

Group financial results 2Q 2013

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Chief Financial Officer

Analysts' conference call
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1

Group financial
results 2Q 2013

- 1** Highlights
- 2** Comment pages
- 3** Additional information
 - a) Group
 - b) Property-Casualty
 - c) Life/Health
 - d) Asset Management
 - e) Corporate and Other
- 4** Glossary

Group: business highlights 2Q 2013

Customer service

We provided quick help to more than 50,000 clients hit by the floods in Central Europe. To support claims handling, 300 additional staff were sent to affected regions. More than 60% of claims have been settled already. In total we anticipate benefits to customers of approx. EUR 730mn.

NatCat

Flood and storm related damages in Canada, Central and Eastern Europe, France, Germany and Switzerland drove total net NatCat claims up to approx. EUR 550mn.

Regulation

Allianz designated as “Global Systemically Important Insurer” (G-SII) by the FSB.

Turkey

Allianz Turkey gained 940,000 customers since previous year’s quarter, driving customer base up 91% to 2.0 million customers. Acquisition of Yapı Kredi Sigorta closed in July, adding more than 2.0 million customers.

Germany

Launch of two products:

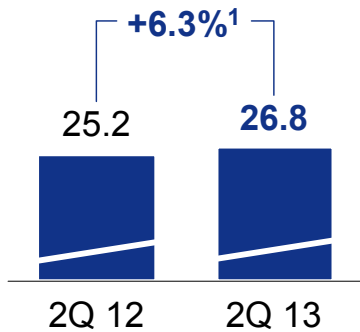
- P/C product “PrivatSchutz” – first fully modular non-motor product on the market.
- Life product “Perspektive” to supplement traditional pension insurance.

Bancassurance

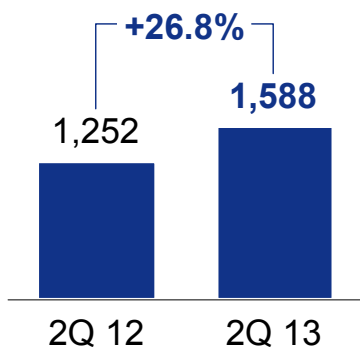
In L/H, our bancassurance partners contributed more than 4%-p to internal growth of 10.3%.

Group: strong operating performance and high net income

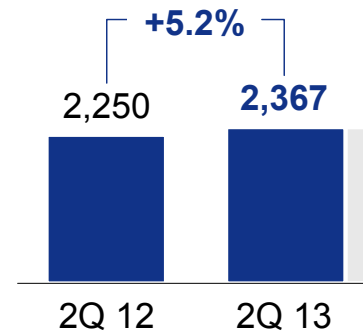
Total revenues
(EUR bn)



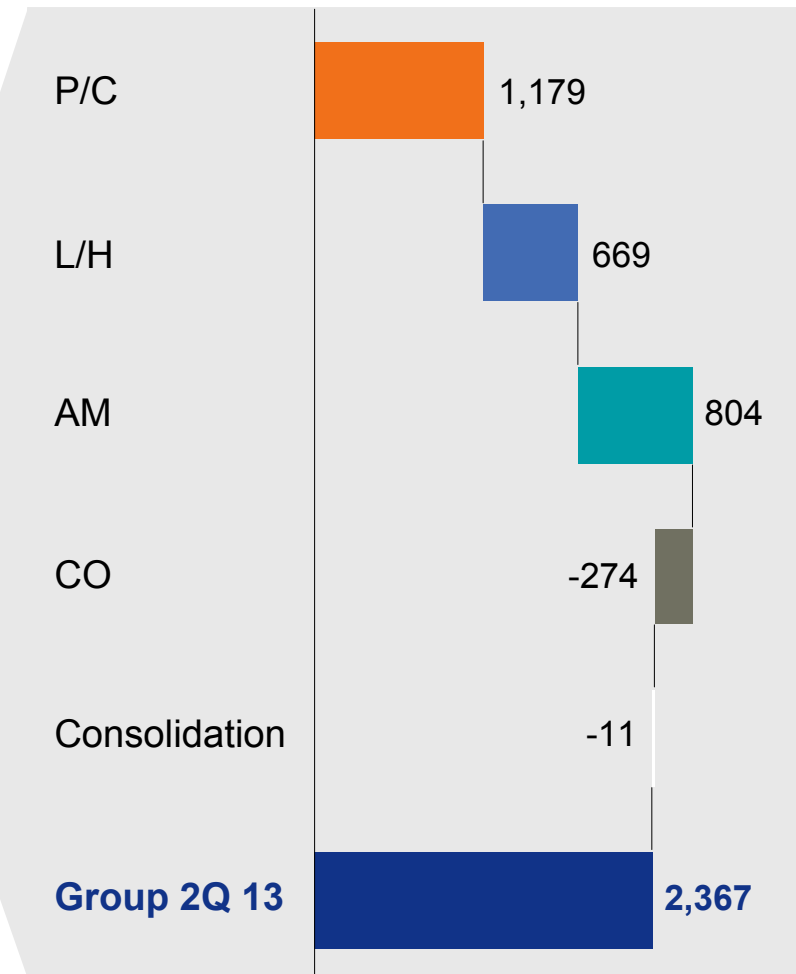
Net income²
(EUR mn)



Operating profit
(EUR mn)



Operating profit by segment
(EUR mn)



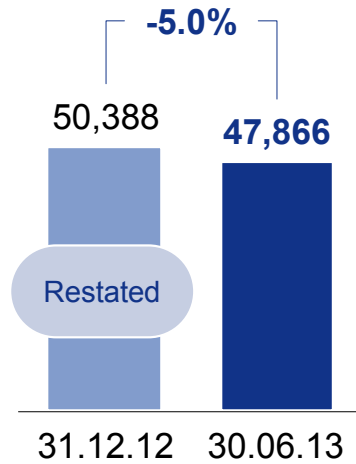
! **Please note:** Prior years figures have been restated throughout the whole presentation to reflect the retrospective application of the amended standard IAS 19 and inclusion of restructuring charges in operating profit

1) Internal growth of 6.5%, adjusted for F/X and consolidation effects
2) Net income attributable to shareholders

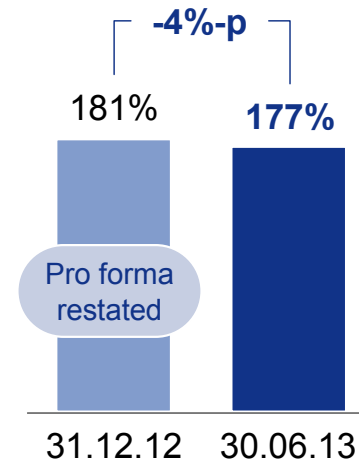


Group: healthy capital position

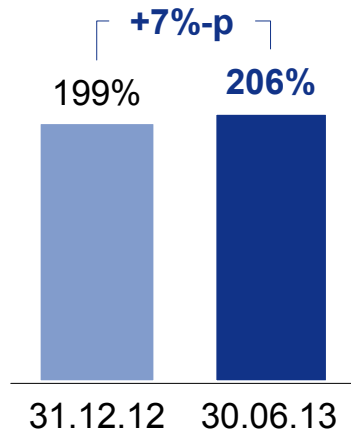
Shareholders' equity (EUR mn)



Conglomerate solvency (%)



Economic solvency (%)



S&P capital adequacy

Allianz' rating at "AA" with "stable" outlook

P/C: underlying growth of 2.3 percent¹ (EUR mn)

2Q 2013		Revenues	Total growth	Internal growth ²	Price effect	Volume effect
Total P/C segment		10,754	+0.3%	+0.0%	+0.8%	-0.8%
Large OEs	Germany	1,669	-1.2%	-0.5%		
	France	894	+21.5%	+1.4%		
	Italy	1,034	+0.2%	+0.2%		
Global lines	AGCS	1,237	-16.4%	-15.7%		
	Credit Insurance	539	+7.8%	+6.9%		
	Allianz Worldwide Partners ³	640	+22.4%	+19.4%		
Selected OEs	Australia	767	+4.1%	+8.1%		
	Latin America ⁴	630	+5.4%	+12.7%		
	USA	520	-35.4%	-34.2%		
	Turkey	225	+50.0%	+56.0%		

1) Internal growth excluding US crop business

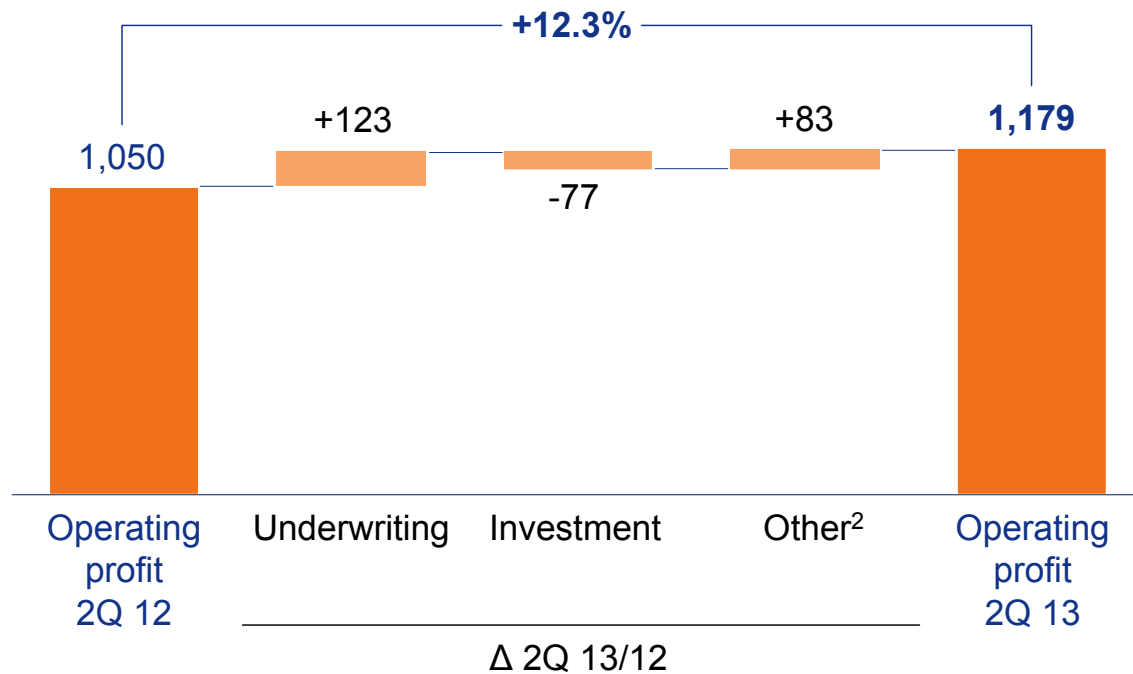
2) Adjusted for F/X and consolidation effects

3) Allianz Worldwide Partners includes the legal entities of Allianz Global Assistance and Allianz Worldwide Care as well as the reinsurance business of Allianz Global Automotive

4) South America and Mexico

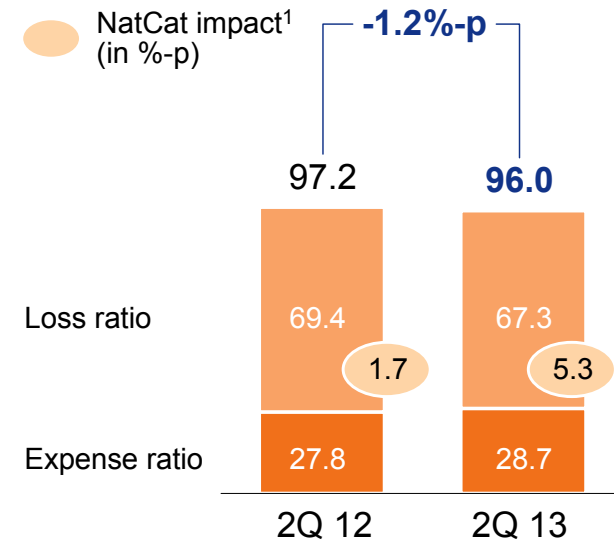
P/C: underwriting result continues to improve

Operating profit drivers (EUR mn)

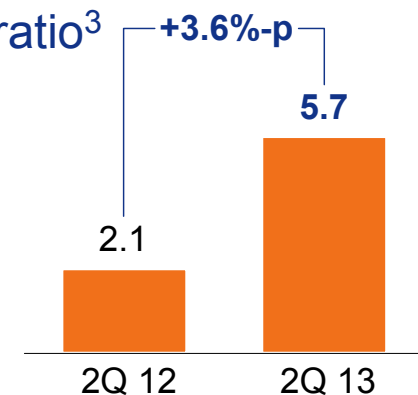


2Q 13	357	784	38
2Q 12	234	861	-45

Combined ratio (in %)



Run-off ratio³ (in %)



1) NatCat costs (without reinstatement premiums and run-off): EUR 0.17bn (2Q 12) and EUR 0.55bn (2Q 13)
 2) Including restructuring charges
 3) Positive values indicate positive run-off, run-off ratio calculated as run-off result in percent of net premiums earned

P/C: lower combined ratio supports operating profit (EUR mn)

2Q 2013		Operating profit	Δ p.y.	Combined ratio	Δ p.y.	NatCat impact in CR ¹	Δ p.y. ¹
Total P/C segment		1,179	+12.3%	96.0%	-1.2%-p	5.3%-p	+3.6%-p
Large OEs	Germany	-53	-143.4%	110.6%	+11.0%-p	16.8%-p	+14.3%-p
	France	120	+31.9%	96.3%	-1.7%-p	3.7%-p	+3.7%-p
	Italy	322	+59.4%	76.4%	-12.6%-p	0.0%-p	-3.6%-p
Global lines	AGCS	86	+14.7%	98.1%	-1.5%-p	8.5%-p	+0.4%-p
	Credit Insurance	116	-1.7%	77.8%	-1.5%-p	–	–
	Allianz Worldwide Partners ²	24	-40.0%	97.0%	+2.6%-p	0.0%-p	0.0%-p
Selected OEs	Australia	133	+27.9%	86.8%	-7.3%-p	-0.1%-p	-0.4%-p
	Latin America ³	34	+30.8%	98.7%	-1.5%-p	0.0%-p	0.0%-p
	USA	56	n.m. ⁴	100.2%	-22.4%-p	0.0%-p	-0.9%-p
	Turkey	13	+225.0%	96.8%	-5.8%-p	0.0%-p	0.0%-p

1) Excluding reinstatement premiums and run-off

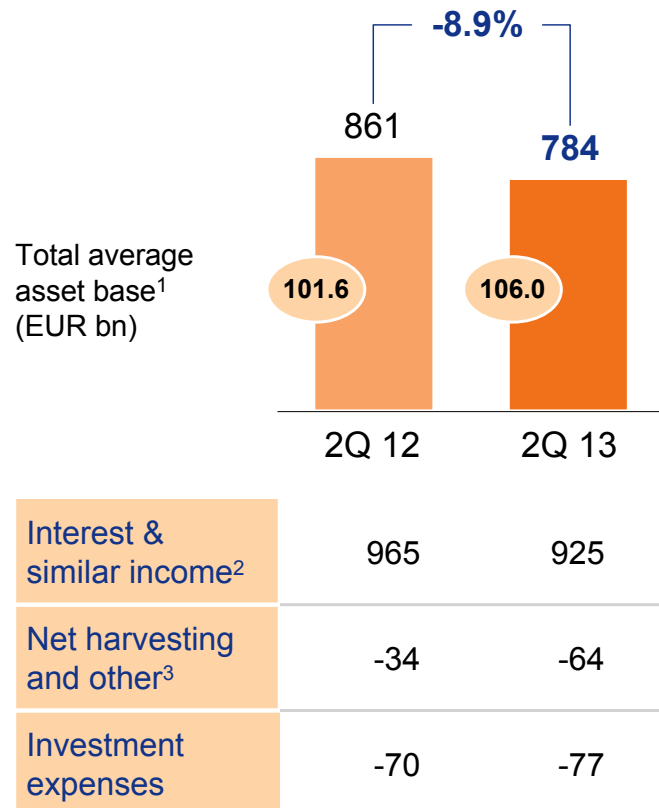
2) Allianz Worldwide Partners includes the legal entities of Allianz Global Assistance and Allianz Worldwide Care as well as the reinsurance business of Allianz Global Automotive

3) Mexico and South America

4) Operating profit improved by EUR 134mn from EUR -78mn in 2Q 12

P/C: operating investment result impacted by low interest rate environment

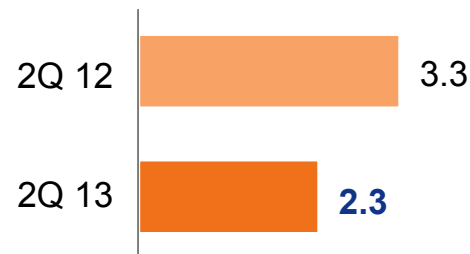
Investment result (EUR mn)



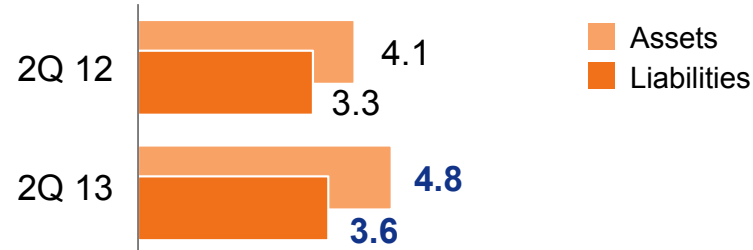
Current yield (debt securities; in %)



Reinvestment yield⁴ (debt securities; in %)



Duration



1) Asset base includes health business France, fair value option and trading
 2) Net of interest expenses

3) Comprises real. gains/losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation. Thereof related to UBR in Germany: 2Q 12: EUR -22mn, 2Q 13: EUR -38mn
 4) On an annual basis

L/H: unit-linked business drives growth

(EUR mn)

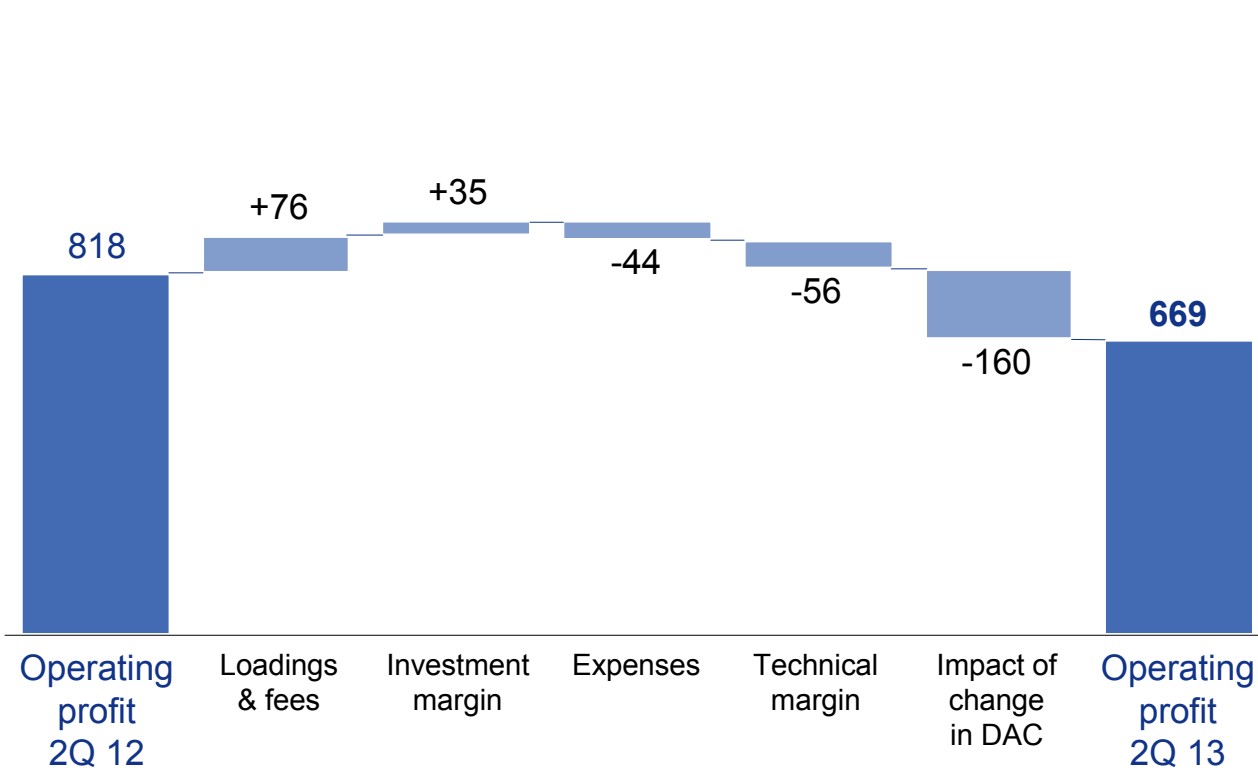
2Q 2013		Revenues	Total growth Δ p.y.	Internal growth ¹ Δ p.y.	PVNBP	Δ p.y.
Total L/H segment		14,125	+9.8%	+10.3%	11,099	+15.3%
Large OEs	Germany Life	3,674	+9.9%	+9.9%	2,213	+2.1%
	France	2,139	+10.4%	+10.4%	2,304	+64.9%
	Italy	2,620	+36.7%	+36.7%	1,907	+34.7%
	USA	1,788	-9.5%	-7.8%	1,797	-9.3%
Selected OEs	Asia-Pacific	1,346	+9.6%	+11.2%	1,200	+5.4%
	Switzerland	252	-24.8%	-23.0%	263	-10.5%
	Germany Health	832	+1.8%	+1.8%	168	-22.2%
	Benelux ²	677	+10.1%	+10.1%	389	+64.8%
	Spain	392	+45.2%	+45.2%	368	+43.2%
	CEE	191	-37.6%	-36.9%	169	-43.5%

1) Adjusted for F/X and consolidation effects

2) Revenues from investment-oriented products in Luxembourg of EUR 217mn (EUR 215mn in 2Q 12) are reinsured by France

L/H: solid operating performance (EUR mn)

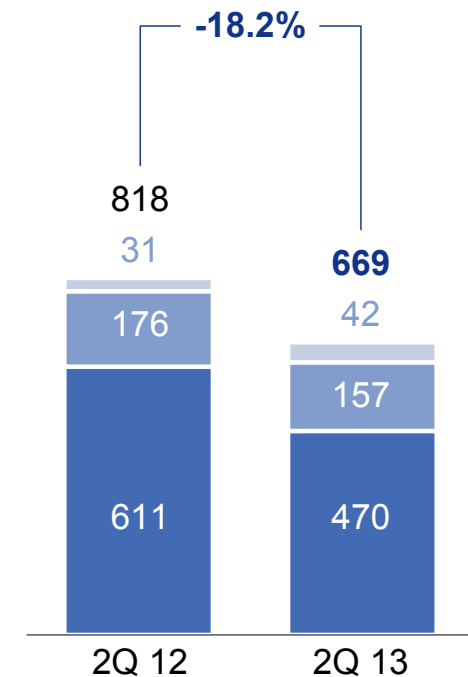
Operating profit by sources¹



Δ 2Q 13/12

2Q 13	1,086	651	-1,327	315	-56
2Q 12	1,010	616	-1,283	371	104

Operating profit by line



- Unit linked w/o guarantee
- Protection & health
- Guaranteed savings & annuities

1) For a description of the L/H operating profit sources please refer to the glossary

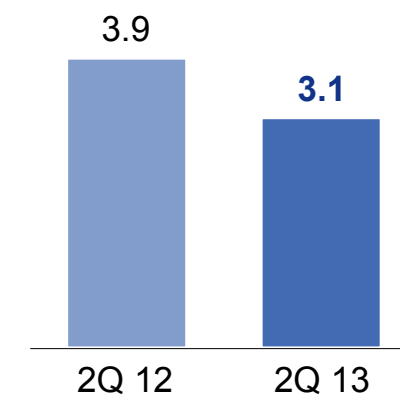
L/H: higher volumes increase value of new business (EUR mn)

2Q 2013		Operating profit	Δ p.y.	VNB	Δ p.y.	NBM	Δ p.y.
Total L/H segment		669	-18.2%	190	+16.6%	1.7%	+0.0%-p
Large OEs	Germany Life	162	-48.7%	64	-4.5%	2.9%	-0.2%-p
	France	123	-0.8%	1	-93.3%	0.1%	-1.0%-p
	Italy	74	+17.5%	31	+121.4%	1.6%	+0.6%-p
	USA	100	-21.3%	41	+127.8%	2.3%	+1.4%-p
Selected OEs	Asia-Pacific	39	+11.4%	28	-24.3%	2.4%	-0.9%-p
	Switzerland	21	+5.0%	5	n.m.	2.0%	+1.9%-p
	Germany Health	53	+32.5%	4	+0.0%	2.2%	+0.2%-p
	Benelux	33	-19.5%	10	n.m.	2.6%	+2.3%-p
	Spain	34	+17.2%	7	-12.5%	1.9%	-1.1%-p
	CEE	23	+21.1%	12	-14.3%	6.8%	+2.0%-p

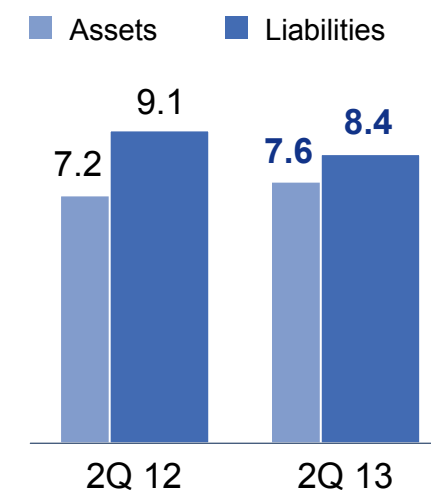
L/H: investment margin stable

	(yields are pro-rata)	
	2Q 12	2Q 13
Based on Ø book value of assets¹		
Current yield ²	1.2%	1.1%
Based on Ø aggregate policy reserves		
Current yield ²	1.3%	1.3%
Net harvesting and other	0.0%	-0.1%
Total yield	1.4%	1.2%
- Ø min. guarantee for one quarter	0.6%	0.6%
Gross margin	0.7%	0.5%
- Profit sharing under IFRS ³	0.5%	0.4%
Margin	0.2%	0.2%
Investment margin (EUR mn)	616	651
Ø book value of assets ¹ (EUR bn)	377	402
Ø aggregate policy reserves (EUR bn)	335	348

Reinvestment yield⁴ (debt securities; in %)



