

Jay Ralph, Member of the Board of Management

# Allianz – an opportunity

Commerzbank German Investment Seminar  
New York, January 2011



# Agenda

- 1 Allianz at a glance**
- 2 Business operations in the US
- 3 Summary and outlook

# Allianz at a glance<sup>1</sup>

EUR **97bn** total revenues<sup>1</sup>

EUR **1,131bn** 3rd party AuM<sup>2</sup>

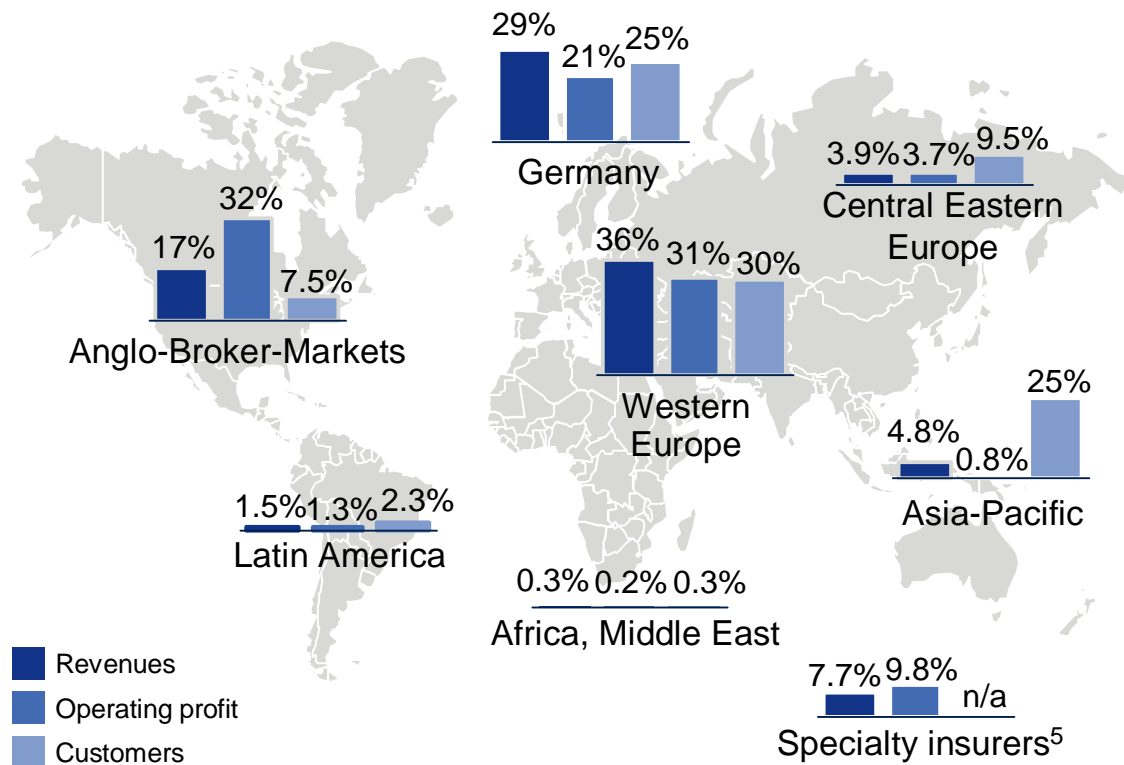
EUR **7.2bn** operating profit<sup>1</sup>

**168%** solvency ratio<sup>2</sup>

EUR **40bn** market cap<sup>3</sup>

More than **75mn** customers<sup>1</sup>

## Split of revenues, operating profit and customers<sup>4</sup>



1) Figures as per 12/2009  
 2) 09/2010  
 3) 12/2010

4) Including non-consolidated companies  
 5) Allianz Global Corporate & Specialty, Euler Hermes, Mondial Assistance, ART

## World class operations ...

### Excellent business positions<sup>1</sup>

- § Leading P/C insurer globally
- § Top 5 in Life business globally
- § Top 5 asset manager globally
- § Strong rating (AA, stable outlook)<sup>2</sup>
- § Largest global assistance provider
- § Worldwide leader in credit insurance
- § One of the leading industrial insurers globally



P I M C O



Global Investors



Allianz Global Corporate & Specialty

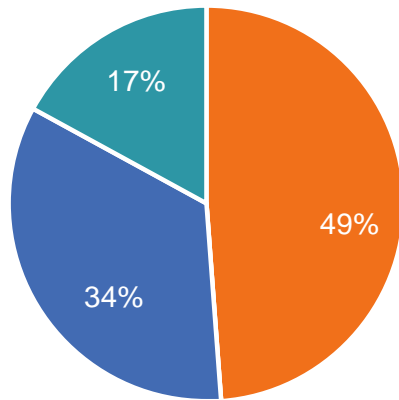
1) Based on 2009 data

2) According to S&P

# ... with a well diversified business

## Segments<sup>1</sup>

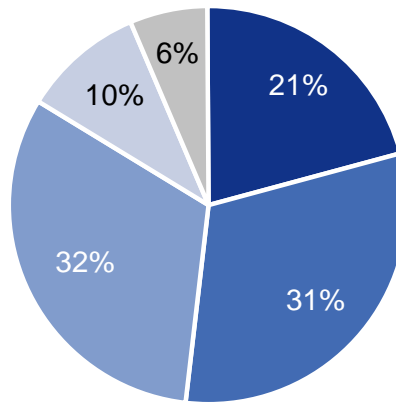
Operating profit in %



- P/C
- L/H
- AM

## Regions

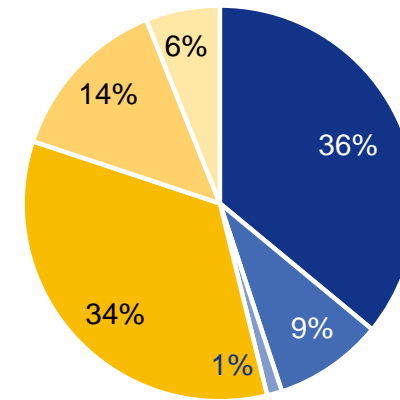
Operating profit in %



- Germany
- Western Europe
- Broker markets US, UK, AUS
- Specialty insurance
- Growth markets

