## Agenda

<table>
<thead>
<tr>
<th>Global business lines</th>
<th>Clement Booth</th>
<th>A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Automotive</td>
<td>Karsten Crede</td>
<td>B</td>
</tr>
<tr>
<td>Mondial Assistance</td>
<td>Rémi Grenier</td>
<td>C</td>
</tr>
<tr>
<td>Allianz Re</td>
<td>Clemens von Weichs</td>
<td>D</td>
</tr>
<tr>
<td>Allianz Global Corporate &amp; Specialty</td>
<td>Axel Theis</td>
<td>E</td>
</tr>
<tr>
<td>Euler Hermes</td>
<td>Wilfried Verstraete</td>
<td>F</td>
</tr>
</tbody>
</table>

## Glossary

## Appendix

- Investor Relations contacts
- Financial calendar
- Disclaimer
## Agenda

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Overview</td>
</tr>
<tr>
<td>2</td>
<td>Selected global business lines</td>
</tr>
<tr>
<td>3</td>
<td>A case in point</td>
</tr>
</tbody>
</table>
A. Global business lines

Global business lines – overview (1)

- Centrally steered and managed operations, locally executed, profit center view
- Serve our customers globally with global common standards, products, services and guidelines
- 15% of Allianz Group revenues
- 34% of Allianz Group operating profit
- Operating profit growth of 30% (2005 - 2009)
- Average RAC 2009 of EUR 8.3bn
- RoRAC 21.7%

Allianz revenues EUR 97.4bn

Allianz operating profit EUR 7.2bn

Note:
1) 2009
2) RAC = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements
3) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
4) Excluding Automotive and Global Broker Initiative; excluding AGI, RAC is EUR 6.7bn and RoRAC 13.6%
Global business lines – overview (2)

Revenues EUR 14.5bn

<table>
<thead>
<tr>
<th>Segment</th>
<th>P/C</th>
<th>P/C, L/H</th>
<th>P/C, L/H</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGCS</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allianz Global Investors</td>
<td>AM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Euler Hermes</td>
<td></td>
<td>P/C</td>
<td></td>
</tr>
<tr>
<td>Mondial</td>
<td></td>
<td></td>
<td>P/C</td>
</tr>
<tr>
<td>Allianz Worldwide Care</td>
<td>Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Life</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automotive²</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Broker Initiative²</td>
<td>P/C, L/H</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allianz Re</td>
<td>P/C, L/H</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AIM</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shared Services</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1) Fully consolidated; Global Broker Initiative and Automotive not included
2) Virtual companies; estimated revenues: EUR 3.3bn Global Broker Initiative and EUR 1.5bn Automotive
Global business lines – the transformation process

EUR bn

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenues</th>
<th>Operating Profit</th>
<th>Share in Allianz Group Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>12.7</td>
<td>1.9</td>
<td>23%</td>
</tr>
<tr>
<td>2009</td>
<td>14.5</td>
<td>2.5</td>
<td>34%</td>
</tr>
</tbody>
</table>

- Total revenues +EUR 1.8bn
- OP +EUR 567mn
- Share of OP +11%-p

Mid-term aspiration: continue to increase contribution to Allianz results
A. Global business lines

Agenda

1. Overview
2. Selected global business lines
3. A case in point
Allianz Global Investors (AGI)

- One of the world’s largest asset managers with EUR 1.2tn AuM\(^1\)

- Almost 30 operating entities located in the key financial markets all over the world

- Global network ensures utilization of shared sales and infrastructure synergies

- Excellent fixed income and competitive equity investment performance (83% / 63% share of outperforming AuM)\(^3\)

- PIMCO with outstanding success over last decade

- 3rd party net inflows of EUR 293bn during 2002 - 2009

- Operating profit growth 16% p.a. 2002 - 2009, supporting strong operating profit growth of Allianz Group

- Mid-term aspiration: CIR <65%

---

\(^1\) Total AuM including 3rd party and Allianz Group assets, end of 2009

\(^2\) Currency adjusted: 10% p.a. AuM growth and 21% p.a. operating profit growth

\(^3\) End of 2009
Allianz Worldwide Care (AWC)

- Specialist insurer offering health products to expatriates worldwide and to high net-worth individuals in emerging markets.
- One center of competence which can access many markets via the worldwide reach of Allianz OEs (allows economies of scale).
- Attractive market: expatriate health GPW of ~EUR 3bn expected to grow to EUR 6bn by 2014.
- AWC expects to grow above market to GPW ~EUR 240mn in 2010 due to some large business wins.
- Mitigation of medical inflation risk – in-house medical professionals contain costs and protect customers.
- Despite rapid growth steady CR of ~96% in recent years.
- Continues to expand into new markets.

### Revenues (in EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest of world</td>
<td>28</td>
<td>182</td>
</tr>
<tr>
<td>Other EU</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>38</td>
<td></td>
</tr>
</tbody>
</table>

### Customers (in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest of world</td>
<td>23</td>
<td>150</td>
</tr>
<tr>
<td>Other EU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Operating profit (in EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-3</td>
<td>9</td>
</tr>
</tbody>
</table>
Company: Allianz Global Life Ltd. (Ireland)

Product: Variable Annuity (VA) business sold in three European countries, on freedom of establishment basis:\n- France (since 2008)
- Germany (since 2008 / 2009)
- Italy (since 2009)

Set-up: central back-office functions (product development, hedging, accounting, risk management), but decentralized sales and administration via local Allianz OEs

Trends: other than in the U.S. and Asia, European VA business never really gained market share. Nonetheless, the value proposition is attractive, and ultimately the product should succeed in Europe too

Mid-term outlook: Allianz expects GPW to at least double within 3 years

1) Freedom of establishment in the EU member states, as specified in the European Directive concerning Life Assurance
A. Global business lines

Allianz Global Broker Initiative

Broker channel contributes ~1/3 of Allianz revenues, of which global brokers represent 11% …

… with growth of 4% (CAGR 2007 - 2009)

Global brokers have business with all Allianz broker distribution units

Global brokers consisting of Aon, Marsh, Willis and JLT

Global Broker Initiative achievements

- Centralized team at Allianz SE coordinates global relationship and supports operating entities

- Appointment of global account coordinators for each of the global brokers

- Comprehensive view on broker relationship avoids above market commissions and ensures profitability

- Institutionalizing best practice

Global Broker Initiative: 14% growth in 2009

1) Aon Corporation, Marsh & McLennan Companies, Willis Group, Jardine Lloyd Thompson
Allianz Investment Management (AIM)

Global investment management function of Allianz
- Maximizes risk-adjusted investment return
- Responsible for >EUR 400bn of Allianz insurance assets
- Cost efficient state-of-the-art investment processes\(^1\) across the entire Group

Benefits
- Group wide leverage of investment best practice
- Proactive investment capabilities on a global scale
- Risk management and controlling support for Group/OEs

Asset allocation\(^2\)

Group investments as of 31.12.09 (previous year)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>8% (9%)</td>
</tr>
<tr>
<td>Real estate(^3)</td>
<td>2% (2%)</td>
</tr>
<tr>
<td>Cash(^4) / other</td>
<td>1% (2%)</td>
</tr>
<tr>
<td>Total EUR 409bn</td>
<td></td>
</tr>
</tbody>
</table>

Contribution of investment result to operating profit (EUR bn)\(^5\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment result</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>55%</td>
<td>4.0</td>
<td>5.1</td>
</tr>
<tr>
<td></td>
<td>72%</td>
<td>7.3</td>
<td>7.2</td>
</tr>
</tbody>
</table>

\(^1\) ALM = Asset Liability Management; SAA = Strategic Asset Allocation; TAA = Tactical Asset Allocation; AMS = Asset Manager Selection; RBC = Risk based capital
\(^2\) Excluding real estate own use and real estate held for sale
\(^3\) Insurance portfolios (P/C, L/H) and Corporate excluding Banking
\(^4\) Cash and cash pool assets net of securities lending account for EUR 4.6bn
\(^5\) Insurance business (P/C, L/H) only
Shared Services exploit the regional and global potential – supported by global IT platforms

Shared Services consolidate activities used by multiple divisions into a shared operation

<table>
<thead>
<tr>
<th>Scope of shared services</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 IT</strong></td>
<td><strong>Reduction of costs through bundling and consolidation of processes, systems and services</strong></td>
</tr>
<tr>
<td>- Hardware, software and workplace services (ASIC)</td>
<td>- Discounts due to higher volumes</td>
</tr>
<tr>
<td>- IT products initially focusing on SAP (ACAS)</td>
<td>- Better services thanks to specialization</td>
</tr>
<tr>
<td><strong>2 Operations</strong></td>
<td>- Ease of management due to harmonization</td>
</tr>
<tr>
<td>- Process standardization</td>
<td></td>
</tr>
<tr>
<td>- Operational processes</td>
<td></td>
</tr>
<tr>
<td>- Greenfield IT platform</td>
<td></td>
</tr>
<tr>
<td><strong>3 Services</strong></td>
<td></td>
</tr>
<tr>
<td>- Purchasing</td>
<td></td>
</tr>
<tr>
<td>- Corporate real estate management</td>
<td></td>
</tr>
<tr>
<td>- HR services</td>
<td></td>
</tr>
<tr>
<td>- Others</td>
<td></td>
</tr>
</tbody>
</table>

Cost savings in IT

**ASIC**
- Achieved **EUR 221mn** savings from 2007 - 2009
- Further savings of **EUR 97mn** expected until 2012

**ACAS**
- Cost avoidance of SAP maintenance fees of **EUR 7mn** for 2010 - 2016
- Additional expected efficiency savings of **EUR 10mn** in 2010

Next steps
- Consolidation of additional applications
- Further consolidation of centers
- Expansion to additional Allianz entities
- Extension of offered services

---

1) More favorable external rates, maintenance savings, cost reduction in infrastructure, reduced international helpline costs, cost savings data archiving system replacement
## Agenda

<table>
<thead>
<tr>
<th></th>
<th>Overview</th>
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<tbody>
<tr>
<td>2</td>
<td>Selected global business lines</td>
</tr>
<tr>
<td>3</td>
<td>A case in point</td>
</tr>
</tbody>
</table>
AGCS¹ – restructuring of former industrial corporate business