Duration



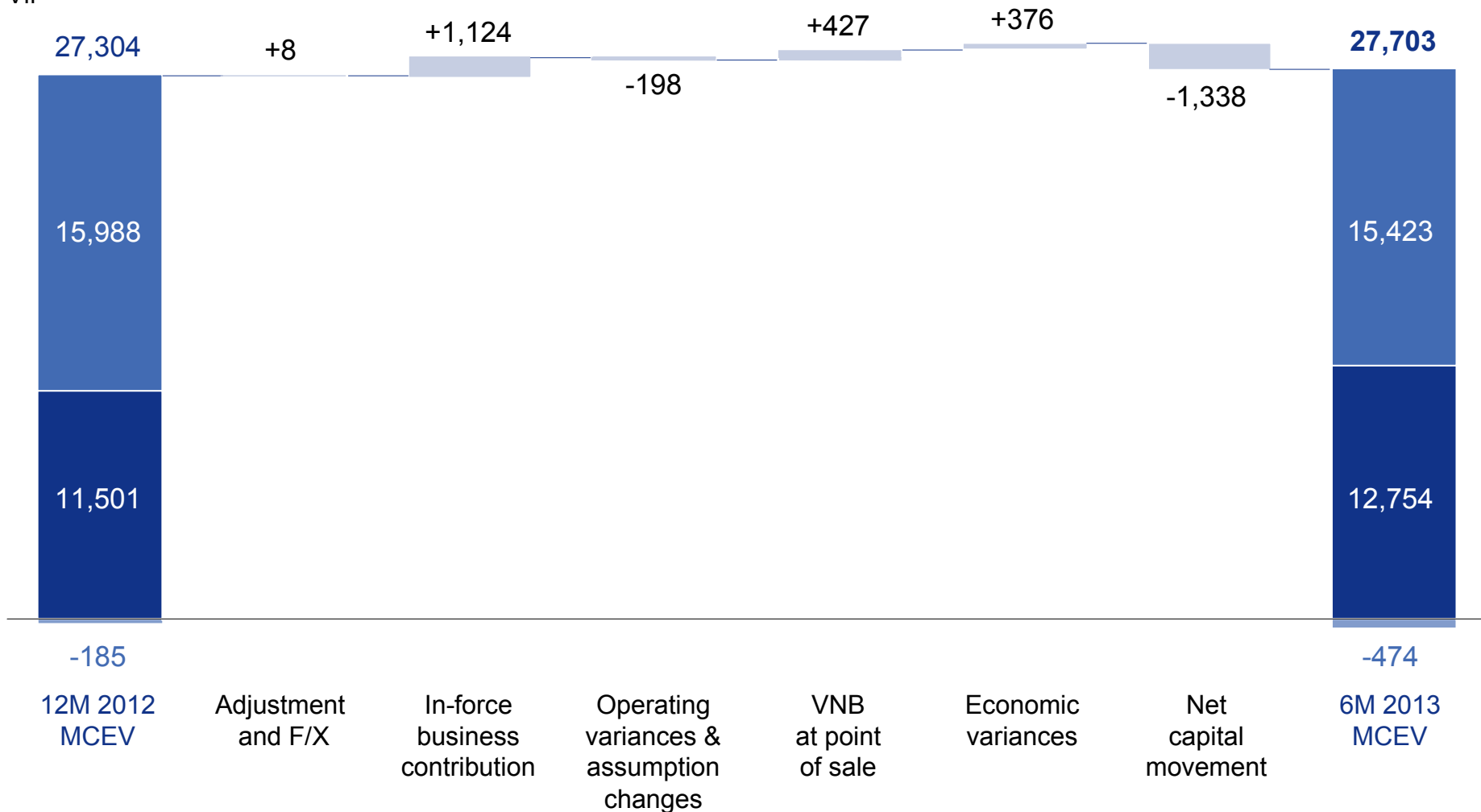
1) Asset base under IFRS which excludes unit-linked, FVO and trading
2) Based on interest and similar income

3) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
4) On an annual basis

L/H: stable MCEV

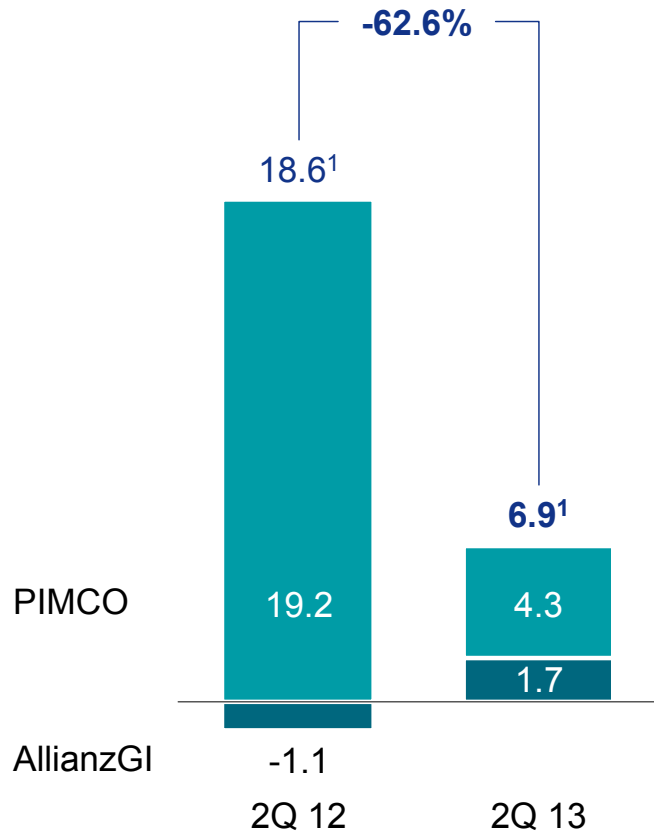
(EUR mn, after non-controlling interests)

- Free surplus
- Required capital
- VIF

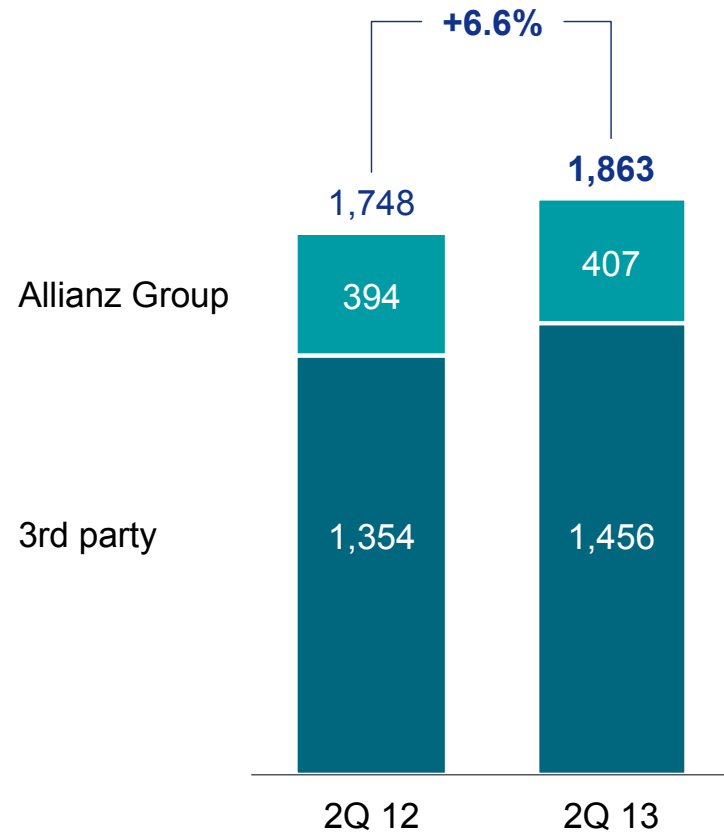


AM: positive net flows despite market hiccup

3rd party net flows (EUR bn)

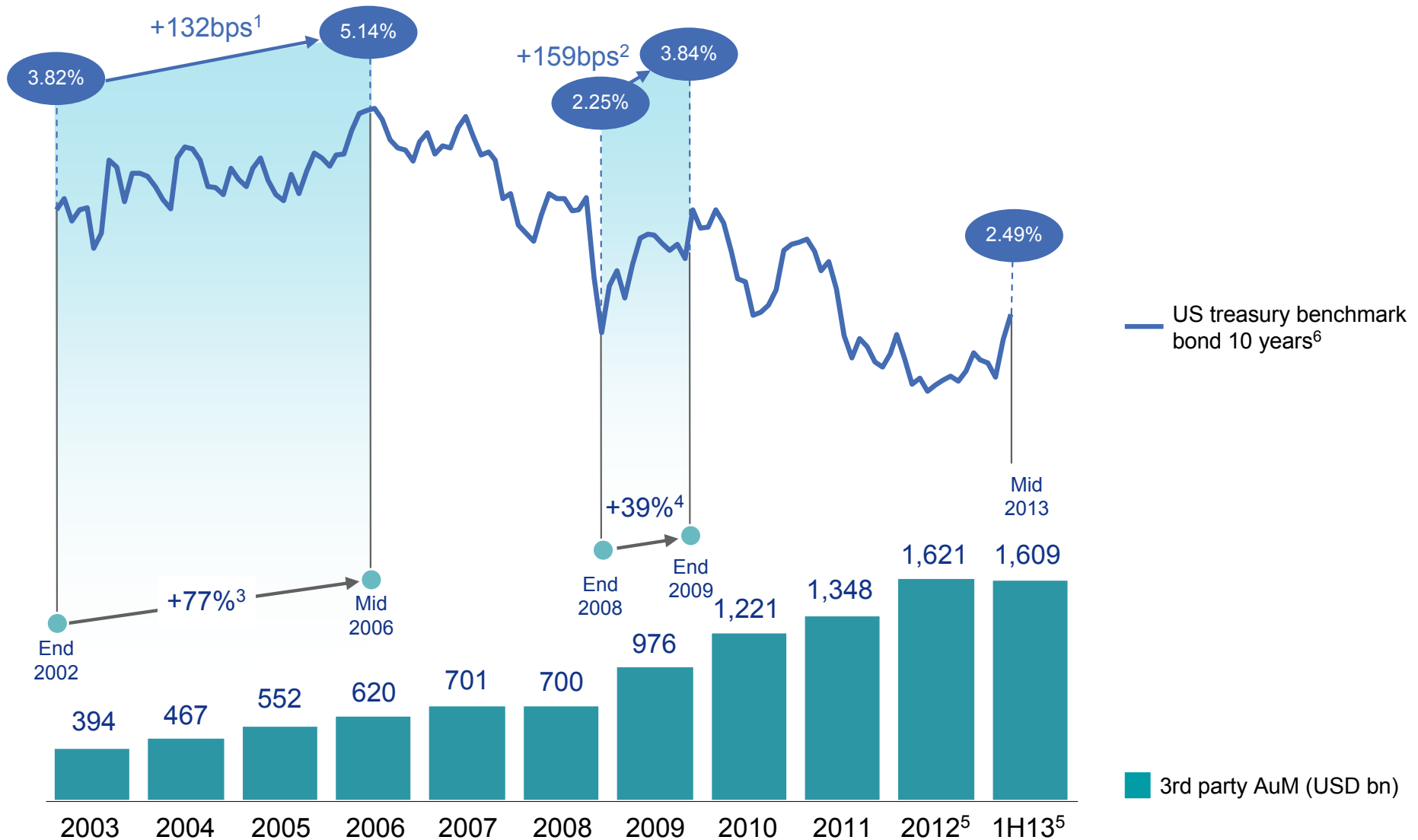


Assets under management (EUR bn)



1) "Other" net flows of EUR 0.5bn (2Q 12) and EUR 0.9bn (2Q 13) are not shown in chart

AM: PIMCO AuM grew even in times of increasing interest rates (in USD bn)



1) 30.06.06 compared with 31.12.02

2) 31.12.09 compared with 31.12.08

3) 3rd party AuM: USD 569bn as of 30.06.06 compared with USD 322bn as of 31.12.02

4) 3rd party AuM: USD 976bn as of 31.12.09 compared with USD 700bn as of 31.12.08

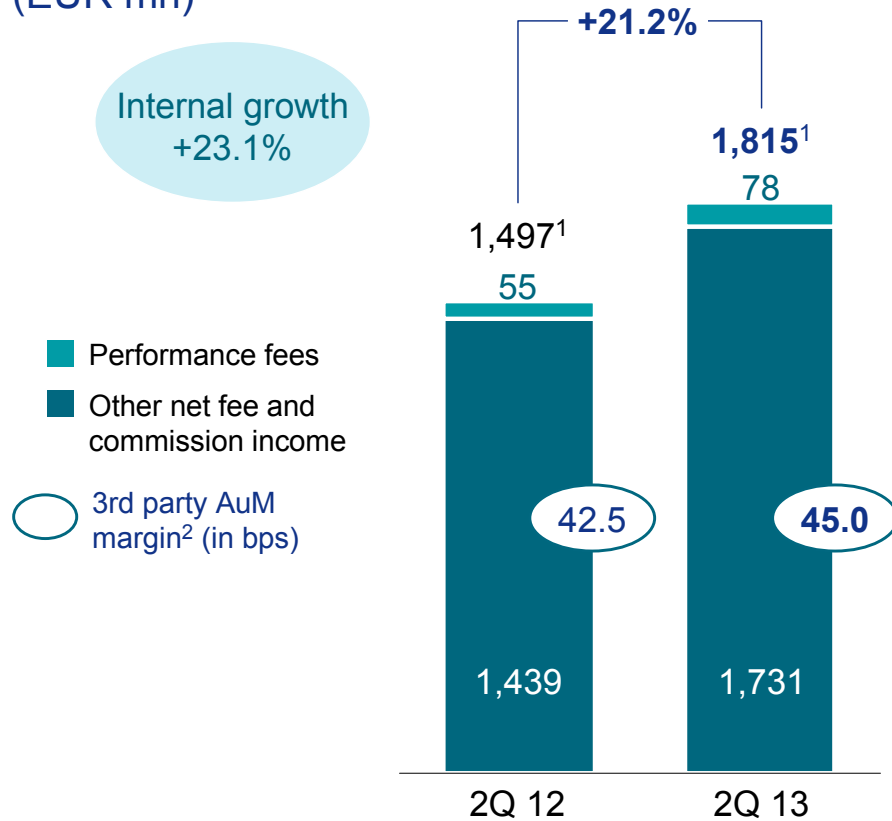
5) New organizational setup

6) Source: Thomson Reuters, Bloomberg

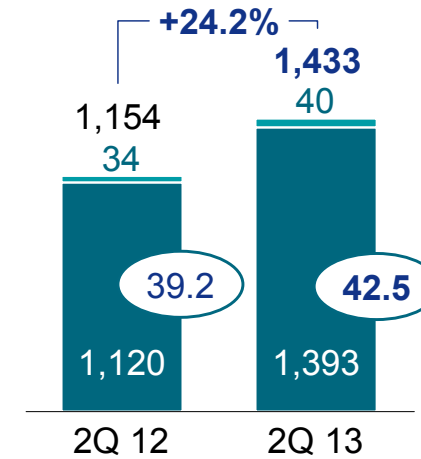


AM: AuM driven fees at record level

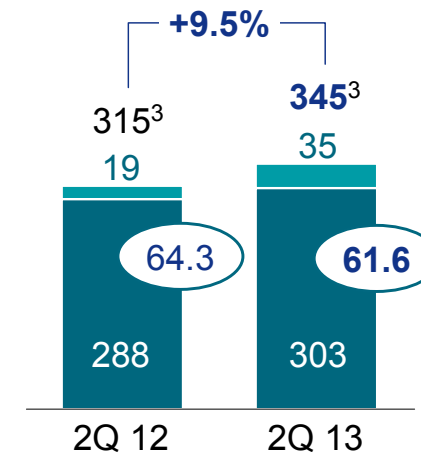
Revenues development (EUR mn)



PIMCO



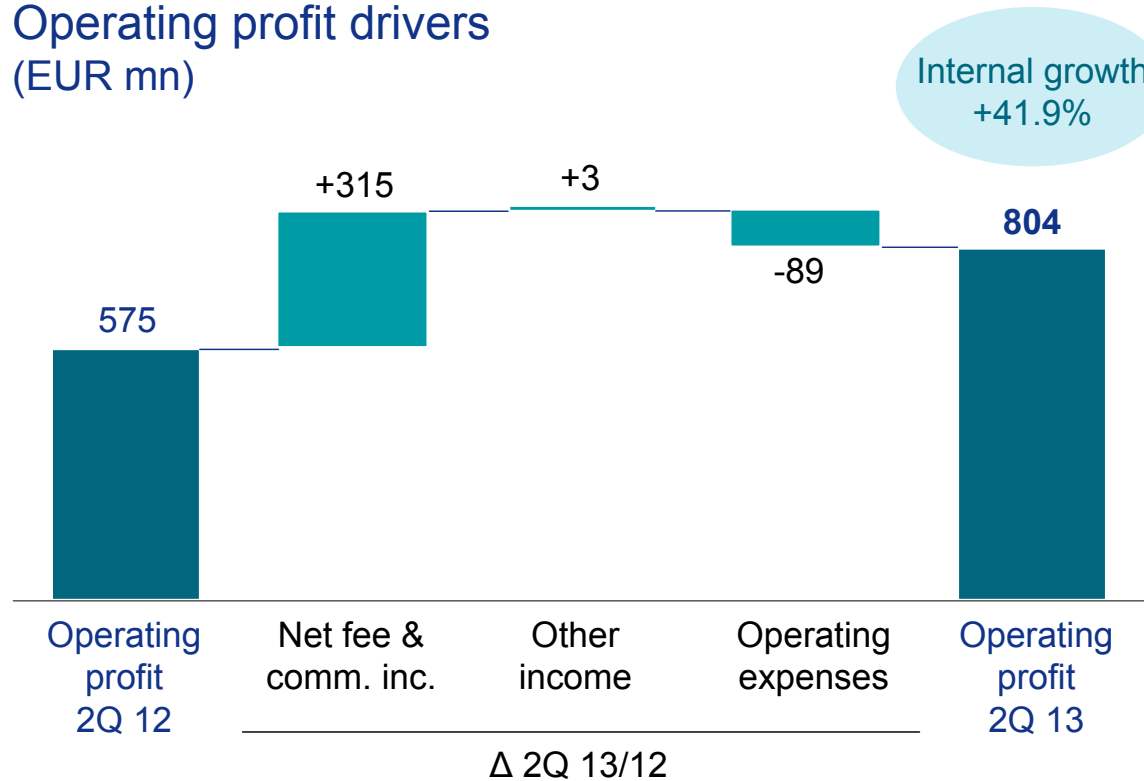
AllianzGI



1) "Other" revenues of EUR 3mn (2Q 12) and EUR 6mn (2Q 13) are not shown in chart
 2) Excluding performance fees and other income, 3 months
 3) "Other" AllianzGI revenues of EUR 8mn (2Q 12) and EUR 7mn (2Q 13) are not shown in chart

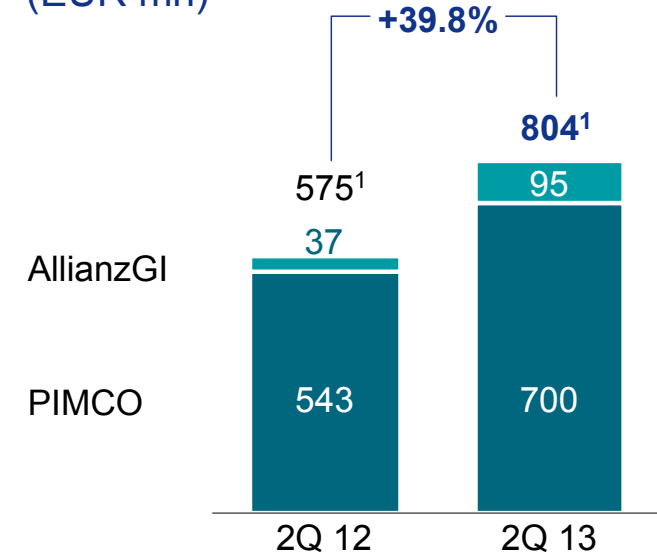
AM: operating profit up almost 40 percent

Operating profit drivers
(EUR mn)



	2Q 13	2Q 12
Net fee & comm. inc.	1,809	1,494
Other income	6	3
Operating expenses	-1,011	-922

Operating profit development
(EUR mn)



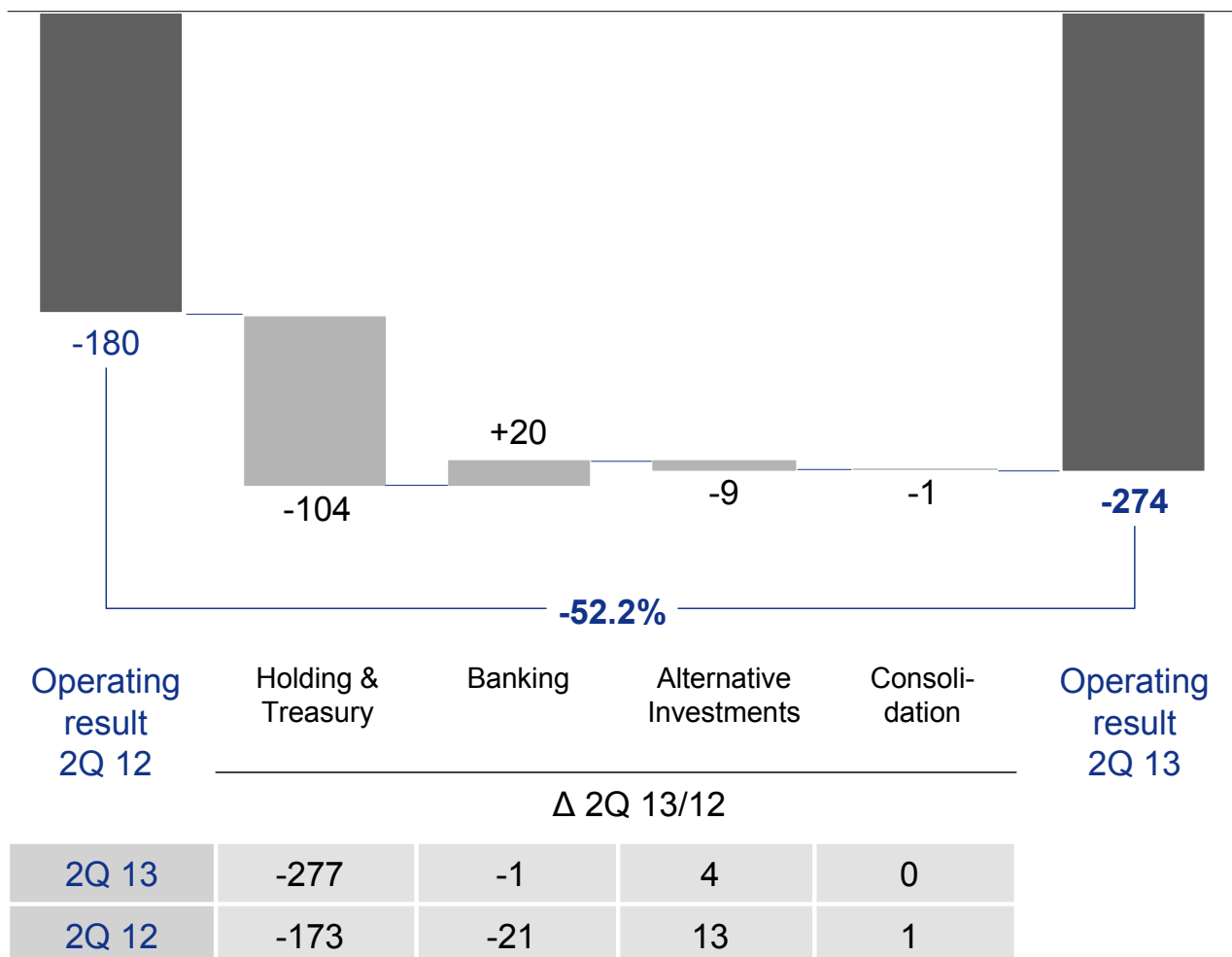
Cost-income ratio (in %)

	2Q 13	2Q 12
AllianzGI	88.5	72.4
PIMCO	52.9	51.2
Total	61.6	55.7

1) Including operating profit/loss from other entities of EUR -5mn (2Q 12) and EUR 9mn (2Q 13), which is not shown in chart. For further information, please refer to Additional information

CO: operating result at target (EUR mn)

Operating loss development and components

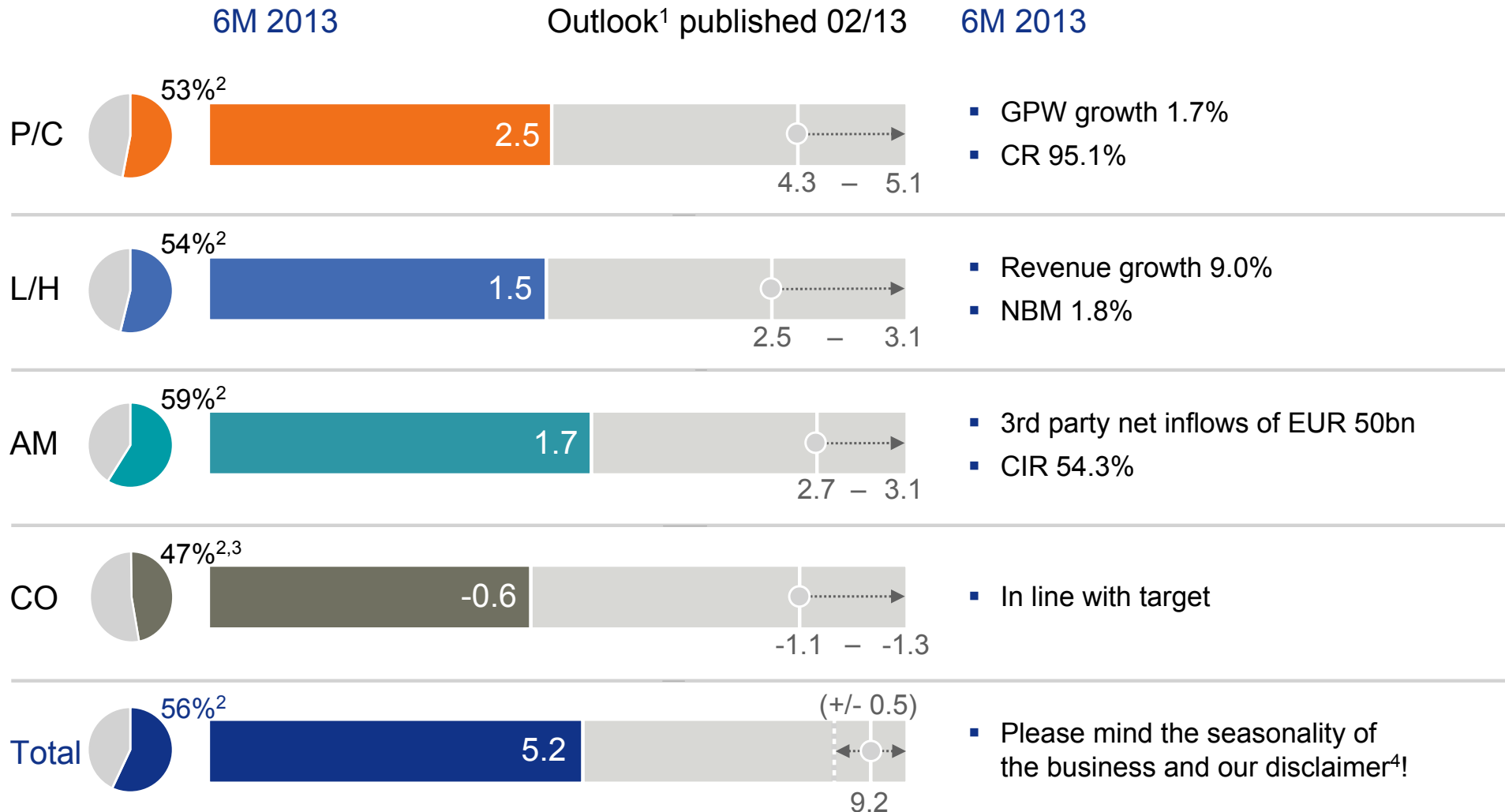


Group: shareholders' net income up 27 percent (EUR mn)

	2Q 12	2Q 13	Change
Operating profit	2,250	2,367	+117
Non-operating items	-151	132	+283
Realized gains/losses	370	458	+88
Impairments (net)	-207	-64	+143
Income from fin. assets and liabilities carried at fair value	28	7	-21
Interest expense from external debt	-251	-233	+18
Fully consolidated private equity inv. (net)	-47	-4	+43
Acquisition-related expenses	-10	-16	-6
Amortization of intangible assets	-31	-16	+15
Reclassification of tax benefits	-3	0	+3
Income before taxes	2,099	2,499	+400
Income taxes	-761	-824	-63
Net income	1,338	1,675	+337
Non-controlling interests	-86	-87	-1
Shareholders' net income	1,252	1,588	+336
Effective tax rate	36%	33%	-3%-p

Upper end of target range in reach

Operating profit (EUR bn)



1) For FY 2013
 2) As % of target range mid-point based on EUR mn figure
 3) Corporate and consolidation
 4) Disclaimer: impact from NatCat, financial markets and global economic development not predictable!



Summary of 2Q 2013 results



- Total revenues increase 6.3 percent to EUR 26.8bn
- Operating profit grows 5.2 percent to EUR 2,367mn
- Shareholders' net income up 26.8 percent to EUR 1,588mn
- Strong capital position and balance sheet

2

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Group: business highlights 2Q 2013



Additional information

- **Central and Eastern European floods**
Net claims after reinsurance EUR 329mn. Reduced amount compared to initially communicated EUR 350mn due to lower losses from our external business at AZ Reinsurance and lower estimates at our businesses in CEE countries.
- **Germany**
Privatschutz: contains modules from liability, household contents, building and legal protection insurance.
Perspektive: annuity insurance that balances higher expected yield for customers with reduced guarantee, resulting in lower capital requirements for the shareholder.
- **Bancassurance**
Strongest growth in Italy, Spain, Taiwan and Germany.
- **Yapı Kredi**
Transaction closed, application for mandatory tender offer regarding outstanding shares filed with the Turkish Capital Markets Board. Subject to this approval, the mandatory tender offer is expected to be launched in 3Q 2013.