## Distribution

Insurance revenues in %



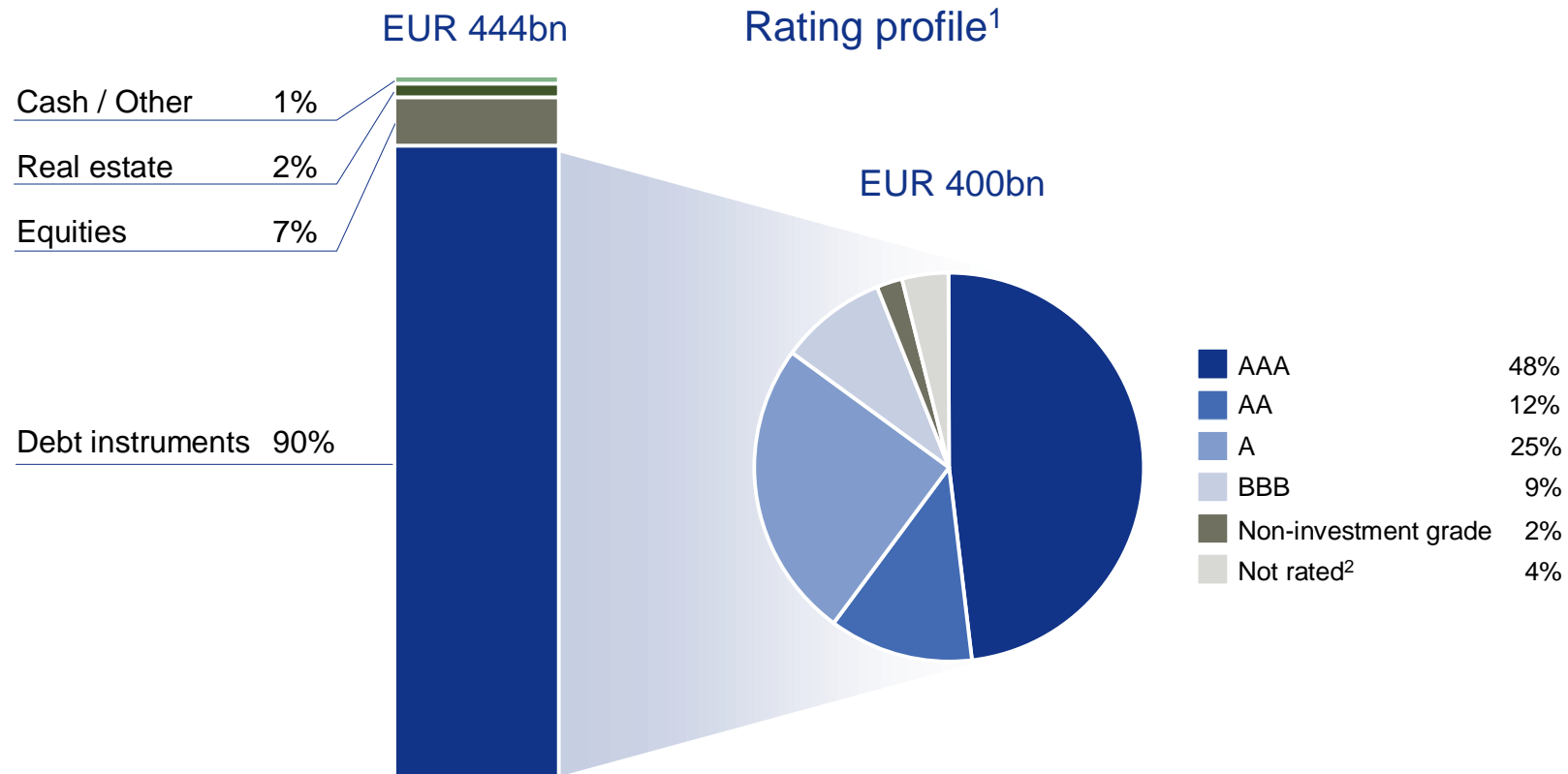
- Tied agents
  - Other prop. networks
  - Direct
  - Brokers and independent IFA
  - Bancassurance
  - Other (thereof car manufacturers 2%)
- Proprietary
- Third party

