The Travelers Companies, Inc.

Second Quarter 2010 Results

July 22, 2010

Explanatory Note

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, statements about the Company's share repurchase plans (which repurchase plans depend on a variety of factors, including the Company's financial position, earnings, catastrophe losses, capital requirements of the Company's operating subsidiaries, legal requirements, regulatory constraints, other investment opportunities (including mergers and acquisitions), market conditions and other factors) and statements about the potential impact of recent or future disruption in the investment markets and other economic conditions on the Company's investment portfolio and underwriting results, among others, are forward looking, and the Company may make forward-looking statements about, among other things, its results of operations (including, among others, premium volume, premium rates (either for new or renewal business), net and operating income, investment income and performance, return on equity, expected current returns and combined ratio) and financial condition; the sufficiency of the Company's asbestos and other reserves (including, among others, asbestos claim payment patterns); the impact of emerging claims issues; the cost and availability of reinsurance coverage; catastrophe losses; the impact of investment, economic and underwriting market conditions; and strategic initiatives. The Company cautions investors that such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Company's 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 and adversely affect the Company's results of operations, its financial position and/or liquidity, and could adversely impact the Company's ratings, the Company's ability to raise capital and the availability and cost of reinsurance; during or following a period of financial market disruption or prolonged economic downturn, the Company's business could be materially and adversely affected; the Company's investment portfolio may suffer reduced returns or material losses, including as a result of a challenging economic environment that impacts the credit of municipal or other issuers in our portfolio; if actual claims exceed the Company's loss reserves, or if changes in the estimated level of loss reserves are necessary, the Company's financial results could be materially and adversely affected; the Company's business could be harmed because of its potential exposure to asbestos and environmental claims and related litigation; the Company is exposed to, and may face adverse developments involving, mass tort claims such as those relating to exposure to potentially harmful products or substances; the effects of emerging claim and coverage issues on the Company's business are uncertain; the intense competition that the Company faces could harm its ability to maintain or increase its business volumes and profitability; the Company may not be able to collect all amounts due to it from reinsurers, and reinsurance coverage may not be available to the Company in the future at commercially reasonable rates or at all; the Company is exposed to credit risk in certain of its business operations; the Company's businesses are heavily regulated and changes in regulation (including as a result of the adoption of financial services reform legislation) may reduce the Company's profitability and limit its growth; a downgrade in the Company's claims-paying and financial strength ratings could adversely impact the Company's business volumes, adversely impact the Company's ability to access the capital markets and increase the Company's borrowing costs; the inability of the Company's insurance subsidiaries to pay dividends to the Company's holding company in sufficient amounts would harm the Company's ability to meet its obligations and to pay future shareholder dividends; disruptions to the Company's relationships with its independent agents and brokers could adversely affect the Company; the Company's efforts to develop new products (including its direct to consumer initiative in Personal Insurance) or expand in targeted markets may not be successful. may create enhanced risks and may adversely impact results; the Company's business success and profitability depend, in part, on effective information technology systems and on continuing to develop and implement improvements in technology; if the Company experiences difficulties with technology, data security and/or outsourcing relationships the Company's ability to conduct its business could be negatively impacted; acquisitions and integration of acquired businesses may result in operating difficulties and other unintended consequences; the Company is subject to a number of risks associated with its business outside the United States; the Company could be adversely affected if its controls to ensure compliance with guidelines, policies and legal and regulatory standards are not effective; the Company's businesses may be adversely affected if it is unable to hire and retain qualified employees; and loss of or significant restriction on the use of credit scoring in the pricing and underwriting of Personal Insurance products could reduce the Company's future profitability.

Our forward-looking statements speak only as of the date of this presentation or as of the date they are made, and we undertake no obligation to update our 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 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our most recent annual report on Form 10-K and our quarterly report on Form 10-Q filed with the Securities and Exchange Commission.

In this presentation, we may refer to some non-GAAP financial measures, including, among others, operating income (loss), operating income (loss) per diluted share, adjusted operating income (loss), average equity, adjusted average equity, return on equity, operating return on equity, average annual return on equity, underwriting gain (loss), GAAP combined ratio excluding incremental impact of direct to consumer initiative, GAAP combined ratio excluding catastrophes and prior year reserve development, adjusted book value per common share and tangible book value per 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 Travelers website under the investor section (www.travelers.com).

Long-Term Financial Strategy

Meaningful and sustainable competitive advantages → Generation of top tier earnings and capital substantially in excess of growth needs → Balanced approach to rightsizing capital and growing book value per share over time

Create Shareholder Value

Objective: Mid-Teens ROE Over Time

TRAVELERS

Second Quarter 2010 Highlights

- Net and operating income per diluted share of $1.35 and $1.39, respectively, an increase of 6% and 11%
- Results achieved in spite of record second quarter weather-related catastrophes of $0.58 per diluted share
- Underwriting gain, exclusive of catastrophes, up 20% after-tax (25% pre-tax) from prior year quarter due to higher net favorable prior year reserve development and solid current accident year results
- Solid investment performance – net investment income up 13% after-tax (16% pre-tax) from prior year quarter
- Return on equity and operating return on equity of 10.1% and 11.4%, respectively
- Total revenues of $6.179 billion, a slight increase from the prior year quarter
- Net written premiums of $5.688 billion, an increase of 1% from the prior year quarter
- Book value per share of $55.67
  - Increased 4% from March 31, 2010 after $1.4 billion of common share repurchases and $173 million of common stock dividends
  - Increased 18% from June 30, 2009 after $5.4 billion of common share repurchases and $682 million of common stock dividends

Very Strong Financial Position

($ and shares in millions, except per share amounts)

	June 30, 2010	December 31, 2009
Debt	$ 6,276	$ 6,527
Preferred equity	72	79
Common equity [1]	23,833	25,475
Total capital [1]	$ 30,181	$ 32,081
Debt-to-capital [1]	*20.8%*	*20.3%*
Common shares outstanding	470.8	520.3
Book value per common share	$ 55.67	$ 52.54
Adjusted book value per common share [1]	$ 50.62	$ 48.96
Tangible book value per common share [1, 2]	$ 42.44	$ 41.49
Statutory surplus	$ 21,077	$ 23,195
Holding company liquidity	$ 2,400	$ 2,144

[1] Excludes net unrealized investment gains, net of taxes

[2] Excludes the after-tax value of goodwill and other intangible assets

Capital

- At or above target levels for all rating agencies
- Continued to generate excess capital and repurchase common shares
  - Share repurchases in second quarter 2010 and year-to-date 2010 of $1.4 billion and $2.8 billion, respectively

Leverage

- Debt-to-capital ratio of 20.8% approximates target level
- Low level of maturing debt
  - 3Q & 4Q 2010 $23 million
  - 2011 $11 million
  - 2012 $250 million

  Can self-fund all maturing debt

Liquidity

- Holding company liquidity was more than two times the company's target level

Very high quality investment portfolio

- Net unrealized investment gains of $2.4 billion after-tax ($3.6 billion pre-tax) at end of second quarter 2010

TRAVELERS

Consolidated Performance

($ in millions, except per share amounts, after-tax)