Group: strong operating performance and high net income

Additional information

- **Growth**
Internal growth of 6.5%, driven by AM and L/H, P/C impacted by reduction in crop business.
- **Operating profit**
Improvement in AM and P/C, L/H down compared to strong result last year, CO with higher expenses than last year, but in line with expectations.
- **P/C**
Operating profit increases due to an improvement in our underlying claims ratio helped by the positive price environment, higher run-off and lower restructuring charges.
- **L/H**
Decline of operating profit predominantly driven by market volatility, leading to higher DAC amortization in the USA and lower investment result in Germany due to trading-related losses.
- **Asset Management**
Another outstanding result despite market turbulences. AuM driven fees at highest level ever. Performance fees also up compared to previous year, but – as expected – lower than in exceptional 1Q 2013.
- **Impact IAS 19 restatement**
Operating profit 2Q 2012 increased by EUR 26mn.
- **Restructuring charges now operating**
2Q 2012: EUR 139mn;
2Q 2013: EUR 6mn.
- **Net income**
Increase driven by improved operating and high non-operating result as well as slightly reduced tax ratio.

Group: healthy capital position

Additional information

- **IAS**
Shareholders' equity and conglomerate solvency reflect new IAS 19: negative shareholders' equity impact at beginning of year of EUR 3.2bn and 16%-p respectively.
- **Shareholders' equity**
Increase from net income (EUR 3.3bn) was more than compensated by decrease of unrealized gains (EUR -3.6bn), dividend payment in May (EUR -2.0bn) and a negative currency translation adjustment (EUR -0.2bn).
- **Redemption of USD 2bn bond in June**
We called our 2bn USD 8.375% undated subordinated bond, reducing the refinancing costs by approx EUR 130mn. Effect on both conglomerate and economic solvency ratio was -6%-p.
- **Economic solvency**
Increase of economic solvency ratio driven by slight decrease of available funds, which is more than compensated by the decrease in required capital. Requirements are down mainly due to lower market and credit risk.
- **Dividend**
We stick to our policy of a 40% dividend accrual based on shareholders' net income.

P/C: underlying growth of 2.3 percent¹

Additional information

- **P/C growth**
Internal growth ex crop +2.3%, of which +1.5% volume and +0.8% price.
- **Germany**
Price increases continue in personal and commercial motor. Volume decreases in our UBR lines of business.
- **France**
Nominal growth driven by last year's acquisition of GAN Eurocourtage. Rate increases drive internal growth.
- **Italy**
Steady performance in difficult economic environment. Solid top-line growth in motor mitigated by non-motor. Direct business continues growing in excess of 20%.
- **AGCS**
Seasonality of renewals at ART and profitability-driven underwriting.
- **Australia**
Growth driven by new customers in motor lines and price increases in retail and commercial.
- **USA**
Top line driven by lower crop business and portfolio clean-up. Internal growth ex crop -6.9%. Pricing momentum accelerated further with an average rate change on renewals of 5.4%.
- **Turkey**
Growth accelerated further during 2Q, driven by price and volume increases in the motor segment. 940k new customers since 2Q 2012. Growth is entirely organic and does not include the Yapı Kredi acquisition which closed on 12 July.



P/C: underwriting result continues to improve

Additional information

- **Operating profit**
12.3% operating profit growth driven by strong underwriting result. Investment result contribution lower - as expected.
- **Claims environment**
Non-attribitional claims frequency high. Net NatCat losses of EUR 549mn well above prior year's level of EUR 174mn.
- **Run-off**
Run-off for the quarter above long-term expected run-off of 2-3% but broadly in line for 1H. Positive contributions from most OEs.
- **Accident year loss ratio**
Up 1.5%-p to 73.0% entirely due to NatCat. Attritional AY loss ratio ex NatCat and large losses down as a result of price increases and positive impact from frequency/severity.
- **Combined ratio**
Reinstatement premiums have a negative effect on the CR of 0.4%-p.
- **Expense ratio**
Increase largely driven by reduction in crop business with a below-average expense ratio, change in regulation in Brazil (policy collection fees), consolidation of GAN Eurocourtage and decrease in AGCS premium base.

P/C: lower combined ratio supports operating profit

Additional information

- **Strong segment result**
All major OEs (ex Germany) have improved operating profit and CR.
- **High loss frequency in 2Q**
Major NatCats: Floods Central and Eastern Europe (EUR 329mn), thunderstorms Germany / Switzerland (EUR 152mn), floods Pyrenees (EUR 35mn) and flashflood Calgary (EUR 40mn).
- **Germany**
2Q heavily affected by floods (EUR 206mn) and thunderstorms (EUR106 mn). Attritional loss ratio continues to develop positively.
- **France**
Sharp decline in attritional loss ratio and higher run-off partially offset by NatCat and higher expense ratio (Eurocourtage). Operating Investment Income benefiting from a larger asset base (Eurocourtage).
- **Italy**
Best in class CR of 76.4%. Driven by stable average premiums. Low claims frequency, lower impact of claims in MTPL and prior year reserve redundancies.
- **AGCS**
Impacted by large non-cat claims (e.g. a EUR 61mn fire claim) as well as floods in Europe and Calgary (EUR 60mn).
- **Australia**
Rate increases, better weather-related results, lower expense ratio and a one-off provision release are key operating result drivers.
- **USA**
Major y.o.y. improvement driven by absence of net prior year negative reserve development and improvements in the accident year non-cat loss ratio in commercial lines.

P/C: operating investment result impacted by low interest rate environment

Additional information

- **Interest income**
Higher average asset base partly offsets negative effect of lower yields and lower dividend income. Asset base increase mainly driven by organic growth, acquisitions (GAN Eurocourtage, Mensura) and market effects.
- **Duration lengthening**
Asset and liability duration up year-on-year, mainly driven by Mensura acquisition as well as active lengthening of asset side duration.
- **De-risking**
De-risking efforts, related to Italian and Spanish sovereign bonds, contributed EUR -16mn to the reduction in interest income.
- **Net harvesting and other**
Mainly driven by negative FX.

L/H: unit-linked business drives growth

Additional information

- **Growth**
Growth of 9.8% entirely driven by unit-linked business without guarantees - revenues doubled to EUR 2.5bn. Strong increase of Bancassurance sales (+19%).
- **Italy**
Profitable growth – 37% increase in revenues with an enhanced NBM of 1.6%. Very strong development of unit-linked business which accounts for 77% of new business. Growth in unit-linked business via financial advisors and bancassurance partners offsets decline in traditional products.
- **USA**
Decline of 10% predominantly driven by fixed-indexed annuities following repricing actions and stiff competition. Compared to 1Q 2013 revenues grew by 15%.
- **Asia-Pacific**
Taiwan with 131% growth, entirely due to unit-linked business without guarantees supported by bancassurance.
- **Spain**
Growth driven by sale of short-term unit-linked product through bancassurance channel along with growth in savings and annuities through agents.
- **CEE**
Premiums affected by development in Poland, where regulatory restrictions have put a stop to sales of short-term deposit contracts.

L/H: solid operating performance

Additional information

- **Operating profit**

Quarterly operating profit affected by lower result from Germany and USA, most other OEs improved operating profit. 1H 2013 operating profit of EUR 1.5bn at solid level, in line with run-rate for full-year target of EUR 2.5 – 3.1bn.

- **Loadings & fees**

Increase of unit-linked business fees (France, Italy, USA) and loadings from reserves (France and USA).

- **Investment margin**

Negative impact from Germany (EUR -157mn) predominantly caused by negative result from duration management and F/X. Total investment margin up due to improvement in USA, Spain and France. In the U.S. basis risk losses were more than offset by a better VA result, leading to an increase of the investment margin of EUR +109mn. This positive

impact was overcompensated by change in DAC, reflected in “impact of change in DAC”.

- **Technical margin**

Driven by one-offs: positive in 2Q 2012 and negative in 2Q 2013.

- **Impact of change in DAC**

Driven by a large swing in the U.S. (EUR +96mn in 2Q 2012 and EUR -66mn in 2Q 2013) resulting from DAC amortization on higher investment income and negative true-ups.

L/H: higher volumes increase value of new business

Additional information

- **VNB**
VNB increased 17% driven by higher volumes at constant margins.
- **Germany**
Decrease in operating profit by EUR 153mn driven by lower investment income stemming predominantly from losses on our duration management program and FX related losses.
1H 2013 operating profit of EUR 506mn remains at a healthy level.
- **USA**
Margin improved due to re-pricing actions and higher interest rates (NBM assumptions updated biweekly). Variable annuities NBM stands at 3.1%.
- **France**
VNB retreats due to lower margins in group protection business and assumption changes. Decline in group protection margin mainly due to unfavorable business mix development. Margin improvement expected through steering towards a more favorable business mix.
- **Italy**
VNB continued recovery due to increased volumes and higher margins of new products.
- **German Health**
Increase in operating profit due to higher loadings following stronger premiums and improved investment result.

L/H: investment margin stable



Additional information

- **Investment margin**

Up 5.7% thanks to growth (reserves up 3.8%) and a slightly better margin (+1bp).

- **Current yield on reserves**

Current yield holds up quite well with a decrease by 6bps only.

- **Net harvesting and other**

Net harvesting and other down by 12bps to -0.1%. Losses from F/X and duration management (Germany) were partially compensated by favourable fair value movements in France and USA.

- **Policyholder participation**

Lower expenses for guarantees (2bps) and lower profit sharing (17bps) helped to stabilize margins. Profit sharing managed on annual basis, quarterly volatility with limited relevance.

- **Margin**

Margin increased by 1bp to 19bps. Compared to 1Q 2013 the margin fell by 3bps due to lower net harvesting.

The 1H 2013 margin stands at 41bps and is well on track to reach a normal level of approx. 75bps for the full year.

L/H: stable MCEV

Additional information

- **Economic variances**
EUR 376mn positive impact driven by lower spreads on Italian and Spanish government bonds and higher interest rates in Germany and Switzerland.
- **Net capital movement**
Net capital upstream by Life subsidiaries to the Group increased by 59% to EUR 1.3bn in 6M 2013 compared to 6M 2012.
- **MCEV uplift**
Additional value not accounted for in IFRS equity at EUR 5.9bn.

AM: positive net flows despite market hiccup

Additional information

- **Development of net flows**
3rd party net inflows despite rising yields. YTD net inflows of EUR 49.6bn, 18% more than in 6M 2012.
- **Regional mix of inflows**
Business in Europe and Asia-Pacific continues to grow disproportionately: 3rd party inflows in Europe at 1.9%, in Asia-Pacific at 0.7%, the Americas with outflows of 0.2% of related regional AuM, respectively.
- **Inflows at PIMCO**
3rd party net inflows in non-traditional products over-compensated outflows in traditional strategies. PIMCO based on 6M 2013 3rd party inflows still top quartile in various league tables.
- **Inflows at AllianzGI**
Net inflows at AllianzGI driven by institutional business. Retail inflows positive as well.
- **Segment AuM**
3rd party AuM higher than at 2Q 2012, but 4.0% lower than at 1Q 2013 due to negative market (EUR 49bn) and currency impact (EUR 21bn).
- **PIMCO AuM**
PIMCO 3rd party AuM of EUR 1,238bn higher than at 2Q 2012 (+7.0%) and FY 2012 (+0.5%). Compared to 1Q 2013, assets decreased by 4.8%, in line with market trends.

AM: PIMCO AuM grew even in times of increasing interest rates (in USD bn)

Additional information

- **Long-term AuM development**

PIMCO with a track record of rising AuM in both, rising and falling interest rate environments. This is also driven by net inflows.

Annual net inflows amounted to 11% of AuM in the period 2003-2012, on average.

AM: AuM driven fees at record level

Additional information

- **Revenues improved**
AuM driven fees at highest level ever due to PIMCO, triggered by higher average AuM and higher margins of PIMCO. AllianzGI revenues improved through higher performance fees and recurring revenues due to an increase in AuM, mainly resulting from equity market appreciation.
- **Performance fees improved**
Performance fees at 4.3% of net fee and commission income, slightly up versus 2Q 2012.
- **AM margin improved**
Revenue margin up, driven by an increased share of retail business and a grown proportion of high-margin non-core fixed income products at PIMCO. AllianzGI's margin decreased due to a change in business mix, e.g. a lower share of retail business. All margins partially driven by quarterly volatility.

AM: operating profit up almost 40 percent

Additional information

- **Operating profit and outlook**

Operating profit 4th best in history, after performance fee driven records in last three quarters. Full-year operating profit outlook of EUR 2.7-3.1bn confirmed.

- **PIMCO operating profit**

Excluding impact from performance fees, operating profit 2Q 2013 is at historic high.

- **AllianzGI operating profit**

Increase driven by swing in restructuring expenses (EUR 2mn in 2Q 2013 after EUR 61mn in 2Q 2012).

- **CIR**

CIR slightly higher than in 1Q 2013 due to lower performance fees.

Improvement versus 2Q 2012 driven by absence of major restructuring expenses (-4%-p) and ongoing exploitation of scale effects and rising margins (-2%-p).

CO: operating result at target

Additional information

- **Operating profit**
Previous year's quarter better than normal, actual result in line with quarterly run-rate for full-year target of EUR -1.1 – -1.3 bn.
- **Holding & Treasury**
Increase in operating loss driven by higher pension costs and IT investments for the group.
- **Banking**
Improvement of operating profit mainly due to lower loan loss provisions.

Group: shareholders' net income up 27 percent

Additional information

- **Non-operating items**
Improvement of EUR 283mn, driven by higher realizations, lower impairments and improved result from private equity investments.
- **Tax**
Tax rate within expected range of 32% - 34%.
- **Shareholders' net income**
Increase driven by improved operating and high non-operating result as well as slightly reduced tax ratio.

Upper end of target range in reach



Additional information

- **6M operating result**
All business segments exceed their mid-point pro rata target.
- **Operating profit**
Improvement in AM and P/C, L/H down compared to strong result last year.
- **P/C**
Operating profit driven by improvement of underlying loss ratio. 1H run-off with 3.6% broadly in line with average of last three years.
- **L/H**
Internal growth mainly driven by unit-linked business. Stable NBM at 1.8%. Operating profit decreased, but still at healthy level.
- **Asset Management**
Remarkable net inflows combined with higher AuM driven margin of 44.3bps drive strong increase of operating profit. Performance fees of EUR 354mn exceptionally high.

3a

Group financial
results 2Q 2013

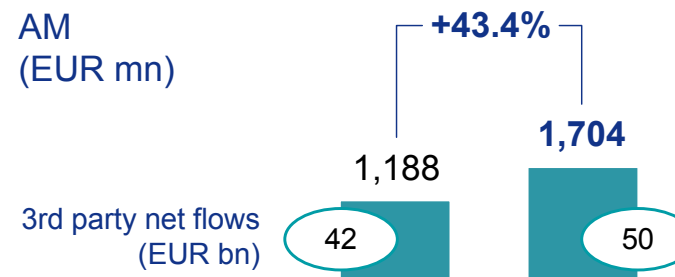
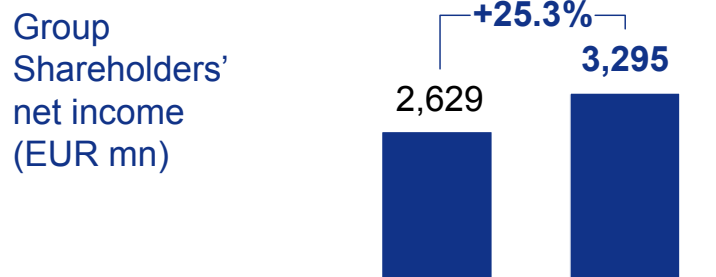
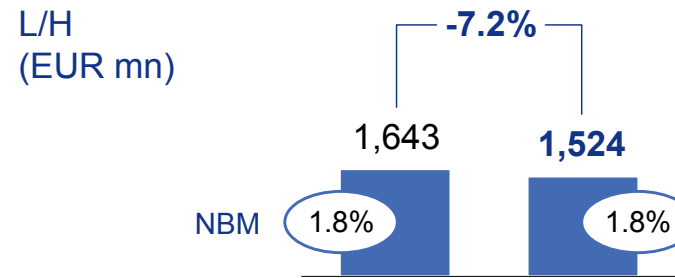
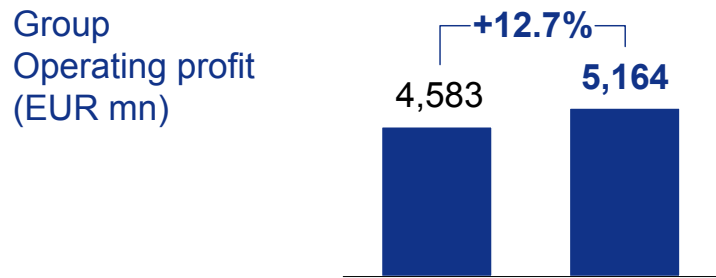
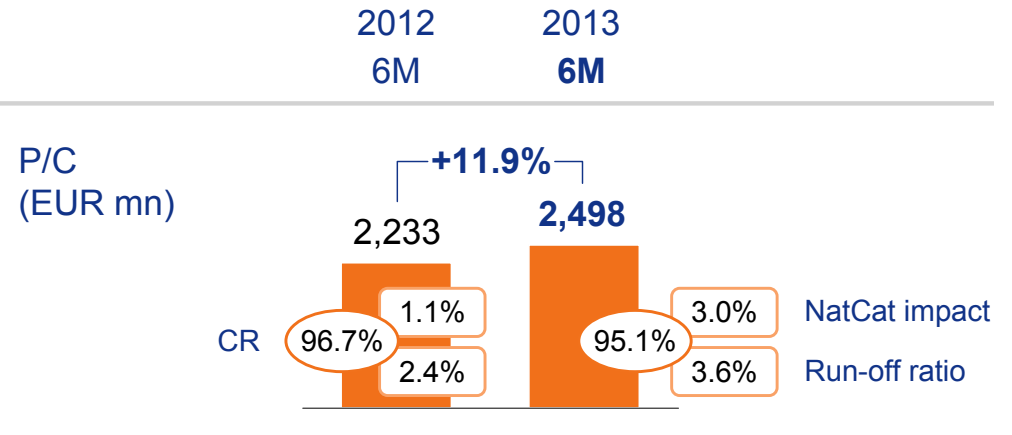
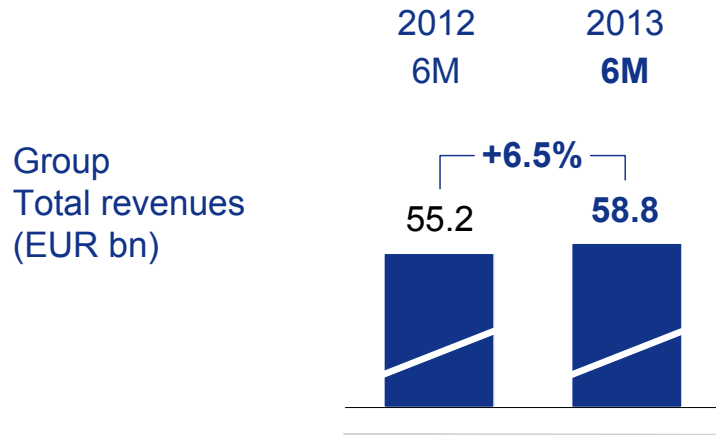
- 1 Highlights
- 2 Comment pages
- 3 **Additional information**
 - a) Group
 - b) Property-Casualty
 - c) Life/Health
 - d) Asset Management
 - e) Corporate and Other
- 4 Glossary

Group: key figures (EUR mn)

	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	Delta 2Q 13/12	6M 2011	6M 2012	6M 2013
Total revenues (EUR bn)	24.6	24.1	25.0	30.1	25.2	25.2	25.9	32.0	26.8	+1.6	54.5	55.2	58.8
- Property-Casualty	10.2	10.8	9.5	14.8	10.7	11.4	10.0	15.2	10.8	0.1	24.4	25.5	26.0
- Life/Health	13.0	11.8	13.8	13.7	12.9	11.9	13.9	14.8	14.1	1.2	27.2	26.6	29.0
- Asset Management	1.3	1.3	1.6	1.4	1.5	1.8	2.0	1.9	1.8	0.3	2.6	2.9	3.7
- Corporate and Other	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.1	0.1	0.0	0.3	0.3	0.3
- Consolidation	0.0	0.0	0.0	0.0	0.0	-0.1	-0.1	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
Operating profit	2,297	1,912	1,905	2,333	2,250	2,538	2,216	2,797	2,367	+117	3,947	4,583	5,164
- Property-Casualty	1,303	1,111	1,022	1,183	1,050	1,162	1,219	1,319	1,179	129	1,963	2,233	2,498
- Life/Health	678	520	502	825	818	815	485	855	669	-149	1,380	1,643	1,524
- Asset Management	527	533	655	613	575	848	917	900	804	229	1,056	1,188	1,704
- Corporate and Other	-180	-223	-235	-274	-180	-261	-399	-239	-274	-94	-411	-454	-513
- Consolidation	-31	-29	-39	-14	-13	-26	-6	-38	-11	2	-41	-27	-49
Non-operating items	-649	-1,245	-787	-88	-151	-336	-43	-119	132	+283	-821	-239	13
Income b/ tax	1,648	667	1,118	2,245	2,099	2,202	2,173	2,678	2,499	+400	3,126	4,344	5,177
Income taxes	-554	-392	-544	-794	-761	-749	-857	-877	-824	-63	-1,122	-1,555	-1,701
Net income	1,094	275	574	1,451	1,338	1,453	1,316	1,801	1,675	+337	2,004	2,789	3,476
<i>Net income attributable to:</i>													
Non-controlling interests	71	63	69	74	86	94	73	94	87	+1	130	160	181
Shareholders	1,023	212	505	1,377	1,252	1,359	1,243	1,707	1,588	+336	1,874	2,629	3,295
Group financial assets¹ (EUR bn)	473.3	480.5	485.4	502.0	507.7	525.1	533.4	542.2	528.8	+21.1	473.3	507.7	528.8

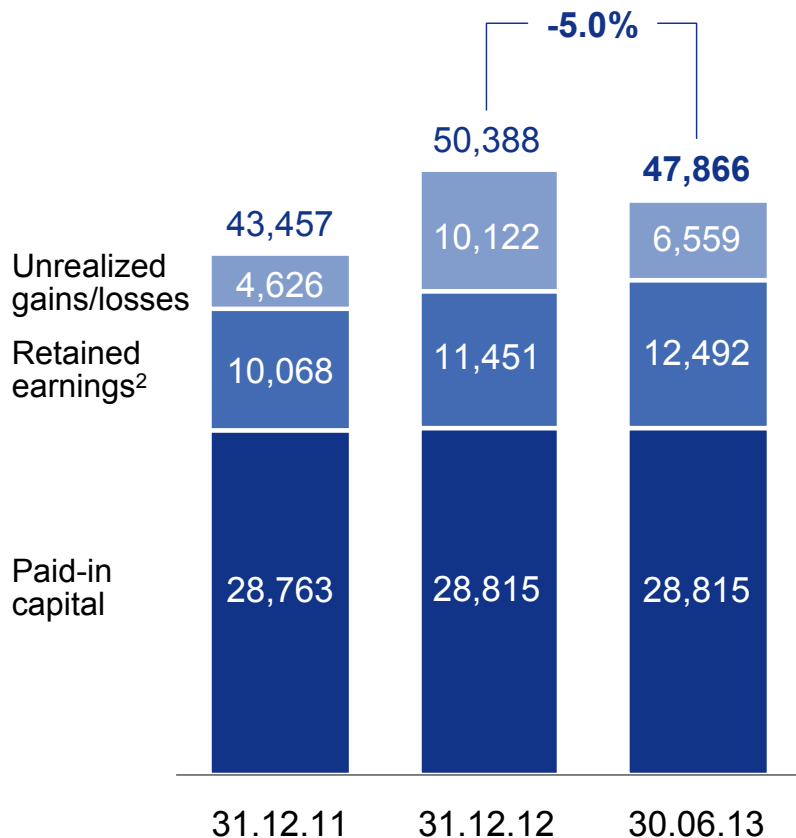
1) Group own assets including financial assets carried at fair value through income, cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling

Highlights 6M 2013

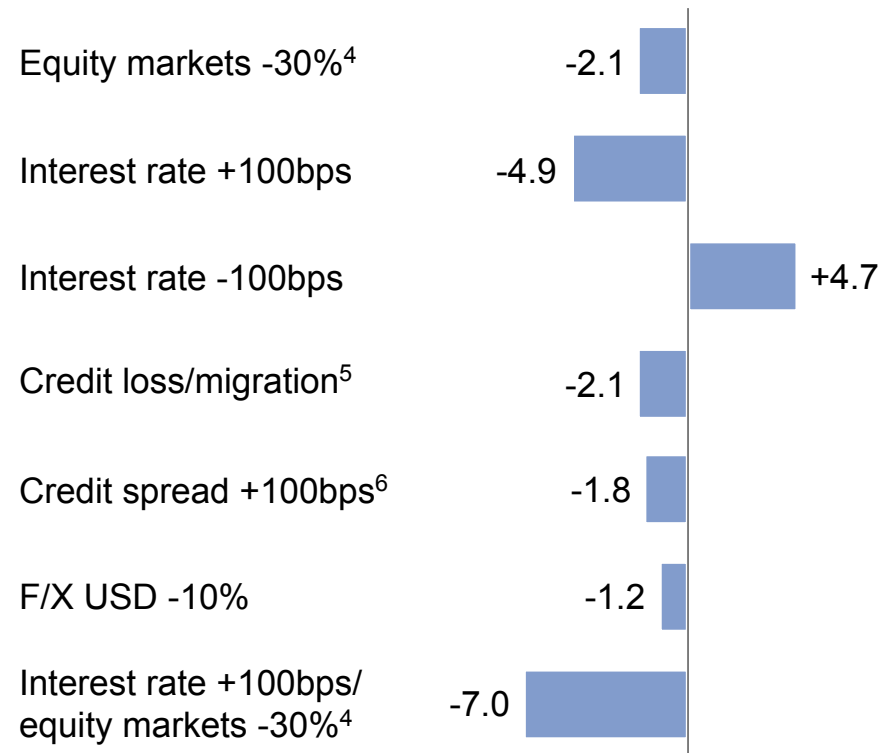


Group: shareholders' equity and stress tests

Shareholders' equity¹ (EUR mn)



Estimation of stress impact³ (EUR bn)

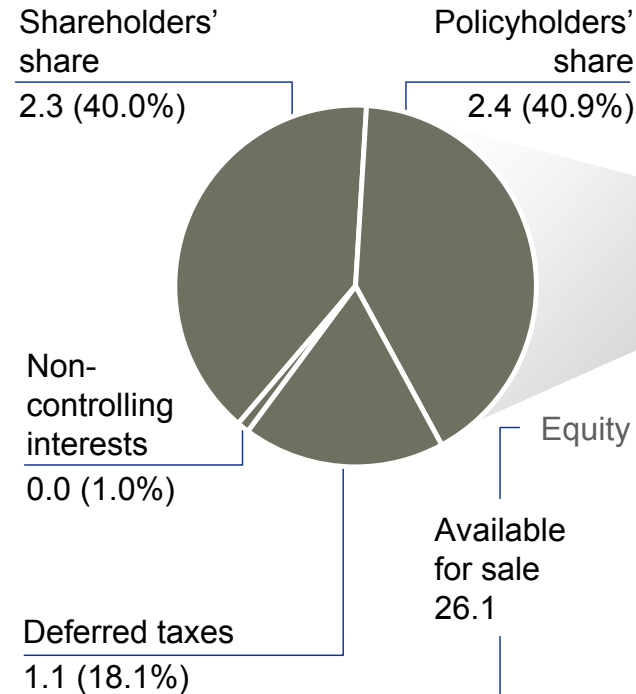


1) Figures adjusted following IAS 19 changes. Excluding non-controlling interests (31.12.11: EUR 2,290mn, 31.12.12: EUR 2,575mn, 30.06.13: EUR 2,558mn)
 2) Including F/X
 3) After non-controlling interests, policyholder participation, tax and shadow DAC
 4) Including derivatives

