Third Quarter 2009 Results

October 22, 2009

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 our share repurchase plans (which repurchase plans depend on a variety of factors, including our financial position, earnings, capital requirements of our operating subsidiaries, legal requirements, regulatory constraints and other factors), statements about the potential impact of the recent disruption in the investment markets and other economic conditions on our investment portfolio and underwriting results are forward looking, and we may make forward-looking statements about: our results of operations (including, among others, premium volume, net and operating income, investment income, return on equity, expected current returns and combined ratio) and financial condition (including, among others, invested assets and liquidity); the sufficiency of our asbestos and other reserves (including, among others, asbestos claim payment patterns); the cost and availability of reinsurance coverage; catastrophe losses; investment performance; investment, economic and underwriting market conditions; and strategic initiatives. Such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Some of the factors that could cause actual results to differ include, but are not limited to, the following: catastrophe losses could materially and adversely affect our business; financial disruption or a prolonged economic downturn may materially and adversely affect our business; our investment portfolio may suffer reduced returns or material losses; we may not be able to collect all amounts due to us from reinsurers, and reinsurance coverage may not be available to us in the future at commercially reasonable rates or at all; we are exposed to credit risk in certain of our business operations; if actual claims exceed our loss reserves, or if changes in the estimated level of loss reserves are necessary, our financial results could be materially and adversely affected; our business could be harmed because of our potential exposure to asbestos and environmental claims and related litigation; we are exposed to, and may face adverse developments involving, mass tort claims such as those relating to exposure to potentially harmful products or substances; the effects of emerging claim and coverage issues on our business are uncertain; the intense competition that we face could harm our ability to maintain or increase our business volumes and our profitability; increased competition based on price (resulting, for example, from increased price sensitivity of customers due to the economic downturn or from increased use of price comparison rating technologies by personal auto agents) could lead to reduced revenues and reduced margins; the insurance industry and we are the subject of a number of investigations by state and federal authorities in the United States, and we cannot predict the outcome of these investigations or the impact on our business practices or financial results; our businesses are heavily regulated, and changes in regulation may reduce our profitability and limit our growth; a downgrade in our claims-paying and debt ratings could adversely impact our business volumes, adversely impact our ability to access the capital markets and increase our borrowing costs; the inability of our insurance subsidiaries to pay dividends to our holding company in sufficient amounts would harm our ability to meet our obligations and to pay future shareholder dividends; disruptions to our relationships with our independent agents and brokers could adversely affect us; loss of or significant restriction on the use of credit scoring in the pricing and underwriting of Personal Insurance products could reduce our future profitability; we are subject to a number of risks associated with our business outside the United States; we could be adversely affected if our controls to ensure compliance with guidelines, policies and legal and regulatory standards are not effective; our business success and profitability depend, in part, on effective information technology systems and on continuing to develop and implement improvements in technology; some strategic initiatives, including our direct to consumer initiatives in Personal Insurance, are long-term in nature and may negatively impact our loss and loss adjustment expense ratios and underwriting expense ratios as we invest, and these initiatives may not be successful; if we experience difficulties with technology, data security and/or outsourcing relationships, our ability to conduct our business could be negatively impacted; and acquisitions and integration of acquired businesses may result in operating difficulties and other unintended consequences.

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 for the third quarter ended September 30, 2009 filed with the Securities and Exchange Commission.

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 forward-looking statements.

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

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Third Quarter 2009 Highlights

- **Operating income of $914 million or $1.61 per diluted share**
  - Operating return on equity of 14.1%
  - Strong underwriting results in all three business segments. Consolidated GAAP combined ratio of 89.7%
  - Net favorable prior year reserve development of $202 million after-tax ($309 million pre-tax). Completed annual asbestos claim review
  - Catastrophes of $103 million after-tax ($158 million pre-tax)
  - Net investment income increased from prior year

- **Net written premiums of $5.340 billion, declined 3 percent from the prior year quarter**
  - Largely attributable to the decline in economic activity in recent quarters

- **Positive renewal rate changes continued across all three business segments**

- **Book value per share of $51.24**
  - Increased 8% from June 30, 2009 after $1.0 billion of common share repurchases and $166 million of common share dividends
  - Increased 22% from September 30, 2008 after $1.9 billion of common share repurchases and $692 million of common share dividends

- **All financial strength indicators at or better than target levels**
  - S&P affirmed financial strength ratings of AA- and debt ratings of A- on August 11, 2009 and revised their outlook on these ratings to positive from stable with a one year time horizon for consideration of an upgrade

Very Strong Financial Position

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

	Sep. 30, 2009	Dec. 31, 2008
Debt	$ 6,528	$ 6,181
Preferred equity	81	89
Common equity [1]	25,843	25,374
Total capital [1]	$ 32,452	$ 31,644
Debt to capital [1]	*20.1%*	*19.5%*
Common shares outstanding	547.9	585.1
Book value per common share	$ 51.24	$ 43.12
Adjusted book value per common share [1]	$ 47.16	$ 43.37
Tangible book value per common share [1]	$ 40.03	$ 36.58
Statutory surplus	$ 22,050	$ 21,491
Holding company liquidity	$ 2,558	$ 2,146

[1] Excludes net unrealized investment gains and losses

Capital

- At or above target levels for all rating agencies
- Continued to generate excess capital and repurchase shares
  - $1.0 billion of share repurchases in 3Q 2009

