

**Annual General Meeting
of Allianz AG 11 July 2001**

**Report of the Chairman
of the Board of Management
Dr. Henning Schulte-Noelle**

Dear Shareholders, Ladies and Gentlemen,



It is also my pleasure to welcome you here in the name of the Board of Management of Allianz AG to this year's Annual General Meeting. I am delighted that so many of you have come. I am happy above all to extend a warm welcome to the large number of new shareholders who are attending the Annual General Meeting of Allianz for the first time. My greeting to you is particularly heartfelt.

In view of the fact that more than ten thousand shareholders have registered for the meeting, it was a wise decision to hold it in Munich's Olympic Hall. It not only offers more space than the Trade Fair Hall, but also evokes something of the Olympic spirit with which the venues of the 1972 Munich Games were imbued.

And it is therefore perhaps not a bad forum for you to judge our competitiveness, performance and success.

In the year 2000 we were once again confronted with major challenges in the contest for markets. We persevered and I'm happy to say that our efforts culminated in the most successful year ever in the history of Allianz.

We have consistently put our policy of profitable growth into practice, with sizeable increases in sales and profit – as we have indeed done in previous years.

While total sales increased by 13.4%, net income for the year leapt by as much as 49% to nearly 3.5 billion euros. Non-recurrent fiscal factors played a substantial role in this success story. But even without these extraordinary influences, net income for the year is impressive: in line with sales it experienced growth of 13.4%. This result means that we have again outperformed our ambitious targets.

All this has been reflected in the price performance of the Allianz share.

Following on from a difficult year in 1999, the Allianz share underwent extremely favorable development in fiscal 2000, with the share price going up by 19.3%. The Allianz share outperformed the DAX by 26.8 percentage points and the Dow Jones EURO STOXX 50 by 22.0 percentage points. Our market capitalization rose to almost 100 billion euros. Allianz was thus (on the balance sheet date of December 31, 2000) one of the few winners in this difficult stock market year and one of the most highly-valued quoted companies of Europe.

This continued a very favorable trend: over the past ten years – i. e. from the beginning of 1991 to the end of 2000 – the market value of our share increased more than fourfold. This corresponds to an annual return of 16 percent, without taking the dividend into account. This is an extremely respectable result, even against international benchmarks.

However, the first half of the current year saw insurance shares underperforming against the market overall. The Dow Jones EURO STOXX 50 price index embraces the 50 most important shares in the euro zone, and it fell back by 11.1 percent during this period. The EURO STOXX insurance index went down by 14.3 percent. This was mainly a technical reaction to the good performance in the previous year. January saw many institutional investors realizing their high gains in the insurance sector. Many switched the financial resources released by this move into technology stocks, which were perceived to be undervalued at that point. With the benefit of hindsight we know that this was not always a wise move. Although Allianz was also involved in this trend, a fall in share price of 13.5 % meant we lost out rather less than the sector as a whole.

The good performance last year and the weak development in the first half of this year are therefore intimately connected. Happily the outcome is not: “win some, lose some”. Quite the contrary. If we analyze the two periods together, i. e. from January 1 2000 to June 30 2001, Allianz outperformed the DAX and the Dow Jones EURO STOXX by more than 16 percent during this period! What’s more, since virtually all the major banks are recommending that investors buy our shares, we are confident that our share price will be able to continue its good performance in the second half of the year.

Ladies and Gentlemen,
The fact that the year 2000 was a record year, will be reflected in our dividend policy:

We are therefore proposing a 20 % increase in dividend to 1.50 euros per share – following on from an increase of 11 percent last year. Shareholders who are taxpayers in Germany will also receive a corporate

tax credit of 0.64 euros per share, increasing their gross dividend to 2.14 euros.

Against this background, you will not be surprised if I say that we believe we are in an outstanding position to meet the tough international competition head-on. What we achieved last year represents an outstanding launching pad for continuing our strategic expansion and mastering the new tasks and challenges of the current year.

The main challenge is the integration of Dresdner Bank – the biggest acquisition we have ever undertaken. The takeover bid for Dresdner Bank marks a new chapter in the 110 years of our corporate history. This is our response to the changes in the German market for retirement provision and asset management.