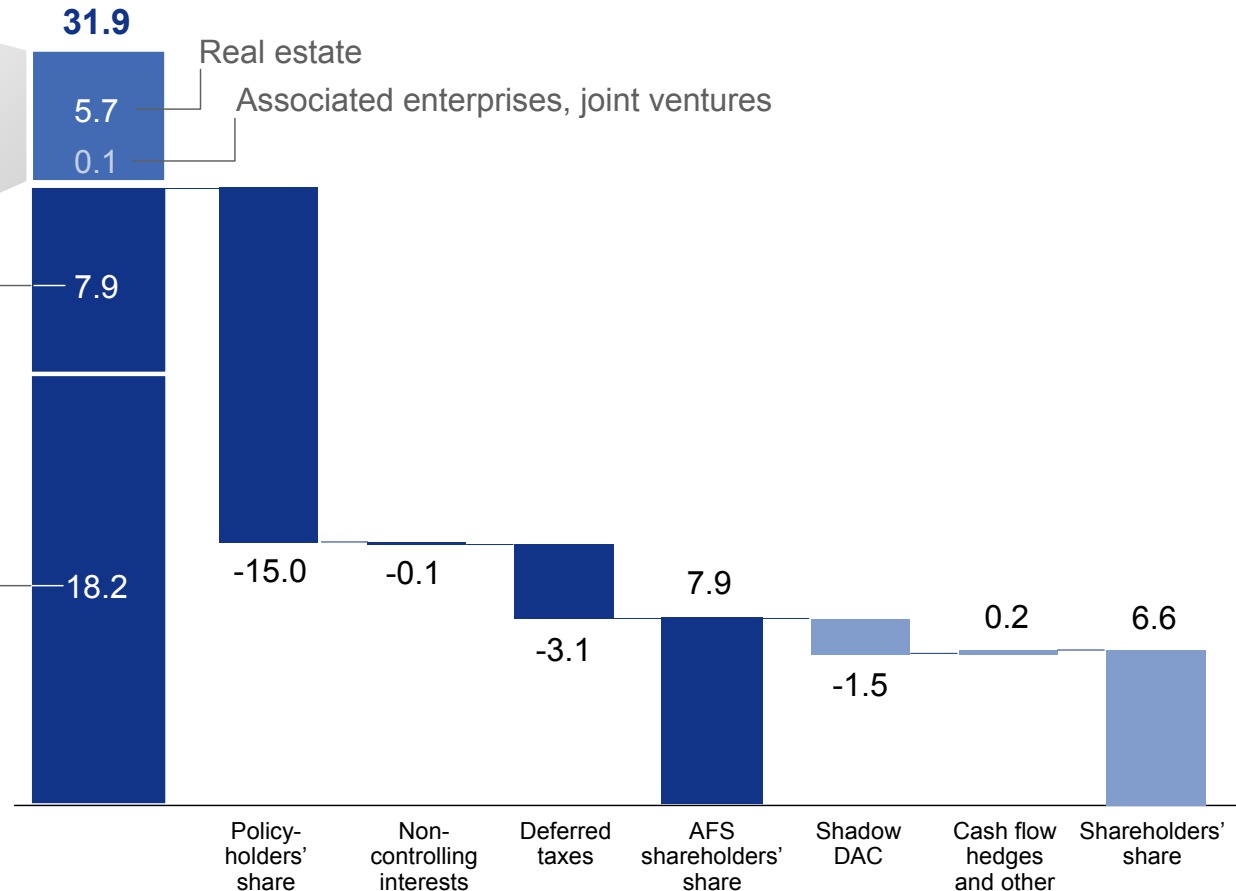
5) Credit loss/migration (on corporate and ABS bonds): scenario based on probabilities of default as in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30%
 6) Credit spread stress on corporate and ABS portfolio

Group: revaluation reserve (EUR bn)

Off balance sheet



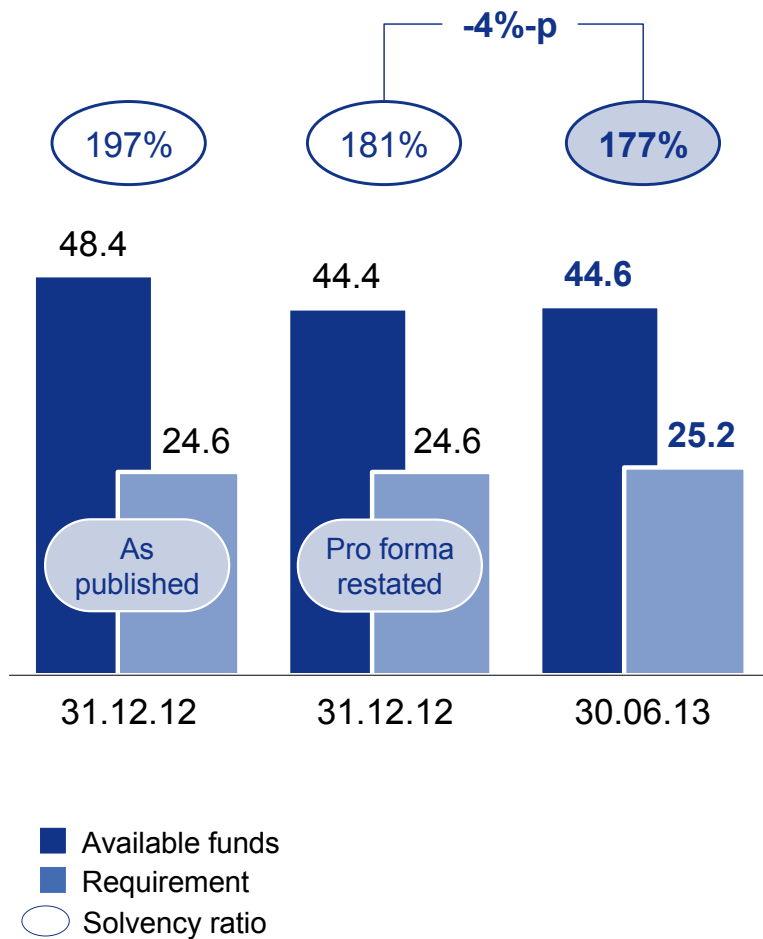
Revaluation reserve



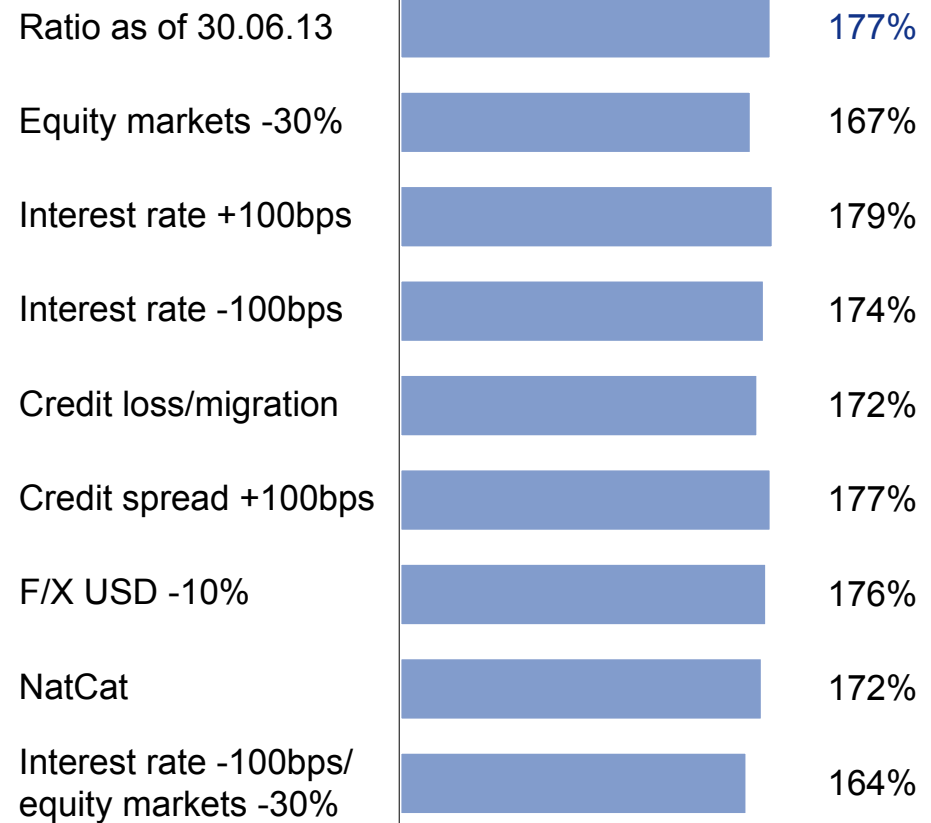
On balance sheet

Group: conglomerate solvency ratio and stress tests

Conglomerate solvency¹ (EUR bn)



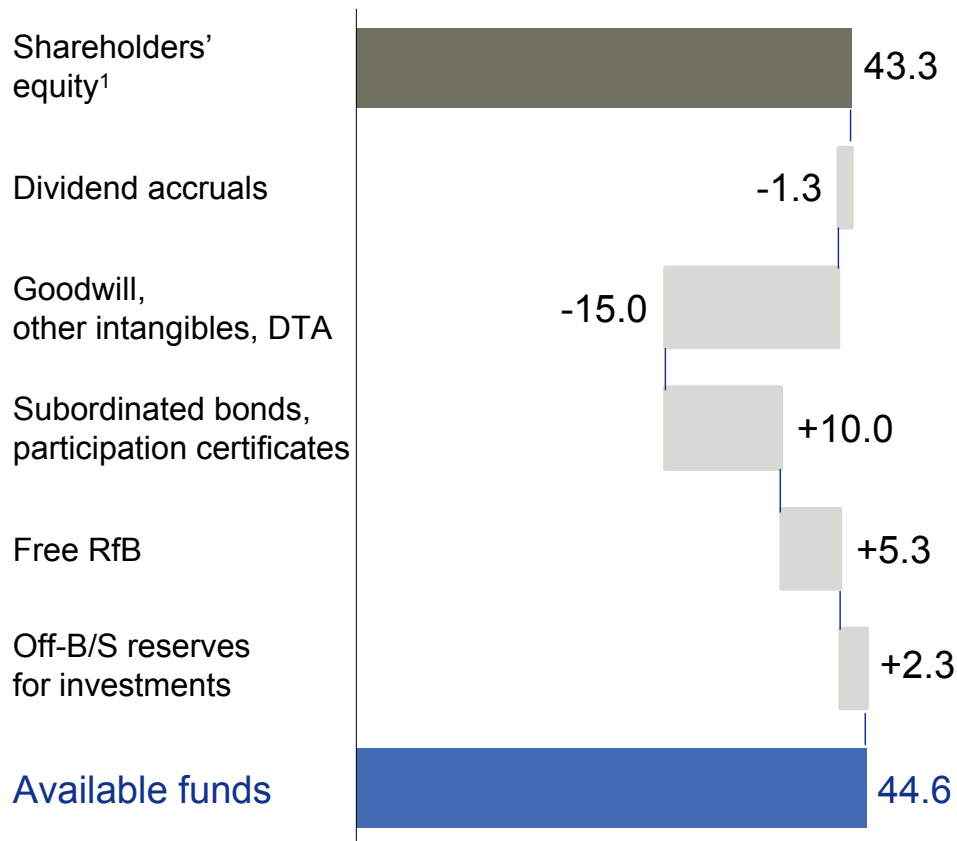
Estimation of stress impact¹



1) Including off-balance sheet reserves: 31.12.12: EUR 2.2bn (based on published figure), 31.12.12: 2.2bn (based on pro forma restated figure), 30.06.13: EUR 2.3bn. The solvency ratio excluding off-balance sheet reserves would be 188% (based on published figure) for 31.12.12, 171% (based on pro forma restated figure) for 31.12.12 and 168% for 30.06.13

Group: conglomerate solvency details as of 30.06.13 (EUR bn)

Available funds



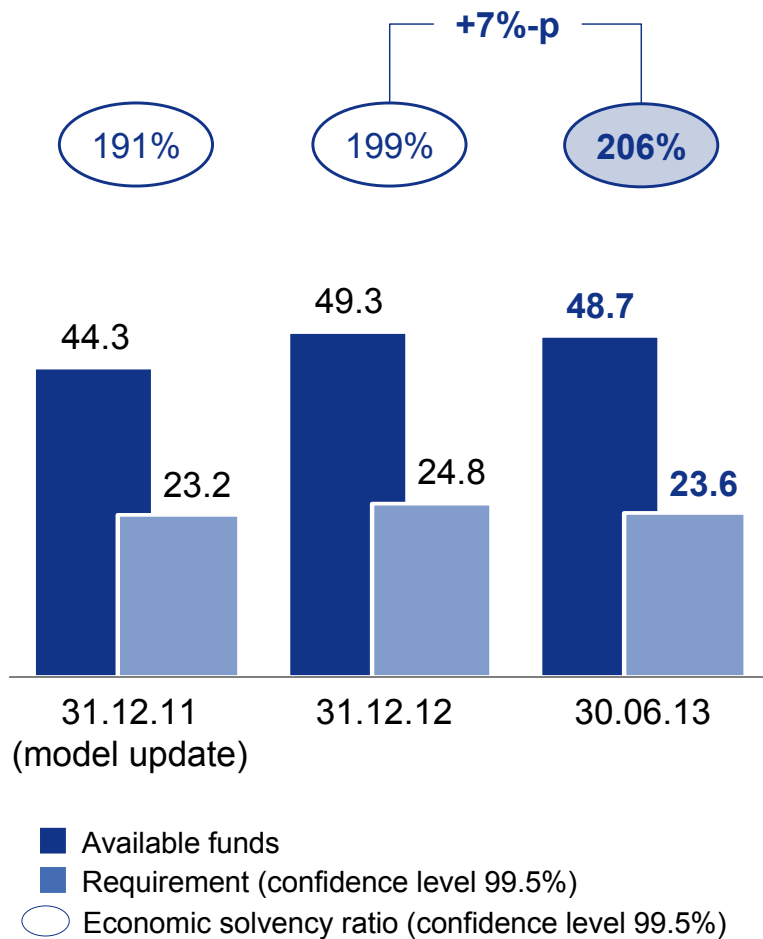
Required capital



1) Adjusted for unrealized gains/ losses on available-for-sale bonds (negative effect of EUR -4.6bn)

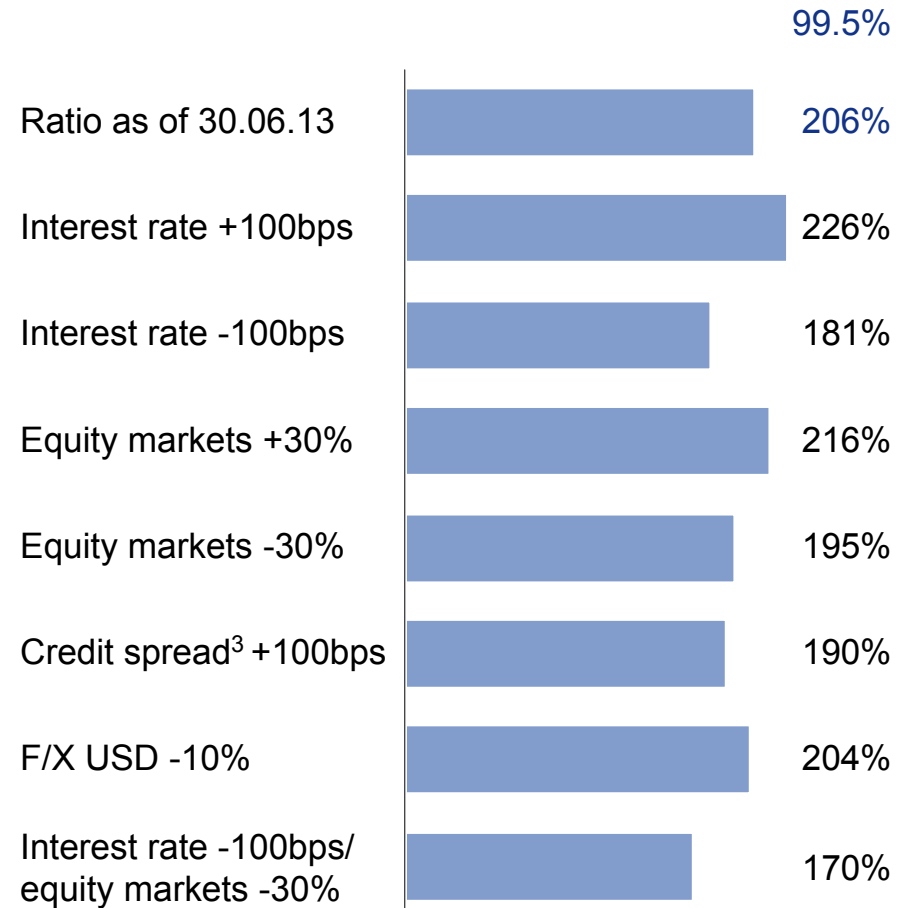
Group: economic solvency ratio and stress tests

Economic solvency¹ (EUR bn)



Estimation of stress impact²

Confidence level



1) Available funds reflects liquidity premium and anchoring for valuation purposes in line with EIOPA approach
 2) Estimated solvency ratio changes in case of stress scenarios (stress applied on both available funds and requirement)
 3) Credit spread stress on corporate/ABS bonds; not included are AAA collateralized bonds which are predominantly covered or agency sponsored bonds

Group: asset allocation (EUR bn)

		P/C		L/H		AM		Corporate and Other		Consolidation		Group	
		30.06.12	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13	30.06.12	30.06.13
Investments	<i>Equities</i> ¹	4.1	4.5	22.1	24.7	0.1	0.0	1.7	1.3	0.0	0.0	28.0	30.5
	<i>Debt sec.</i> ²	65.1	68.9	248.8	265.4	0.9	1.1	21.7	22.5	0.0	0.0	336.5	357.9
	<i>Cash and cash pool assets</i> ³	6.9	5.0	4.4	7.1	1.6	2.5	-3.3	-1.4	-1.1	-2.3	8.5	10.9
	<i>Other</i> ⁴	7.3	7.9	9.0	9.2	0.0	0.0	0.3	0.2	-6.8	-6.5	9.8	10.8
	Sum	83.4	86.3	284.3	306.4	2.6	3.6	20.4	22.6	-7.9	-8.8	382.8	410.1
Loans and advances	<i>Debt sec.</i> ²	17.7	16.4	96.4	92.1	1.2	0.4	18.2	17.9	-10.2	-8.3	123.3	118.5
Investments & loans		101.1	102.7	380.7	398.5	3.8	4.0	38.6	40.5	-18.1	-17.1	506.1	528.6
Financial assets and liabilities designated at fair value ⁵		0.5	0.2	4.2	3.6	0.7	0.5	0.0	0.0	0.0	0.0	5.4	4.3
Financial assets and liabilities held for trading ⁵		0.2	0.3	-3.8	-4.0	0.0	0.1	-0.2	-0.5	0.0	0.0	-3.8	-4.1
Group financial assets		101.8	103.2	381.1	398.1	4.5	4.6	38.4	40.0	-18.1	-17.1	507.7	528.8
	<i>Equities AFS</i>	3.2	3.5	20.7	22.8	0.1	0.0	1.2	0.7	0.0	0.0	25.2	27.0
	<i>Equities associated ent. / joint ventures</i>	0.9	1.0	1.4	1.9	0.0	0.0	0.5	0.6	0.0	0.0	2.8	3.5
	<i>Equities</i>	4.1	4.5	22.1	24.7	0.1	0.0	1.7	1.3	0.0	0.0	28.0	30.5
	<i>Affiliated enterprises</i>	8.8	8.8	1.3	0.8	0.0	0.0	73.9	74.5	-84.0	-84.1	0.0	0.0
	Investments & loans incl. affiliated ent.	109.9	111.5	382.0	399.3	3.8	4.0	112.5	115.0	-102.1	-101.2	506.1	528.6
	<i>Real estate held for investment</i>	2.4	2.8	6.1	6.9	0.0	0.0	0.3	0.2	0.0	0.0	8.8	9.9
	<i>Funds under reins. contr. assumed</i>	4.9	5.1	2.9	2.3	0.0	0.0	0.0	0.0	-6.8	-6.5	1.0	0.9
	Other	7.3	7.9	9.0	9.2	0.0	0.0	0.3	0.2	-6.8	-6.5	9.8	10.8

- 1) Equities incl. associated enterprises/ joint ventures, excl. affiliated enterprises
2) Debt securities (EUR 357.9bn) and loans and advances (EUR 118.5bn) show Group fixed income (EUR 476.4bn). Fixed income for consolidated insurance segments (P/C, L/H, CO and Other, does not include Banking operations, excluding Unit-Linked) amounts to EUR 456.1bn

- 3) Net of liabilities from securities lending and including liabilities from cash pooling
4) Other incl. real estate held for investment and funds held by others under reinsurance contracts assumed
5) Net of liabilities

Group: investment result

(EUR mn)

	P/C		L/H		AM		Corporate and Other		Consolidation		Group	
	2Q 12	2Q 13	2Q 12	2Q 13	2Q 12	2Q 13	2Q 12	2Q 13	2Q 12	2Q 13	2Q 12	2Q 13
Operating investment result												
Interest and similar income ¹	965	925	4,402	4,347	6	4	70	49	-72	-15	5,371	5,310
Inc. fr. fin. assets and liab. carried at FV ²	-41	10	-482	-156	-7	0	19	-87	-3	4	-514	-229
Realized gains/losses (net)	9	15	733	718	0	0	0	0	3	0	745	733
Impairments of investments (net)	-11	-7	-204	-132	0	0	0	0	0	21	-215	-118
F/X result	34	-45	277	-530	0	0	-9	97	0	0	302	-478
Investment expenses	-70	-77	-191	-193	0	0	-25	-20	70	73	-216	-217
Subtotal	886	821	4,535	4,054	-1	4	55	39	-2	83	5,473	5,001
Non-operating investment result												
Inc. fr. fin. assets and liab. carried at FV	-82	23	4	-5	0	0	109	-9	-3	-2	28	7
Realized gains/ losses (net)	354	229	-10	24	0	0	26	206	0	-1	370	458
Impairments of investments (net)	-120	-35	-22	-6	-1	0	-64	-23	0	0	-207	-64
Subtotal	152	217	-28	13	-1	0	71	174	-3	-3	191	401
Net investment income	1,038	1,038	4,507	4,067	-2	4	126	213	-5	80	5,664	5,402
<i>Investment return in % of avg. investm.³</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.2%</i>	<i>1.0%</i>	<i>n/m</i>	<i>n/m</i>	<i>0.3%</i>	<i>0.5%</i>	<i>n/m</i>	<i>n/m</i>	<i>1.1%</i>	<i>1.0%</i>
Movements in unrealized gains/losses on equities	-232	-185	-544	-696	-2	0	-138	-119	n/m	n/m	-916	-1,000
<i>Total investment return in % of avg. inv.³</i>	<i>0.8%</i>	<i>0.8%</i>	<i>1.1%</i>	<i>0.8%</i>	<i>n/m</i>	<i>n/m</i>	<i>0.0%</i>	<i>0.2%</i>	<i>n/m</i>	<i>n/m</i>	<i>0.9%</i>	<i>0.8%</i>

1) Net of interest expenses, excluding interest expenses from external debt

2) Contains inc. from financial assets/ liabilities carried at fair value and operating trading result excluding F/X result

3) Investment return calculation is based on total assets

Average AuM P/C and L/H (EUR bn)

		P/C			L/H		
		31.03.13	30.06.13	Average	31.03.13	30.06.13	Average
Investments	<i>Equities</i> ¹	4.1	4.5	4.3	24.9	24.7	24.8
	<i>Debt sec.</i>	71.4	68.9	70.2	272.3	265.4	268.9
	<i>Cash and cash pool assets</i> ²	6.5	5.0	5.7	6.6	7.1	6.9
	<i>Other</i> ³	7.6	7.9	7.8	9.3	9.2	9.2
	Sum	89.6	86.3	88.0	313.1	306.4	309.8
Loans & advances	Debt sec.	18.8	16.4	17.6	93.0	92.1	92.5
Investments & loans		108.4	102.7	105.6	406.1	398.5	402.3
Financial assets and liabilities designated at fair value		0.1	0.2	0.1	3.9	3.6	3.7
Financial assets and liabilities held for trading		0.2	0.3	0.3	-4.6	-4.0	-4.3
Group financial assets		108.7	103.2	106.0	405.4	398.1	401.7
<i>Equities AFS</i>		3.1	3.5	3.3	23.2	22.8	23.0
<i>Equities assoc. ent. / joint ven.</i>		1.0	1.0	1.0	1.7	1.9	1.8
Equities		4.1	4.5	4.3	24.9	24.7	24.8
<i>Real estate</i>		2.7	2.8	2.8	6.9	6.9	6.9
<i>Funds under reins. contr. assumed</i>		4.9	5.1	5.0	2.4	2.3	2.3
Other		7.6	7.9	7.8	9.3	9.2	9.2

1) Equities including associated enterprises/ joint ventures, excl. affiliated enterprises

2) Net of liabilities from securities lending and including liabilities from cash pooling

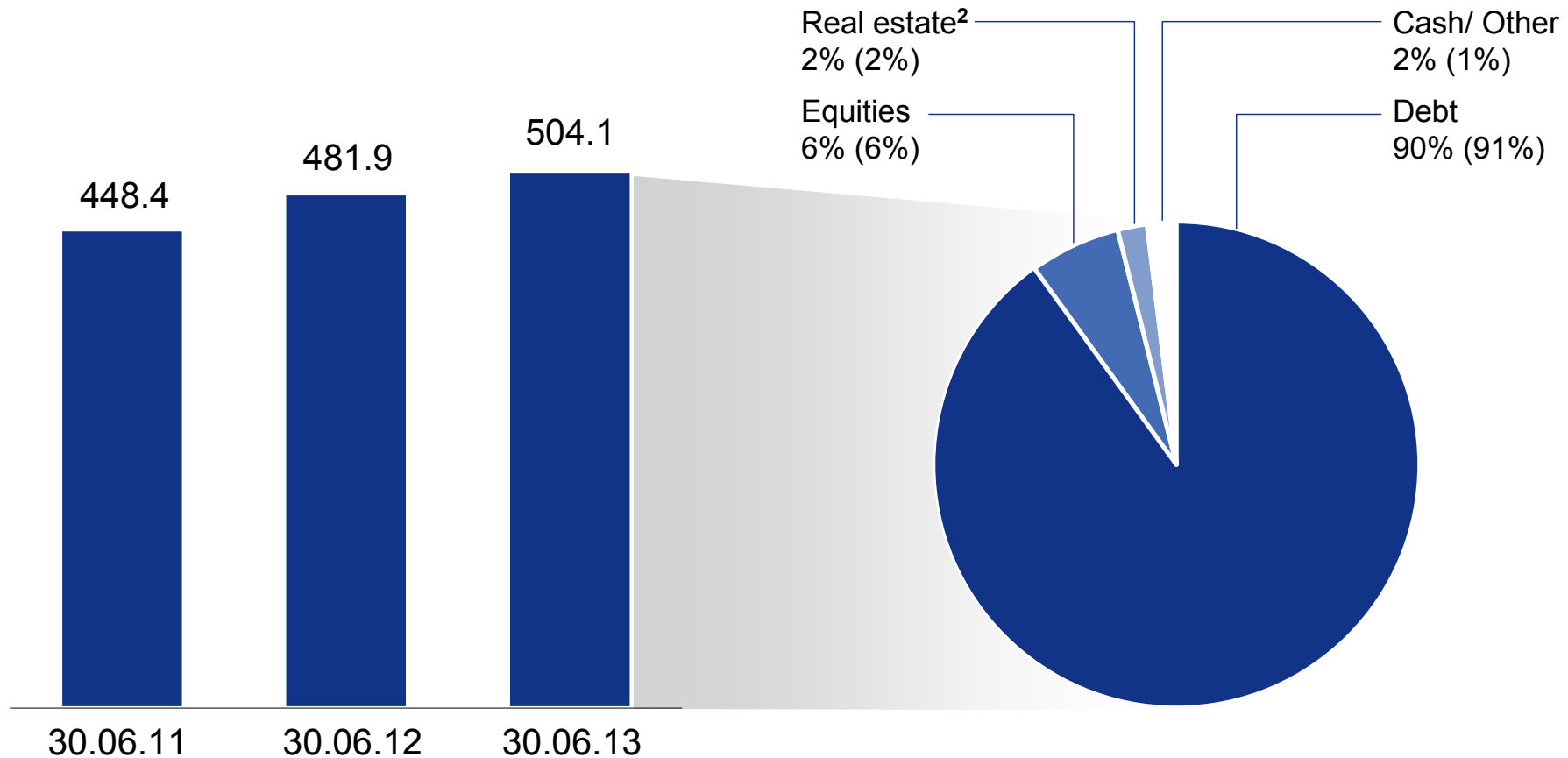
3) Other including real estate held for investment and funds held by others under reinsurance contracts assumed

