

Allianz – well positioned for uncertain times!

Jay Ralph,
Member of the Board of Management

Commerzbank German
Investment Seminar
New York, January 2012

Allianz 

Agenda

- A** Allianz – a winning business model
- B** Asset Management – growing in importance
- C** Allianz – well positioned for uncertain times
- D** Summary

Allianz at a glance

EUR **106bn** total revenues¹

EUR **1,592bn** total AuM²

EUR **8.2bn** operating profit¹

179% solvency ratio²

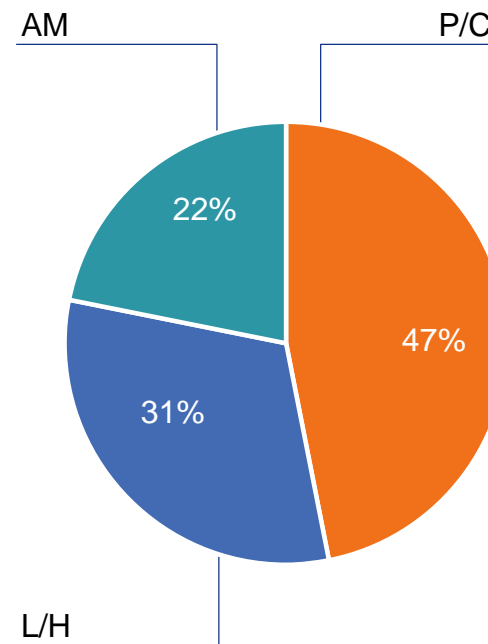
EUR **44bn** S/H equity²

EUR **33.7bn** market cap⁴

More than **76mn** customers¹

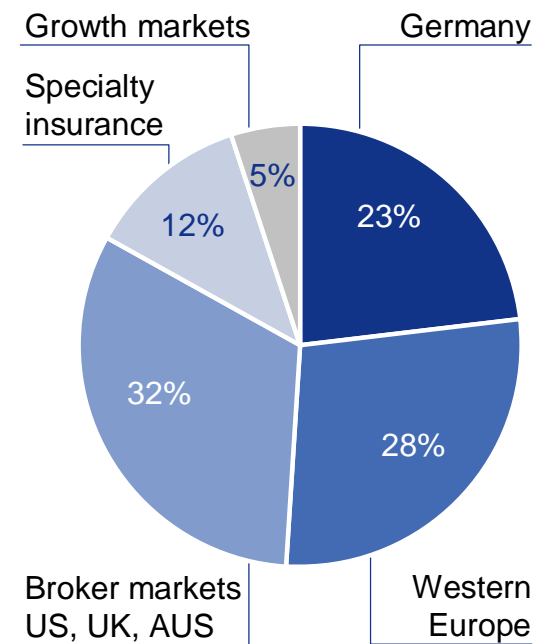
Segments^{1,3}

Operating profit in %



Regions^{1,3}

Operating profit in %



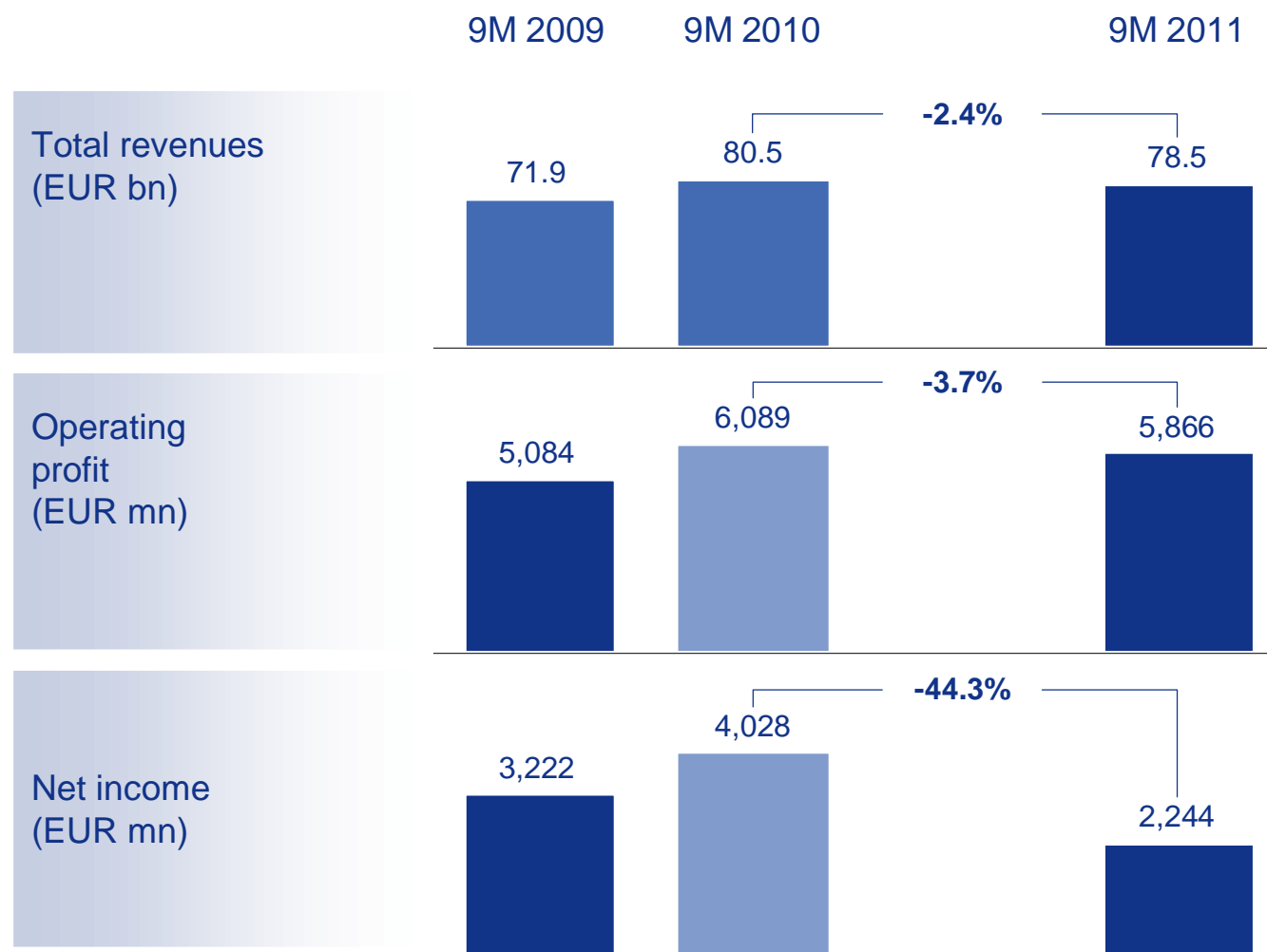
1) 12/2010

2) 09/2011

3) Relation of business segments excluding Corporate & Other and consolidation

4) 12/2011

9M: healthy operative performance in tough environment



1

Success factor

Strong market positions and brands¹

- § Leading P/C insurer globally
- § Top 5 in Life business globally
- § Top 5 asset manager globally
- § Largest global assistance provider
- § Worldwide leader in credit insurance
- § One of the leading industrial insurers globally
- § Building the leading global automotive provider