We perceive new opportunities in this scenario that we are keen to exploit in the future. We are in a continual state of flux and are entering new territory. And that’s what it’s about. Not to go forward, is to go backward. Or in other words: *Anyone who rests on their laurels, doesn’t deserve them!*

The same is true of a strategy that keeps having to adapt afresh to a world in flux. A strategy – correctly interpreted – is not an arsenal of rigid principles that are cast in concrete. It is an intelligent instrument for attaining ambitious goals. And as you know, our goals are nothing if not ambitious. This has always been the case, and that is how it will be in the future.

Ladies and Gentlemen,
Before I move on to give you a detailed report on the strategic reach and corporate logic of this pioneering step, I will first elaborate on the results of fiscal 2000 and the first quarter of 2001, which continues the success story of the year under review. I should like to commence my analysis

with a few other highlights from our business activities since the last Annual General Meeting.

Our company has been quoted on the New York Stock Exchange under the ticker symbol “AZ” since 3 November 2000. We are the first German financial services provider to have a listing on the world’s most important stock exchange.

Our listing on the New York Stock Exchange is an expression of our self-confidence as a major financial services provider. A provider that is not simply active right across the globe, but also wants to attract more investors worldwide than ever before.

One consequence of this position is that we are committed to meeting the expectations of transparency demanded by a global capital market. We are supported in this aim by the strict US American stock exchange regulations, which lead to a high degree of transparency for shareholders, analysts and customers.

An additional strategic advantage is that, in the wake of our listing in the United States, we will find it much easier to use our shares as a vehicle for engineering acquisitions.

We have taken a quantum leap forward in the new core activity of asset management. The PIMCO Group and asset manager Nicholas Applegate – two top-notch US asset managers – have given us a much more balanced portfolio, particularly in the important North American market. These key players have provided a complete product range that enables us to offer all the key forms of investment to our customers worldwide.

We have expanded our business in both non-life and life insurance through organic growth as well as acquisitions. We have strengthened our position above all in Europe and Asia. Aside from Zwolsche Algemeene in the Netherlands and Tiriac Asigurari in Rumania, we have also intensified business in Taiwan and the Philippines with our joint-venture partners.

I would like to draw particular attention to our 45 % stake in Russia’s third biggest insurance company ROSNO that we purchased just 2 weeks ago. Allianz is one of the first international insurers to take a significant shareholding in a Russian insurance company. We also have an option to take a majority in ROSNO at a later date. This gives us an excellent starting platform in Russia, a market with massive growth potential, although not entirely free of risk.

But we have also invested in other areas geared to the future. Last summer we founded the Allianz Cultural Foundation and provided it with an endowment of 100 million marks. This follows on in the image of our Environmental Protection Foundation that has been working successfully for 11 years now and has initiated and facilitated many pioneering ecological projects.

Our new foundation is an expression of our social responsibility as a big company. We intend to promote innovative and experimental ventures in culture, education and art, in the spirit of European integration. The point of reference remains the great joint cultural heritage of Europe. The aim is to promote, develop and re-interpret this heritage. Our focus is on involving young people in this multicultural, cross-border European process.

Ladies and Gentlemen,
Allow me to now briefly present the key statistics for the year under review.

Group sales in 2000 increased by 7.6 % to 57.9 billion euros according to IAS. Even if we allow for the premium income of newly acquired companies (1 billion euros) as well as exchange-rate influences (750 million euros), our organic growth of 4.3 % was extremely encouraging.

The favorable development of a sustained growth trend is also evident in the individual segments.

Premium growth in property and casualty insurance resulted primarily from rate increases in automobile insurance. Developments in Hungary, the Czech Republic and Poland were particularly dynamic.

Gross premium income in life and health insurance increased by 9.6 % to 20.2 billion euros. This was not just due to the exceptionally favorable development in France, it was also driven by the growth markets in the Asia-Pacific region and Central and Eastern Europe.

