

RECENT PRICE	114.14	P/E RATIO	11.9 (Trailing: 10.7 Median: 8.5)	RELATIVE P/E RATIO	0.65	DIV'D YLD	2.3%	VALUE LINE
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**2019-21 PROJECTIONS**

	Price	Gain	Ann'l Total Return
High	160	(+40%)	11%
Low	130	(+15%)	6%

**Insider Decisions**

	J	A	S	O	N	D	J	F	M
to Buy	0	1	0	1	0	0	0	0	0
Options	1	4	0	3	4	0	1	22	0
to Sell	2	4	0	6	4	0	0	5	0

**Institutional Decisions**

	2Q2015	3Q2015	4Q2015
to Buy	391	365	386
to Sell	440	445	448
Hld's(000)	250150	248318	242347

**% TOT. RETURN 5/16**

	THIS STOCK	VL ARITH. INDEX
1 yr.	15.5	-3.3
3 yr.	46.1	25.5
5 yr.	108.3	51.1

2000	2001	2002	2003	2004 <sup>F</sup>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
27.20	35.14	32.58	30.72	28.40	29.34	30.61	34.20	36.88	41.16	49.31	56.24	59.24	64.04	73.60	80.68	<b>85.80</b>	<b>89.35</b>	P/C Prem Earned per sh <sup>A</sup>	<b>98.20</b>
7.45	5.86	5.15	4.89	3.97	4.56	5.19	5.99	4.77	5.34	7.04	7.33	7.66	7.68	8.65	8.04	<b>8.30</b>	<b>9.00</b>	Investment Inc per sh	<b>11.50</b>
.23	d10.76	d2.80	d.86	d2.75	d.82	3.01	3.68	3.06	4.19	3.06	d3.59	1.10	6.54	7.44	8.43	<b>7.30</b>	<b>7.15</b>	Underwriting Inc per sh	<b>6.85</b>
4.32	d4.84	1.24	2.55	1.93	2.90	5.88	6.72	5.24	6.32	6.31	3.25	6.21	9.46	10.56	10.87	<b>9.60</b>	<b>9.95</b>	Earnings per sh <sup>B</sup>	<b>11.25</b>
1.07	1.11	1.15	1.16	.95	.91	1.01	1.13	1.19	1.26	1.44	1.64	1.79	1.96	2.15	2.38	<b>2.68</b>	<b>2.74</b>	Div'ds Decl'd per sh <sup>C</sup>	<b>3.00</b>
33.10	24.35	25.05	26.84	31.35	31.94	36.87	42.22	43.12	52.54	58.39	62.31	67.32	70.14	77.08	79.75	<b>85.45</b>	<b>92.15</b>	Book Value per sh <sup>D</sup>	<b>112.75</b>
216.85	207.60	228.80	229.11	670.30	693.40	678.30	627.80	585.10	520.30	434.60	392.80	377.40	353.50	322.20	295.90	<b>285.00</b>	<b>280.00</b>	Common Shs Outst'g <sup>E</sup>	<b>275.00</b>
119%	189%	153%	131%	122%	127%	125%	124%	105%	84%	89%	91%	95%	119%	120%	132%			Price to Book Value	<b>130%</b>
9.1	--	31.0	13.8	19.9	14.0	7.8	7.8	8.7	7.0	8.2	17.4	10.3	8.8	8.8	9.7			Avg Ann'l P/E Ratio	<b>13.0</b>
.59	--	1.69	.79	1.05	.75	4.2	.41	.52	.47	.52	1.09	.66	.49	.46	.49			Relative P/E Ratio	<b>.80</b>
2.7%	2.4%	3.0%	3.3%	2.5%	2.2%	2.2%	2.2%	2.6%	2.8%	2.8%	2.9%	2.8%	2.3%	2.3%	2.3%			Avg Ann'l Div'd Yield	<b>2.1%</b>

<b>CAPITAL STRUCTURE as of 3/31/16</b>	20760	21470	21579	21418	21432	22090	22357	22637	23713	23874	<b>24460</b>	<b>25020</b>	P/C Premiums Earned <sup>A</sup>	<b>27000</b>
Total Debt \$6344 mill. Due in 5 Yrs \$2450 mill. (21% of Cap'l)	59.0%	57.7%	60.2%	57.9%	61.1%	73.7%	65.6%	58.8%	58.5%	57.5%	<b>60.0%</b>	<b>61.0%</b>	Loss to Prem Earned	<b>64.0%</b>
Leases, Uncapitalized \$159 mill.	31.2%	31.5%	31.5%	31.9%	32.7%	32.7%	32.5%	31.0%	31.4%	32.1%	<b>31.5%</b>	<b>31.0%</b>	Expense to Prem Writ	<b>29.0%</b>
Pension Assets 12/15-\$3127 mill.	9.8%	10.8%	8.3%	10.2%	6.2%	-6.4%	1.9%	10.2%	10.1%	10.4%	<b>8.5%</b>	<b>8.0%</b>	Underwriting Margin	<b>7.0%</b>
Oblig. \$3250 mill.	26.7%	25.6%	23.2%	23.0%	24.1%	--	21.7%	25.7%	27.3%	27.6%	<b>25.0%</b>	<b>25.0%</b>	Income Tax Rate	<b>25.0%</b>
Pfd Stock None	4187.4	4509.6	3174.5	3616.4	3066.0	1379.2	2439.0	3549.5	3644.6	3429.7	<b>2735</b>	<b>2785</b>	Net Profit (\$mill)	<b>3375</b>
	5.2%	5.4%	4.3%	4.0%	4.6%	4.2%	4.1%	3.9%	4.0%	3.6%	<b>3.8%</b>	<b>4.0%</b>	Inv Inc/Total Inv	<b>5.5%</b>
Common Stock 292,394,631 shs. as of 4/18/16	113761	115224	109751	109650	105181	104602	104938	103812	103078	100184	<b>100000</b>	<b>101500</b>	Total Assets (\$mill)	<b>108500</b>
	25135	26616	25319	27415	25445	24477	25405	24796	24836	23598	<b>24350</b>	<b>25800</b>	Shr. Equity (\$mill)	<b>31000</b>
MARKET CAP: \$33.4 billion (Large Cap)	16.7%	16.9%	12.5%	13.2%	12.0%	5.6%	9.6%	14.3%	14.7%	14.5%	<b>11.0%</b>	<b>11.0%</b>	Return on Shr. Equity	<b>11.0%</b>
FINANCIAL POSITION	13.9%	14.2%	9.7%	10.7%	9.4%	2.9%	6.9%	11.4%	11.7%	11.4%	<b>8.0%</b>	<b>8.0%</b>	Retained to Com Eq	<b>7.5%</b>
(\$MILL.)	17%	16%	23%	19%	22%	48%	28%	21%	20%	22%	<b>28%</b>	<b>28%</b>	All Div'ds to Net Prof	<b>27%</b>

