest of 16 ratings	274
Brighthouse Financial, Inc.	A third highest of 16 ratings	259
Symetra Financial Corporation	A third highest of 16 ratings	248

(1) On October 23, 2016, Genworth Financial (Genworth) announced that they have entered into a definitive agreement under which China Oceanwide Holdings Group Co., Ltd. (China Oceanwide) agreed to acquire all of the outstanding shares of Genworth. China Oceanwide is a privately held, family-owned international financial holding group headquartered in Beijing, China. On March 7, 2017, Genworth stockholders adopted the merger agreement, and the acquisition is pending the receipt of required regulatory approvals. On March 14, 2019, the parties agreed to extend the closing deadline for the transaction until April 30, 2019.

The Travelers Companies, Inc.
Net Reserves for Losses and Loss Adjustment Expense



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Statutory Reserves for Losses and Loss Adjustment Expenses					
Business Insurance					
Beginning of period	\$ 33,107	\$ 33,292	\$ 33,369	\$ 33,773	\$ 33,857
Incurred	2,344	2,429	2,606	2,586	2,529
Paid	(2,163)	(2,298)	(2,207)	(2,454)	(2,320)
Foreign exchange and other	4	(54)	5	(48)	20
End of period.....	\$ 33,292	\$ 33,369	\$ 33,773	\$ 33,857	\$ 34,086
Bond & Specialty Insurance					
Beginning of period	\$ 3,187	\$ 3,207	\$ 3,111	\$ 3,057	\$ 2,987
Incurred	213	173	204	173	264
Paid	(201)	(248)	(258)	(230)	(189)
Foreign exchange and other	8	(21)	—	(13)	6
End of period.....	\$ 3,207	\$ 3,111	\$ 3,057	\$ 2,987	\$ 3,068
Personal Insurance					
Beginning of period	\$ 5,160	\$ 5,170	\$ 5,381	\$ 5,463	\$ 5,565
Incurred	1,688	1,904	1,796	1,960	1,596
Paid	(1,655)	(1,676)	(1,728)	(1,815)	(1,751)
Foreign exchange and other	(23)	(17)	14	(43)	17
End of period.....	\$ 5,170	\$ 5,381	\$ 5,463	\$ 5,565	\$ 5,427
Total					
Beginning of period	\$ 41,454	\$ 41,669	\$ 41,861	\$ 42,293	\$ 42,409
Incurred	4,245	4,506	4,606	4,719	4,389
Paid	(4,019)	(4,222)	(4,193)	(4,499)	(4,260)
Foreign exchange and other	(11)	(92)	19	(104)	43
End of period.....	\$ 41,669	\$ 41,861	\$ 42,293	\$ 42,409	\$ 42,581
Prior Year Reserve Development: Unfavorable (Favorable)					
Business Insurance					
Asbestos	\$ —	\$ —	\$ 225	\$ —	\$ —
Environmental.....	—	55	—	—	—
All other	(66)	(139)	(169)	(48)	21
Total Business Insurance (1).....	(66)	(84)	56	(48)	21
Bond & Specialty Insurance	(35)	(89)	(53)	(89)	(3)
Personal Insurance	(49)	(13)	(17)	(30)	(69)
Total	\$ (150)	\$ (186)	\$ (14)	\$ (167)	\$ (51)

(1) Excludes accretion of discount.

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Asbestos and Environmental Reserves



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Asbestos reserves					
Beginning reserves:					
Gross	\$ 1,538	\$ 1,483	\$ 1,408	\$ 1,681	\$ 1,608
Ceded	(257)	(234)	(225)	(336)	(327)
Net	1,281	1,249	1,183	1,345	1,281
Incurring losses and loss expenses:					
Gross	—	—	343	—	—
Ceded	—	—	(118)	—	—
Paid loss and loss expenses:					
Gross	56	74	70	73	44
Ceded	(23)	(9)	(7)	(9)	(6)
Foreign exchange and other:					
Gross	1	(1)	—	—	—
Ceded	—	—	—	—	—
Ending reserves:					
Gross	1,483	1,408	1,681	1,608	1,564
Ceded	(234)	(225)	(336)	(327)	(321)
Net	\$ 1,249	\$ 1,183	\$ 1,345	\$ 1,281	\$ 1,243
Environmental reserves					
Beginning reserves:					
Gross	\$ 373	\$ 356	\$ 413	\$ 397	\$ 358
Ceded	(13)	(9)	(25)	(25)	(24)
Net	360	347	388	372	334
Incurring losses and loss expenses:					
Gross	—	71	—	—	—
Ceded	—	(16)	—	—	—
Paid loss and loss expenses:					
Gross	17	13	17	39	20
Ceded	(4)	—	—	(2)	—
Foreign exchange and other:					
Gross	—	(1)	1	—	—
Ceded	—	—	—	(1)	—
Ending reserves:					
Gross	356	413	397	358	338
Ceded	(9)	(25)	(25)	(24)	(24)
Net	\$ 347	\$ 388	\$ 372	\$ 334	\$ 314