Total growth was actually even higher. Under IAS only the cost and risk components of premiums from investment-oriented life insurance products are taken into account. However, these products now account for 35 % of total premiums in life and health insurance, corresponding to premium income of almost 11 billion euros.

The first-time consolidation of the PIMCO Group was a major factor in driving up assets under management by 87 % to 713 billion euros worldwide (the balance sheet date was December 31, 2000).

- Of these, 364 billion euros came from insurance business.
- Investments for third parties amounted to 336.4 billion euros at year-end.
- PIMCO alone managed almost 300 billion euros for institutional and private customers.

This calculation does not yet include asset manager Nicholas Applegate. The company was only acquired in January 2001 and has only been consolidated since April of this year.

Ladies and Gentlemen,
I am also happy to announce that in fiscal 2000 we were able to surpass our ambitious growth targets in terms of net result as well.

Net income for fiscal 2000 increased by 49.3 % to just under 3.5 billion euros. This was in large part thanks to the reduction of the corporation tax rate in Germany. In addition, the result benefited from the revaluation according to IAS of potential tax liabilities and receivables. This effect – which I'm afraid to say is non-recurring – added 1.1 billion euros to our net result.

Without these special factors, net income for the year was up 13.4 % to 2.4 billion euros.

Taking this profit as a basis for calculation we obtain earnings per share of 14.10 euros, after 9.46 euros last year. Adjusted for one-off factors, earnings per share were 9.72 euros as opposed to 8.58 euros in 1999.

Ladies and Gentlemen, I would like conclude my review of last year with a vote of thanks to our employees. Once more their diligence and commitment formed the basis of our success.

Now, if I may, I would like to take a quick look at the first quarter of 2001.

We were able to continue along our successful path in this period, as well. Gross premium income rose by 5.0 % to 17.6 billion euros. Developments in property and casualty insurance were particularly gratifying. In this segment premium income went up by almost 8 % to 12.8 billion euros. Growth stemmed mainly from the USA as well as Great Britain, Spain and Australia.

On the other hand, sales in life and health insurance showed a slight fall, decreasing by 2 % to 4.8 billion euros. The faltering global economy, the turbulence in capital markets and the long period of uncertainty over social affairs minister Walter Riester's pension reform led many customers to postpone their decision to buy life or pension insurance. But in this case I think it's fair to say that putting a decision off for the moment doesn't necessarily mean putting it off for life.

However, if we include the investment-oriented products, which, as I just mentioned, are not considered by IAS, then premium income in life and health insurance rose by 3 % to 7.8 billion euros.

Net income for the first quarter comes to 705 million euros, which represents earnings per share of 2.87 euros. Assets under management increased to 757 billion euros. All things considered, going by our business experience so far this year, we are very confident that we will be able to substantially improve our result again in fiscal 2001, namely by a planned 13 % in terms of the adjusted result for 2000. The effects of the Dresdner Bank transaction as well any other one-off factors have not been taken into consideration.

Allow me to make a brief summary at this point:

Allianz has a convincing growth strategy which we have systematically and successfully implemented.

We have surpassed our own forecasts by a wide margin in nearly all areas.

And this development will continue. Our starting position could hardly be better.

- In 2000 we were among the top five providers in more than 20 target markets. These were mostly in key countries and in some cases even refer to the world market.
- In credit insurance, assistance and the “Marine, Aviation, Transport” segment we are the world's number one.
- In 2000 total premium income in life and health insurance grew by almost 23 % to 31 billion euros, boosting this segment's share of our overall portfolio to 45 %.
- In the last business period alone the share of business in the growth markets increased to 6.9 % of our total premium income. 4.7 billion euros of premium income came from Central and Eastern Europe, Asia-Pacific and Latin America – and that by no means exhausts our possibilities.
- In asset management we are now among the top ten providers in the world. In addition, with Dresdner Bank, we will considerably expand this position – here all systems really are “go”.

Industrial insurance is the only line of business where we can by no means be satisfied with the way things have developed, especially in terms of profitability. And it is hardly a consolation that none of our competitors is doing any better. We have meanwhile drawn the necessary conclusions from this unsatisfactory state of affairs: in future we will control this business centrally, namely through Allianz Global Risks. We are convinced that the new unit, which will be operational as of 1 January 2002, fulfils all the prerequisites to return this field of activity to profits, in spite of the persistently difficult market conditions.

