

Interim Report

1. Quarter of 2002

Allianz AG
Königinstraße 28
80802 München
Telephone +49 89 38 00 00
Telefax +49 89 34 99 41
www.allianz.com/investor-relations

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Consolidated Balance Sheet as of March 31, 2002 and as of March 31, 2001

ASSETS	Note	3/31/2002 € mn	12/31/2001 € mn
A. Intangible assets	2	19,984	16,911
B. Investments in affiliated enterprises, joint ventures and associated enterprises		8,986	10,247
C. Investments	3	341,068	345,302
D. Investments held on account and at risk of life insurance policyholders		26,348	24,692
E. Loans and advances to banks	4	73,836	61,274
F. Loans and advances to customers	5	252,427	239,693
G. Trading assets		123,175	128,422
H. Cash funds and cash equivalents		18,419	21,240
I. Amounts ceded to reinsurers from insurance reserves	6	31,085	30,999
J. Deferred tax assets		8,662	8,415
K. Other assets		68,111	55,730
Total assets		972,101	942,925

EQUITY AND LIABILITIES

	Note	3/31/2002 € mn	12/31/2001 € mn
A. Shareholders' equity		32,923	31,664
B. Minority interests in shareholders' equity	7	12,175	17,349
C. Participation certificates and post-ranking liabilities	8	12,370	12,207
D. Insurance reserves	9	305,338	299,512
E. Insurance reserves for life insurance where the investment risk is carried by policyholders		26,358	24,726
F. Liabilities to banks		151,893	135,402
G. Liabilities to customers		180,844	177,323
H. Certificated liabilities		125,997	134,670
I. Trading liabilities		48,671	44,538
J. Other accrued liabilities	10	12,567	14,117
K. Other liabilities	11	53,950	41,900
L. Deferred tax liabilities		8,372	8,898
M. Deferred income		643	619
Total equity and liabilities		972,101	942,925

Consolidated Income Statement for the Period from January 1 to March 31, 2002
and from January 1 to March 31, 2001

	Note	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
1. Premiums earned (net)	12	13,711	12,585
2. Interest and similar income	13	7,442	4,174
3. Income (net) from affiliated enterprises, joint ventures and associated enterprises		1,761	239
4. Other income from investments	14	2,886	2,945
5. Trading income	15	144	- 102
6. Fee and commission income, and income from service activities	16	2,010	997
7. Other income		664	468
Total income (1. to 7.)		28,618	21,306
8. Insurance benefits (net)	17	- 12,694	- 12,159
9. Interest and similar expenses	18	- 3,328	- 615
10. Other expenses for investments	19	- 2,187	- 1,533
11. Loan loss provisions	20	- 336	- 10
12. Acquisition costs and administrative expenses	21	- 5,956	- 4,027
13. Amortization of goodwill		- 284	- 153
14. Other expenses		- 1,708	- 1,566
Total expenses (8. to 14.)		- 26,493	- 20,063
15. Earnings from ordinary activities before taxes		2,125	1,243
16. Taxes	22	126	- 292
17. Minority interests in earnings	7	- 320	- 247
18. Net income		1,931	704
		€	€
Earnings per share	23	7.96	2.87
Earnings per share after elimination of amortization of goodwill	23	9.13	3.49

Movements in Shareholders' Equity

	Capital paid in	Revenue reserves	Unrealized gains and losses	Consolidated unappropriated profit	Share- holders' equity
	€ mn	€ mn	€ mn	€ mn	€ mn
12/31/2000	7,994	13,728	13,448	433	35,603
Currency translation adjustments		- 127	38		- 89
Changes in the scope of consolidation		- 554			- 554
Capital paid in	6,775				6,775
Treasury stock		- 5,801			- 5,801
Unrealized investment gains and losses			- 5,210		- 5,210
Net income for the year		1,213		410	1,623
Shareholders' dividend				- 367	- 367
Miscellaneous		- 250		- 66	- 316
12/31/2001	14,769	8,209	8,276	410	31,664
Currency translation adjustments		22	- 1		21
Changes in the scope of consolidation		484			484
Treasury stock		- 87			- 87
Unrealized investment gains and losses			-1,144		- 1,144
Net income		1,931			1,931
Reclassification of unappropriated profit		410		- 410	-
Miscellaneous		54			54
3/31/2002	14,769	11,023	7,131	-	32,923