Leverage

- Debt to capital ratio of 20.1% approximates target level
- Low level of maturing debt
  - 2010 $273 million
  - 2011 $ 11 million
  - 2012 $250 million

  } Can self-fund all maturing debt

Liquidity

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

Very high quality investment portfolio

- Net unrealized investment gains of $2.2 billion after-tax ($3.4 billion pre-tax)

Realized gain of $103 million after-tax ($159 million pre-tax) on selling 50% of Verisk holdings to be recognized in 4Q 2009

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Consolidated Performance

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

	Third Quarter 2009	Third Quarter 2008	Third Quarter Change	Year-to-Date 2009	Year-to-Date 2008	Year-to-Date Change
Operating income	**$ 914**	**$ 330**	**177 %**	**$ 2,445**	**$ 2,256**	**8 %**
per diluted share [1]	*$ 1.61*	*$ 0.55*	*193 %*	*$ 4.21*	*$ 3.68*	*14 %*
Included the following items:						
Net favorable prior year reserve development	$ 202	$ 210		$ 540	$ 811	
Catastrophes, net of reinsurance	(103)	(682)		(287)	(975)	
Current year re-estimation [2]	46	-		-	-	
Resolution of prior year tax matters	-	-		88	-	
Total Items	**$ 145**	**$ (472)**		**$ 341**	**$ (164)**	
Loss and loss adjustment ratio	57.0 %	69.9 %		59.4 %	60.9 %	
Underwriting expense ratio	32.7	34.8		31.8	33.1	
GAAP combined ratio [3]	**89.7 %**	**104.7 %**	**15.0 pts**	**91.2 %**	**94.0 %**	**2.8 pts**
GAAP combined ratio excluding incremental impact of direct to consumer initiative	*89.1 %*	*104.5 %*		*90.6 %*	*93.8 %*	
Net favorable prior year reserve development	5.7	6.2		5.1	7.8	
Catastrophes, net of reinsurance	(2.9)	(19.1)		(2.7)	(9.3)	
Current year re-estimation [2]	1.3	-		-	-	
Adjusted GAAP combined ratio	**93.8 %**	**91.8 %**	**(2.0) pts**	**93.6 %**	**92.5 %**	**(1.1) pts**

[1] In accordance with new guidance on determining whether instruments granted in share-based payment transactions are participating securities, which was effective January 1, 2009, all prior-period diluted EPS data has been restated to reflect the retrospective application of this guidance.

[2] Re-estimation of the current year loss ratios for the first two quarters of the respective year.

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

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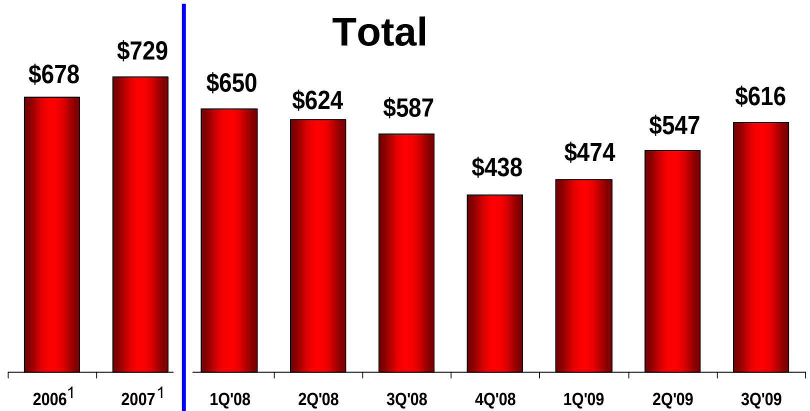
Net Investment Income

($ in millions, after-tax)

Total

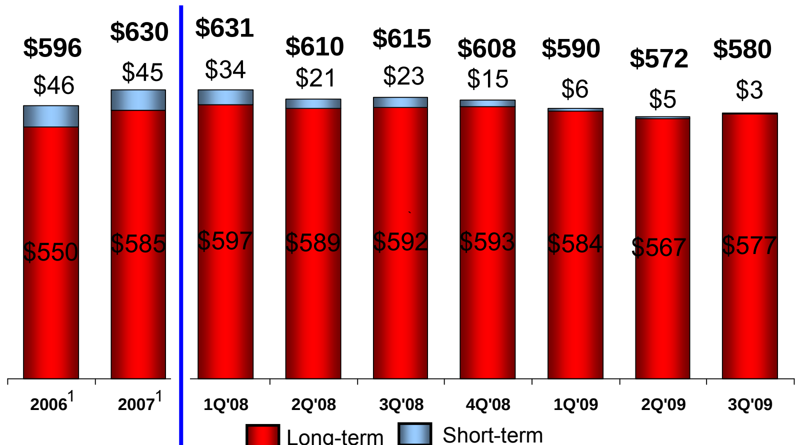


After-tax yield

	2006[1]	2007[1]	1Q'08	2Q'08	3Q'08	4Q'08	1Q'09	2Q'09	3Q'09
	3.8%	3.9%	3.5%	3.4%	3.2%	2.4%	2.6%	3.0%	3.4%

- Long-term fixed income portfolio continued to produce steady returns
- 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) produced a positive return

