

Group financial results 3Q 2015

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1

Group financial
results 3Q 2015

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

Business highlights from the third quarter of 2015

Property-Casualty

- Premiums generated via direct sales channels increased 19 percent to EUR 1.3 billion in the first nine months of the year compared to the year-earlier period
- Italy: Allianz1, the modular offer for retail customers, is Allianz Italy's most innovative and successful product with more than 200,000 policies sold since launch in April 2014

Life/Health

- Germany: Newly launched "KomfortDynamik" with promising start. It is the next new life product after "Perspektive", the most successful launch ever for Allianz Leben with more than 150,000 policies sold to date
- Belgium and Luxembourg: New life insurance products drive 28.5 percent growth in premiums in third quarter

Asset Management

- AllianzGI's risk-optimized Advanced Fixed Income strategy suite passed the EUR 40 billion threshold in assets under management
- PIMCO's income strategy receives continued net inflows. PIMCO is now managing more than USD 50 billion in this strategy

Digitalization

- Germany: Full sales process for term life insurance available online since July
- Spain: 500,000 of 3.6 million customers are now fully serviced via digital channels
- Allianz and Panasonic enter partnership to provide Smart Home solutions starting in Germany in November, including Panasonic's home monitoring system with home protection services from Allianz Global Assistance

Growth markets

- Kenyan authorities give Allianz green light to launch operations in the country

Alternative investments

- Allianz invests in Tank&Rast, Germany's leading owner and concessionaire of a network of motorway service areas
- Allianz receives license to own and construct Thames Tideway Tunnel, London's new 25km long sewerage tunnel as the leader of an international consortium of investors
- Allianz invests EUR 900 million in Irish shopping centers

Brand value

- Allianz brand value increases by 10 percent to USD 8.5 billion according to Interbrand's annual 'Best Global Brands' ranking

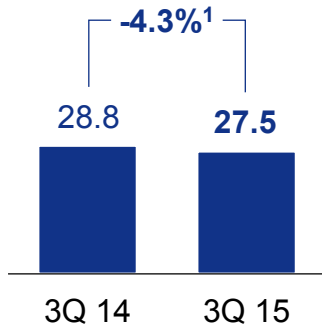
Business highlights from the third quarter of 2015

Comments

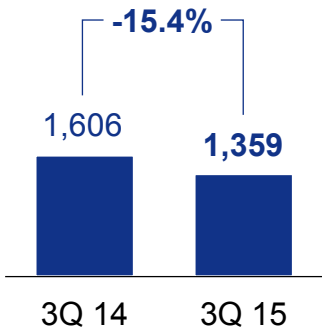
- **Direct sales continue to grow strongly**
The three operating entities with the highest 9M sales of insurance products via direct channels are Italy (EUR 391mn), Australia (EUR 228mn) and Germany (EUR 180mn).
- **New entity in Africa**
With the launch of operations in Kenya, Allianz will be present in 15 countries on the African continent, including Allianz Global Corporate & Specialty in South Africa and Euler Hermes in Morocco.
- **Alternative investments expand**
With a total investment volume of EUR 5.7bn, the 'super sewer' Thames Tideway Tunnel will be the largest single asset in the water sector in the UK. Several Allianz insurance companies are investing in this unique infrastructure project via Allianz Capital Partners.
- **Allianz brand ranked higher**
The global brand value of Allianz has more than doubled compared to 2007 when we first entered the ranking with a value of USD 4bn. Allianz now places 54th among the world's top 100 brands, according to Interbrand.

Group: solid underlying numbers across all segments

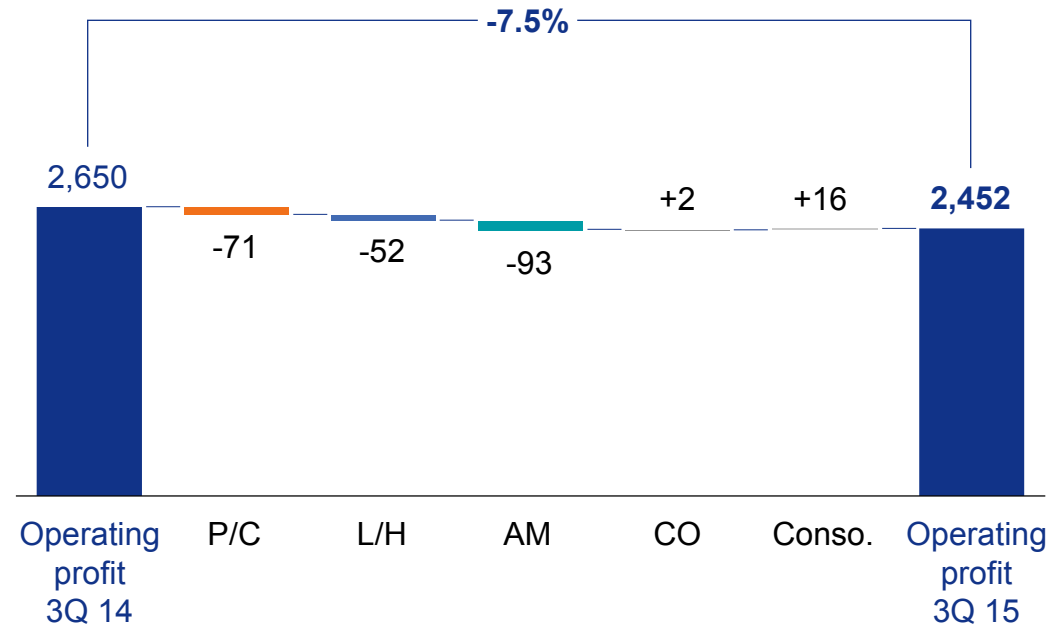
Total revenues (EUR bn)