At this point I would like to make a general remark. Last year – as often enough in the past – it again became clear how important it is to have a broadly-based, well-balanced portfolio of different business activities.

This means we can successfully minimize risks and continuously increase income, despite difficult market conditions and cyclical fluctuations. A portfolio of this kind has proven its worth – especially in phases of slower economic growth – like the one we are in right now.

Ladies and Gentlemen,
There's an old German adage that says "Success is the reward for hard work". And according to Henry Ford "Success is the maximum utilization of the ability that you have".

But above all, success is given to those who can respond flexibly and actively to change and identify and seize opportunities before others.

That is precisely what we did when we decided to take over Dresdner, Germany's third biggest commercial bank. It is our reaction to the fact that in Germany a completely new market is coming into existence in the field of retirement provision. Our decision was based on a cogent analysis, which I will return to later on.

Together we have an even better starting position from which to take advantage of opportunities that present themselves in this area. And those opportunities are enormous. The benefits will be reaped not only by our customers, but also by our employees and above all you, our shareholders.

- This move will enable us to considerably enlarge our customer base in a short space of time – a very important factor for our continued expansion
- In Dresdner we have a top-notch bank with an excellent customer structure and a valuable brand.
- We now have a truly complete product portfolio and can offer consumers all products they need to provide for their retirement and build up their assets.
- In Dresdner and Advance Bank, its direct banking subsidiary, we have access to further efficient distribution channels and additional counseling competence.

To put it in a nutshell – together with Dresdner Bank we are second to none in the German market for retirement provision and asset management.

However, we don't regard ourselves as a purveyor of "Allfinanz", but as a provider of integrated financial services that focuses on the private customer and his need for products with which to develop his assets and provide for his retirement. In a way we want to be a personal investment coach that places the full range of necessary products, competent counseling and all standard distribution channels at the customer's disposal.

The term "Allfinanz", which arose about 20 years ago and, after flourishing for while, quickly went out of fashion, is fuzzy and arbitrary and lacks this focus. Which is why it doesn't really apply to our approach and which is why we don't use it.

Instead, together with Dresdner Bank we are creating a business model for the German market, where so far there has been nothing else of a comparable nature.

However, initially, we do not intend to transfer this new business model to other European countries. Rather, our common undertaking with Dresdner is a specific answer to specific market and demand structures that only exist here in Germany.

Ladies and Gentlemen,
after these general considerations I would now like to explain the logic of the transaction to you and point out the main reasons that argue for it.

The increasingly unfavorable age structure of the European population is forcing state pension plans to scale down the pay-as-you-go process and step up the fully-funded system. The so-called "generational contract" won't be viable any more if in future every wage-earner has to support one pensioner.

The reorientation of state provision will create a huge market for private retirement pension products. The market for corporate pension plans in Germany will experience particularly rapid growth – experts forecast around 40 %.

Demand for retirement-pension and asset-management products will thus experience more-than-proportionate growth in Germany. All market researchers and public-opinion pollsters confirm that Germans are aware of the need to make increased private provision for their retirement and are taking the appropriate measures.

- Their main investment focus will be mutual funds. By 2004 we expect this segment to register annual average growth of 17 %.
- Investments in equities are expected to rise by 14 % and
- even life insurance should go up by a further 9 %.

So, in future, besides life insurance, the engine of growth in retail business will be primarily funds and stocks – although without competent investment counseling this engine could easily begin to falter. This field is clearly dominated by the banks – 72 % of the German fund business and 92 % of business in equities is transacted through the banking sector. And this is not likely to change significantly in the foreseeable future.

These figures show what huge business potential a closely-meshed collaboration between banking and insurance is able to exploit.

But, what is it that makes Allianz and Dresdner Bank the ideal combination to reap a rich harvest in the asset-management and retirement-provision market?