	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Operating income	**$ 690**	**$ 732**	**(6) %**	**$ 1,321**	**$ 1,531**	**(14) %**
per diluted share	*$ 1.39*	*$ 1.25*	*11 %*	*$ 2.61*	*$ 2.60*	*- %*
Included the following items:						
Net favorable prior year reserve development	$ 251	$ 170		$ 443	$ 338	
Catastrophes, net of reinsurance	(285)	(130)		(597)	(184)	
Resolution of prior year tax matters	-	19		-	88	
Total Items	**$ (34)**	**$ 59**		**$ (154)**	**$ 242**	
Loss and loss adjustment ratio	63.3 %	61.4 %		63.6 %	60.5 %	
Underwriting expense ratio	31.9	31.8		32.2	31.4	
GAAP combined ratio [1]	**95.2 %**	**93.2 %**	**(2.0) pts**	**95.8 %**	**91.9 %**	**(3.9) pts**
GAAP combined ratio excluding incremental impact of direct to consumer initiative	*94.6 %*	*92.6 %*		*95.2 %*	*91.3 %*	
Net favorable prior year reserve development	7.2	4.9		6.4	4.9	
Catastrophes, net of reinsurance	(8.2)	(3.7)		(8.6)	(2.7)	
Adjusted GAAP combined ratio	**94.2 %**	**94.4 %**	**0.2 pts**	**93.6 %**	**94.1 %**	**0.5 pts**

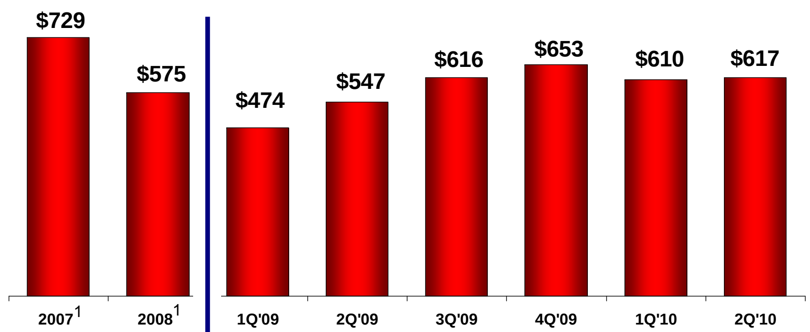
TRAVELERS

[1] A benefit to the reported GAAP combined ratio is indicated as a positive item, and a charge is indicated as a negative item.

Net Investment Income

($ in millions, after-tax)

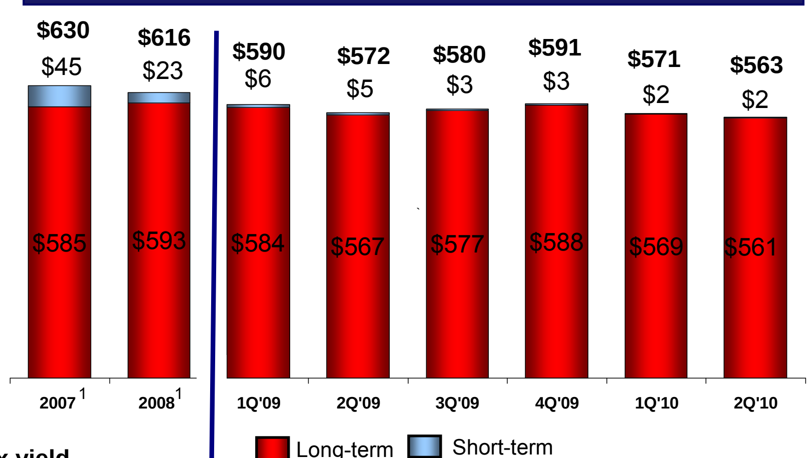
Total



After-tax yield	2007[1]	2008[1]	1Q'09	2Q'09	3Q'09	4Q'09	1Q'10	2Q'10
	3.9%	3.1%	2.6%	3.0%	3.4%	3.5%	3.4%	3.5%

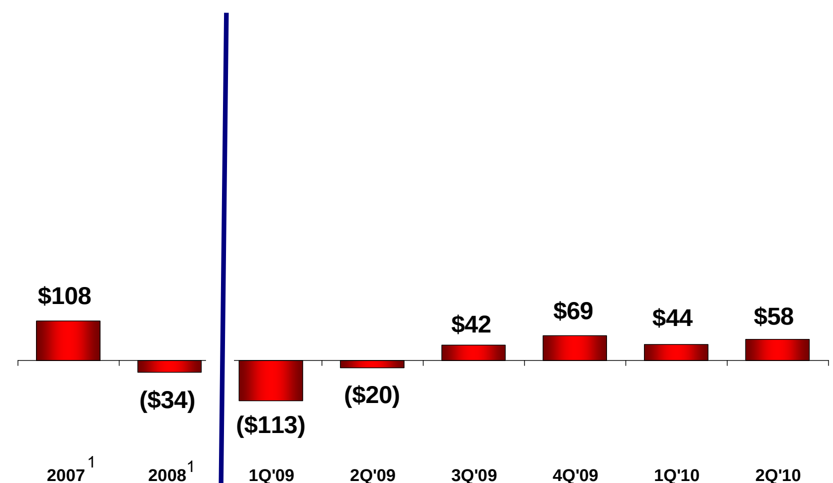
- Long-term fixed income portfolio continued to produce steady returns
- Net investment income from the short-term portion of fixed income portfolio impacted by very low interest rates
- Non-fixed income portfolio (primarily private equity funds, real estate partnerships and hedge funds) producing positive returns

Fixed Income[2]



After-tax yield	2007[1]	2008[1]	1Q'09	2Q'09	3Q'09	4Q'09	1Q'10	2Q'10
Total	3.6%	3.5%	3.4%	3.3%	3.3%	3.4%	3.3%	3.3%
Short-term	3.8%	1.7%	0.4%	0.3%	0.2%	0.2%	0.2%	0.2%
Long-term	3.6%	3.7%	3.7%	3.6%	3.7%	3.7%	3.6%	3.6%

Non-Fixed Income[2]

