Allianz Group in the first quarter of 2010 increases operating profit 20.4 percent to 1.7 billion euros

- Quarterly revenues up 10.3 percent to 30.6 billion euros
- Strong growth continues in Life/Health and Asset Management
- Natural catastrophe claims of 555 million euros impact Property-Casualty
- Net income increases strongly to 1.6 billion euros

Allianz Group today reported its results for the first quarter of 2010. Total quarterly revenues grew strongly by 10.3 percent to 30.6 billion euros, from 27.7 billion euros in the first quarter of 2009.

Operating profit also increased significantly by 20.4 percent to 1.7 billion euros, compared to 1.4 billion euros in the same period of last year. Operating profit growth in both Life/Health and Asset Management overcompensated for a decline in the Property-Casualty result. This segment was especially impacted by claims from natural catastrophes.

All three business segments contributed to quarterly net income of 1.6 billion euros. Net income from continuing operations in the same period of 2009 amounted to 424 million euros. This translates to a year-on-year increase of 274.5 percent.

Allianz Group's capital position remains strong with a solvency ratio of 168 percent at March 31, 2010, or 4 percentage points higher than at year-end 2009. Shareholders’ equity amounted to 43.5 billion euros as of March 31, 2010, which is 8.2 percent higher than the year-end 2009 figure of 40.2 billion euros.

Property-Casualty segment affected by natural catastrophes

A combination of tariff increases, portfolio cleaning and selective underwriting in the Property and Casualty business resulted in gross premiums written of 14.0 billion euros. Compared to 13.9 billion euros in the first quarter of 2009, premiums increased by 0.8 percent.

Operating profit decreased by 26.5 percent to 712 million euros, following 969 million euros in the same period of last year. This decline was largely attributable to major losses from natural catastrophes amounting to 555 million euros during the first quarter of 2010. These events increased the combined ratio to 100.4 percent, compared to 98.7 percent in the first quarter of
2009. Claims from natural catastrophes made up 5.9 percentage points of the combined ratio compared to 2.1 percentage points in the first quarter of last year.

"The Property-Casualty segment was hit harder than usual by natural catastrophes during the first quarter. It is too early to say whether NatCat claims will revert to a normal level for the year as a whole, but we will be watching this closely," said Oliver Bäte, Chief Financial Officer of Allianz SE.

Life/Health segment again performed strongly

The Life/Health segment delivered its highest quarterly revenue ever, with 15.4 billion euros. Statutory premiums grew from both traditional and investment-oriented products. Compared to 13.0 billion euros in the previous year's first quarter, revenues in first quarter 2010 grew by 18 percent.

Operating profit more than doubled to 812 million euros, from 402 million euros in first quarter 2009. This was mainly due to a higher investment result based on lower impairments and higher realized gains in favorable equity markets.

"Our Life/Health segment is developing very well. Unit-linked products are back after a period of caution during the crisis. On the other hand, there is still a high demand for guaranteed products from customers with a clear preference for downside protection," said Oliver Bäte.

Asset Management posts third-party AuM above one trillion euros

The Asset Management segment recorded very strong quarterly revenue growth. Net fee and commission income in the first quarter rose by 54.7 percent to 1.1 billion euros, from 709 million euros in first quarter 2009. Operating profit grew by 120.9 percent to 466 million euros, compared to 211 million euros in the previous year's first quarter.

Supported by strong growth in performance fees, the cost-income ratio improved to 58.2 percent compared to 70.5 percent in first quarter 2009 and last year's average of 62 percent.

Third-party assets under management amounted to a historic high of 1.023 trillion euros as of March 31, 2010, following 926 billion euros at the end of 2009.

Oliver Bäte: "Outstanding third-party net inflows of 37 billion euros and more than one trillion euros in third-party assets under management clearly indicate that investors are looking to quality asset managers like Allianz."
We would like to remind you of our conference call which will take place today at 4.00 p.m. CET | 3.00 p.m. UK time.
These assessments are, as always, subject to the disclaimer provided below.

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