

+ One

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Annual General Meeting 2005
of Allianz AG

Another significant improvement in earnings in 2004

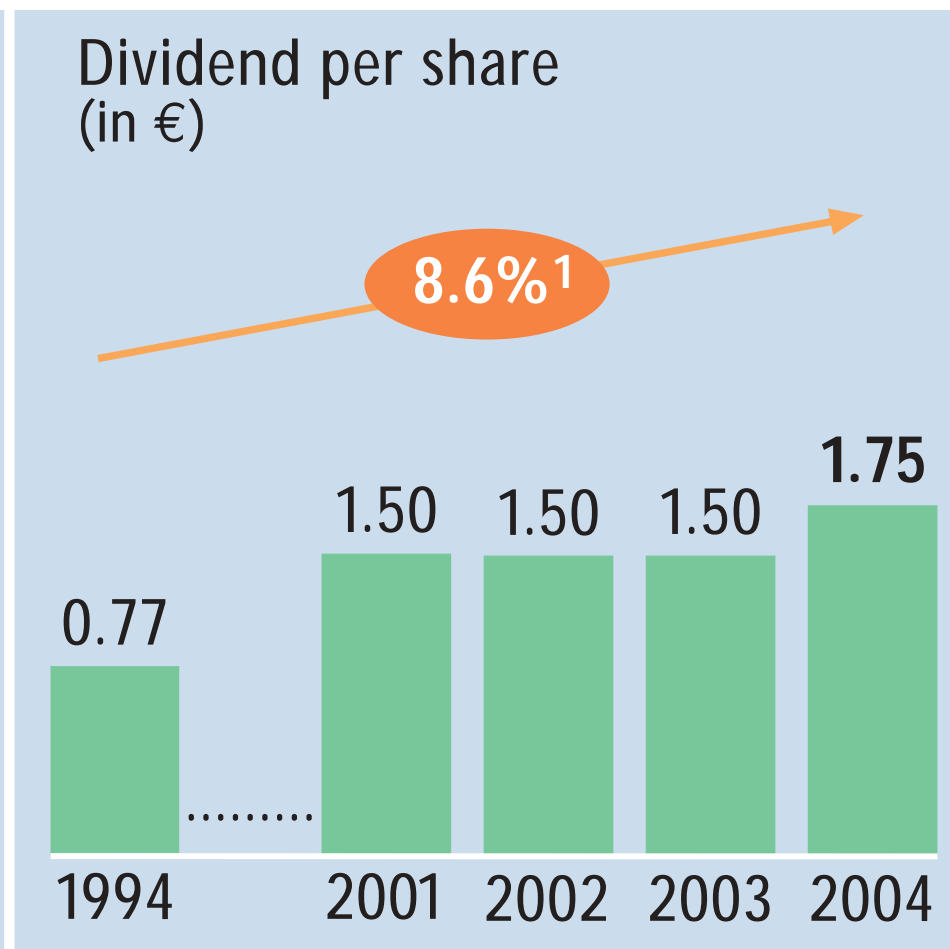
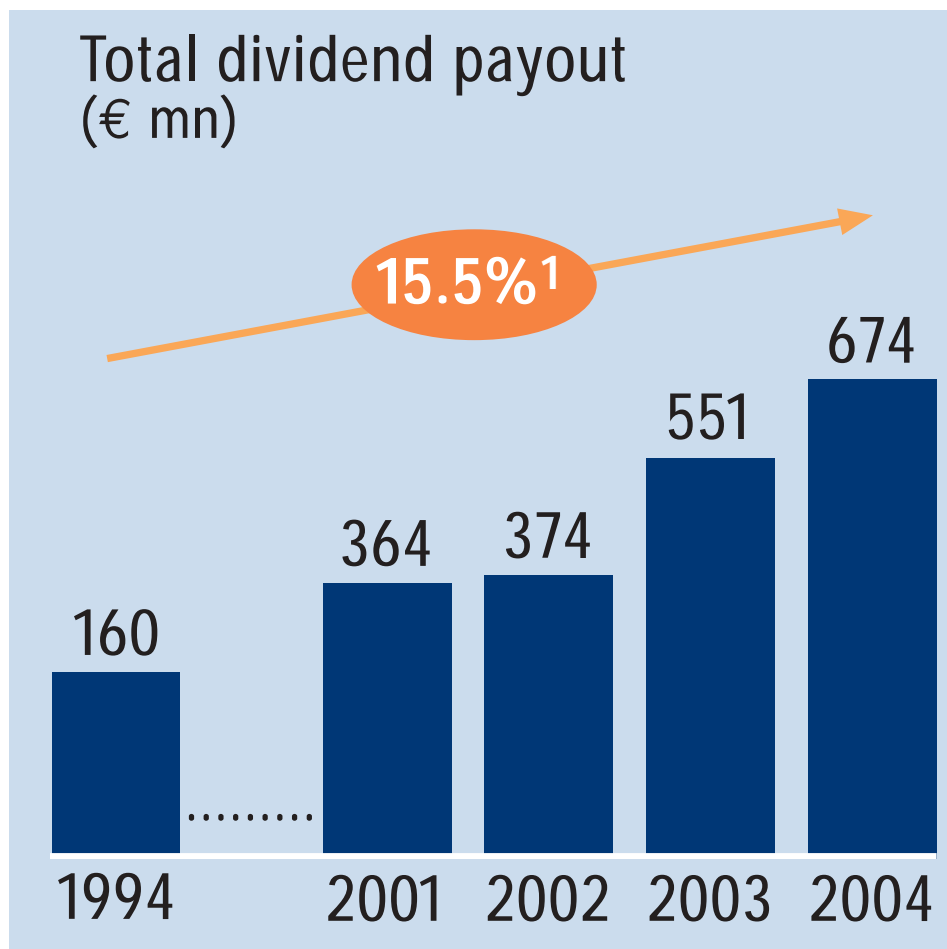
Overview of the year under review