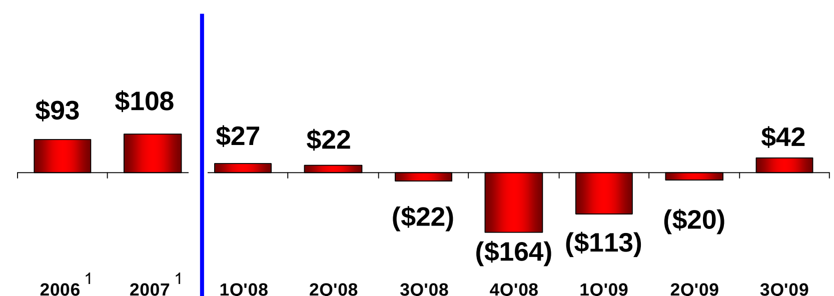
Fixed Income[2]



After-tax yield

	2006[1]	2007[1]	1Q'08	2Q'08	3Q'08	4Q'08	1Q'09	2Q'09	3Q'09
Total	3.6%	3.6%	3.6%	3.5%	3.5%	3.5%	3.4%	3.3%	3.3%
Short-term	3.6%	3.8%	2.6%	1.7%	1.7%	1.1%	0.4%	0.3%	0.2%
Long-term	3.6%	3.6%	3.7%	3.6%	3.7%	3.7%	3.7%	3.6%	3.7%

Non-Fixed Income[2]



After-tax yield

	2006[1]	2007[1]	1Q'08	2Q'08	3Q'08	4Q'08	1Q'09	2Q'09	3Q'09
Total	8.5%	9.7%	2.4%	2.0%	(1.9%)	(14.9%)	(11.1%)	(2.1%)	4.3%

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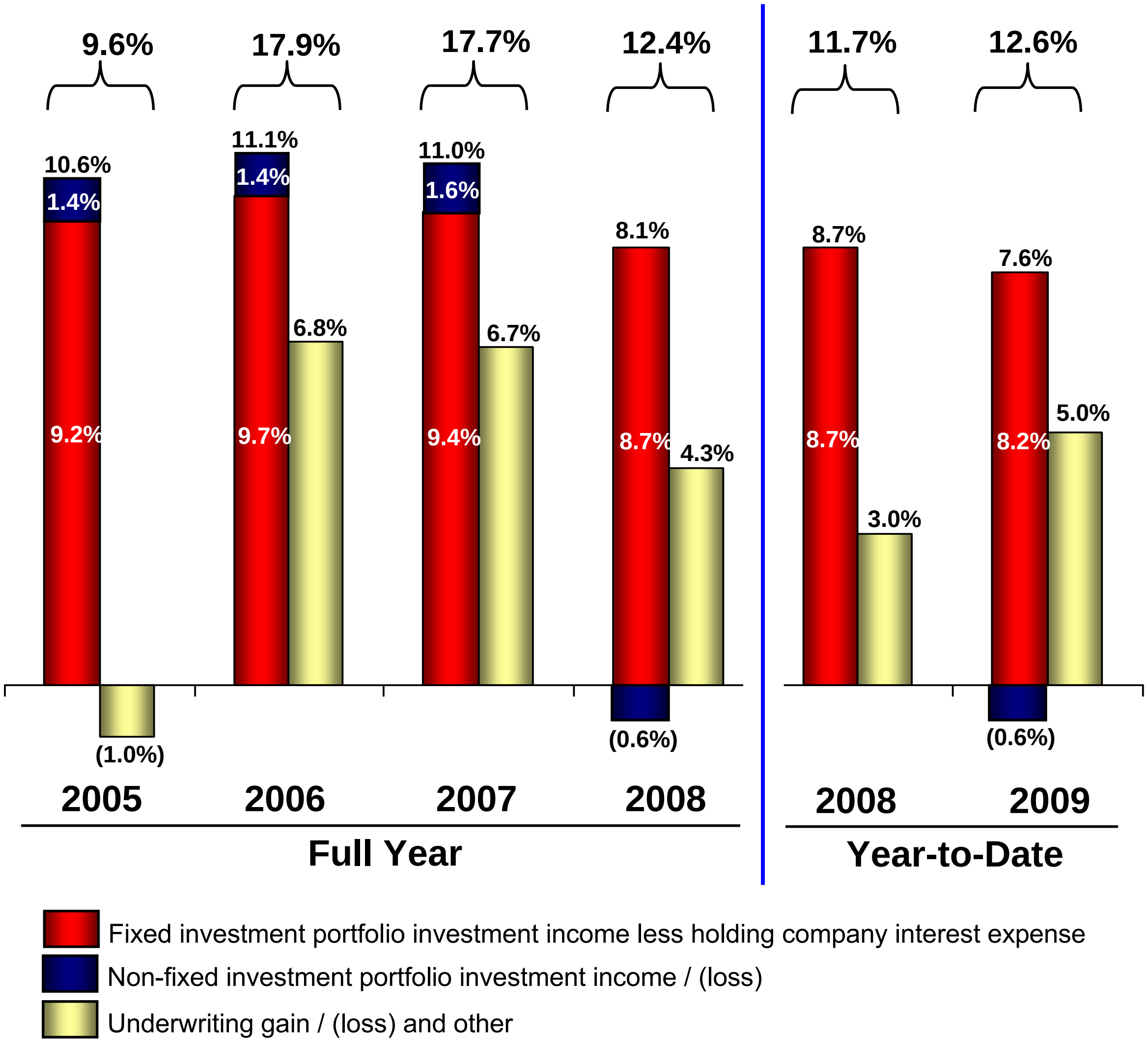
[1] 2006 and 2007 data equals quarterly average