1) Relation of positive parts of 2009 operating profit

# Solid investment portfolio (9M2010)

Conservative asset allocation

High quality fixed income portfolio

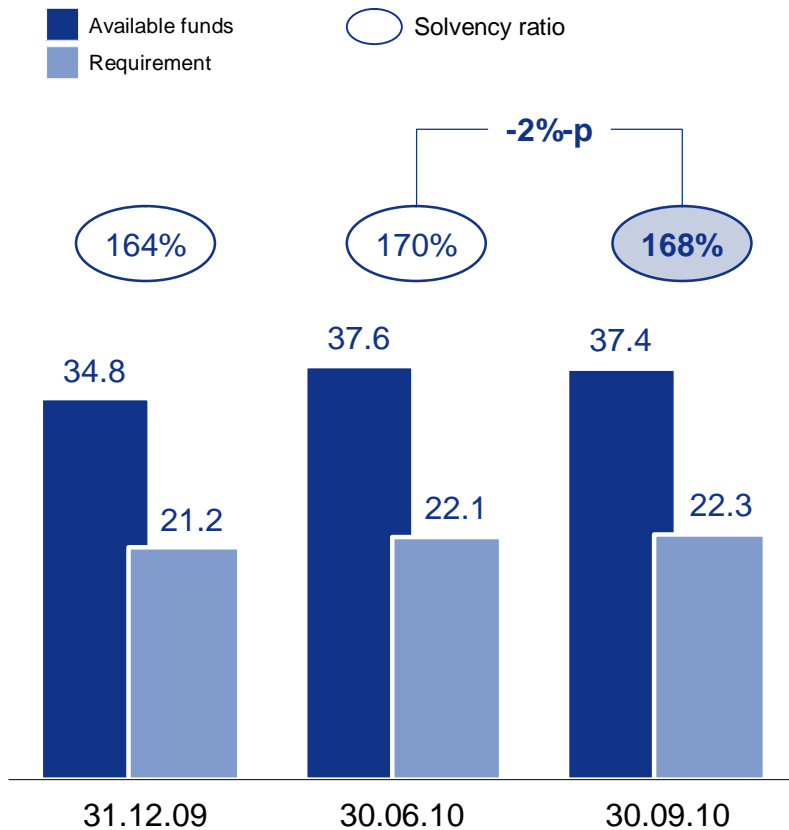


1) Excluding seasoned self-originated German private retail mortgage loans

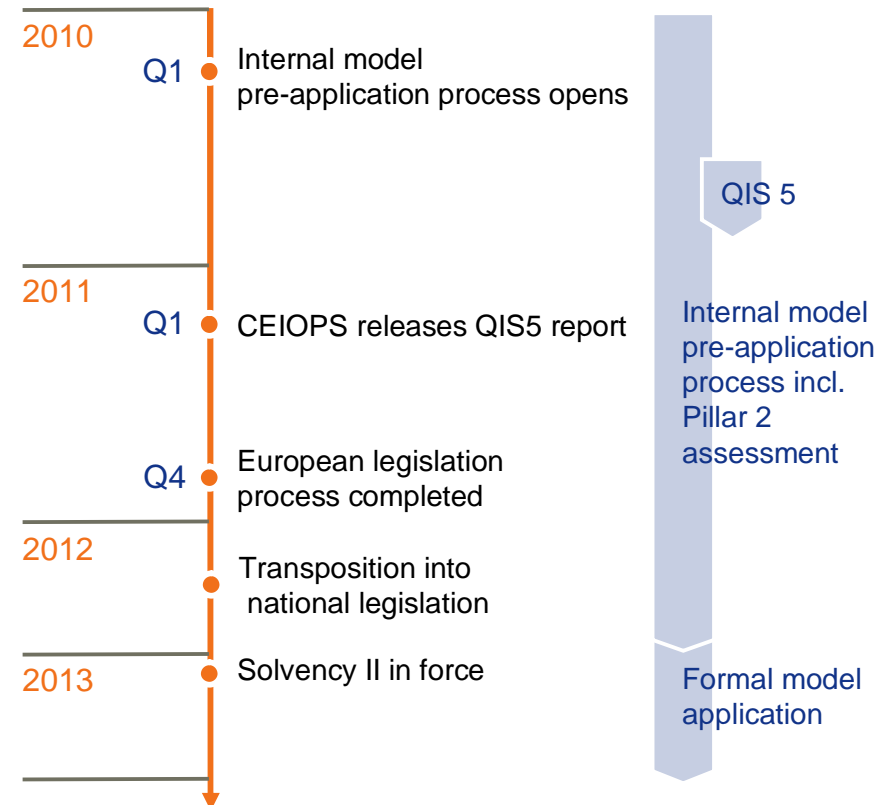
2) Mostly mortgage loans, policyholder loans, registered debentures, all of investment grade quality