Net income² (EUR mn)



Operating profit drivers (EUR mn)



3Q 15	1,352	738	600	-246	8
3Q 14	1,422	790	694	-248	-9

1) Internal growth of -7.2%, adjusted for F/X and consolidation effects

2) Net income attributable to shareholders

Group: solid underlying numbers across all segments

Comments

- **Revenues – targeted growth**

Positive revenue growth in P/C and AM.
Negative internal growth driven by strategic shift to capital-light L/H products with higher return on equity and improved NBM.

- **OP P/C – healthy**

P/C operating profit at comfortable level despite negative impact from F/X investment losses and large claims. Previous year supported by negligible NatCat.

- **OP L/H – underlying quality strong**

Adjusted for EUR 148mn loss recognition in Korea operating result at upper end of normal run-rate range.

- **OP AM – on track**

Operating profit down 13.5% versus 3Q 2014, but up 18.8% compared to 2Q 2015 with improved underlying CIR. Increase supported by strong performance fees at PIMCO.

- **Shareholders' net income – up YTD**

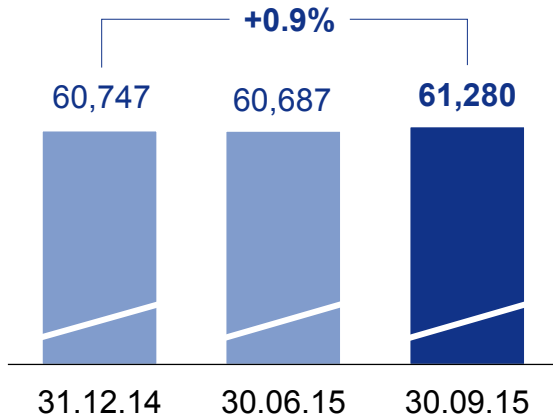
Year-to-date up 3.9%. Quarter-on-quarter decline result of lower operating profit and higher tax rate mainly due to base effect in 3Q 2014 and non-tax deductible equity impairments.

- **Outlook 2015**

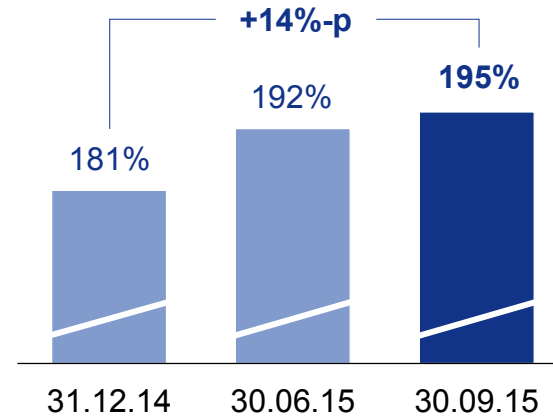
Full year operating profit outlook of EUR 10.4bn plus/minus EUR 400mn. 9M 2015 operating profit of EUR 8.15bn represents 78% of the mid-point of our full-year outlook. FY 2015 operating profit expected in the upper end of the target range.

