Allianz Group 2011
Status and Outlook

Michael Diekmann, CEO

Financial Press Conference
February 23, 2012

Based on
preliminary figures
Agenda

1. Highlights 2011
2. Allianz specific subjects
3. Outlook 2012
Overview 2011

- Operating profit of EUR 7.9 billion in target range

2011 challenges:
- Sovereign debt crisis
- Ongoing low-interest rate environment
- Losses from natural catastrophes at all-time high

- Significant effect on net income of EUR 2.8 billion

- Allianz well-positioned for 2012

- Proposed dividend at previous year’s level of 4.50 euros per share
Despite very difficult environment in 2011 …

Sovereign debt crisis

Greek 10y government bond (market value in %)

- 2010: 65%
- 2011: 23%

Weak equity markets

- STOXX Europe 600:
  - 2010: 276
  - 2011: 245
- STOXX Europe Banks 600:
  - 2010: 196
  - 2011: 133

Severe natural catastrophe events

NatCat claims (in %-p. CR)

- 2010: 3.2%
- 2011: 4.4%

Low risk-free interest rates

- German 10y government bond yield (in %)
  - 2010: 2.9%
  - 2011: 1.8%
Operating profit within target range …

Operating profit 2011 (EUR bn)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Outlook published 02/11</th>
<th>Target range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property/Casualty</td>
<td>4.2</td>
<td>4.2, 4.8</td>
</tr>
<tr>
<td>Life/Health</td>
<td>2.4</td>
<td>2.2, 2.8</td>
</tr>
<tr>
<td>Asset Management</td>
<td>2.3</td>
<td>1.8, 2.2</td>
</tr>
<tr>
<td>Corporate &amp; other</td>
<td>-0.9</td>
<td>-0.9, -1.1</td>
</tr>
<tr>
<td>Group</td>
<td>7.9</td>
<td>7.5, 8.5</td>
</tr>
</tbody>
</table>
… enabling dividend continuity

**Dividend per share (EUR)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend per share (EUR)</td>
<td>5.5</td>
<td>3.5</td>
<td>4.1</td>
<td>4.5</td>
<td>4.5¹</td>
</tr>
</tbody>
</table>

- **EUR 2.0bn pay-out**
- **Attractive dividend yield of 5%**
- **Dividend supported by**
  - 2011 operating profit
  - 2012 business outlook
- **Stable pay-out ratio in relation to operating profit**

**Pay-out ratio (%)²**

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>31</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>81</td>
</tr>
</tbody>
</table>

~30%-p. due to higher non-operating impairments³

**Pay-out ratio (%)⁴**

<table>
<thead>
<tr>
<th>Year</th>
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<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit</td>
<td>23</td>
<td>21</td>
<td>26</td>
<td>25</td>
<td>26</td>
</tr>
</tbody>
</table>

- **Proposal**
- **Based on net income from continuing operations, net of non-controlling interests, as historically reported**
- **Refers to additional impairments compared to 2010**
- **Based on operating profit as historically reported**
Our success is based on four core elements

Despite a difficult environment, volatile markets and other challenges:

a promise is a promise!
Allianz retains financial strength

- Conservative portfolio with limited risk in GIPS countries
- Solid capitalization
  - Solvability ratio of 179 percent
  - S&P “AA” rating (outlook negative)
- Underlying operative profitability
Trusted partner for all stakeholders
(Benefits to stakeholder groups)
Best people – our most important resource

- Well-developed performance and leadership culture
- “Best people”
- Women in leadership positions
Higher service quality – lower operational complexity

- Introduction of Allianz operating model for efficiency and growth completed
- Expansion of global and regional services for local units
- Examples: consolidation of data processing centers at four locations and introduction of unified global data and telecommunications network
Management focus 2012

**Internally**
- Productivity of distribution channels
- German Property & Casualty insurance
- Property & Casualty insurance and variable annuities in US
- Global lines and reinsurance
- Capital management

**Externally**
- Sovereign debt crisis
- Low interest rates
- Solvency II
Solid operating profit outlook 2012 (EUR bn)

- **Property/Casualty**: 4.0 – 5.0
- **Life/Health**: 2.2 – 2.8
- **Asset Management**: 2.0 – 2.4
- **Corporate and Other**: -0.9 to -1.1
- **Group**: ~8.2

- **Disclaimer**: Impact from natural catastrophes, financial markets and global economic development not predictable!

- Range of operating profit outlook reflects diversification
Disclaimer

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No duty to update

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