in € mn	2003	2004	Δ 04/03
Operating result	4,066	6,856	2,790
Earnings before taxes ¹	2,861	5,183	2,322
Net income	1,890	2,199	309

► Performance of the Allianz share nevertheless unsatisfactory

1) And before minority interests

Dividend proposal



1) CAGR (compound average growth rate)

The “3+One” Program

Securing the base

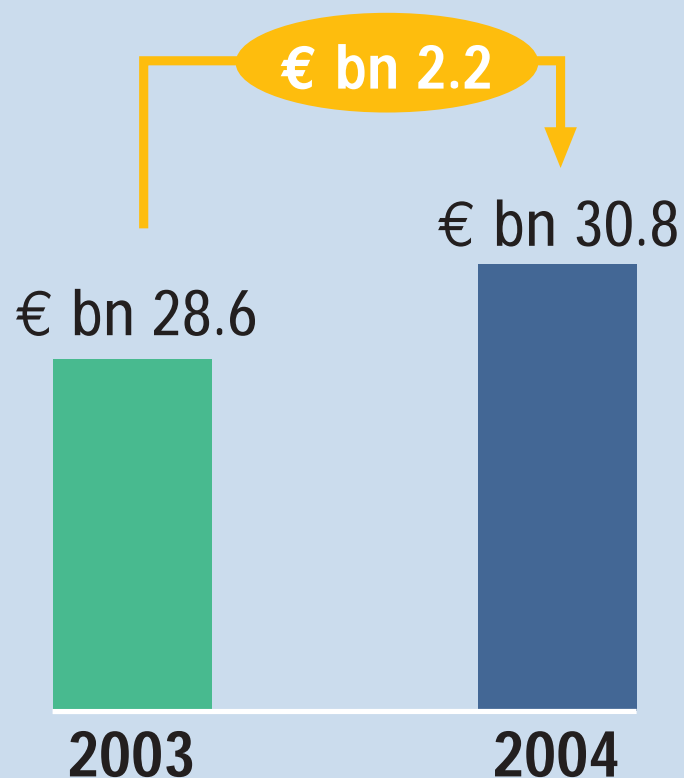
- 1** Protect and enhance capital base
- 2** Substantially strengthen operating profitability
- 3** Reduce complexity