Group: overview investment portfolio (EUR bn)

Group investments and loans¹

as of 30.06.13 (30.06.12)

Total EUR 504.1bn (EUR 481.9bn)



1) Portfolio discussion is based on consolidated insurance portfolios (P/C, L/H, Corporate and Other, does not include Banking operations, excluding Unit-linked)

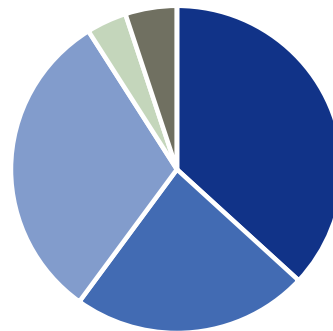
2) Excluding real estate own use and real estate held for sale

Group: fixed income portfolio (30.06.13)

By type of issuer

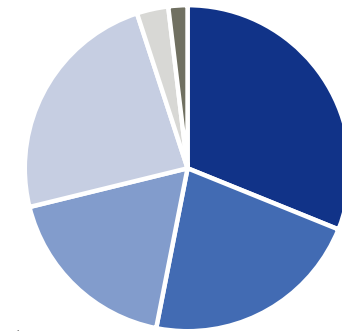
Government	37%
Covered	23%
Corporate	31%
<i>thereof Banking</i>	7%
ABS/MBS ¹	4%
Other ²	5%

Total
EUR 456.1bn



By rating³

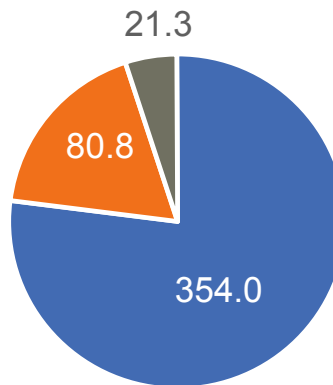
AAA	31%
AA	22%
A	18%
BBB	24%
Non-investment grade	3%
Not rated*	2%



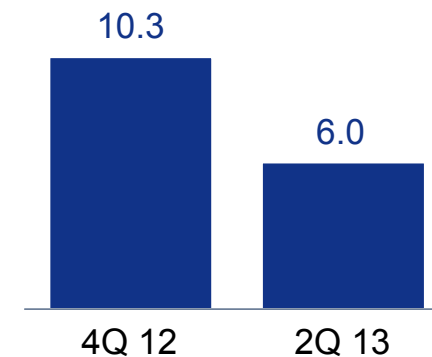
*) mostly mutual funds and short-term investments

By segment (EUR bn)

L/H	77%
P/C	18%
Corporate and other	5%



Net AFS unrealized gains/ losses (EUR bn)⁴



1) Including U.S. agency MBS investments (EUR 3.2bn)
 2) Including 4% seasoned self-originated private retail mortgage loans;
 1% short-term deposits at banks

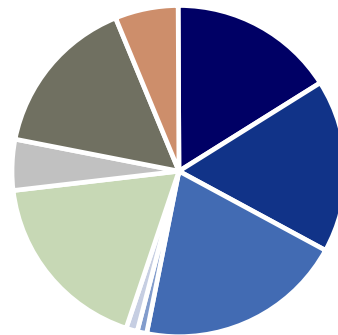
3) Excluding self-originated private retail mortgage loans
 4) On-balance unrealized gains/ losses after tax, non-controlling interests,
 policyholders and before shadow DAC

Group: fixed income portfolio - Government and government related (30.06.13)

By region

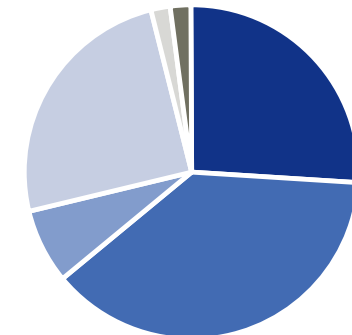
Germany	16%
Italy	17%
France	20%
Spain	1%
UK	1%
Rest of Europe	18%
USA	5%
Rest of World	16%
Supranational	6%

Total EUR 169.6bn¹



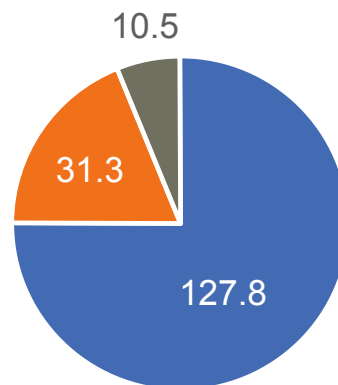
By rating

AAA	26%
AA	38%
A	7%
BBB	25%
Non-investment grade	2%
Not rated	2%

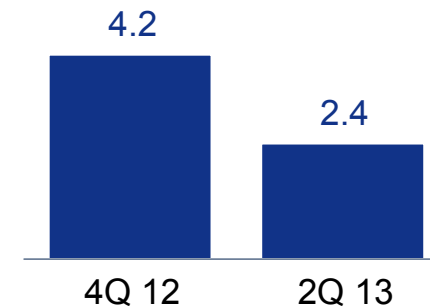


By segment (EUR bn)

L/H	75%
P/C	19%
Corporate and other	6%



Net AFS unrealized gains/ losses (EUR bn)²



1) Government and government related (excl. U.S. agency MBS)

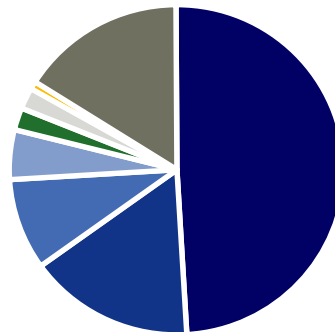
2) On-balance unrealized gains/ losses after tax, non-controlling interests and policyholders and before shadow DAC

Group: fixed income portfolio - Covered bonds (30.06.13)

By country

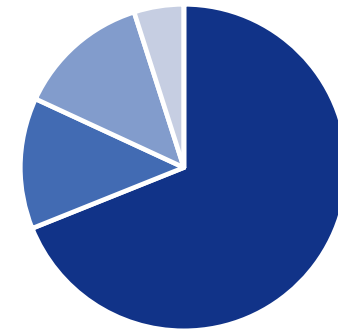
Germany	49%
France	16%
Spain	9%
UK	5%
Ireland	2%
Switzerland	2%
Sweden	1%
Rest of World	16%

Total EUR 103.7bn



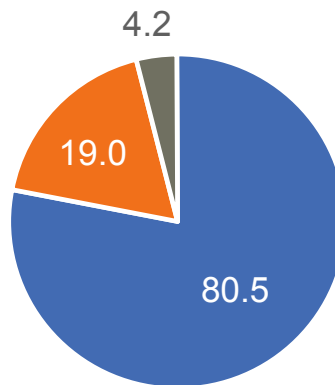
By rating

AAA	69%
AA	13%
A	13%
BBB	5%
Non-investment grade	0%
Not rated	0%

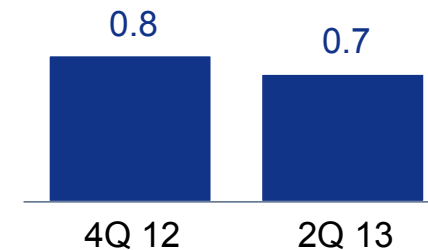


By segment (EUR bn)

L/H	78%
P/C	18%
Corporate and other	4%



Net AFS unrealized gains/ losses (EUR bn)¹



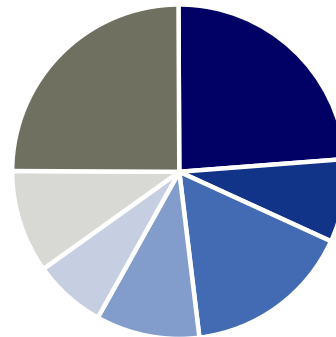
1) On-balance unrealized gains/ losses after tax, non-controlling interests and policyholders and before shadow DAC

Group: fixed income portfolio - Corporate (30.06.13)

By sector

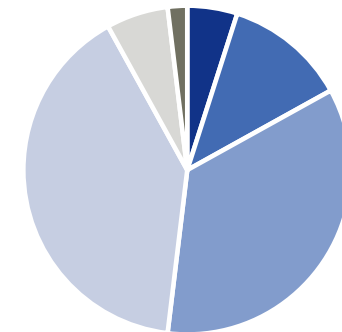
Banking	24%
Other financials	8%
Consumer	16%
Communication	10%
Industrial	7%
Utility	10%
Other	25%

Total
EUR 142.6bn



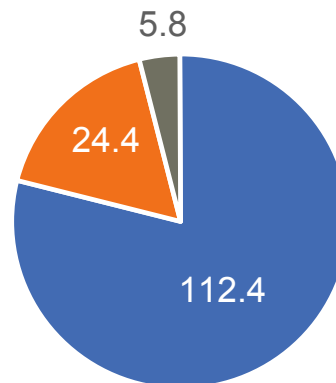
By rating

AAA	5%
AA	12%
A	35%
BBB	40%
Non-investment grade	6%
Not rated ¹	2%

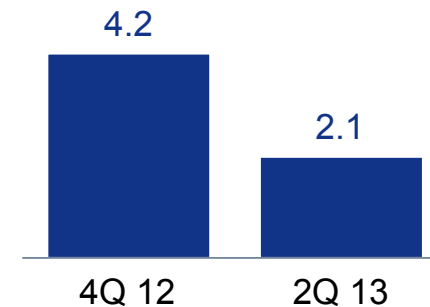


By segment (EUR bn)

L/H	79%
P/C	17%
Corporate and other	4%



Net AFS unrealized gains/ losses (EUR bn)²



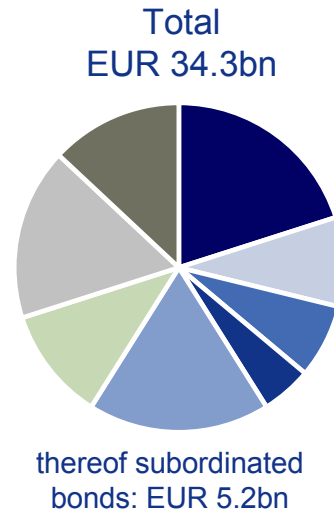
1) Including Eurozone loans/ bonds (1%)

2) On-balance unrealized gains/ losses after tax, non-controlling interests, policyholders and before shadow DAC

Group: fixed income portfolio - Banks (30.06.13)

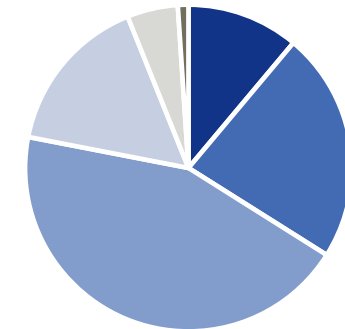
By country

Germany	20%
UK	9%
France	7%
Italy	5%
Rest Eurozone	18%
Europe ex Eurozone	11%
USA	17%
Rest of World	13%



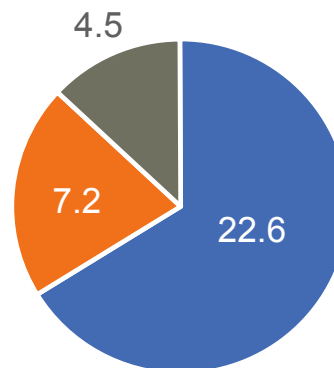
By rating

AAA	11%
AA	23%
A	44%
BBB	16%
Non-investment grade	5%
Not rated	1%

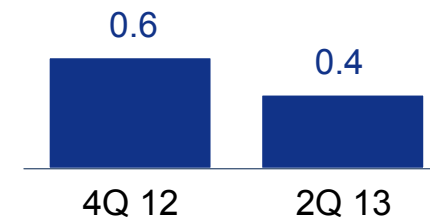


By segment (EUR bn)

L/H	66%
P/C	21%
Corporate and other	13%



Net AFS unrealized gains/ losses (EUR bn)¹



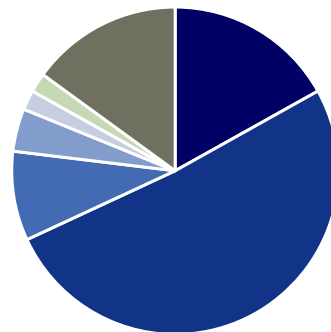
1) On-balance unrealized gains/ losses after tax, non-controlling interests and policyholders and before shadow DAC

Group: fixed income portfolio - ABS/MBS (30.06.13)

By type of category

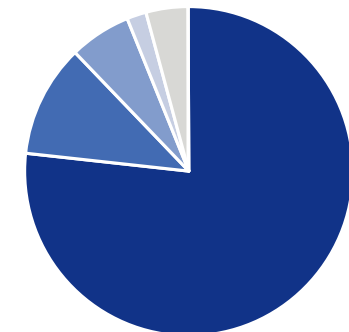
U.S. Agency	17%
CMBS	51%
RMBS	9%
CMO/CDO	4%
Credit Card	2%
Auto	2%
Other	15%

Total
EUR 18.5bn



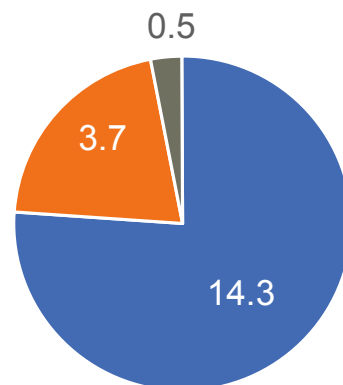
By rating

AAA	76%
AA	12%
A	6%
BBB	2%
Non-investment grade	4%
Not rated	0%

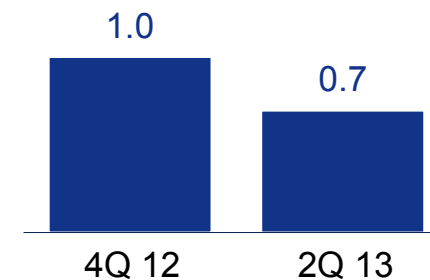


By segment (EUR bn)

L/H	77%
P/C	20%
Corporate and other	3%



Net AFS unrealized gains/ losses (EUR bn)¹



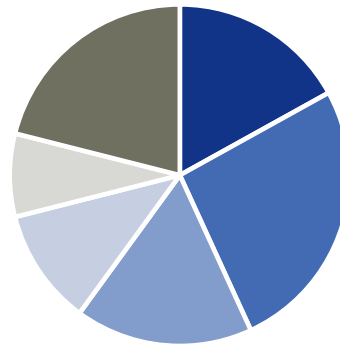
1) On-balance unrealized gains/ losses after tax, non-controlling interests and policyholders and before shadow DAC

Group: equity portfolio (30.06.13)

By region

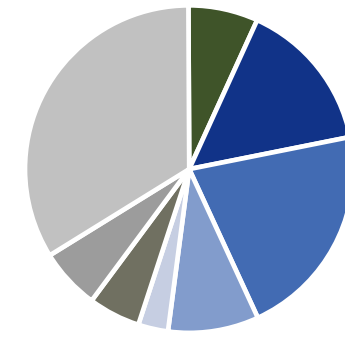
Germany	17%
Eurozone ex Germany	26%
Europe ex Eurozone	17%
NAFTA	11%
Rest of World	8%
Multinational ⁴	21%

Total
EUR 30.4bn¹



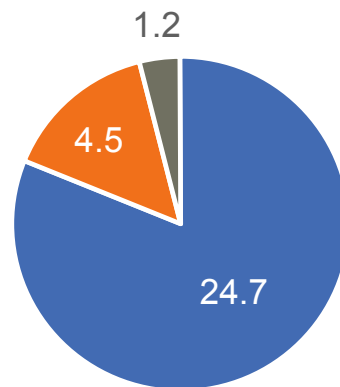
By industry

Banking	7%
Other Financials	15%
Consumer	21%
Basic materials	9%
Utilities	3%
Industrial	5%
Energy	6%
Funds and Other ²	34%

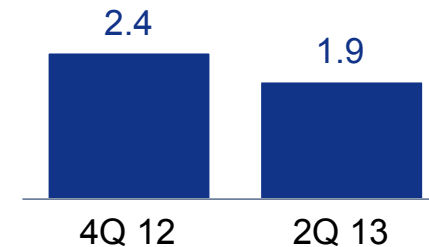


By segment (EUR bn)

L/H	81%
P/C	15%
Corporate and other	4%



Net AFS unrealized gains/ losses (EUR bn)³



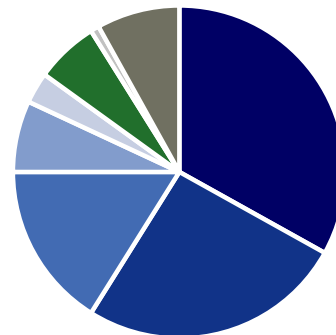
1) Incl. non-equity retail funds (EUR 0.7bn), excl. equities designated at fair value through income (EUR 1.7bn)
 2) Diversified investment funds (EUR 2.7bn); private and unlisted equity (EUR 6.1bn)
 3) On-balance unrealized gains/ losses after tax, non-controlling interests and policyholders and before shadow DAC
 4) Incl. private equity funds (EUR 3.6bn) and mutual stock funds (EUR 2.4bn)

Group: real estate portfolio¹

By region

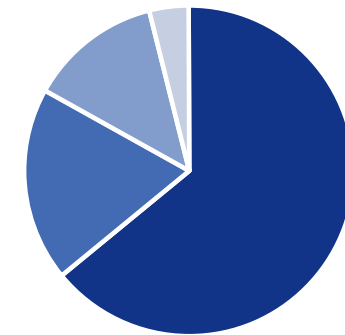
France	33%
Germany	26%
Switzerland	16%
Italy	7%
Spain	3%
Rest of Eurozone	6%
USA	1%
Rest of World	8%

Total
EUR 18.4bn²



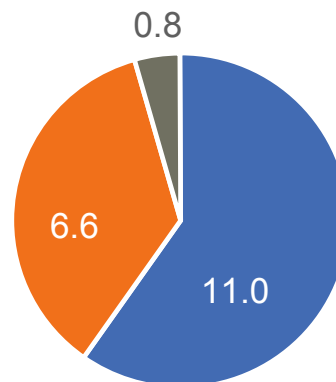
By sectors

Office	64%
Residential	19%
Retail	13%
Other/mixed	4%

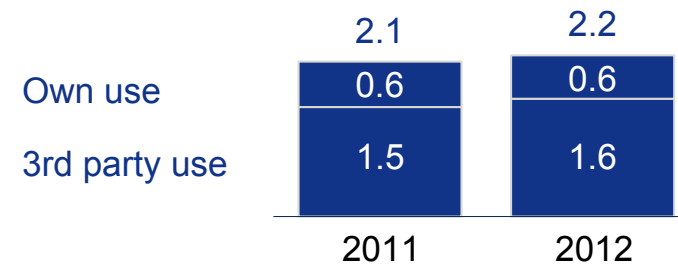


By segment (EUR bn)

L/H	60%
P/C	36%
Corporate and other	4%



Net unrealized gains/ losses (EUR bn)³



1) Based on market values as of 31.12.2012

2) Market value of fully consolidated real estate assets including real estate own use (EUR 4.2bn) and minorities (EUR 0.1bn)

3) Off-balance unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC, based on external and internal real estate valuations

3b

Group financial
results 2Q 2013

- 1 Highlights
- 2 Comment pages
- 3 **Additional information**
 - a) Group
 - b) **Property-Casualty**
 - c) Life/Health
 - d) Asset Management
 - e) Corporate and Other
- 4 Glossary

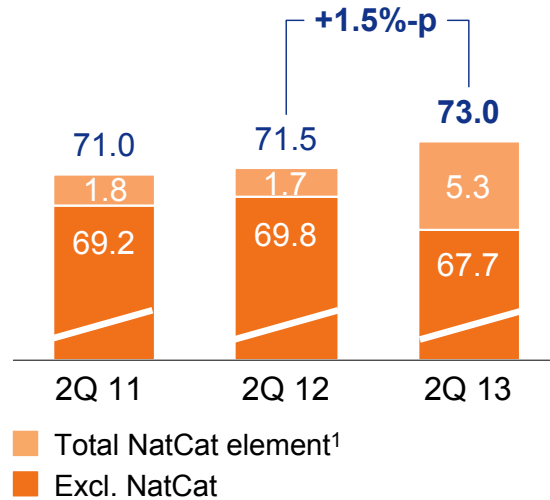
P/C: key figures (EUR mn)

	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	Delta 2Q 13/12	6M 2011	6M 2012	6M 2013
Gross premiums written (EUR bn)	10.2	10.8	9.5	14.8	10.7	11.4	10.0	15.2	10.8	+0.1	24.4	25.5	26.0
Operating profit	1,303	1,111	1,022	1,183	1,050	1,162	1,219	1,319	1,179	+129	1,963	2,233	2,498
<i>Underwriting result</i>	454	207	246	333	234	351	524	540	357	+123	272	567	897
<i>Investment result</i>	865	889	817	839	861	795	734	763	784	-77	1,688	1,700	1,547
<i>Other</i>	-16	15	-41	11	-45	16	-39	16	38	+83	3	-34	54
Non-operating items	25	-287	36	-19	141	31	175	128	212	+71	199	122	340
Income b/ tax	1,328	824	1,058	1,164	1,191	1,193	1,394	1,447	1,391	+200	2,162	2,355	2,838
Income taxes	-371	-300	-260	-328	-374	-371	-364	-430	-390	-16	-650	-702	-820
Net income	957	524	798	836	817	822	1,030	1,017	1,001	+184	1,512	1,653	2,018
<i>Net income attributable to:</i>													
Non-controlling interests	60	39	39	40	49	50	40	43	45	-4	99	89	88
Shareholders	897	485	759	796	768	772	990	974	956	+188	1,413	1,564	1,930
Combined ratio (in %)	94.9	97.4	97.5	96.2	97.2	96.2	95.3	94.3	96.0	-1.2%-p	98.1	96.7	95.1
<i>Loss ratio</i>	67.0	70.5	69.2	68.3	69.4	69.2	66.4	66.1	67.3	-2.1%-p	70.1	68.8	66.7
<i>Expense ratio</i>	27.9	26.9	28.3	27.9	27.8	27.0	28.9	28.2	28.7	+0.9%-p	28.0	27.9	28.4
Segment financial assets ¹ (EUR bn)	97.2	99.0	98.2	101.4	101.8	105.1	105.3	108.7	103.2	+1.4	97.2	101.8	103.2

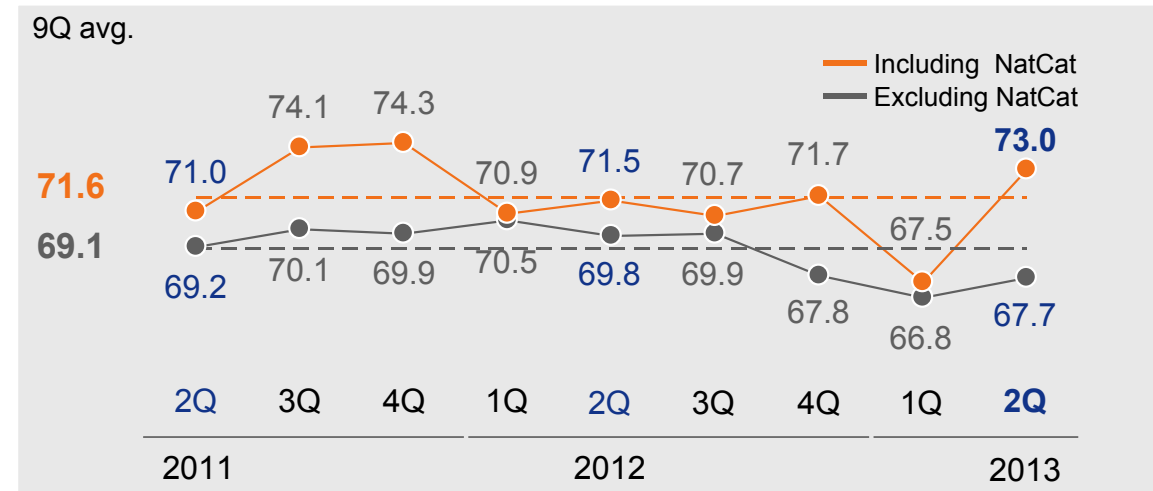
1) Segment own assets including financial assets carried at fair value through income, cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling

P/C: loss ratio and run-off (in %)

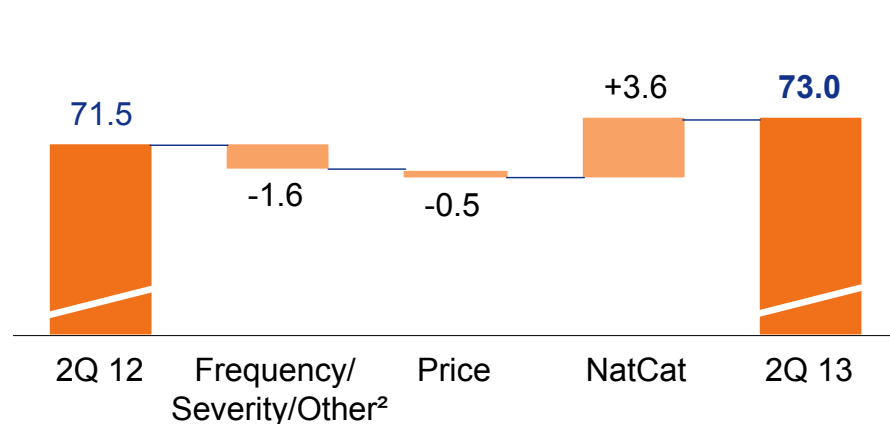
Accident year loss ratio



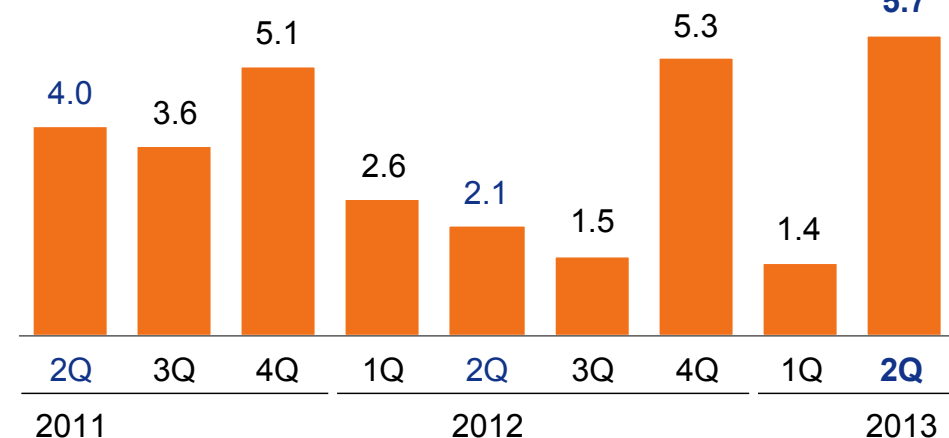
9-quarter overview accident year loss ratio



