Munich, November 6, 2014

oliver.schmidt@allianz.com +49 89 3800-3963
peter.hardy@allianz.com +49 89 3800-18180
reinhard.lahusen@allianz.com +49 89 3800-17224
christian.lamprecht@allianz.com +49 89 3800-3892
frank.stoffel@allianz.com +49 89 3800-18124

investor.relations@allianz.com
www.allianz.com/investor-relations

Allianz with double-digit growth in revenues and net income in third quarter of 2014

- **Total revenues increase 14.5 percent to 28.78 billion euros**
- **Operating profit up 5.2 percent to 2.65 billion euros**
- **Net income attributable to shareholders grows by 11.2 percent to 1.61 billion euros**
- **Operating profit outlook confirmed: upper end of target range of 10.5 billion euros in reach**
- **New dividend policy increases pay-out ratio to 50 percent of Allianz Group net income**

In the third quarter of 2014, Allianz Group continued its strong development from the first half of the year. Total quarterly revenues increased 14.5 percent to 28.78 (third quarter of 2013: 25.14) billion euros. Operating profit stood at 2.65 (2.52) billion euros, up 5.2 percent. Net income attributable to shareholders increased 11.2 percent to 1.61 (1.45) billion euros.

The positive development is also evident over the first nine months of the year. Total revenues rose 9.8 percent to 92.20 (83.97) billion euros. Operating profit was up 6.0 percent to 8.14 (7.68) billion euros. Net income attributable to shareholders increased 5.5 percent to 5.00 (4.74) billion euros.

The segment Property and Casualty insurance again marked a strong quarter both in revenues and operating profit. Operating profit for the segment grew due to higher underwriting and investment results. In the Life and Health insurance segment, statutory premiums increased by nearly 25 percent. In the segment Asset Management, operating profit reached its highest quarterly level in 2014.

The conglomerate solvency ratio was 184 percent as of September 30, 2014. This represented an increase of 3 percentage points compared to December 31, 2013. Shareholders' equity rose 16.2 percent to 58.2 billion euros from 50.1 billion euros as of December 31, 2013.

"Strong internal growth in the Property and Casualty segment, continued high demand for life insurance products and good operating profit in the Asset Management segment show that we are on the right track for 2014," said Dieter Wemmer, CFO of Allianz SE. "Our results confirm our outlook that the upper end of the operating profit target range at 10.5 billion euros is in reach."

Property and Casualty insurance operating profit up by 15.2 percent

Gross premiums written in Property and Casualty insurance increased 5.7 percent to 11.25 (10.65) billion euros in the third quarter. Adjusted for foreign exchange and consolidation effects, internal growth of 4.7 percent was driven in particular by the business development in the UK, by strong growth in our global lines as well as in Germany. The acquisition of specific distribution activities from Italian insurer Unipol contributed 0.8 percentage points to total premium growth.

Operating profit in the Property and Casualty segment rose 15.2 percent to 1.42 (1.23) billion euros in the third quarter of 2014. A better underwriting result is reflected in the combined ratio, which improved in the third quarter by 1.3 percentage points to 93.5 (94.8) percent. The loss ratio decreased by 1.3 percentage points to 65.9 (67.2) percent, benefitting from a benign natural catastrophes environment, partially offset by a lower run-off result. At 27.6 (27.6) percent the expense ratio is in line with the third quarter of 2013.

"Our Property and Casualty business has seen a successful quarter following strong results in our core markets, supported by the absence of major natural catastrophes," said Dieter Wemmer. "Our premium growth is mostly volume driven, highlighting good demand for our products."

Life and Health insurance shows strong growth

Statutory premiums in Life and Health insurance climbed in the third quarter to 15.85 (12.70) billion euros, representing an increase of 24.9 percent over the previous year's third quarter. Strong demand in Allianz core markets Italy and the US as well as in Taiwan contributed to this development.