Cash Flow Statement

	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn
Net income	1,931	704
Change in unearned premiums	3,091	3,224
Change in aggregate policy reserves ¹⁾	1,200	937
Change in reserve for loss and loss adjustment expenses	741	668
Change in other insurance reserves ²⁾	- 823	- 1,118
Change in deferred acquisition costs	- 584	- 39
Change in funds held by others under reinsurance business assumed	708	- 54
Change in funds held under reinsurance business ceded	- 223	- 173
Change in accounts receivable/payable on reinsurance business	29	286
Change in trading securities ³⁾	8,443	- 805
Change in loans and advances to banks and customers	- 24,803	- 1,458
Change in liabilities to banks and customers	19,675	- 634
Change in certificated liabilities	- 8,760	1,914
Change in other receivables and liabilities	1,128	224
Change in deferred tax assets/liabilities ⁴⁾	- 407	187
Adjustment for investment income/expenses not involving movements of cash	- 1,446	- 1,356
Adjustments to reconcile amortization of goodwill	284	153
Other	- 1,101	16
Cash flow from operating activities	- 917	2,676
Change in securities available for sale	3,192	- 2,412
Change in investments held to maturity	71	46
Change in real estate	123	248
Change in other investments	2,790	- 131
Change in investments held on account and at risk of life insurance policyholders	- 1,578	495
Change in cash and cash equivalents from the acquisition of consolidated affiliated companies	- 7,332	- 1,144
Change in aggregate policy reserves for life insurance products according to SFAS 97	2,556	967
Other	965	- 52
Cash flow from investing activities	787	- 1,983
Change in participation certificates and post-ranking liabilities	163	- 53
Cash inflow from capital increases	-	-
Dividend payouts	- 159	- 132
Other from shareholders' equity and minority interests ⁵⁾	- 2,691	- 626
Cash flow from financing activities	- 2,687	- 811
Effect of exchange rate changes on cash and cash equivalents	- 4	17
Change in cash and cash equivalents⁶⁾	- 2,821	- 101
Cash and cash equivalents at beginning of period	21,240	4,209
Cash and cash equivalents at end of period	18,419	4,108

¹⁾ Not including aggregate policy reserves for life insurance products in accordance with SFAS 97

²⁾ Not including change in the reserve for latent premium refunds from unrealized investment gains and losses

³⁾ Including trading liabilities

⁴⁾ Not including changes in deferred tax assets/liabilities from unrealized investment gains and losses

⁵⁾ Not including changes in revenue reserves from unrealized investment gains and losses

⁶⁾ Cash funds and cash equivalents

IAS rules have been used to prepare the data for the cash flow statement. First-time compliance with regulations specific to the banking sector required changes in the cash flow statement. The headings for the previous year were adjusted accordingly. The cash flow statement excludes the effects of the first-time consolidation of major new acquisitions – in fiscal 2002 in particular the purchase of additional shares of Allianz Lebensversicherungs-AG, Stuttgart, as well as of Dresdner Bank Group, Frankfurt/Main. These acquisitions increased the value of investments held (excluding funds held by others) by € 751 (29) mn, goodwill by € 2,588 (1,091) mn, and the net total of other assets and liabilities by € 3,993 (24) mn. Cash outflow related to these acquisitions amounted to € 7,332 (1,144) mn. Outflow for taxes on income amounted to € 1,002 mn, compared to an inflow of € 306 mn in the prior-year period.

Consolidated Balance Sheet according to Business Segments

ASSETS	Property/Casualty		Life/Health	
	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn
A. Intangible assets	2,905	2,943	5,521	4,005
B. Investments in affiliated enterprises, joint ventures and associated enterprises	46,872	40,387	5,481	6,043
C. Investments	87,403	91,712	185,911	180,076
D. Investments held on account and at risk of life insurance policyholders	–	–	26,348	24,692
E. Loans and advances to banks	4,528	5,079	1,163	1,010
F. Loans and advances to customers	3,043	2,837	24,833	24,843
G. Trading assets	1,381	1,373	620	775
H. Cash funds and cash equivalents	3,046	2,617	352	2,351
I. Amounts ceded to reinsurers from insurance reserves	19,183	19,209	17,974	17,927
J. Deferred tax assets	5,389	5,060	2,044	1,911
K. Other assets	33,962	22,840	29,048	17,634
Total segment assets	207,712	194,057	299,295	281,267