Fixed Maturities	63574	60658	61985	<p><b>BUSINESS:</b> The Travelers Companies, Inc. (formerly St Paul Travelers) is a leading provider of commercial property/casualty insurance and asset management services. Following the April 1, 2004 acquisition of Travelers, the company is now a leading underwriter of homeowners insurance and automobile insurance through independent agents. Has approximately 30,900 employees.</p> <p><b>Travelers reported mixed results for the March period.</b> On a positive note, the top line (as measured by net premiums earned), increased 160 basis points compared to the previous year's figure and was about on par with our \$6 billion expectation. On the other hand, earnings per</p>	<p>Officers and directors own approximately 1.3% of common stock outstanding: BlackRock, 7.4%; The Vanguard Group, 6.1%; State Street Corporation, 6.0% (4/16 Proxy). Chief Executive Officer: Alan D. Schnitzer. Chairman: Jay S. Fishman. Incorporated: Minnesota. Address: 485 Lexington Ave, New York, NY 10017. Telephone: 917-778-6000. Internet: <a href="http://www.travelers.com">www.travelers.com</a>.</p> <p>2017, we look for an upturn in net investment income to propel the bottom line higher. Low interest rates have been an Achilles heel for most insurers, which invest primarily in bonds. However, we look for the Federal Reserve to gradually increase rates over the next couple of years.</p>
Stocks	899	705	710		
Premiums Due	6298	6437	6845		
Other	32407	32384	32140		
Total Assets	103078	100184	101680		
Unearned Premiums	11839	11971	12331		
Reserves	49850	48295	48640		
Other	16553	16320	16543		
Total Liabilities	78242	76586	77514		
<b>ANNUAL RATES</b>	<b>Past</b>	<b>Past</b>	<b>Est'd '13-'15</b>		
of change (per sh)	<b>10 Yrs.</b>	<b>5 Yrs.</b>	<b>to '19-'21</b>		
Premium Inc	9.5%	11.5%	5.0%		
Invest Income	6.0%	7.5%	6.0%		
Earnings	15.5%	11.5%	1.5%		
Dividends	8.0%	11.0%	5.5%		
Book Value	9.5%	8.0%	7.0%		

Cal- endar	NET PREMIUMS EARNED (\$ mill.) <sup>A</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	5517	5603	5666	5851	22637
2014	5823	5928	5983	5979	23713
2015	5888	5931	6032	6023	23874
2016	5981	6105	6170	6204	24460
2017	6215	6245	6260	6300	25020

Calendar	EARNINGS PER SHARE <sup>B</sup>				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	2.30	2.13	2.35	2.68	9.46
2014	2.95	1.93	2.61	3.07	10.56
2015	2.52	2.52	2.93	2.90	10.87
2016	2.33	2.25	2.37	2.65	9.60
2017	2.45	2.50	2.35	2.65	9.95

Calendar	QUARTERLY DIVIDENDS PAID					Full Year
	Mar.31	Jun.30	Sep.30	Dec.31		
2012	.41	.46	.46	.46	1.79	
2013	.46	.50	.50	.50	1.96	
2014	.50	.55	.55	.55	2.15	
2015	.55	.61	.61	.61	2.38	
2016	.67					

broader insurance industry, reflecting increasingly competitive conditions. Hence, we look for a rather modest uptick in net premiums earned this year. Too, we think last year's low catastrophe level is unsustainable longer term, and the March-quarter increase may become a trend. For

justed for risk. They carry our Highest (1) rank for Safety, while garnering an A++ Financial Strength rating. Further increases in the dividend appear likely down the road, given strong cash flow from operations.

*Alan G. House*  
*June 10, 2016*

<p>(A) P/C only. (B) Dil. excls. Excl. cap gains and losses after '02. Excl. nonrec. (charges)/gains in '02. (18¢); '06, 3¢; '07, 14¢; '08, (42¢); '09, 1¢, 10, 31¢; '11, 11¢; '12, 9¢; '13, 28¢; '14, 1¢.</p>	<p>Sept., Dec. Excl. spec. div'ds of 21¢/sh. paid 3/04 and 4/04. ■ Div'd rein. plan avail. (D) Intang. '16: \$3,852 mill., \$12.40/sh. (E) In mill. (F) St. Paul only until '04.</p>	<p><b>Company's Financial Strength</b> A++  <b>Stock's Price Stability</b> 95  <b>Price Growth Persistence</b> 90  <b>Earnings Predictability</b> 55</p>
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