Group: strong capital position

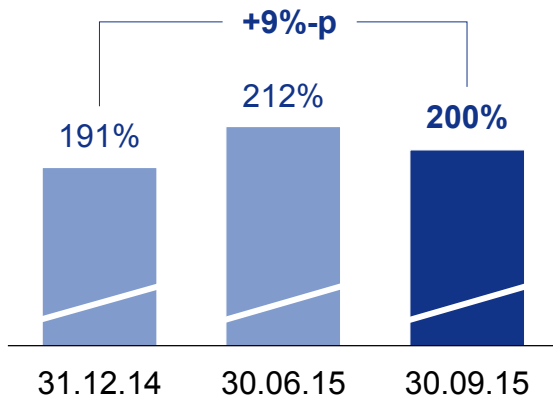
Shareholders' equity (EUR mn)



Conglomerate solvency¹ (in %)



Solvency II capitalization (in %)



S&P capital adequacy

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

1) Includes off-balance sheet reserves. For details, please refer to the "Additional information" section

Group: strong capital position

Comments

- **Shareholders' equity up vs 2Q 2015**
Net income (EUR 1.4bn) main driver of increase, only partially offset by negative F/X effects (EUR -0.6bn) and lower net unrealized gains (EUR -0.2bn).
- **Conglomerate solvency higher**
Flat available funds in combination with slightly lower required funds after alignment of Asset Management treatment with Solvency II methodology led to an increase of 3%-p vs 2Q 2015.
- **Solvency II ratio – comfortable level**
Decrease due to market movements (-5%-p) in line with sensitivities published in 2Q, model adjustment for third country equivalence USA following new EIOPA guidance (-5%-p) and other feedback regarding IMAP approval received in 3Q (-2%-p). The latter also includes a change in regulatory capital requirements for the Asset Management segment and the shift of some non-EEA legal entities from residuals to the standard model.
- **Attractive dividend policy**
50% of shareholders' net income has been accrued for dividend.

P/C: internal growth reflects active portfolio management (EUR mn)

3Q 2015		Revenues	Total growth Δ p.y.	Internal growth Δ p.y.	Price effect	Volume effect
Total P/C segment¹		11,521	+2.4%	+0.4%	+0.6%	-0.2%
Large OEs	Germany	1,951	-1.4%	-0.6%		
	Italy	1,003	+7.5%	-1.7%		
	France	981	+1.9%	+1.9%		
Global lines	AGCS ²	1,990	+45.9%	-8.4%		
	Allianz Worldwide Partners ¹	778	+18.7%	+12.1%		
	Credit Insurance	526	-0.7%	-4.2%		
Selected OEs	Australia	802	+0.4%	+4.2%		
	United Kingdom	761	+10.4%	-0.2%		
	Latin America	507	-12.7%	+2.4%		
	Spain	469	+7.3%	+7.3%		

1) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

2) Effective 1 January 2015, FFIC was integrated into AGCS Group. Previous period figures were not adjusted. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of FFIC, have been reported within Reinsurance PC since 1 January 2015

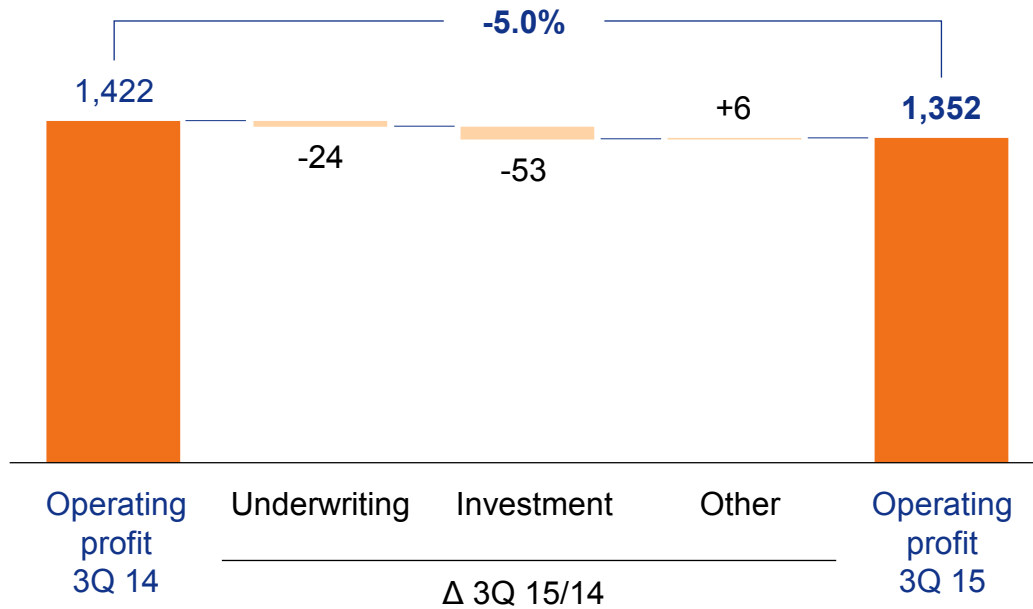
P/C: internal growth reflects active portfolio management