In Italy and Taiwan, the increased sales in the third quarter were driven by unit-linked products. In the US, fixed-indexed annuities once again generated strong demand. In Germany, "Perspektive" continued its success with 16,500 policies sold.

With 790 (769) million euros, operating profit increased by 2.8 percent compared to the previous year's third quarter, reflecting a solid level. The transfer of certain entities from Asset Management contributed 22 million euros to this development.

The value of new business increased by 36.5 percent to 293 million euros from 215 million euros the year before. The new business margin remains stable at 2.4 percent in the third quarter of 2014 compared to the previous year's quarter.

"Our product mix in the Life and Health segment is moving in the right direction: away from traditional towards new products. Unit-linked products are generating higher sales in several core markets," said Dieter Wemmer. "Strong demand for our life insurance products continued in the third quarter despite the summer break, a clear sign for the need for retirement provisions. For example, in Italy, our newly launched unit-linked products are well accepted and represent almost three quarters of our bancassurance production."

Asset Management at target

In the third quarter, operating revenues of the segment Asset Management reached 1.62 (1.66) billion euros, a decline of 2.6 percent. Operating profit declined 5.0 percent to 694 (731) million euros. The cost-income ratio was 57.1 (56.0) percent, slightly better than in the first two quarters of 2014.

On September 30, 2014, total assets under management were 1,872 billion euros compared to 1,738 billion euros at the beginning of 2014. At the end of the third quarter, third-party assets under management amounted to 1,411 billion euros, up from 1,329 billion euros at the beginning of 2014. Strong market movements and favorable currency effects have overcompensated the net outflows.

The third quarter saw third-party net outflows of 47.4 billion euros, compared to net outflows of 27.5 billion euros in the previous year's third quarter. Net outflows at PIMCO amounted to 49.2 billion euros in the third quarter of 2014. However, a substantial majority of these outflows occurred in the last week of September following the change in investment management leadership. The PIMCO Total Return Fund assets were 170.9 billion US dollars as of October 31, 2014. The fund remains the largest actively managed bond fund in the world. Outflows from the Total Return Fund slowed considerably during the month of October, to approximately 27.5 billion US dollars. Nearly half of these outflows occurred in the first five trading days of October.

At 110 million euros, operating profit for Allianz Global Investors was above 100 million euros for the first time since implementation of the new structure for asset management in January 2012. For the seventh consecutive quarter, Allianz Global Investors had third-party net inflows, amounting to 1.8 billion euros in the third quarter of 2014.

"Net outflow development after the resignation of Bill Gross is within our expectation. PIMCO continues to deliver high performance and customer service at world-class level," said Dieter Wemmer. "Investment performance increased to 93 percent of PIMCO's assets under management outperforming their benchmark on a three-year basis compared to 89 percent in the previous quarter."

New dividend policy increases pay-out ratio to 50 percent

The board of management and the supervisory board of Allianz SE have decided on a new allocation of net income in its dividend policy. Starting with the financial year 2014, the intention is to propose an increased regular pay-out to Allianz shareholders of 50 percent of Allianz Group net income (attributable to shareholders). Until now the dividend policy foresaw a pay-out ratio of 40 percent. In the interest of dividend continuity, the objective is to keep the dividend per share at least at the level paid in the previous year.

The dividend policy of Allianz Group continues to aim for a healthy balance between an attractive yield and investments in profitable growth. To assure capital discipline, the management further intends to evaluate and pay out the unused budget earmarked for external growth every three years. The first evaluation will take place at the end of 2016. The dividend policy is subject to a sustainable Solvency II ratio above 160 percent.

"Our unchanged outlook for the full year 2014 and the newly established multi-year dividend policy are visible demonstration of management confidence about the future of Allianz Group," said Dieter Wemmer.

This dividend policy represents the current intention of the board of management and the supervisory board and may be revised in the future. Also, the decision regarding dividend payments in any given year is subject to specific dividend proposals by the board of management and the supervisory board, each of which may elect to deviate from this dividend policy if appropriate under the then prevailing circumstances, as well as to the approval of the annual general meeting.