Development 2Q 13/12

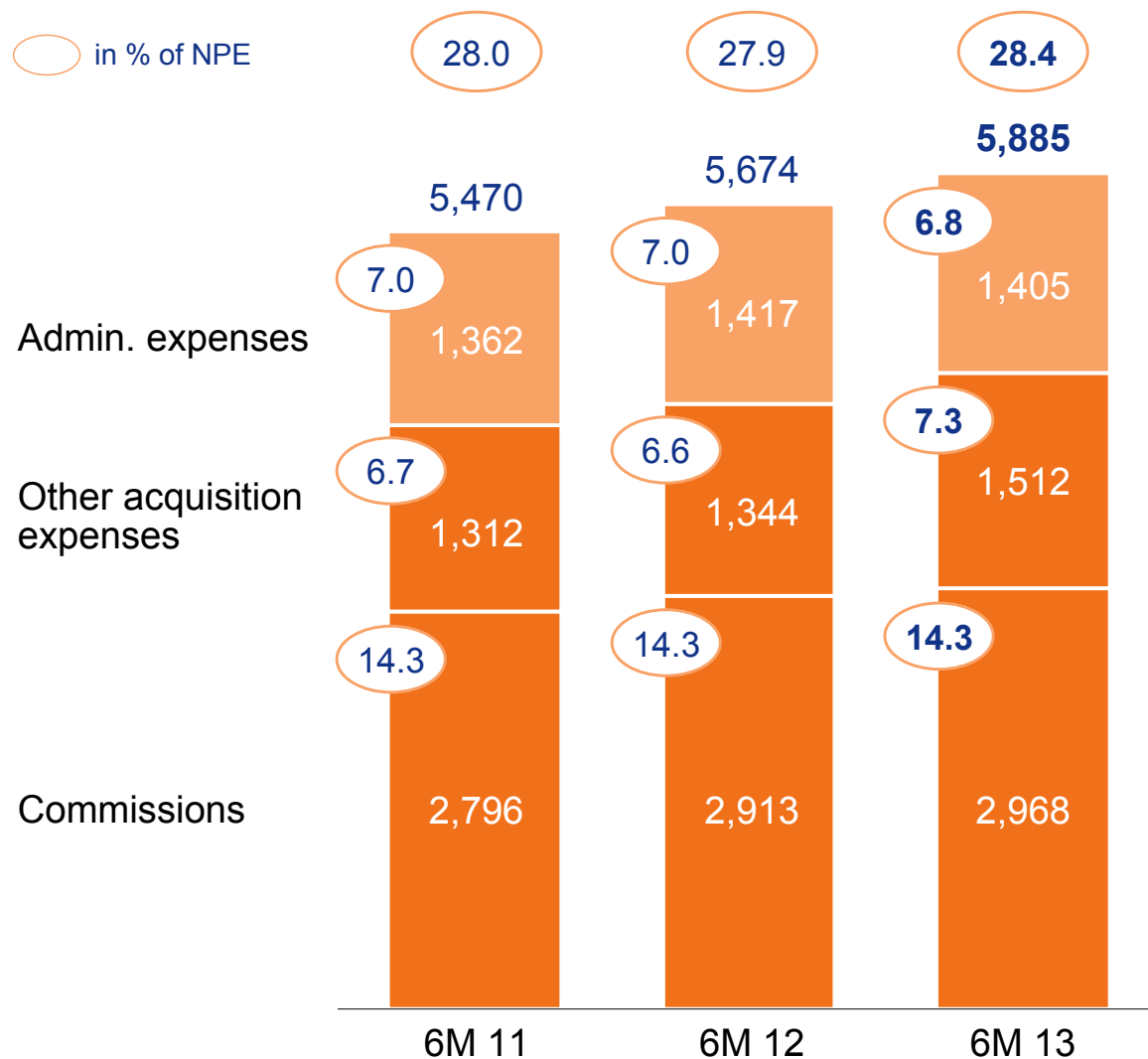


Run-off ratio³ (9Q-average: 3.5)



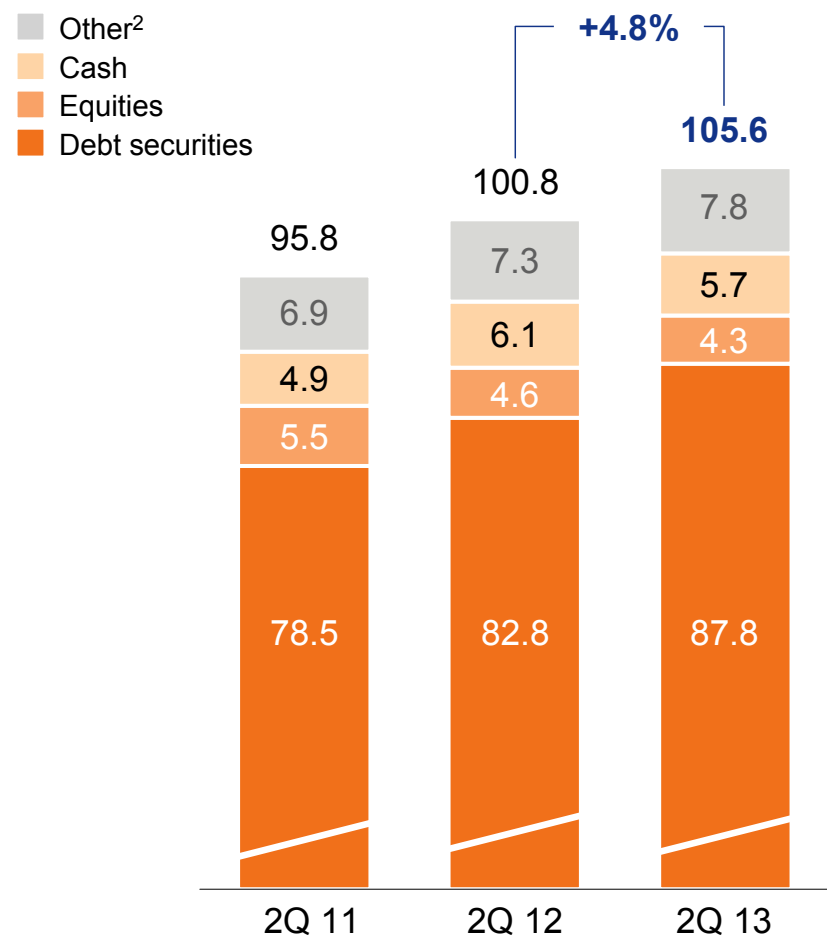
1) NatCat costs (without reinstatement premiums): EUR 0.17bn (2Q 11), EUR 0.17bn (2Q 12) and EUR 0.55bn (2Q 13)
 2) Including large claims, reinsurance, Credit Insurance
 3) Positive values indicate positive run-off; run-off ratio is calculated as run-off result in percent of net premiums earned

P/C: expense ratio (EUR mn)

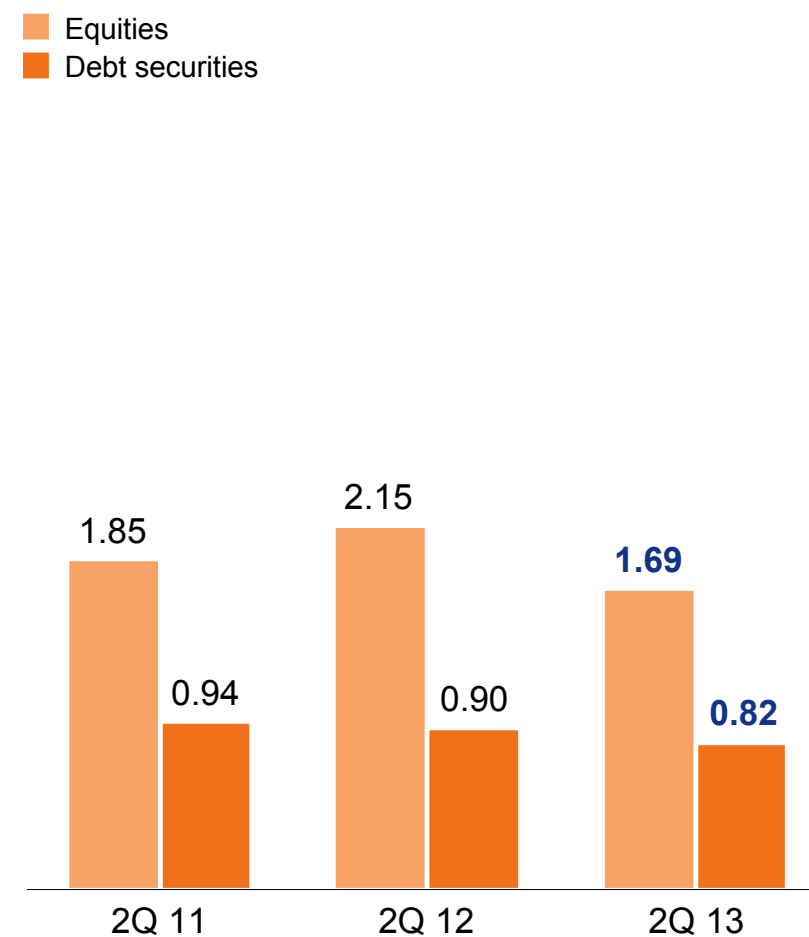


P/C: average asset base and yields

Average asset base¹ (EUR bn)

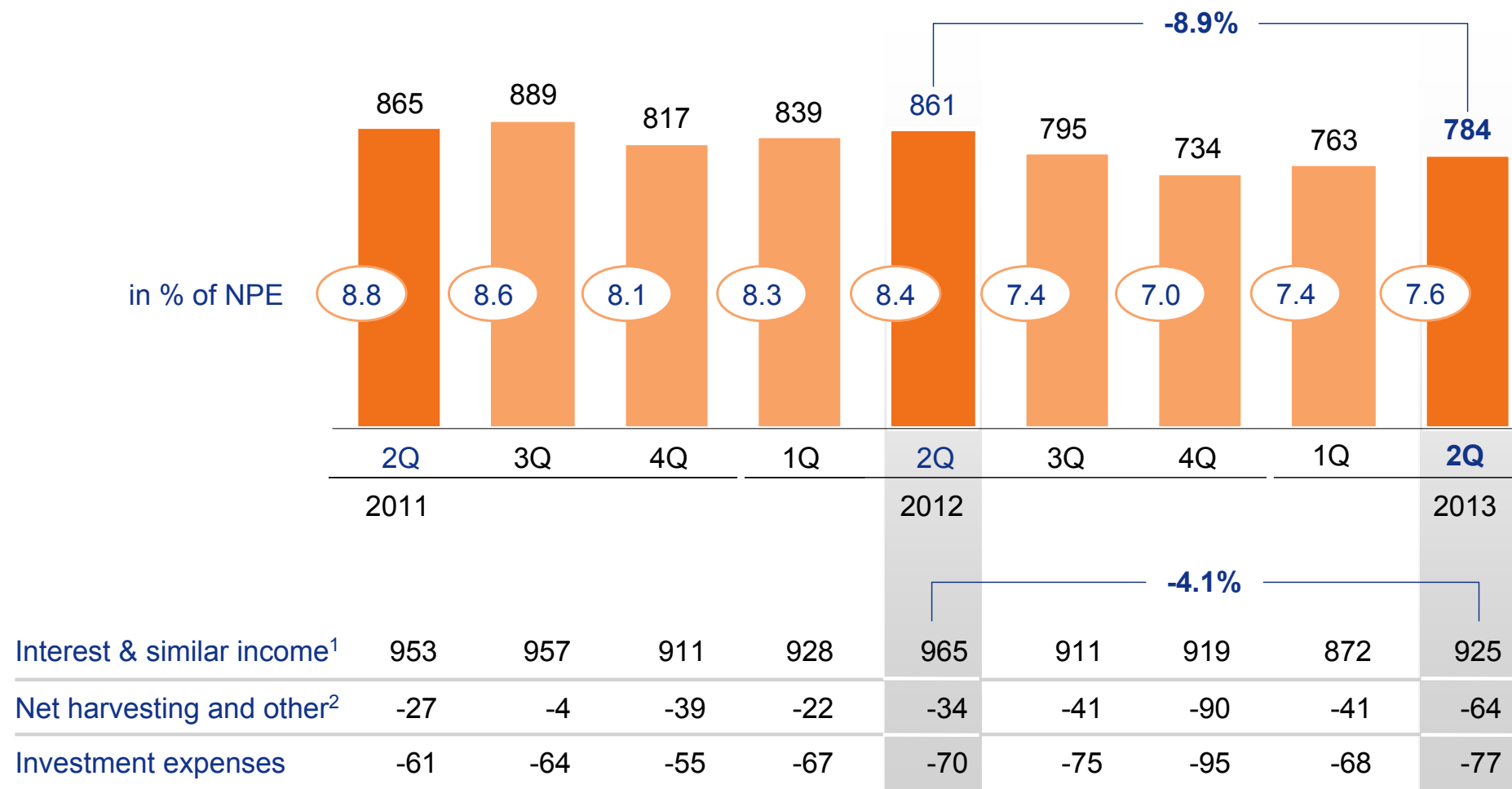


Current yield (in %)



1) Asset base includes health business France and liabilities from cash pooling, excludes fair value option and trading
 2) Real estate investments and funds held by others under reinsurance contracts assumed

P/C: operating investment income (EUR mn)



1) Net of interest expenses

2) Comprises real. gains/losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation.
Thereof related to UBR in Germany: 2Q 11: EUR -32mn, 2Q 12: EUR -22mn, 2Q 13: EUR -38mn

P/C: Price effects on renewals

Pricing overview for selected operating entities¹ (in %)

Selected OEs	Actual rate change on renewals and momentum	Assessment / trends of rate change on renewals
Germany	2.2%	<ul style="list-style-type: none"> Motor retail ongoing market hardening and positive rate change, but more gently inclined; property retail with quite stable positive rate change Commercial property and liability with increasing price strength, beginning by mid of 2013
Austria	1.5%	<ul style="list-style-type: none"> Motor and Non-motor price increases at point of sale Motor slight price increase in the market; non-motor market is still soft with no sign of immediate improvement
Italy	1.1%	<ul style="list-style-type: none"> Motor continues to soften, high pressure between competitors Recession and strong competition keep non-motor commercial soft
France	2.9%	<ul style="list-style-type: none"> Motor retail and commercial pricing trend remained stable Non-motor retail increase, but commercial and professional softer
Spain	0.1%	<ul style="list-style-type: none"> Economic downturn, strong competition and client price sensitivity keep market soft Motor retail tariff slightly rising
USA ²	5.4% ²	<ul style="list-style-type: none"> Continued positive traction across all commercial lines Retail rates also trending up, subject to continued regulatory support
UK	3.2%	<ul style="list-style-type: none"> Commercial seeing price strengthening across all lines Retail rates continue to soften with motor rates falling in response to recent legislative changes
Australia	2.5%	<ul style="list-style-type: none"> Rates still hardening, but signs of slow down in the pace of increase across motor, retail property, and commercial; commercial SMC rates flat Future premium rates could be flat or possibly reduce
Credit Insurance	-0.2%	<ul style="list-style-type: none"> Pricing is still under pressure with the same trend Overall rate variation is almost flat: rates have increased where technically necessary but have been under pressure in growing markets and segments.
AGCS ³	0.5%	<ul style="list-style-type: none"> Generally soft markets driven by low claims activity; new entrants and competitors compensating low yield with more aggressive underwriting Largest rate increases in marine; most significant decreases in airlines
6M 2013⁴	1.9%	

1) Estimates based on 6M 2013 survey as communicated by our operating entities; coverage of P/C segment 75%

2) Figure excluding crop business

3) AGCS excluding ART

4) Total actual rate change on YTD renewals also including Ireland

3c

Group financial
results 2Q 2013

- 1 Highlights
- 2 Comment pages
- 3 **Additional information**
 - a) Group
 - b) Property-Casualty
 - c) **Life/Health**
 - d) Asset Management
 - e) Corporate and Other
- 4 Glossary

L/H: key figures (EUR mn)

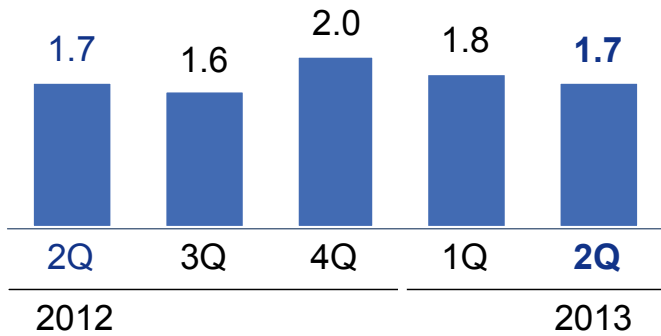
	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	Delta 2Q 13/12	6M 2011	6M 2012	6M 2013
Statutory premiums (EUR bn)	13.0	11.8	13.8	13.7	12.9	11.9	13.9	14.8	14.1	+1.2	27.2	26.6	29.0
Operating profit	678	520	502	825	818	815	485	855	669	-149	1,380	1,643	1,524
Non-operating items	-328	-88	-47	30	-29	-28	119	40	11	+40	-332	1	51
Income b/ tax	350	432	455	855	789	787	604	895	680	-109	1,048	1,644	1,575
Income taxes	-136	-198	-186	-230	-282	-248	-241	-267	-206	+76	-351	-512	-473
Net income	214	234	269	625	507	539	363	628	474	-33	697	1,132	1,102
<i>Net income attributable to:</i>													
Non-controlling interests	11	21	21	22	21	26	15	23	20	-1	32	43	43
Shareholders	203	213	248	603	486	513	348	605	454	-32	665	1,089	1,059
Margin on reserves ¹ (in bps)	66	50	48	77	75	73	43	74	58	-17	67	77	66
Segment financial assets ² (EUR bn)	352.4	358.4	364.0	373.6	381.1	393.5	401.1	405.4	398.1	+17.0	352.4	381.1	398.1
Unit-linked investments (EUR bn)	64.8	61.2	63.5	66.8	67.4	70.3	71.2	75.2	75.4	+8.0	64.8	67.4	75.4
Operating asset base ³ (EUR bn)	421.0	423.1	431.1	444.3	452.4	467.9	475.9	484.8	477.5	+25.1	421.0	452.4	477.5

- 1) Represents operating profit divided by the average of (a) current quarter end and prior quarter end net reserves and (b) current quarter end and prior year end net reserves, whereby net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets
- 2) Segment own assets (incl. financial assets carried at fair value through income)
Including cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling
- 3) Grossed up for insurance liabilities which are netted within the trading book (market value liability option)
Including cash and cash pool assets net of liabilities from securities lending and derivatives

L/H: key metrics

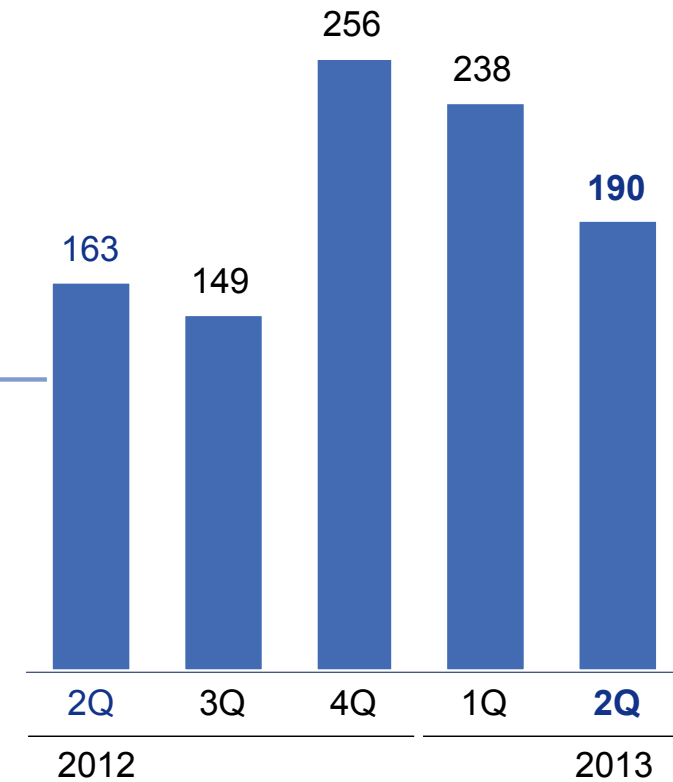
New business margin¹

(VNB in % of PV of NB premiums)



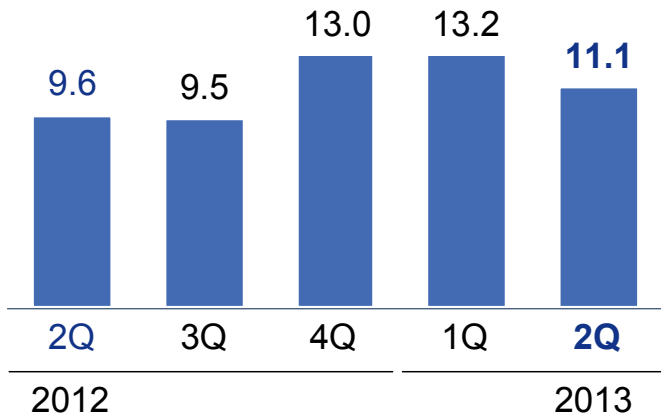
Value of new business¹

(EUR mn)



PV of NB premiums¹

(EUR bn)



1) After non-controlling interests. Includes holding expenses and internal reinsurance

L/H: new business profitability by region

	Value of new business (EUR mn) ^{1,2}				New business margin (in %) ^{1,2}						Capital return 2Q 13 (in %) ³	
	2Q 12	3Q 12	4Q 12	1Q 13	2Q 13	2Q 12	3Q 12	4Q 12	1Q 13	2Q 13	IRR	Payback period (yrs)
German Speaking Countries	73	79	172	140	74	2.7	2.8	3.0	2.7	2.8	17.3	5.4
Western & Southern Europe	30	32	30	39	44	1.0	1.0	0.8	0.9	0.9	8.7	8.4
Iberia & Latin America	12	10	12	11	13	3.7	3.9	2.8	3.3	2.7	12.8	5.9
Growth Markets	53	47	50	47	44	3.5	3.1	3.3	3.1	3.0	14.6	5.5
USA	18	4	7	24	41	0.9	0.2	0.5	1.5	2.3	14.2	5.8
Total⁴	163	149	256	238	190	1.7	1.6	2.0	1.8	1.7	11.5	7.1

1) After non-controlling interests. All values using F/X rates as of each valuation date

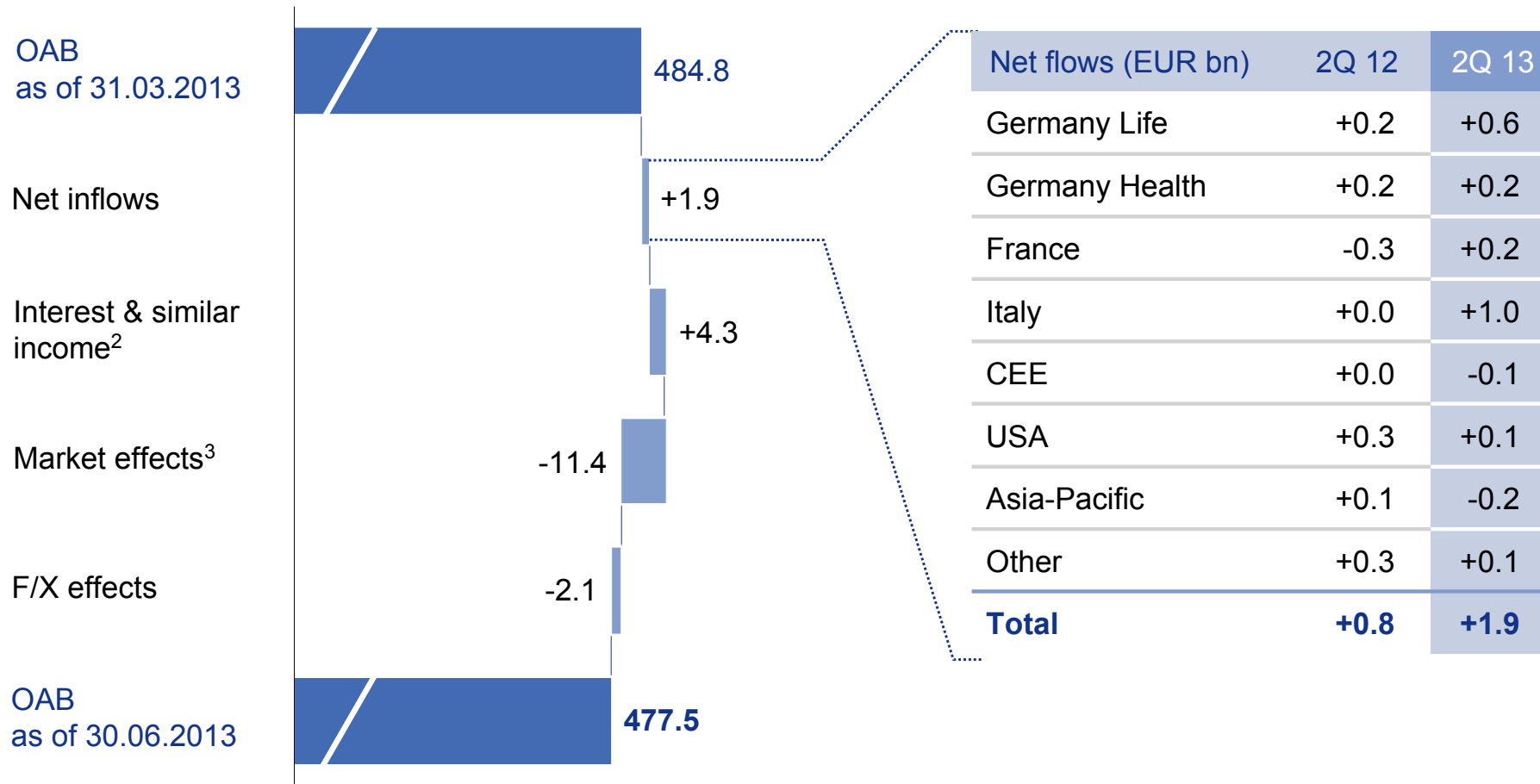
2) Based on beginning of quarter economic assumptions. For the USA we use point of sale assumptions

3) Both IRR and payback period are real world metrics, using an expected over-return on certain assets and capturing risks in the discount rate

4) Including holding expenses and internal reinsurance

L/H: operating asset base

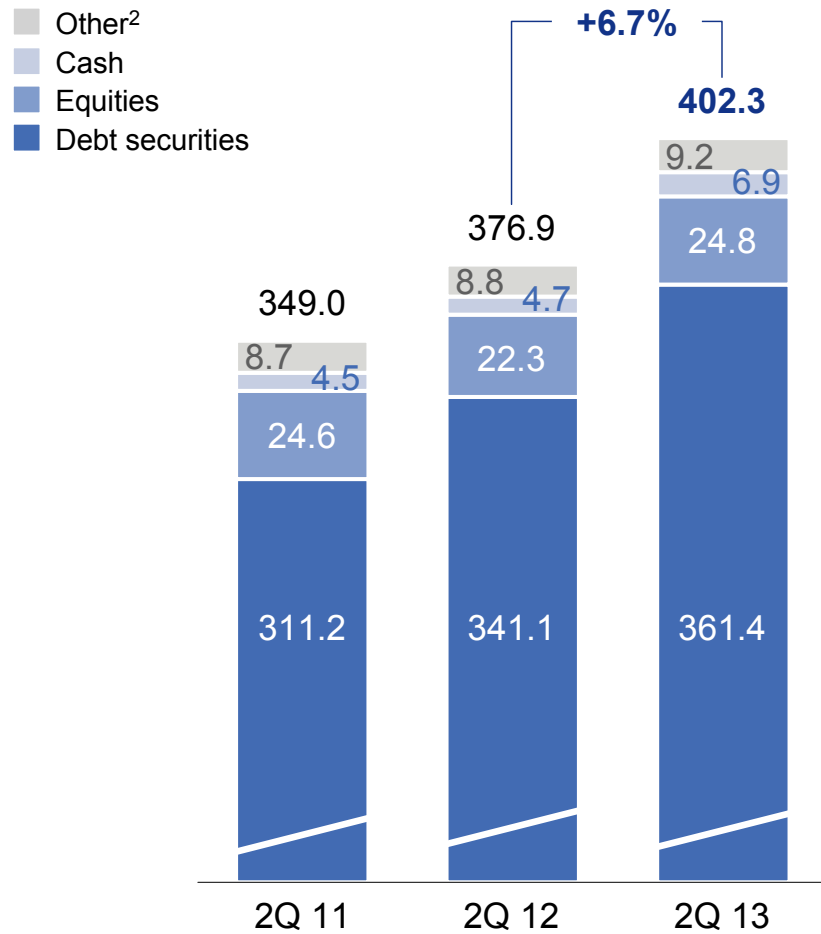
Operating asset base¹ (EUR bn)