Allianz 

Allianz 

Global Investors

P I M C O

Allianz 

Global Assistance

 EULER HERMES

Allianz 

Global Corporate & Specialty

1) All rankings based on 2010 data

2

Success factor

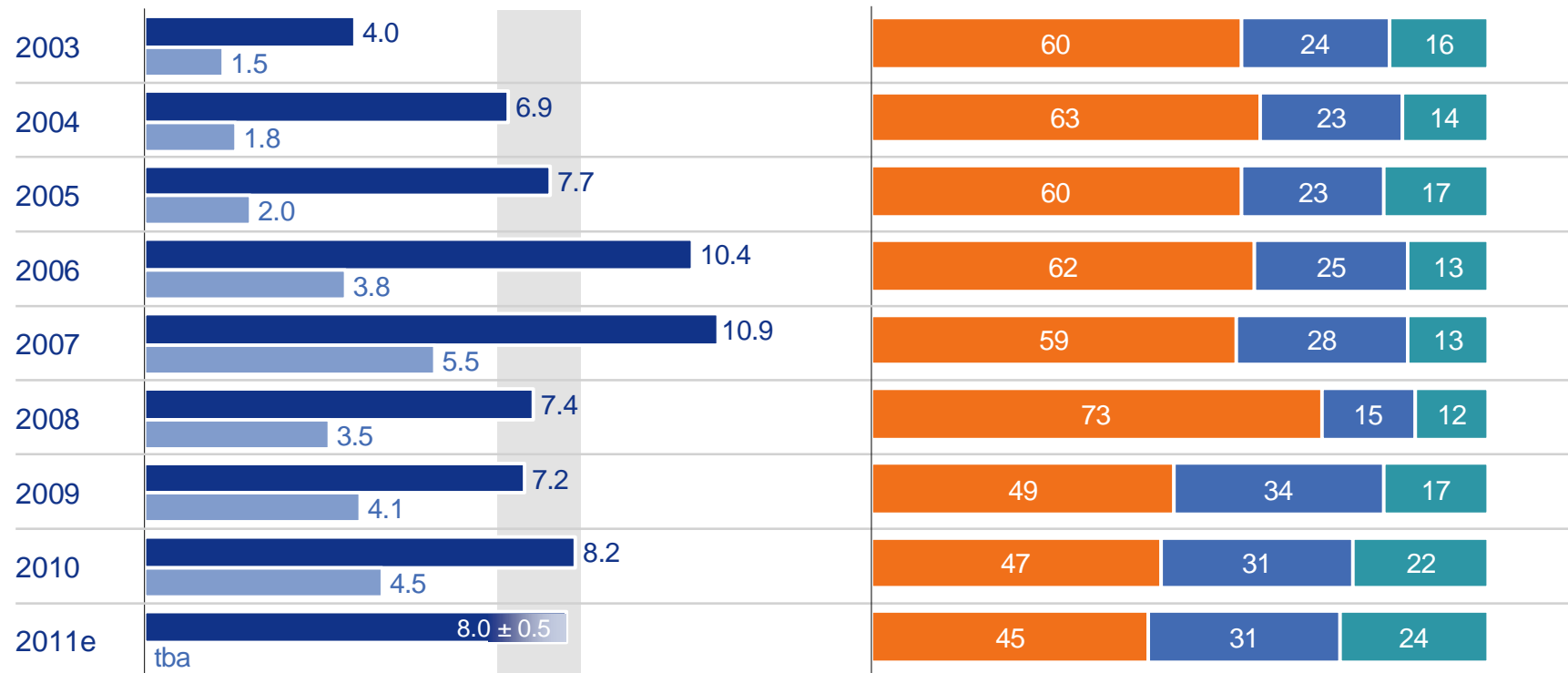
Balanced business portfolio

We delivered in tough environments ...

... thanks to diversification

Operating profit¹ (EUR bn) and DPS (EUR)

