

1Q 2021

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GROUP FINANCIAL RESULTS
1Q 2021

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ADDITIONAL INFORMATION

GLOSSARY
DISCLAIMER



Group: good start into the year

Group	Property-Casualty	Life/Health	Asset Management
Total revenues 1Q 21 in EUR bn (internal growth vs. prior year in %)			
41.4 (-0.4%)	19.7 (-1.6%)	20.0 (+0.1%)	1.8 (+8.8%)
Operating profit 1Q 21 in EUR mn (vs. prior year in %)			
3,336 (+44.8%)	1,513 (+46.6%)	1,212 (+48.0%)	747 (+10.0%)
Shareholders' net income (in EUR mn)	Combined ratio (in %)	New business margin (in %)	Cost-income ratio (in %)
<p>1,400 (1Q 20) vs 2,566 (1Q 21) +83.4%</p>	<p>97.8 (1Q 20) vs 93.0 (1Q 21) -4.7%-p</p> <p>NatCat impact¹: 3.6 (1Q 20) to 1.5 (1Q 21)</p> <p>Run-off ratio: -2.7 (1Q 20) to -1.1 (1Q 21)</p>	<p>2.7 (1Q 20) vs 2.9 (1Q 21) +0.1%-p</p> <p>VNB (EUR mn): 494 (1Q 20) to 558 (1Q 21)</p>	<p>61.7 (1Q 20) vs 59.3 (1Q 21) -2.4%-p</p> <p>3rd party net flows (EUR bn): -46.4 (1Q 20) to +37.8 (1Q 21)</p>

1) NatCat costs (without reinstatement premiums and run-off)



Group: good start into the year



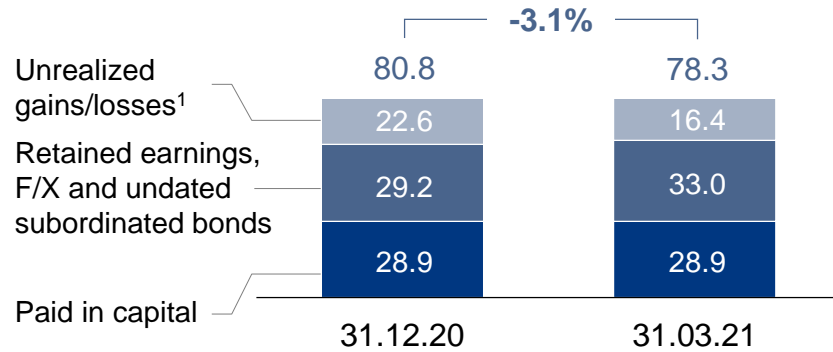
Comments

- Revenues continue to be affected by COVID-19**
 -0.4% internal growth. Negative internal growth in P/C (-1.6%) driven by Allianz Partners due to COVID-19. Stable revenues in L/H. Healthy internal growth in AM (+8.8%) volume driven. Consolidation (+0.3%) and F/X (-2.5%) lead to total revenue growth of -2.6%.
- Double-digit OP growth across all segments**
 Group operating profit of EUR 3.3bn at 28% of FY outlook midpoint. All segments show strong results. No significant impact from COVID-19 on operating profit; prior-year operating profit impacted by COVID-19 (EUR -0.7bn).
- Shareholders' net income up by EUR 1.2bn**
 Improved operating profit (Δ EUR +1.0bn) and better non-operating result (Δ EUR +0.6bn) are main drivers for increase in net income. Non-operating result benefits from a significantly lower level of impairments. Tax ratio slightly up to 23%.
- P/C – strong profitability**
 OP significantly improves due to a higher underwriting result (Δ EUR +0.6bn). Combined ratio down -4.7%-p to FY target level of 93%. Impact from COVID-19 on 1Q 2021 negligible.
- L/H – good result**
 Investment margin strong at 21bps (+6bps) supported by a recovery of the result from net harvesting and other. NBM good at 2.9%. New business volume up 8.3%. As a result VNB grows by 13% to EUR 558mn.
- AM – excellent performance**
 EUR 38bn 3rd party net inflows. Total and 3rd party AuM at new record levels. Operating profit increases by 10.0% to EUR 747mn, driven by higher revenues and improved efficiency.
- CO – slightly better than expected**
 Operating loss narrows to EUR -135mn due to favorable F/X result and lower admin and investment expenses.

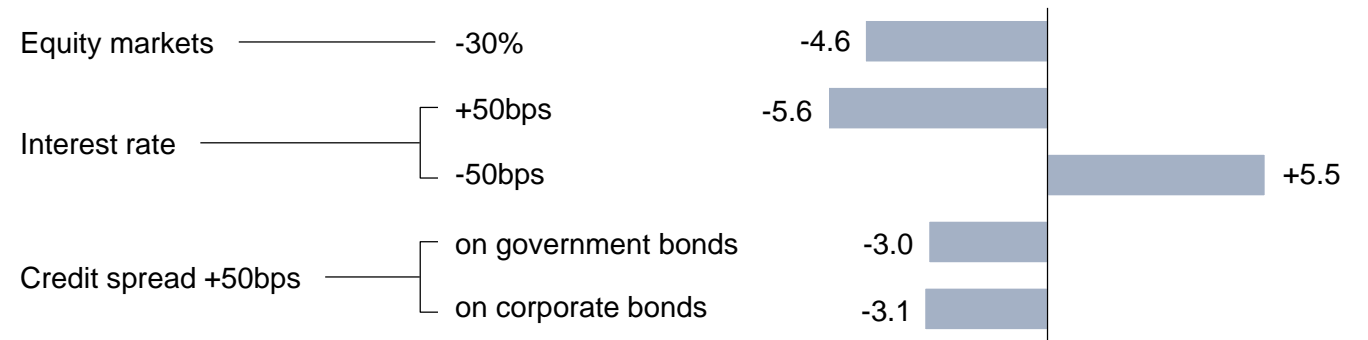


Group: Solvency II ratio at 210%

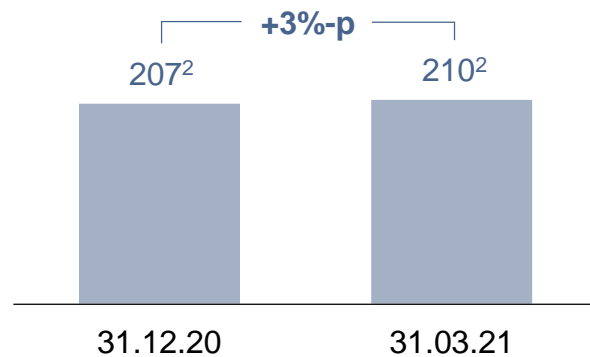
Shareholders' equity (EUR bn)



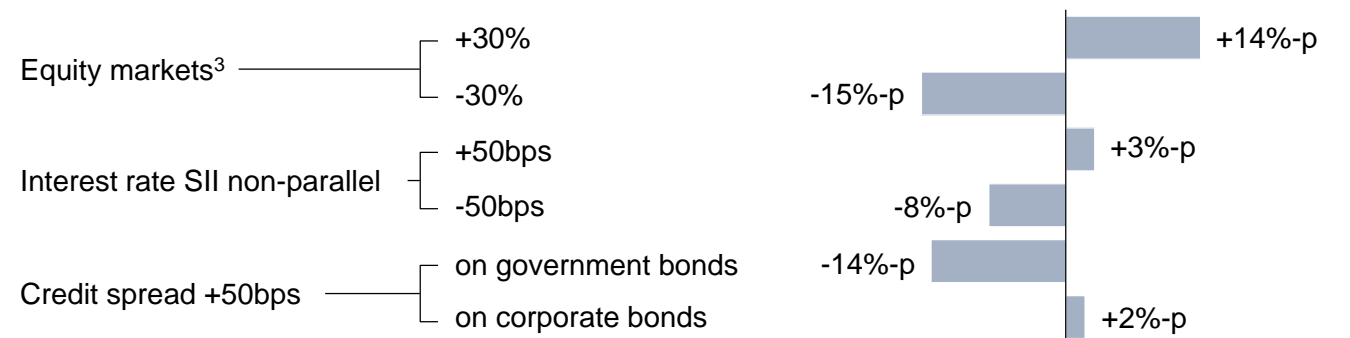
Key sensitivities (EUR bn)



SII capitalization (in %)



Key sensitivities



1) Off-balance sheet unrealized gains on real estate, associates and joint ventures attributable to the shareholders amount to EUR 4.8bn as of 31.12.20 and EUR 4.9bn as of 31.03.21
 2) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20 and to 241% as of 31.03.21
 3) If stress applied to traded equities only, sensitivities would be +7%-p/-6%-p for a +/-30% stress



Group: Solvency II ratio at 210%



Comments

- **Shareholders' equity**

In 1Q 2021, shareholders' equity decreases by EUR 2.5bn. Drivers of the development are s/h net income (EUR +2.6bn), F/X (EUR +0.8bn) and net unrealized gains/losses (EUR -6.2bn, due to higher interest rates).

- **SII sensitivities**

Sensitivities are broadly unchanged compared to 4Q 2020. Sensitivity to rising interest rates decreases from +7%-p end of FY 2020 to +3%-p end of 1Q 2021 due to increased interest rates combined with an asset duration which is now higher than the liability duration.

In a combined stress scenario, we estimate an additional impact due to cross effects of ~-7%-p compared to the sum of the individual sensitivities.

- **SII ratio – at a favorable level**

Main positive drivers are organic capital generation (~+9%-p, ~+4%-p after tax and dividend) and market impact (~+8%-p), partially compensated by capital management/management actions (~-9%-p; e.g. redemption of RT1 capital), tax/other (~-5%-p) and regulatory/model changes (~-1%-p, e.g. UFR reduction).

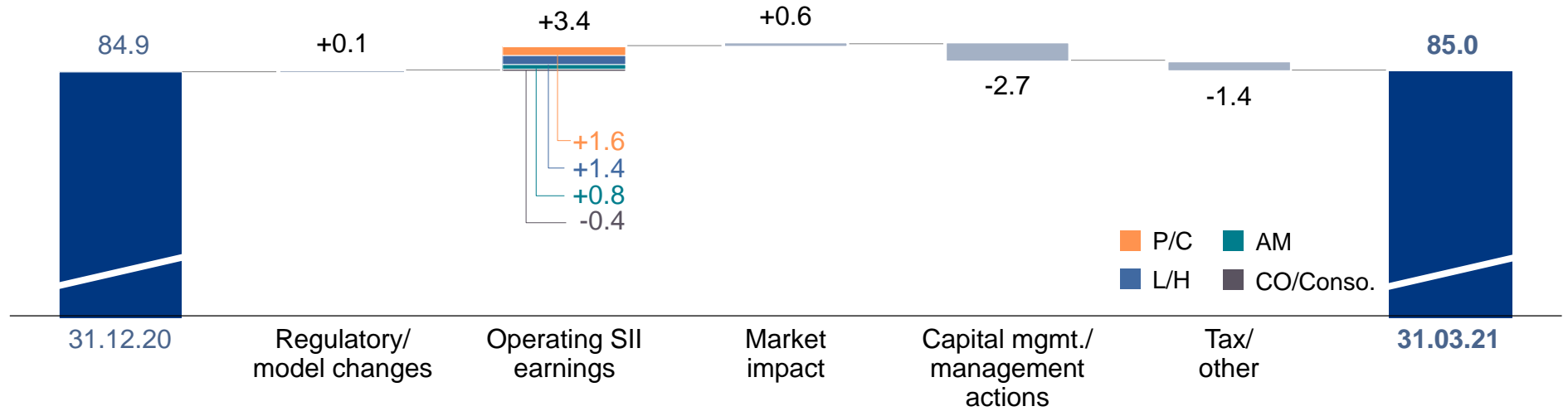
- **Transitionals**

Including transitionals, the Group SII ratio stands at 241%. Our general capital steering will continue to focus on the SII ratio excluding the application of transitional measures for technical provisions.