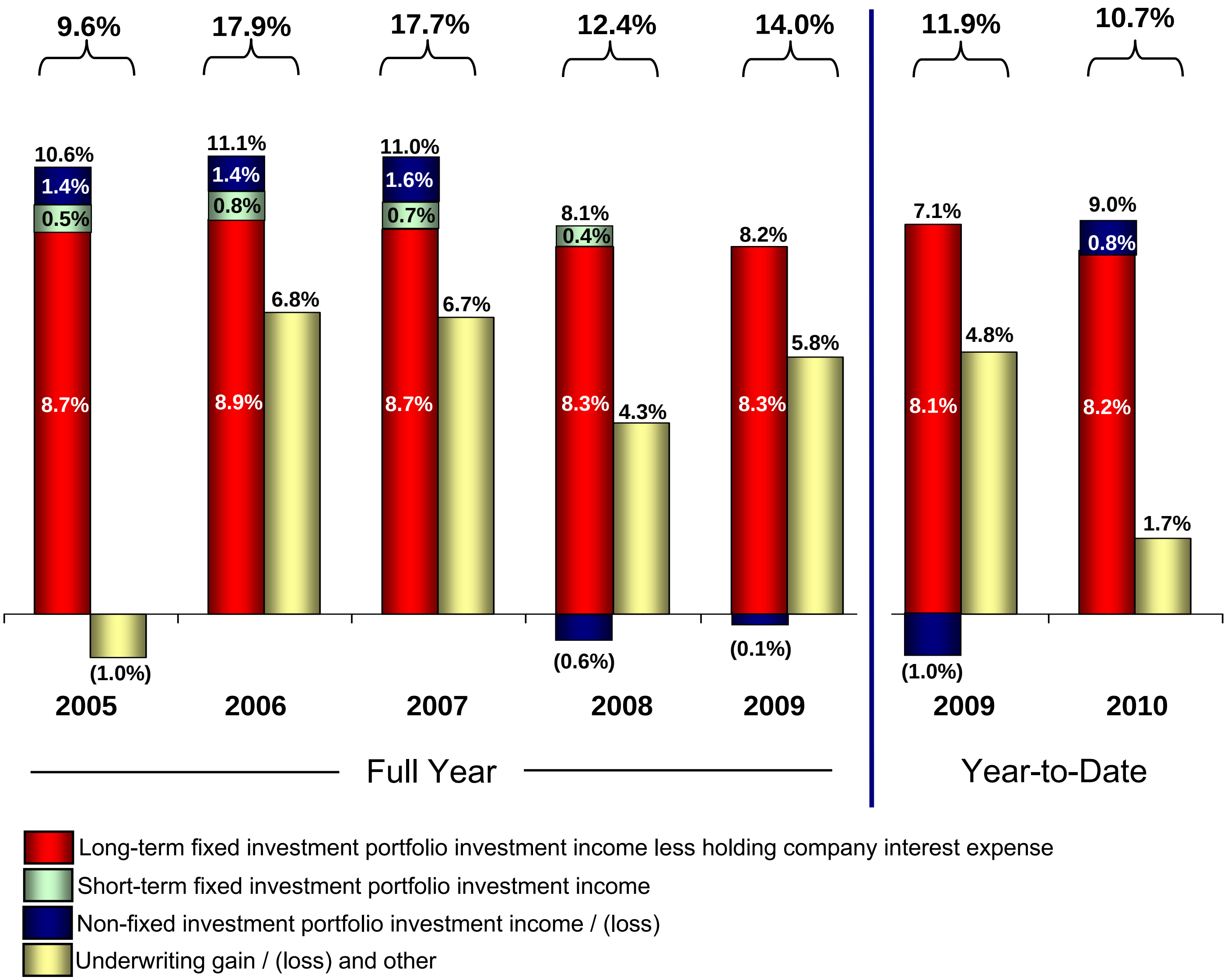


After-tax yield	2007[1]	2008[1]	1Q'09	2Q'09	3Q'09	4Q'09	1Q'10	2Q'10
Total	9.7%	(3.1%)	(11.1%)	(2.1%)	4.3%	7.0%	4.4%	5.8%

TRAVELERS

[1] 2007 and 2008 data equals quarterly average
[2] Excludes investment expenses

Components of Operating Return on Equity



- For the first six months of 2010, investment income from the fixed income portfolio, net of interest expense on holding company debt, contributed 8.2 points to the operating return on equity, a decrease from the prior year quarter mostly due to lower reinvestment rates
- For the first six months of 2010, underwriting income contributed 1.7 points to the operating return on equity, a decrease from the prior year quarter primarily due to higher catastrophe losses
- From January 1, 2005 through June 30, 2010, average annual operating return on equity was approximately 14.1%

TRAVELERS

Revised

PCS Industry Estimates of 2Q 2010 ISO Events

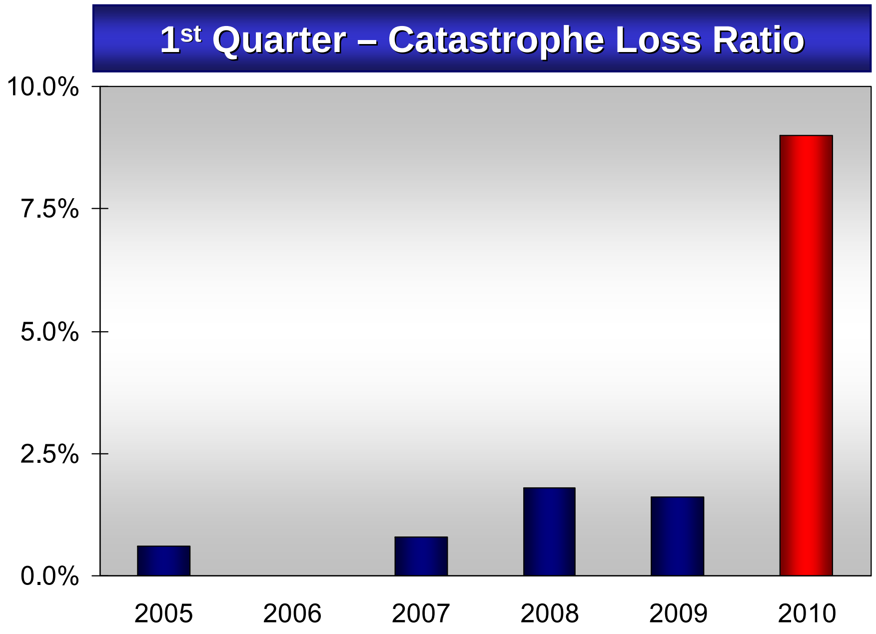
($ in millions; pre-tax)

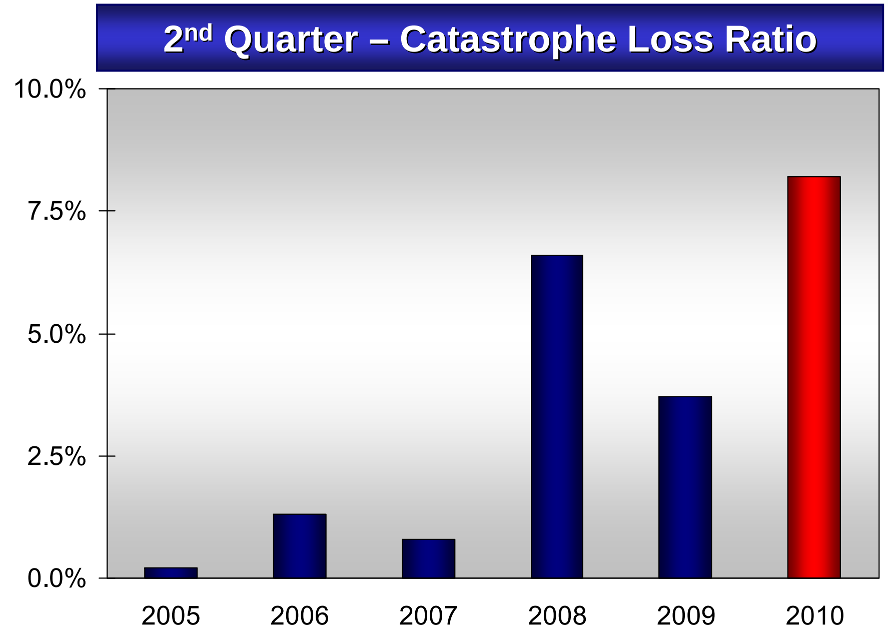
Date	Cat #	Perils	Region	Initial PCS Estimate[1]
April 4 - 6	98	Wind & Hail	Midwest	$ 220
April 23 - 25	99	Tornado & Hail	South	260
April 30 - May 3	11	Flooding	Tennessee	485
May 7 - 8	12	Wind & Hail	Northeast	85
May 10	13	Tornado & Hail	Kansas & Oklahoma	610
May 12 - 16	14	Hail	Primarily Oklahoma	1,065
May 22 - 26	15	Wind & Hail	Central Plains States	250
June 1 - 3	16	Wind & Hail	Northern Plains	100
June 4 - 6	17	Tornado & Hail	Midwest	100
June 10 - 16	18	Wind & Thunderstorms	Midwest	325
June 17 - 20	19	Wind & Thunderstorms	Midwest	310
June 21 - 24	20	Tornado & Hail	Midwest & Northeast	260
June 25 - 28	21	Wind & Hail	Great Lakes Region	175
June 30	22	Wind & Hail	Montana	110
Total				$ 4,355