In terms of market share in this sector Allianz and Dresdner together already have a leading position, with individual strengths that are almost ideally complementary:

- With its roughly 8 million customers and a market share of approximately 15 %, Allianz is the undisputed number one among German life and pension insurers.
- dit, Dresdner Bank's fund manager, has a 14 % share of the retail fund market, putting it in fourth position in Germany.

Thus the amalgamation of the two portfolios provides the Group with a business position across both growth segments that only the entire savings bank sector can match.

Allianz has a total of almost 18 million and Dresdner Bank more than 6 million customers in Germany. Together that gives us a customer base of more than 20 million. With such a high market penetration we already reach 35 % of private individuals, 50 % of companies and 95 % of the 200 biggest corporations in Germany.

We are effectively strengthening our sales power because we are among the very few financial services providers able to offer all distribution channels – a further element that makes us an ideal partner. Through his local bank, his insurance agent, from his home, via the telephone or Internet, the customer can get in touch with us, seek advice and carry out financial transactions.

We will promote reciprocal know-how transfer so that the entire sales potential is truly exploited and the customer receives the best possible individual counseling at every point of sale. All resources are to be utilized for our joint success.

In concrete terms this means, among other things, that as of fall this year we will employ around 1,000 of our insurance experts in Dresdner Bank branches. On the one hand their task is to explain to the bank staff how to sell insurance products and, on the other hand, they themselves are to look after insurance customers in the bank.

Conversely, we will also sell simple banking products through Allianz agencies. Dresdner Bank employees will support the Allianz agents in this endeavor.

We are also planning for approximately 300 Dresdner Bank securities consultants to support our insurance agencies in selling complex investment products such as funds and securities.

In addition we are already setting up a financial planning organization which in three to five years is to comprise 1,500 to 1,700 experts. These financial planners are working under the brand name "Advance" and will sell funds managed by various companies. The Advance Bank will be its IT platform. Hence they can canvass customers with the additional advantage of their own online banking connection.

Hardly any supplier on the German market offers its customer this combination:

- Product autonomy
- Counseling with a financial planning approach
- Internet platform and
- Call Center with consulting quality.

Ladies and Gentlemen,
this merger opens up extremely interesting opportunities for asset management.

With more than 1 trillion euros under management we will advance to become one of the world's biggest asset managers after this transaction. In this business field it's not a case of "small is beautiful", but rather "big is beautiful". Because it's only through size that we can benefit from major economies of scale and spread fixed costs among a larger volume of funds.

Among the biggest cost items incurred independently of the volume of funds are those for research. Excellent research is expensive, but indispensable.

It's above all the quality of research that the long-term business success essentially depends on. It's all the better, therefore, if one can utilize this expensive tool more intensively. We anticipate that the cost/income ratio will improve from more than 60 % to 55 % as a result of the merger.

In addition, Allianz Dresdner Asset Management can now provide customers an investment platform which truly embraces all desired investment goals. Through our subsidiaries we are offering funds of highest quality both in the fixed-interest area as well as in equities.

With 50 million customers worldwide and a great number of complimentary distribution channels, above all in Europe, our asset management will be better positioned than any other provider.

Hence the merger of a bank and an insurance company makes sense if one wants to make optimum use of the opportunities in the most important growth areas, above all in Germany, – and that's something we want to do.

But does this alone justify the acquisition of Dresdner Bank? How far should this marriage go?

Wouldn't a cooperation agreement, underpinned by a minority shareholding, be enough to exploit the market potential?

I do not believe so. Following careful feasibility studies we came to the conclusion that we can only realize maximum benefit from this growth potential if we muster enough courage for a true merger of the two companies. I will name the most important reasons for this conviction. There are eight altogether.

1. Sale of funds:

The dominating position of banks in the distribution of funds, with a market share of over 70 %, is a fact which we can't ignore and which speaks for itself. If we want to service this attractive business segment on a large scale and quickly reach the leading ranks, we need full access to the bank branches. It's a question of economics, management and psychology. And there's one other thing: cooperation agreements between partners who both want to promote fund business as a core activity inevitably run into ever more insoluble difficulties with conflicts of objectives and interests.