Operating profit by business segment in %²



1) Historical reported figures

2) Based on historical reported figures

excluding Corporate & Other, Banking and consolidation

■ Operating profit

■ Dividend per share

■ P/C

■ L/H

■ AM

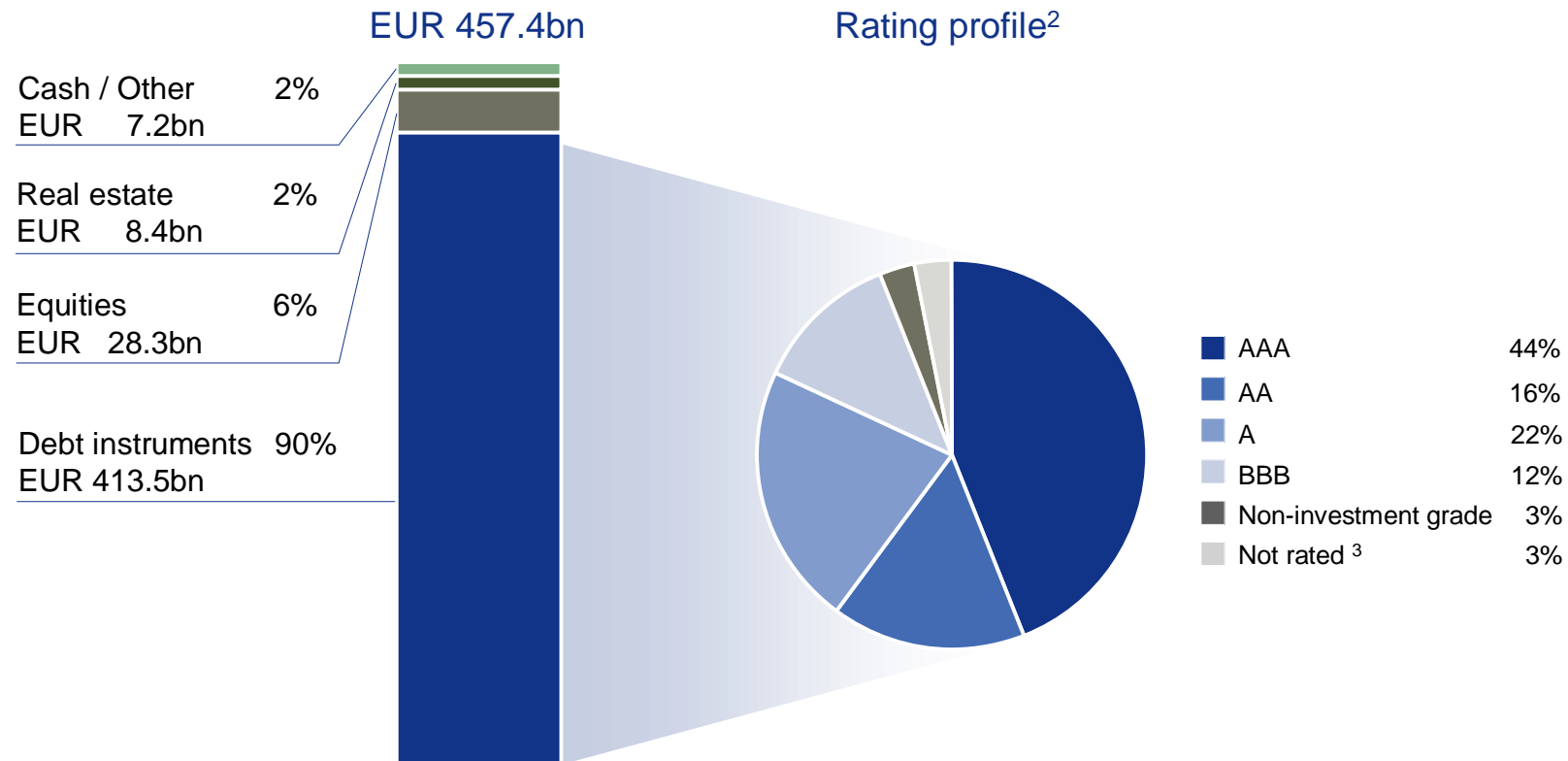
3

Success factor

High-quality investment portfolio

Conservative asset allocation¹

High-quality fixed income portfolio



1) 9M 2011, based on consolidated insurance portfolios (P/C, L/H), Corporate and Other

2) Excluding self-originated German private retail mortgage loans

3) Mostly policyholder loans and registered debentures, all of investment grade quality

4
Strong capital

Sound regulatory/economic capital ratios with moderate sensitivities

FCD solvency (%)



§ Regulatory capital **excluding** unrealized gains on bonds, but **including** impairments on Greek sovereign debt

§ Economic capital based on marked-to-market sovereign bond portfolio

§ Economic solvency calibrated to 3bps confidence level (Solvency II: 50bps)

§ Economic solvency ratio of 186% based on Solvency II confidence level of 50bps

§ All solvency ratios after 40% net income dividend accrual

Economic solvency (%)