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Capitalization



(\$ in millions)

	March 31, 2019	December 31, 2018
Debt		
Short-term debt		
Commercial paper	\$ 100	\$ 100
5.90% Senior notes due June 2, 2019 (1)	500	500
Total short-term debt	600	600
Long-term debt		
3.90% Senior notes due November 1, 2020 (1)	500	500
7.75% Senior notes due April 15, 2026	200	200
7.625% Junior subordinated debentures due December 15, 2027	125	125
6.375% Senior notes due March 15, 2033 (1)	500	500
6.75% Senior notes due June 20, 2036 (1)	400	400
6.25% Senior notes due June 15, 2037 (1)	800	800
5.35% Senior notes due November 1, 2040 (1)	750	750
4.60% Senior notes due August 1, 2043 (1)	500	500
4.30% Senior notes due August 25, 2045 (1)	400	400
8.50% Junior subordinated debentures due December 15, 2045	56	56
3.75% Senior notes due May 15, 2046 (1)	500	500
8.312% Junior subordinated debentures due July 1, 2046	73	73
4.00% Senior notes due May 30, 2047 (1)	700	700
4.05% Senior notes due March 7, 2048 (1)	500	500
4.10% Senior notes due March 4, 2049 (1)	500	—
Total long-term debt	6,504	6,004
Unamortized fair value adjustment	44	44
Unamortized debt issuance costs	(91)	(84)
	6,457	5,964
Total debt	7,057	6,564
Common equity (excluding net unrealized investment gains (losses), net of tax, included in shareholders' equity)	23,333	23,007
Total capital (excluding net unrealized investment gains (losses), net of tax, included in shareholders' equity)	\$ 30,390	\$ 29,571
Total debt to capital (excluding net unrealized investment gains (losses), net of tax, included in shareholders' equity)	23.2%	22.2%

(1) Redeemable anytime with “make-whole” premium.

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Statutory Capital and Surplus to GAAP Shareholders' Equity Reconciliation



(\$ in millions)

	March 31, 2019 (1)	December 31, 2018
Statutory capital and surplus	\$ 21,074	\$ 20,774
GAAP adjustments		
Goodwill and intangible assets.....	3,597	3,600
Investments.....	1,606	252
Noninsurance companies.....	(4,199)	(4,234)
Deferred acquisition costs.....	2,190	2,120
Deferred federal income tax.....	(836)	(561)
Current federal income tax.....	(26)	(22)
Reinsurance recoverables.....	56	56
Furniture, equipment & software.....	655	654
Agents balances.....	195	202
Other.....	28	53
Total GAAP adjustments	3,266	2,120
GAAP shareholders' equity	\$ 24,340	\$ 22,894

(1) Estimated and Preliminary

See Glossary of Financial Measures and Description of Reportable Business Segments on pages 35 and 36.