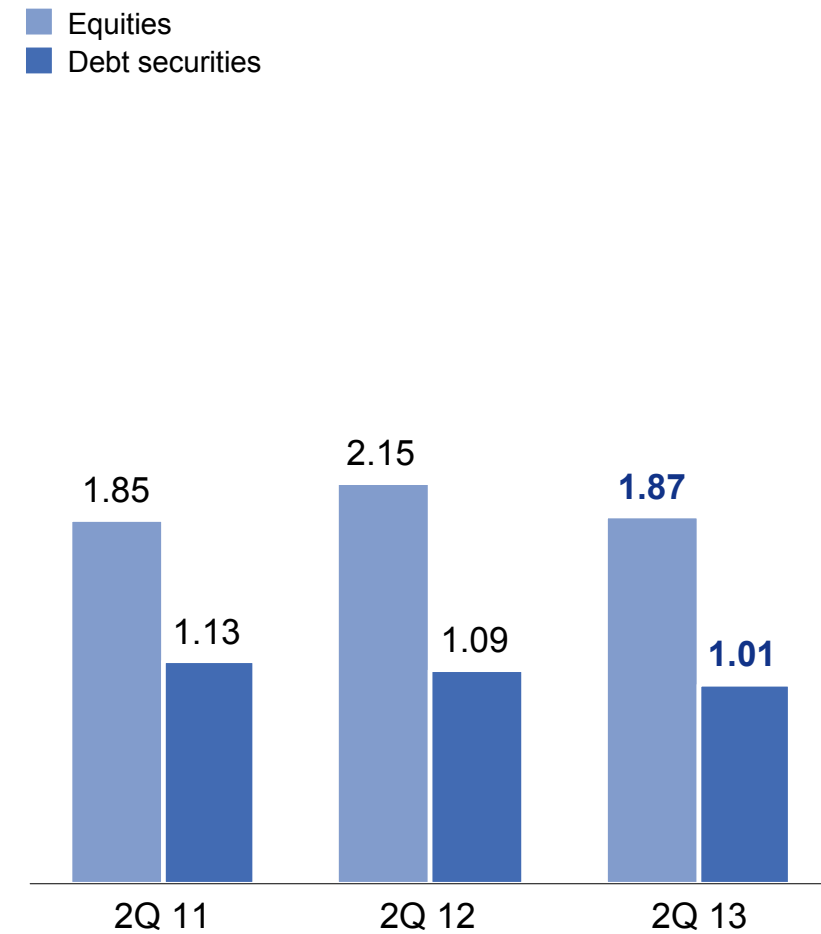
1) OAB includes liabilities from cash pooling
 2) Net of interest expenses
 3) Includes changes in other assets and liabilities of EUR -1.8bn

L/H: average asset base and yields

Average asset base¹ (EUR bn)



Current yield (in %)

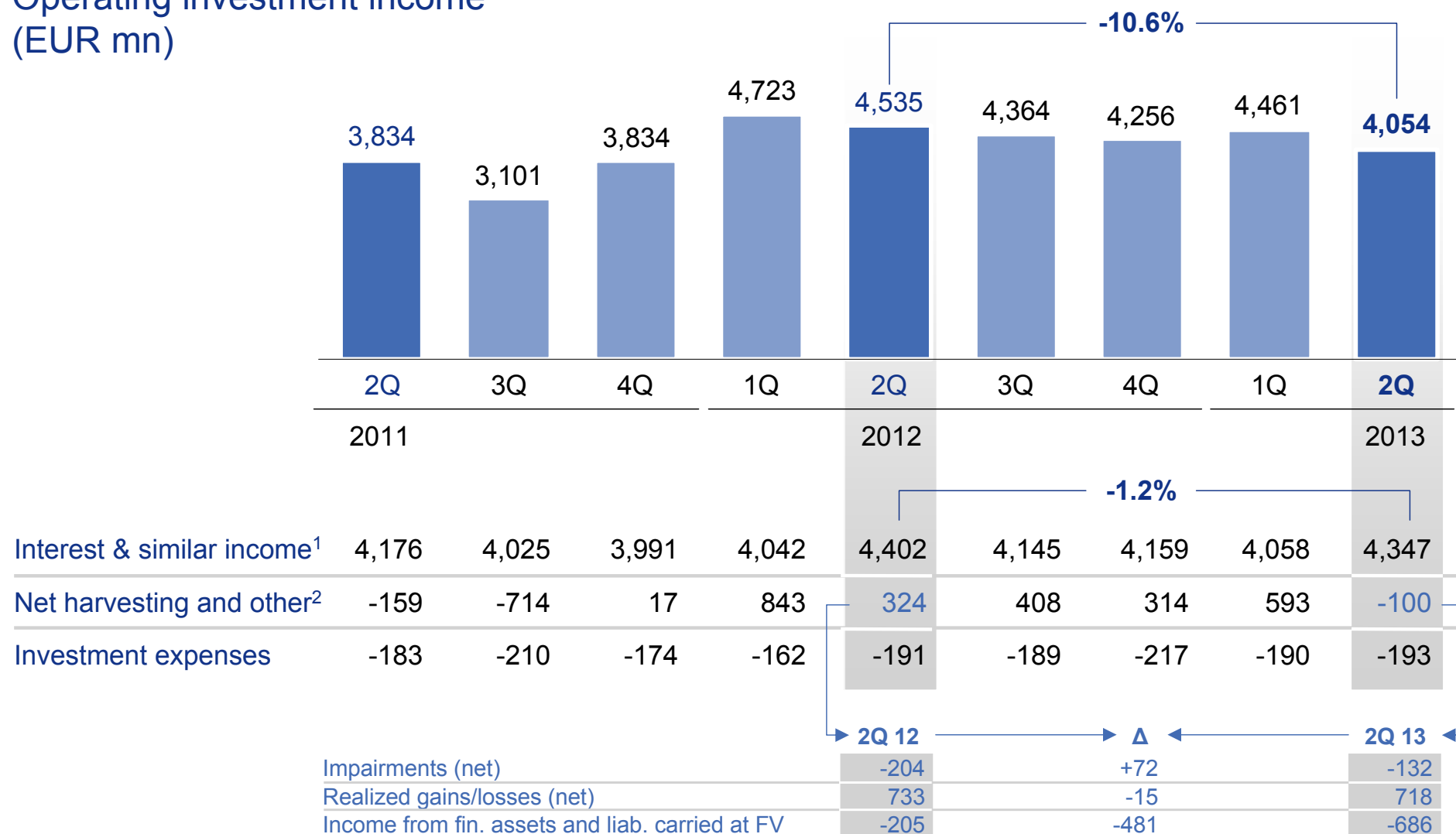


1) Average asset base includes liabilities from cash pooling. Operating asset base includes FVO, trading, unit-linked (excludes derivatives MVLO)

2) Real estate investments and funds held by others under reinsurance contracts assumed

L/H: operating investment income

Operating investment income (EUR mn)



1) Net of interest expenses

2) Comprises realized gains/losses, impairments (net), fair value option, trading and F/X gains and losses

L/H: operating profit details¹ (EUR mn)

	L/H segment			Guaranteed savings & annuities		Protection & health		Unit linked w/o guarantee	
	2Q 2012 ⁴	2Q 2013 ⁴	Δ ⁴	2Q 2012 ⁴	2Q 2013 ⁴	2Q 2012 ⁴	2Q 2013 ³	2Q 2012 ⁴	2Q 2013 ⁴
Loadings & fees	1,010	1,086	76	648	703	290	295	72	87
Loadings from premiums	717	723	6	411	409	280	284	26	30
as % of GPW	5.6%	5.1%	-0.5%	4.2%	4.2%	15.5%	15.5%	2.0%	1.2%
Loadings from reserves	215	240	24	201	222	10	11	4	6
as % of Ø reserves ^{2,6}	0.05%	0.06%	0.00%	0.06%	0.06%	0.04%	0.04%	0.02%	0.02%
Unit-linked management fees	78	123	45	36	72	0	0	42	51
as % of Ø unit-linked reserves ⁶	0.12%	0.16%	0.05%	0.08%	0.14%	NA	NA	0.18%	0.21%
Investment margin	616	651	35	599	630	16	17	1	4
Investment margin net of PHP	616	651	35	599	630	16	17	1	4
as % of Ø aggregate policy reserves ⁶	0.18%	0.19%	0.00%	0.19%	0.20%	0.06%	0.07%	0.37%	1.68%
Expenses	-1,283	-1,327	-44	-910	-928	-315	-322	-57	-77
Acquisition expenses and commissions	-974	-979	-6	-689	-684	-242	-234	-43	-62
as % of PVNBP	-9.6%	-8.3%	1.3%	-8.9%	-9.6%	-27.3%	-12.1%	-2.8%	-2.2%
Admin. and other expenses	-309	-348	-39	-221	-244	-73	-88	-14	-15
as % of Ø reserves ^{2,6}	-0.08%	-0.08%	-0.01%	-0.06%	-0.07%	-0.30%	-0.35%	-0.06%	-0.06%
Technical margin	371	315	-56	181	164	172	133	18	18
Operating profit before change in DAC	714	725	11	518	569	162	124	34	33
Impact of change in DAC ³	104	-56	-160	93	-99	15	33	-3	10
Capitalization of DAC	384	380	-4	272	235	98	118	15	28
Amortization, unlocking and true-up of DAC	-279	-436	-157	-179	-334	-83	-84	-18	-18
Operating profit	818	669	-149	611	470	176	157	31	42
GPW	12,861	14,125	1,264	9,775	9,757	1,811	1,829	1,275	2,539
Ø unit-linked reserves	67,087	75,292	8,205	44,014	50,419	0	0	23,073	24,873
Ø aggregate policy reserves	334,997	347,688	12,691	310,192	322,236	24,471	25,195	334	257
Ø reserves ²	402,084	422,980	20,896	354,206	372,654	24,471	25,195	23,407	25,131
PVNBP ⁵	10,170	11,796	1,626	7,742	7,089	884	1,927	1,544	2,780

1) Figures do not add up due to roundings

2) Aggregate policy reserves + unit-linked reserves

3) Impact of change in DAC includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit

4) Profit sources are based on in scope OEs with a coverage of 96% revenues. Operating profit from non in scope OEs is included in "investment margin"

5) PVNBP is gross of minority

6) Yields are pro-rata

L/H: operating investment income details (EUR mn)

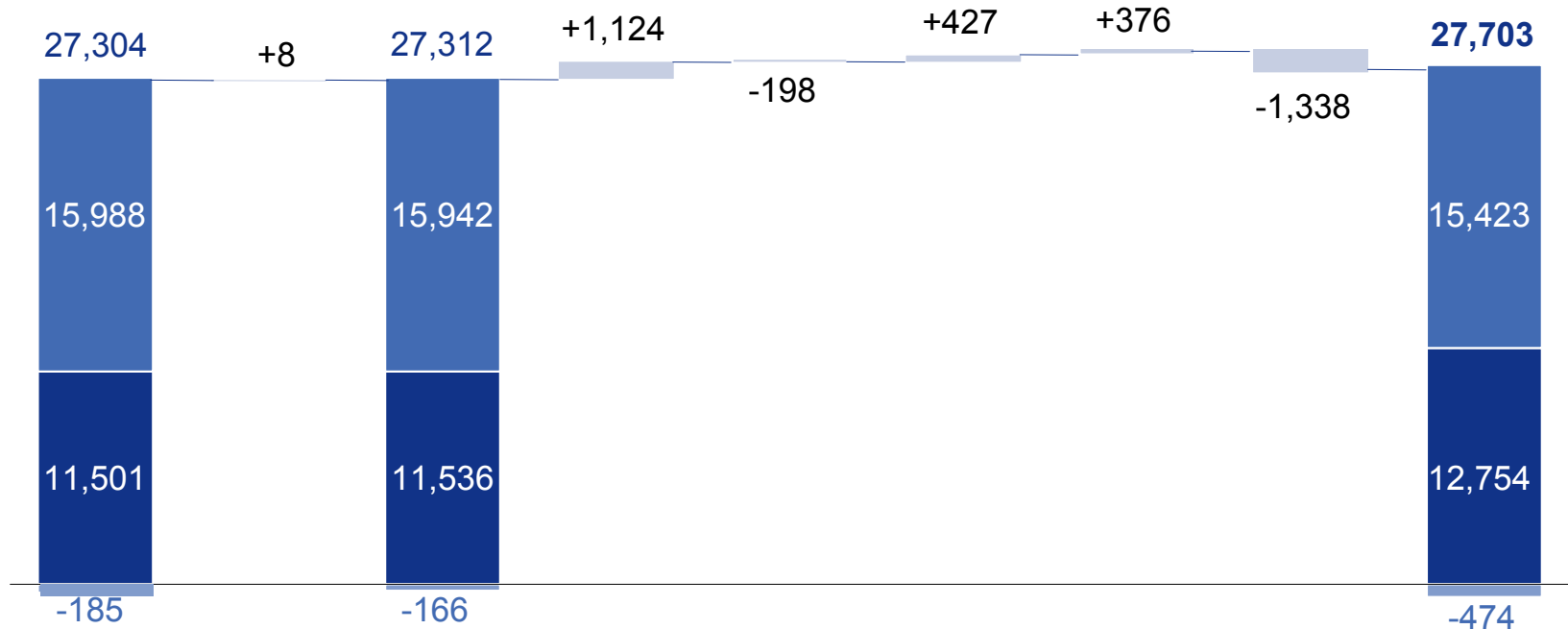
	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013
Interest & similar income ¹	4,176	4,025	3,991	4,042	4,402	4,145	4,159	4,058	4,347
Investment expenses	-183	-210	-174	-162	-191	-189	-217	-190	-193
Net harvesting and other	-159	-714	17	843	324	408	314	593	-100
Realized gains/losses	335	590	545	1,067	733	596	648	899	718
Impairments (net)	-384	-979	-259	-62	-204	-68	-94	-62	-132
Fair value option	31	-197	22	105	-32	88	53	49	-5
Trading	20	-370	-592	-253	-450	-178	36	-669	-151
F/X result	-161	242	301	-14	277	-30	-329	376	-530
Operating investment income	3,834	3,101	3,834	4,723	4,535	4,364	4,256	4,461	4,054

1) Net of interest expenses

L/H: MCEV development (1/2)

(EUR mn, after non-controlling interests)

Free surplus
Required capital
VIF



	12M 2012 MCEV	Adjustment and F/X	12M 2012 MCEV adjusted	In-force business contribution	Operating variances & assumption changes	VNB at point of sale	Economic variances	Net capital movement	6M 2013 MCEV
Free surplus	-185	19	-166	② 1,569	④ -97	⑥ -821	379	-1,338	-474
Req. capital	15,988	-46	15,942	-327	176	455	-823	0	15,423
VIF	11,501	35	11,536	③ -118	⑤ -277	793	820	0	12,754
MCEV	27,304	① 8	27,312	1,124	-198	427	⑦ 376	-1,338	27,703

L/H: MCEV development (2/2)

(EUR mn, after non-controlling interests)

①	8	=	8	Foreign Exchange effects, inc. +68 for US, -30 in Switzerland
②	1,569	=	763 327 72 407	Projected release of risk free profits from VIF in the reporting period Projected release of in-force capital Risk free return on Net Asset Value Expected over-returns earned in the year on Net Asset Value, mainly from US and Italian spreads
③	-118	=	-763 346 299	Projected release of risk free profits from VIF in the reporting period Projected unwinding of VIF at the risk free rate and release of Options and Guarantees VIF increase from higher asset base due to expected over-return, mainly US, Germany and France
④	-97			Mainly increase in Required Capital in Korea from adjusted methodology
⑤	-277	=	-107 -170	Assumption changes & experience variances Other operating variances, mostly France (true-up)
⑥	-821	=	-455 -366	New business capital strain New business cash strain

⑦	(EUR mn) Estimates based on sensitivities	German speaking countries	Western & Southern Europe ¹	Iberia & Latin America ²	Growth markets	USA ³	Total ⁴
	Economic variances	312	339	141	-319	-80	376
	Driven by changes in interest rate	230	339	141	-311	-32	351
	Driven by changes in equity value	82	0	0	-16	36	102
	Driven by changes in volatilities	0	0	0	9	-85	-76

- 1) Includes EUR 147mn effect of reduced spread on Italian government bonds in changes in interest rate
- 2) Includes EUR 132mn effect of reduced spread on Spanish government bonds in changes in interest rate
- 3) Includes EUR -87mn effect of increased credit spreads in the US in changes in interest rate
- 4) Total includes holding expenses and reinsurance

L/H: value of new business¹

(EUR mn)

Region	Value of new business		New business margin		Present value of new business premium			Recurring premium		Single premium	
	2Q 12	2Q 13	2Q 12	2Q 13	2Q 12	2Q 13	Δ % ²	2Q 12	2Q 13	2Q 12	2Q 13
German Speaking Countries	73	74	2.7%	2.8%	2,733	2,677	-1.8%	120	108	1,192	1,246
<i>Germany Life³</i>	67	64	3.1%	2.9%	2,168	2,213	+2.1%	89	80	1,025	1,160
Europe	30	44	1.0%	0.9%	3,072	4,655	+56.1%	108	151	2,311	3,116
<i>France</i>	15	1	1.1%	0.1%	1,397	2,304	+64.9%	47	98	978	1,062
<i>Italy</i>	14	31	1.0%	1.6%	1,416	1,907	+43.6%	48	36	1,175	1,743
Iberia & Latin America	12	13	3.7%	2.7%	328	497	+51.3%	19	28	193	324
Growth Markets	53	44	3.5%	3.0%	1,510	1,472	+0.6%	184	184	708	682
<i>Asia-Pacific</i>	37	28	3.3%	2.4%	1,139	1,200	+9.1%	147	144	519	597
<i>CEEMA</i>	16	14	4.9%	6.6%	321	211	-32.6%	38	40	139	25
USA	18	41	0.9%	2.3%	1,981	1,797	-7.1%	11	13	1,891	1,676
Total⁴	163	190	1.7%	1.7%	9,624	11,099	+17.6%	442	484	6,294	7,044

- 1) After non-controlling interests, including holding expenses and internal reinsurance. All values using F/X rates as of valuation date
- 2) Internal growth (adjusted for F/X and consolidation effects)
- 3) The single premium for Germany Life does not include Parkdepot business (2Q 2012: EUR 134mn, 2Q 2013: EUR 290mn)
- 4) Total including holding expenses and internal reinsurance

3d

Group financial
results 2Q 2013

- 1 Highlights
- 2 Comment pages
- 3 **Additional information**
 - a) Group
 - b) Property-Casualty
 - c) Life/Health
 - d) **Asset Management**
 - e) Corporate and Other
- 4 Glossary

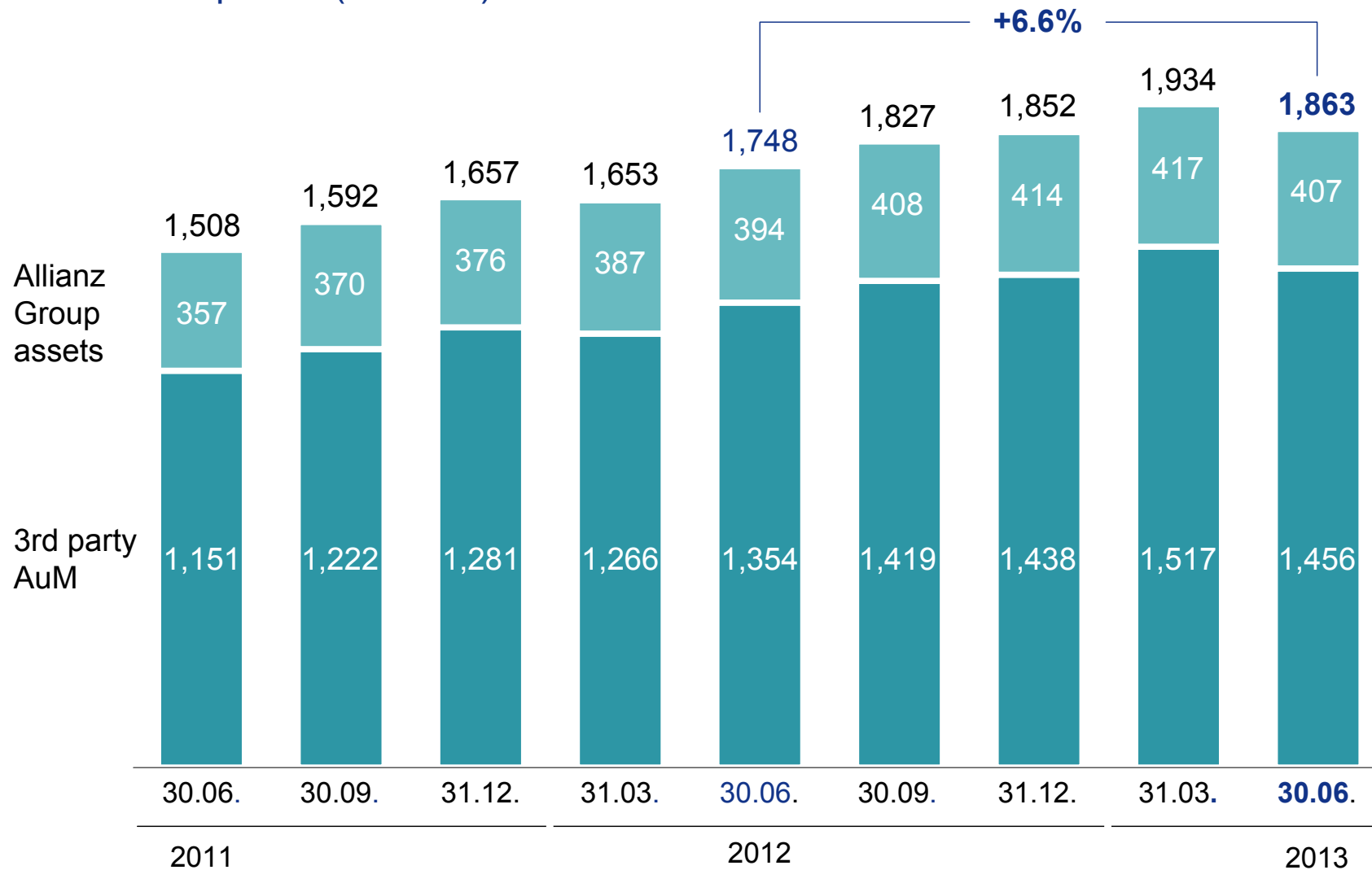
AM: key figures (EUR mn)

	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	Delta 2Q 13/12	6M 2011	6M 2012	6M 2013
Operating revenues	1,303	1,326	1,600	1,439	1,497	1,845	2,005	1,911	1,815	+318	2,576	2,936	3,726
Operating profit	527	533	655	613	575	848	917	900	804	+229	1,056	1,188	1,704
Non-operating items	-46	-50	-50	-22	-21	-51	-20	-31	-23	-2	-145	-43	-54
Income b/ tax	481	483	605	591	554	797	897	869	781	+227	911	1,145	1,650
Income taxes	-193	-149	-225	-212	-209	-275	-333	-301	-293	-84	-313	-421	-594
Net income	288	334	380	379	345	522	564	568	488	+143	598	724	1,056
<i>Net income attributable to:</i>													
Non-controlling interests	4	5	6	11	10	15	15	26	22	+12	7	21	48
Shareholders	284	329	374	368	335	507	549	542	466	+131	591	703	1,008
Cost-income ratio (in %)	59.6	59.8	59.1	57.4	61.6	54.0	54.3	52.9	55.7	-5.9%-p	59.0	59.5	54.3
3rd party AuM¹ (EUR bn)	1,150.9	1,222.3	1,281.3	1,266.4	1,354.0	1,419.3	1,438.4	1,517.1	1,456.4	+102.4	1,150.9	1,354.0	1,456.4

1) 3rd party Assets under Management are end of period values

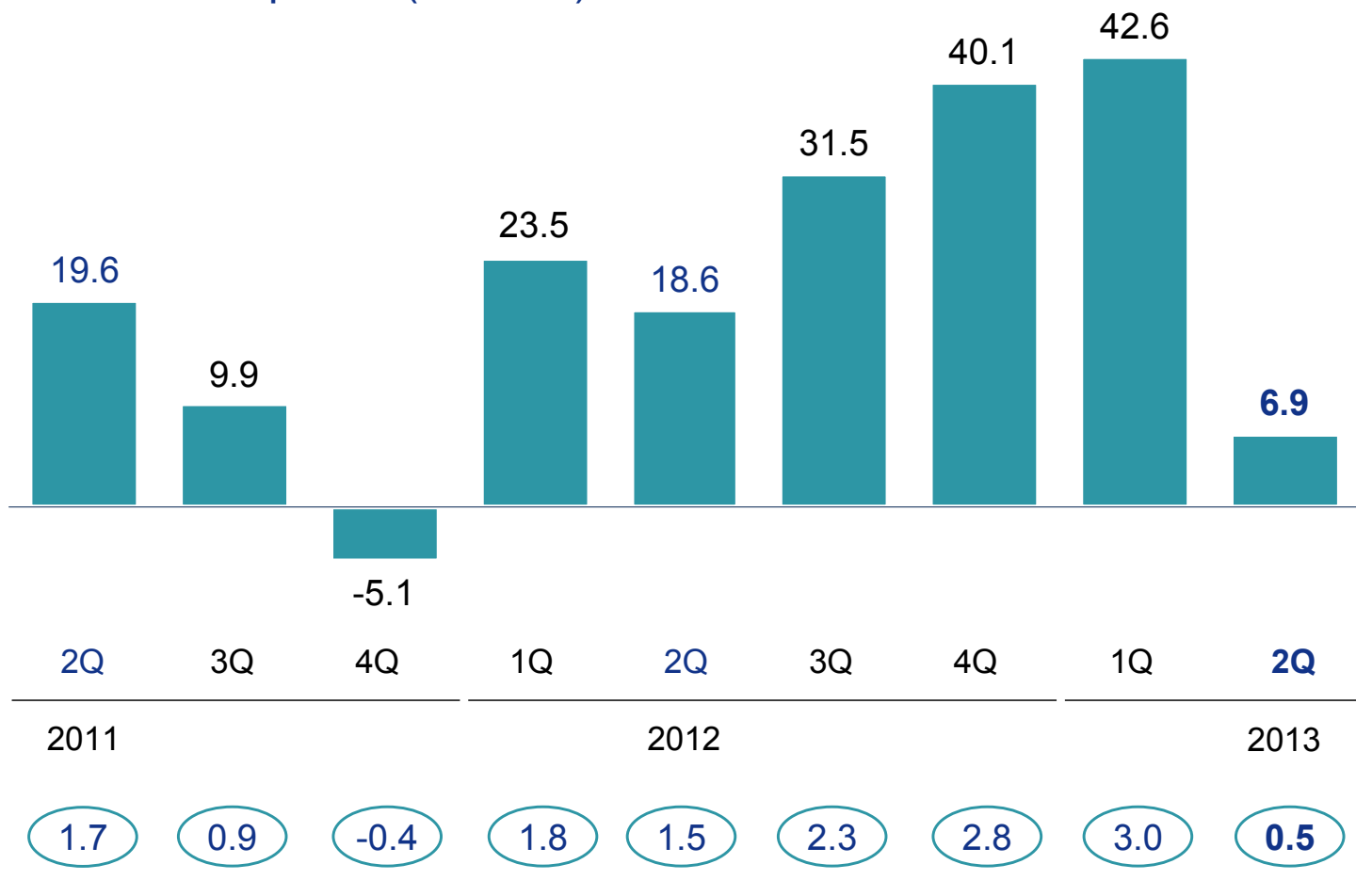
AM: assets under management

AuM development (EUR bn)



AM: net flows

3rd party net flow development (EUR bn)

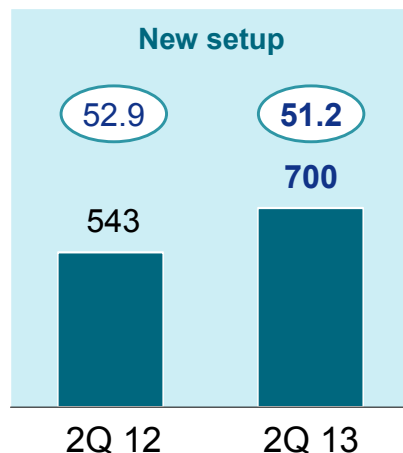


AM: operating profit

Operating profit development (EUR mn)

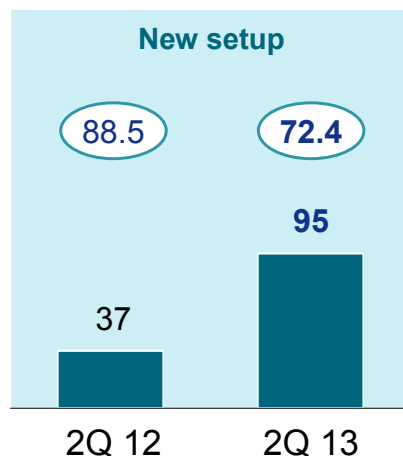
PIMCO

Cost-income ratio (in %)



AllianzGI

Cost-income ratio (in %)