Group: strong operating SII capital generation

Own funds
(EUR bn)



SII capitalization

○ Pre-tax operating capital generation



SCR
(EUR bn)



1) Including cross effects and policyholder participation

2) Other effects on SCR include diversification effects



Group: strong operating SII capital generation



Comments

- **9%-p SII capital generation pre-tax/dividend**
SII capital generation – net of tax and dividend – amounts to ~+4%-p in 1Q 2021.
- **Operating SII earnings**
Operating SII earnings in P/C and AM largely in line with IFRS results; L/H higher driven by good VNB.
- **Regulatory/model changes**
Slight change driven by UFR decrease to 3.60%.
- **Market impact**
Favorable market conditions, mainly higher interest rates.
- **Capital management/management actions**
Driven by the dividend accrual (EUR -1.3bn) and the redemption of RT1 capital (EUR -1.6bn).
- **Tax/other**
Own fund reduction driven by taxes (EUR -0.9bn).
- **Outlook**
Westpac and Aviva Italy transactions are expected to have a combined impact on the SII ratio of ~-3%-p, Aviva Poland of ~-6%-p.
We anticipate a capital generation net of tax and dividend of approximately 10%-p in 2021.



P/C: growth impacted by COVID-19

EUR mn		Revenues			YTD change on renewals	
		1Q 21	Total growth Δ p.y.	Internal growth Δ p.y.	1Q 21	Momentum
Total P/C segment		19,681	-3.1%	-1.6%	+4.3%	n.a.
Selected OEs	Germany	4,670	-1.9%	-2.1%	+2.1%	stable
	France	1,473	-3.6%	-3.6%	+0.5%	stable
	United Kingdom	1,076	-11.7%	-10.5%	+1.8%	stable
	Central and Eastern Europe	997	-1.8%	+0.1%	n.a.	n.a.
	Italy	884	-1.5%	-1.5%	-0.2%	negative
	Spain	775	+5.2%	-5.3%	+2.0%	stable
	Australia	733	+12.5%	+5.0%	+3.8%	positive
	Latin America	474	+8.7%	+4.0%	n.a.	n.a.
	Turkey	273	-10.2%	+18.8%	n.a.	n.a.
	Global lines	AGCS	2,944	-2.4%	+2.9%	+22.0%
Allianz Partners		1,872	-13.9%	-10.5%	+0.3%	stable
Euler Hermes		806	+6.1%	+9.0%	+8.2%	positive



P/C: growth impacted by COVID-19



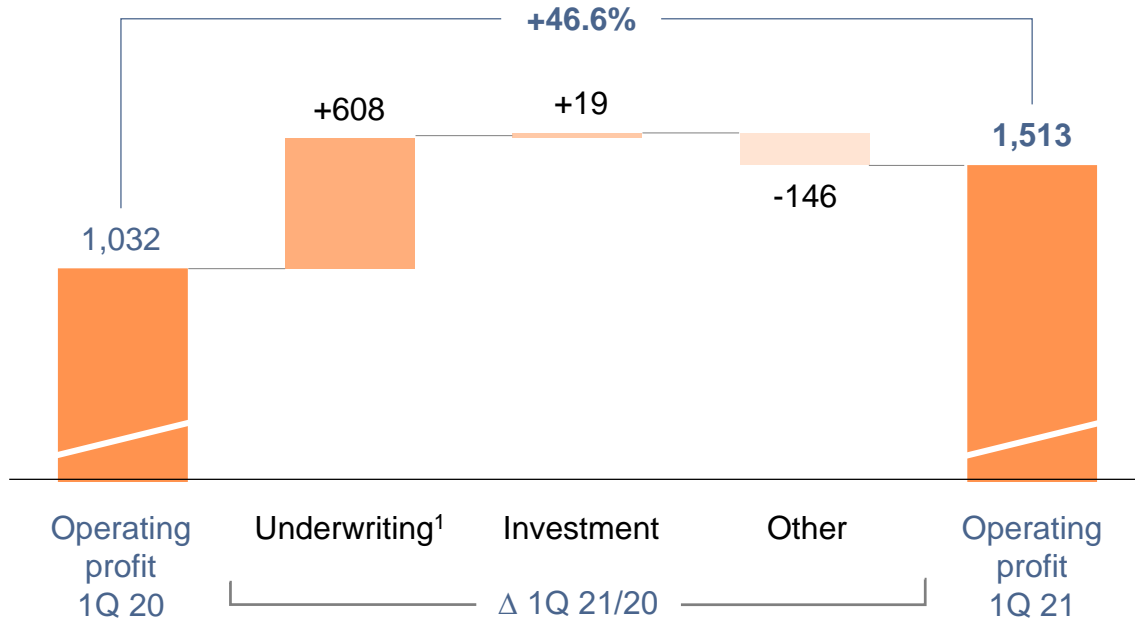
Comments

- Internal growth – continued impact from COVID-19**
 Lower volume (-4.8%) and service income (-0.2%) due to lockdowns and economic slowdown, in particular at Allianz Partners, overcompensate price effect (+3.5%). Consolidations (+1.0%, mainly SulAmérica and BBVA) and F/X (-2.5%) lead to total growth of -3.1%. Continued strong rate change on renewals (+4.3%) driven by AGCS (+22.0%) and Euler Hermes (+8.2%). Internal NPE growth at -3.2%.
- Germany – lower volume partly offset by price**
 Reduced mileage in motor as well as lower single premiums for APR.
- France – price more than offset by lower volume**
 Volume driven by commercial property and liability.
- UK – driven by lower volume**
 Volume declines in commercial lines and personal motor due to economic effects of COVID-19.
- Italy – driven by commercial lines**
 Lower top-line mainly from underwriting actions in commercial health.
- Spain – entirely driven by lower volume**
 Portfolio cleaning in commercial motor and MidCorp. Total growth supported by consolidation of BBVA JV in 4Q 2020.
- Australia – price and volume driven growth**
 Property and motor main contributors.
- Turkey – price and volume positive**
 Mainly health and motor own damage.
- AGCS – price effect partly offset by lower volume**
 Rate increases across all lines overcompensate volume decline from underwriting actions (mainly liability).
- Allianz Partners – lower GPW and service fees**
 Lower top-line driven by COVID-19 especially for travel.
- Euler Hermes – positive price effect main driver**
 Growth driven by price increases and less severe effect of lockdowns on policyholders' turnover vs. 1Q 2020.



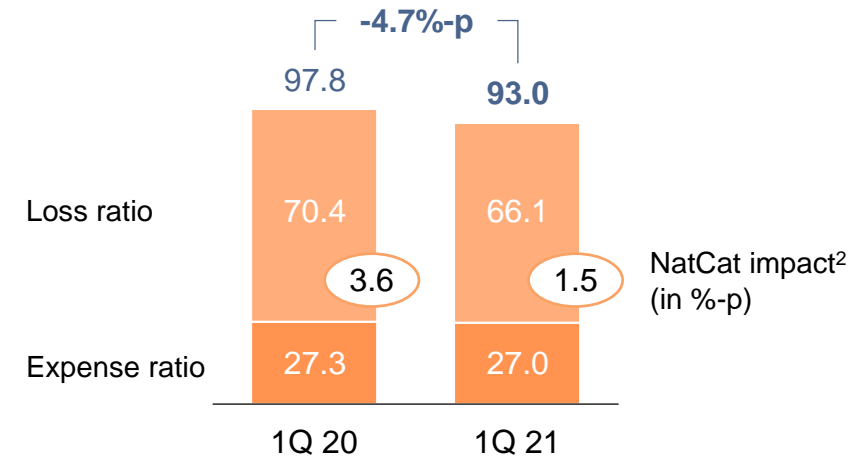
P/C: combined ratio at target level

Operating profit drivers (EUR mn)

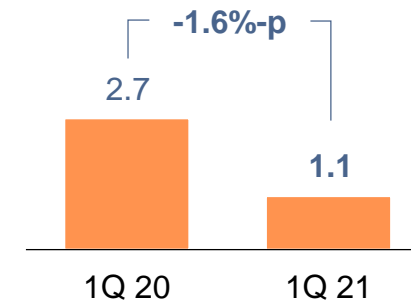


	1Q 21	827	664	22
	1Q 20	219	645	168

Combined ratio (in %)



Run-off ratio³ (in %)



1) Underwriting result incl. change in reserves
 2) NatCat costs (without reinstatement premiums and run-off)
 3) Positive run-off ratio implies a positive P&L impact from prior year reserve movements



P/C: combined ratio at target level



Comments

- **Operating profit at 27% of FY outlook midpoint**
Strong OP of EUR 1.5bn well above previous year (Δ EUR +0.5bn). Higher underwriting result (Δ EUR +0.6bn) partly offset by lower 'other' result. The latter benefited from a positive one-off effect of EUR 0.1bn in 1Q 2020.
- **COVID-19 impact – overall neutral**
Effect from COVID-19 negligible for 1Q 2021. Prior year included EUR 0.4bn negative impact related to COVID-19.
- **Loss ratio – good performance**
LR improves -4.4%-p. AY LR drops -5.9%-p to 67.2% after ~2.5%-p negative COVID-19 impact in the prior year, lower NatCat (-2.2%-p) and a better underlying performance. Run-off 1.6%-p lower.
- **NatCat & weather – below last year's level**
NatCat losses of EUR 186mn/1.5% are below prior year (EUR 484mn/3.6%) and 10Y FY average of 2.0%. Weather related losses (excl. NatCat) at 0.9%, thereby slightly above 1Q 2020 (0.8%).
- **Expense ratio – further improved**



P/C: strong performance across many OEs

EUR mn

		Operating profit		Combined ratio		NatCat impact on CR	
		1Q 21	Δ p.y.	1Q 21	Δ p.y.	1Q 21	Δ p.y.
Total P/C segment		1,513	+46.6%	93.0%	-4.7%-p	1.5%-p	-2.2%-p
Selected OEs	Germany	329	+13.1%	91.3%	-5.4%-p	0.0%-p	-4.7%-p
	France	97	-1.1%	96.1%	+0.7%-p	0.0%-p	-2.0%-p
	United Kingdom	107	n.m. ¹	89.8%	-11.5%-p	0.0%-p	-5.8%-p
	Central and Eastern Europe	108	+8.9%	87.4%	-1.4%-p	0.5%-p	-0.5%-p
	Italy	189	-5.5%	83.4%	+0.3%-p	0.0%-p	0.0%-p
	Spain	76	+73.2%	88.4%	-5.4%-p	1.8%-p	+0.8%-p
	Australia	43	+31.5%	97.6%	-2.8%-p	7.8%-p	-5.7%-p
	Latin America	47	-20.5%	98.5%	-2.1%-p	0.0%-p	0.0%-p
	Turkey	25	-22.0%	109.9%	+6.8%-p	0.0%-p	0.0%-p
	Global lines	AGCS	81	n.m. ²	98.3%	-19.2%-p	6.3%-p
Allianz Partners		41	+24.9%	98.0%	-1.3%-p	0.1%-p	+0.1%-p
Euler Hermes		88	+25.7%	77.6%	-9.9%-p	–	–