[2] Excludes investment expenses

Components of Operating Return on Equity



- For the first nine months of 2009, 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 decline from the prior year period primarily due to lower short-term interest rates
- For the first nine months of 2009, underwriting income contributed 5.0 points to the operating return on equity, an increase from the prior year period due to more normal catastrophe losses
- From January 1, 2005 through September 30, 2009, average annual operating return on equity was approximately 14.2%

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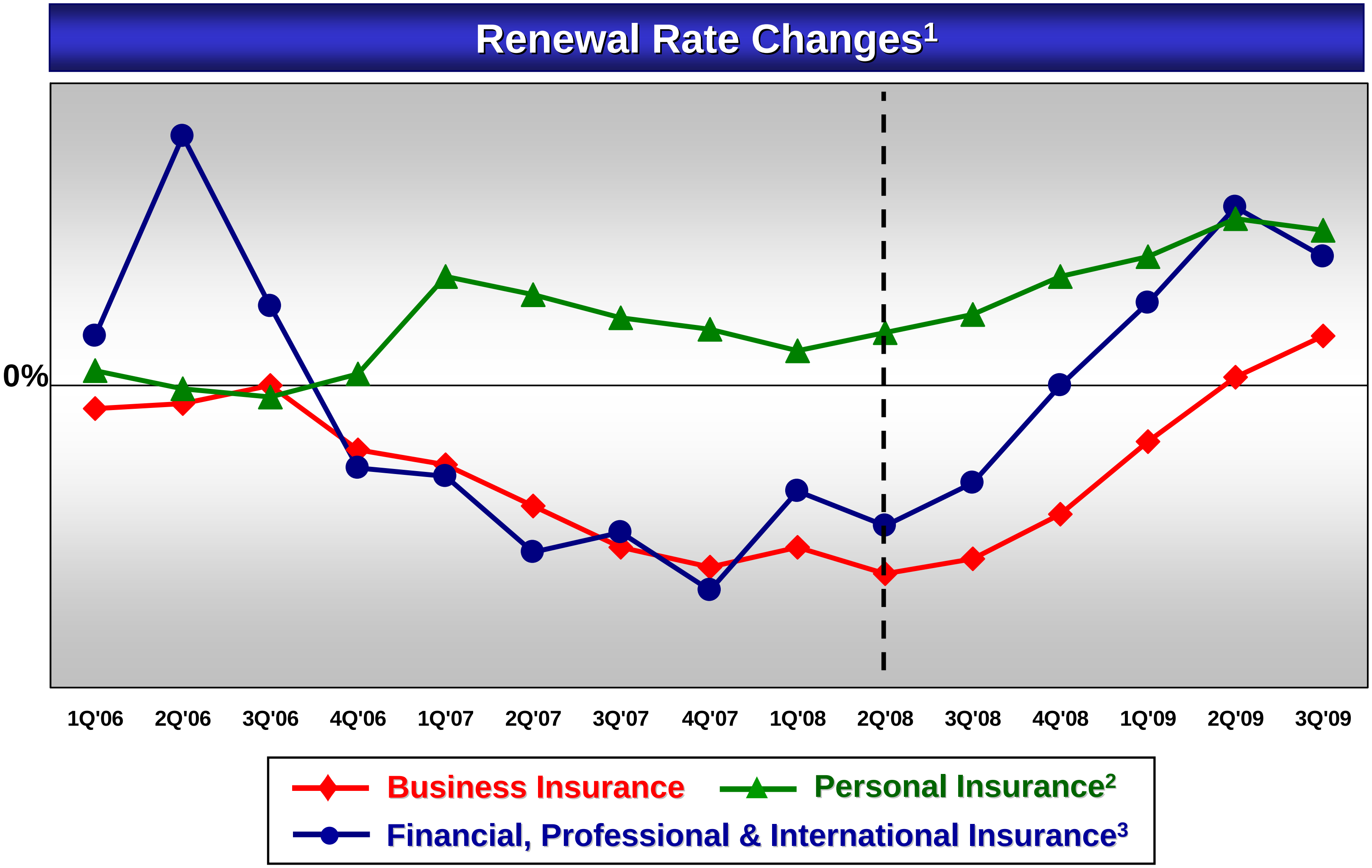
Positive Renewal Rate Changes in Each Business Segment



[1] Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes, versus the average premium on those same policies for their prior term.

[2] 2006 data excludes New Jersey and Massachusetts.

[3] Excludes 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.

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Business Insurance - Performance

($ in millions)

	Third Quarter			Year-to-Date		
	2009	2008	Change	2009	2008	Change
Operating income	**$ 668**	**$ 378**	**77 %**	**$ 1,775**	**$ 1,719**	**3 %**
Loss and loss adjustment ratio	53.5 %	67.1 %		56.3 %	58.7 %	
Underwriting expense ratio	33.0	34.2		32.1	33.0	
GAAP combined ratio [1]	**86.5 %**	**101.3 %**	**14.8 pts**	**88.4 %**	**91.7 %**	**3.3 pts**
Net favorable prior year reserve development	9.5	8.7		8.0	10.9	
Catastrophes, net of reinsurance	(3.1)	(17.3)		(1.9)	(8.7)	
Current year re-estimation [2]	2.8	-		-	-	
Adjusted GAAP combined ratio	**95.7 %**	**92.7 %**	**(3.0) pts**	**94.5 %**	**93.9 %**	**(0.6) pts**

	2009	2008	Change	2009	2008	Change
Net Written Premiums						
Select Accounts	$ 655	$ 662		$ 2,118	$ 2,094	
Commercial Accounts	609	635		1,883	1,858	
National Accounts	197	240		683	727	
Industry-Focused Underwriting	564	613		1,762	1,810	
Target Risk Underwriting	360	366		1,240	1,234	
Specialized Distribution	221	228		690	731	
Business Insurance Core	**2,606**	**2,744**	**(5) %**	**8,376**	**8,454**	**(1) %**
Business Insurance Other	5	4		11	10	
Total Business Insurance	**$ 2,611**	**$ 2,748**	**(5) %**	**$ 8,387**	**$ 8,464**	**(1) %**

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[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] Re-estimation of the current year loss ratios for the first two quarters of the respective year.