S&P rating

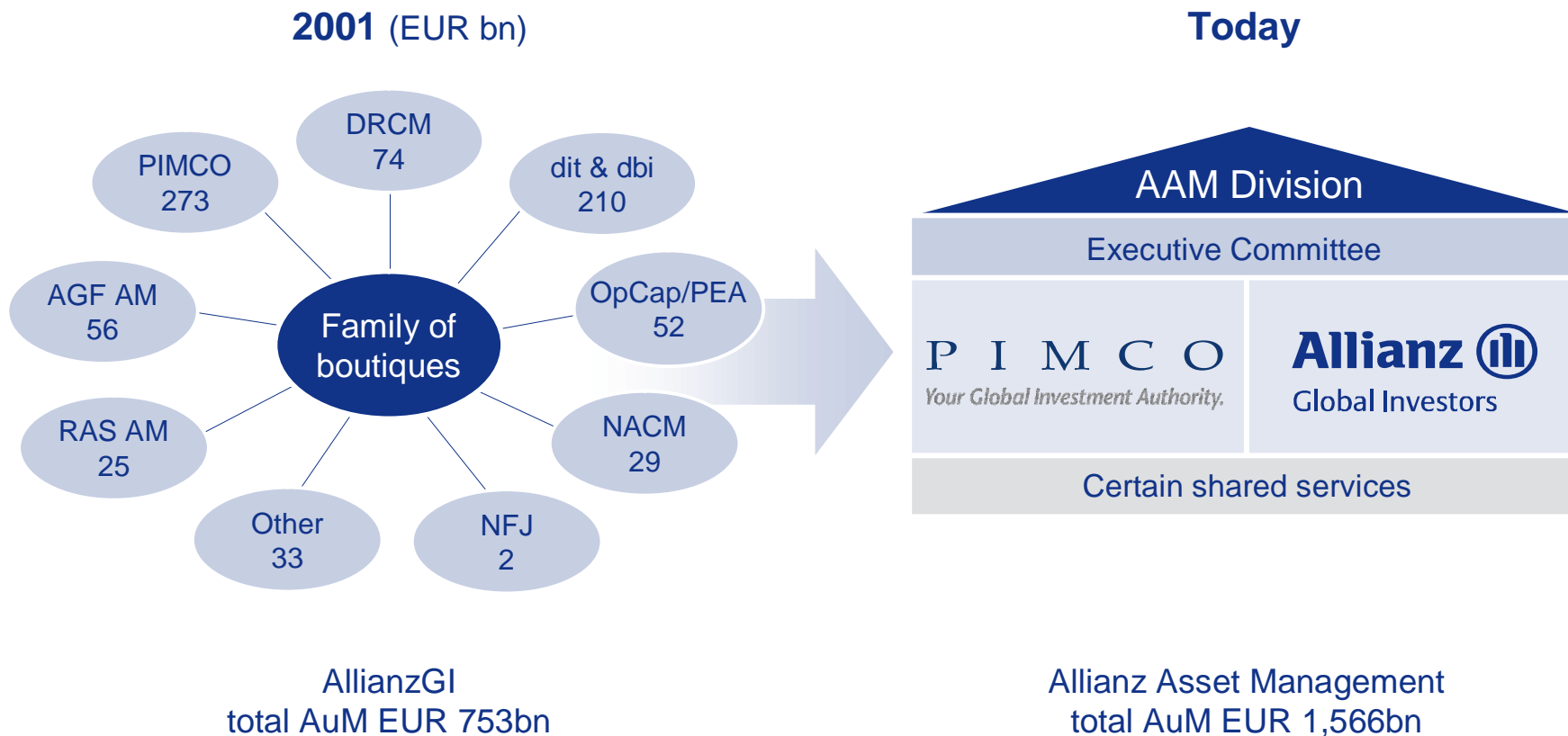
AA watch negative

1) Lower FCD capital driven by change in DAC write-off (shadow DAC) and negative impact from reserve discounting.

Agenda

- A** Allianz – a winning business model
- B** **Asset Management – growing in importance**
- C** Allianz – well positioned for uncertain times
- D** Summary

Allianz Asset Management (AAM) has evolved from a “family of boutiques” into two strong, successful managers ...

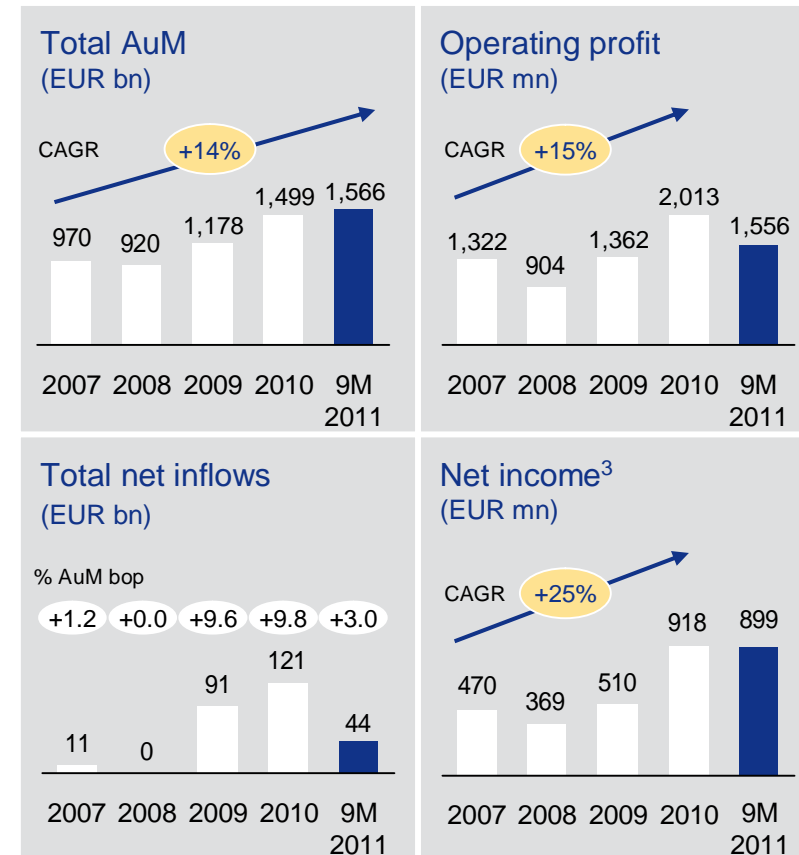


▶ ... to better respond to client demands

... and creating one of the leading asset management franchises worldwide

Highlights¹

- ▶ **Size**
One of the world's largest active asset managers
- ▶ **Global presence**
Strong presence in all major markets worldwide
- ▶ **Products & solutions**
Complete range of products and styles
- ▶ **Performance history**
90% outperforming assets under management²
- ▶ **Brands**
PIMCO, Allianz Global Investors
- ▶ **Profitability**
Contributing 24%⁴ to Allianz Group's oper. profit



1) Figures in the diagrams – as on following slides – related to former AGI only
 2) 3-year outperformance
 3) Net income attributable to shareholders
 4) Based on business segments, excluding Corporate & Other and consolidation

Our aspiration for the future: continuing excellence in all dimensions

Achievements 2001 – 2010 (in %)

AAM aspiration (over full cycle)

Operating profit growth:

Ø 23%



5% – 10% p.a.¹

Average CIR:

Ø 64.3%



≤ 65%

3-year asset weighted
outperformance

Ø 79%²



≥ 70%

3rd party net inflows:

Ø 7.0%



≥ 5%

1) Operating profit growth excluding f/x impact

2) Only 1 year below 70% (2008)

Agenda

- A** Allianz – a winning business model
- B** Asset Management – growing in importance
- C** **Allianz – well positioned for uncertain times**
- D** Summary

Allianz well positioned for uncertain times ...

