WE DEVELOP OUR STRATEGY FURTHER

Heritage and Renewal

Simplicity wins
**SUCCESSES OF OUR RENEWAL AGENDA**

**Earnings per share**
(EUR)

- 2015: 14.6
- 2018: 17.4

**Customer loyalty**
(% of businesses above market)

- 2015: 50
- 2018: 74

**Return on equity**
(%)

- 2015: 12.5
- 2018: 13.2

**Inclusive meritocracy**
(Index)

- 2015: 68
- 2018: 71
Our path

SUCCESSES COME HAND IN HAND
Example Allianz Turkey

Customer loyalty
(NPS relative to market)

Inclusive meritocracy
(Index)

Expense ratio
(Property/Casualty in %-p)

+9

-0.2
RECORD REVENUES, PROFIT, AND DIVIDEND

- Revenues: EUR 131 bn
- Operating profit: EUR 11.5 bn
- Solvency II capitalization: 229%
- Total return Allianz share vs. Euro Stoxx 50: +7%-p
- Shareholders’ net income: EUR 7.5 bn
- Dividend per share\(^1\): EUR 9.00 (+13%)

1) Proposal
WE ARE LEADERS IN SUSTAINABILITY

#1 Insurer in the Dow Jones Sustainability Index

AAA Rating  MSCI
A+ Ratings  PRI

Financial year 2018
ALL SEGMENTS CONTRIBUTE TO THE RECORD OPERATING PROFIT

Property/Casualty
Operating profit of EUR 5.7 bn
+13%

Life/Health
Operating profit of EUR 4.2 bn

Asset Management
Operating profit of EUR 2.5 bn
OUR PROMISE LAST YEAR: WE IMPROVE PRODUCTIVITY

Expense ratio in Property/Casualty insurance (in %)

- 2015: 28.4%
- 2016: 28.7%
- 2017: 28.7%

Internal growth rate (in %)

- 2015: 2.9%
- 2016: 3.1%
- 2017: 2.3%
WE DELIVER

Our path

Expense ratio in Property/Casualty insurance (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
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<td></td>
<td>28.4</td>
<td>28.7</td>
<td>28.7</td>
<td>28.0</td>
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Internal growth rate (in %)

<table>
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<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td></td>
<td>2.9</td>
<td>3.1</td>
<td>2.3</td>
<td>5.7</td>
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</tbody>
</table>

Our approach to further improve efficiency and grow at the same time:
- Simple
- Digital
- Scalable
Our strategy

SIMPLICITY WINS

Outperform $\rightarrow$ Transform $\rightarrow$ Rebalance

Simple $\rightarrow$ Digital $\rightarrow$ Scalable
SIMPPLICITY WINS – TRANSFORM

Simple
- Few, intuitive products
- Delighted customers

Digital
- Superior technology & Analytics
- Outstanding productivity

Scalable
- Harmonized products and processes
- Economies of scale
TARGET: WE SPEAK OUR CUSTOMERS’ LANGUAGE
Example of our success: Our offering for small enterprises
TARGET: WE USE DATA GLOBALLY

Example of our success: Assessing natural catastrophes
WE IMPROVE THE EXISTING AND REINVENT OUR DIRECT BUSINESS

Traditional business

As is situation

Allianz Customer Model

Improved

New business models

Allianz Direct

Ideal concept

Working
CUSTOMERS BENEFIT FROM SIMPLIFIED PRODUCTS AND PROCESSES

Before

- Options
- Products
- Processes
- IT
- Allianz entities: A, B

After

- Master product
- Master processes
- Common IT platform
- Allianz entities: A, B, C, ...

Allianz Customer Model
WATCH OUT

Auf die Plätze.  
Fertig.  
Los!
WATCH OUT
### OUTLOOK FOR OPERATING PROFIT 2019: EUR 11.5 BN +/- EUR 500 MN

Operating profit in EUR bn

<table>
<thead>
<tr>
<th></th>
<th>P/C</th>
<th>L/H</th>
<th>AM</th>
<th>Corporate/Consolidation</th>
<th>Group</th>
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<tbody>
<tr>
<td>High-end</td>
<td>6.0</td>
<td>4.5</td>
<td>2.8</td>
<td>-0.8</td>
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<tr>
<td>Mid-point</td>
<td>5.7</td>
<td>4.2</td>
<td>2.5</td>
<td>-0.9</td>
<td>11.5</td>
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<tr>
<td>Low-end</td>
<td>5.4</td>
<td>3.9</td>
<td>2.2</td>
<td>-1.0</td>
<td>11.0</td>
</tr>
</tbody>
</table>
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Forward-looking statements

The statements contained herein may include prospects, 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. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group’s core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including 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 including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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