Strengthening future development

- +One** Increase sustainable competitiveness and value

1 Protect and enhance capital base

Shareholders' equity¹



1) IFRS

- Net income of € bn 2.2
- Change in unrealized gains/ losses of € bn 1.4

- Dividend payout € bn 0.6 in 2004

- Exchange rate effects € bn 0.8

Capital base strengthened and good ratings confirmed

2 Substantially strengthen operating profitability

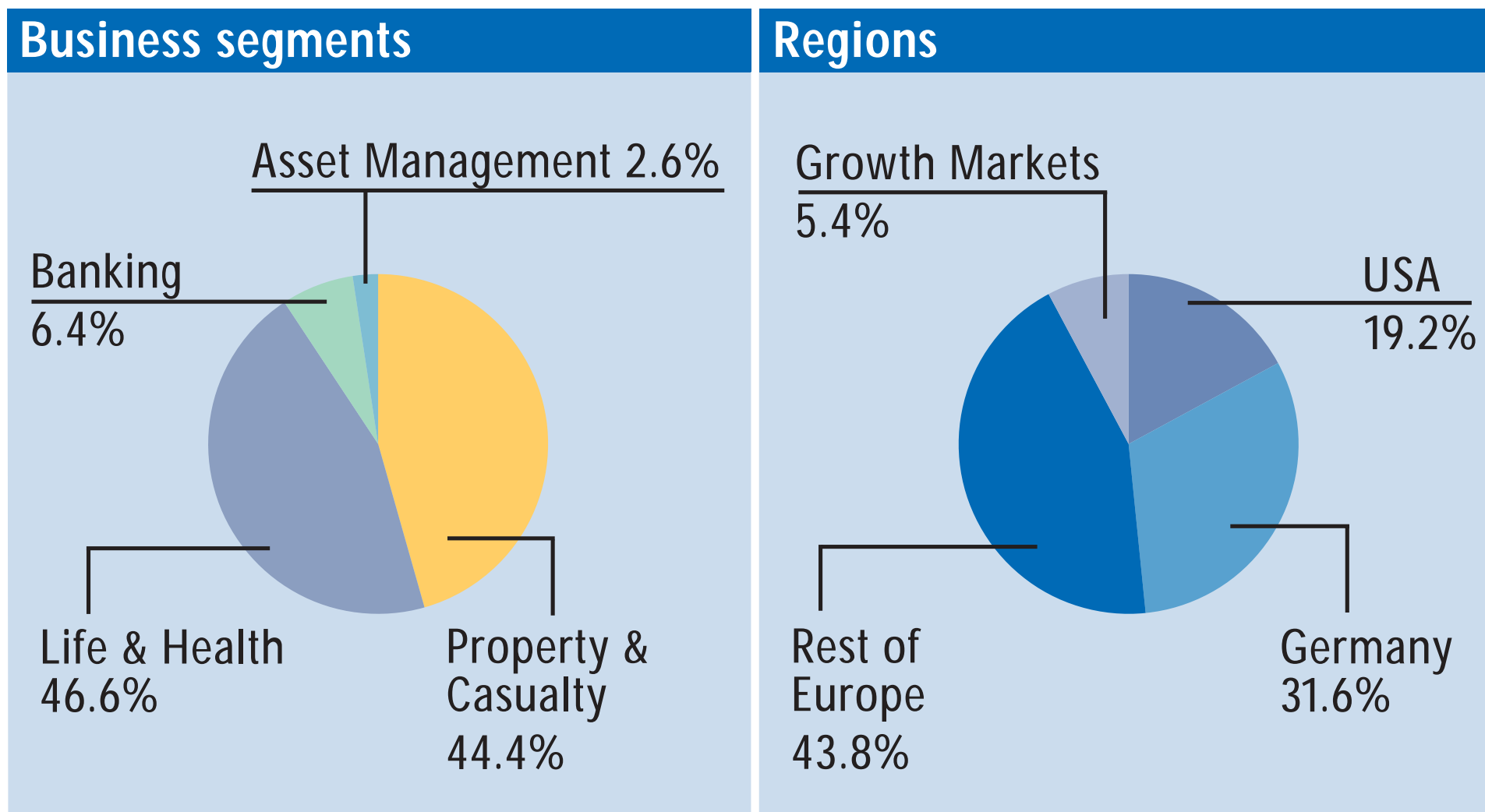
- ▶ Operating result increased by € bn 2.8 to € bn 6.9
- ▶ Administrative expenses further reduced by € bn 0.9
- ▶ Internal revenue growth of 6.0%¹ to € bn 96.9

1) Adjusted by exchange rate effects and changes in Group consolidation

Overview of the four business segments (1)

Total revenues in € bn	2003	2004
Property & Casualty	42.7	43.0
Life & Health	42.3	45.2
Banking	6.5	6.2
Asset Management	2.2	2.5
Total	93.8	96.9

Overview of the four business segments (2)