TRAVELERS

[1] PCS estimates for commercial property, personal property and auto as of July 21, 2010. Numbers in an earlier version of the slide did not include auto and the slide has been revised to include those estimates.

Historical Travelers Catastrophe Loss Ratios





<u>Takeaways from 1Q & 2Q 2010 Catastrophes</u>

- Weather is unpredictable – understanding this and appropriately pricing for it is necessary for long term profitability
- Underwriting discipline – 2010 results were not driven by a change in underwriting appetite or business mix

Note: Catastrophes are pre-tax and after reinsurance.

Business Insurance - Performance

($ in millions)

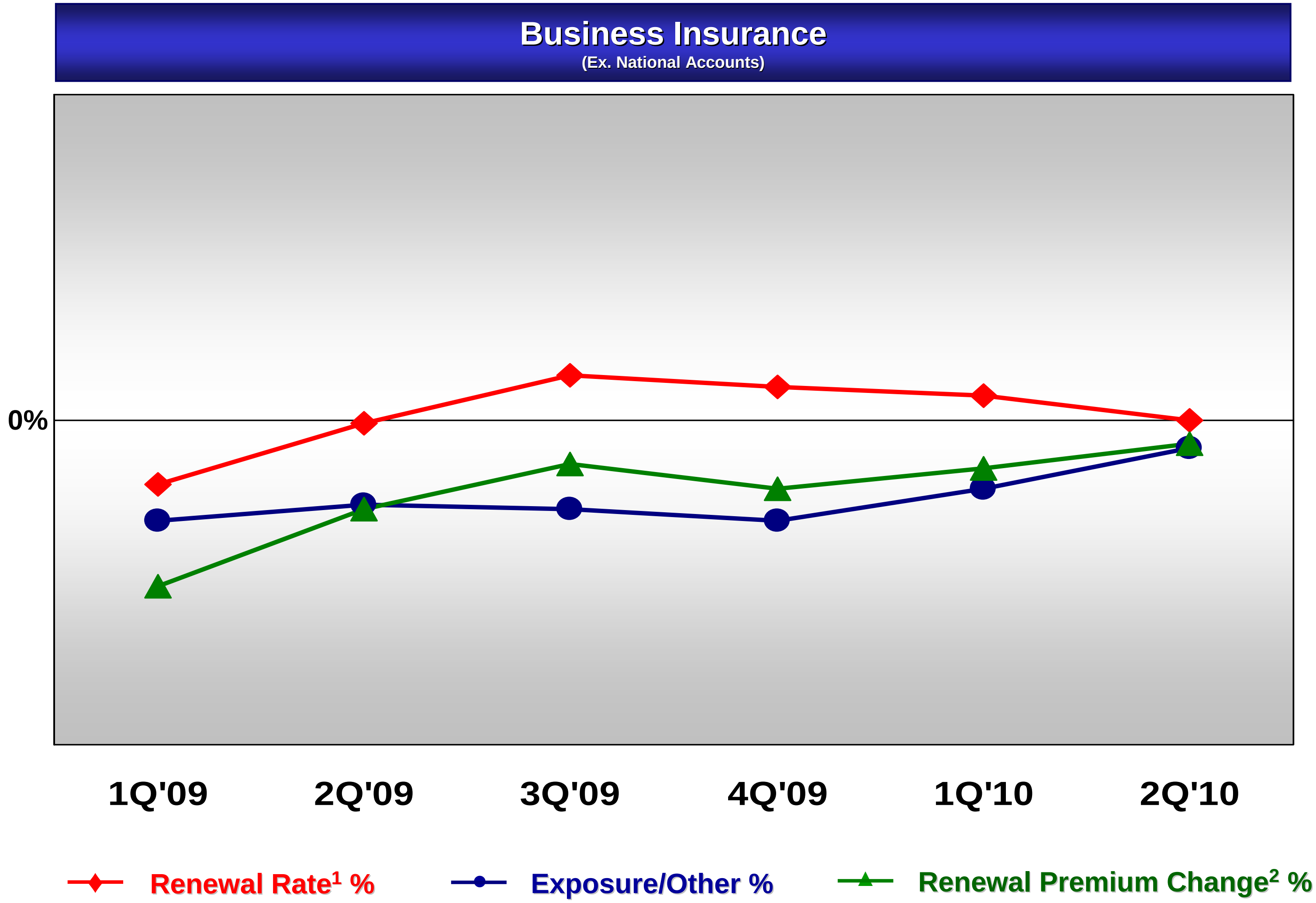
	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Operating income	**$ 567**	**$ 560**	**1 %**	**$ 1,134**	**$ 1,107**	**2 %**
Loss and loss adjustment ratio	59.5 %	57.6 %		59.1 %	57.7 %	
Underwriting expense ratio	32.3	32.2		32.5	31.7	
GAAP combined ratio [1]	**91.8 %**	**89.8 %**	**(2.0) pts**	**91.6 %**	**89.4 %**	**(2.2) pts**
Net favorable prior year reserve development	11.3	7.8		10.3	7.2	
Catastrophes, net of reinsurance	(6.7)	(2.1)		(6.0)	(1.3)	
Adjusted GAAP combined ratio	**96.4 %**	**95.5 %**	**(0.9) pts**	**95.9 %**	**95.3 %**	**(0.6) pts**

	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Net Written Premiums						
Select Accounts	$ 716	$ 732	(2) %	$ 1,418	$ 1,463	(3) %
Commercial Accounts	581	564	3	1,287	1,274	1
National Accounts	194	227	(15)	420	486	(14)
Industry-Focused Underwriting	584	581	1	1,153	1,198	(4)
Target Risk Underwriting	469	458	2	881	880	-
Specialized Distribution	247	247	-	462	469	(1)
Business Insurance Core	**2,791**	**2,809**	**(1) %**	**5,621**	**5,770**	**(3) %**
Business Insurance Other	4	4		8	6	
Total Business Insurance	**$ 2,795**	**$ 2,813**	**(1) %**	**$ 5,629**	**$ 5,776**	**(3) %**

TRAVELERS

[1] A benefit to the reported GAAP combined ratio is indicated as a positive item, and a charge is indicated as a negative item.