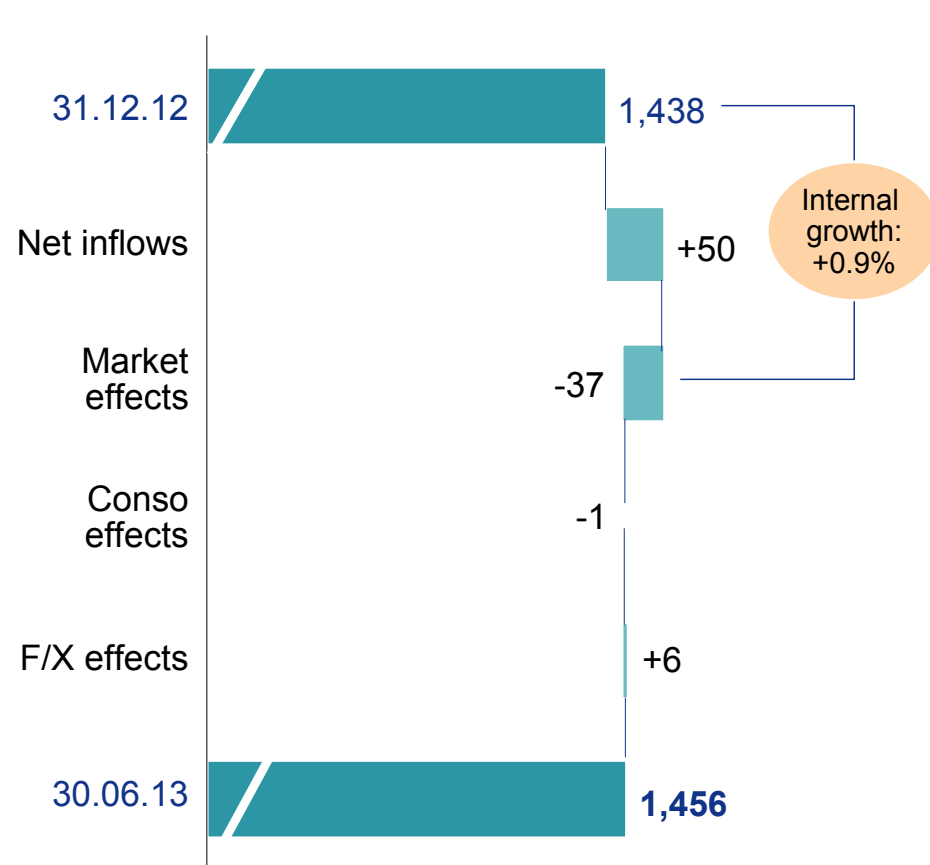
3 rd party AuM (EUR bn)	30.06.12	30.06.13
PIMCO	1,157	1,238
AllianzGI	170	189
Other	27	29
Total 3rd party AuM	1,354	1,456

3-yr outperformance (in %)	30.06.12	30.06.13
PIMCO	96	94
AllianzGI	56	59

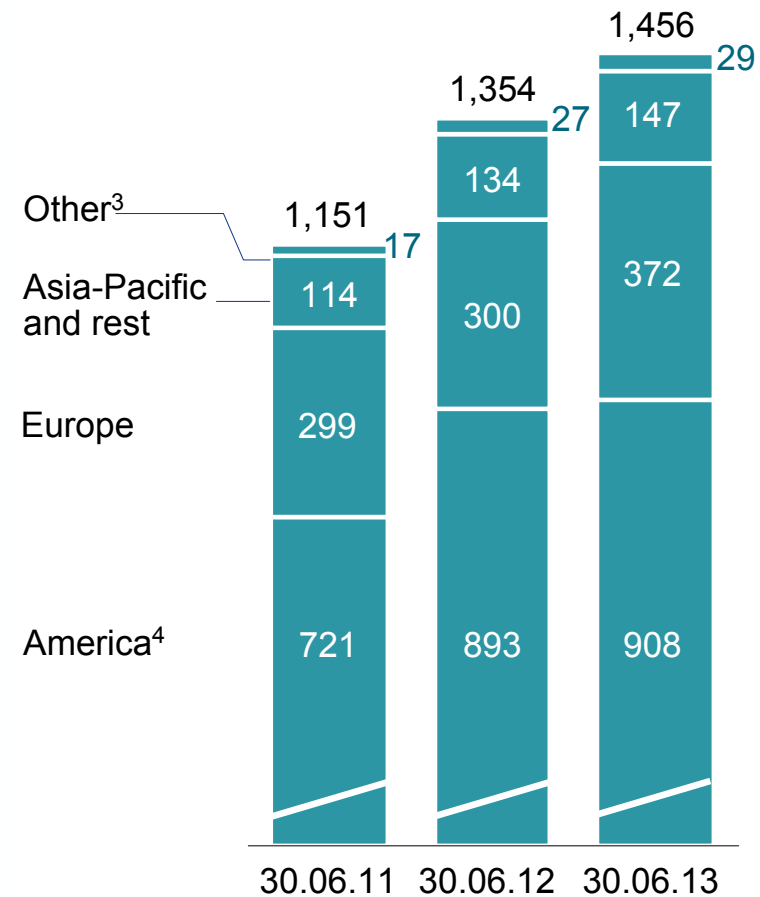
3 rd party net flows (EUR bn)	2Q 12	2Q 13
PIMCO	19.2	4.3
AllianzGI	-1.1	1.7
Other	0.5	0.9
Total 3rd party net flows	18.6	6.9

AM: 3rd party AuM¹ (EUR bn)

AuM development



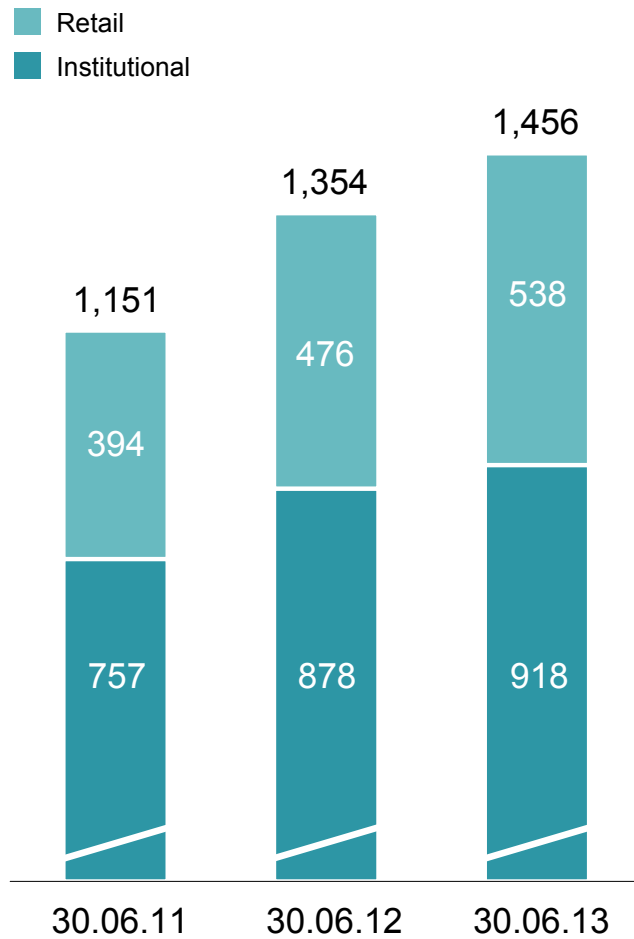
AuM regional breakdown²



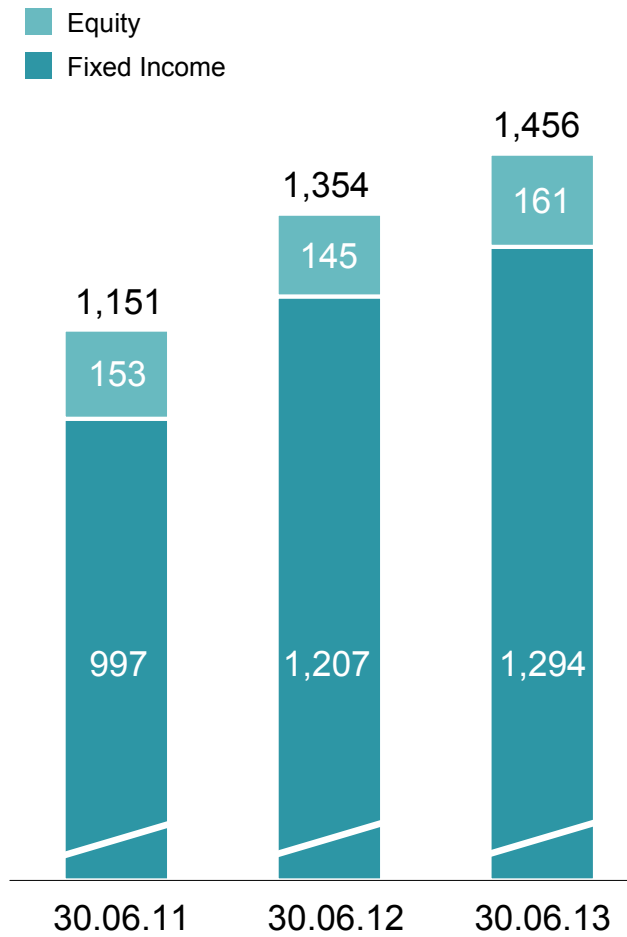
1) Comprises 3rd party AuM managed by AAM and other Allianz Group companies
 2) Based on the origination of the assets by the asset management company
 3) Consists of 3rd party assets managed by other Allianz Group companies, no regional breakdown
 4) 3rd party AuM in US-Dollar: 1,045bn, 1,133bn and 1,180bn as of 30.06.11, 30.06.12 and 30.06.13, respectively

AM: 3rd party AuM¹ (EUR bn)

AuM class mix²



AuM product mix³



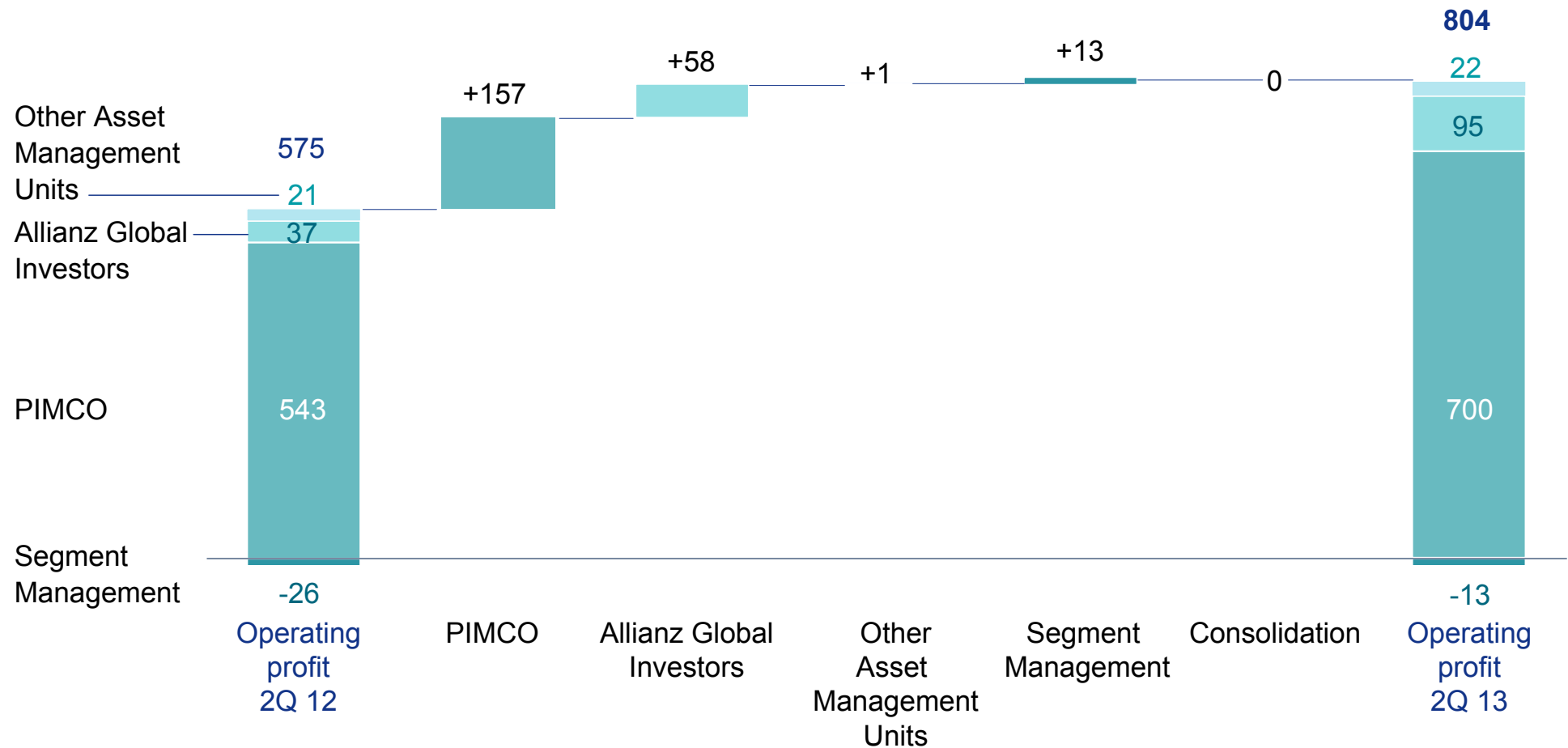
1) Comprises 3rd party AuM managed by AAM and other Allianz Group companies

2) Classification is driven by vehicle types

3) Includes also EUR 1bn, EUR 2bn and EUR 1bn “other” assets as of 30.06.11, 30.06.12 and 30.06.13, respectively

AM: reconciliation Asset Management

Operating profit development (EUR mn)



3e

Group financial
results 2Q 2013

- 1** Highlights
- 2** Comment pages
- 3** **Additional information**
 - a) Group
 - b) Property-Casualty
 - c) Life/Health
 - d) Asset Management
 - e) Corporate and Other
- 4** Glossary

Corporate and Other: key figures (EUR mn)

	2Q 2011	3Q 2011	4Q 2011	1Q 2012	2Q 2012	3Q 2012	4Q 2012	1Q 2013	2Q 2013	Delta 2Q 13/12	6M 2011	6M 2012	6M 2013
Total revenues (Banking)	137	129	150	155	141	142	152	148	132	-9	288	296	280
Operating profit													
Holding & Treasury	-143	-225	-191	-257	-173	-264	-407	-167	-277	-104	-372	-430	-444
Banking	-26	-9	-43	-15	-21	0	2	-83	-1	+20	-24	-36	-84
Alternative Investments	-11	10	0	-1	13	3	7	11	4	-9	-15	12	15
<i>Consolidation</i>	<i>0</i>	<i>1</i>	<i>-1</i>	<i>-1</i>	<i>1</i>	<i>0</i>	<i>-1</i>	<i>0</i>	<i>0</i>	<i>-1</i>	<i>0</i>	<i>0</i>	<i>0</i>
Corporate and Other operating profit	-180	-223	-235	-274	-180	-261	-399	-239	-274	-94	-411	-454	-513
Non-operating items													
Holding & Treasury	-287	-861	-609	-61	-202	-215	-555	-251	-67	+135	-532	-263	-318
Banking	11	-3	-114	0	14	-3	1	3	4	-10	11	14	7
Alternative Investments	-25	-30	-1	-11	-1	-98	-2	-54	-6	-5	-62	-12	-60
<i>Consolidation</i>	<i>-1</i>	<i>24</i>	<i>5</i>	<i>1</i>	<i>-1</i>	<i>0</i>	<i>86</i>	<i>27</i>	<i>0</i>	<i>+1</i>	<i>21</i>	<i>0</i>	<i>27</i>
Corporate and Other non-operating items	-302	-870	-719	-71	-190	-316	-470	-275	-69	+121	-562	-261	-344
Income b/taxes	-482	-1,093	-954	-345	-370	-577	-869	-514	-343	+27	-973	-715	-857
Income taxes	138	267	104	-31	104	140	94	117	66	-38	172	73	183
Net income	-344	-826	-850	-376	-266	-437	-775	-397	-277	-11	-801	-642	-674
<i>Net income attributable to:</i>													
Non-controlling interests	-4	-2	3	1	6	3	3	2	0	-6	-8	7	2
Shareholders	-340	-824	-853	-377	-272	-440	-778	-399	-277	-5	-793	-649	-676
Cost-income ratio Banking (in %)	93.4	96.9	85.4	80.1	85.0	91.0	92.1	146.6	89.6	+4.6%-p	90.6	82.4	119.5
RWA¹ Banking (EUR bn)	9	9	9	9	9	9	9	9	9	+0	9	9	9

4

Group financial
results 2Q 2013

- 1 Highlights
- 2 Comment pages
- 3 Additional information
 - a) Group
 - b) Property-Casualty
 - c) Life/Health
 - d) Asset Management
 - e) Corporate and Other
- 4 Glossary**

Glossary (1)

AAM	Allianz Asset Management (former AGI)
ABS	Asset-backed securities: Structured bonds or notes collateralized by a pool of assets such as loans, bonds or mortgages. As characteristics of the collaterals vary considerably (with regard to asset class, quality, maturity, etc.), so do asset-backed securities.
AFS	Available-for-sale: Securities which have been acquired neither for sale in the near term nor to be held to maturity. Available-for-sale investments are shown at fair value on the balance sheet.
AGCS	Allianz Global Corporate & Specialty
AGI	Allianz Global Investors (AllianzGI)
AM	Asset Management – AM segment
AuM	Assets under Management: The total of all investments, valued at current market value, which the Group has under management with responsibility for their performance. In addition to the Group's own investments, AuM include investments managed on behalf of third parties.
Bps	Basis point = 0.01%
CEE	Central and Eastern Europe
CEIOPS	Committee of European Insurance and Occupational Pensions Supervisors; as of January 1, 2011, CEIOPS has been replaced by the European Insurance and Occupational Pensions Authority (EIOPA).
Combined ratio (CR)	Sum of loss ratio and expense ratio, represents the total of acquisition and administrative expenses (net) and claims and insurance benefits incurred (net) divided by premiums earned (net).
Collateralized debt obligation (CDO)	Collateralized debt obligation (CDO) is a type of structured security backed by a pool of bonds, loans and other assets. CDOs usually do not specialize in any one type of debt but are often non-mortgage loans or bonds.
Collateralized mortgage obligation (CMO)	Collateralized mortgage obligation (CMO) is a type of mortgage-backed security where the cash flows are often pooled and structured into many classes of securities with different maturities and payment schedules.

Glossary (2)

Commercial mortgage-backed securities (CMBS)	Commercial mortgage-backed security (CMBS) is a type of mortgage backed security that is secured by the underlying pool of loans on commercial properties.
Cost-income ratio (CIR)	Represents operating expenses divided by operating revenues.
Covered bonds	Debt securities covered by a pool of mortgage loans or by public-sector loans with investors having a preferential claim in case of a default.
Current yield	Interest and similar income/ average asset base at book value (excluding income from financial assets and liabilities carried at fair value); current yield on debt securities adjusted for interest expenses; yield on debt securities including cash components.
DAC	Deferred acquisition costs: Commissions, underwriting expenses and policy issuance costs, which vary with and are primarily related to the acquisition and renewal of insurance contracts. These acquisition costs are deferred, to the extent that they are recoverable, and are subject to recoverability testing at the end of each accounting period.
EIOPA	European Insurance and Occupational Pensions Authority (also see CEIOPS)
Equity exposure	The equity exposure is the part of investments invested in equity securities.
Equity gearing	Equity exposure (attributable to shareholders) divided by net asset value excluding goodwill.
Expense ratio (ER)	Acquisition and administrative expenses (net) divided by premiums earned (net).
Fair value (FV)	The amount for which an asset could be or is exchanged between knowledgeable, willing parties in an arm's length transaction.
FCD	Financial conglomerates directive: European regulation for the supervision of financial conglomerates and financial groups involved in cross-sectoral business operations.
Financial assets carried at fair value through income	Financial assets carried at fair value through income include debt and equity securities as well as other financial instruments (essentially derivatives, loans and precious metal holdings) which have been acquired solely for sale. They are recorded in the balance sheet at fair value.

Glossary (3)

Financial liabilities carried at fair value through income	Financial liabilities carried at fair value through income include primarily negative market values from derivatives and short selling of securities. Derivatives shown as financial liabilities carried at fair value through income are valued the same way as financial assets carried at fair value through income.
FVO	Fair value option: Financial assets and liabilities designated at fair value through income are measured at fair value with changes in fair value recorded in the consolidated income statement. The recognized net gains and losses include dividends and interest of the financial instruments. A financial instrument may only be designated at inception as held at fair value through income and cannot be subsequently changed.
F/X	Foreign exchange
Goodwill	Difference between a subsidiary's purchase price and the relevant proportion of its net assets valued at the current value of all assets and liabilities at the time of acquisition.
Government bonds	Government bonds include government and government agency bonds.
Gross/Net	In insurance terminology the terms "gross" and "net" mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term "net" is used where the relevant expenses (e.g. depreciations and losses on the disposal of assets) have already been deducted.
Harvesting rate	$(\text{Realized gains and losses (net)} + \text{impairments on investments (net)}) / \text{average investments and loans at book value (excluding income from financial assets/ liabilities carried at fair value)}$.
IFRS	International Financial Reporting Standards. Since 2002, the designation of IFRS applies to the overall framework of all standards approved by the International Accounting Standards Board. Standards already approved before will continue to be cited as International Accounting Standards (IAS).
Internal growth	Enhances the understanding of our total revenue performance by excluding the effects of foreign currency translation as well as of acquisitions and disposals.
L/H	Life and health insurance

Glossary (4)

L/H operating profit sources

The objective of the Life/Health operating profit sources analysis is to explain movements in IFRS results by analyzing underlying drivers of performance on a L/H segment consolidated basis.

Loadings & fees: Includes premium and reserve based fees, unit-linked management fees and policyholder participation on expenses.

Investment margin: Is defined as IFRS investment income net of expenses less interest credited to IFRS reserves less policyholder participation.

Expenses: Includes commissions, acquisition expenses and administration expenses

Technical margin: Comprises risk result (risk premiums less benefits in excess of reserves less policyholder participation), lapse result (surrender charges and commission claw-backs) and reinsurance result.

Impact of change in DAC: Includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit .

Loss frequency

Number of accident year claims reported divided by number of risks in-force

Loss ratio

Claims and insurance benefits incurred (net) divided by premiums earned (net).
Loss ratio calendar year (c.y.) includes the results of the prior year reserve development in contrast to the loss ratio accident year (a.y.).

Loss severity

Average claim size (accident year gross claims reported divided by number of claims reported)

MBS

Mortgage-backed securities: Securities backed by mortgage loans

MCEV

Market consistent embedded value is a measure of the consolidated value of shareholders' interest in a life portfolio. The Market Consistent Embedded Value is defined as

Net asset value (NAV)

- + Present value of future profits
- Time value of financial options and guarantees (O&G)
- Frictional cost of required capital
- Cost of residual non-hedgeable risk (CNHR)

Glossary (5)

Modified duration	Is a measure for the interest rate sensitivity of the portfolio.
MoR	Represents operating profit divided by the average of (a) current quarter end and prior quarter end net reserves and (b) current quarter end and prior year end net reserves, whereby net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.
MVLO	Market value liability option
NatCat	Accumulation of claims that are all related to the same natural or weather/atmospheric event during a certain period of time and where AZ Group's estimated gross loss exceeds EUR 20mn if one country is affected (respectively EUR 50mn if more than one country is affected); or if event is of international media interest.
NBM	New business margin: Value of new business divided by present value of new business premiums
Non-controlling interests	Represent the proportion of equity of affiliated enterprises not owned by Group companies.
NPE	Net premiums earned
OAB	Operating asset base: Represents all operating investment assets within the L/H segment. This includes investments & loans, financial assets and liabilities carried at fair value as well as unit-linked investments. Market value liability option is excluded.
OE	Operating entity
Operating profit	Earnings from ordinary activities before income taxes and minority interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: Income from financial assets and liabilities held for trading (net), realized gains/ losses (net), impairments of investments (net), interest expense from external debt, amortization of intangible assets, acquisition-related expenses and restructuring charges, income from fully consolidated private equity investments (net) as this represents income from industrial holdings outside the scope of operating business.
P/C	Property and casualty insurance

Glossary (6)

PIMCO	Pacific Investment Management Company Group
Premiums written/ earned (IFRS)	Premiums written represent all premium revenues in the year under review. Premiums earned represent that part of the premiums written used to provide insurance coverage in that year. In the case of life insurance products where the policyholder carries the investment risk (e.g. variable annuities), only that part of the premiums used to cover the risk insured and costs involved is treated as premium income.
PVNBP	Present value of new business premiums: Present value of projected new regular premiums, discounted with risk-free rates, plus the total amount of single premiums received.
Reinsurance	Where an insurer transfers part of the risk which he has assumed to another insurer.
Required capital	The market value of assets attributed to the covered business over and above that required to back liabilities for covered business whose distribution to shareholders is restricted.
Residential mortgage-backed securities (RMBS)	Debt instruments that are backed by portfolios of mortgages on residential rather than commercial real estate.
Retained earnings	Retained earnings comprise the net income of the current year, not yet distributed earnings of prior years and treasury shares as well as any amounts directly recognized in equity according to IFRS such as consolidation differences from minority buyouts.
Risk capital	Minimum capital required to ensure solvency over the course of one year with a certain probability which is also linked to our rating ambition.
Risk-weighted assets (RWA)	All assets of a bank multiplied by the respective risk-weight according to the degree of risk of each type of asset.
Run-off ratio	Run-off ratio is calculated as run-off result (result from reserve releases in P/C business) in percent of net premiums earned.
SE	Societas Europaea: European stock company

Glossary (7)

Shadow DAC	Shadow accounting is applied in order to include the effect of unrealized gains or losses from the debt or equity securities classified as available for sale in the measurement of Deferred Acquisition Costs in the same way as it is done for realized gains or losses. Due to virtual (shadow) realization of unrealized gains or losses Deferred Acquisition Costs are adjusted with corresponding charges or credits recognized directly to shareholders' equity
Solvency ratio	Ratio indicating the capital adequacy of a company comparing eligible funds to required capital
Sovereign bonds	Sovereign bonds include government and government agency bonds
Statutory premiums	Represent gross premiums written from sales of life insurance policies, as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction
Stress tests	<p>Conglomerate solvency ratio stress tests are based on the following scenarios</p> <ul style="list-style-type: none"> - Credit loss / migration: scenario based on probabilities of default in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30% - Credit spread: 100bps increase in the credit spreads across all rating classes - New business: new non-recurring business volume increases by 50% which leads to an additional reserve requirement - NatCat: loss due to NatCat events, both natural and man-made, leading to claims of EUR 1.7bn. Applies to P/C business only
Total equity	Represents the sum of shareholders' equity and non-controlling interests
Total revenues	Represent the sum of P/C segment's gross premiums written, L/H segment's statutory premiums, operating revenues in Asset Management and total revenues in Corporate and Other (Banking)
UBR (Unfallversicherung mit garantierter Beitragsrückzahlung)	Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents (accident insurance), has a guaranteed claim to refund from premiums on the agreed maturity date or in the event of death (endowment insurance)

Glossary (8)

Unrealized gains and losses (net) (as part of shareholders' equity)	Include primarily unrealized gains and losses from available-for-sale investments net of tax and policyholder participation
URR	The unearned revenue reserve contains premium components that refer to future periods, which are reserved and released over the lifetime of the corresponding contracts.
VOBA	Value of the business acquired. It refers to the present value of future profits associated with a block of business purchased.
VIF	Value of in-force: Present value of future profits from in-force business (PVFP) minus the time value of financial options and guarantees (O&G) granted to policyholders, minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital (CReC)
VNB	Value of new business: The additional value to shareholder created through the activity of writing new business. It is defined as present value of future profits (PVFP) after acquisition expenses minus the cost of option and guarantees (O&G), minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital, all determined at issue date
3-year-outperformance AM	Allianz Asset Management account-based, asset-weighted three-year investment performance of third-party assets versus the primary target including all accounts managed by portfolio managers of Allianz Asset Management. For some retail funds the net of fee performance is compared to the median performance of the corresponding Morningstar peer group (first and second quartile mean outperformance). For all other retail funds and for all institutional accounts, the gross of fee performance (revaluated based on closing prices) is compared to the respective benchmark based on different metrics.

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extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) 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.

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