Business Insurance - Illustrative Business Statistics

Retention

	2008				2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Select Accounts	81%	80%	82%	81%	82%	80%	**79%**
Commercial Accounts	86%	85%	87%	88%	88%	85%	**86%**
Other Business Insurance [1]	82%	82%	82%	82%	82%	81%	**80%**

Retention remains high

Renewal Premium Change [2]

	2008				2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Select Accounts	1%	1%	-%	(1%)	-%	1%	**3%**
Commercial Accounts	(4%)	(5%)	(5%)	(5%)	(4%)	(2%)	**(2%)**
Other Business Insurance [1]	(5%)	(7%)	(6%)	(6%)	(3%)	(4%)	**(3%)**

Renewal premium changes improved from recent quarters

[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, versus the average premium on those same policies for their prior term.

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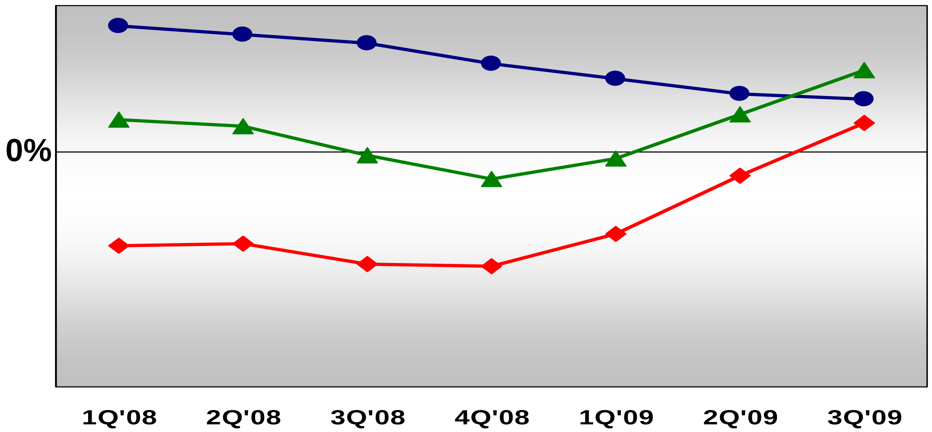
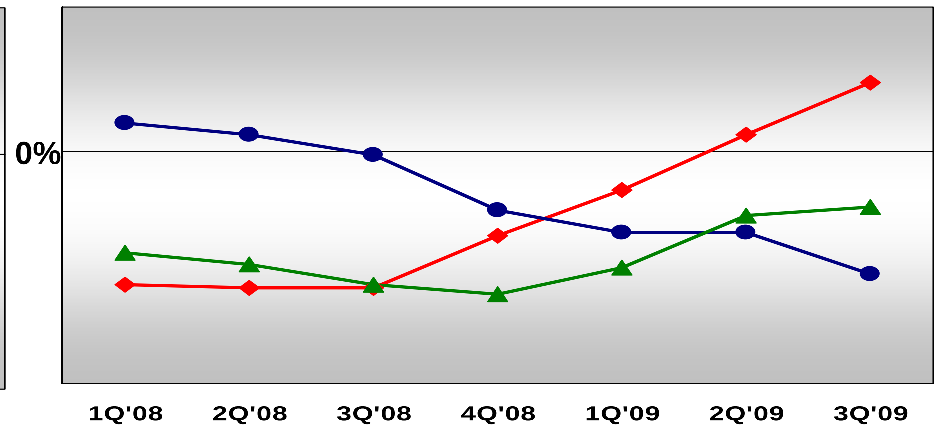
Note: Statistics are subject to change based on a number of factors, including changes in actuarial estimates.

Renewal Premium Change: Rate Versus Exposure/Other

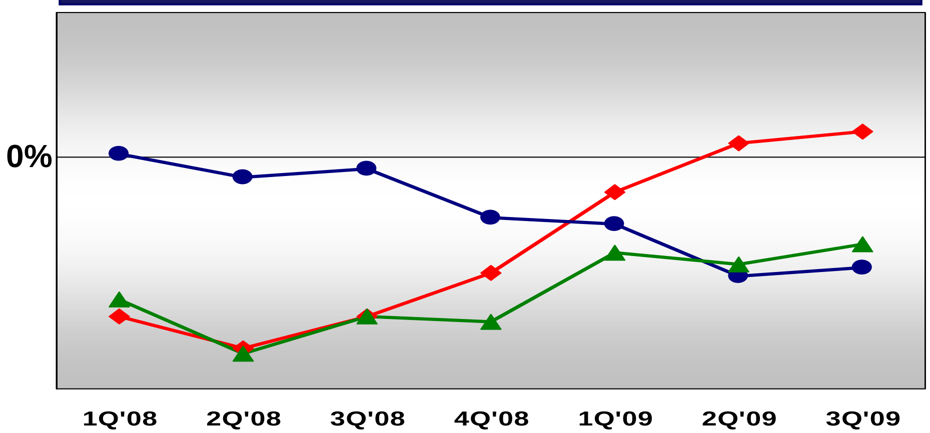
Select Accounts



Commercial Accounts



Other Business Insurance[1]



- Renewal Rate[2] %
- Exposure/Other %
- Renewal Premium Changes[3] %

[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, excluding exposure changes, versus the average premium on those same policies for their prior term.