Business Insurance
Renewal Premium Change: Rate Versus Exposure/Other



[1] Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes.
[2] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes.
Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

TRAVELERS

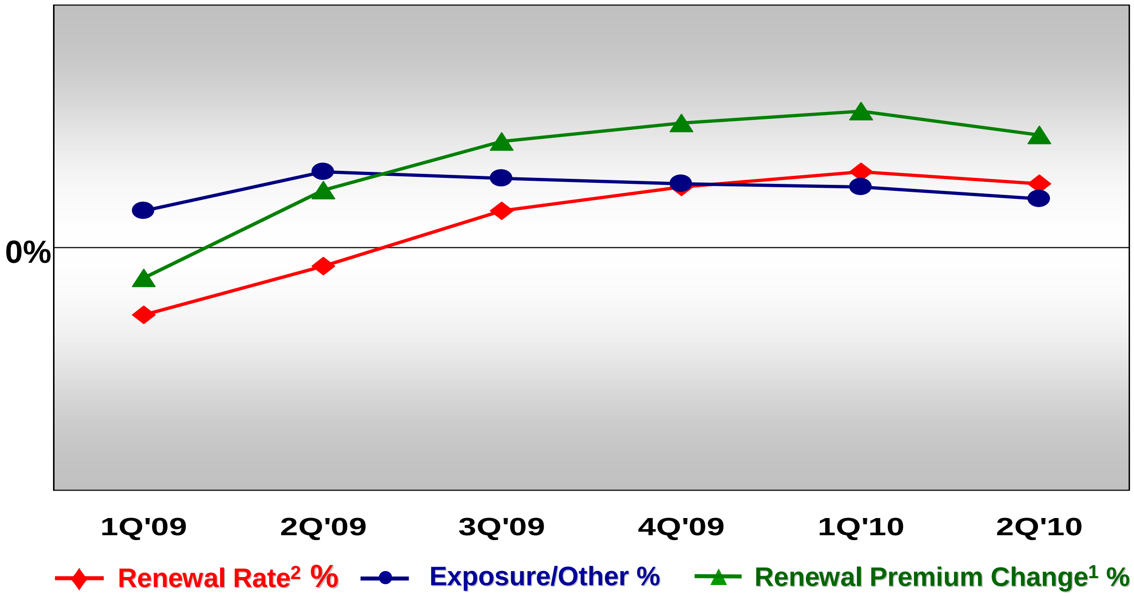
Business Insurance - Select Accounts

Illustrative Business Statistics

($ in millions)	2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q
Retention	82%	81%	79%	77%	77%	**77%**
Renewal Premium Change[1]	(1%)	2%	3%	4%	5%	**4%**
New Business	$ 153	$ 156	$ 134	$ 118	$ 120	**$ 136**

Retention consistent and new business improved from recent quarters

Renewal Premium Change: Rate Versus Exposure/Other



Renewal premium change generally stable with recent quarters

[1] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes

[2] Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes.

Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

TRAVELERS

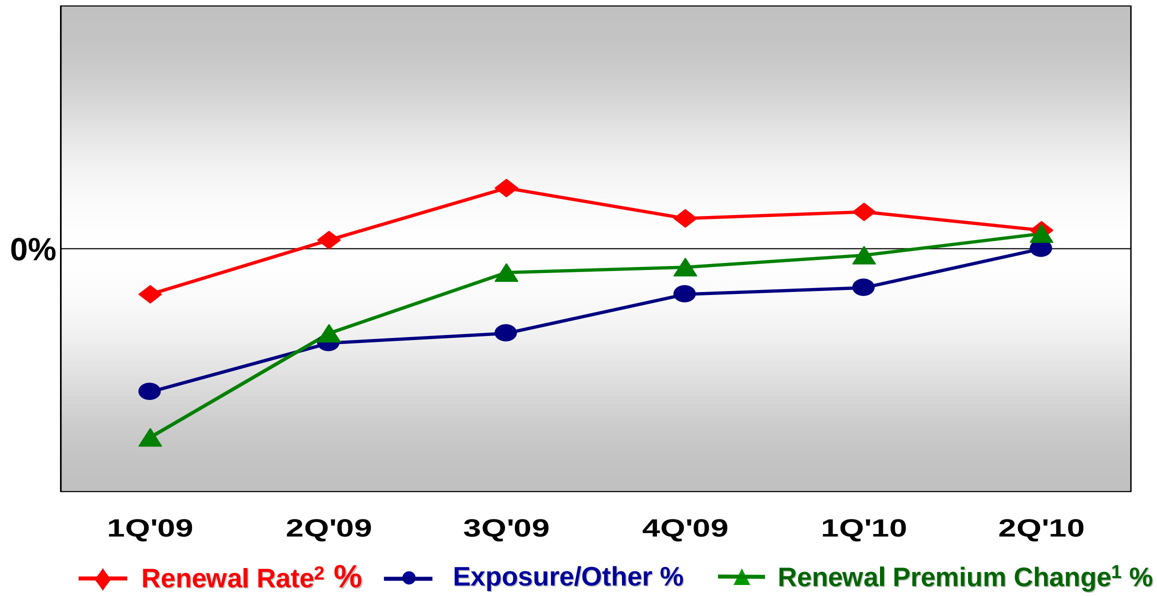
Business Insurance - Commercial Accounts

Illustrative Business Statistics

($ in millions)	2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q
Retention	88%	85%	85%	83%	85%	**86%**
Renewal Premium Change[1]	(6%)	(3%)	(1%)	(1%)	-%	**1%**
New Business	$ 134	$ 143	$ 116	$ 127	$ 151	**$ 126**

Retention remained strong and new business within expectations

Renewal Premium Change: Rate Versus Exposure/Other



Renewal premium changes generally consistent resulting from slightly lower rate increases and improving exposure changes

[1] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes
[2] Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes.
Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