EQUITY AND LIABILITIES	Property/Casualty		Life/Health	
	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn
A. Participation certificates and post-ranking liabilities	570	573	–	–
B. Insurance reserves	93,463	90,432	217,948	215,217
C. Insurance reserves for life insurance where the investment risk is carried by policyholders	–	–	26,358	24,726
D. Liabilities to banks	6,462	6,303	2,517	2,143
E. Liabilities to customers	–	–	–	–
F. Certificated liabilities	15,019	14,727	221	229
G. Trading liabilities	374	448	65	50
H. Other accrued liabilities	5,497	5,387	946	967
I. Other liabilities	32,173	21,624	29,517	19,963
J. Deferred tax liabilities	6,021	5,920	2,075	1,958
K. Deferred income	96	84	423	406
Total segment liabilities	159,675	145,498	280,070	265,659

	Banking		Asset Management		Consolidation Adjustments		Group	
	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn
	3,872	3,183	7,674	6,780	12	–	19,984	16,911
	2,785	2,079	112	116	– 46,264	– 38,378	8,986	10,247
	77,540	85,133	1,318	1,362	– 11,104	– 12,981	341,068	345,302
	–	–	–	–	–	–	26,348	24,692
	67,224	54,271	1,283	1,646	– 362	– 732	73,836	61,274
	235,437	222,916	587	561	– 11,473	– 11,464	252,427	239,693
	120,711	125,741	482	539	– 19	– 6	123,175	128,422
	14,710	16,244	638	550	– 327	– 522	18,419	21,240
	–	–	–	–	– 6,072	– 6,137	31,085	30,999
	1,105	1,350	124	94	–	–	8,662	8,415
	16,130	14,977	2,403	2,589	– 13,432	– 2,310	68,111	55,730
	539,514	525,894	14,621	14,237	– 89,041	– 72,530	972,101	942,925

	Banking		Asset Management		Consolidation Adjustments		Group		
	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	
	11,923	11,757	22	22	– 145	– 145	12,370	12,207	
	–	–	–	–	– 6,073	– 6,137	305,338	299,512	
	–	–	–	–	–	–	26,358	24,726	
	142,822	131,454	2,117	1,554	– 2,025	– 6,052	151,893	135,402	
	178,974	175,228	2,707	2,981	– 837	– 886	180,844	177,323	
	117,584	122,713	383	435	– 7,210	– 3,434	125,997	134,670	
	48,255	44,052	2	2	– 25	– 14	48,671	44,538	
	5,486	7,130	638	633	–	–	12,567	14,117	
	11,712	8,798	397	1,413	– 19,849	– 9,898	53,950	41,900	
	233	980	43	40	–	–	8,372	8,898	
	122	129	2	–	–	–	643	619	
	517,111	502,241	6,311	7,080	– 36,164	– 26,566	927,003	893,912	
							Equity^{*)}	45,098	49,013
							Total equity and liabilities	972,101	942,925

^{*)} Shareholders' equity and minority interests

Consolidated Income Statement by Business Segments for the period from January 1 to March 31, 2002
and from January 1 to March 31, 2001

	Property/Casualty		Life/Health	
	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn
1. Premiums earned (net)	9,025	8,310	4,686	4,275
2. Interest and similar income	1,085	1,316	2,527	2,493
3. Income from affiliated enterprises, joint ventures and associated enterprises	4,898	202	268	68
4. Other income from investments	1,448	1,140	1,175	1,775
5. Trading income	115	61	- 196	- 165
6. Fee and commission income, and income from service activities	418	511	54	68
7. Other income	409	245	169	209
Total income (1. to 7.)	17,398	11,785	8,683	8,723
8. Insurance benefits (net)	- 7,036	- 6,447	- 5,660	- 5,723
9. Interest and similar expenses	- 366	- 282	- 123	- 28
10. Other expenses for investments	- 527	- 506	- 1,453	- 1,001
11. Loan loss provisions	- 2	-	- 2	-
12. Acquisition costs and administrative expenses	- 2,555	- 2,502	- 1,017	- 1,187
13. Amortization of goodwill	- 88	- 78	- 46	- 34
14. Other expenses	- 1,047	- 997	- 302	- 425
Total expenses (8. to 14.)	- 11,621	- 10,812	- 8,603	- 8,398
15. Earnings from ordinary activities before taxes	5,777	973	80	325
16. Taxes	56	- 248	- 30	- 72
17. Minority interests in earnings	- 221	- 100	- 36	- 102
18. Net income	5,612	625	14	151