Uncertain times

	Assessment	Rationale
Insurance market		<ul style="list-style-type: none"> ↓ Potential industry consolidation ↓ PC market hardening ↑ Changing lapse dynamics
Macro environment		<ul style="list-style-type: none"> ↑ Low economic growth leads to moderate premium growth ↑ Tax and regulatory concerns ↓ Increased demand for pension products
Debt securities		<ul style="list-style-type: none"> ↑ Low interest rate environment ↑ Wide sovereign spreads and potential further haircuts ↑ Risk of credit downgrades
Equities		<ul style="list-style-type: none"> ↑ High volatility ↑ Banking sector critical

Allianz well positioned

Positioning

<ul style="list-style-type: none"> ● Strong capital position ● Disciplined underwriting ● Broad product portfolio 	
<ul style="list-style-type: none"> ● Effective cost control ● Global positioning in non-EUR "safe haven" ● Excellent position in retirement due to strong life and asset management positions 	
<ul style="list-style-type: none"> ● Growing asset base ● Low exposure to peripheral sovereign bonds ● High quality fixed income portfolio 	
<ul style="list-style-type: none"> ● Modest equity exposure ● Strong position in alternative investments ● Sizeable banking holdings due to bank distribution model in selected markets 	

... even for (unlikely!) breakup scenario ...

Things that matter:

- § Regional asset/liability matching
- § Strong capitalization
- § No liquidity issues – long-duration liabilities
- § Strong underlying operating earnings and cash flows
- § Good regional diversification in non-Euro countries (both in operational and in investment terms)
- § Majority of Euro business in the stronger Euro countries
- § Mark-to-market of assets and reasonable impairments

Operating profit¹



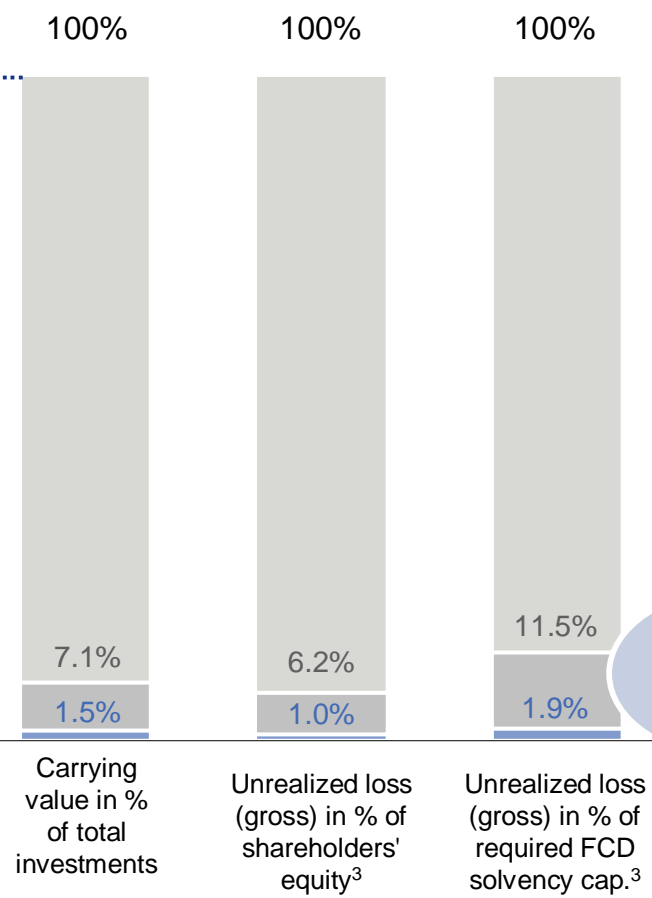
1) Excluding Holding & Treasury

... with low remaining exposure to peripheral sovereign bonds ...

Absolute exposure

Relative exposure¹

EUR mn 9M 2011	Carrying value	Unrealized loss (gross)
Ireland	486	-45
Portugal	629	-206
Greece	497	0
Spain	5,034	-202
Sub-total	6,646	-453
Italy	25,608	-2,228
Total	32,254	-2,681



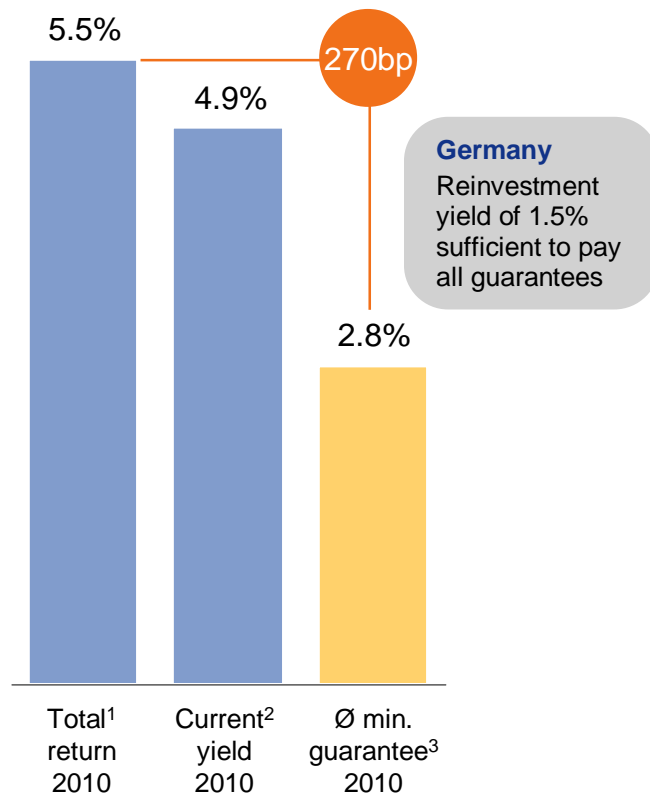
All ratios before php² and tax!