TRAVELERS

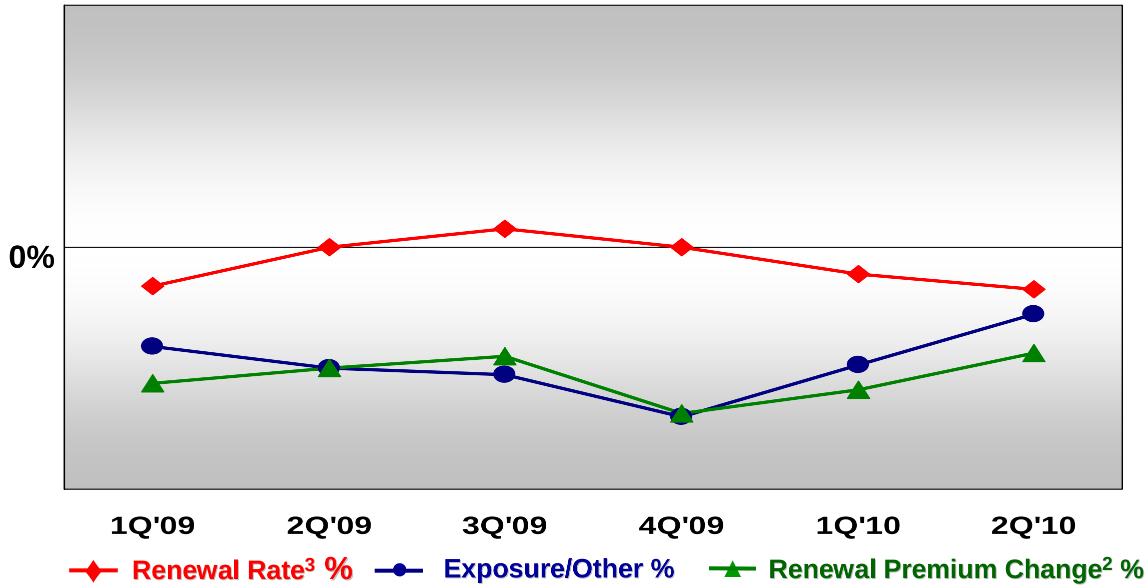
Business Insurance - Other Business Insurance[1]

Illustrative Business Statistics

($ in millions)	2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q
Retention	82%	81%	80%	80%	83%	**83%**
Renewal Premium Change[2]	(4%)	(4%)	(4%)	(6%)	(5%)	**(3%)**
New Business	$ 274	$ 304	$ 277	$ 244	$ 269	**$ 294**

Strong retention and consistent new business

Renewal Premium Change: Rate Versus Exposure/Other



Large property marketplace driving rate softening and exposure improvement

[1] Includes Industry-Focused Underwriting, Target Risk Underwriting and Specialized Distribution.
[2] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes.
[3] Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes.
Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

TRAVELERS

Financial, Professional & International Insurance (FP&II) Performance

($ in millions)

	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Operating income	**$ 172**	**$ 133**	**29 %**	**$ 258**	**$ 281**	**(8) %**
Loss and loss adjustment ratio	48.1 %	54.4 %		55.1 %	54.5 %	
Underwriting expense ratio	35.2	36.5		35.9	36.0	
GAAP combined ratio [1]	**83.3 %**	**90.9 %**	**7.6 pts**	**91.0 %**	**90.5 %**	**(0.5) pts**
Net favorable prior year reserve development	8.4	1.4		6.3	1.5	
Catastrophes, net of reinsurance	(0.4)	(0.2)		(5.3)	(0.1)	
Adjusted GAAP combined ratio	**91.3 %**	**92.1 %**	**0.8 pts**	**92.0 %**	**91.9 %**	**(0.1) pts**

	2010	2009	Change	2010	2009	Change
Net Written Premiums						
Bond & Financial Products	$ 559	$ 558	- %	$ 921	$ 892	3 %
International	330	356	(7)	649	585	11
Total FP&II	**$ 889**	**$ 914**	**(3) %**	**$ 1,570**	**$ 1,477**	**6 %**
Total FP&II - Adjusted for the impact of foreign exchange rates			**(3) %**			**4 %**

TRAVELERS

[1] A benefit to the reported GAAP combined ratio is indicated as a positive item, and a charge is indicated as a negative item.

Financial, Professional & International Insurance Illustrative Business Statistics

($ in millions)

	2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q
Surety						
Gross written premium	$234	$255	$287	$255	$247	**$239**
Management Liability						
Retention	84%	83%	81%	81%	81%	**81%**
Renewal premium change [1]	3%	1%	2%	(1%)	-%	**(1%)**
New business	$45	$54	$45	$39	$36	**$38**
International [2]						
Retention	80%	75%	78%	76%	76%	**77%**
Renewal premium change [1]	-%	3%	2%	-%	3%	**(1%)**
New business	$66	$90	$87	$75	$81	**$65**

[1] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes.
[2] Excludes the surety line of business as surety products are sold on a non-recurring, project specific basis.

Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

TRAVELERS

Personal Insurance - Performance

($ in millions)

	Second Quarter 2010	Second Quarter 2009	Second Quarter Change	Year-to-Date 2010	Year-to-Date 2009	Year-to-Date Change
Operating income	**$ 19**	**$ 88**	**(78) %**	**$ 78**	**$ 242**	**(68) %**
Loss and loss adjustment ratio	76.0 %	70.5 %		74.3 %	67.6 %	
Underwriting expense ratio	29.9	29.1		30.0	28.8	
GAAP combined ratio [1]	**105.9 %**	**99.6 %**	**(6.3) pts**	**104.3 %**	**96.4 %**	**(7.9) pts**
GAAP combined ratio excluding incremental impact of direct to consumer initiative	*104.0 %*	*97.7 %*		*102.5 %*	*94.7 %*	
Net favorable prior year reserve development	0.5	1.9		0.8	2.8	
Catastrophes, net of reinsurance	(14.0)	(7.9)		(14.1)	(6.0)	
Adjusted GAAP combined ratio	**92.4 %**	**93.6 %**	**1.2 pts**	**91.0 %**	**93.2 %**	**2.2 pts**
Net Written Premiums - Agency [2]						
Automobile [3]	$ 945	$ 914		$ 1,858	$ 1,831	
Homeowners & Other	1,035	952		1,838	1,701	
Total	**$ 1,980**	**$ 1,866**	**6 %**	**$ 3,696**	**$ 3,532**	**5 %**

[1] A benefit to the reported GAAP combined ratio is indicated as a positive item, and a charge is indicated as a negative item.
[2] Represents business sold through agents, brokers and other intermediaries, and excludes direct to consumer.
[3] 2010 net written premiums impacted by the introduction of twelve-month policy terms in certain markets.

TRAVELERS

Personal Insurance - Performance

($ in millions)

	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Agency Automobile [1]						
Net Written Premiums [2]	$ 945	$ 914	3 %	$ 1,858	$ 1,831	1 %
Loss and loss adjustment ratio	70.5 %	69.7 %		69.6 %	71.4 %	
Underwriting expense ratio	26.9	26.7		26.8	26.8	
GAAP combined ratio	97.4 %	96.4 %	(1.0) pts	96.4 %	98.2 %	1.8 pts
Impact of catastrophes on combined ratio	1.6 %	1.0 %		1.2 %	0.9 %	

	Second Quarter			Year-to-Date		
	2010	2009	Change	2010	2009	Change
Agency Homeowners and Other [1]						
Net Written Premiums	$ 1,035	$ 952	9 %	$ 1,838	$ 1,701	8 %
Loss and loss adjustment ratio	81.3 %	70.8 %		78.7 %	63.3 %	
Underwriting expense ratio	29.4	28.4		30.0	27.6	
GAAP combined ratio	110.7 %	99.2 %	(11.5) pts	108.7 %	90.9 %	(17.8) pts
Impact of catastrophes on combined ratio	26.8 %	15.3 %		27.3 %	11.5 %	

[1] Represents business sold through agents, brokers and other intermediaries, and excludes direct to consumer.