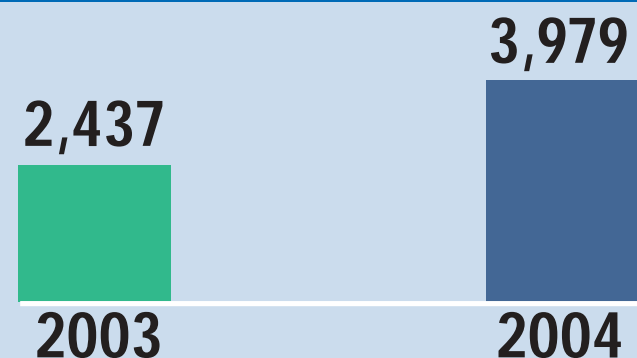


2 Substantially strengthen operating profitability

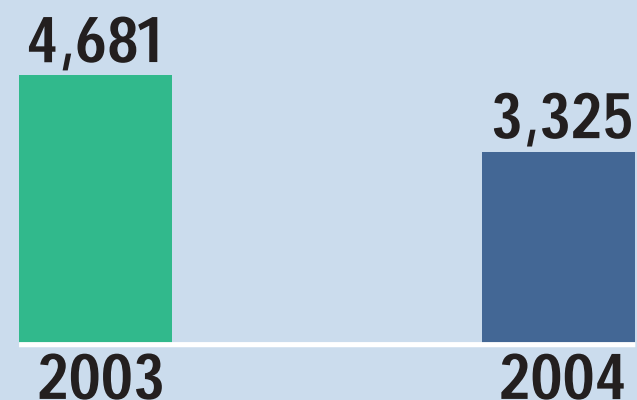
Property & Casualty: earnings performance

- Premium income rises slightly
- Reduction of the combined ratio by 4.1% points to 92.9%
- Net income down on previous year
 - Higher level for disposals of shareholdings in previous year
 - Tax expense and minority interest increased by € bn 1.6

Operating result (€ mn)



Net income (€ mn)

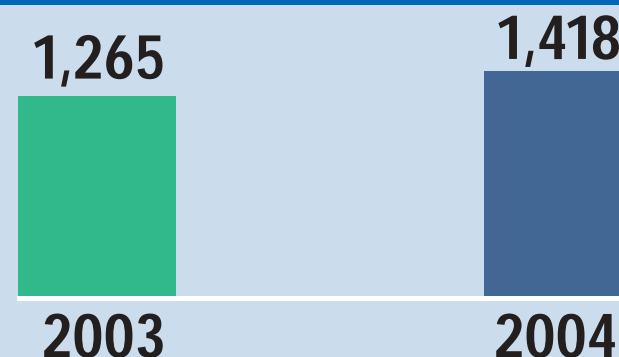


2 Substantially strengthen operating profitability

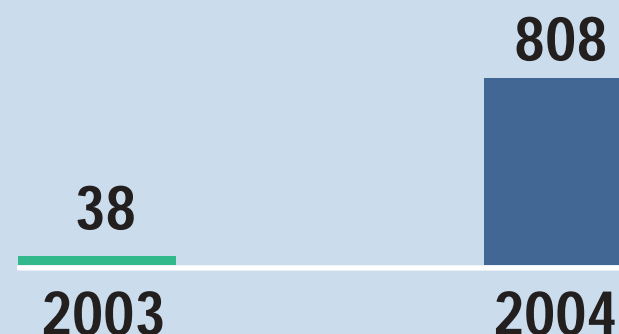
Life & Health: earnings performance

- Strong growth
- Operating result increases due to
 - Price structure of new products
 - Increase in efficiency
- Net income impacted by
 - Increased investment income
 - € mn 77 amortization of losses carried forward for Allianz Korea

Operating result (€ mn)



Net income (€ mn)

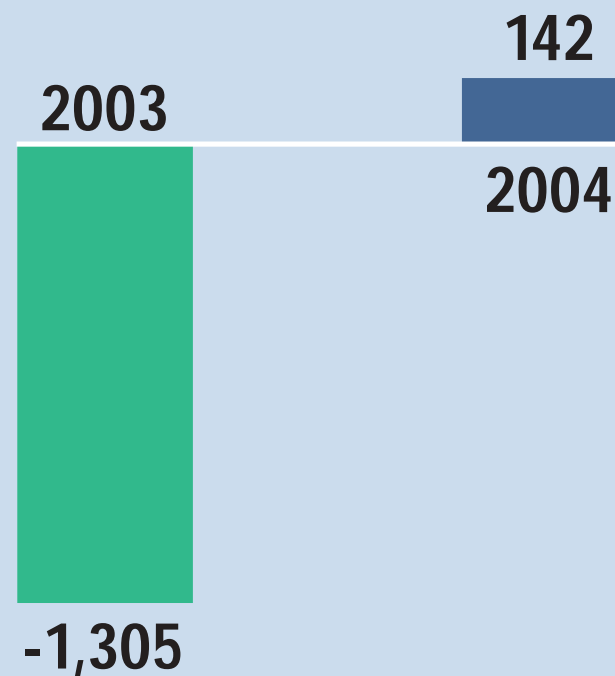


2 Substantially strengthen operating profitability

Banking: Contribution of Dresdner Bank to Allianz banking segment (1)