Starting point in 2005

- Decentralized corporate business carriers
  - AGR (Allianz Global Risks)
    In-house organization of Allianz responsible for the international corporate business (ICB)
  - AMA
    Specialty carrier for Aviation and Marine

- Fragmented infrastructure

- Critical results after the 2005 hurricanes (combined ratio)
  - AGR: 99.9%
  - AMA: 148.5%

- Collection of several balance sheets and a decentralized business model

- Transparency and management control on the Allianz corporate business to be improved

Objectives for restructuring

- Integrate U.S. and Europe into an efficient structure
- Set-up of an efficient business model
- Achieve consistent high profitability
- Build a resilient portfolio structure

¹) Allianz Global Corporate & Specialty business
### Challenges

- **Build global platform above the traditional regional organization of Allianz**
- **Reduce historical volatility and cyclicality; produce sustainable profit and above average returns**
- **Build confidence with investors, brokers and internally**
- **Attract and retain the best talent**

### Actions / achievements

- **Started in 2006 to move all Group corporate and specialty business onto AGCS platform. Process now close to completion.**
- **EUR 1.8bn of cumulative operating profit since 2006 and generated dividend payments of ~EUR 1bn**
- **De-emphasize growth and regional objectives and replace with an underwriting (margin) culture with no focus on top-line**
- **Customer and broker focus initiatives. No surprise culture internally and externally. Strongly service orientated.**
- **Today, AGCS is a magnet for top talent**

---

1. AGR + AMA, excluding net of German corporate business and AGR U.S.
2. Includes subsidy repayment of EUR 88mn from AGCS France (2006 - 2008)
AGCS – a successful transformation (2)

Status quo before AGCS set-up

New AGCS structure
Allianz Re: mandated to optimize Group reinsurance activities

Starting point in 2005

Challenges

Reinsurance purchase
- Standalone OE purchasing without consideration of Group risk appetite
- Full benefit of Group diversification not taken
- Lack of transparency of exposures and reinsurance protections
- Lack of data standardization and quality

Allianz Re
- Unclear mandate for Group internal and external business
- Organizational inefficiencies
- Process inefficiencies
- System inconsistency across locations

Objectives for restructuring

- Improve Group profit through reinsurance optimization
- Develop global processes and harmonization of systems
- Develop alternative retro mechanisms like securitization
- Pursue profitable growth opportunities in external business
A. Global business lines

Allianz Re – a successful transformation
EUR bn

<table>
<thead>
<tr>
<th>Allianz Re 2006</th>
<th>Transformation process</th>
<th>Allianz Re 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>GPW 4.7</td>
<td>NPE 3.2</td>
<td>GPW 4.1</td>
</tr>
<tr>
<td>NPE 3.2</td>
<td>Operating profit 0.3</td>
<td>NPE 3.4</td>
</tr>
<tr>
<td>Combined ratio</td>
<td>96.1%</td>
<td>Combined ratio</td>
</tr>
<tr>
<td>ER 0.3</td>
<td>66.3%</td>
<td>ER 0.4</td>
</tr>
<tr>
<td></td>
<td>LR 29.8%</td>
<td>LR 25.9%</td>
</tr>
<tr>
<td></td>
<td>CR -3.7%-p</td>
<td></td>
</tr>
</tbody>
</table>

**Challenges / actions**

- Coordinate OE reinsurance placements from central point of view, based on Group risk appetite
- Enhance transparency about exposure and transactions
- Increase retention of profitable business
- Reduce complexity by integrating processes and systems globally
- Reduce number of broker relations
- Intensify market management and client relationships through central CMO\(^1\) function

**Achievements**

- Lower GPW mainly driven by reduced shares under the internal Allianz German P/C quota-share treaty
- Coordinated Group reinsurance placements, definition of lead reinsurance markets to work with for external placements
- Increased OE retentions and expanded participations of Allianz Re
- Global organization and global system infrastructure
- Expanded scope of Group programs, securitization established as alternative to traditional reinsurance
- Implementation of global broker panel
- Introduction of CMO\(^1\) function
- Dedicated strategy for 3rd party business\(^2\)

---

1) Chief market officer
2) Planned to be at 15 - 20% of entire portfolio, currently at 21%
Key take-aways

- From local to global
- Significant efficiency gains achieved and further potential exists
- Global lines account for a third of overall operating profit
- Growth initiatives begin to unfold
- Right incentive system in place
- Magnet for top talent
- Mid-term aspiration: continue to increase contribution to Allianz results
Global Automotive

Capital Markets Day
Munich, July 1, 2010

Karsten Crede, CUO Global Automotive
Overview – Automotive

Highlights

Motor insurance is by far the biggest single line of business at Allianz.

Allianz has successfully leveraged car manufacturer and dealer cooperations and developed an unique business model accounting for ~11% of Allianz total motor premiums.

Allianz car manufacturer and dealer business still heavily focused on Europe with strong opportunities arising outside Europe.

Allianz P/C business mix

- Motor: 33%
- Non-motor: 67%
- Total EUR 42.5bn\(^1\)

Allianz Group – channel mix motor

- Agents, brokers, etc.: 84%
- Automotive: 11%
- Direct: 5%
- Total EUR 14bn\(^{1,2}\)

Allianz Automotive by region

- Europe: 63%
- RoW: 37%
- Total EUR 1.5bn\(^1\)

1) GPW as per end of 2009
2) Estimate
Current footprint of cooperations capturing almost 50% of worldwide car sales

Highlights

Allianz has had cooperations with car manufacturers since the 1940s with whom it has developed a fully customized business model

Allianz has successful cooperations
- with 25 major international car brands
- in 27 countries
- representing over 29mn cars sold annually as business opportunity

Allianz cooperates with both car manufacturers and also dealers directly

New cars sold by … (mn vehicles)

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>… Allianz cooperation partners</td>
<td>29</td>
</tr>
<tr>
<td>… non-cooperation partners</td>
<td>33</td>
</tr>
</tbody>
</table>

Structure of cooperations

B. Global Automotive

<table>
<thead>
<tr>
<th></th>
<th>2008 revenues (GPW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car manufacturer</td>
<td>EUR 1.5bn</td>
</tr>
<tr>
<td>Car dealer</td>
<td>31%</td>
</tr>
<tr>
<td>Non-cooperation</td>
<td>69%</td>
</tr>
</tbody>
</table>

1) Based on 2008 revenues (GPW)
Source: Global Automotive, Global Insight
Car manufacturer and dealer cooperations are an opportunity for which Allianz is uniquely positioned

The opportunity

- Car manufacturer and dealer cooperations are a growth driver of Allianz
- Huge opportunity for POS\(^1\) insurance created by estimated worldwide car sales growth of 6% p.a.
- Global excellence in car manufacturer and dealer cooperations with EUR ~1.5 billion portfolio
- Unique mastery of the business model through tight relations to car manufacturers

Allianz unique position

Global Automotive = a new strategy = a new global line to capture the opportunity

1) Point of sale
Car manufacturer and dealer cooperations are a growth driver for Allianz in a stagnant German motor market.

German motor insurance market
GPW (EUR bn)

Allianz car manufacturer and dealer cooperations GPW (EUR mn)

Source: Global Automotive, Global Insight, Allianz Vers. AG annual reports, BVA
B. Global Automotive

**Worldwide growth of car sales of 6% p.a. is creating a huge opportunity for Allianz**

Worldwide car market – new cars sold (mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>China</th>
<th>U.S.</th>
<th>Germany</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>61.8</td>
<td>10.3</td>
<td>4.0</td>
<td>35.9</td>
</tr>
<tr>
<td>2010</td>
<td>66.9</td>
<td>11.7</td>
<td>3.0</td>
<td>37.7</td>
</tr>
<tr>
<td>2011</td>
<td>72.4</td>
<td>13.6</td>
<td>3.3</td>
<td>39.5</td>
</tr>
<tr>
<td>2012</td>
<td>77.6</td>
<td>15.3</td>
<td>3.5</td>
<td>41.9</td>
</tr>
<tr>
<td>2013</td>
<td>81.9</td>
<td>16.2</td>
<td>3.6</td>
<td>44.3</td>
</tr>
<tr>
<td>2014</td>
<td>85.2</td>
<td>16.7</td>
<td>3.6</td>
<td>46.3</td>
</tr>
<tr>
<td>2015</td>
<td>87.7</td>
<td>17.0</td>
<td>3.6</td>
<td>47.8</td>
</tr>
</tbody>
</table>

**Huge opportunity globally driven by**

- **Worldwide growth of new car sales of 6% p.a.**
- **Stronger growth in key markets, e.g. U.S. and China at 9% p.a.**

Source: Global Automotive, Global Insight
Global excellence in insurance through car manufacturers and dealers

Allianz Automotive motor GPW EUR mn, 2009

### Countries

- **Germany**: ~610
- **Australia**: ~450
- **Poland**: ~100
- **Russia**: ~50
- **Hungary**: ~40
- **Italy**: ~30
- **Spain**: ~20
- **Other**: ~200
- **Total**: ~1,500

### Significant potential

- Grow further in countries with existing cooperations
  - Increased penetration of car sales at dealerships
- Develop car manufacturer and dealer cooperations business in countries with large car markets
  - Growth in conjunction with car manufacturers
### B. Global Automotive