1) Light grey ratios refer to total exposure (peripherals plus Italy)
 2) Policyholder participation
 3) Ratios slightly overstated, because net unrealized losses are already deducted from S/H equity

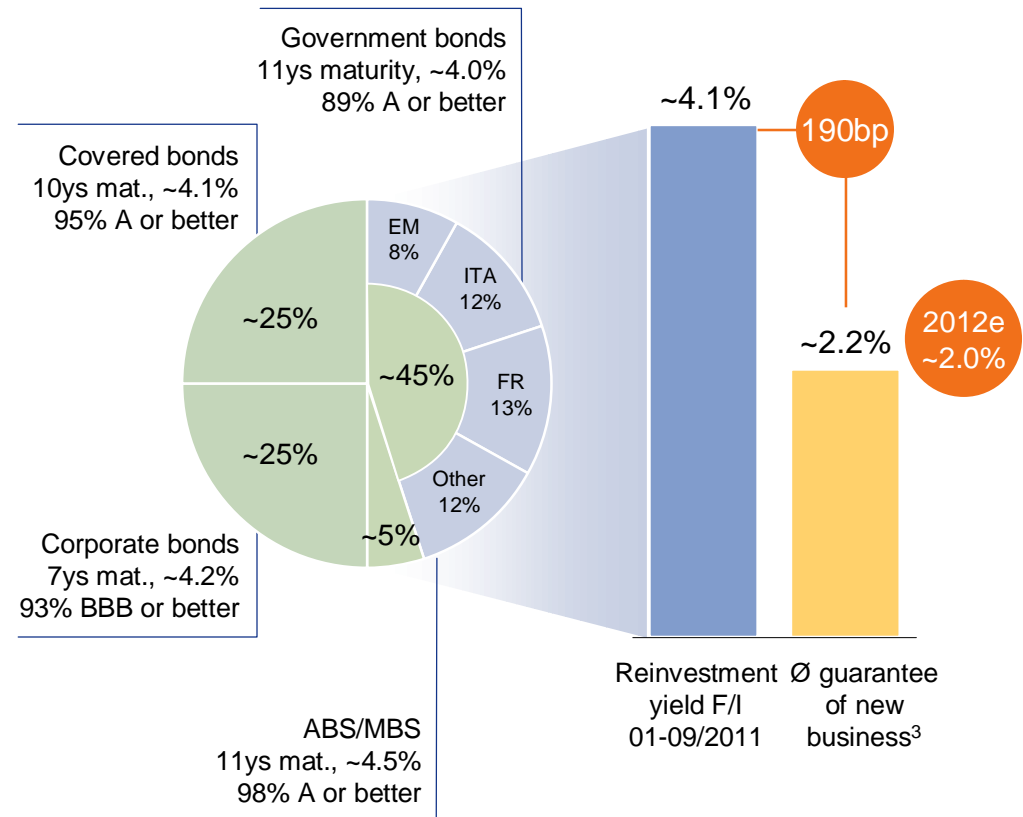
...and positive L/H margins despite low interest rates

Business in force

(based on aggregate policy reserves)