Comments

- **Revenues – portfolio management visible**
Price-driven internal growth of +0.4% reflects active portfolio management. F/X +2.0% and offsetting consolidation effects add up to total growth of +2.4%. NPE development strong at +4.9%. Retention +0.7%-p at 92.1% adjusted for FFIC retail transaction.
- **Germany – good underlying growth**
Very good growth in motor (+2.6%) masked by APR volume decline (-28.4%). Price effect continues to be positive. Total new business increases +3.4%.
- **Italy – maintaining strong performance**
Motor business ex Unipol -3.0% while non-motor increased. Direct business continues to grow strongly at +9.8% in a shrinking market. 3Q Unipol GPW EUR 171mn. Motor number of risks increase 25% yoy. Motor market share up almost 3%-p across all channels between 9M 2014 and 6M 2015.
- **France – personal lines strong**
Personal continues to perform strongly with motor (+5.6%) as the main growth driver. Price and volume effects positive.
- **AGCS – seasonality impacts internal growth**
Internal growth excluding FFIC -6.8%. Intra-year seasonality in aviation, engineering and marine impact top-line.
- **AWP – AGA main growth engine**
Excellent growth continues in all lines of business, with Global Assistance as the main driver, supported by new account wins. Price and volume effects positive.
- **Australia – continued strong internal growth**
Very strong growth in local currency, in particular in motor and property. TIO contribution to total growth EUR 18mn.
- **Latin America – impacted by Brazil**
Portfolio cleansing in Brazil drives top-line development.
- **Spain – price- and volume-driven growth**
Excellent growth in all lines of business, mainly motor.

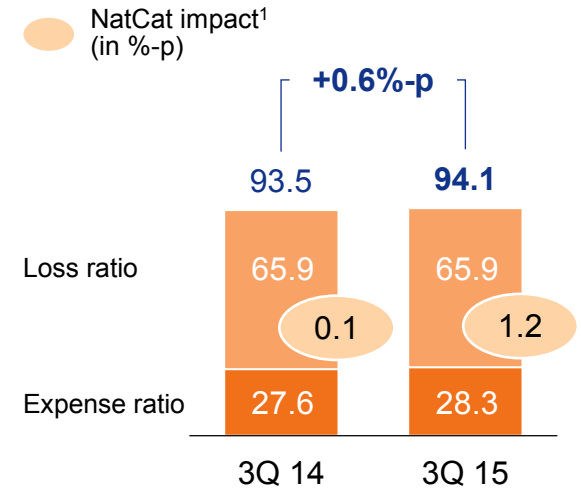
P/C: healthy OP despite higher NatCat, large losses and F/X volatility

Operating profit drivers (EUR mn)

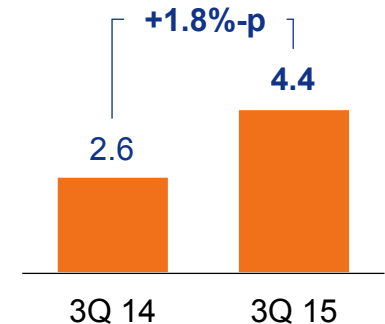


	Underwriting	Investment	Other
3Q 15	627	717	7
3Q 14	650	770	2

Combined ratio (in %)



Run-off ratio² (in %)



1) NatCat costs (without reinstatement premiums and run-off): EUR 7mn (3Q 14) and EUR 144mn (3Q 15)
 2) Positive run-off, run-off ratio calculated as run-off result in percent of net premiums earned

P/C: healthy OP despite higher NatCat, large losses and F/X volatility

Comments

- **Operating profit – declines on lower investment and underwriting results**
OP decline of -5.0% (EUR -71mn) mainly driven by lower investment result (F/X result net of hedges) but also impacted by weaker underwriting result (NatCat and large losses EUR 0.2bn above last year, largely offset by higher run-off). 9M OP of EUR 4.4bn at 80% of FY outlook mid-point.
- **Claims environment – NatCat and large losses higher**
NatCat losses of EUR 144mn (1.2%-p) above last year (EUR 7mn / 0.1%-p). Large losses also higher, including e.g. Tianjin (EUR 64mn).
- **Run-off – at last year’s level ex FFIC**
Run-off of 4.4%. Level similar to last year, when adjusted for 1.6%-p FFIC reserve strengthening in 3Q 2014. Reserve releases across most OEs. 9M reserve releases of 3.7% modestly above 10Y average of 3.1%.
- **AY LR – worse on higher NatCat**
AY LR increases +1.8%-p to 70.3%. NatCat is main driver but also higher large losses. Price effect continues to be positive during the quarter. Attritional LR +0.6%-p higher. Improvements at several OEs, e.g. Australia, Brazil, Credit and AWP, were more than offset by worsening at some large OEs (e.g. AGCS, UK, France), partly driven by above-mentioned large losses.
- **Expense ratio**
Increase of 0.6%-p equally split between administrative and acquisition expenses. Development partly due to special effects as well as business mix changes.