#### Overview – automotive agreements worldwide

<table>
<thead>
<tr>
<th>Brands</th>
<th>Number countries</th>
<th>Scope</th>
<th>Agreement</th>
<th>Branding</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volkswagen</td>
<td>17</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Audi</td>
<td>17</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Skoda</td>
<td>17</td>
<td></td>
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<td>x</td>
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<tr>
<td>Seat</td>
<td>17</td>
<td></td>
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<td>x</td>
</tr>
<tr>
<td>Bugatti</td>
<td>1</td>
<td></td>
<td>x</td>
<td>x</td>
<td>-</td>
</tr>
<tr>
<td>Lamborghini</td>
<td>1</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Bentley</td>
<td>1</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Mercedes</td>
<td>15</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>BMW</td>
<td>16</td>
<td></td>
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<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Mini</td>
<td>16</td>
<td></td>
<td>x</td>
<td>x</td>
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<td>Toyota</td>
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<td>Honda</td>
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<td>Hyundai</td>
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<td>Harley Davidson</td>
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<tr>
<td>Key success factors</td>
<td>Allianz strengths</td>
<td>Barriers to entry</td>
<td></td>
<td></td>
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<td>---------------------</td>
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</tr>
</tbody>
</table>
| 1. Fully understand and support car manufacturers' “key battles” | ✓ Longstanding relationships with car manufacturers since the 1940s  
✓ Today, successful cooperations with 25 major car brands in 27 countries with clear added value from Allianz | ✓ Time and effort required to establish and maintain cooperations and relationships |
| 2. Integrate end-to-end in car manufacturers’ value chains | ✓ Allianz with a distinct end-to-end business model for car manufacturer cooperations  
✓ Allianz with proprietary IT systems (esp. front-end) to run cooperations  
✓ Strong expertise and understanding of all automotive processes | ✓ Deep-insight into distinctive end-to-end business model necessary, e.g.  
- Operations and IT  
- Automotive and insurance expertise |
| 3. Offer innovative products fully tailored to the car | ✓ Strong technical expertise at the crossing of cars and insurance at Allianz, e.g. Allianz Center for Technology  
✓ Close link to the car manufacturers’ R&D units | ✓ Strong automotive DNA hard to replicate, e.g.  
- Proprietary research capabilities  
- Longstanding links to car manufacturers' R&D units |
1 Fully understand and support the car manufacturers’ “key battles”

4 After-sales
- Stabilize spare parts profits (OEMs)
- Maximize garage utilization
- Improve customer loyalty

3 Sales
- Avoid discounts
- Stabilize residual value
- Keep new car/used car cycle moving

1 Relationship to partners
- Depth of value chain and type of relationship
- Buying power

2 Product
- Efficient product variety (niche play on standard platform)
- Technical and brand leadership

5 International rollout
- Strategies for mature markets
- Rollout strategies to growth markets
- Decentral sourcing and procurement

1) Original equipment manufacturer
Integrate end-to-end in car manufacturers’ value chains and proactively provide solutions

<table>
<thead>
<tr>
<th>Product development</th>
<th>Pricing/UIW</th>
<th>Sales</th>
<th>Ops/IT</th>
<th>Claims</th>
</tr>
</thead>
<tbody>
<tr>
<td>OEM&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Modular insurance products closely linked to OEM product range</td>
<td>Differentiated scheme accommodating new and used cars, fleet, commercial</td>
<td>Improved customer loyalty; flexible support of OEM action plans</td>
<td>Integration with dealer management system and OEM spare part ordering; reduced complexity of information exchange</td>
</tr>
<tr>
<td>Dealer</td>
<td>Products fitting dealer’s system</td>
<td>Superior price-benefit relation</td>
<td>Profit-driven incentives and integrated sales process</td>
<td></td>
</tr>
<tr>
<td>Captive</td>
<td>Match of database information</td>
<td>Expertise in all relevant lines (global presence)</td>
<td>Joint sales support approach</td>
<td>Efficient operations (scale)</td>
</tr>
<tr>
<td>Customer</td>
<td>Extensive full mobility solutions (e.g. warranty, PPI&lt;sup&gt;2&lt;/sup&gt;)</td>
<td>Competitive price</td>
<td>Convenience to buy insurance as part of car purchase</td>
<td>Insurance integrated in configurator</td>
</tr>
</tbody>
</table>

1) Original equipment manufacturer
2) Payment protection insurance

Strong automotive expertise and understanding of all automotive processes
B. Global Automotive

3. Offer innovative products fully tailored to the car

Premium models
BMW 5 / Audi A6 / Mercedes E

Holistic approach
along the value chain

Insurance

| Product: best insurance coverage, e.g. extended warranty, PPI², GAP³ |
| Pricing: actuarial basis for price reduction linked to security features |
| Sales: additional features: e.g. driver safety training at insurance sales |
| Operations/claims: premium service with … |
| Own hotline for all insurance topics |
| Concierge-service and replacement car of same class or higher |

Upscale offering
Strong focus on sportiness and dynamic
Large set of safety technologies
Strong results in tests vs. competitors¹

How can insurance support a car premium strategy

How can insurance support a car premium strategy

Leveraging Allianz’ technical expertise at the crossing of cars and insurance at Allianz, e.g. “Allianz Center for Technology” and the close link to the car manufacturers research and development units

1) Auto Motor Sport – April 2010
2) Payment protection insurance
3) Gap insurance covers the difference between what the car is worth and what you owe on the car
Global Automotive strategy

Mission: Be the preeminent global strategic partner of integrated insurance solutions to the world’s leading OEMs

Global Automotive organization with an automotive DNA as a tier-1 supplier for the car

Automotive expertise

Product Pricing UW

Distribution

Claims

Operations

Objectives

- Growth
- Profitability
- Innovation and quality

Products tailored to the car going beyond motor, based on strong expertise in the technical area

True multi-channel approach leveraging all Allianz channels

Effective claims management and improved economics

(European) platform to achieve high level of standardization, efficiency and automotive-specific quality

Global steering

Added value to OEs and aligned targets / interests

1) Original equipment manufacturer
Global Automotive created as a global line in 2010 to steer the car manufacturer and dealer business

Allianz SE

Allianz OEs

Global Automotive (K. Crede)

Focus

- Global profitability and local trade-offs
- “Automotive experts” of OEMs\(^1\) product dev. pipeline; UW expertise
- Expertise in key markets and car manufacturers’ strategy
- Global key account managers
- “Process experts” of both insurance and automotive to ensure full integration

1) Original equipment manufacturer
2) Key account management
B. Global Automotive

Outlook – medium-term aspirations

- **EUR 2bn**: EUR 2 billion of GPW in existing markets
- **1 out of 2**: Significant presence at least in one of the key growth markets (U.S. and China)
- **4 out of 5**: Cooperations with 4 out of the “Top 5” world's largest car manufacturers
- **<98%**: Target combined ratio below 98%
### Key take-aways

- **Automotive is a significant channel in European motor insurance for Allianz**
- **Current footprint of cooperations capturing almost 50% of worldwide car sales**
- **Automotive is a growth driver for Allianz in mature and emerging markets**
- **Allianz as global market leader in the automotive channel is uniquely positioned to capture the opportunity**
- **Automotive has high entry barriers – experience, relationships and global infrastructure play out for Allianz**
- **Allianz has strong growth and profitability aspirations in this business model**
Mondial Assistance
Capital Markets Day
Munich, July 1, 2010
Overview – assistance market in 2009

Highlights

- EUR 17bn market (insurance bound assistance and clubs)
- 3-year CAGR ~7% \(^1\)
- Mondial as a global leader on the assistance market is >50% more profitable \(^2\) than 2nd largest peer
- Strong price competition – buying of market share
- Opportunities: Health & Lifecare, Consumer Specialty Insurance, Americas/Asia Pacific
- Challenges: Automotive, travel offline, Europe
- Trends: Technology, online, B2C

Market structure (%)

- Automotive
- Travel
- Health & Lifecare
- Other

Revenues (EUR mn) and market shares (%)

1,673 10%  
1,288 7%  
883 5%  
12,999 78%

Sources: Annual reports; internal and external research

---

\(^1\) 3-year CAGR 2006-2009
\(^2\) Net income/revenues: Mondial 3.3%, Europ Assistance 1.6% – Mondial Assistance continuously with higher profitability than its peers since 2006
Overview – Mondial Assistance (1)

Highlights

- Market leader in assistance
- Mission: helping people, anytime, anywhere
- Founded in 1950, merger of insurance and service entities in 2000
- 250 business clients, 250mn end customers
- Further integration into Allianz Group
- Global accounts and cutting edge technologies / services as competitive advantages

2009 revenue split (2007 - 2009 growth p.a. in %)

By region (%)

- Europe (+3)
- Americas¹ (+18)
- Asia-Pacific (+10)
- BRIC (+21)

Total EUR 1.7bn

By market³ (%)

- Finance (ex. AZ) (+7)
- Tourism Online (+18)
- Tourism Offline (-12)
- Automotive (-3)
- Allianz (+5)
- Other (+30)

By line of business² (%)

- Travel (+3)
- RSA² (+4)
- Health (+12)
- Other (+24)

By customer/client type (%)

- Allianz
- B2C online

Notes:
1) Excluding Brazil
2) See page 6 for details
3) Examples: Finance market (e.g. insurance, banks), tourism (e.g. airlines, tour operators), automotive (e.g. manufacturers, dealers)
4) Road side assistance
Overview – Mondial Assistance (2)

Revenues (EUR mn)

- CAGR 7.9%
- 2005: 1,236
- 2006: 1,357
- 2007: 1,508
- 2008: 1,597
- 2009: 1,673

Operating profit (EUR mn)

- CAGR 5.4%
- 2005: 77
- 2006: 90
- 2007: 96
- 2008: 107
- 2009: 95

Combined ratio (in %)

- 2005: 95.8
- 2006: 95.2
- 2007: 95.6
- 2008: 94.9
- 2009: 95.9

Risk-adjusted capital

- CAGR 12.6%
- 2005: 209.6
- 2006: 225.4
- 2007: 260.2
- 2008: 321.8
- 2009: 336.8

RoRAC2

- 2005: 23.3%
- 2006: 26.8%
- 2007: 21.5%
- 2008: 21.2%
- 2009: 17.0%

1) Risk-adjusted capital = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements
2) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
Assistance is about combining insurance and services together

> 90% of quotations contain both insurance and service elements

CSA\(^1\)

- **Product composition**
  - Insurance component
  - Service component

**Success factors**

- **Insurance component**
  - Underwriting capabilities (risk assessment, decision-taking authority)

- **Service component**
  - Customer contact point (phone, mobile internet, etc.)
  - Customer database
  - Provider database
  - Network management

**Example**

- Travel insurance and medical repatriation

---

1) Consumer specialty assistance
Mondial has a wide range of offering, with a strong funnel of new products

<table>
<thead>
<tr>
<th>Lines of business</th>
<th>Automobile</th>
<th>Travel</th>
<th>Health &amp; Life</th>
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<tbody>
<tr>
<td>Offerings (= components for tailored products / contracts)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Roadside assistance</td>
<td>Trip cancellation</td>
<td>Rehabilitation management</td>
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<tr>
<td></td>
<td>Accident management</td>
<td>Lost luggage insurance</td>
<td>Long term care</td>
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<td></td>
<td>Telematic services</td>
<td>Medical cost abroad</td>
<td>Medical info/demand mgmt.</td>
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<tr>
<td></td>
<td>CRM¹</td>
<td>Crisis management</td>
<td>Prevention</td>
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<td></td>
<td>Car extended warranty</td>
<td>Repatriation</td>
<td>Student travelers</td>
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<td></td>
<td></td>
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<td>Expatriates</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Daily life services</td>
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<tr>
<td></td>
<td></td>
<td>Health</td>
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<tr>
<td></td>
<td></td>
<td>Lifecare</td>
<td></td>
</tr>
</tbody>
</table>

¹) Customer relationship management
Global trends will further increase demand for consumer specialty assistance

Selected global trends are offering new opportunities …

Roadside
- New motorization
  - Green vehicle
- New usage
  - New ownership
- Mobility services

Travel
- Travel industry revolution
- Global risks
  - Private security
- Leisure entertainment

Health & Property
- Aging population
- Healthcare spending
- Smart homes and devices

… to increase customer specialty assistance sales

- Electric vehicle assistance
- Extended warranty
- Integrated customer contact management
- Automotive mobile application
- Collision damage waiver
- Online travel customized offers
- Ancillary revenues platform
- Event ticket cancellation
- Concierge services
- Dependency assistance
- Rehabilitation management
- Prevention (chronic diseases)
- Medical info, nurse triage
- Daily life services
- Mobile phone insurance
- Home utility services
Innovation: Mondial’s unique e-commerce solutions to leverage business clients’ customer base

Potential customer comes into contact with MA\(^1\) through B2B clients (~750 million offers p.a.)

