

**Financial Press Conference of Allianz AG
on March 20, 2003**

Michael Diekmann

Allianz positioned correctly for the future

1 Steps introduced for improved competitiveness

2 Phase of implementation

3 Continuous review of decisions

Difficult starting situation with opportunities

- 1 Capital market conditions remain difficult for financial services business
- 2 Demand for quality products bigger than ever

Managing risks professionally

1 Managing framework conditions

2 Concentration on management of internal risks

- Equity exposure
 - Ongoing reduction of proportion of equities in portfolio without straining the capital market
 - Further strengthening of risk systems and stress tests
- Capital
 - Higher capitalization for superior rating
 - Additional flexibility for growth opportunities

Dresdner Bank integral component of strategy

- 1 Turnaround Program in place
 - Consistency and finetuning
- 2 Cost reduction alone not the solution
 - Exploitation of potential for operating income

Initial results continuously positive

1 15,000 new customers with 430 million € mediated to Dresdner Bank

2 Integrated financial services provider versus old joint-venture model

- +280 percent for property insurance*

- +44 percent for life insurance*

3 Number one in company retirement provision

4 Dit Euro Bond Total Return 1.5 billion €

* number of contracts

Integrated financial services provider: right strategy

- 1 Commission margins for sale of complementary products remain within the Group
- 2 All income from German life and property insurance flows to Allianz
- 3 Biggest player in the German asset management market

Corporates & Markets: right management with right business model

1 Priority: return to profitability

2 No taboos: all options open for partnership and joint-venture in investment banking

Motivated and flexible workforce

- 1 Calmer approach from staff to enhance focus on customers
- 2 Performance-related remuneration through more variable salary components

Risk management in all business areas

1

Loan business

- Professional management of the loan portfolio by IRU
- New business at fair prices for both sides

2

Property insurance

- Improved calculation

Conclusion

- 1 Risks identified and analyzed
- 2 Responsibilities clearly allocated

“Everybody is aware of their specific tasks ahead. These tasks now have to be executed with a high degree of operational discipline, a clear perception of the risks, improved resources, and with strong personal commitment.”