2. Earnings potential

Only in this way can we utilize the earnings potential dormant here. 60 % of the profit margin in the sale of traditional life insurance products over the counter remain with the bank. In the sale of fund-linked life insurance the figure is as high as 85 %. The insurer ends up with only 15 %, not exactly a lot. Thus, a sober calculation not only argues in favor of using bank distribution channels, but also for actually owning them so that these significant profit margins stay within the Group.

3. Sales Channel Flexibility:

Customers like to choose the sales channel that is most convenient for them. In addition to the sales channels we have been providing to date, the 1,000 bank branches now allow us to service all popular distribution channels everywhere. Customers have a free choice and at the same time can receive the Allianz and Dresdner Bank range of quality products along with expert counseling wherever they are. Hardly any other provider can boast such a diversified and effective multi-channel distribution network.

4. Tailor-made Counseling:

We can and will provide our customers with product-neutral advice. Because it is of mutual interest to Dresdner Bank and Allianz to have an optimum customer relationship irrespective of whether insurance or banking products are being sold – ultimately, both will end up on our books.

5. Reciprocity

Through the merger and the resulting sales clout we are a much more attractive partner for reciprocity agreements with our competitors in the funds business. Thus, not only can we demand a higher price if our fellow competitors want to sell their products via our distribution channels, we in turn can also use their distribution channels.

6. Productivity

We will significantly improve the productivity of the bank staff if they also sell life insurance. Through Dresdner Bank we expect life business to increase threefold – and that's a conservative estimate. The sale of non-life insurance, which we also want to stimulate, will come on top of this.

However, experience shows that this really only happens if a company is fully integrated in the Group. Employees must know that by selling policies they serve their own enterprise and help achieve mutual business targets.

7. Reinvestment of life insurance

Another interesting aspect is the reinvestment of life insurance proceeds. In Germany paid-out life policies are predominantly reinvested through banks. Currently we pay our customers around 7.8 billion euros every year. The greater part of this money is newly invested – unfortunately, not by us.

This will now change. With our own bank we will be able to retain a much more significant part of this capital in our Group.

8. Capital efficiency

In the past years analysts, shareholders and financial journalists have repeatedly demanded that so-called excess capital be scaled down and invested in core business. That's exactly what we are doing now.

Capital will no longer be tied up in a cooperation with two banks which, measured by the success of its sales, yielded much too meager a return. Rather, more than 15 billion euros of excess capital is flowing into the takeover of a bank which will strengthen our core business along its entire value-added chain and include all the advantages which I've just listed.

Ladies and Gentlemen,

The advantages of the merger between Allianz and Dresdner are thus plain to see. In wide areas they are also calculable.

According to the in-depth analyses we have now received, the synergies in costs and earnings of 290 million euros before tax in the year 2002 will gradually increase, to reach over a billion euros as of 2006. All restructuring expenses and other costs have already been taken into account here.

Essentially we are talking about earnings synergies, because this merger is not driven by cost considerations but by growth objectives. Since earnings synergies simply mean that through this transaction we gain additional opportunities for growth which we would not have on our own.

Furthermore, as a result of this transaction we will achieve two other important goals which surprisingly have received very little public attention to date:

- Firstly, we will now be able to clearly define our bank distribution channels.
- and secondly, it's only through this over-all transaction that we are getting the opportunity of taking over Munich Re's 40 % stake in Allianz Leben.

The full implications of the changes become clear if we once again look at the ownership structure before and after the transaction:

- At the moment Allianz holds just over 20 % of Dresdner Bank, in which Munich Re also has a participating interest
- Allianz owns 13.5 % of HypoVereinsbank and Munich Re also has a stake in this bank
- 50.3 % of Allianz Leben shares are owned by Allianz AG, 40.6 % by Munich Re.

After the acquisition of Dresdner Bank the structure will look a lot simpler: Allianz AG will have the majority stake in Dresdner Bank and 90.9 % of Allianz Leben.