P/C: Italy and Spain with strong OP growth (EUR mn)

3Q 2015		Operating profit	Δ p.y.	Combined ratio	Δ p.y.	NatCat impact in CR ¹	Δ p.y. ¹
Total P/C segment²		1,352	-5.0%	94.1%	+0.6%-p	1.2%-p	+1.2%-p
Large OEs	Germany	265	-24.2%	92.6%	+2.2%-p	3.5%-p	+3.4%-p
	Italy	305	+11.2%	80.1%	+1.7%-p	0.0%-p	0.0%-p
	France	102	-27.9%	97.9%	+5.8%-p	0.0%-p	+0.4%-p
Global lines	AGCS ³	88	-49.1%	98.6%	+8.9%-p	-0.6%-p	-1.1%-p
	Allianz Worldwide Partners ²	41	+44.2%	97.3%	+0.2%-p	0.0%-p	0.0%-p
	Credit Insurance	75	+6.3%	88.3%	+8.2%-p	–	–
Selected OEs	Australia	71	-15.9%	95.4%	-1.4%-p	-0.2%-p	-0.2%-p
	United Kingdom	49	-26.4%	97.6%	+2.9%-p	0.0%-p	0.0%-p
	Latin America	-70	n.m. ⁴	124.7%	+11.5%-p	0.0%-p	0.0%-p
	Spain	91	+30.5%	84.9%	-4.0%-p	0.0%-p	0.0%-p

1) Excluding reinstatement premiums and run-off

2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

3) Effective 1 January 2015, FFIC was integrated into AGCS Group. Previous period figures were not adjusted. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of FFIC, have been reported within Reinsurance PC since 1 January 2015

4) Operating profit for Latin America decreased by EUR 33mn from EUR -38mn in 3Q 14

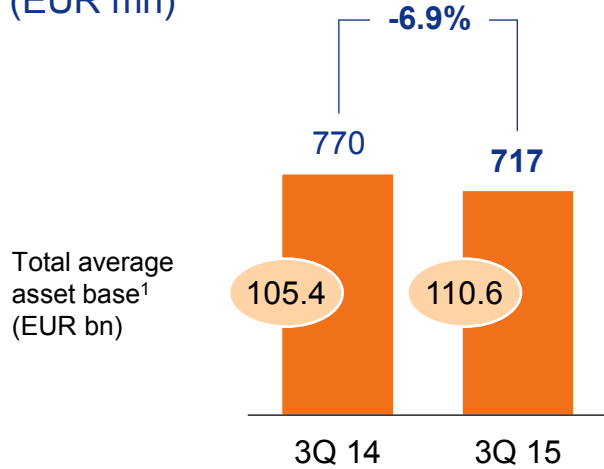
P/C: Italy and Spain with strong OP growth

Comments

- **Germany – excellent CR**
CR still on excellent level, despite higher NatCat losses which are main driver of increase. EM F/X impacts investment result.
- **Italy – CR remains outstanding**
CR increase due to higher AY LR and lower run-off ratio. The former is impacted by lower average premiums, growth at Genialloyd and higher MTPL frequency. Mid-corp LR compensates for rate declines in motor.
- **France – impacted by weather events**
CR increase due to higher large and weather-related losses as well as lower run-off. ER increases +1.2%-p mainly driven by investments and direct (marketing expenses).
- **AGCS – strong CR ex FFIC**
Excellent CR ex FFIC portfolio of 90.4% (3Q 2014: 89.7%). Attritional LR increases but is mitigated by lower NatCat as well as higher run-off. FFIC CR improves strongly but remains unsatisfactory at 117.1% (3Q 2014: 136.5%). Run-off result immaterial after EUR 0.2bn reserve strengthening in 3Q 2014.
- **Australia – strong CR**
CR improvement mainly driven by lower attritional LR. Investment income reduction and positive one-off in 3Q 2014 drive OP lower.
- **UK – OP impacted by internal reinsurance transaction**
AY LR increases due to motor and property, the latter partly triggered by higher large losses. CR impact mitigated by higher run-off and lower ER. EUR 5.5mn OP is shown under AZ Re due to an internal reinsurance transaction.
- **Latin America – impacted by Argentina**
Attritional LR in LatAm reduces -1.5%-p due to improvements in Brazil and Colombia. Progress offset by inflation-driven deterioration in Argentina.
- **Spain – outstanding CR**
Lower underlying LR and higher run-off drive CR to outstanding level despite higher large losses.