- Consistent implementation of the program “New Dresdner”

Net income (€ mn)

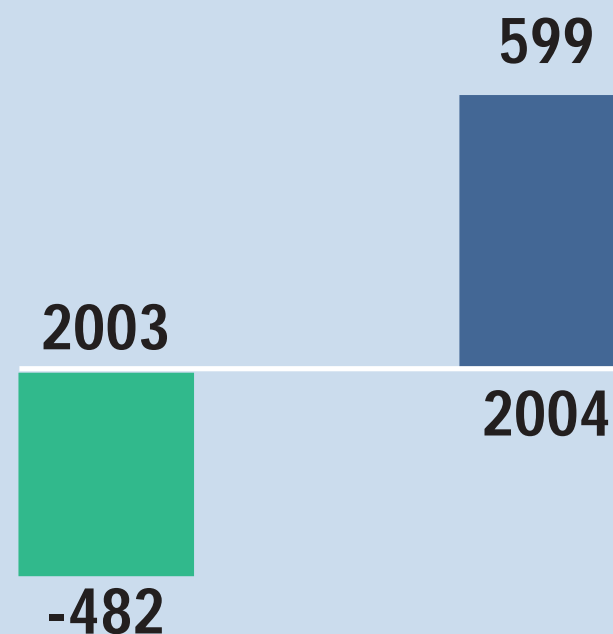


2 Substantially strengthen operating profitability

Banking: Contribution of Dresdner Bank to Allianz banking segment (2)

- Administrative expenses reduced by € mn 430 (-7.5%)
- Loan loss provisions more than halved to € mn 337
- Operating revenues stabilized at € bn 6.2

Operating result (€ mn)

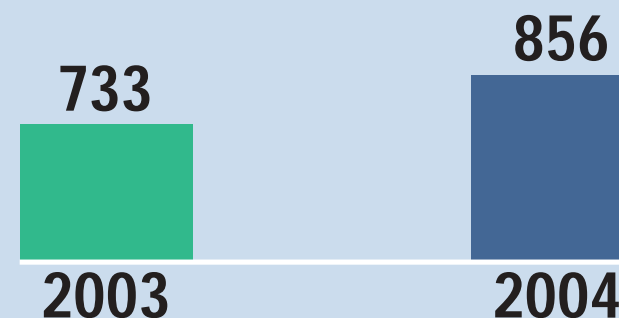


2 Substantially strengthen operating profitability

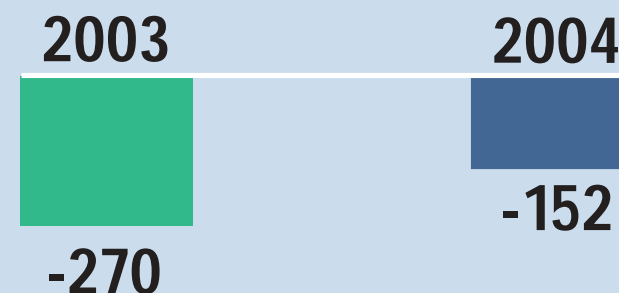
Asset Management: earnings performance

- Cost Income Ratio reduced by 4.3% points to 62.9%
- Net inflows € bn 31
- Net loss improved by € mn 118 (43.7%)

Operating result (€ mn)



Net income (€ mn)

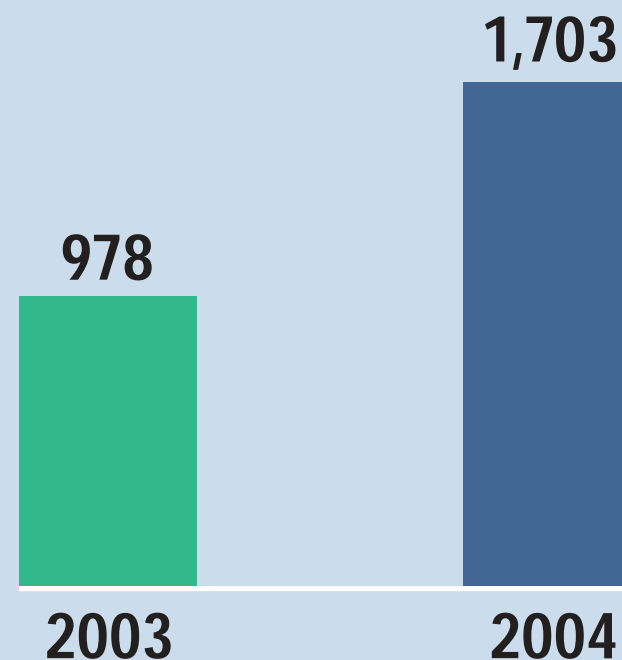


2 Substantially strengthen operating profitability

Separate annual report for Allianz AG (HGB): earnings performance

- Underwriting result improved from € mn -231 to € mn +44
- Increase in investment income by € mn 320 to € bn 1.8