# Solid capitalization – current regulation still valid until 2012

## Conglomerate solvency<sup>1</sup> (EUR bn)

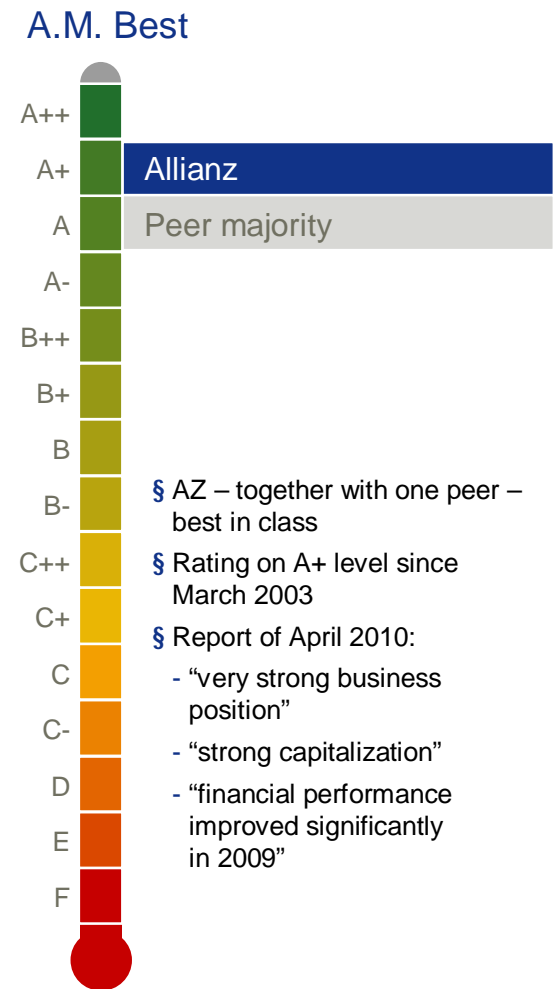
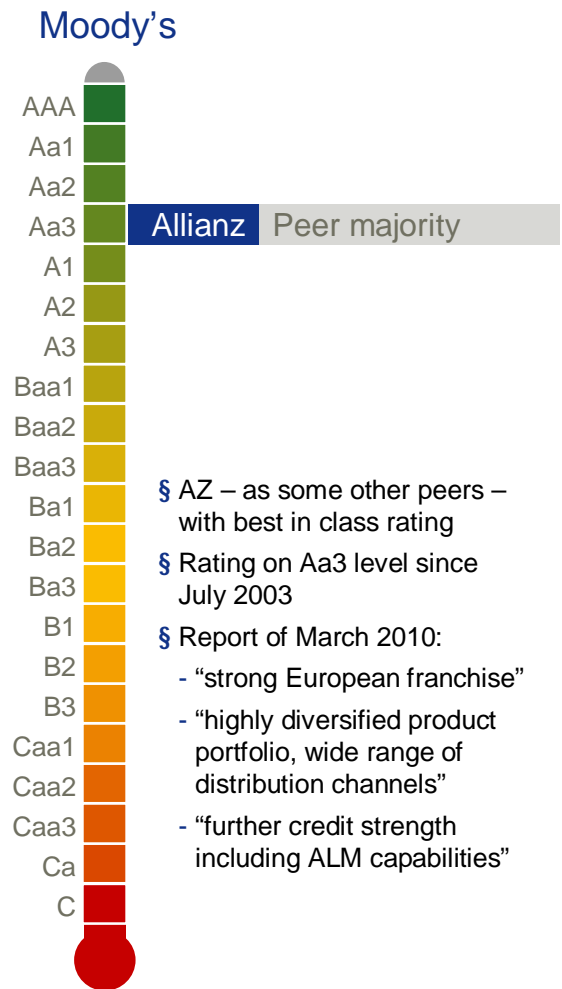
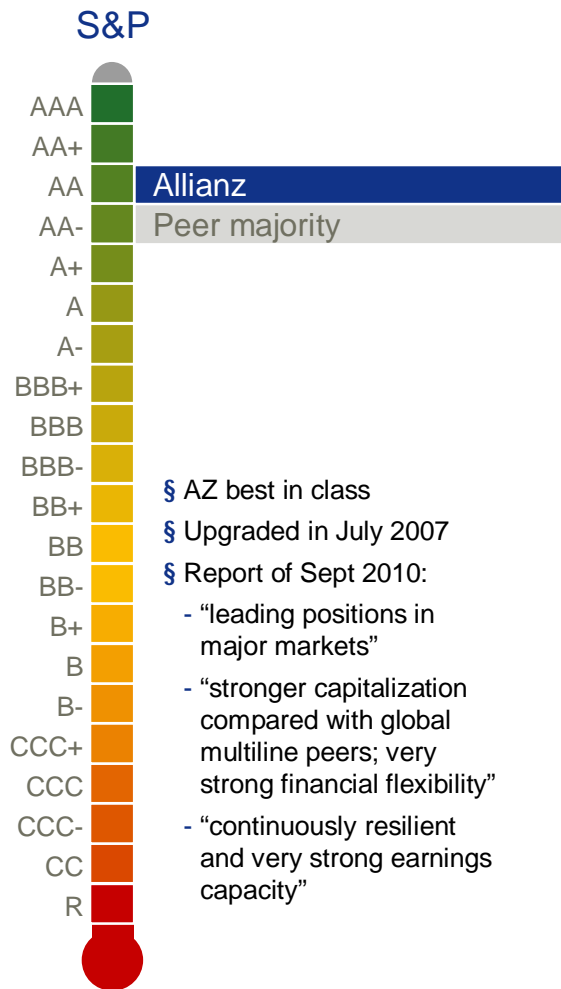