P/C: operating investment result impacted by lower F/X result

Operating investment result (EUR mn)



Interest & similar income ²	878	882
Net harvesting and other ³	-19	-79
Investment expenses	-88	-85

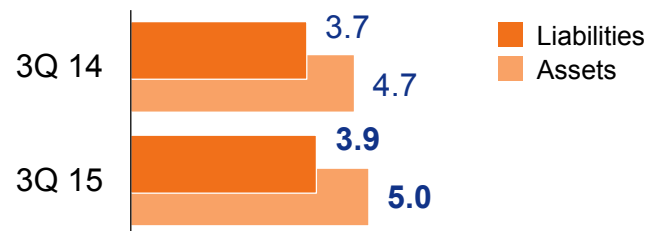
Current yield (debt securities; in %)



Reinvestment yield⁴ (debt securities; in %)



Duration⁵



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

4) On an annual basis
 5) For the duration calculation a non-parallel shift in line with Solvency II yield curves is used. Data excludes internal pensions residing in the P/C segment

P/C: operating investment result impacted by lower F/X result

Comments

- **Interest & similar income stable**
Stable current income despite difficult interest rate environment. Higher income from equities broadly offset by lower contribution from fixed income. Operating investment result impacted by negative EM F/X development, though.
- **Reinvestment yield up vs 2Q**
Up to 2.3% from 2.2% in 2Q. 3Q fixed income reinvestments roughly equally split between sovereign and non-sovereign bonds.

L/H: continuing shift away from capital intensive products (EUR mn)

3Q 2015		Revenues	Total growth Δ p.y.	Internal growth Δ p.y.	PVNB ¹	Δ p.y.
Total L/H segment²		14,313	-9.7%	-12.2%	10,970	-10.3%
Large OEs	Germany Life	3,426	-20.2%	-20.2%	2,597	-16.0%
	USA	2,434	-16.1%	-29.6%	2,378	-21.5%
	Italy	2,286	-18.0%	-18.0%	1,502	-22.5%
	France ²	1,884	-4.6%	+3.3%	1,428	+2.8%
Selected OEs	Asia-Pacific	1,735	+10.1%	+2.4%	1,491	+1.9%
	Germany Health	819	+0.3%	+0.3%	282	+24.3%
	Benelux ³	473	+28.5%	+28.5%	354	+54.7%
	Spain	237	+26.0%	+26.0%	237	+35.0%
	Switzerland	215	+6.8%	-5.4%	158	+17.4%
	Central and Eastern Europe ⁴	193	-0.9%	-1.1%	149	-3.2%

- 1) New business figures were restated by the impact of contract boundaries, removal of holding expenses and the replacement of CNHR and CReC by RM after tax to be aligned with SII balance sheet
- 2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
- 3) Revenues from investment-oriented products in Luxembourg of EUR 37mn in 3Q 15 (EUR 65mn in 3Q 14) are reinsured by France. For 3Q 15, the PVNB of Luxembourg business reinsured with France is included in France (EUR 11mn) and not included in Benelux
- 4) From 3Q 15 onwards Central and Eastern Europe is reported excluding Russia. Previous period figures were adjusted accordingly

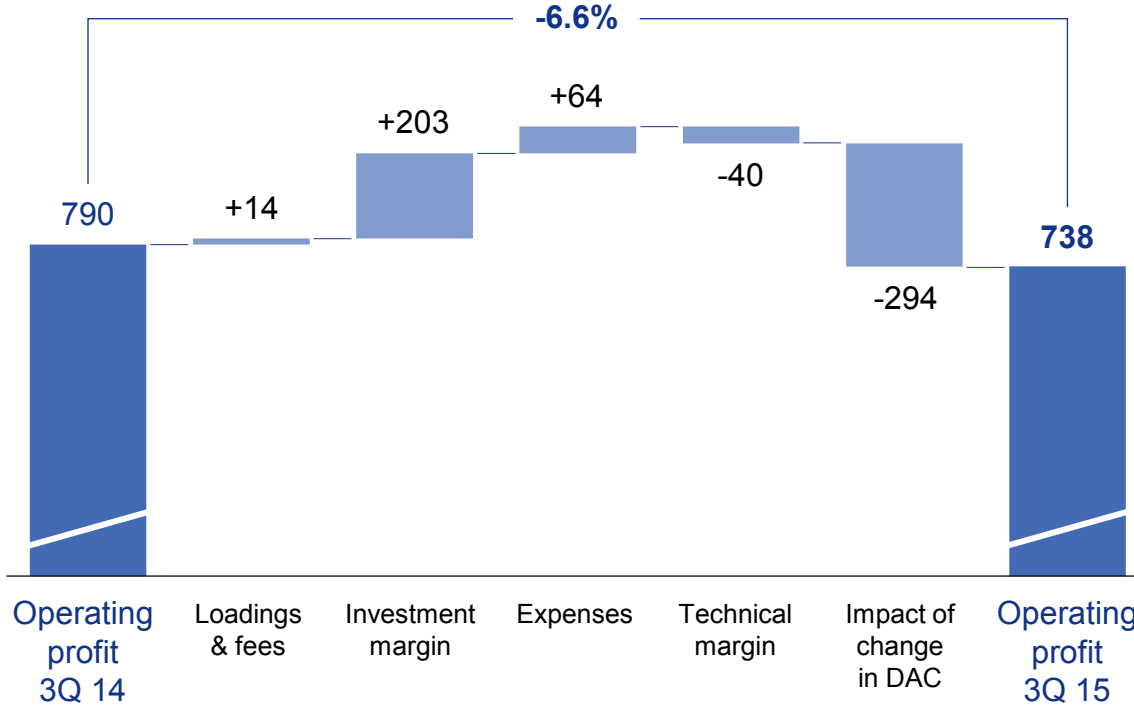
L/H: continuing shift away from capital intensive products