1) In 1Q 20 OP for United Kingdom was at EUR 19mn (Δ EUR +88mn)

2) In 1Q 20 OP for AGCS was at EUR -141mn (Δ EUR +222mn)



P/C: strong performance across many OEs



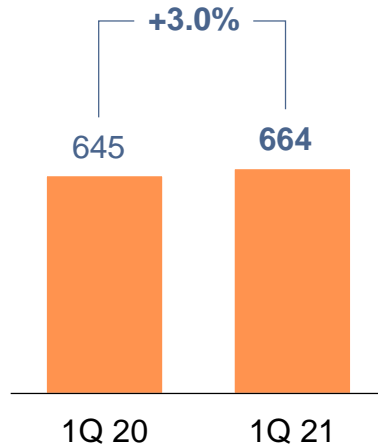
Comments

- * **Germany – strong CR**
 Benign NatCat and low claims frequency in motor.
- **France – OP stable**
 Slightly lower underwriting result partially offset by improved investment result.
- **UK – very good performance**
 CR mainly driven by low frequency in motor and favorable NatCat environment.
- **CEE – success story continues**
 Both LR (Δ -1.1%-p) and ER (Δ -0.3%-p) contribute.
- **Italy – CR remains excellent**
 Lower ER (Δ -2.3%-p) and better AY LR offset by decrease in run-off.
- **Spain – CR on very strong level**
 CR improves due to reduced claims frequency and lower large losses.
- **Australia – underlying improvement**
 Reduced NatCat and better underlying LR partially offset by lower run-off and higher ER.
- **Turkey – solid OP in difficult environment**
 Lower underwriting result from adverse run-off, partly compensated by higher investment result.
- **AGCS – significantly improved**
 CR at 2021 target level of 98% despite COVID-19 impact mainly in Entertainment and higher NatCat.
- **Allianz Partners – OP rises despite lower top-line**
 OP driven by better CR mainly from change in business mix. NPE declines -25%.
- **Euler Hermes – outstanding CR**
 Very low claims activity and better ER (Δ -2.2%-p) more than offset sharp NPE reduction (-26%) related to state support schemes which had not yet been in place in 1Q 2020.



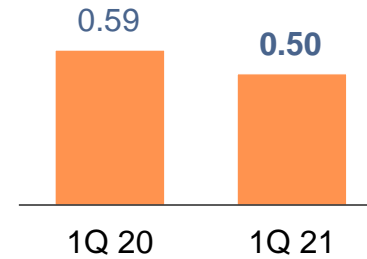
P/C: investment result up 3%

Operating investment result¹
(EUR mn)

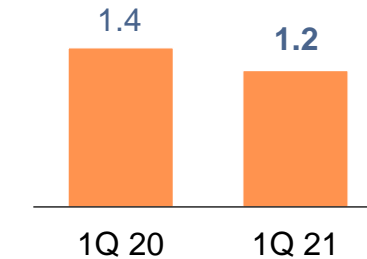


Interest & similar income ²	784	766	-19
Net harvesting and other ³	-33	5	38
Investment expenses	-107	-107	0

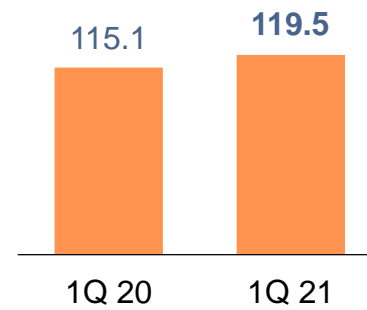
Current yield
(debt securities; in %)



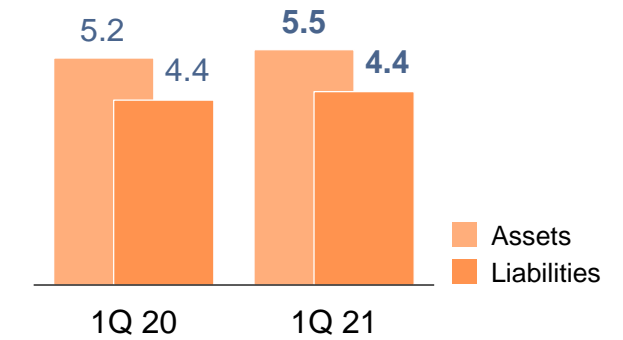
Economic reinvestment yield
(debt securities; in %)



Total average asset base⁴
(EUR bn)



Duration⁵



1) Including policyholder participation
 2) Net of interest expenses
 3) Other comprises fair value option, trading and F/X gains and losses, as well as policyholder participation

4) Asset base includes health business France, fair value option and trading
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the P/C segment.



P/C: investment result up 3%

Comments

- **Interest & similar income**

Lower income from debt due to low yields and currency translation effects is partially compensated by higher income from equities from associates/JV.

- **Net harvesting & other**

Driven by higher F/X result net of hedges.

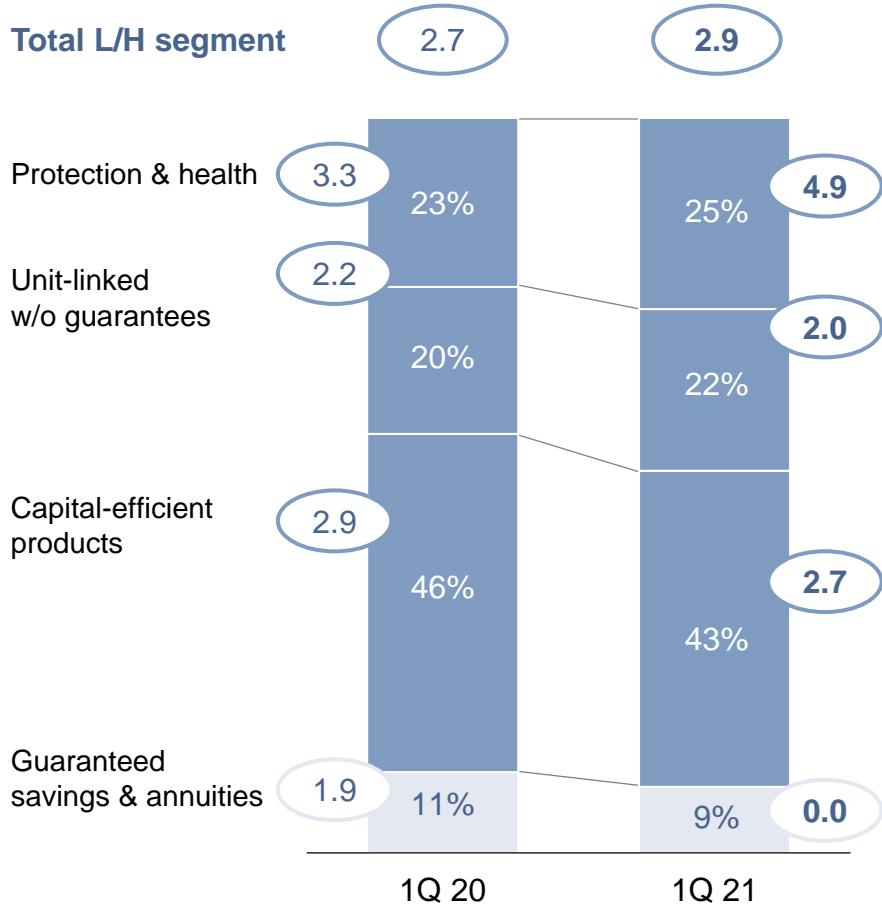
- **Reinvestment yield**

Reinvestment yield lower vs. 1Q 2020 but slightly above 4Q 2020 due to positive market movements in the first quarter 2021.



L/H: new business growth at healthy margin

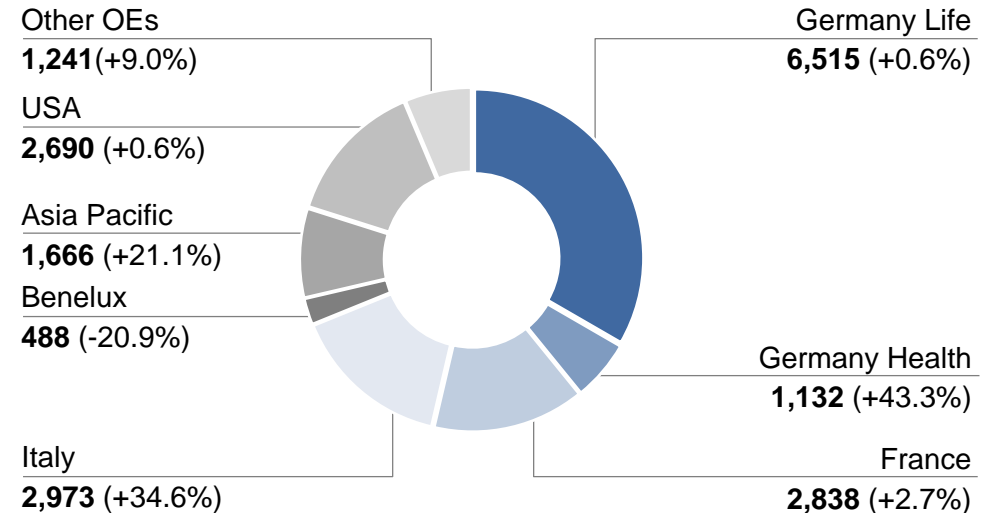
PVNB share by line



■ Preferred LoBs
○ NBM (in %)

EUR mn	1Q 20	1Q 21	Δ p.y.
PVNB	18,044	19,544	+8.3%
APE	3,612	3,657	+1.3%
Single premium	10,301	10,618	+3.1%
Recurring premium	2,582	2,595	+0.5%

PVNB by OE (EUR mn)





L/H: new business growth at healthy margin



Comments

PVNB by line

- **New business volume growth of 8.3%**
Improved business mix supported by active steering. UL w/o guarantees grow EUR 0.8bn (+21.0%) and P&H is up EUR 0.8bn (+20.2%). GS&A down 7.9%. Share of GS&A declines by 2%-p to 9%.
- **Largest volume increases in Italy and Asia Pacific**
Volume increase in Italy (Δ EUR +0.8bn) driven by UL. Volume growth of Δ EUR +0.3bn in Asia Pacific as a result of higher sales in UL and P&H.
- **NBM good at 2.9% – supported by business mix**
Impact from unfavorable market movements (-0.8%-p) largely offset by better business mix (+0.7%-p). Interest rate increase during 1Q 2021 only partially reflected in NBM, i.e. USA with 3.8% NBM. 1Q 2021 NBM at ~3.2% based on end of quarter economic assumptions.
- **NBM of P&H improves to 4.9%**
NBM in UL w/o guarantees and capital-efficient business broadly stable. NBM of GS&A suffers from lower interest rates.