The Travelers Companies, Inc.
Statement of Cash Flows



(\$ in millions)	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Cash flows from operating activities					
Net income.....	\$ 669	\$ 524	\$ 709	\$ 621	\$ 796
Adjustments to reconcile net income to net cash provided by operating activities:					
Net realized investment (gains) losses.....	11	(36)	(29)	(60)	(53)
Depreciation and amortization.....	212	199	198	194	211
Deferred federal income tax expense (benefit).....	(56)	(14)	27	30	32
Amortization of deferred acquisition costs.....	1,061	1,081	1,117	1,122	1,117
Equity in income from other investments.....	(95)	(74)	(115)	(81)	(34)
Premiums receivable.....	(397)	(263)	152	115	(434)
Reinsurance recoverables.....	5	24	(50)	(79)	98
Deferred acquisition costs.....	(1,124)	(1,160)	(1,141)	(1,063)	(1,185)
Claims and claim adjustment expense reserves.....	180	255	445	366	(2)
Unearned premium reserves.....	518	361	216	(385)	551
Other.....	(430)	247	205	168	(458)
Net cash provided by operating activities	554	1,144	1,734	948	639
Cash flows from investing activities					
Proceeds from maturities of fixed maturities.....	1,950	1,707	1,998	1,431	1,556
Proceeds from sales of investments:					
Fixed maturities.....	1,085	1,522	578	361	769
Equity securities.....	26	66	35	51	39
Real estate investments.....	—	—	8	66	—
Other investments.....	114	75	81	241	105
Purchases of investments:					
Fixed maturities.....	(3,920)	(4,032)	(2,910)	(2,664)	(2,914)
Equity securities.....	(20)	(40)	(26)	(31)	(22)
Real estate investments.....	(33)	(11)	(13)	(17)	(77)
Other investments.....	(142)	(133)	(117)	(145)	(146)
Net sales (purchases) of short-term securities.....	410	792	(746)	452	(109)
Securities transactions in course of settlement.....	202	77	(106)	(229)	295
Acquisitions, net of cash acquired.....	—	—	(4)	—	—
Other.....	(53)	(99)	(80)	(86)	(82)
Net cash used in investing activities	(381)	(76)	(1,302)	(570)	(586)

The Travelers Companies, Inc.
Statement of Cash Flows (Continued)



(\$ in millions)

	1Q2018	2Q2018	3Q2018	4Q2018	1Q2019
Cash flows from financing activities					
Treasury stock acquired - share repurchase authorization.....	(350)	(350)	(400)	(170)	(375)
Treasury stock acquired - net employee share-based compensation.....	(51)	—	—	—	(46)
Dividends paid to shareholders	(197)	(207)	(207)	(203)	(205)
Payment of debt.....	(100)	(500)	—	—	—
Issuance of debt	491	—	100	—	492
Issuance of common stock - employee share options	85	13	19	15	63
Net cash used in financing activities.....	(122)	(1,044)	(488)	(358)	(71)
Effect of exchange rate changes on cash.....	2	(6)	—	(6)	2
Net increase (decrease) in cash.....	53	18	(56)	14	(16)
Cash at beginning of period.....	344	397	415	359	373
Cash at end of period.....	<u>\$ 397</u>	<u>\$ 415</u>	<u>\$ 359</u>	<u>\$ 373</u>	<u>\$ 357</u>
Income taxes paid	\$ 56	\$ 182	\$ 6	\$ 164	\$ 5
Interest paid	\$ 39	\$ 136	\$ 50	\$ 122	\$ 50

Glossary of Financial Measures and Description of Reportable Business Segments

The following measures are used by the Company's management to evaluate financial performance against historical results, to establish performance targets on a consolidated basis, and for other reasons as discussed below. In some cases, these measures are considered non-GAAP financial measures under applicable SEC rules because they are not displayed as separate line items in the consolidated financial statements or are not required to be disclosed in the notes to financial statements or, in some cases, include or exclude certain items not ordinarily included or excluded in the most comparable GAAP financial measure.

In the opinion of the Company's management, a discussion of these measures provides investors, financial analysts, rating agencies and other financial statement users with a better understanding of the significant factors that comprise the Company's periodic results of operations and how management evaluates the Company's financial performance.

Some of these measures exclude net realized investment gains (losses), net of tax, and/or net unrealized investment gains (losses), net of tax, included in shareholders' equity, which can be significantly impacted by both discretionary and other economic factors and are not necessarily indicative of operating trends.

Other companies may calculate these measures differently, and, therefore, their measures may not be comparable to those used by the Company's management.

Core income (loss) is consolidated net income (loss) excluding the after-tax impact of net realized investment gains (losses), discontinued operations, the effect of a change in tax laws and tax rates at enactment, and cumulative effect of changes in accounting principles when applicable. **Segment income (loss)** is determined in the same manner as core income (loss) on a segment basis. Management uses segment income (loss) to analyze each segment's performance and as a tool in making business decisions. Financial statement users also consider core income (loss) when analyzing the results and trends of insurance companies. **Core income (loss) per share** is core income (loss) on a per common share basis.