## Solvency II: regulatory timeline



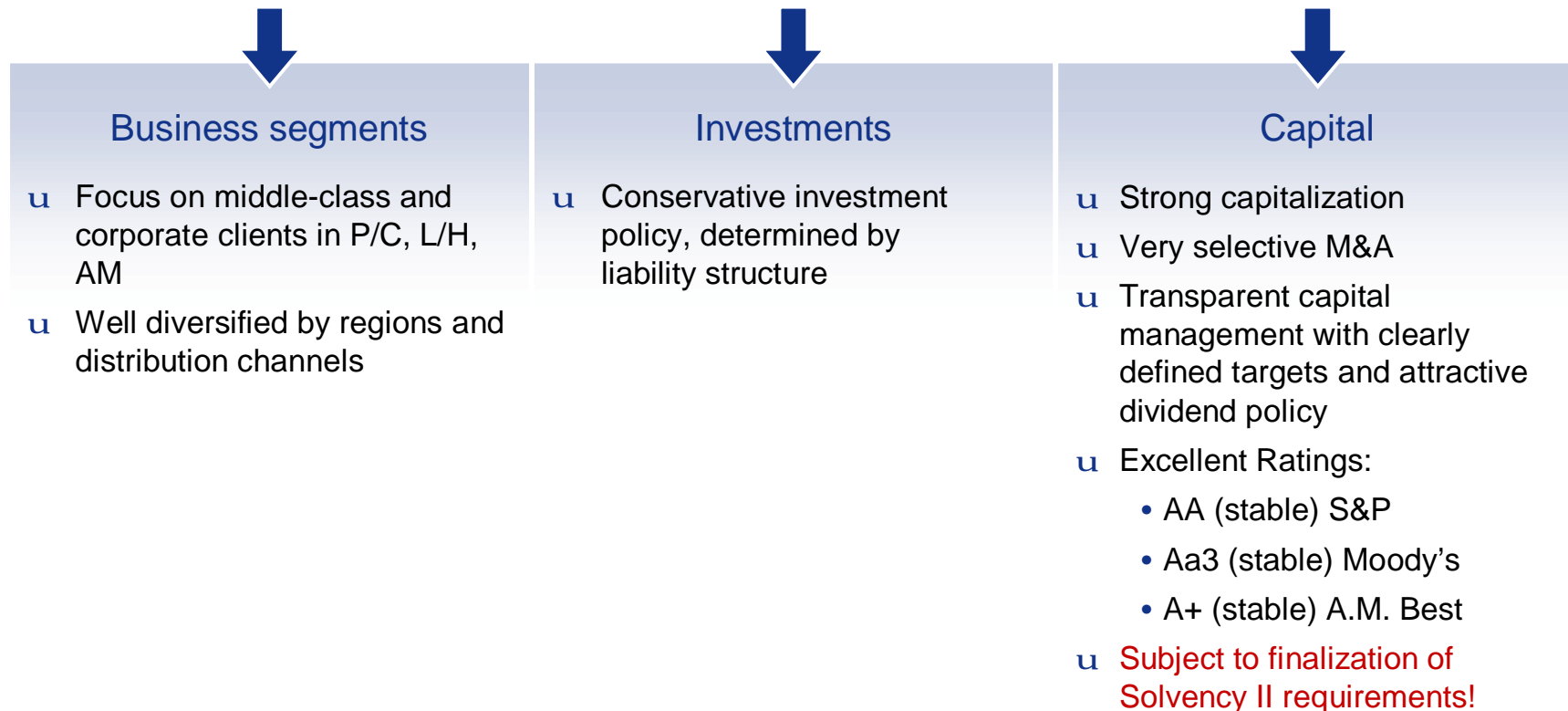
1) Including off-balance sheet reserves (31.12.09: EUR 1,993mn, 30.06.10: EUR 1,986mn, 30.09.10: EUR 1,914mn) pro forma.  
The solvency ratio excluding off-balance sheet reserves would be 159% as of 30.09.10, 161% as of 30.06.10 and 155% as of 31.12.09.

# Excellent ratings





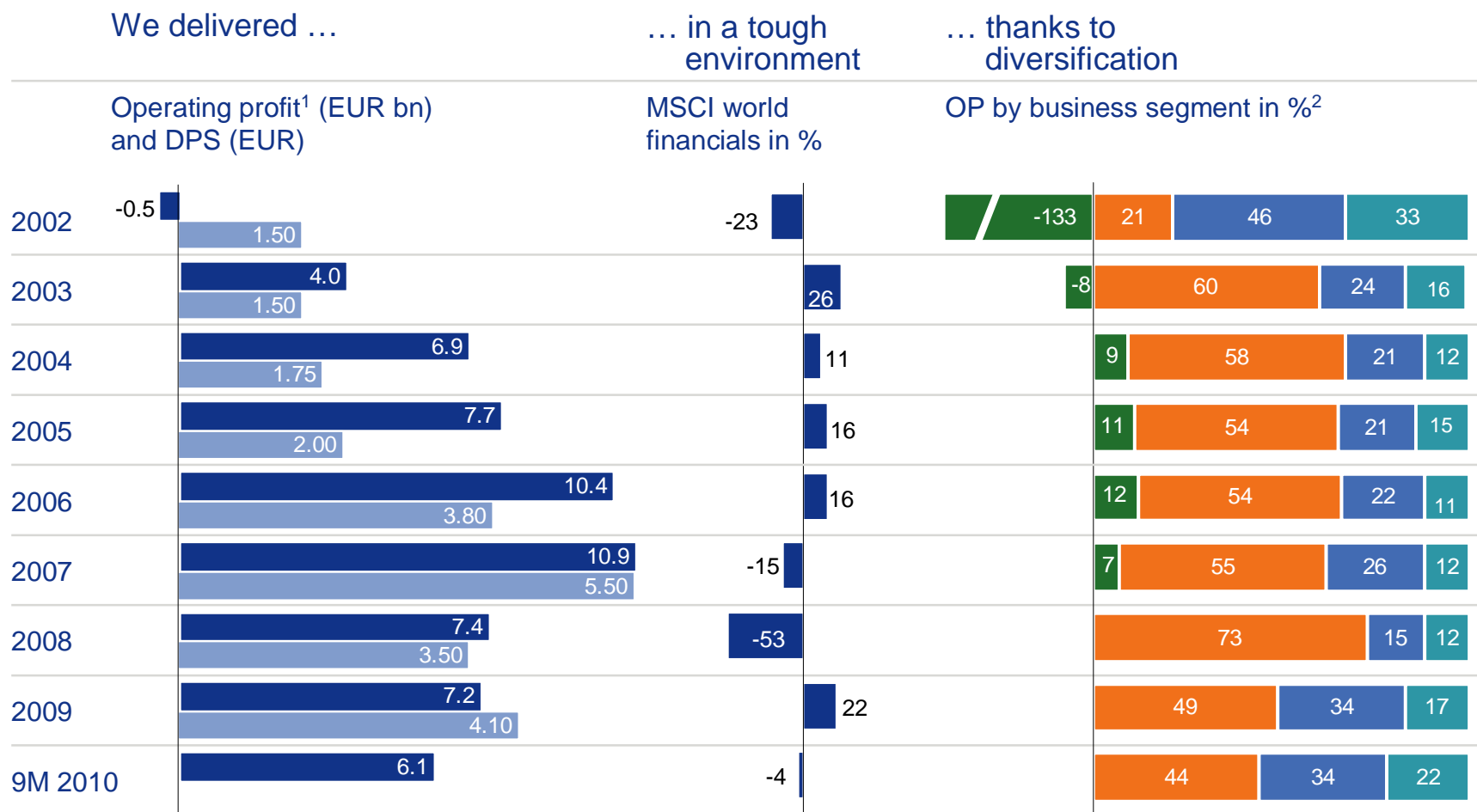
## Proven strategy ...