PVNB by OE

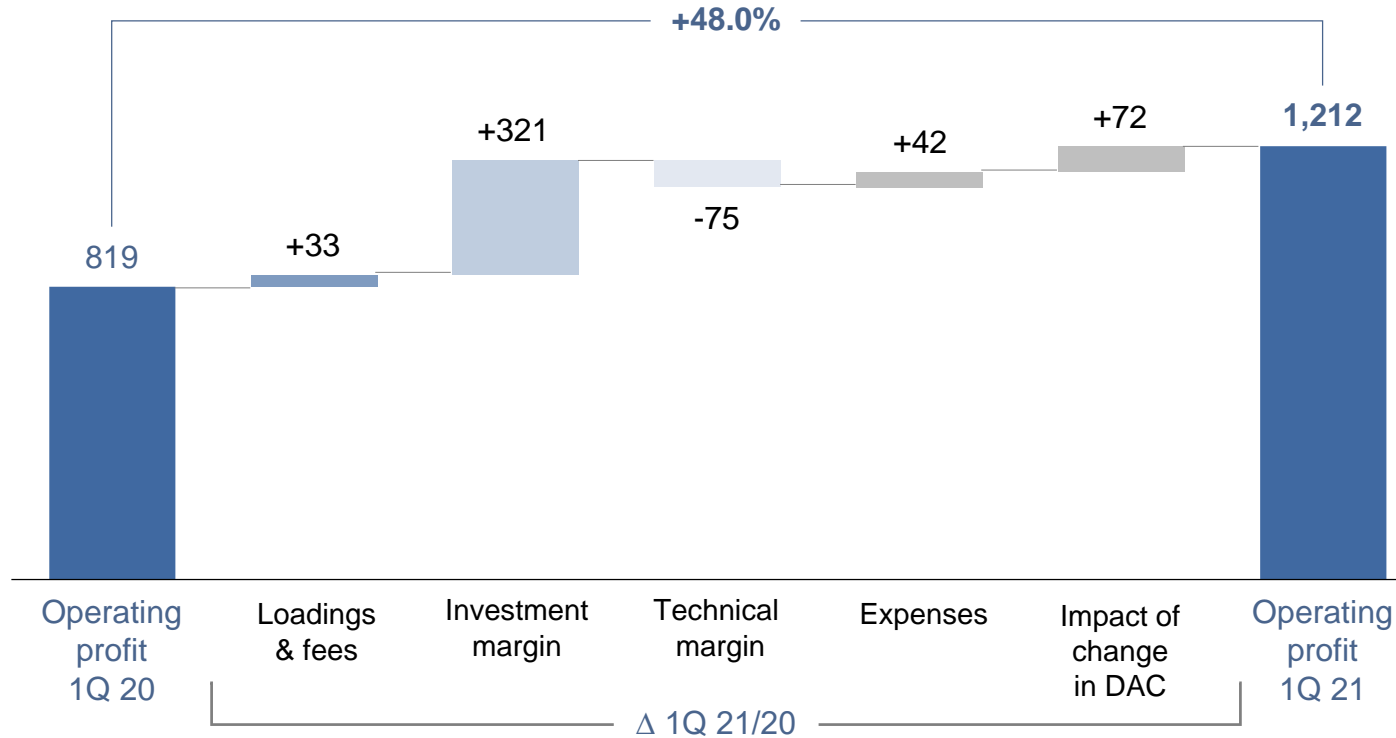
- **Germany Life – better business mix**
Higher volume from P&H business compensates for lower sales of GS&A. Share of P&H business is up to 10% with NBM 6.9%.
- **USA – active steering**
Further shift from FIA to capital-efficient VA business, which accounts for 49% of new business.
- **Asia Pacific – strong growth at 6% NBM**
Strong volume growth across various countries and better business mix.
- **Italy – UL sales increase by 42%**
Strong UL sales growth of EUR 0.7bn. Share of UL up to 82%.
- **France – improved business mix**
GS&A down by 25%, more than compensated by growth in capital-efficient and UL business.
- **Germany Health – higher volume driven by model change**



L/H: operating profit good at EUR 1.2bn

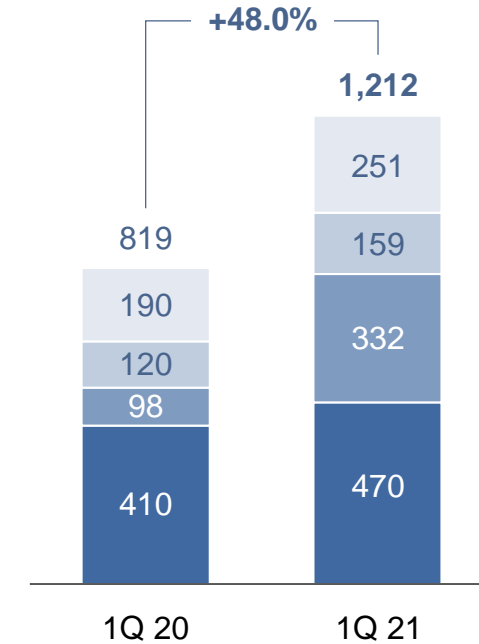
(EUR mn)

Operating profit by source



1Q 21	1,733	1,045	334	-1,895	-5
1Q 20	1,699	723	410	-1,937	-77

Operating profit by line



- Protection & health
- Unit-linked w/o guarantees
- Capital-efficient products
- Guaranteed savings & annuities



L/H: operating profit good at EUR 1.2bn



Comments

- **Operating profit at 28% of FY outlook midpoint**
Operating profit mainly driven by recovery of investment margin and higher UL management fees.
- **Loadings & fees supported by UL business**
Drivers are higher UL management fees (+18%).
- **Technical margin – high prior-year result**
- **Investment margin grows by EUR 321mn**
Investment margin improves by 6bps to 21bps supported by a recovery of the result from net harvesting and other. Prior-year investment margin was affected by elevated capital markets volatility.
- **Lower acquisition expenses**
Less single premium business in Germany Life and lower overhead acquisition expenses.
- **Impact of change in DAC: adverse prior-year result**
Prior-year result impacted by adverse DAC true-ups. In addition, lower DAC amortization due to favorable capital market conditions.

Preferred LoBs account for 61% of operating profit

- **Protection & health**
Better technical result in Asia and low prior-year investment margin in Germany Health.
- **UL w/o guarantees**
Higher UL management fees in Italy and Taiwan. In addition, lower DAC amortization due to favorable capital market conditions.
- **Capital-efficient products**
Better result from U.S. (Δ EUR +0.2bn) mainly due to higher contribution from the FIA business.
- **Guaranteed savings & annuities**
Recovery of investment margin in Germany Life. Prior-year adverse DAC-true up in U.S. VA business.



L/H: double-digit growth in VNB

EUR mn

	Value of new business		New business margin		Operating profit	
	1Q 21	Δ p.y.	1Q 21	Δ p.y.	1Q 21	Δ p.y.
Total L/H segment	558	+13.0%	2.9%	+0.1%-p	1,212	+48.0%
Germany Life	166	-23.3%	2.5%	-0.8%-p	301	+20.3%
USA	103	+63.9%	3.8%	+1.5%-p	301	n.m. ²
Asia Pacific	100	+41.4%	6.0%	+0.9%-p	122	+71.8%
Italy	45	+5.7%	1.5%	-0.4%-p	126	+6.4%
Germany Health	45	+47.4%	4.0%	+0.1%-p	45	+206.1%
France	24	n.m. ¹	0.8%	+0.9%-p	155	+12.0%
Spain	16	+67.3%	5.4%	+2.0%-p	13	-50.1%
Benelux	11	-9.1%	2.2%	+0.3%-p	25	-38.2%
Central and Eastern Europe	11	-7.4%	4.1%	-0.9%-p	61	+12.9%
Turkey	9	-36.8%	6.5%	-0.7%-p	21	+6.8%
Switzerland	3	-18.1%	1.2%	-0.9%-p	26	-2.9%

1) In 1Q 20 VNB for France was at EUR -2mn (Δ EUR +26mn)

2) In 1Q 20 OP for USA was at EUR 47mn (Δ EUR +254mn)



L/H: double-digit growth in VNB



Comments

New business

- **13% VNB growth driven by P&H business**
VNB of P&H is up 78% and its share in total VNB increases by 16%-p to 43%.
- **Germany Life – VNB affected by lower NBM**
Impact from lower interest rates on NBM partially offset by better business mix. Impact from modified capital-efficient products limited due to normal spillover of contracts sold with old conditions into 1Q 2021.
- **USA – active steering and higher interest rates**
Better NBM due to FIA product changes, shift to capital-efficient VA and higher interest rates during 1Q 2021.
- **Asia Pacific – strong growth and better business mix**
Various countries contribute to 41.4% increase in VNB.
- **France – VNB improvement due to better NBM**
Lower combined ratio in Group P&H business more than offsets impact from lower interest rates on VNB.
- **Germany Health – VNB increase due to model change**

Operating profit

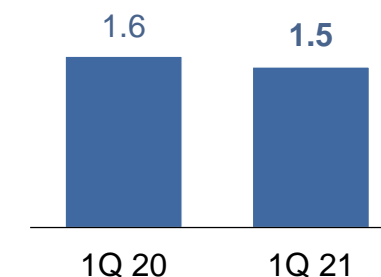
- **Germany Life – good level**
Recovery of investment margin and volume growth.
- **Asia Pacific – accounts for 10% of segment OP**
Strong recovery of profits in Taiwan and good technical result in Thailand. 68% of operating profit stem from UL and P&H.
- **USA – strong performance**
Recovery of operating profit supported by stable market conditions in contrast to the extreme volatility in the first quarter of the prior year.
- **Italy – operating profit up by UL**
Share of UL in total operating profit is up to 66%.
- **France and Germany Health – recovery of investment margin**
- **Spain – deconsolidation of Allianz Popular**
In addition lower level of net harvesting result.



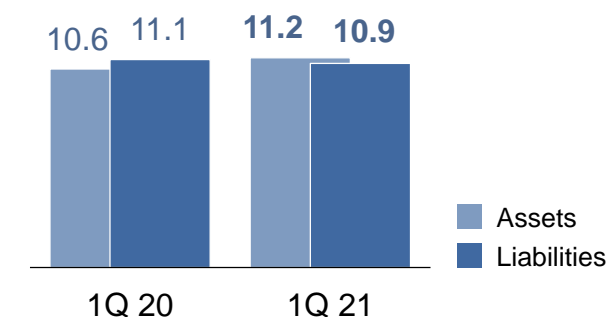
L/H: investment margin strong at EUR 1.0bn

	Investment margin	
	1Q 20	1Q 21
Based on Ø book value of assets¹ (EUR bn)	605	638
Current yield	0.77%	0.72%
Based on Ø aggregate policy reserves (EUR bn)	488	500
Current yield	0.95%	0.92%
Net harvesting and other ²	-0.80%	0.23%
Total yield	0.15%	1.15%
- Ø min. guarantee ³	0.47%	0.45%
Gross investment margin (in %)	-0.32%	0.70%
- Profit sharing under IFRS ⁴	-0.47%	0.49%
Investment margin (in %)	0.15%	0.21%
Investment margin (EUR mn)	723	1,045

Economic reinvestment yield (debt securities; in %)



Duration⁵



1) Asset base under IFRS which excludes unit-linked, FVO and trading
 2) Other comprises fair value option, trading and F/X gains and losses, as well as investment expenses
 3) Based on technical interest

4) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the L/H segment.