[3] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes, versus the average premium on those same policies for their prior term.

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

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Business Insurance - Illustrative Business Statistics

($ in millions)

New Business

	2008				2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Select Accounts	$ 126	$ 134	$ 141	$ 139	$ 152	$ 157	**$ 136**
Commercial Accounts	143	115	114	117	137	146	**118**
Other Business Insurance [1]	304	294	282	236	277	310	**290**
Total	**$ 573**	**$ 543**	**$ 537**	**$ 492**	**$ 566**	**$ 613**	**$ 544**
Change from prior year quarter	*(6%)*	*(7%)*	*(6%)*	*(3%)*	*(1%)*	*13%*	***1%***

[1] Includes Industry-Focused Underwriting, Target Risk Underwriting and Specialized Distribution.

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

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

($ in millions)

	Third Quarter			Year-to-Date		
	2009	2008	Change	2009	2008	Change
Operating income	**$ 167**	**$ 83**	**101 %**	$ **448**	$ **495**	**(9)** %
Loss and loss adjustment ratio	53.3 %	62.9 %		54.1 %	50.9 %	
Underwriting expense ratio	35.4	36.5		35.8	36.3	
GAAP combined ratio [1]	**88.7 %**	**99.4 %**	**10.7 pts**	**89.9 %**	**87.2 %**	**(2.7) pts**
Net favorable prior year reserve development	2.9	4.9		1.9	9.2	
Catastrophes, net of reinsurance	(0.5)	(10.5)		(0.2)	(3.8)	
Adjusted GAAP combined ratio	**91.1 %**	**93.8 %**	**2.7 pts**	**91.6** %	**92.6** %	**1.0 pts**
Net Written Premiums [2]						
Bond & Financial Products	$ 574	$ 609		$ 1,466	$ 1,556	
International	296	292		881	974	
Total FP&II	**$ 870**	**$ 901**	**(3) %**	**$ 2,347**	**$ 2,530**	**(7) %**
Total FP&II - Adjusted for the impact of foreign exchange rates			**(1) %**			**(3) %**

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[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] In 2Q 2009, results from the surety bond operation in Canada were reclassified from the “Bond & Financial Products” market to the “International” market. All prior period amounts have been restated to reflect this reclassification.

Financial, Professional & International Insurance Illustrative Business Statistics

($ in millions)

	2008				2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Surety							
Gross written premium	$284	$298	$316	$234	$234	$255	**$287**
Management Liability							
Retention	84%	84%	84%	85%	84%	83%	**81%**
Renewal premium change [1]	-%	(1%)	-%	1%	2%	-%	**3%**
New business	$46	$52	$49	$59	$45	$53	**$45**
International [2]							
Retention	82%	80%	79%	78%	80%	75%	**78%**
Renewal premium change [1]	(6%)	-%	(1%)	5%	-%	3%	**2%**
New business	$74	$124	$68	$82	$67	$82	**$78**

[1] Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes, versus the average premium on those same policies for their prior term.
[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.

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Personal Insurance - Performance

($ in millions)

	Third Quarter			Year-to-Date		
	2009	2008	Change	2009	2008	Change
Operating income (loss)	**$ 149**	**$ (64)**	**NMF**	**$ 391**	**$ 239**	**64 %**
Loss and loss adjustment ratio	64.3 %	77.9 %		66.5 %	69.4 %	
Underwriting expense ratio	30.9	35.0		29.5	31.5	
GAAP combined ratio [1]	**95.2 %**	**112.9 %**	**17.7 pts**	**96.0 %**	**100.9 %**	**4.9 pts**
GAAP combined ratio excluding incremental impact of direct to consumer initiative	*93.3 %*	*112.3 %*		*94.3 %*	*100.5 %*	
Net favorable prior year reserve development	1.3	2.5		2.2	2.1	
Catastrophes, net of reinsurance	(3.8)	(26.2)		(5.2)	(12.8)	
Current year re-estimation [2]	(0.3)	-		-	-	
Adjusted GAAP combined ratio	**92.4 %**	**89.2 %**	**(3.2) pts**	**93.0 %**	**90.2 %**	**(2.8) pts**

	Third Quarter			Year-to-Date		
Net Written Premiums - Agency [3]						
Automobile	$ 898	$ 926		$ 2,729	$ 2,781	
Homeowners & Other	946	902		2,647	2,519	
Total	**$ 1,844**	**$ 1,828**	**1 %**	**$ 5,376**	**$ 5,300**	**1 %**

[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] Re-estimation of the current year loss ratios for the first two quarters of the respective year.