E.g. over 50 airline partners, travel agencies

Potential customer visits B2B client website

Flexible solutions
- Any language, any currency
- Little IT requirement on partner side

...which offers white labeled MA\(^1\) product

2003 2007 2010
E-margin TI 2.0 FUZION

Basic transaction platform Optimized transaction platform Entirely new functions

Segmentation and product personalization

Sales of third party products at multiple touchpoints, using multiple channels

\(^1\) Mondial Assistance
10,000 employees servicing customers around the clock all over the world

- 28 operating entities
- More than 40 languages
- 2/3rd women
- Average age 35

42 million calls handled
15 million cases handled
Overall NPS\(^1\) of 61%

\(^1\) Net promoter score
Target structure allows more efficient capital management and a simplification of governance

Mondial Assistance S.A.S (Paris)

Europe
- Mondial Assistance International

France (VAT carrier)
- Fragonard Assurances Fr

Americas
- Jefferson USA

Branches:
- Austria
- Belgium
- Czech Rep.
- France
- Germany
- Great Britain
- Greece
- Italy
- Netherlands
- Poland
- Portugal
- Spain
- Switzerland

Insurance company

Services company

Just 1 global holding company

Just 1 European insurance carrier

1) Mondial Assistance
Unfall 60 Aktiv – a success story for Mondial, Allianz and our customers (NPS >85%)

Starting position

60+ market segment viewed non-profitable (high claims ratio)
Hardly any new business due to underwriting restrictions
Market segment was however viewed as attractive in terms of relative wealth ...
... with need for protection (decreasing state aid level especially for temporary and/or less severe detriment)

Introduction of AZ-MA¹ bundled product in 2004

New bundled product developed, offering integrated assistance services in addition to mere indemnity, to meet customers’ actual needs in case of accidents:
- Medical home care
- Home help (catering, cleaning, laundry, garden care, ...)
- Help for family members

Leveraging strength of individual Allianz Group companies by attractive bundling approach

Impact

500,000 contracts sold in 5 years
Product meets needs that weren’t answered before
Win-win: high customer satisfaction AND attractive product margins

Revenue-CAGR 2005 - 2009

18%

-1%

AZ Versicherungs AG
Unfall 60 Aktiv

¹) Allianz – Mondial Assistance
Six reasons to grow, leading to one aspiration

Growth driven by …

1. … strong market position
   ► Global number one on the market for assistance services

2. … trends supporting the business
   ► Aging society, travel industry revolution, new travel behavior

3. … unique products/services
   ► Bundled products, offered at highly attractive prices

4. … reliable customers
   ► Solid customer relationships; Allianz as a client increasingly important

5. … enlarged regional set-up
   ► Strengthen business in emerging markets

6. … efficient operations
   ► Creating a fully global business model

Resulting aspiration: revenue and operating profit CAGR +10% until 2015
Clemens von Weichs, CEO Allianz Re

Allianz Re
Capital Markets Day
Munich, July 1, 2010
Overview – reinsurance market

Highlights

- Continuing soft market
- Capital levels almost back to 2007
- Demand of primary insurers driven by capital shortage
- Insured losses 2009 ~USD 26bn (USD 22bn Cat losses, USD 4bn man-made)
- Largest NatCat event 2009 was wind-storm Klaus (economic loss USD 3.4bn), followed by major U.S. thunderstorms
- Total insured loss due to NatCat events was below the long-term average

Market share P/C¹

<table>
<thead>
<tr>
<th>Company</th>
<th>Share</th>
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<tbody>
<tr>
<td>Munich Re</td>
<td>15.3%</td>
</tr>
<tr>
<td>Swiss Re</td>
<td>9.4%</td>
</tr>
<tr>
<td>Lloyd's R/I</td>
<td>7.0%</td>
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<tr>
<td>Hannover Re</td>
<td>5.6%</td>
</tr>
<tr>
<td>Berkshire Hathaway</td>
<td>5.2%</td>
</tr>
<tr>
<td>Allianz Re</td>
<td>3.3%</td>
</tr>
</tbody>
</table>

1) Based on net premiums written as per end of 2009
Overview – Allianz Re

Highlights

- Profit center and Group reinsurance coordinator in one organization
- Financial strength and international experience in underwriting and fields of special expertise
- Group centre of competence for NatCat risk management
- ~700 customers worldwide
- AA Rating (S&P) as part of Allianz SE

GPW by region (Total EUR 4.1bn)
- Germany 55%
- Asia-Pacific 12%
- Germany Life 10%
- Western Europe 8%
- New Europe 4%
- Americas 4%
- SC & MC 4%
- MENA 2%
- RoW 1%

GPW by product (Total EUR 4.1bn)
- Property 35%
- Motor 16%
- L/H 15%
- Liability 10%
- Pers. Accident 7%
- Credit & Bond 7%
- Engineering 6%
- Marine 4%

Customers
- Internal clients 79%
- External clients 21%

1) If not otherwise stated: gross premiums written as per end of 2009
2) Based on net earned premiums as per end of 2009
3) Excluding Allianz Re Dublin Ltd.
4) SC = SuperCat MC = MegaCat
Overview – Allianz Re (2)

Revenues\(^1\) (EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
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<tbody>
<tr>
<td>LH</td>
<td>4,661</td>
<td>3,774</td>
<td>3,749</td>
<td>4,063</td>
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<tr>
<td>PC</td>
<td>339</td>
<td>313</td>
<td>294</td>
<td>350</td>
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</table>

Combined ratio (in %)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>96.1</td>
<td>95.2</td>
<td>87.9</td>
<td>92.4</td>
</tr>
<tr>
<td>Expense ratio</td>
<td>66.3</td>
<td>65.0</td>
<td>62.0</td>
<td>66.5</td>
</tr>
</tbody>
</table>

Operating profit (EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>308</td>
<td>267</td>
<td>491(^1)</td>
<td>393</td>
</tr>
</tbody>
</table>

Risk-adjusted capital\(^2\) (EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2,180</td>
<td>2,539</td>
<td>2,693</td>
<td>3,150</td>
</tr>
</tbody>
</table>

\(^1\) Including EUR-16mn investment income from VA business booked in Holding segment
\(^2\) RAC = risk-adjusted capital
\(^3\) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
Evolution and role of Allianz Re

Late 1970s / early 1980s
- Activities based on cooperation with Munich Re. Expertise provided by Munich Re
- Mid 80’s onwards ties with Munich Re loosened
- Foundation of Allianz Re

1990s
- Allianz Re started accepting more business from OEs
- External business commenced
- 1999: Singapore branch established

2007 onwards – RIO
- Winding down of external Q/S agreements, increase of OE retentions
- Optimization of the reinsurance system (“RIO”)
- Centralized Group Cat management
- Introduction of the RIO 70/100% rule\(^1\)
- Consolidation of external business. Zurich branch formed

From reinsurance department to global organization

\(^1\) Objective: 70% of OE’s non-Cat / 100% of OE’s CAT reinsurance to be ceded to Allianz Re
<table>
<thead>
<tr>
<th>Group steering instrument</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximize benefit of the Group’s EUR 4bn external reinsurance spend</td>
<td></td>
</tr>
<tr>
<td>Manage earnings volatility to acceptable level</td>
<td></td>
</tr>
<tr>
<td>Protect capital base against extreme events</td>
<td></td>
</tr>
<tr>
<td>Provide competitive advantage for OEs by pooling reinsurance cessions to benefit from diversification and using Group risk appetite</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital optimization</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through traditional and structured intra-group reinsurance</td>
<td></td>
</tr>
<tr>
<td>Limit risk retained on local OE balance sheets</td>
<td></td>
</tr>
<tr>
<td>Mitigate local capital requirements, unlocking capital for the Group</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating profit</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retain reinsurance margins priced in OE cessions</td>
<td></td>
</tr>
<tr>
<td>Complement internal reinsurance portfolio with selective external business</td>
<td></td>
</tr>
</tbody>
</table>

Reinsurance operations have proved to be profitable and can be exploited further under Solvency II to unlock capital from local balance sheets for the Group.
### Rationale for Group internal business approach – RIO

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information</td>
<td>Enhance transparency on Allianz group-wide reinsurance activities via globally shared information platform (GRIP)</td>
</tr>
<tr>
<td>Capital efficiency</td>
<td>Capital efficiency through traditional and structured intra-group reinsurance</td>
</tr>
<tr>
<td>Coordination</td>
<td>Reinsurance optimization through global coordination and steering of Group reinsurance activities</td>
</tr>
<tr>
<td>Cycle management</td>
<td>Manage NatCat peak risks via pooling, retro, securitization</td>
</tr>
<tr>
<td>Organizational efficiency</td>
<td>Reduce complexity through one global organization, globally shared process and system landscape</td>
</tr>
</tbody>
</table>
The Allianz reinsurance system – reinsurance optimization