L/H: investment margin strong at EUR 1.0bn



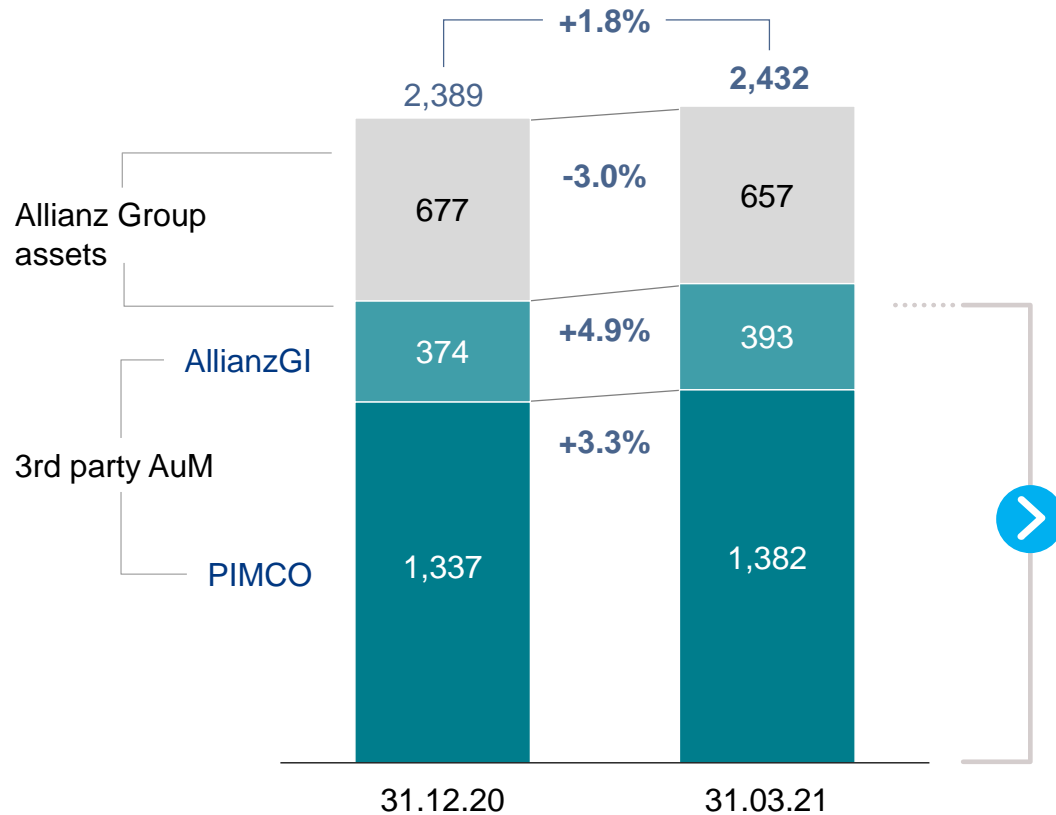
Comments

- **Investment margin up EUR 0.3bn to EUR 1.0bn**
Strong investment margin (Δ +6bps to 21bps) and growth of reserve base (+2.5%).
- **Yield decline within expected range**
Current yield based on aggregate policy reserves down by 3bps. Impact from yield decline largely offset by lower average minimum guarantee (-2bps).
- **Net harvesting and other**
Drivers are a better net harvesting result mainly from less impairments and a less adverse trading result. The latter was negatively affected by elevated capital markets volatility in the prior year.
- **Gross investment margin recovers to 70bps**
A better result from net harvesting and other leads to a gross investment margin of 70bps.
- **Investment margin strong at 21bps**
Recovery of gross investment margin and PHP of 81.8% lead to an investment margin of 21bps.
- **Reinvestment yield**
Decline in reinvestment yield driven by market movement.
- **Duration**
Higher asset duration mainly due to management action, e.g. increased asset duration.



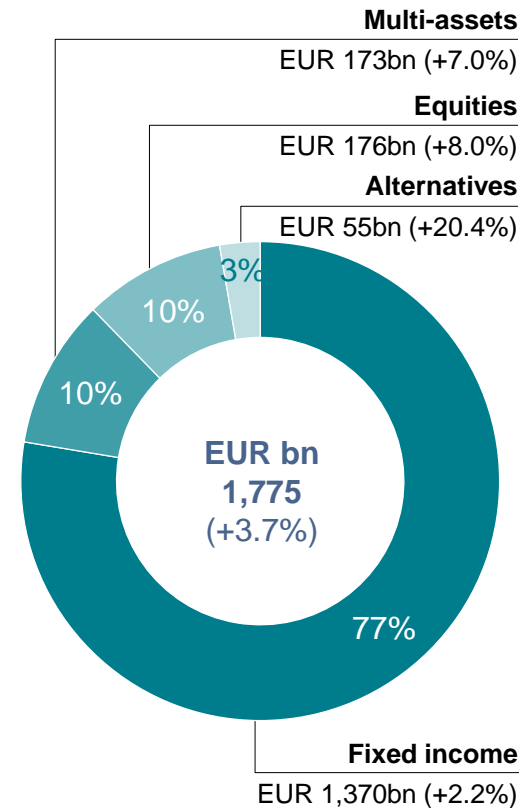
AM: total AuM exceed EUR 2.4tn for the first time (EUR bn)

Total assets under management

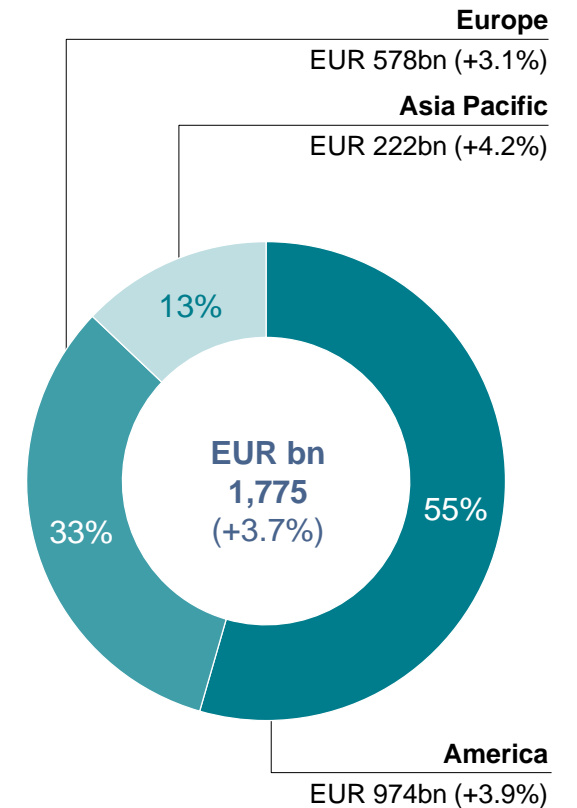


3rd party AuM split

Asset classes



Regions





AM: total AuM exceed EUR 2.4tn for the first time



Comments

- **Total AuM up 2%**

Increase driven by EUR 38bn 3rd party net inflows and F/X; negative market effects mainly due to rising interest rates.

- **Business highlights**

AM segment: 89% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.

PIMCO: Closed-end fund “Dynamic Income Opportunities” launched.

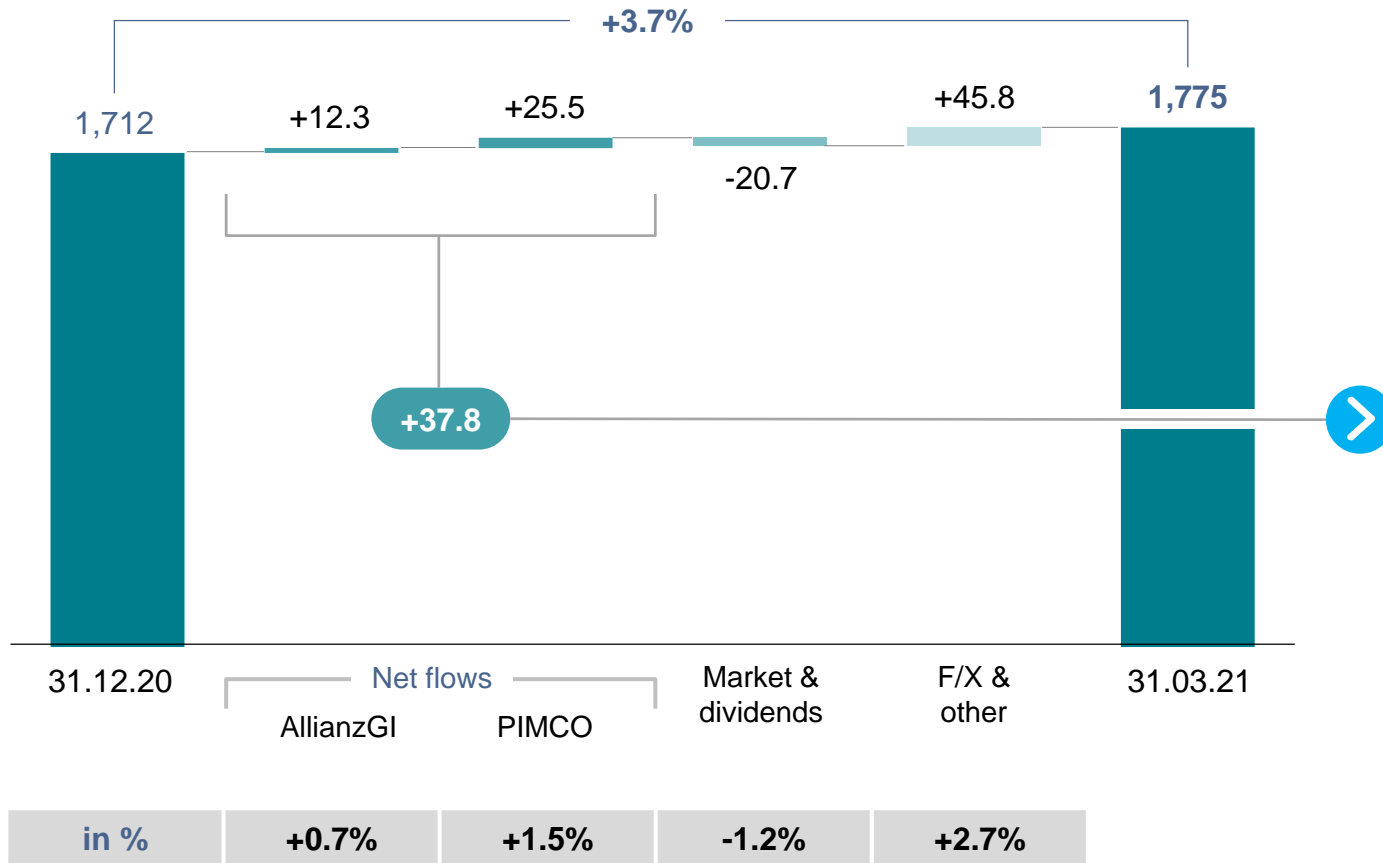
AllianzGI and Virtus Investment Partners implement strategic partnership in the U.S. retail market.