Allianz Group - Key figures 3rd quarter and first 9 months of 2014

			3Q 2013	3Q 2014	Δ	9M 2013	9M 2014	Δ
Total revenues		€ bn	25.1	28.8	14.5%	84.0	92.2	9.8%
Operating profit / loss		€ mn	2,518	2,650	5.2%	7,682	8,144	6.0%
- Property-Casualty		€ mn	1,235	1,422	15.2%	3,733	4,257	14.0%
- Life/Health[1]		€ mn	769	790	2.8%	2,293	2,655	15.8%
- Asset Management[1]		€ mn	755	694	-8.1%	2,458	2,015	-18.0%
- Corporate and Other		€ mn	-229	-248	8.1%	-742	-689	-7.1%
- Consolidation		€ mn	-11	-9	-17.3%	-59	-94	58.2%
Income before income taxes		€ mn	2,277	2,319	1.9%	7,453	7,658	2.7%
Income taxes		€ mn	-746	-632	-15.3%	-2,447	-2,373	-3.0%
Net income / loss		€ mn	1,530	1,687	10.2%	5,007	5,285	5.6%
- Property-Casualty		€ mn	796	1,083	36.0%	2,814	2,697	-4.1%
- Life/Health[1]		€ mn	562	530	-5.6%	1,664	1,891	13.6%
- Asset Management[1]		€ mn	482	438	-9.2%	1,538	1,263	-17.9%
- Corporate and Other		€ mn	-307	-311	1.5%	-981	-429	-56.3%
- Consolidation		€ mn	-3	-52	n.m.	-28	-137	387%
Net income		€ mn	1,530	1,687	10.2%	5,007	5,285	5.6%
- attributable to non-controlling interests		€ mn	85	81	-5.5%	267	283	6.3%
- attributable to shareholders		€ mn	1,445	1,606	11.2%	4,740	5,002	5.5%
Basic earnings per share		€	3.19	3.54	11.0%	10.46	11.02	5.4%
Diluted earnings per share		€	3.14	3.52	11.9%	10.33	10.95	6.0%
Ratios								
- Property-Casualty	Combined ratio	%	94.8%	93.5%	-1.3% -p	95.0%	93.6%	-1.4% -p
- Life/Health	Margin on reserves[1]	bps	66	61	-5 bps	66	70	4 bps
- Asset Management	Cost-income ratio[1]	%	55.7%	57.1%	1.4% -p	54.7%	57.5%	2.8% -p
						12/31/13	09/30/14	Δ
Shareholders' equity[2]		€ bn	-	-	-	50.1	58.2	16.2%
Conglomerate solvency ratio[3,4]		%	-	-	-	182%	184%	3% -p
Third-party assets under management[1]		€ bn	-	-	-	1,361	1,411	3.7%

! **Please note:** The condensed consolidated interim financial statements are presented in millions of Euros, unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. Previously published figures have been adjusted accordingly

1 Effective 1 January 2014, the Allianz Group allocated certain entities from Asset Management to Life/Health and Banking

2 Excluding non-controlling interests

3 Including off-balance sheet reserves (12/31/13: € 2.3bn, 09/30/14: € 2.2bn). The solvency ratio excluding off-balance sheet reserves would amount to 173% as of 12/31/13 and additionally adjusted for the potential calls of hybrid capital of € 1.4bn in the coming year 176% as of 09/30/14

4 Hybrid capital has been adjusted by € 1.4bn due to potential calls in 2015. Excluding this adjustment, the conglomerate solvency ratio would be 190% as of 09/30/14

These assessments, are as always, subject to the disclaimer provided below.

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.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events), (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the 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 maybe more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

No duty to update

The company assumes no obligation to update any information or forward-looking statement contained herein, save for any information required be disclosed by law.