Operating result (€ mn)



3 Reduce complexity

- Streamlining of the business portfolio
- Equity exposure and larger equity stakes significantly reduced
- Reduction in credit risks at Dresdner Bank

Total revenues increased by
€ bn 3.1

+3.3%

nevertheless

risk capital reduced by € bn 1.2

-3.4%

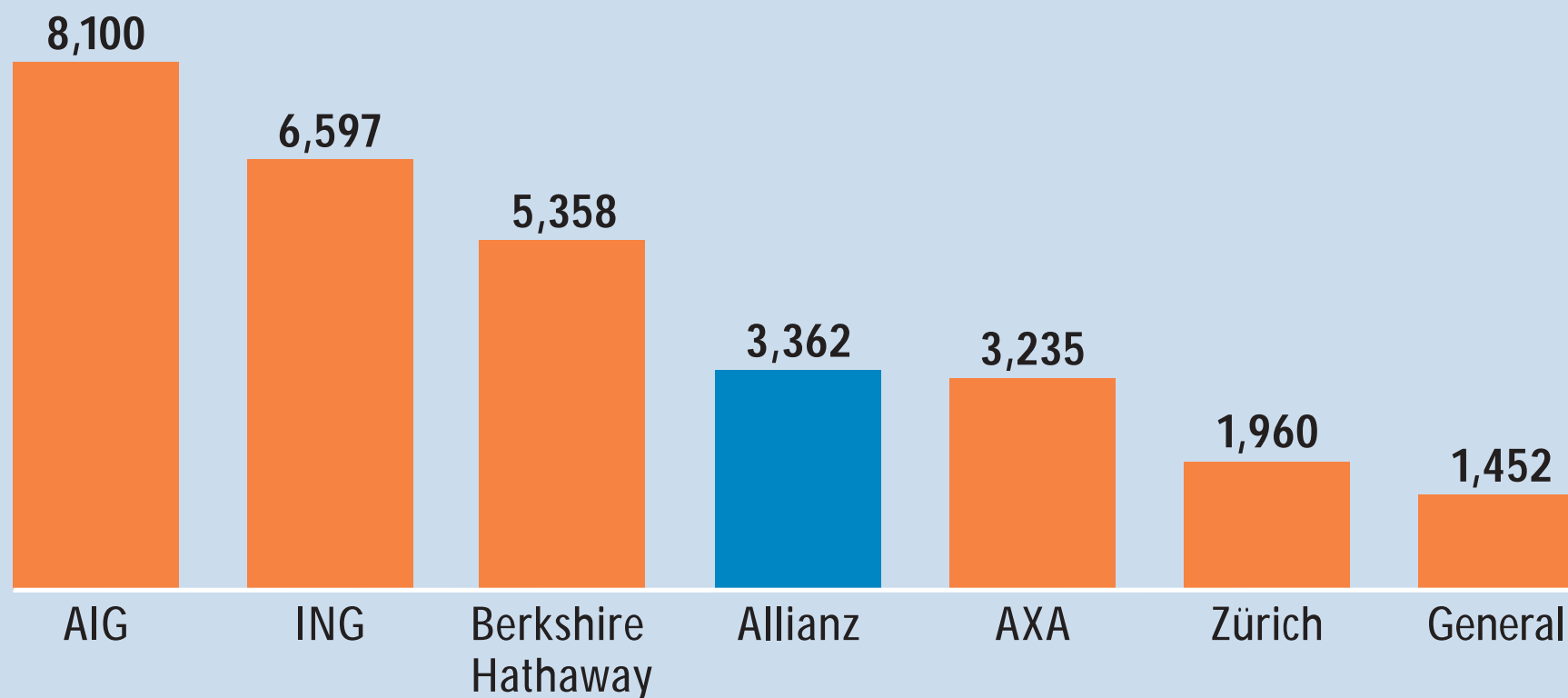
Significant improvement in quality of the entire portfolio

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Increase sustainable competitiveness and value