Munich Re's stake in HypoVereinsbank will be increased to more than 25 %, while the latter in turn will own 13.3 % of Munich Re. As part of the current offer to the minority shareholders of Ergo, Munich Re will further stock up its equity interest in this primary insurance group.

Independently of the transaction I just described, the cross-shareholdings between Allianz and Munich Re will be reduced from formerly 25 % to approx. 20 % within the next few years. Our holding in Munich Re will temporarily rise above 25 %, but only for technical reasons.

All in all this will result in a whole range of improvements for us:

- the bank distribution channels are now clearly defined between Allianz and Dresdner Bank, on the one hand, and Munich Re and HypoVereinsbank, on the other. This underpins a clear strategic orientation, facilitates controlling and serves competition.
- The excess capital that existed to date can be reinvested in other, strategically important participations without adverse tax effects
- The potential for returns will improve
- The transparency for investors and customers will increase as a result of Allianz and Munich Re further disentangling their shareholding structures.
- Another extremely important point is the fact that as a result of this disentanglement and the exchange of Dresdner Bank shares for Allianz shares the free float will rise.

- This will increase the weighting of the Allianz share in STOXX and in international blue-chip indices, which will benefit our shareholders – because it won't be long before all relevant indices will determine the weighting of a stock by its free float. If the Allianz stock has a high free float, its weighting will increase in those indices which many equity fund managers seek to track. This means they have to buy additional Allianz shares which in turn will boost its value.

Ladies and Gentlemen,
we are very confident that we will also be able to convince the Dresdner Bank shareholders of the advantages of the merger by the deadline for acceptance this coming Friday

We haven't been twiddling our thumbs in the past few weeks, either. We have made all necessary preparations which the law allows prior to the completion of the tender offer and the approval of the supervisory and anti-trust authorities to ensure a successful integration.

Our actions in the current phase are determined by three principles:

- Fast, faster, fastest – in total keeping with the Olympic spirit
- Reliability and thoroughness,
- The planning responsibility is in the hands of the managers who will subsequently also have to implement these plans.

As soon as the acceptance period has expired and Brussels has approved the deal, we will implement the integration with the same speed and precision with which we planned it and waste no time in bringing it to a successful conclusion.

Ladies and Gentlemen,
With this major transaction we are giving your company a new perspective and added stimulus. This will create the basis for further growth, additional earnings potential and an increase in corporate value. In the long term only the bold will win.

Ladies and Gentlemen,
We will continue to count on your trust.

(The spoken word has precedence.)

Cautionary Note regarding forward-looking Statements

Certain of the statements contained herein may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason or context, the words "may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential, or continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates including the Euro – U.S. dollar exchange rate, (viii) changing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the European Monetary Union, (x) changes in the policies of central banks and/or foreign governments, (xi) the impact of our pending acquisition of Dresdner Bank, including related integration issues and (xii) general competitive factors, in each case on a local, regional, national and/or global basis. The matters discussed in this release may also involve risks and uncertainties described from time to time in Allianz AG's filings with the U.S. Securities and Exchange Commission. Allianz AG assumes no obligation to update any forward-looking information contained in this release.

Disclaimer

The Offers are not being made, directly or indirectly, in or into the United States, Canada, Australia or Japan and they will not be permitted to be accepted in or from the United States, Canada, Australia or Japan. Accordingly, no offer will be made for American Depositary Shares of Dresdner Bank.

The Allianz Shares offered hereby, as well as the Dresdner Bank Shares tendered into the Allianz Tender Offer (as defined in Section I of the Offer Document) that are traded on the Frankfurt Stock Exchange in packages of 10 (ten) Dresdner Bank Shares and the amount of Euro 331.30 assigned to DAD in the Parallel Tender Offer (as defined in Section I of the Offer Document) for every 10 (ten) Dresdner Bank Shares tendered into the Allianz Tender Offer by a Dresdner Bank Shareholder, have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act"), nor under the laws of any state of the United States, and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States, except pursuant to an exemption from the registration requirements of the US Securities Act.

Shareholders of Dresdner Bank outside of the Federal Republic of Germany who wish to accept the Offers should first read Section IV. 16 of the Offer Document which contains important information for them.