### Priorities ("3+One"):

- 1 Protect and enhance capital base
- 2 Strengthen operating profitability
- 3 Reduce complexity
- + One Increase sustainable competitiveness and shareholder value

# ... delivered results ...



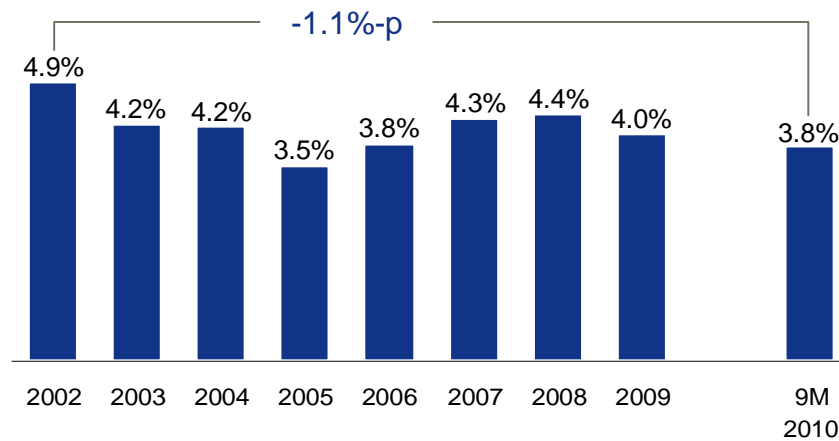
1) Historical reported figures  
2) Based on historical reported figures excluding Corporate segment

Operating profit  
Dividend per share

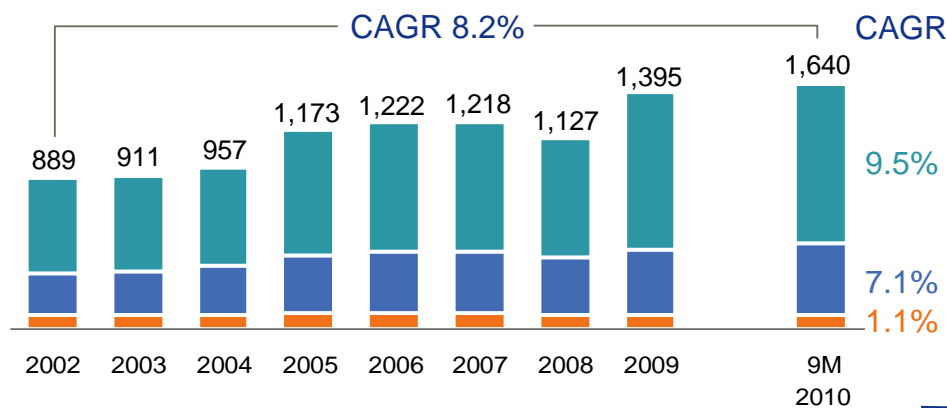
Bank P/C L/H AM

## ... supported by a growing asset base

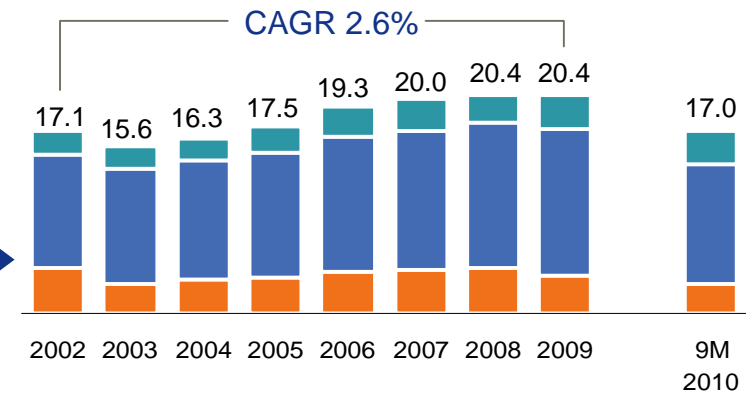
Euro government yield<sup>1</sup> (%)



Operating asset base<sup>2</sup> (EUR bn)



Interest and similar income plus AM fee and commission income<sup>3</sup> (EUR bn)



- 1) 12m average Eurozone government benchmarks, bid, 10Y yield
- 2) Investments for P/C and L/H; third party assets for AM incl. unit-linked assets
- 3) AM: excluding performance fees; L/H: before policyholder participation

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## Allianz ranks among the leading players in many market segments in the US ...