	Banking		Asset Management		Consolidation Adjustments		Group	
	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn
	-	-	-	-	-	-	13,711	12,585
	3,973	404	54	50	- 197	- 89	7,442	4,174
	38	7	2	- 3	- 3,445	- 35	1,761	239
	296	31	7	-	- 40	- 1	2,886	2,945
	221	6	3	- 4	1	-	144	- 102
	880	1	781	464	- 123	- 47	2,010	997
	85	11	16	13	- 15	- 10	664	468
	5,493	460	863	520	- 3,819	- 182	28,618	21,306
	-	-	-	-	2	11	- 12,694	- 12,159
	- 3,000	- 343	- 30	- 19	191	57	- 3,328	- 615
	- 201	- 26	- 6	-	-	-	- 2,187	- 1,533
	- 332	- 10	-	-	-	-	- 336	- 10
	- 1,859	- 60	- 616	- 318	91	40	- 5,956	- 4,027
	- 50	2	- 100	- 43	-	-	- 284	- 153
	- 250	- 5	- 160	- 189	51	50	- 1,708	- 1,566
	- 5,692	- 442	- 912	- 569	335	158	- 26,493	- 20,063
	- 199	18	- 49	- 49	- 3,484	- 24	2,125	1,243
	86	- 6	14	31	-	3	126	- 292
	- 13	- 6	- 56	- 44	6	5	- 320	- 247
	- 126	6	- 91	- 62	- 3,478	- 16	1,931	704

1 Accounting regulations

The consolidated financial statements were prepared in conformity with International Accounting Standards (IAS), as permitted by § 292a of the German Commercial Code (HGB). All standards currently in force for the period under review have been adopted in the presentation of the consolidated financial statements.

IAS does not provide specific guidance concerning the reporting of insurance transactions in annual financial statements. In such cases, as envisioned within the IAS Framework, the provisions of U.S. Generally Accepted Accounting Principles (U.S. GAAP) were applied. Preparation of the consolidated financial statements requires us to make estimates and assumptions that affect items reported under the headings in the consolidated balance sheet/income statement, and contingent liabilities. Actual values may differ from those reported. The most important items the valuation of which depends on an assessment by the executive management are the reserve for loss and loss adjustment expenses, the aggregate policy reserves, and the loan loss allowance. Assessments by the executive management also have an influence on the loss-free valuation of assets.

The present interim report follows the same accounting and valuation principles as the most recent annual financial statements.

The consolidated financial statements were prepared in euros (€).

SUPPLEMENTARY INFORMATION TO THE CONSOLIDATED BALANCE SHEET

2 Intangible assets

Intangible assets comprise the following:

	3/31/2002 € mn	12/31/2001 € mn
Goodwill	15,070	12,649
Other intangible assets	4,914	4,262
Total	19,984	16,911

Changes in goodwill for the period under review were as follows:

	€ mn
Gross amount capitalized 12/31/2001	14,963
Accumulated amortization 12/31/2001	– 2,314
Value stated as of 12/31/2001	12,649
Translation differences	57
Value stated as of 1/1/2002	12,706
Additions	2,648
Amortization	– 284
Value stated as of 3/31/2002	15,070
Accumulated amortization 3/31/2002	– 2,598
Gross amount capitalized 3/31/2002	17,668

Major additions include:

- € 1,080 mn from the increase of the shareholding in Allianz Lebensversicherungs-AG by 40.5% to 91.0%.
- € 1,537 mn from the increase of the shareholding in Dresdner Bank AG by 17.1% to 95.6%.