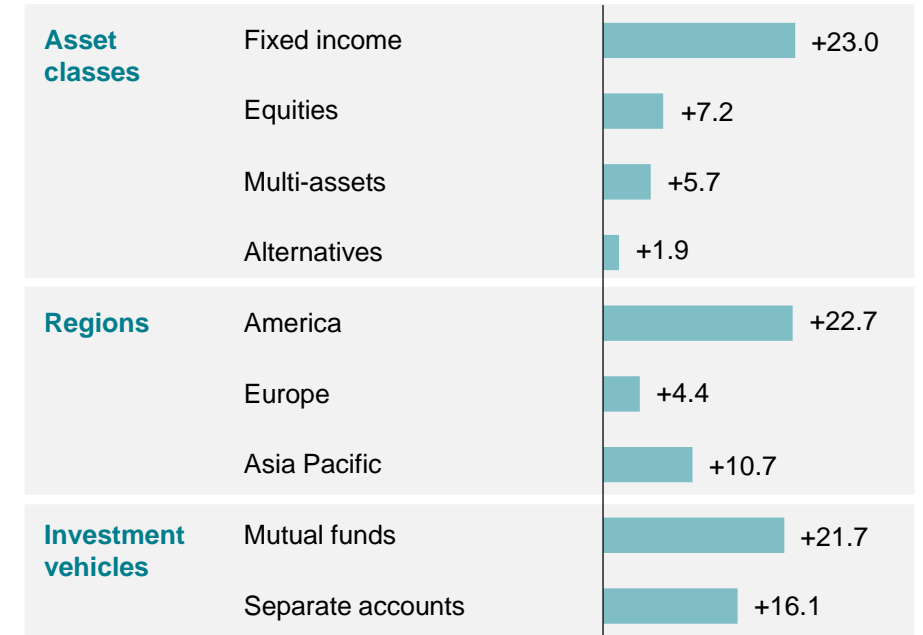
AM: strong 3rd party net inflows

(EUR bn)

3rd party assets under management development



3rd party net flow split





AM: strong 3rd party net inflows



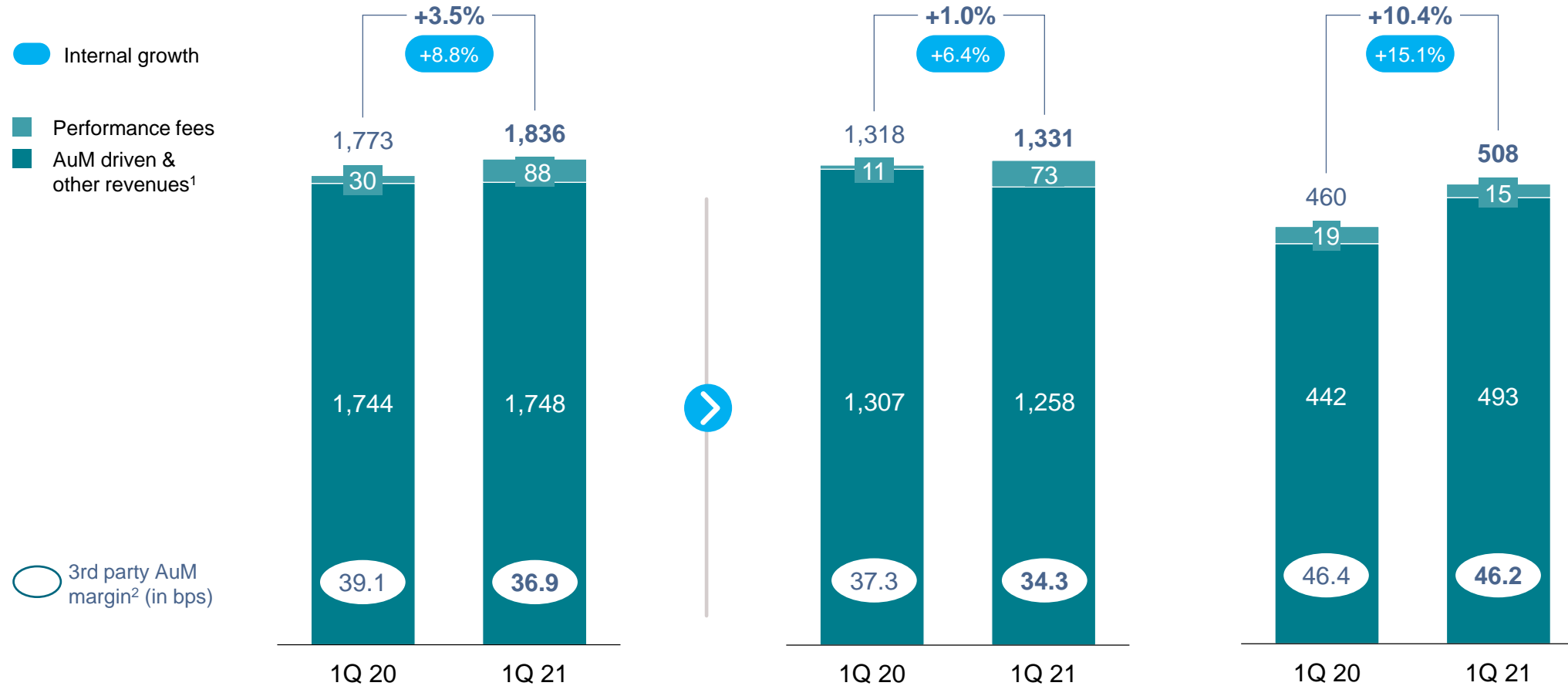
Comments

- **3rd party AuM up 4% to EUR 1.8tn**
3rd party AuM increase by EUR 63bn to an all-time high. Positive F/X effect and strong 3rd party net inflows at PIMCO and AllianzGI. Excluding F/X, 3rd party AuM up by 1%.
1Q 2021 average 3rd party AuM amount to EUR 1,740bn, 2% above 1Q 2020 level of EUR 1,700bn and 4% above FY 2020 level of EUR 1,665bn.
- **3rd party net flows PIMCO: EUR +26bn**
3rd party net inflows from a broader range of strategies as, for instance, income, global and enhanced cash.
- **3rd party net flows AllianzGI: EUR +12bn**
Record level of 3rd party net inflows. Inflows primarily in mutual funds and in all asset classes and regions.



AM: 9% internal growth (EUR mn)

Revenues development



1) Thereof other revenues: AM: 1Q 20: EUR -10mn, 1Q 21: EUR 4mn; PIMCO: 1Q 20: EUR 6mn; 1Q 21: EUR 7mn; AllianzGI: 1Q 20: EUR -13mn; 1Q 21: EUR -1mn

2) Excluding performance fees and other income



AM: 9% internal growth



Comments

- **Segment revenues**

Significantly negative F/X impact (EUR -132mn) mitigates overall revenue increase (Δ +4%/EUR 63mn). Revenues supported by Allianz Real Estate integration with EUR 48mn.

Excluding F/X, revenues increase by 11%/EUR 194mn mainly due to rising AuM driven fees at PIMCO and AllianzGI and PIMCO performance fees. Increase of AuM driven fees partly compensated by one-off expenses for launch of a closed-end fund at PIMCO.

- **Segment margin**

3rd party AuM margin decreases by 2.2bps to 36.9bps; major part of the decrease is driven by the launch of a closed-end fund at PIMCO.

- **PIMCO margin**

Margin decrease mainly due to launch costs for a closed-end fund.

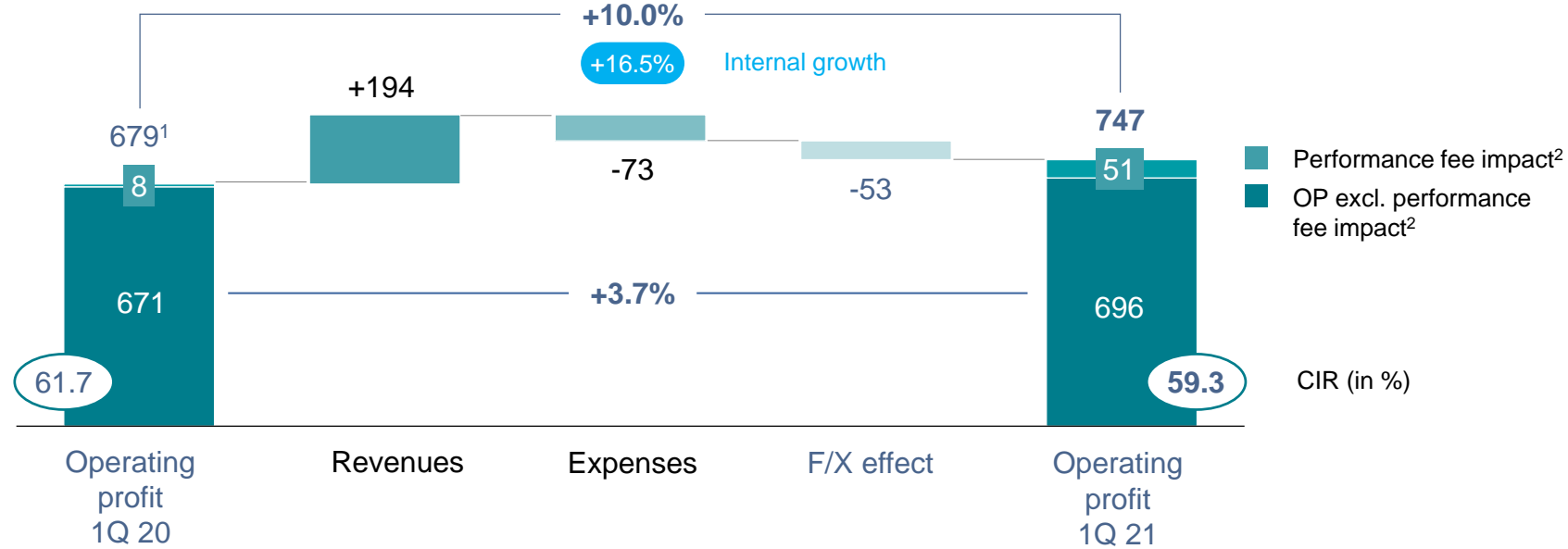
- **AllianzGI margin**

Nearly unchanged (Δ -0.1bps).



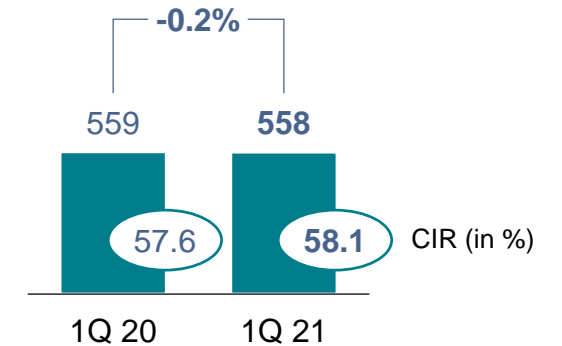
AM: operating profit increases by 10% (EUR mn)

Operating profit drivers

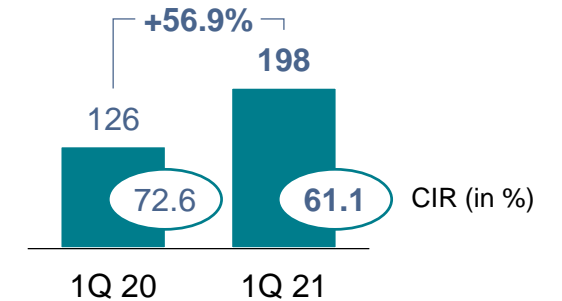


Δ 1Q 21/20		
F/X impact	-132	+79
1Q 21	1,836	-1,089
1Q 20	1,773	-1,094

PIMCO



AllianzGI



1) Including operating loss from other entities of EUR -6mn in 1Q 20 and EUR -9mn in 1Q 21
 2) Performance fees of PIMCO and AllianzGI (excl. Allianz Capital Partners), net of 30% variable compensation



AM: operating profit increases by 10%



Comments

- **Segment – OP at 27% of FY outlook midpoint**

OP up 10% despite an F/X impact of EUR -53mn.

Excluding F/X, OP grows by 18%/EUR 121mn due to higher AuM driven and performance fees, which more than compensate for higher expenses.

CIR at 59.3%, 2.4%-p better than in 1Q 2020.

- **PIMCO – OP on a strong level**

CEF launch costs and a F/X effect of EUR -49mn leave OP stable (Δ EUR -1mn) on an excellent level. Excluding F/X, higher AuM driven and performance fees combined with a moderate increase in expenses result in an OP increase of 9%, also supported by integration of Allianz Real Estate.

CIR at 58.1%, on FY 2020 level and 0.5%-p above 1Q 2020, impacted by closed-end fund launch costs.