Company	Position <sup>1</sup>	Description	Leading positions <sup>1</sup>
 <b>Allianz</b> Global Investors	Top 5	Asset management	#2 net inflows (7.1% market share)
 <b>Allianz</b> Life Insurance Company of North America	Top 10	Variable & fixed annuities	#1 fixed indexed <sup>2</sup> (21.7% market share) #11 variable <sup>3</sup> (2.4% market share)
 <b>Fireman's Fund</b> Insurance Company A company of 	Top 30	Personal & commercial insurance, crop insurance	#1 agriculture business #24 commercial business #29 personal business
 <b>Allianz</b> Global Corporate & Specialty	Top 5	Global & specialty insurance	#1 marine #4 aviation
 <b>MONDIAL</b> ASSISTANCE	No. 1	Travel & assistance	#1 travel insurance #2 medical assistance & concierge services
 <b>EULER HERMES</b>	No. 1	Credit insurance	#1 credit insurer (43% market share)

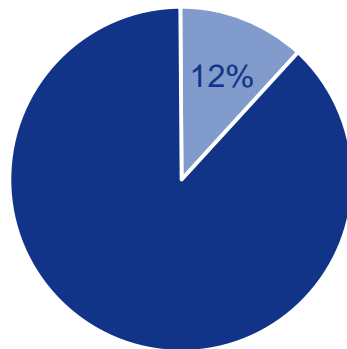
1) Position in the US market as per 31.12.2009 (AZ Life: 30.09.2010)

2) Source: AnnuitySpecs.com Index Report, 3Q 2010

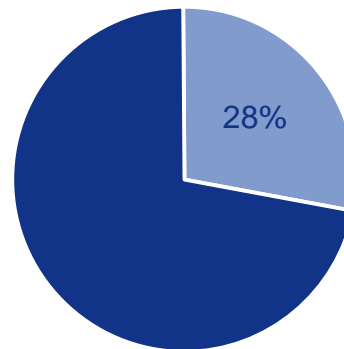
3) Source: Morningstar/MARC

... which translates into significant shares of US business in Allianz Group results

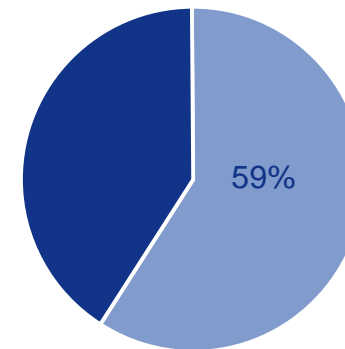
Insurance GPW<sup>1</sup> in %



Operating Profit<sup>2</sup> in %



3rd Party AuM in %



■ Group  
■ U.S.

**The U.S. represents excellent opportunities due to large capability and resource base**







2009 figures

- 1) U.S. GPW Allianz Life, Fireman's Fund & AGCS U.S. combined vs. AZ L/H and P/C segment GPW
- 2) U.S. operating profit AGI/PIMCO, Allianz Life, Fireman's Fund, AGCS U.S., Euler Hermes U.S. vs. AZ Group operating profit

# Promising opportunities in all major business segments

## Business opportunities

## Our strategy & competitive advantages

 <p><b>Allianz</b>  Life Insurance Company of North America</p>	<p>Annuities &amp; retirement</p>	<ul style="list-style-type: none"> <li>§ Leading provider of fixed indexed annuities</li> <li>§ VA business: modified product features ensuring reasonable returns at limited risks</li> <li>§ Uniquely positioned to capture retirement opportunity</li> <li>§ Cooperation between AGI and AZ Life on joint marketing &amp; product initiatives</li> </ul>
 <p><b>Fireman's Fund</b><sup>™</sup> Insurance Company A company of <b>Allianz</b> </p>	<p>Entertainment &amp; green insurance</p>	<ul style="list-style-type: none"> <li>§ Strong position in agricultural business</li> <li>§ Leader in the field of entertainment insurance, covering around 80% of all Hollywood productions</li> <li>§ Intensified focus on private affluent customers</li> <li>§ Leader in green insurance and related services</li> </ul>
 <p><b>Allianz</b>  Global Investors</p>	<p>Asset management</p>	<ul style="list-style-type: none"> <li>§ One of the world's largest asset managers, EUR 1.4tn AuMs, thereof 59% managed in the U.S.</li> <li>§ Comprehensive and constantly evolving range of investment styles and products</li> <li>§ PIMCO as the global investment authority: excellent reputation, excellent outperformance, excellent profits</li> </ul>

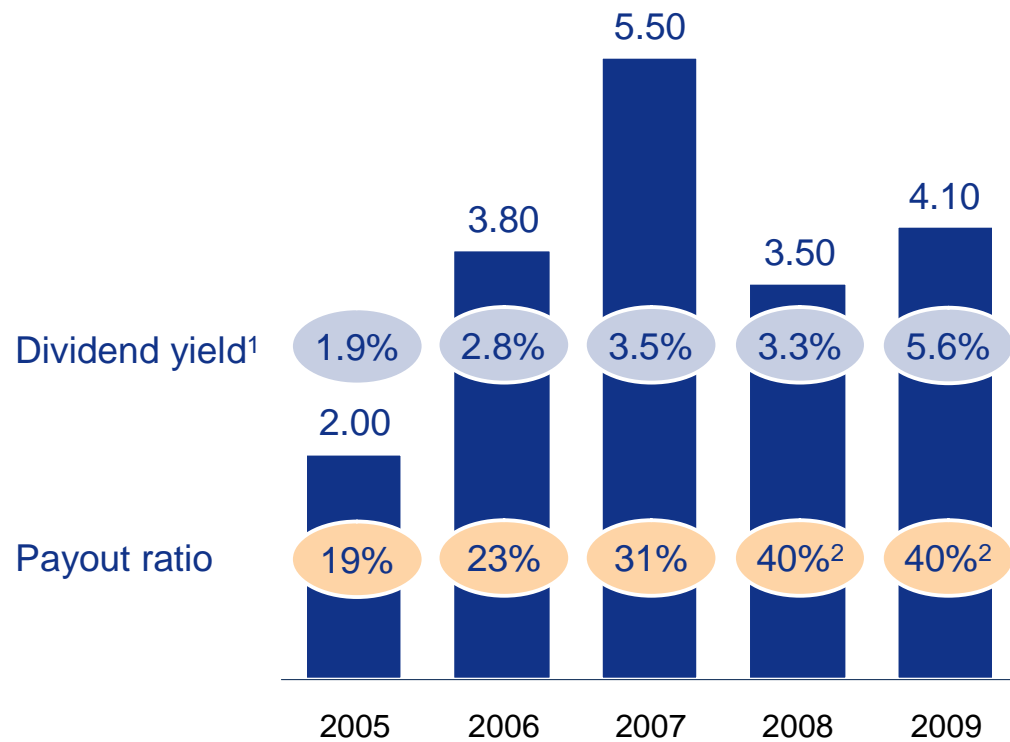
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## Attractive dividend policy