Progress is not sufficient

Earnings before amortization of goodwill 2004 (€ mn)



Ø Shareholders' equity (€ bn)

55.0

31.6

59.9

29.7

27.7

15.1

8.9

+One Increase sustainable competitiveness and value

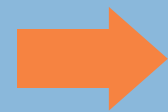
The "3+One"-Program



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Increase sustainable competitiveness and value

Sustainability program:
Optimization of processes and business models



Turning best practice into a common standard

Customer focus



Taking customer satisfaction to the highest level

+One Increase sustainable competitiveness and value

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Increase sustainable competitiveness and value

1 Optimization of processes

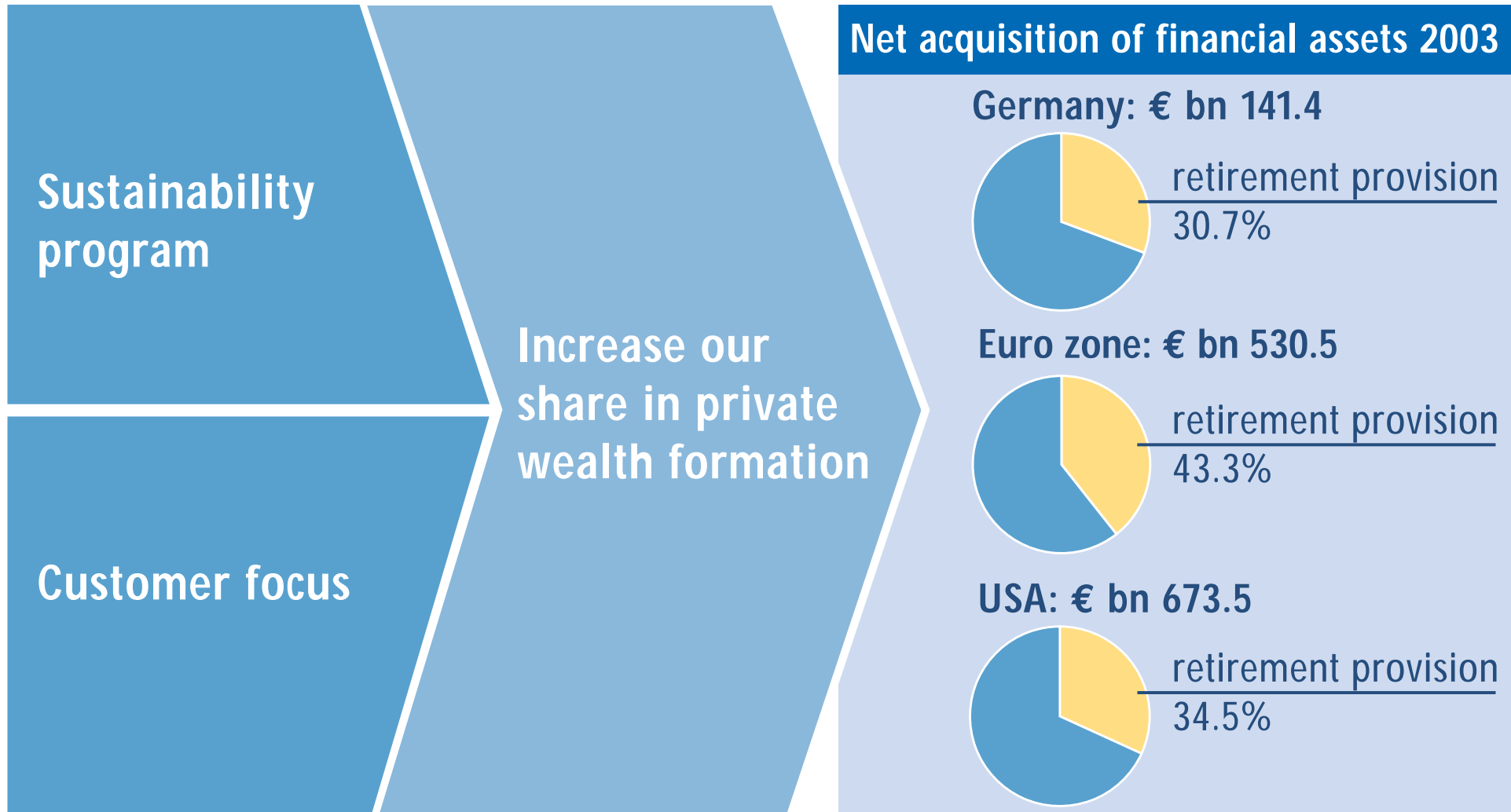
2 Enhance focus on customers

Keeping promises, confirming trust and exceeding expectations

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- Continue to increase profitability
- Improve competitiveness
- Increase corporate value