- **AllianzGI – OP up 57%**

Higher AuM driven fees following 10% higher average 3rd party AuM and lower expenses, the latter supported by the program “Excellence through Optimization and Simplicity” (EOS).

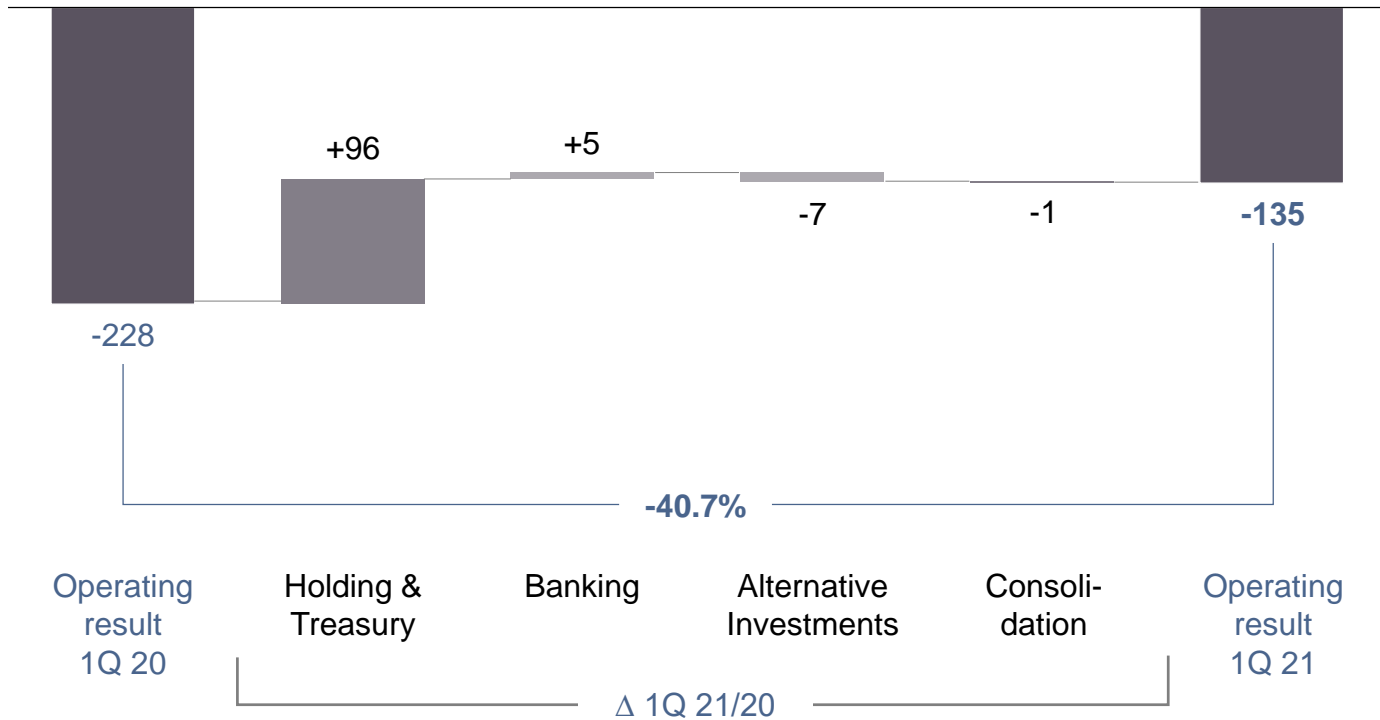
CIR improved by 11.5%-p to 61.1% driven by higher revenues and concurrent expense savings due to the aforementioned EOS program.



CO: operating result slightly better than expected

(EUR mn)

Operating result development and components



	Holding & Treasury	Banking	Alternative Investments	Consolidation
1Q 21	-152	15	2	0
1Q 20	-247	10	9	1



CO: operating result slightly better than expected

Comments

- **Operating loss at 17% of FY outlook midpoint**
Lower operating loss due to favorable F/X result and lower admin and investment expenses – all reflected in result from Holding & Treasury.



Group: shareholders' net income at EUR 2.6bn

EUR mn	1Q 20	1Q 21	Δ p.y.
Operating profit	2,304	3,336	+1,032
Non-operating items	-412	154	+566
Realized gains/losses (net)	448	500	+52
Impairments (net)	-509	-52	+457
Income from financial assets and liabilities carried at fair value (net)	-6	-30	-24
Interest expenses from external debt	-180	-179	+1
Restructuring and integration expenses	-141	-80	+61
Amortization of intangible assets	-46	-60	-14
Change in reserves for insurance and investment contracts (net)	22	56	+34
Other	0	-2	-2
Income before taxes	1,892	3,490	+1,598
Income taxes	-409	-804	-395
Net income	1,483	2,686	+1,202
Non-controlling interests	-84	-120	-36
Shareholders' net income	1,400	2,566	+1,167
Effective tax rate	22%	23%	+1%-p



Group: shareholders' net income at EUR 2.6bn



Comments

- **Shareholders' net income up by EUR 1.2bn**
Increase driven by higher operating profit (Δ EUR +1.0bn) and better non-operating profit (Δ EUR +0.6bn).
- **Non-OP result improves by EUR 0.6bn**
Non-operating result benefits from lower impairments (Δ EUR +0.5bn).
- **Realized gains/losses remain on a high level**
Realized gains/losses from equities remain at EUR 0.3bn. Prior-year harvesting result includes EUR 0.5bn gain from disposal of Allianz Popular bancassurance partnership.
- **Restructuring expenses**
39% of restructuring expenses refers to IT decommissioning (EUR 33mn).
- **Tax rate supported by a one-off tax benefit (EUR +0.1bn)**



Summary: good start into the year

Facts
and figures
1Q 2021
(EUR)

41.4bn

Revenues

3.3bn

Operating profit

2.6bn

Shareholders'
net income

210%

Solvency II ratio



CONTENT

1

GROUP FINANCIAL RESULTS
1Q 2021

2

ADDITIONAL INFORMATION

GLOSSARY
DISCLAIMER

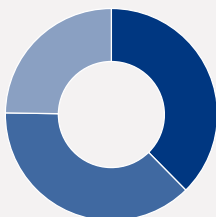


Allianz track record

Operating profit 2020: EUR 10.8bn

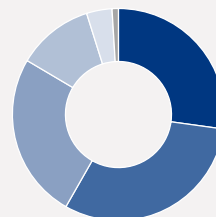
By segments¹

P/C Insurance	38%
L/H Insurance	38%
Asset Mgmt.	25%



By regions:

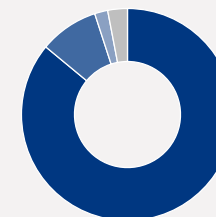
Germany	28%
W & S Europe	32%
USA	26%
Growth Markets ²	12%
Anglo Markets ³	4%
Specialty Ins. ⁴	-1%



Investment portfolio 2020: EUR 790bn

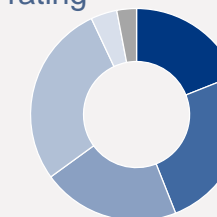
Asset allocation

Debt instruments	86%
• Government	38%
• Covered	10%
• Corporate	42%
• Other	11%
Equities	9%
Real estate ⁵	2%
Other	3%



Debt instruments by rating⁶

AAA	19%
AA	25%
A	21%
BBB	28%
Non inv. grade	4%
Not rated ⁷	3%



In EUR		2016	2017	2018	2019	2020	Δ 20/19	CAGR 4yr
Income statement	Revenues ⁸ (bn)	122.4	126.1	132.3	142.4	140.5	-1.3%	+3.5%
	Operating profit (bn)	11.1	11.1	11.5	11.9	10.8	-9.3%	-0.7%
	Shareholders' net income (bn)	7.0	6.8	7.5	7.9	6.8	-14.0%	-0.7%
Capital	Shareholders' equity (bn)	67.1	65.6	61.2	74.0	80.8	+9.2%	+4.8%
	Solvency II ratio ⁹ (%)	218%	229%	229%	212%	207%	-5%-p	-
Other data	3rd party AuM (tn)	1.36	1.45	1.44	1.69	1.71	+1.5%	+5.9%
	Total AuM (tn)	1.87	1.96	1.96	2.27	2.39	+5.3%	+6.3%
	RoE ¹⁰ (%)	12.3%	11.8%	13.2%	13.6%	11.4%	-2.2%-p	-
Share information	Basic earnings per share	15.3	15.2	17.4	18.9	16.5	-12.8%	+1.9%
	Dividend per share	7.60	8.00	9.00	9.60	9.60	0.0%	+6.0%
	Dividend yield (%) ¹¹	4.8%	4.2%	5.1%	4.4%	4.8%	+0.4%-p	-

1) Excl. "Corporate & Other" and consolidation between segments
 2) CEE, Asia-Pacific, Latin America, Middle East and Africa, Turkey, Austria and AZ Direct allocated to Western and Southern Europe
 3) UK, Ireland, Australia
 4) Allianz Global Corporate & Specialty, Euler Hermes, Allianz Partners, Allianz Re
 5) Excluding real estate held for own use and real estate held for sale
 6) Excluding seasoned self-originated private retail loans
 7) Mostly mutual funds and short-term investments

8) From 2018, total revenues also comprise P/C fee and commission income
 9) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20
 10) Definition see glossary
 11) Divided by year-end share price

GLOSSARY & DISCLAIMER





Glossary (1)

AFS	Available for sale: Available-for-sale investments are non-derivative financial assets which have been acquired neither for sale in the near term nor to be held to maturity. They are shown at fair value on the balance sheet.
AGCS	Allianz Global Corporate & Specialty
AllianzGI	Allianz Global Investors
AM	(The Allianz business segment) Asset Management
AP	Allianz Partners
APE	Annual premium equivalent: A measure to normalize single premiums to the recurring premiums. It is calculated as the sum of recurring premiums and 10% of single premiums of the respective period.
APR	Accident insurance with premium refund (“Unfallversicherung mit Beitragsrückzahlung”): Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents, has a guaranteed claim to the refund of premiums, either at the agreed maturity date or in the event of death.
Attritional LR	Accident year losses less claims arising from natural catastrophes as per our group-level definition (please refer to “NatCat”) divided by premiums earned (net).
AuM	<p>Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. They are managed on behalf of third parties as well as on behalf of the Allianz Group.</p> <p>Net flows: Net flows represent the sum of new client assets, additional contributions from existing clients (including dividend reinvestment), withdrawals of assets from and termination of client accounts, and distributions to investors.</p> <p>Market & dividends: Represents current income earned on and changes in fair value of securities held in client accounts. This also includes dividends from net investment income and from net realized capital gains to investors of open-ended mutual funds and closed-end funds.</p>
AY LR	Accident year loss ratio: Please refer to “LR” (loss ratio).
AZ	Allianz



Glossary (2)

Bps	Basis points: 1 Basis point = 0.01%.
CEE	Central and Eastern Europe
CIR	Cost-income ratio: Operating expenses divided by operating revenues
CO	(The Allianz business segment) Corporate and Other
CR	Combined ratio: Represents the total of acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, and claims and insurance benefits incurred (net), divided by premiums earned (net).
Current yield	Represents interest and similar income divided by average asset base at book value.
DAC	Deferred acquisition costs: The expenses of an insurance company which are incurred in the acquisition of new insurance policies, or the renewal of existing policies, and capitalized in the balance sheet. They include commissions paid, underwriting expenses, and policy issuance costs.
Economic reinvestment yield	Reflects the reinvestment yield, including F/X hedging costs on non-domestic hard-currency F/X bonds as well as expected F/X losses on non-domestic emerging-market bonds in local currencies. The yield is presented on an annual basis.
EIOPA	European Insurance and Occupational Pensions Authority
EPS	Earnings per share: A ratio calculated by dividing the respective period's net income attributable to shareholders by the weighted average number of shares outstanding (basic EPS). To calculate diluted earnings per share, the number of common shares outstanding and the net income attributable to shareholders are adjusted to include the effects of potentially dilutive common shares that could still be exercised. Potentially dilutive common shares result from share-based compensation plans (diluted EPS).
ER	Expense ratio: Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).
F/X	Foreign exchange rate
FIA	Fixed index annuity: Annuity contract under which the policyholder can elect to be credited based on movements in equity or in bond market indices, with the principal remaining protected.