New business



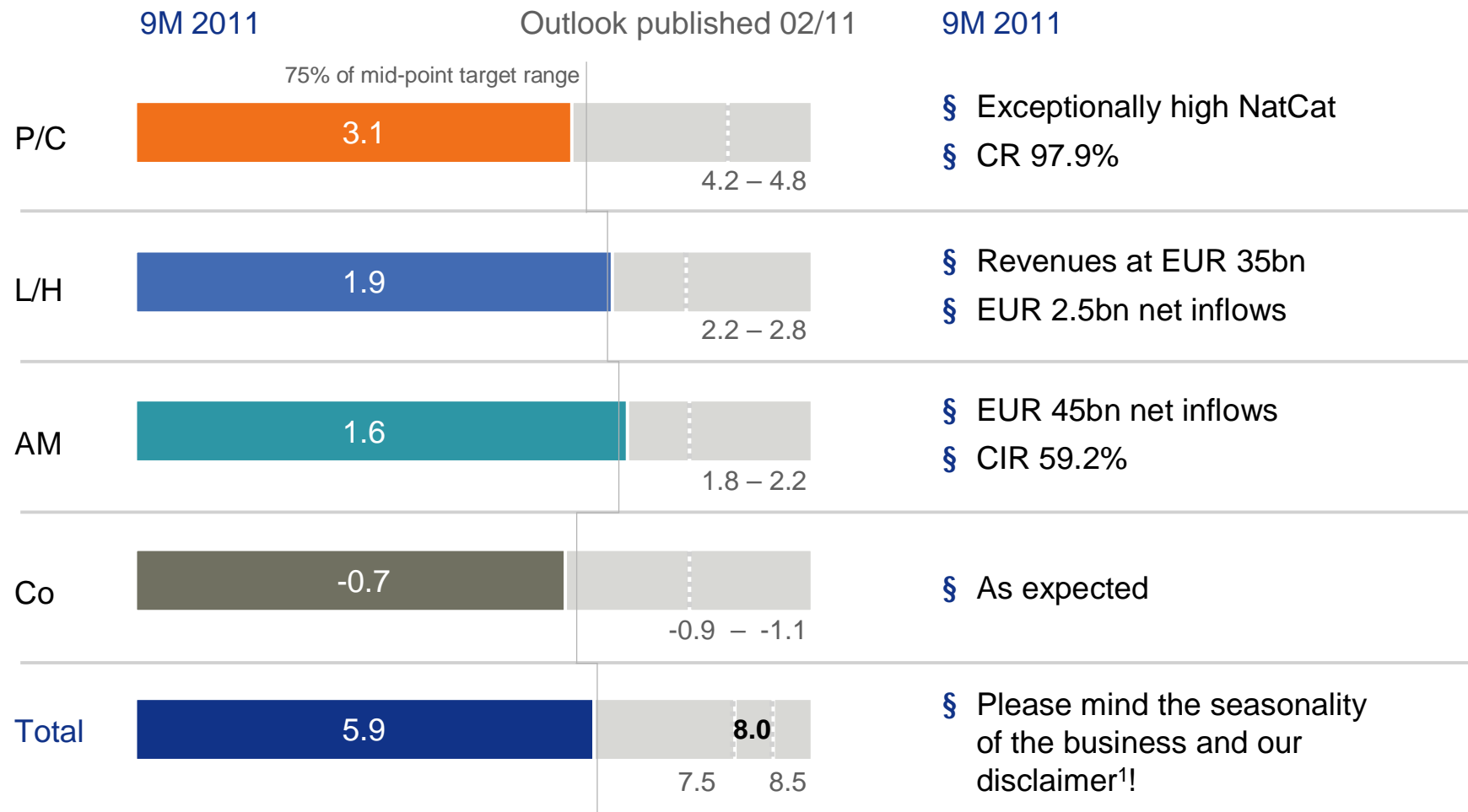
1) Based on IFRS investment + underwriting result
 2) Based on IFRS current interest and similar income
 3) Weighted by aggregate policy reserves

Agenda

- A** Allianz – a winning business model
- B** Asset Management – growing in importance
- C** Allianz – well positioned for uncertain times
- D** **Summary**

EUR 7.5 – 8.5bn operating profit expected in 2011

Operating profit (EUR bn)



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

Summary: Allianz well positioned for uncertain times

- 1** Strong market positions and brands
- 2** Resilient and well diversified business model
- 3** High-quality investment portfolio
- 4** Strong capital base
- 5** Eurozone exposure well managed
- 6** Operating profit outlook unchanged



Appendix

Investor Relations contacts

Oliver Schmidt
Head of Investor Relations

Phone +49 89 3800-3963
oliver.schmidt@allianz.com

Peter Hardy

Phone +49 89 3800-18180
peter.hardy@allianz.com

Holger Klotz

Phone +49 89 3800-18124
holger.klotz@allianz.com

Reinhard Lahusen

Phone +49 89 3800-17224
reinhard.lahusen@allianz.com

Christian Lamprecht

Phone +49 89 3800-3892
christian.lamprecht@allianz.com

Stephanie Aldag
IR Events

Phone +49 89 3800-17975
stephanie.aldag@allianz.com

Investor Relations

Fax +49 89 3800-3899
investor.relations@allianz.com

Internet

(English): www.allianz.com/investor-relations
(German): www.allianz.com/ir

Financial calendar

February 23, 2012	Financial press conference for the 2011 fiscal year
February 24, 2012	Analysts' conference for the 2011 fiscal year
March 23, 2012	Annual Report 2011
May 9, 2012	Annual General Meeting
May 15, 2012	Interim Report 1st quarter 2012
August 3, 2012	Interim Report 2nd quarter 2012
November 9, 2012	Interim Report 3rd quarter 2012

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.