[2] 2010 net written premiums impacted by the introduction of twelve-month policy terms in certain markets.

TRAVELERS

Personal Insurance – Illustrative Business Statistics

($ in millions)

	2009				2010	
	1Q	2Q	3Q	4Q	1Q	2Q
Agency Automobile [1]						
Retention [2,3]	81%	81%	82%	82%	82%	**82%**
Renewal premium change [3,4]	4%	5%	4%	3%	2%	**2%**
PIF growth over prior year quarter	-%	(2%)	(3%)	(3%)	(2%)	**-%**
New business [5]	$166	$152	$156	$154	$171	**$198**
Agency Homeowners and Other [1]						
Retention [2]	85%	85%	86%	86%	87%	**87%**
Renewal premium change [4]	6%	7%	8%	8%	7%	**7%**
PIF growth over prior year quarter	3%	3%	3%	3%	3%	**4%**
New business	$99	$123	$136	$128	$114	**$142**

[1] Represents business sold through agents, brokers and other intermediaries, and excludes direct to consumer.

[2] The ratio of expected number of renewal policies that will be retained throughout the annual policy period to the number of available renewal base policies.

[3] Statistics for standard voluntary automobile.

[4] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes.

[5] 2010 new business impacted by the introduction of twelve-month policy terms in certain markets.

Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

Municipal Bond Portfolio

($ in millions)

As of June 30, 2010

State	State General Obligation	Local General Obligation	Revenue	Total Fair Value	Average Quality Rating[1]
Texas	$ 456	$ 2,301	$ 1,418	$ 4,175	Aaa/Aa1
California	96	1,613	442	2,151	Aa2
Illinois	201	1,029	563	1,793	Aa1
Washington	459	769	419	1,647	Aa1
Virginia	190	666	728	1,584	Aaa/Aa1
Florida	493	82	924	1,499	Aa1
Arizona	-	561	719	1,280	Aaa/Aa1
Minnesota	451	670	145	1,266	Aaa/Aa1
Georgia	436	433	339	1,208	Aaa/Aa1
Maryland	315	578	251	1,144	Aaa/Aa1
New York	34	221	880	1,135	Aa1
Ohio	366	358	394	1,118	Aaa/Aa1
Massachusetts	253	11	794	1,058	Aaa/Aa1
Colorado	-	807	234	1,041	Aa1
Michigan	149	347	545	1,041	Aa1
North Carolina	438	478	115	1,031	Aaa
All other[2]	2,843	3,032	4,363	10,238	Aa1
Excluding Pre-refunded	**$ 7,180**	**$ 13,956**	**$ 13,273**	**$ 34,409**	**Aa1**
Pre-refunded	1,750	1,633	3,430	6,813	Aaa/Aa1
Total Municipal Exposure	**$ 8,930**	**$ 15,589**	**$ 16,703**	**$ 41,222**	**Aa1**

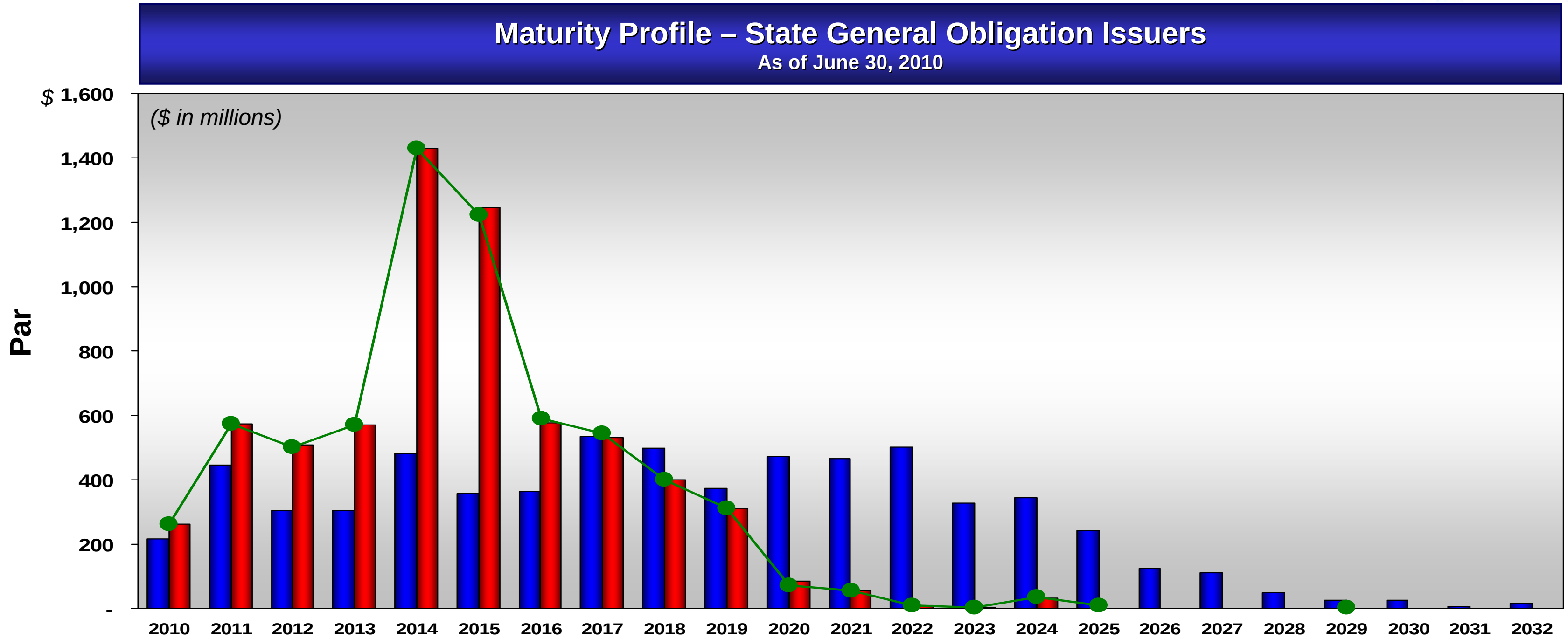
Approximately 96% of municipal bond holdings rated Aa3 or higher

[1] Rated using external ratings agencies or by the company when a public rating does not exist. Ratings shown are the higher of the rating of the underlying issuer or the insurer in the case of securities enhanced by third-party insurance for the payment of principal and interest in the event of issuer default.

[2] No other single state in the aggregate accounted for 3.0% or more of the total excluding pre-refunded of $34,409.

TRAVELERS

Municipal Bond Portfolio



Maturity runoff - Does not incorporate any of the potentially early runoff that may occur due to the call features of the bonds. This is the longest possible profile where the debt is retired at maturity

Runoff at the date of the earliest call feature of the bonds - Shortest possible profile where all the debt is retired at the first call (or maturity if noncallable)

Expected runoff profile in the current market conditions - For example, if a bond with a maturity of 2020 and 1st call in 2015 is currently at $105, the most conservative assumption is to expect that the issuer will exercise their option to call the bond at 100 in 2015. Conversely, if the bond is currently at a discount, it is expected to be held to maturity in 2020. This is known as pricing a bond at "yield to worst"

TRAVELERS

2010 Annual Guidance

- The upper end of the company's full year 2010 operating income per diluted share guidance is being lowered by $0.10, resulting in a range of $5.20 to $5.45, compared to the previously announced range of $5.20 to $5.55.