Comments

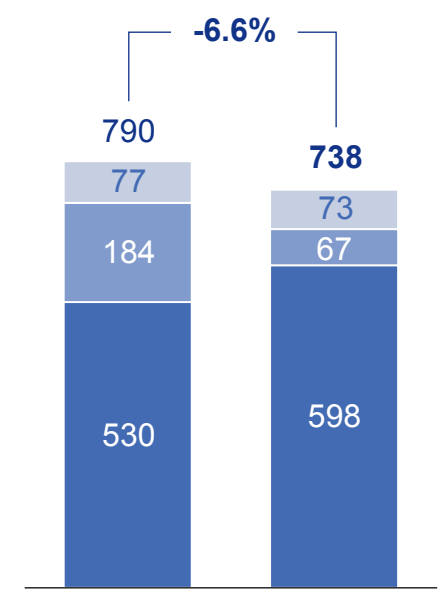
- **Targeted revenue growth**
Reduction of premiums mainly due to less interest sensitive business especially from Germany and Italy.
- **New business mix shift accelerates**
Rigid product management is gaining traction. Share of UL business up 6%-p to 34%. Share of traditional savings & annuities down driven by Germany and Italy. Improved business mix leads to 3.0% NBM.
- **Net flows reflect product shift**
Flows positive at EUR 1.9bn and entirely driven by UL business (EUR +2.5bn). Non-UL business for the first time with outflows (EUR -0.6bn).
- **GER – less traditional single premiums**
43% less single premiums, mainly from traditional and capitalization products. 2% more regular premiums. Successful start of KomfortDynamik with 2,500 policies sold.
- **France – improved new business mix**
Share of UL w/o guarantees and protection & health at 52%.
- **Italy – less traditional business**
Shrinking revenues mainly due to traditional products (EUR -0.3bn). Share of UL in premiums up 13%-p to 75%.
- **Benelux/Asia – UL on the rise**
Strong premium development pushed by growing UL w/o guarantees: Benelux EUR +127mn (+128%) and Taiwan EUR +102mn (+18%).

L/H: operating profit in line with expectations (EUR mn)

Operating profit by source^{1,2}



Operating profit by line²



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

Δ 3Q 15/14

3Q 15	1,334	904	-1,522	277	-255
3Q 14	1,320	701	-1,586	318	39

1) For a description of the L/H operating profit sources please refer to the glossary
 2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014. Prior year figures changed in order to reflect the roll out of profit source reporting to Malaysia

L/H: operating profit in line with expectations

Comments

- **Operating profit impacted by Korea**
Adjusted for DAC write-off in Korea (EUR -148mn) operating profit at upper end of normal run-rate range. 9M 2015 operating profit at 82% of FY target range mid-point.
- **Loadings & fees up – business mix**
Impact from higher sales in Taiwan (EUR +17mn) and Benelux (EUR +12mn) offset by lower single premiums in Germany.
- **Investment margin remains strong**
Improvement driven by Germany Life (EUR +142mn) as lower result from fair value changes and impairments on equities is more than offset by higher realized gains and lower PHP.
- **Expenses down in line with production**
Decrease predominantly due to lower acquisition costs (EUR -43mn) mainly resulting from lower sales in USA (EUR -45mn).
- **Technical margin - assumption changes**
Decrease driven by Italy (EUR -37mn) due to update of assumptions. Lower contribution from France (EUR -33mn) partially offset by higher risk margin in Switzerland (EUR +17mn).
- **Impact of change in DAC driven by Korea**
DAC amortization up largely from DAC write-off in Korea (EUR -148mn) due to loss recognition. DAC capitalization mainly driven by USA (EUR -73mn) from lower FIA production.
- **Operating profit by line of business**
Protection & health impacted by lower result from Korea (EUR -103mn). Guaranteed savings & annuities benefit from improved contribution of Germany Life (EUR +111mn).