- **OE** Structures its local reinsurance program in line with Group requirements

**All P/C treaties excl. Cat XL**
- 70%+
- Allianz Re
- External reinsurance market

- max. 30%

**Cat XL**
- 100%
- Allianz Re
- External reinsurance market

- Pools Cat risk, calculates Group retention in line with Group risk appetite

**1) Lead reinsurance markets**
- List of reinsurers officially appointed by Allianz Re, based upon different criteria such as technical capabilities or overall relationship with Allianz Group
- Allianz Re targets to take a minimum of 70%
- Allianz Re in general follows the terms and conditions of lead reinsurance markets

**Holistic reinsurance system to the benefit of Allianz Group**

1) Lead reinsurance markets: list of reinsurers officially appointed by Allianz Re, based upon different criteria such as technical capabilities or overall relationship with Allianz Group
Group internal business – the power of pooling

Benefits to Group and OEs

- Aligns external protection to risk appetite at Group level
- Leverages Group’s buying power
- Improves profit potential and earnings volatility for the Group

Reinsurance operations provide support and competitive advantage for the OEs

- Product development:
  - Crop insurance – Brazil, Germany, Australia
  - Environmental liability
  - Variable annuities – Japan, Taiwan

- Capacity / capital support:
  - Stable Cat capacity
  - Euler Hermes – support over the cycle

If the primary business is profitable, pooling local reinsurance brings long-term benefit
Maximizing the value of external reinsurance spend

Allianz Group P/C results (EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross premiums¹</td>
<td>49,466</td>
<td>49,096</td>
<td>49,611</td>
<td>48,747</td>
<td>47,875</td>
</tr>
<tr>
<td>Ceded premiums</td>
<td>5,529</td>
<td>5,415</td>
<td>5,319</td>
<td>4,972</td>
<td>4,574</td>
</tr>
<tr>
<td>Gross combined ratio²</td>
<td>92%</td>
<td>87%</td>
<td>89%</td>
<td>88%</td>
<td>91%</td>
</tr>
<tr>
<td>Net combined ratio³</td>
<td>93%</td>
<td>92%</td>
<td>93%</td>
<td>95%</td>
<td>97%</td>
</tr>
</tbody>
</table>

¹ Unconsolidated premium basis
² Unconsolidated written premium basis
³ Consolidated written premium basis

RIO has reduced volume of external cessions since 2005 by EUR 1bn

Key objectives for reinsurance purchases:

- Protection against extreme events
- Limiting earnings volatility
- Reducing risk capital requirements
- Ensuring liquidity

Allianz Re supports OEs to optimize external spend – if benefit only at OE level, placement should be within the Group

Benefit from remaining spend to be maximized
Evolution of external business at Allianz Re

1999

- Formation of Allianz Re Singapore branch
- 90%+ external business in Asia, remainder in Munich

2007

- Transfer of Allianz Suisse inwards book to Allianz Re
- All assumed reinsurance business under same SE board responsibility
- Global external business portfolio in place

2008 onwards

- Portfolio optimization started
- Non-profitable and non-strategic relationships shed
- Growth in non-correlated markets e.g. Israel and Japan
- Growth in niche / non-correlated LoBs e.g. agriculture
## External business – profitable and capital efficient

<table>
<thead>
<tr>
<th>Allianz Re P/C results (EUR mn)</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross premiums</td>
<td>562</td>
<td>396</td>
<td>565</td>
<td>565</td>
<td>2,088</td>
</tr>
<tr>
<td>Net earned premiums</td>
<td>514</td>
<td>315</td>
<td>444</td>
<td>567</td>
<td>1,840</td>
</tr>
<tr>
<td>Net loss ratio</td>
<td>63.7%</td>
<td>67.8%</td>
<td>56.9%</td>
<td>51.7%</td>
<td>60.0%</td>
</tr>
<tr>
<td>Expense ratio</td>
<td>26.1%</td>
<td>24.4%</td>
<td>31.7%</td>
<td>25.9%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Combined ratio</td>
<td>89.8%</td>
<td>92.2%</td>
<td>88.5%</td>
<td>77.5%</td>
<td>87.1%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>89</td>
<td>40</td>
<td>82</td>
<td>153</td>
<td>364</td>
</tr>
</tbody>
</table>

**Diversification**
- Access to diversifying and non-correlated exposures

**Market knowledge**
- Insight into competitive trends and market developments

**New market entry**
- Growth Markets, support new product initiatives (e.g. Agro)

**Reputation**
- Leverage Allianz brand name and rating (AA from S&P)

**Profit potential**
- Apply systems, expertise and processes developed for internal business to provide additional profit potential

---

**External business is a proven profit contributor**
**Opportunity to enhance returns from reinsurance operations**
External business – client and market strategy

**Core**
- Stable portfolio with broad based relationship across standard business lines

**Specialty**
- Business segments where we can provide market leading expertise and products

**Opportunistic**
- Commodity coverage – primarily NatCat taking advantage of market cycle

**North America**
- No interest in liability
- Opportunistic approach in Cat

**Latin America**
- Focus on agriculture
- Reduce Cat exposure

**Western Europe**
- Maintain stable share in the market

**MENA**
- Focus on L/H business (cooperation with Next Care, cross-selling opportunities)
- Revision of Cat appetite

**Eastern Europe**
- No focus on the market (high Cat exposure, strong competition, shrinking demand for reinsurance)

**Asia-Pacific**
- Focus on Australia, China, Japan, Korea
- Maintain stable shares in the other markets
- Focus on agriculture

Stable portfolio to complement internal business with limited Cat exposure
Building blocks of NatCat protection strategy

Current protection landscape

External reinsurance

Internal reinsurance

OE retention

- Central monitoring of Cat exposure
- Central steering of Group retention
- Bundling of regional exposures
- Central purchasing of Group Cat protection
- Investments in experts and models
- Use of different markets and products
- Efficient organizational set-up
Group NatCat landscape

1) Net pre-Cat for internal business protected by Group Cat programs, based on 1.1.2009 portfolio data
2) Occurrence exceedance probability

Plafond EUR 2,600mn

Focus of Group retro program

Priority EUR 300mn

Light: 250y
Dark: 100y

EUR WS
D FL
US HU
USA EQ CA
D HL
IEQ
AUS EQ
UK FL
US EQ Rest
PT EQ
A HL
I FL
AUS CY
USA EQ NM
TR EQ
USA EQ NE
GR EQ

Wind, hurricane
Quake
Flood
Hail
### Key take-aways

- **Allianz Re is a well established international player**
- **Allianz Re key to capital management within Allianz Group**
- **Optimization of internal reinsurance to support Group earnings power**
- **Support competitive position and profitable growth at OE level**
- **Attractive profit potential from external reinsurance**
- **Efficient risk management and centre of competence**
Axel Theis, CEO Allianz Global Corporate & Specialty

Allianz Global Corporate & Specialty
Capital Markets Day
Munich, July 1, 2010
Overview – Corporate & Specialty market

- 8 global peers dominate the market with GPW\(^1\) EUR 39bn
- Local competitors complement the landscape
- UW discipline key driver for operating profit in 2009
- Economic slowdown with limited impact on profitability of carriers
- Increasing impact on 2010 premium levels (e.g., due to turnover-based premiums, lower construction activities)
- Competitive pricing pressure persist in 1H 2010

Despite 2009 market downturn, AGCS improved ranking and GPW significantly

<table>
<thead>
<tr>
<th>Company</th>
<th>2008 GPW(^1) (EUR mn)</th>
<th>2009 GPW(^1) (EUR mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 AIG Commercial</td>
<td>15,264</td>
<td>12,806</td>
</tr>
<tr>
<td>2 ACE P/C Insurance</td>
<td>7,881</td>
<td>7,518</td>
</tr>
<tr>
<td>3 Zurich Global Corp.</td>
<td>5,668</td>
<td>5,298</td>
</tr>
<tr>
<td>4 XL P/C Insurance</td>
<td>3,815</td>
<td>4 AGCS Global 3,806</td>
</tr>
<tr>
<td>5 FM Global</td>
<td>3,205</td>
<td>6 XL P/C Insurance 2,964</td>
</tr>
<tr>
<td>6 AGCS Global</td>
<td>2,859</td>
<td>7 AXA Corp. Solutions 1,945</td>
</tr>
<tr>
<td>7 AXA Corp. Solutions</td>
<td>1,970</td>
<td>8 Mapfre Global Risks 838</td>
</tr>
<tr>
<td>8 Mapfre Global Risks</td>
<td>777</td>
<td></td>
</tr>
</tbody>
</table>

AGCS with consistent strong ratings\(^2\)

<table>
<thead>
<tr>
<th>Company</th>
<th>S&amp;P (outlook)</th>
<th>AM Best (outlook)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGCS</td>
<td>AA (stable)</td>
<td>A+ (stable)</td>
</tr>
<tr>
<td>Mapfre</td>
<td>AA (stable)</td>
<td>A+ (negative)</td>
</tr>
<tr>
<td>AXA</td>
<td>AA (negative)</td>
<td>n/a</td>
</tr>
<tr>
<td>Zurich</td>
<td>AA- (negative)</td>
<td>A (stable)</td>
</tr>
<tr>
<td>ACE</td>
<td>A+ (positive)</td>
<td>A+ (stable)</td>
</tr>
<tr>
<td>Chartis</td>
<td>A+ (negative)</td>
<td>A (negative)</td>
</tr>
<tr>
<td>XL</td>
<td>A (negative)</td>
<td>A (stable)</td>
</tr>
</tbody>
</table>

1) Gross premiums written
2) As of April 2010

Source: AGCS internal research
Overview – AGCS\(^1\) (1)

**Highlights**

- Global diversified portfolio allowing largest net capacity in all markets
- Excellent underwriting and risk management
- Conservative investment approach
- Highly liquid asset portfolio
- Strong capital and solvency position (>200%)

---

1) If not otherwise stated: all figures as per end of 2009
Overview – AGCS (2)