Dividend per share  
(EUR)



§ Balance between payout and solvency

§ Target solvency range 150 - 170%

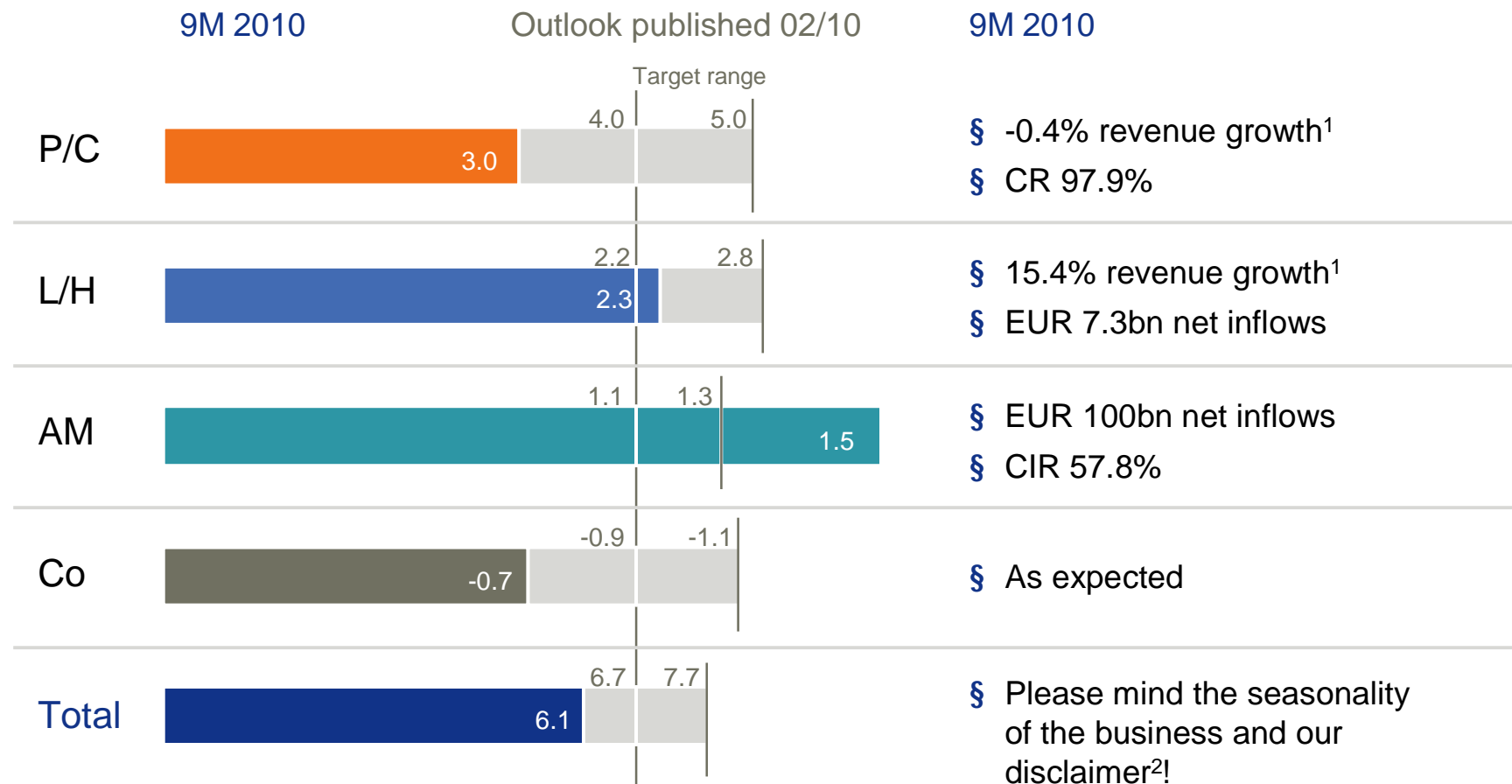
§ Current dividend yield ~5%

1) Based on average share price

2) Based on net income from continued operations, net of minorities

## Operating profit target range of EUR 6.7-7.7bn: trend towards upper end expected in 2010

Operating profit (EUR bn)



1) Internal growth

2) Disclaimer: Impact from NatCat, financial markets and global economic development not predictable!

## Key takeaways

- ➔ Strong capital base
- ➔ Resilient and well diversified business model
- ➔ Conservative investment portfolio
- ➔ Attractive dividend yield
- ➔ Operating profit outlook on track
- ➔ Attractive & successful business operations in the US



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