3 Investments

	3/31/2002 € mn	12/31/2001 € mn
Securities held to maturity	7,654	7,688
Securities available for sale	318,033	322,192
Real estate used by third parties	12,667	12,004
Funds held by others under reinsurance contracts assumed	2,714	3,418
Total	341,068	345,302

Securities available for sale

	Amortized cost		Unrealized gains/losses		Market values	
	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn	3/31/2002 € mn	12/31/2001 € mn
Equity securities	66,634	69,896	10,557	11,567	77,191	81,463
Government bonds	110,515	110,142	2,182	2,152	112,697	112,294
Corporate bonds	116,392	84,481	1,023	1,876	117,415	86,357
Other	10,575	41,126	155	952	10,730	42,078
Total	304,116	305,645	13,917	16,547	318,033	322,192

	Realized gains		Realized losses	
	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn	1/1/-3/31/2002 € mn	1/1/-3/31/2001 € mn
Equity securities	2,231	2,509	1,205	1,194
Government bonds	144	214	94	104
Corporate bonds	298	63	59	94
Other	21	29	4	15
Total	2,694	2,815	1,362	1,407

Realized gains and losses on securities have been calculated on the basis of average values.

Investment strategy within the Allianz Group is primarily geared to the long term. Forward sale agreements and securities lending are used to hedge unrealized gains.

4 Loans and advances to banks

	3/31/2002 € mn	12/31/2001 € mn
Loans and advances to banks	74,081	61,528
Less loan loss allowance	245	254
Loans and advances to banks after loan loss allowance	73,836	61,274

5 Loans and advances to customers

	3/31/2002 € mn	12/31/2001 € mn
Loans and advances to customers	260,941	247,503
Less loan loss allowance	8,514	7,810
Loans and advances to customers after loan loss allowance	252,427	239,693

6 Amounts ceded to reinsurers from the insurance reserves

	3/31/2002 € mn	12/31/2001 € mn
Unearned premiums	2,081	1,663
Aggregate policy reserves	12,116	12,207
Reserve for loss and loss adjustment expenses	16,589	16,784
Other insurance reserves	252	298
Subtotal	31,038	30,952
Insurance reserves for life insurance where the investment risk is carried by policyholders	47	47
Total	31,085	30,999

7 Minority interests in shareholders' equity/earnings

This items essentially concerns our subsidiaries AGF Group, Paris, the RAS Group, Milan, PIMCO Group, Delaware, Frankfurter Versicherungs-AG, Frankfurt am Main and Bayerische Versicherungsbank AG, Munich.

The interests of minority shareholders include the following:

	3/31/2002 € mn	12/31/2001 € mn
Other reserves		
Unrealized gains and losses	1,185	3,114
Share of earnings	320	1,044
Other equity components	10,670	13,191
Total	12,175	17,349

8 Participation certificates and post-ranking liabilities

	3/31/2002 € mn	12/31/2001 € mn
Participation certificates	2,513	2,508
Post-ranking liabilities	9,857	9,699
Total	12,370	12,207

9 Insurance reserves

	3/31/2002 € mn	12/31/2001 € mn
Unearned premiums	15,941	12,391
Aggregate policy reserves	200,099	197,689
Reserve for loss and loss adjustment expenses	67,413	66,648
Reserve for premium refunds	20,464	21,589
Premium deficiency reserves	542	517
Other insurance reserves	879	678
Total	305,338	299,512

10 Other accrued liabilities

	3/31/2002 € mn	12/31/2001 € mn
Reserves for pensions and similar obligations	5,758	5,629
Accrued taxes	2,138	2,478
Miscellaneous accrued liabilities	4,671	6,010
Total	12,567	14,117

11 Other liabilities

	3/31/2002 € mn	12/31/2001 € mn
Funds held under reinsurance business ceded	8,722	8,929
Accounts payable on direct insurance business	7,784	7,610
Accounts payable on reinsurance business	2,032	2,103
Other liabilities	35,412	23,258
Total	53,950	41,900

SUPPLEMENTARY INFORMATION TO THE CONSOLIDATED INCOME STATEMENT

12 Premiums earned (net)

	Property/Casualty ^{*)}		Life/Health ^{*)}		Total	
	1/1/-3/31/2002	1/1/-3/31/2001	1/1/-3/31/2002	1/1/-3/31/2001	1/1/-3/31/2002	1/1/-3/31/2001
	€ mn	€ mn	€ mn	€ mn	€ mn	€ mn
Gross premiums written	13,734	12,807	5,212	4,821	18,946	17,628
Premiums ceded in reinsurance	- 1,917	- 1,608	- 306	- 268	- 2,223	- 1,876
Change in unearned premiums (net)	- 2,971	- 3,076	- 41	- 91	- 3,012	- 3,167
Premiums earned (net)	8,846	8,123	4,865	4,462	13,711	12,585