Average shareholders' equity is (a) the sum of total shareholders' equity at the beginning and end of each of the quarters for the period presented divided by (b) the number of quarters in the period presented times two. **Adjusted shareholders' equity** is shareholders' equity excluding net realized investment gains (losses), net of tax, net unrealized investment gains (losses), net of tax, included in shareholders' equity for the periods presented and the effect of a change in tax laws and tax rates at enactment (excluding the portion related to net unrealized investment gains (losses)). **Adjusted average shareholders' equity** is (a) the sum of total adjusted shareholders' equity at the beginning and end of each of the quarters for the period presented divided by (b) the number of quarters in the period presented times two.

Return on equity is the ratio of annualized net income (loss) to average shareholders' equity for the periods presented. **Core return on equity** is the ratio of annualized core income (loss) to adjusted average shareholders' equity for the periods presented. In the opinion of the Company's management, these are important indicators of how well management creates value for its shareholders through its operating activities and its capital management.

Underwriting gain (loss) is net earned premiums and fee income less claims and claim adjustment expenses and insurance-related expenses. In the opinion of the Company's management, it is important to measure the profitability of each segment excluding the results of investing activities, which are managed separately from the insurance business. This measure is used to assess each segment's business performance and as a tool in making business decisions.

A **catastrophe** is a severe loss designated a catastrophe by internationally recognized organizations that track and report on insured losses resulting from catastrophic events, such as Property Claim Services (PCS) for events in the United States and Canada. Catastrophes can be caused by various natural events, including, among others, hurricanes, tornadoes and other windstorms, earthquakes, hail, wildfires, severe winter weather, floods, tsunamis, volcanic eruptions and other naturally-occurring events, such as solar flares. Catastrophes can also be man-made, such as terrorist attacks and other intentionally destructive acts including those involving nuclear, biological, chemical and radiological events, cyber events, explosions and destruction of infrastructure. Each catastrophe has unique characteristics and catastrophes are not predictable as to timing or amount. Their effects are included in net and core income and claims and claim adjustment expense reserves upon occurrence. A catastrophe may result in the payment of reinsurance reinstatement premiums and assessments from various pools. The Company's threshold for disclosing catastrophes is primarily determined at the reportable segment level. If a threshold for one segment or a combination thereof is exceeded and the other segments have losses from the same event, losses from the event are identified as catastrophe losses in the segment results and for the consolidated results of the Company. Additionally, an aggregate threshold is applied for international business across all reportable segments. The threshold for 2019 ranges from approximately \$19 million to \$30 million of losses before reinsurance and taxes.

Net favorable (unfavorable) prior year loss reserve development is the increase or decrease in incurred claims and claim adjustment expenses as a result of the re-estimation of claims and claim adjustment expense reserves at successive valuation dates for a given group of claims, which may be related to one or more prior years. In the opinion of the Company's management, a discussion of loss reserve development is meaningful to users of the financial statements as it allows them to assess the impact between prior and current year development on incurred claims and claim adjustment expenses, net and core income (loss), and changes in claims and claim adjustment expense reserve levels from period to period.

Combined ratio For Statutory Accounting Practices (SAP), the combined ratio is the sum of the SAP loss and LAE ratio and the SAP underwriting expense ratio as defined in the statutory financial statements required by insurance regulators. The combined ratio, as used in this financial supplement, is the equivalent of, and is calculated in the same manner as, the SAP combined ratio except that the SAP underwriting expense ratio is based on net *written* premiums and the underwriting expense ratio as used in this financial supplement is based on net *earned* premiums. For SAP, the loss and LAE ratio is the ratio of incurred losses and loss adjustment expenses less certain administrative services fee income to net earned premiums as defined in the statutory financial statements required by insurance regulators. The loss and LAE ratio as used in this financial supplement is calculated in the same manner as the SAP ratio. For SAP, the underwriting expense ratio is the ratio of underwriting expenses incurred (including commissions paid), less certain administrative services fee income and billing and policy fees and other, to net *written* premiums as defined in the statutory financial statements required by insurance regulators. The underwriting expense ratio as used in this financial supplement, is the ratio of underwriting expenses (including the amortization of deferred acquisition costs), less certain administrative services fee income and billing and policy fees, to net *earned* premiums. **Underlying combined ratio** is the combined ratio adjusted to exclude the impact of prior year reserve development and catastrophes, net of reinsurance.