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

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Personal Insurance - Performance

($ in millions)

	Third Quarter			Year-to-Date		
	2009	2008	Change	2009	2008	Change
Agency Automobile [1]						
Net Written Premium	**$ 898**	**$ 926**	**(3) %**	**$ 2,729**	**$ 2,781**	**(2) %**
Loss and loss adjustment ratio	70.2 %	69.9 %		71.0 %	70.2 %	
Underwriting expense ratio	27.1	27.5		26.9	27.5	
GAAP combined ratio	**97.3 %**	**97.4 %**	**0.1 pts**	**97.9 %**	**97.7 %**	**(0.2) pts**
Impact of catastrophes on combined ratio	0.8 %	0.7 %		0.9 %	0.7 %	
Agency Homeowners and Other [1]						
Net Written Premium	**$ 946**	**$ 902**	**5 %**	**$ 2,647**	**$ 2,519**	**5 %**
Loss and loss adjustment ratio	57.7 %	87.1 %		61.4 %	68.7 %	
Underwriting expense ratio	31.3	42.1		28.9	34.9	
GAAP combined ratio	**89.0 %**	**129.2 %**	**40.2 pts**	**90.3 %**	**103.6 %**	**13.3 pts**
Impact of catastrophes on combined ratio	7.0 %	55.3 %		10.0 %	26.6 %	

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

Personal Insurance – Illustrative Business Statistics

($ in millions)

	2008				2009		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Agency Automobile [1]							
Retention [2,3]	83%	83%	82%	81%	81%	81%	**82%**
Renewal premium change [3,4]	1%	2%	3%	4%	4%	5%	**4%**
PIF growth over prior year quarter	2%	2%	2%	1%	-%	(2%)	**(3%)**
New business	$184	$192	$190	$173	$166	$152	**$156**
Agency Homeowners and Other [1]							
Retention [2]	86%	86%	86%	86%	86%	86%	**86%**
Renewal premium change [4]	6%	6%	6%	6%	6%	7%	**8%**
PIF growth over prior year quarter	3%	3%	3%	3%	3%	3%	**3%**
New business	$96	$125	$128	$107	$99	$123	**$136**

[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, versus the average premium on those same policies for their prior term.

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

2009 Annual Guidance

- Travelers expects that its full year 2009 operating income per diluted share will be in the range of $5.30 to $5.50, as compared to the previously announced range of $4.80 to $5.05
- This guidance includes the reported results for the first nine months of 2009 and estimates for the remainder of 2009 based on a number of assumptions, including:

Assumptions

- Catastrophe losses of $570 million pre-tax and $370 million after-tax, or $0.65 per diluted share for the full year which incorporates actual experience for the first nine months of 2009 and $129 million pre-tax and $83 million after-tax, or $0.15 per diluted share for the remainder of the year
- No additional prior year reserve development, favorable or unfavorable
- No significant changes in short-term interest rates or private equity and hedge fund valuations due to an assumption of unchanged market conditions. Lower real estate partnership valuations due to a continuing downward trend in commercial real estate values
- No significant change in average invested assets (ex. net unrealized investment gains and losses) after taking into account dividends and share repurchases
- Approximately $3.3 billion of share repurchases for the full year ($1.5 billion for the remainder of the year)
- Weighted average diluted share count of approximately 570 million

Appendix

Real Estate Owned Portfolio

($ in millions)

- The real estate investment portfolio consists of 4 categories:

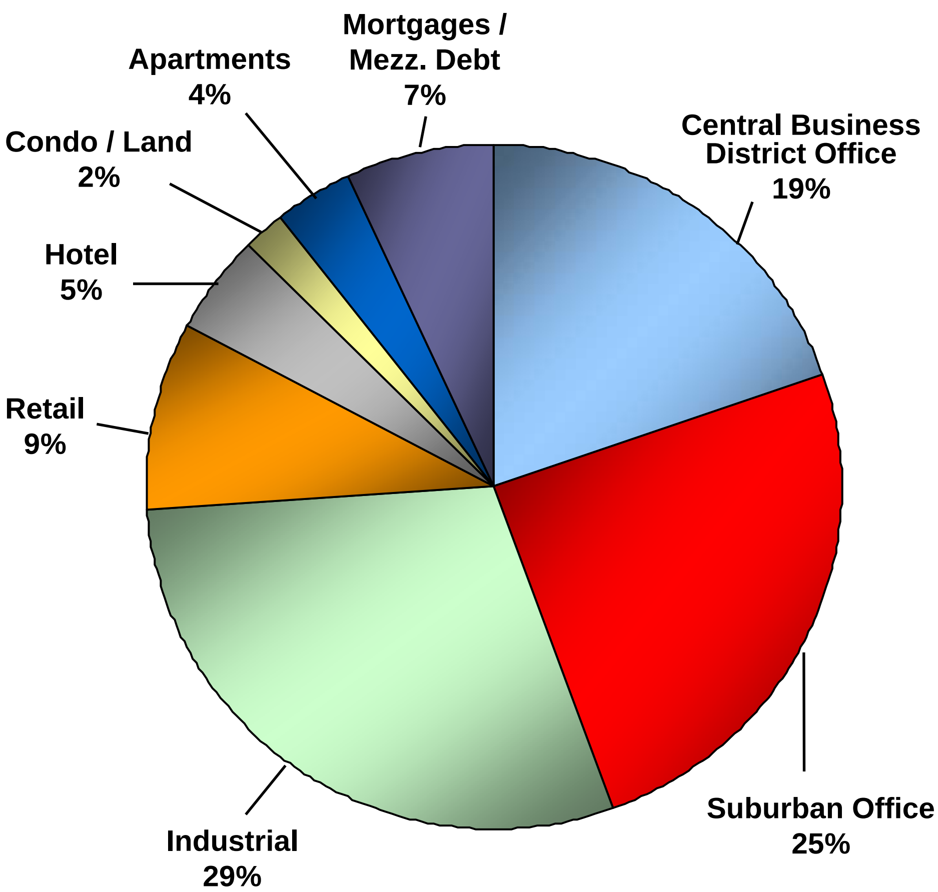
	Sept. 30, 2009 Book Value	Sept. 30, 2009 Market Value (1)	Applicable Accounting	Comments
Real estate wholly-owned	$ 872	$ 1,025	Historic cost less depreciation	- Mark-to-market at time of merger (4/04) - Annual independent appraisals - Since the merger we have completed only 11 acquisitions for $195 million
Joint ventures	198	407	Equity method accounting	- Equity method accounting generally results in book value equaling historical cost less depreciation - Annual independent appraisals
Real estate funds/limited partnerships	308	NA	Equity method accounting	- Equity method accounting follows the fund's accounting which may result in book value equaling original cost less depreciation or fair market value - 53 different funds - 31% of book value outside of the U.S.
Mortgage loans	40	NA	Amortized cost	
Total	$ 1,418			