GPW (EUR bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2.4</td>
<td>2.7</td>
<td>2.8</td>
<td>2.9</td>
<td>3.8</td>
</tr>
<tr>
<td>CAGR</td>
<td>12.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating profit2 (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>-270</td>
<td>404</td>
<td>413</td>
<td>434</td>
<td>590</td>
</tr>
<tr>
<td>CAGR</td>
<td>13.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Combined ratio (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>122.3</td>
<td>92.3</td>
<td>96.4</td>
<td>90.1</td>
<td>87.2</td>
</tr>
<tr>
<td>Expense ratio</td>
<td>32.2</td>
<td>29.7</td>
<td>28.5</td>
<td>27.8</td>
<td>25.3</td>
</tr>
<tr>
<td>Combined ratio</td>
<td>-35.1%p</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Risk-adjusted capital3 (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,369</td>
<td>1,631</td>
<td>1,693</td>
<td>1,298</td>
<td>1,729</td>
</tr>
<tr>
<td>CAGR</td>
<td>6.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RoRAC4</td>
<td>-5.8%</td>
<td>11.6%</td>
<td>17.2%</td>
<td>20.2%</td>
<td>23.0%</td>
</tr>
</tbody>
</table>

1) AGR + AMA, excluding German corporate business and AGR U.S.
2) AMIC and French integration included in 2009
3) RAC = risk-adjusted capital
4) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
Transformation from stand-alone businesses into a global integrated leader of Corporate & Specialty business

<table>
<thead>
<tr>
<th>AGR Re &amp; AMA¹</th>
<th>Decentralized business model</th>
<th>AGCS Global</th>
<th>Global business model</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>Set up of AGR Re and AMA</td>
<td>Merger of AGR Re / AMA; integration of D, UK, North America</td>
<td>Further branches (Spain, Netherlands, Belgium) and integration of Space Co, AGCS JP, AGCS S/A; further branches in Singapore, HK in discussion</td>
</tr>
<tr>
<td>2003</td>
<td>Virtually centralized steering of decentralized, autonomous OEs</td>
<td>New branches A, CH</td>
<td>2010 - 2012</td>
</tr>
<tr>
<td>2004</td>
<td></td>
<td>New branches: Nordic region, Italy</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>AMIC/ France integration, Dubai, Re-insurance license Brazil</td>
<td></td>
</tr>
</tbody>
</table>

Challenges & issues

- Various local balance sheets
- Fragmented infrastructure
- Different risk appetite
- Lack of global UW rules & principles
- Lack of customer solutions
- Lack of transparency (financial and operational)
- Different operational processes and performance

AGCS – Global steering, local Market Management

- Central business control & steering
- Consistent pricing & risk appetite
- Global underwriting alignment
- Global balance sheet & risk mgmt.
- Sophisticated reinsurance
- Global processes & systems
- Cost synergies
- Knowledge transfer & talent

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010e</th>
<th>2011e</th>
<th>2012e</th>
</tr>
</thead>
<tbody>
<tr>
<td>GPW AGCS</td>
<td>EUR 2.7bn</td>
<td>EUR 3.8bn</td>
<td>&gt;EUR 4bn</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ AGR Re and AMA still part of AZ Vers. in 2002. Therefore, not fully separable and excl. special funds
From heterogeneous systems to an integrated global platform

⚊ Inherited AGCS IT architecture too complex
⚊ 200+ applications to support 4 major OEs alone
△ Fragmented
△ Not scaleable
△ Cost intensive

Primary objective: Create a high-performance AGCS that uses the same systems & processes globally

⚊ Faster and more responsive service to clients and brokers
⚊ Accurate, timely and globally consistent management information
⚊ Automation and standardization of processes
⚊ Replicable operating model
⚊ Cost-efficient centralized functions and pooled capabilities
⚊ Expected efficiency gains >EUR 70mn by 2011
Our Global Change Program ensures global processes and structure and increases cost efficiency

Transforming regional silo structure ... ... into a global / functional model

- Localized, non-standard processes / IT
- Replicated cost structures
- Limited best practice sharing
- Local capacity constrains excellence
- “Reinventing the wheel” in each market
- Optimization of the parts, not the whole!

- Common business / operating model
- Economies of scale
- Expanded best practice sharing
- Improved steering
- Business model reproduced in all offices
- Optimizing all elements of the value chain

Global Change Program (GCP) initiated in 2007
Global AGCS business model fits best with our market and client segments

Clients across various industries are served by dedicated client teams and key account managers

- Automotive industry
- Pharma / chemical industry
- Transportation
- Mechanical / electrical engineering
- Telecommunications
- Aerospace
- Construction / infrastructure
- Energy and utility
- Retail and wholesale

Over half of the Global Fortune 500 companies are our clients

- IT / software
- Consumer goods
- Financial institutions

Core focus is on global corporate and specialty clients

- Corporates (>EUR 500mn)
- MidCorps (>EUR 150mn)
- SME

- Property and Casualty
- MidCorp IIS & all specialty lines outside D, F
- Specialties: aviation, marine, financial lines, energy, engineering

Need for global business model

- Globally operating clients with need for global insurance network and products
- One face to the customer with global service, products and quality
- Global steering with local execution, market know-how, client / broker contact
- International Insurance Solutions (IIS) around the globe
- Globally consistent pricing and UW
- Diversified regional set-up to level out and better manage NatCat Risks
- Most efficient capital usage across various entities
Global presence – lead insurer with consistent service in International Insurance Solutions

- Direct market access
- Local market know-how
- Local underwriting
- Global processes & standards
- Cooperation with Allianz OEs

2010: complete Europe

- **Spain**: branch office after portfolio transfer (regulatory approval pending, retroactive to 1.1.2010)
- **Belgium**: branch office after acquisition of renewal rights (go-live expected for 1.7.2010)
- **Netherlands**: branch office after acquisition of renewal rights (go-live expected for 1.7.2010)

2011: focus on Asia

- **Japan**: planned to be subsidiary of AGCS AG already in Q2 2010
- **Singapore** and **Hong Kong**: announced strengthening of management control

2012-2015: focus RoW

- **Eastern Europe**
- **South America**

---

1) Regulatory approval pending
2) Facultative reinsurance carrier
Excellent position in International Insurance Solutions

Today, the Allianz Group is represented in more than 70 countries

Number of IIS¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of IIS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>1,020</td>
</tr>
<tr>
<td>2008</td>
<td>1,130</td>
</tr>
<tr>
<td>2009</td>
<td>1,290</td>
</tr>
<tr>
<td>2012</td>
<td>1,600</td>
</tr>
</tbody>
</table>

GPW

<table>
<thead>
<tr>
<th>Year</th>
<th>GPW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>911</td>
</tr>
<tr>
<td>2008</td>
<td>989</td>
</tr>
<tr>
<td>2009</td>
<td>1,155</td>
</tr>
<tr>
<td>2012</td>
<td>1,400</td>
</tr>
</tbody>
</table>

SOE GPW by network partner¹

<table>
<thead>
<tr>
<th>Year</th>
<th>AGCS</th>
<th>Allianz</th>
<th>External partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>23%</td>
<td>69%</td>
<td>7%</td>
</tr>
<tr>
<td>2008</td>
<td>28%</td>
<td>66%</td>
<td>8%</td>
</tr>
<tr>
<td>2009</td>
<td>22%</td>
<td>69%</td>
<td>9%</td>
</tr>
<tr>
<td>2012</td>
<td>14%</td>
<td>75%</td>
<td>11%</td>
</tr>
</tbody>
</table>

SOE business 2009¹ (in %)

- AGCS
- Allianz
- External partner
- North America
- Asia-Pacific
- F, UK, D
- Latin America
- Latin America
- Rest Europe
- Rest of World

¹) International Insurance Solutions; property and liability business only
Diversified portfolio + underwriting discipline = sustainable profit

AGCS Global: loss ratio

- Diversified portfolio levels out specific LoB development
- Appropriate actions taken to tackle loss leaders e.g., in property, marine and general aviation
- Financial lines result driven by financial crisis related IBNR. Exposure is kept under strict control

### AGCS Global Loss ratio heat map

<table>
<thead>
<tr>
<th>LoB</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aviation</td>
<td>67%</td>
<td>63%</td>
<td>65%</td>
<td>88%</td>
<td>72%</td>
</tr>
<tr>
<td>Energy</td>
<td>51%</td>
<td>8%</td>
<td>63%</td>
<td>2%</td>
<td>67%</td>
</tr>
<tr>
<td>Engineering</td>
<td>50%</td>
<td>64%</td>
<td>62%</td>
<td>50%</td>
<td>65%</td>
</tr>
<tr>
<td>Financial lines</td>
<td>182%</td>
<td>97%</td>
<td>110%</td>
<td>175%</td>
<td>63%</td>
</tr>
<tr>
<td>Liability</td>
<td>69%</td>
<td>68%</td>
<td>59%</td>
<td>58%</td>
<td>72%</td>
</tr>
<tr>
<td>Marine</td>
<td>102%</td>
<td>78%</td>
<td>75%</td>
<td>71%</td>
<td>66%</td>
</tr>
<tr>
<td>Property</td>
<td>32%</td>
<td>68%</td>
<td>52%</td>
<td>28%</td>
<td>70%</td>
</tr>
<tr>
<td>Total</td>
<td>63%</td>
<td>68%</td>
<td>62%</td>
<td>62%</td>
<td>68%</td>
</tr>
</tbody>
</table>

Color coding: Green = below AGCS Global total loss ratio c.y.; Red = above AGCS Global total loss ratio c.y.