^{*)}After eliminating intra-Group transactions between segments

13 Interest and similar income

	1/1/-3/31/2002	1/1/-3/31/2001
	€ mn	€ mn
Income from		
Securities held to maturity	115	146
Securities available for sale	2,906	2,826
Real estate used by third parties	239	221
Lending and money market transactions	902	-
Leasing agreements	60	19
Loans advanced by Group enterprises	2,924	654
Other interest-bearing instruments	296	308
Total	7,442	4,174

Net interest margin from banking business^{*)}

	1/1/-3/31/2002	1/1/-3/31/2001
	€ mn	€ mn
Interest and current income	4,025	402
Interest expenses	- 2,988	- 335
Net interest margin	1,037	67
Less loan loss allowance	332	10
Net interest margin after loan loss allowance	705	57

^{*)}After eliminating intra-Group transactions between segments

14 Other income from investments

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
1. Realized gains on		
Securities held to maturity	4	-
Securities available for sale	2,694	2,815
Real estate used by third parties	65	67
Other investment securities	12	1
Subtotal	2,775	2,883
2. Income from revaluations of		
Securities held to maturity	-	7
Securities available for sale	100	55
Real estate used by third parties	11	-
Other investment securities	-	-
Subtotal	111	62
3. Total	2,886	2,945

15 Trading income

Trading income includes losses amounting to € 83 mn from derivative financial instruments where hedge accounting is not applied. These include gains from embedded derivative financial instruments of exchangeable bonds issued amounting to € 71 mn. Trading income also includes losses of € 154 mn from other derivative activities of insurance companies.

Trading income amounting to € 144 (- 102) mn includes € 221 (7) mn income from trading activities of the banking business^{*)}. This is composed as follows:

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Securities trading	80	2
Foreign exchange/precious metals trading	93	3
Other dealings in financial instruments	48	2
Total	221	7

^{*)}After eliminating intra-Group transactions between segments

16 Fee and commission income, and income resulting from service activities

Banking business contributed € 834 (17) mn to fee and commission income.*)

Net fee and commission income from banking business*)

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Fee and commission income	834	17
Fee and commission expenses	- 82	- 8
Total	752	9

*)After eliminating intra-Group transactions between segments

Net fee and commission income comprises income from:

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Securities business	287	-
Lending business	4	-
Underwriting business (new issues)	34	-
Other	427	9
Net fee and commission income	752	9

17 Insurance benefits

Insurance benefits in property/casualty^{*)} include the following:

	Gross		Ceded in reinsurance		Net	
	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Claims						
Claims paid	- 7,564	- 6,843	1,120	1,114	- 6,444	- 5,729
Change in reserve for loss and loss adjustment expenses	- 288	- 409	13	52	- 275	- 357
Subtotal	- 7,852	- 7,252	1,133	1,166	- 6,719	- 6,086
Change in other reserves						
Aggregate policy reserves	- 34	- 111	7	- 8	- 27	- 119
Other	- 28	6	- 2	- 1	- 30	5
Subtotal	- 62	- 105	5	- 9	- 57	- 114
Expenses for premium refunds	- 69	- 69	8	19	- 61	- 50
Total	- 7,983	- 7,426	1,146	1,176	- 6,837	- 6,250

^{*)}After eliminating intra-Group transactions between segments

Insurance benefits in life/health^{*)} include the following:

	Gross		Ceded in reinsurance		Net	
	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Benefits paid	- 4,360	- 4,275	270	228	- 4,090	- 4,047
Change in reserves						
Aggregate policy reserves	- 1,517	- 551	27	40	- 1,490	- 511
Other	- 56	-	27	13	- 29	13
Subtotal	- 5,933	- 4,826	324	281	- 5,609	- 4,545
Expenses for premium refunds	- 249	- 1,364	1	-	- 248	- 1,364
Total	- 6,182	- 6,190	325	281	- 5,857	- 5,909

^{*)}After eliminating intra-Group transactions between segments

18 Interest and similar expenses

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Interest expenses for		
Deposits	- 727	- 51
Certificated liabilities	- 1,895	- 158
Subtotal	- 2,622	- 209
Other interest expenses	- 706	- 406
Total	- 3,328	- 615

Interest expenses include €2,739 (0) mn attributable to the Dresdner Bank Group.

