

TRAVELERS COMPANIES, INC.

Form 10-Q

October 18, 2012

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# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 10-Q

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**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2012

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-10898

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## The Travelers Companies, Inc.

(Exact name of registrant as specified in its charter)

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**Minnesota**  
(State or other jurisdiction of  
incorporation or organization)

**41-0518860**  
(I.R.S. Employer  
Identification No.)

**485 Lexington Avenue**  
**New York, NY 10017**

(Address of principal executive offices) (Zip Code)

**(917) 778-6000**

(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the Registrant's Common Stock, without par value, outstanding at October 15, 2012 was 381,449,123.

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**The Travelers Companies, Inc.**

**Quarterly Report on Form 10-Q**

**For Quarterly Period Ended September 30, 2012**

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Table of Contents**PART 1 FINANCIAL INFORMATION****Item 1. FINANCIAL STATEMENTS****THE TRAVELERS COMPANIES, INC. AND SUBSIDIARIES****CONSOLIDATED STATEMENT OF INCOME (Unaudited)**

(in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
<b>Revenues</b>				
Premiums	\$ 5,666	\$ 5,605	\$ 16,718	\$ 16,479
Net investment income	722	690	2,200	2,227
Fee income	92	79	233	227
Net realized investment gains (losses)	(2)	2	12	41
Other revenues	34	31	100	99
<b>Total revenues</b>	<b>6,512</b>	<b>6,407</b>	<b>19,263</b>	<b>19,073</b>
<b>Claims and expenses</b>				
Claims and claim adjustment expenses	3,359	4,136	10,509	12,659
Amortization of deferred acquisition costs	986	982	2,933	2,900
General and administrative expenses	904	860	2,681	2,650
Interest expense	93	97	285	290
<b>Total claims and expenses</b>	<b>5,342</b>	<b>6,075</b>	<b>16,408</b>	<b>18,499</b>
<b>Income before income taxes</b>	<b>1,170</b>	<b>332</b>	<b>2,855</b>	<b>574</b>
Income tax expense (benefit)	306	(1)	686	(234)
<b>Net income</b>	<b>\$ 864</b>	<b>\$ 333</b>	<b>\$ 2,169</b>	<b>\$ 808</b>
<b>Net income per share</b>				
Basic	\$ 2.23	\$ 0.80	\$ 5.55	\$ 1.90
Diluted	\$ 2.21	\$ 0.79	\$ 5.50	\$ 1.88