1) Calendar year, net, incl. ULAE
Specific line of business large / CAT loss leveled out and kept within expectations

Large and CAT losses: actual vs. expected\(^1\) (in EUR mn)

### Actual large and Cat loss amount

- **Property**: 202
- **Energy**: 15
- **Engineering**: 25
- **Marine excl. U.S.**: 36
- **Aviation short tail**: 45
- **Total**: 324

### Actuarial best estimate including 20:80% quantiles

- **Property**: 109
- **Energy**: 2
- **Engineering**: 10
- **Marine excl. U.S.**: 9
- **Aviation short tail**: 74
- **Total**: 204

- **Property**: 46
- **Energy**: 36
- **Engineering**: 9
- **Marine excl. U.S.**:
- **Aviation short tail**: 92
- **Total**:

\(^1\) ULAE and IBNR excluded. Losses shown include known NatCat losses from ground up plus individual losses from ground up if they exceed
(a) for 2008: EUR 7.5mn for property, EUR 5mn for energy and engineering, EUR 1mn for marine, EUR 2mn for aviation;
(b) for 2009: EUR 7.5mn for property, EUR 5mn for all other LoBs

**Diversified portfolio helps to keep large and CAT losses within expectation**

**Large losses are inherent to AGCS business model and thus reflected in planning assumptions**
Management attention focused on core drivers

AGCS KPI and early warning systems for pro-active management

<table>
<thead>
<tr>
<th>KPI</th>
<th>Focus</th>
<th>Management action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underwriting</td>
<td>UW discipline</td>
<td>Ø Regular performance monitoring and reporting</td>
</tr>
<tr>
<td>(e.g. CR, LR, Loss leaders)</td>
<td></td>
<td>Ø Immediate actions in case of deviations of financial and operational performance</td>
</tr>
<tr>
<td>Investment income</td>
<td>Conservative investment strategy</td>
<td>Ø Disciplined and consequent result-oriented execution</td>
</tr>
<tr>
<td>Expenses</td>
<td>Cost consciousness</td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td>Project delivery</td>
<td></td>
</tr>
<tr>
<td>(e.g. branch integration)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Positive mid-term outlook – despite challenging market conditions 2010/11

Mid-term price trend by LoB (market)

<table>
<thead>
<tr>
<th>Property</th>
<th>Liability</th>
<th>Engineering</th>
<th>Financial Lines</th>
<th>Marine</th>
<th>Aviation</th>
<th>Energy</th>
<th>ART</th>
</tr>
</thead>
</table>

Key indicators

**Real GDP growth (in %)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Industrialized countries</th>
<th>Emerging markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>2008</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>2009</td>
<td>-3</td>
<td>1</td>
</tr>
<tr>
<td>2010e</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>2011e</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>2012e-2016e</td>
<td>2</td>
<td>6</td>
</tr>
</tbody>
</table>

**AGCS Global: Price change (in %)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Industrialized countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>-3</td>
</tr>
<tr>
<td>2008</td>
<td>-4</td>
</tr>
<tr>
<td>2009</td>
<td>-1</td>
</tr>
<tr>
<td>2010e</td>
<td>0</td>
</tr>
<tr>
<td>2011e</td>
<td>1</td>
</tr>
<tr>
<td>2012e</td>
<td>2</td>
</tr>
<tr>
<td>2013e</td>
<td>2</td>
</tr>
</tbody>
</table>

Sources: AZ Economic Research & Corporate Development (May 11, 2010), AGCS internal research

1) Historical and assumed price changes for AGCS globally across all LoBs
**Consequent execution of global strategy continues**

**2010 - 2013**

**Our goal:**

“To be the leading global provider of corporate and specialty risk solutions, fulfilling clients’ individual needs with our employees’ unequalled industry expertise and knowledge.”

<table>
<thead>
<tr>
<th>AGCS footprint</th>
<th>Expansion in Asia, South America and Eastern European Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth and market opportunities</td>
<td>Focus on opportunities in growth markets and specific LoBs</td>
</tr>
<tr>
<td>Client profitability &amp; service</td>
<td>Focus on UW principles</td>
</tr>
<tr>
<td>Global Change Program</td>
<td>Finalize transformation into a global organization with harmonized front-, middle- and back-office systems and global processes</td>
</tr>
</tbody>
</table>
Key take-aways

- AGCS is a top global player in Corporate & Specialty business
- Successful transformation into a truly global carrier
- Business model guarantees consistency and efficient coordination
- Strong value proposition for global clients
- Competitive edge in commercial lines over local players
- Excellent cycle management
- Attractive prospects for profitable growth
Wilfried Verstraete, Chairman of the Board of Management Euler Hermes
Overview – credit insurance market

Highlights 2009
(Credit insurance & surety/bonding)

- Total direct gross premiums: EUR 6.9bn
- Total net claims: EUR 5.8bn
- Overall net claims ratio: 84.6%
- Total insured exposure: EUR 2,788bn
- Total insured exposure decrease vs. 2008: 15.4%
- Overall rising insolvencies (EH insolvencies index 2009: +28% after +26% in 2008)
- 20% drop in world trade value and -13% in volume

The credit insurance business was strongly impacted by the deteriorating economic environment

1) If not otherwise stated: all figures as per end of 2009
2) Source: 2009 ICISA
Overview – Euler Hermes¹ (1)

Highlights

Euler Hermes is the world's premier credit insurer, offering solutions for the management of trade receivables, from credit insurance and financing of trade receivables to bonding and guarantees

- 57,000 clients worldwide
- Presence in over 50 countries
- 3,500 claims indemnified per week
- 200,000 debt collections handled in 130 countries
- 40mn companies monitored in our database
- AA-financial rating by Standard & Poor's (July 2009)

Turnover by region

- Germany, Austria, Switzerland 37%
- Northern Europe 21%
- France 18%
- Mediterranean countries & Africa 12%
- Americas 9%
- Asia-Pacific 3%

Customer breakdown² (by size in % of GEP³)

- Large >100mn 11%
- Medium 10-100mn 29%
- Small <10mn 46%
- Multinational 14%

Turnover by region

- Americas 9%
- Asia-Pacific 3%

Turnover by region

- Total EUR 2.1bn
- Large >100mn 11%
- Medium 10-100mn 29%
- Small <10mn 46%
- Multinational 14%

Business lines (turnover in %)

- Credit ins. 83%
- Bonding & guarantees 7%
- Debt collection 5%
- Other services 6%

Distribution channels (% of GEP)

- Brokers 65%
- Direct 25%
- Agents 7%
- Banks 3%

Business lines (turnover in %)

- Total EUR 2.1bn
- Credit ins. 83%
- Bonding & guarantees 7%
- Debt collection 5%
- Other services 6%

Distribution channels (% of GEP)

- Total EUR 1.7bn
- Brokers 65%
- Direct 25%
- Agents 7%
- Banks 3%

1) If not otherwise stated: all figures as per end of 2009
2) Breakdown by customer turnover
3) GEP: gross earned premiums
Overview – Euler Hermes (2)

Net earned premiums (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAGR</td>
<td>2.7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Operating profit (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAGR</td>
<td>-58.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Combined ratio¹ (in %)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss ratio</td>
<td>67.0</td>
<td>77.6</td>
<td>76.6</td>
<td>104.8</td>
<td>110.4</td>
</tr>
<tr>
<td>Expense ratio</td>
<td>25.7</td>
<td>27.9</td>
<td>28.7</td>
<td>27.1</td>
<td>28.0</td>
</tr>
</tbody>
</table>

Risk-adjusted capital² (EUR mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAGR</td>
<td>-0.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

RoRAC³

<table>
<thead>
<tr>
<th>Year</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.4%</td>
<td>23.6%</td>
<td>24.9%</td>
<td>5.5%</td>
<td>-0.7%</td>
<td></td>
</tr>
</tbody>
</table>

1) Excluding service margins
2) RAC = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements
3) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
What does Euler Hermes do?

The service offering of Euler Hermes to its customers include:

- Credit insurance (risk transfer, risk prevention, debt collection, claims payment)
- Bonding & guarantees (performance bonds, maintenance bonds, advanced payment bonds, custom bonds)
- “Fidelity”: insurance against employee fraud
- Export credit guarantees on behalf of German government in partnership with PwC

EH helps businesses select the right customers and move safely into new markets.
Euler Hermes is number one in 18 countries

1) The figures relate to the private credit insurance market
The GFC\(^1\) led to a deteriorating economic environment

Change in GDP 2009: -2.1% (+2% in 2008)
Historical recession in 2008-2009

World trade 2009:
-13% in volume / -20% in value (+2% in 2008)

Industrial production 2009: -6.4% (+1.6% in 2008)
+1.5% emerging economies, -13.5% advanced

EH Global Insolvencies Index 2009: +28%
Record high after already +26% in 2008

1) GFC: Global financial crisis
Did we see the crisis coming?

Acceptance rate\(^1\)

- Drop in acceptance rate in U.S. already beginning of 2008
- Drop in acceptance rate in France already since the second half 2008

1) Acceptance rate on grade 6. Acceptance rate: total amount granted to policyholders / total amount requested by policyholders.

The EH grading is an internal grading system that is the result of the buyer creditworthiness assessment, it can be automatic or manual.

The grade scale goes from 1 (very good risk) to 10 (bankrupt).
“One Euler Hermes” first objective was to master the recession and protect our capital.

1) “One Euler Hermes” initiative was launched in Q3 2009
2) Euler Hermes world agency
Euler Hermes first among peers to start adjusting its underwriting …

Global acceptance rate

Crisis measures have been effective until January 2010:
exposure reduced by 23% between Oct. 2008 and
Jan. 2010 (lowest point)

Drop in global acceptance rate until May 2009; increase in
coverage from June 2009 onwards
... especially on high risk grades ...

<table>
<thead>
<tr>
<th>Grade</th>
<th>December 2008</th>
<th>December 2009</th>
<th>March 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Exposure (EUR bn)</td>
<td>%</td>
<td>Exposure (EUR bn)</td>
</tr>
<tr>
<td>Grade 1</td>
<td>18.291</td>
<td>2.74%</td>
<td>14.117</td>
</tr>
<tr>
<td>Grade 2</td>
<td>72.474</td>
<td>10.85%</td>
<td>47.784</td>
</tr>
<tr>
<td>Grade 3</td>
<td>123.258</td>
<td>18.46%</td>
<td>99.747</td>
</tr>
<tr>
<td>Grade 4</td>
<td>153.879</td>
<td>23.04%</td>
<td>140.730</td>
</tr>
<tr>
<td>Grade 5</td>
<td>179.537</td>
<td>26.88%</td>
<td>173.126</td>
</tr>
<tr>
<td>Grade 6</td>
<td>102.534</td>
<td>15.35%</td>
<td>80.391</td>
</tr>
<tr>
<td>Grade 7</td>
<td>15.933</td>
<td>2.39%</td>
<td>5.002</td>
</tr>
<tr>
<td>Grade 8</td>
<td>1.714</td>
<td>0.26%</td>
<td>439</td>
</tr>
<tr>
<td>Grade 9</td>
<td>175</td>
<td>0.03%</td>
<td>34</td>
</tr>
<tr>
<td>Grade 10</td>
<td>26</td>
<td>0%</td>
<td>4</td>
</tr>
<tr>
<td>Total EH exposure</td>
<td>667.822</td>
<td>100%</td>
<td>561.374</td>
</tr>
</tbody>
</table>
… which translated into a decline in claims