The combined ratio, loss and LAE ratio, and underwriting expense ratio are used as indicators of the Company's underwriting discipline, efficiency in acquiring and servicing its business and overall underwriting profitability. A combined ratio under 100% generally indicates an underwriting profit. A combined ratio over 100% generally indicates an underwriting loss.

Glossary of Financial Measures and Description of Reportable Business Segments

Other companies' method of computing similarly titled measures may not be comparable to the Company's method of computing these ratios.

Gross written premiums reflect the direct and assumed contractually determined amounts charged to policyholders for the effective period of the contract based on the terms and conditions of the insurance contract. **Net written premiums** reflect gross written premiums less premiums ceded to reinsurers.

Book value per share is total common shareholders' equity divided by the number of common shares outstanding. **Adjusted book value per share** is total common shareholders' equity excluding net unrealized investment gains and losses, net of tax, included in shareholders' equity, divided by the number of common shares outstanding. In the opinion of the Company's management, adjusted book value per share is useful in an analysis of a property casualty company's book value per share as it removes the effect of changing prices on invested assets, (i.e., net unrealized investment gains (losses), net of tax) which do not have an equivalent impact on unpaid claims and claim adjustment expense reserves.

Total capital is the sum of total shareholders' equity and debt. **Debt-to-capital ratio excluding net unrealized gain (loss) on investments, net of tax, included in shareholders' equity** is the ratio of debt to total capital excluding net unrealized investment gains and losses, net of tax, included in shareholders' equity. In the opinion of the Company's management, the debt to capital ratio is useful in an analysis of the Company's financial leverage.

Statutory capital and surplus represents the excess of an insurance company's admitted assets over its liabilities, including loss reserves, as determined in accordance with statutory accounting practices.

Travelers has organized its businesses into the following reportable business segments:

Business Insurance - Business Insurance offers a broad array of property and casualty insurance and insurance related services to its customers, primarily in the United States, as well as in Canada, the United Kingdom, the Republic of Ireland, Brazil and throughout other parts of the world as a corporate member of Lloyd's. Business Insurance is organized as follows: Select Accounts; Middle Market including Commercial Accounts, Construction, Technology, Public Sector Services, Oil & Gas, Excess Casualty, Inland Marine, Ocean Marine, and Boiler & Machinery; National Accounts; National Property and Other including National Property, Northland Transportation, Northfield, National Programs, and Agribusiness; and International including Global Services. Business Insurance also includes Simply Business, a leading provider of small business insurance policies primarily in the United Kingdom that was acquired in August 2017, as well as Business Insurance Other, which primarily comprises the Company's asbestos and environmental liabilities, and the assumed reinsurance and certain other runoff operations.

Bond & Specialty Insurance - Bond & Specialty Insurance provides surety, fidelity, management liability, professional liability, and other property and casualty coverages and related risk management services to its customers in the United States, and certain specialty insurance products in Canada, the United Kingdom, the Republic of Ireland and Brazil, utilizing various degrees of financially-based underwriting approaches. The range of coverages includes performance, payment and commercial surety and fidelity bonds for construction and general commercial enterprises; management liability coverages including directors' and officers' liability, employee dishonesty, employment practices liability, fiduciary liability and cyber risk for public corporations, private companies, not-for-profit organizations and financial institutions; professional liability coverage for a variety of professionals including, among others, lawyers and design professionals; and in the United States only, property, workers' compensation, auto and general liability for financial institutions.

Bond & Specialty Insurance surety business in Brazil and Colombia is conducted through Junto Holding Brasil S.A. (Junto) and Junto Holding Latam S.A. in Brazil. The Company owns 49.5% of both Junto, a market leader in surety coverages in Brazil, and Junto Holding Latam S.A., which in September 2015 acquired a majority interest in JMalucelli Travelers Seguros S.A., a Colombian start-up surety provider. These joint venture investments are accounted for using the equity method and are included in "other investments" on the consolidated balance sheet.

Personal Insurance - Personal Insurance writes a broad range of property and casualty insurance covering individuals' personal risks, primarily in the United States, as well as in Canada. The primary products of automobile and homeowners insurance are complemented by a broad suite of related coverages.