Glossary (3)

FV	Fair value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
FVO	Fair-value option: Financial assets and liabilities designated at fair value through income are measured at fair value, with changes in fair value recorded in the consolidated income statement.
Goodwill	Difference between the cost of acquisition and the fair value of the net assets acquired.
Government bonds	Government bonds include government and government agency bonds.
GPW	Gross premiums written: Please refer to “Premiums written/earned” as well as “Gross/net”.
Gross/net	In insurance terminology the terms “gross” and “net” mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term “net” is used where the relevant expenses have already been deducted.
Harvesting	Includes realized gains/losses (net) and impairments of investments (net).
Held for sale	A non-current asset is classified as held for sale if its carrying amount will principally be recovered through a sale transaction rather than continued use. On the date a non-current asset meets the criteria for being considered as held for sale, it is measured at the lower of its carrying amount and its fair value less costs to sell.
IFRS	International Financial Reporting Standards: As of 2002, the term IFRS refers to the total set of standards adopted by the International Accounting Standards Board. Standards approved before 2002 continue to be referred to as International Accounting Standards (IAS).
IMIX	Our Inclusive Meritocracy Index (IMIX) measures the progress of the organization on its way towards inclusive meritocracy. This internal index is based on ten items from the Allianz Engagement Survey (AES) which deal with leadership, performance, and corporate culture.
Internal growth	Total revenue performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
JV	Joint venture
KPI	Key performance indicator



Glossary (4)

L/H

(The Allianz business segment) Life and Health insurance

L/H lines of business

Guaranteed savings & annuities: Life insurance products linked to life expectancy, offering life and / or death benefits in the form of single or multiple payments to beneficiaries and possibly including financial and non-financial guarantees.

Capital-efficient products: Products that are based on the general account but involve a significantly lower market risk, either through comprehensive asset/liability management or through significant limitation of the guarantee. This also includes hybrid products which, in addition to conventional assets, invest in a separate account (unit-linked). Capital-efficient products offer a guaranteed surrender value at limited risk, due to, e.g. precise asset-liability management or market value adjustment.

Protection & health: Insurance products covering the risks associated with events that affect an individual's physical or mental integrity.

Unit-linked [products] without guarantees: With conventional unit-linked products, all benefits under the contract are directly linked to the value of a set of assets which are pooled in an internal or external fund and held in a separate account by the insurer. In this constellation, it is the policyholder rather than the insurer who bears the risk.

L/H operating profit sources

The objective of the "Life/Health operating profit sources" analysis is to explain movements in IFRS results by analyzing underlying drivers of performance, consolidated for the Life/Health business segment.

Loadings & fees: Includes premium and reserve-based fees, unit-linked management fees, and policyholder participation in expenses (if and as applicable).

Investment margin: Is defined as IFRS investment income, net of expenses, less interest credited to IFRS reserves as well as policyholder participation in the investment result.

Expenses: Includes commissions, acquisition, and administration expenses.

Technical margin: Comprises risk result (risk premiums less benefits in excess of reserves), lapse result (surrender charges and commission clawbacks) and reinsurance result, all net of policyholder participation (as applicable).

Impact of change in DAC: Represents the net impact of the deferral and amortization of both acquisition costs and front-end loadings on operating profit. Includes effects of changes in DAC and URR.

LatAm

Latin America: South America and Mexico



Glossary (5)

LoB	Line of business
LR	Loss ratio: Represents claims and insurance benefits incurred (net), divided by premiums earned (net). The calendar year (CY) loss ratio includes the results of the prior year's reserve development in addition to the accident year (AY) loss ratio.
LTC	Long-term care
MCEV	Market-consistent embedded value: A measure of the consolidated value of shareholders' interests in the covered business. It is defined as the excess of the market value of assets over the market value of liabilities as of the valuation date. As such, the MCEV excludes any item not considered shareholder interest, such as the Going Concern Reserve and Surplus Fund.
NatCat	Accumulation of claims that are all related to the same natural or weather/atmospheric event during a certain period and where the estimated gross loss for the Allianz Group exceeds EUR 20mn.
NBM	New-business margin: Performance indicator to measure the profitability of new business in the Life/Health business segment. It is calculated as the value of new business, divided by the present value of new-business premiums, both based on the same assumptions to ensure a valid and meaningful indicator.
Non-controlling interests	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
NPE	Net premiums earned: Please refer to "premiums written/earned" as well as "gross/net".
NPS	Net promoter score: A measurement of customers' willingness to recommend Allianz. Top-down NPS is measured regularly according to global cross-industry standards and allows benchmarking against competitors in the respective markets.
OE	Operating entity
Ogden rate	Discount (Ogden) rate is used by British courts to calculate the discounted values of future losses in bodily injury claims paid out as lump-sum payments. It largely impacts motor, but also liability lines.
OP	Operating profit: Earnings from ordinary activities before income taxes and non-controlling interests in earnings, excluding (if and as applicable for each business segment) all or some of the following items: income from financial assets and liabilities carried at fair value through income (net), realized gains/losses (net), impairments of investments (net), interest expenses from external debt, amortization of intangible assets, acquisition-related expenses, restructuring and integration expenses, and profit/loss of substantial subsidiaries held for sale, but not yet sold.



Glossary (6)

Operating SII earnings	<p>Operating SII earnings represent the change in own funds, before tax and dividend accrual, that is attributable to the Allianz Group's ongoing core operations. As such, operating SII earnings comprise: expected return from existing business, new business value, operating variances and changes in assumptions, and interest expense on external debt.</p> <p>Operating SII earnings exclude the following effects, which are disclosed separately in our analysis of own-funds movements: regulatory / model changes, economic variances driven by changes in capital market parameters, including F/X rates, taxes, non-operating restructuring charges, capital management (e.g. issuance or redemption of subordinated debt, dividend accruals and payments, share buy-back programs), one-off impacts from, e.g., the acquisition and disposal of subsidiaries, changes in transferability restrictions, and tier limits.</p>
Own funds	The capital eligible to cover the regulatory solvency capital requirement.
P/C	(The Allianz business segment) Property and Casualty [insurance]
PHP	Policyholder participation
PIMCO	Pacific Investment Management Company Group
PPE	Provision pour participation aux excédents: The portion of the profit participation that is unpaid and has to be credited to policyholders in the future – either by virtue of statutory or contractual obligations or at the insurer's discretion.
Pre-tax operating capital generation	<p>Represents the change in SII capitalization following regulatory and model changes and which is attributable to</p> <p>a) changes in own funds as a consequence of operating SII earnings and</p> <p>b) changes in SCR as a consequence of business evolution.</p> <p>Factors such as market developments, dividends, capital management activities, taxes, etc. are not taken into account.</p>
Premiums written/earned (IFRS)	<p>“Premiums written” refers to all premium revenues recorded in the respective year.</p> <p>“Premiums earned” refers to the part of the premiums written used to provide insurance coverage in that year. In the case of life insurance products that are interest-sensitive (e.g. universal life products) or where the policyholder carries the investment risk (e.g. variable annuities), only the part of the premiums that is used to cover the risk insured and the costs involved is treated as premium income.</p>
PVNB	Present value of new business premiums: I.e. the present value of future premiums on new business written during the period in question, discounted at a reference rate. This includes the present value of projected new regular premiums plus the total amount of single premiums received. PVNB is shown after non-controlling interests, unless otherwise stated.



Glossary (7)

Reinsurance	Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies.
Retained earnings	In addition to the reserve legally required in the group parent company's financial statements, this item mainly comprises the undistributed profits of group entities as well as the amounts transferred from consolidated net income.
RfB	Reserves for premium refunds ("Rückstellungen für Beitragsrückerstattung"): The portion of the surplus that that is to be distributed to policyholders in the future – either by virtue of statutory or contractual obligations or obligations under the company bylaws, or at the insurer's discretion.
RoE	<p>Return on equity – Group: Represents the ratio of net income attributable to shareholders to the average shareholders' equity at the beginning of the period and at the end of the period. The net income attributable to shareholders is adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity. From the average shareholders' equity undated subordinated bonds classified as shareholders' equity and unrealized gains/losses on bonds net of shadow accounting are excluded.</p> <p>Return on equity P/C OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, deducting goodwill and deducting participations in affiliates not already consolidated in this OE, at the beginning and at the end of the period.</p> <p>Return on equity L/H OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, and deducting goodwill at the beginning and at the end of the period.</p>
Run-off ratio	The run-off result (result from reserve developments for prior (accident) years in P/C business) as a percentage of premiums earned (net).
SII	Solvency II
SII capitalization	Ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
SCR	Solvency capital requirement
SE	Societas Europaea: European stock company
SFCR	Solvency and Financial Condition Report



Glossary (8)

Statutory premiums	Gross premiums written from the sales of life and health insurance policies, as well as gross receipts from sales of unit-linked and other investment-related products, in accordance with the statutory accounting principles applicable in the insurer's home jurisdiction.
Total equity	The sum of shareholders' equity and non-controlling interests.
Total revenues	The sum of P/C total revenues (gross premiums written & fee and commission income), L/H statutory premiums, operating revenues in AM and total revenues in CO (Banking).
UFR	Ultimate forward rate: The UFR is determined using the EIOPA methodology and guidelines, and is used for extrapolation of periods after the last liquid point defined by the SII regulation. The UFR is calculated for each currency based on expected real rates and inflation for the respective region. The UFR is subject to revision in order to reflect fundamental changes in long term expectations.
UL	Unit-linked: Please refer to "L/H lines of business".
Unrealized gains/losses (net) (as part of shareholders' equity)	Include unrealized gains and losses primarily from available-for-sale investments, net of taxes and of policyholder participation.
URR	Unearned revenue reserves: These comprise premium components (other than expense loadings) that refer to future periods. They are reserved and released over the lifetime of the corresponding contracts.
VA	Variable annuities: The benefits payable under this type of life insurance depend primarily on the performance of the investments in a mutual fund. The policyholder shares equally in the profits or losses of the underlying investments. In addition, the contracts can include separate guarantees, such as guaranteed death, withdrawal, accumulation or income benefits.
VNB	Value of new business: The additional value to shareholders that results from the writing of new business. The VNB is determined as present value of future profits, adjusted for acquisition expenses overrun or underrun, minus the time value of financial options and guarantees, minus a risk margin, all determined at issue date. Value of new business is calculated at point of sale, interpreted as at beginning of each quarter assumptions. In the case of the USA a more frequent valuation, using updated assumptions, is performed (bi-weekly).



Disclaimer

This document includes forward-looking statements, such as prospects or expectations, that are based on management's current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz Group's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels,

(viii) currency exchange rates, most notably the EUR/USD exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions including and related integration issues and reorganization measures, and (xi) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

No duty to update

The Allianz Group assumes no obligation to update any information or forward-looking statement contained herein, save for any information we are required to disclose by law.