- This guidance includes the reported results for the first six months of 2010 and estimates for the remainder of 2010 based on a number of assumptions, including:

Assumptions

- Catastrophe losses of $1.274 billion pre-tax and $835 million after-tax, or $1.71 per diluted share, for the full year which incorporates actual experience for the first six months of 2010 of $910 million pre-tax and $597 million after-tax and projects $364 million pre-tax and $238 million after-tax, or $0.51 per diluted share, for the remainder of the year;

- No additional prior year reserve development, favorable or unfavorable;

- Low single digit percentage decrease in average invested assets (excluding net unrealized investment gains and losses), after taking into account dividends and share repurchases;

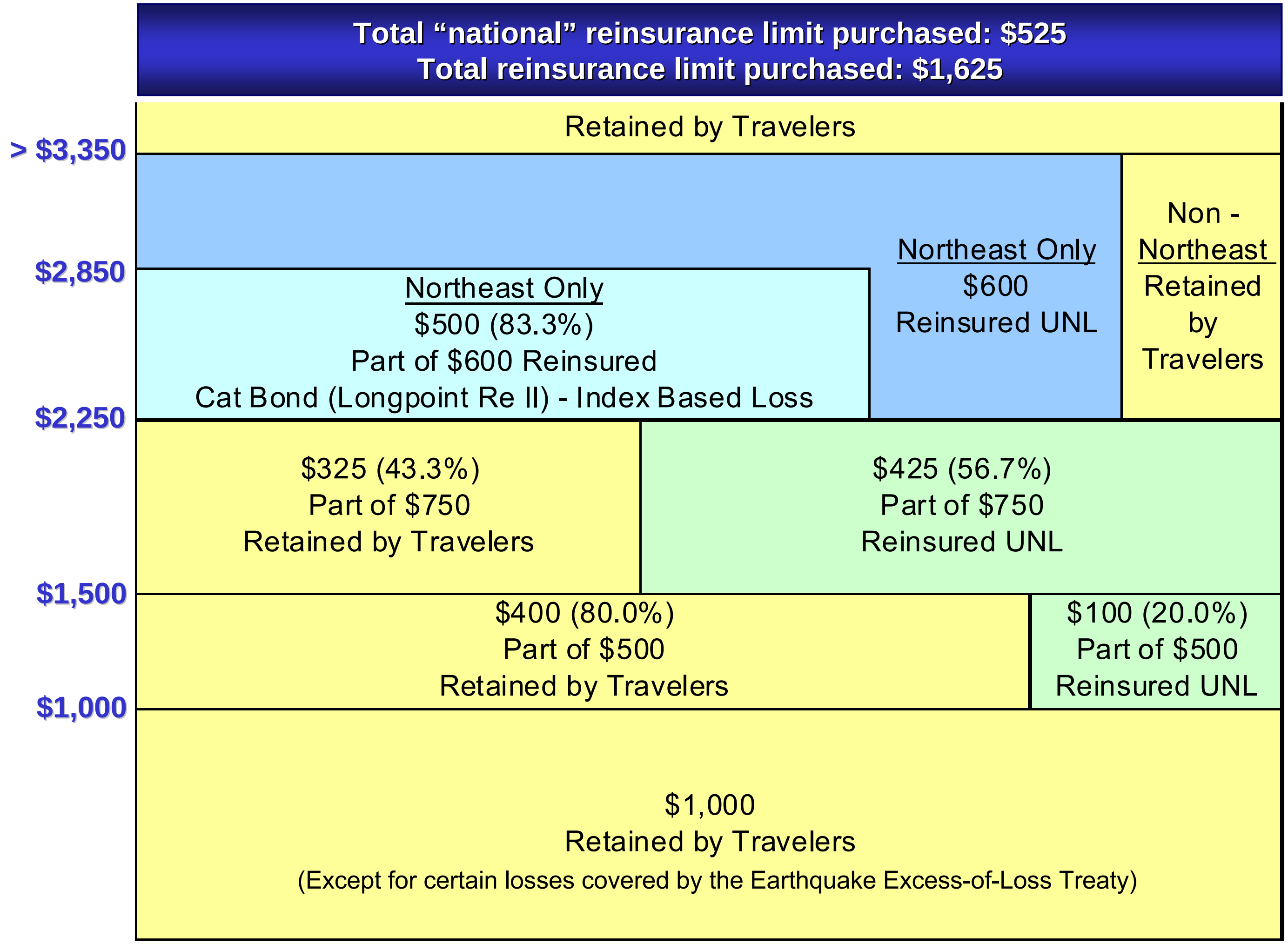
- Common share repurchases of $4.0 billion for the full year; and

- Weighted average diluted shares of approximately 487 million.

Appendix

2010 – 2011 Catastrophe Reinsurance Renewal

(Ultimate net loss, except as noted; $ in millions)



Notes: - The U.K., Ireland, Canada and the company's Lloyd's operations purchase additional catastrophe reinsurance coverage with lower retentions.

- Earthquake Excess-of-Loss Treaty: The company's earthquake treaty provides for up to $150 million of coverage, subject to a $125 million retention, for earthquake losses incurred under policies written by the National Property business unit in the company's Business Insurance segment for the period July 1, 2010 through June 30, 2011.

- UNL = Travelers actual ultimate net loss

2010 – 2011 Northeast Catastrophe Reinsurance

- Northeast Catastrophe Bond Program
  - $500 million or 83% of $600 million excess of $2.250 billion of index based losses
  - Applicable for specifically covered direct losses from hurricane
  - Covered area - New Jersey to Maine
  - Index created by applying pre-determined percentages to insured industry losses in each covered state
- Northeast Catastrophe Treaty
  - $600 million excess of $2.250 billion of ultimate net losses
  - Applicable for specifically covered direct losses from hurricane, earthquake and winter storm/freeze
  - Covered area – Virginia to Maine
  - Losses from a covered event, occurring over several days anywhere in the United States, Canada, Caribbean and Mexico may be used to satisfy the retention
  - Recoveries from Catastrophe Bond Program, if any, first applied to reduce losses subject to Northeast Catastrophe Treaty
- Application and interaction of Northeast reinsurance coverages will vary depending on specifics of reinsured event

Disclosure

- For further information, please see 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, and the accompanying webcast are publicly available on the Travelers website (www.travelers.com). This presentation should be read with the accompanying webcast and the related press release and financial supplement.

- From time to time, Travelers may use its website as a channel of distribution of material company information. Financial and other material information regarding the company is routinely posted on and accessible at http://investor.travelers.com. In addition, you may automatically receive email alerts and other information about Travelers by enrolling your email by visiting the "E-mail Alert Service" section at http://investor.travelers.com.

TRAVELERS