Number of claims (thousands)

-45% ytd 2010/2009

- Strong deceleration in number of claims since Q2 2009
- Q1 2010 even 20% below Q4 2009
- 10 claims >EUR 1mn in Q1 2010 vs 36 in Q1 2009

Covered amount (EUR mn)

-63% total amount of claims ytd 2010/2009

- Covered claims amount +20% in 2009 on full year basis
- Strong decrease in claims amount as of H2 2009
EH implemented commercial action plans to secure global portfolio value

Global overview of portfolio value evolution (in EUR mn)

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Δ 08 vs 07</th>
<th>Δ 09 vs 08</th>
</tr>
</thead>
<tbody>
<tr>
<td>In EUR k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New business</td>
<td>209,353</td>
<td>237,332</td>
<td>255,276</td>
<td>+13%</td>
<td>+8%</td>
</tr>
<tr>
<td>Lost premiums</td>
<td>-150,602</td>
<td>-166,942</td>
<td>-286,531</td>
<td>+11%</td>
<td>+72%</td>
</tr>
<tr>
<td>Rate variation</td>
<td>-45,789</td>
<td>-903</td>
<td>184,977</td>
<td>-98%</td>
<td>n.m.</td>
</tr>
<tr>
<td>Volume variation</td>
<td>61,898</td>
<td>23,131</td>
<td>-169,984</td>
<td>-63%</td>
<td>-835%</td>
</tr>
<tr>
<td>Other variations</td>
<td>-30,260</td>
<td>-49,670</td>
<td>5,775</td>
<td>+64%</td>
<td>+112%</td>
</tr>
<tr>
<td>Total variations</td>
<td>44,599</td>
<td>42,948</td>
<td>-10,487</td>
<td>-4%</td>
<td>-124%</td>
</tr>
</tbody>
</table>
“One Euler Hermes\(^1\)” second objective was to move to an operational and transparent structure

1. **Vital**
   - Short-term stabilization & mastering own destiny
   - Master recession
   - Restore profitability 2010-2012
   - Protect capital
   - Protect franchise

2. **Simplix**
   - Doing what is long overdue
   - Implement TOM
   - Organizational restructuring
   - Legal restructuring
   - Capture up-swing of cycle
   - Develop WA\(^2\) & B2B collection
   - Accelerate growth market presence
   - Arbitrage portfolio

3. **Leadership**
   - The business issues

---

1) “One Euler Hermes” initiative was launched in Q3 2009
2) Euler Hermes world agency
Today

- The Board of Management moved from controlling to operational steering with regions reporting to CEO.
- The new “One Euler Hermes” structure allows all Group entities to adapt quickly to new customer needs.

<table>
<thead>
<tr>
<th>Heads of region</th>
<th>Chairman</th>
<th>Board of Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional steering</td>
<td>Internal audit, communications, HR</td>
<td>Operational steering</td>
</tr>
<tr>
<td>Germany, Austria, Switzerland</td>
<td></td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Northern Europe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mediterranean &amp; Africa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia Pacific</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
... and the implementation of a new Target Operating Model
Last but not least, “One Euler Hermes” objective was to capture the upswing of the cycle

1) “One Euler Hermes” initiative was launched in Q3 2009
2) Euler Hermes world agency
A new initiative “Renewal is my job” is launched

“Renewal is my job” launched in Q1 2010 to extend our market leadership in terms of customers’ satisfaction and loyalty.

15,010 customers were contacted since January 2010.

“Renewal is my job” remains of high priority and will become a recurring process.

Number of lost policies

- So far 5,748 customers lost in 2010
- 15,502 customers lost in 2009

“Renewal is my job” remains of high priority and will become a recurring process.
3 Actions 2010

2010

- Increase retention
- Increase customer centricity
- Rate increases
- Increase exposure
- Increase productivity/ flexibility
- Combined ratio <100%
- Operating profit >EUR 100mn
Improvement can already be seen in Q1 2010 results …

<table>
<thead>
<tr>
<th></th>
<th>Q1 2009</th>
<th>Q1 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net earned premiums</td>
<td>310</td>
<td>267</td>
</tr>
<tr>
<td>(EUR mn)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Underwriting result</td>
<td>-45.3</td>
<td>22.2</td>
</tr>
<tr>
<td>(EUR mn)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>7.8</td>
<td>51.3</td>
</tr>
<tr>
<td>(EUR mn)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net combined ratio¹</td>
<td>114.6</td>
<td>91.7</td>
</tr>
<tr>
<td>(%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ Service margins excluded
… and will continue in the coming years

- Combined ratio 2010 below 100%
- Operating profit 2010 above EUR 100mn

- ROE of 15% over 10 years
- Based on:
  - average CR 84%
  - average investment return 4%
- Productivity/flexibility
- Product development & enhancement

Market share >40% by
- Leadership in European market
- Exploitation of growth opportunities in the Americas and Asia
## Key take-aways

<table>
<thead>
<tr>
<th>Point</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euler Hermes (EH) is the world leader in credit insurance</td>
<td></td>
</tr>
<tr>
<td>EH developed the right tools to enable a faster adaptation to</td>
<td>the market situation and manage the business cycles</td>
</tr>
<tr>
<td>EH mastered the crisis and protected its capital</td>
<td></td>
</tr>
<tr>
<td>EH is the only credit insurer with stable S&amp;P AA-rating during the</td>
<td>GFC</td>
</tr>
<tr>
<td>EH moved to an integrated and centralised structure and steering</td>
<td>allowing further improvements in costs and time to market</td>
</tr>
<tr>
<td>Improvement can already be seen in Q1 2010</td>
<td></td>
</tr>
<tr>
<td>EH aims at above average returns over the cycle</td>
<td></td>
</tr>
</tbody>
</table>
## Glossary (1)

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACAS</td>
<td>Allianz Common Applications and Services</td>
</tr>
<tr>
<td>Advance payment bond</td>
<td>A guarantee for the repayment of advance payments or payments made on account</td>
</tr>
<tr>
<td>AGR</td>
<td>Allianz Global Risks</td>
</tr>
<tr>
<td>AMA</td>
<td>Allianz Marine &amp; Aviation</td>
</tr>
<tr>
<td>AMIC</td>
<td>Allianz Marine Insurance Company</td>
</tr>
<tr>
<td>ASIC</td>
<td>Allianz Shared Infrastructure Services</td>
</tr>
<tr>
<td>CRM</td>
<td>Customer Relationship Management</td>
</tr>
<tr>
<td>CSA</td>
<td>Customer Specialty Assistance</td>
</tr>
<tr>
<td>GAP</td>
<td>Insurance that covers the difference (gap) between what a car is worth and what you owe for the car</td>
</tr>
<tr>
<td>HQ</td>
<td>Headquarters</td>
</tr>
<tr>
<td>IBNR</td>
<td>Reserve for Incurred But Not Reported claims</td>
</tr>
<tr>
<td>IIS</td>
<td>International Insurance Solution</td>
</tr>
<tr>
<td>KAM</td>
<td>Key account management</td>
</tr>
<tr>
<td>KPI</td>
<td>Key performance indicator</td>
</tr>
<tr>
<td>LOB</td>
<td>Line of business</td>
</tr>
<tr>
<td>MA</td>
<td>Mondial Assistance</td>
</tr>
<tr>
<td>Maintenance bond</td>
<td>A guarantee that defects discovered during the warranty period will be repaired. Defects also trigger the repayment of warranty retention money, thus providing immediate liquidity to the contractor.</td>
</tr>
</tbody>
</table>
**Glossary (2)**

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>MENA</td>
<td>Middle East and North Africa</td>
</tr>
<tr>
<td>NPS</td>
<td>Net Promoter Score</td>
</tr>
<tr>
<td>NPW</td>
<td>Net premiums written</td>
</tr>
<tr>
<td>OEM</td>
<td>Original Equipment Manufacturer</td>
</tr>
<tr>
<td>PPI</td>
<td>Payment Protection Insurance</td>
</tr>
<tr>
<td>QS</td>
<td>Quota share</td>
</tr>
<tr>
<td>RAC</td>
<td>Risk Adjusted Capital</td>
</tr>
<tr>
<td>RoRAC</td>
<td>Return on Risk Adjusted Capital</td>
</tr>
<tr>
<td>SOE</td>
<td>Service Operational Entity</td>
</tr>
<tr>
<td>Surety</td>
<td>Insurance that guarantees debt or an obligation of one party to another</td>
</tr>
<tr>
<td>ULAЕ</td>
<td>Unallocated loss adjustment expenses</td>
</tr>
<tr>
<td>UOP</td>
<td>Underlying operating profit</td>
</tr>
<tr>
<td>UW</td>
<td>Underwriting</td>
</tr>
<tr>
<td>VA</td>
<td>Variable annuity</td>
</tr>
<tr>
<td>XL</td>
<td>Excess of loss</td>
</tr>
</tbody>
</table>
## Investor Relations contacts

<table>
<thead>
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</tr>
<tr>
<td>IR Events</td>
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<tr>
<td>Internet</td>
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<td>English: <a href="http://www.allianz.com/investor-relations">www.allianz.com/investor-relations</a></td>
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<td>German: <a href="http://www.allianz.com/ir">www.allianz.com/ir</a></td>
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Financial calendar

August 6, 2010           2nd quarter results 2010
November 10, 2010        3rd quarter results 2010
February 24, 2011        Financial press conference for the fiscal year 2010
February 25, 2011        Analysts’ conference for the fiscal year 2010
March 18, 2011           Annual Report 2010
May 4, 2011              Annual General Meeting
May 12, 2011             1st quarter results 2011
August 9, 2011           2nd quarter results 2011
November 11, 2011        3rd quarter results 2011

The German Securities Trading Act ("Wertpapierhandelsgesetz") obliges issuers to announce immediately any information which may have a substantial price impact, irrespective of the communicated schedules. Therefore we cannot exclude that we have to announce key figures of quarterly and fiscal year results ahead of the dates mentioned above.

As we can never rule out changes of dates, we recommend checking them on the Internet at www.allianz.com/financialcalendar.
Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

Cautionary note regarding forward-looking statements

The statements contained herein may include 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 of 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 the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures, and (xiv) 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. The company assumes no obligation to update any forward-looking statement.

No duty to update

The company assumes no obligation to update any information contained herein.