[1]Independent appraisals were obtained in December 2008, resulting in an appraised value of $1,655 for the wholly-owned real estate and joint ventures. Using the models provided by the outside appraisers, these valuations were updated internally by Travelers as of September 2009, producing the values in the table. New independent appraisals will be obtained in December 2009.

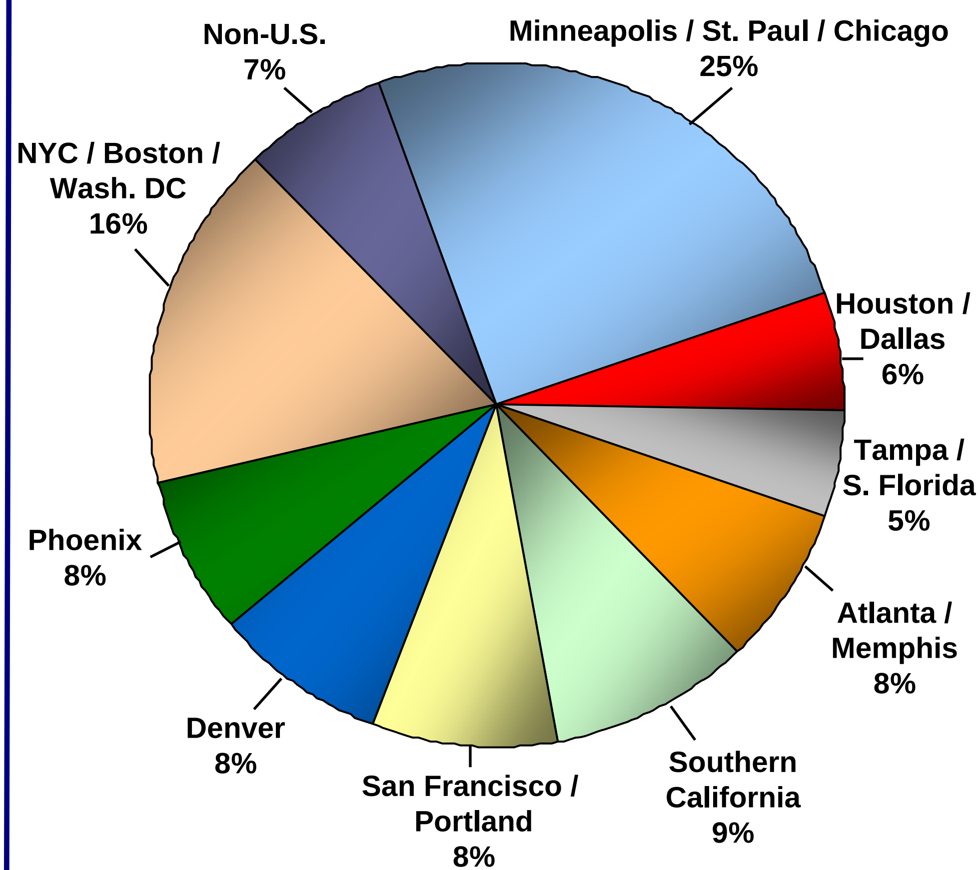
Real Estate Owned Portfolio

At September 30, 2009

Book Value by Property Type



Book Value by Location



Note: Mortgages are characterized according to the location of their underlying collateral.

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Asbestos Reserves

($ in millions)

	Number of Policyholders Sept 30, 2009	Sept 30, 2009 Case	Sept 30, 2009 IBNR	Sept 30, 2009 Total	Dec 31, 2008 Total
Policyholders with settlement agreements[1]	19	$ (5)	$ 670	$ 665	$ 749
Other policyholders	1,692	325	1,739	2,064	1,983
Assumed and International	-	102	84	186	182
Total net	**1,711**	**$ 422**	**$ 2,493**	**2,915**	**2,914**
Net reinsurance recoverable				336	385
Total gross				**$ 3,251**	**$ 3,299**
Net reinsurance recoverable as a % of gross reserves				*10%*	*12%*

Completion of annual asbestos claim review resulted in $120 million after-tax increase to reserves

TRAVELERS

[1] Includes pending policyholder settlements

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 are publicly available on the Travelers website (www.travelers.com)

- 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.

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