Allianz Group: First Half of 2013 Development

Michael Diekmann, CEO

Journalist telephone conference
August 2, 2013
Agenda

1. Highlights in the first half of 2013
2. Latest developments
3. Outlook
### Highlights in the first half of 2013: Allianz on track

<table>
<thead>
<tr>
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<th>2012¹ 6M</th>
<th>2013 6M</th>
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<tbody>
<tr>
<td><strong>Total revenues (EUR bn)</strong></td>
<td>55.2</td>
<td>58.8</td>
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<tr>
<td><strong>Operating profit (EUR mn)</strong></td>
<td>4,583</td>
<td>5,164</td>
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<tr>
<td><strong>Group shareholders’ net income (EUR mn)</strong></td>
<td>2,629</td>
<td>3,295</td>
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**Property/Casualty Operating profit (EUR mn)**

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<th>2013 6M</th>
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<tbody>
<tr>
<td><strong>Life/Health Operating profit (EUR mn)</strong></td>
<td>1,643</td>
<td>1,524</td>
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<tr>
<td><strong>Asset Management Operating profit (EUR mn)</strong></td>
<td>1,188</td>
<td>1,704</td>
</tr>
<tr>
<td><strong>Solvency ratio (in %)</strong></td>
<td>[31.12.12]</td>
<td>[30.06.13]</td>
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1) Previous year figures are uniformly restated to reflect retroactive application of IAS 19 and the presentation of restructuring costs in operating profit.

Telephone conference on developments in first half year
Milestones in the first half of 2013

Selected examples

<table>
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<th>Operational improvements in core markets</th>
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<td>- Allianz subsidiaries in Southern Europe well positioned</td>
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<td>- Allianz Deutschland on track</td>
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<td>- Fireman’s Fund with improved half-year results</td>
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<th>Organic growth</th>
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<td>- Latin America – high growth potential for Allianz</td>
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<td>- Development and launch of new and innovative products</td>
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<td>- New distribution agreements with high potential</td>
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<tr>
<th>Acquisition</th>
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<td>- Yapı Kredi Sigorta – Allianz becomes number 1 in Turkey with more than 4 million customers</td>
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New combination of security and return for changed environment

Challenges for traditional pension insurance

- Persistent low interest rate environment impacting returns for customers
- Increased regulatory capital requirements making traditional guarantees more expensive

Allianz’s answer:
New provision concept “Perspektive”

- Allianz guarantees capital retention including any yields generated
- Customers profit from lower guaranty costs
- Guaranteed interest rate for pension payout phase not fixed until pension begins, enabling customers to participate in future interest rate developments

Most important customer needs: Security and return

Guaranty for both accumulation and pension payout phase, combined with chance of higher returns
Examples of innovative products

**“Progetto Reddito”**
- Unit-linked life product
- On the Italian market since start of 2013
- Revenues to date over EUR 700 mn

**Satellite-supported crop insurance**
- Pilot 2014
- Use in developing countries also possible

2013

**“Allianz Cyber Protect”**
- July 2013: launch in Germany
- 2013: Austria, Switzerland, UK, France, Spain, Australia and New Zealand to follow
- 2014: Launches in Asia and Latin America

2014

**“Connected Home”**
- Cooperation with energy and technology companies
- Initial test phases for individual products and services in conjunction with our Allianz Worldwide Partners initiative
- Further possible cooperation models with partner companies in development
## Major current industry issues

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<th>Regulation</th>
<th>Requirements:</th>
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| 1 |                                                      | ▪ Solvency II: Smoothing artificial volatility for existing business  
                                                  ▪ Harmonized capital requirements in Europe  |
| 2 | Sovereign debt crisis in Europe                      | ▪ Continuation of structural and fiscal reforms  
                                                  ▪ Securing competitiveness of European economic area  |
| 3 | Capital and financial markets                        | ▪ Severe reactions in financial markets following statements about future central bank policy  
                                                  ▪ Beginning of return to normal after latest interest rate increase  
                                                  ▪ PIMCO well prepared and ideally positioned  |
Allianz sees 2013 operating profit at upper end of range

**Status and outlook 2013**
*(Operating profit\(^1\) in EUR bn)*

- **Property/Casualty**: 4.3 – 5.1
- **Life/Health**: 2.5 – 3.1
- **Asset Management**: 2.7 – 3.1
- **Corporate and Other**: -1.1 to -1.3
- **Group**: 9.2

\(^1\) Operating profit including restructuring costs

- **Forecast range for Group results reflects diversification**
- **Legal disclaimer**: Effects of natural catastrophes and developments in financial markets and global economy are not foreseeable
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Forward-looking statements

The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management’s current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

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