+One Increase sustainable competitiveness and value



Sources: ECB, National Statistics Office (UK), Deutsche Bundesbank

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Increase sustainable competitiveness and value

Increase our share in private wealth formation

- Demographic development
- Overstretched statutory pension provision
- Market penetration for retirement provision in Europe at low level

• **Enormous growth potential** for fully-funded private and company sponsored retirement provision



• **New business margin almost doubled¹**



1) Increased from 1.2% in 2003 to 2.2% in 2004 after taxes and minimum costs for risk-adjusted capital

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Increase sustainable competitiveness and value

Increase our share in private wealth formation

Success factors:

Financial strength permits assumption of risks and guarantees for customers



Product range tailored to customer requirements



Outstanding advisory quality and adequate advisory capacity

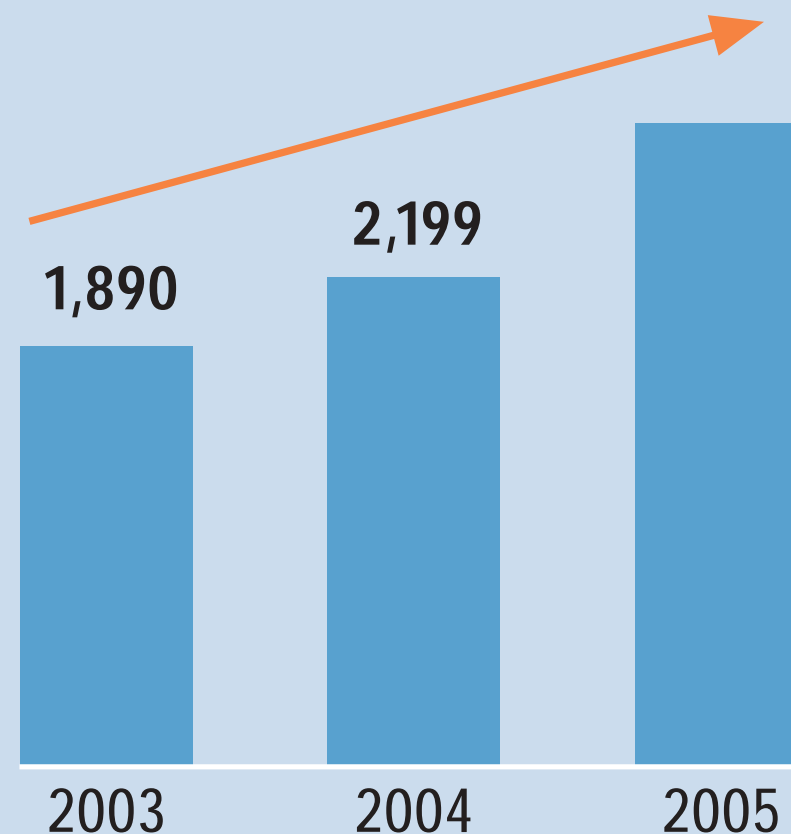


+One Perspective 2005 (1)

We will again substantially increase our net income in 2005

- Further improvement in operating result due to
 - Dresdner Bank
 - Life insurance business
 - Asset Management
 - Building on success of 2004 in Property & Casualty
- Elimination of scheduled amortization of goodwill

Net income (€ mn)



+One Perspective 2005 (2)

1st quarter 2005: preliminary key indicators

Positive development fully confirmed

- ▶ Significant increase in net income for the first quarter by around 30%¹ exceeding € bn 1.1
- ▶ Further improvement in all segments
 - Combined ratio improved to just above 92% in Property & Casualty
 - Growth of about 10%² in Life & Health as well as in Asset Management
 - Operating result of Dresdner Bank up by more than 20% to above € mn 200

1) With reference to the results for the 1st quarter of 2004 adjusted by amortization of goodwill

2) Adjusted by exchange rate effects and changes in Group consolidation

+One Perspective 2005 (3)



Consolidation of the business model	Securing future success
<ul style="list-style-type: none"> • Increased profitability ✓ • Capital base substantially expanded ✓ • Risk significantly reduced with expanded business volume ✓ • Equity exposure significantly lowered ✓ 	<ul style="list-style-type: none"> • Expand competitive advantages further • Invest in the most profitable business activities • Mobilize performance reserves by <ul style="list-style-type: none"> - Sustainability program - Customer focus



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No duty to update

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