19 Other expenses for investments

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Realized losses on		
Securities held to maturity	- 1	-
Securities available for sale	- 1,362	- 1,407
Real estate used by third parties	- 2	- 1
Other investments	- 10	- 1
Subtotal	- 1,375	- 1,409
Depreciation and write-down on		
Securities held to maturity	- 5	- 3
Securities available for sale	- 743	- 40
Real estate used by third parties	- 64	- 79
Other investments	-	- 2
Subtotal	- 812	- 124
Total	- 2,187	- 1,533

20 Loan loss provisions

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Additions to allowances including direct write-offs	- 546	- 23
Less amounts released	192	-
Less recoveries on loans previously written off	18	13
Loan loss provisions	- 336	- 10

21 Acquisition costs and administrative expenses

	Property/Casualty ^{*)}		Life/Health ^{*)}	
	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Acquisition costs				
Payments	- 1,856	- 1,998	- 874	- 1,076
Change in deferred acquisition costs	337	539	239	260
Subtotal	- 1,519	- 1,459	- 635	- 816
Administrative expenses	- 1,204	- 1,441	- 352	- 321
Underwriting costs (gross)	- 2,723	- 2,900	- 987	- 1,137
Less commissions and profit-sharing received on reinsurance business ceded	295	602	61	50
Underwriting costs (net)	- 2,428	- 2,298	- 926	- 1,087
Expenses for management of investments	- 107	- 187	- 99	- 89
Total acquisition costs and administrative expenses	- 2,535	- 2,485	- 1,025	- 1,176

	Banking ^{*)}		Asset Management ^{*)}	
	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Personnel expenses	- 1,149	- 41	- 325	- 212
Operating expenses	- 699	- 14	- 223	- 99
Total acquisition costs and administrative expenses	- 1,848	- 55	- 548	- 311

^{*)} After eliminating intra-Group transactions between segments

Acquisition costs and administrative expenses in insurance business include the personnel and operating expenses of the insurance business allocated to the functional areas "Acquisition of insurance policies", "Administration of insurance policies" and "Asset management". Other personnel and operating expenses are reported under "Insurance benefits (claims settlement expenses)" and "Other expenses".

In Banking, all personnel and operating expenses are reported under "Acquisition costs and administrative expenses".

22 Taxes

Taxes shown in the income statement comprise the taxes actually charged to individual Group enterprises and changes in deferred tax assets and liabilities.

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Current taxes	- 180	- 148
Deferred taxes	314	- 137
Subtotal	134	- 285
Other taxes	- 8	- 7
Total	126	- 292

23 Other information

Number of employees

The Group had a total of 179,222 (179,946) employees as of the balance sheet date. 87,196 (87,589) of these were employed in Germany and 92,026 (92,357) in other countries. The number of employees undergoing training decreased by 242 to 8,003.

Personnel expenses

	1/1-3/31/2002 € mn	1/1-3/31/2001 € mn
Salaries and wages	2,261	1,275
Social security contributions and employee assistance	363	259
Expenses for pensions and other post-retirement benefits	176	89
Total	2,800	1,623

Hedge accounting

With the completion of several forward sales agreements made in view of restructuring our shareholdings, the fair value of derivatives used for hedge accounting has decreased significantly. Derivatives used for fair value hedges show a negative fair value of € 180 mn. Ineffectiveness resulted in a loss of € 1 mn. In addition, foreign currency hedging instruments with a negative fair value of € 9 mn were used as hedges of a net investment in an economically independent foreign entity. This reduced "Other reserves" by € 47 mn.

Earnings per share

The earnings per share figure is calculated by dividing the consolidated net income for the period under review by the weighted average number of common shares outstanding.

		3/31/2002	3/31/2001
Net income for the period	€ mn	1,931	704
Weighted average number of shares		242,707,303	245,750,000
Number of shares (not including shares held by the company)		242,986,892	245,750,000
Earnings per share	€	7.96	2.87
Earnings per share after elimination of amortization of goodwill	€	9.13	3.49

The weighted average number of shares does not include 23,720,697 (0) treasury shares. A diluted earnings per share figure was not calculated because there were no dilutive securities outstanding.

On January 15, 2002, 1,797,357 own shares were sold to DAD Transaktionsgesellschaft mbH in connection with the takeover offer to shareholders of Dresdner Bank AG.

Munich, May 7, 2002

Allianz Aktiengesellschaft
The Board of Management