L/H: NBM at 3.0%

(EUR mn)

3Q 2015		VNB ¹	Δ p.y.	NBM ¹	Δ p.y.	Operating profit	Δ p.y.
Total L/H segment²		325	-1.6%	3.0%	+0.3%-p	738	-6.6%
Large OEs	Germany Life	75	+0.9%	2.9%	+0.5%-p	328	+50.3%
	USA	91	-15.4%	3.8%	+0.3%-p	143	-9.2%
	Italy	32	+7.4%	2.1%	+0.6%-p	29	-37.6%
	France ²	23	+43.2%	1.6%	+0.5%-p	130	-7.2%
Selected OEs	Asia-Pacific	50	+6.7%	3.4%	+0.1%-p	-117	n.m. ⁴
	Germany Health	8	+10.9%	2.7%	-0.3%-p	33	-45.9%
	Benelux	4	-26.3%	1.2%	-1.3%-p	24	-4.0%
	Spain	11	+30.9%	4.8%	-0.1%-p	51	+7.2%
	Switzerland	2	-48.0%	1.4%	-1.8%-p	20	+0.6%
	Central and Eastern Europe ³	7	-7.3%	4.7%	-0.2%-p	32	+15.0%

1) New business figures were restated by the impact of contract boundaries, removal of holding expenses and the replacement of CNHR and CRcC by RM after tax to be aligned with SII balance sheet

2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

3) From 3Q 15 onwards Central and Eastern Europe is reported excluding Russia. Previous period figures were adjusted accordingly

4) Operating profit for Asia-Pacific decreased by EUR 145mn from EUR 28mn in 3Q 14

L/H: NBM at 3.0%

 Comments**New Business**

- **Active management drives NBM to 3.0%**
0.4%-p improvement versus 3Q 2014 and 2Q 2015 due to change in business mix.
NBM robust even with lower interest rates:
NBM 3Q 2015 recalculated with end-of-quarter assumptions at 2.8%.
- **NBM stabilizes VNB**
Improved NBM offsets voluntarily accepted lower volumes. VNB versus 2Q 2015 is up 55%.
- **All large OEs with improved NBM**
Positive impact from US due to product changes in FIA and VA. NBM Germany benefitted from less traditional single premiums and introduction of products with lower guarantee levels. NBM Italy enhanced due to shift in product mix, France benefitted from higher UL volumes.

Operating profit

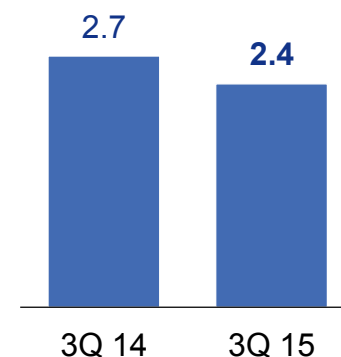
- **Germany Life – higher investment margin**
Increase entirely driven by investment margin (EUR +142mn). Lower result from fair value changes (F/X and equity derivatives) and impairments on equities more than offset by higher realized gains and a lower PHP.
- **Italy – UL performance fees**
Operating profit affected by lower UL performance fees.
- **GER Health – investments and claims**
Lower investment margin and higher expenses for new pharmaceuticals.
- **Asia-Pacific – Korea triggers decrease**
DAC write-off (EUR -148mn) in Korea.
- **USA – profitability remains solid**
Result from VA (EUR -87mn) impacted by basis risk but is largely offset by strong FIA (EUR +40mn) and F/X (EUR +23mn).

L/H: investment margin remains strong at 22bps

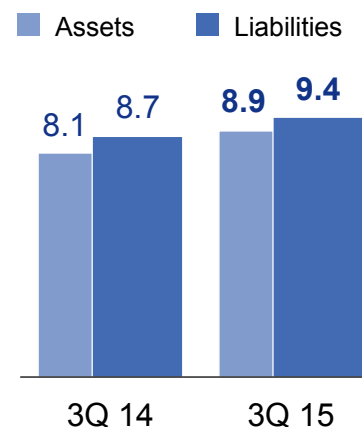
(yields are pro-rata)

Based on Ø book value of assets ¹	3Q 14	3Q 15
Current yield ²	0.9%	0.9%
Based on Ø aggregate policy reserves		
Current yield ²	1.1%	1.1%
Net harvesting and other	0.1%	-0.2%
Total yield	1.2%	0.9%
- Ø min. guarantee ³	0.6%	0.6%
Gross investment margin (in %)	0.6%	0.3%
- Profit sharing under IFRS ⁴	0.4%	0.1%
Investment margin⁵ (in %)	0.2%	0.2%
Investment margin (EUR mn)	701	904
Ø book value of assets ¹ (EUR bn)	449	486
Ø aggregate policy reserves (EUR bn)	374	406

Reinvestment yield⁶ (debt securities; in %)



Duration⁷



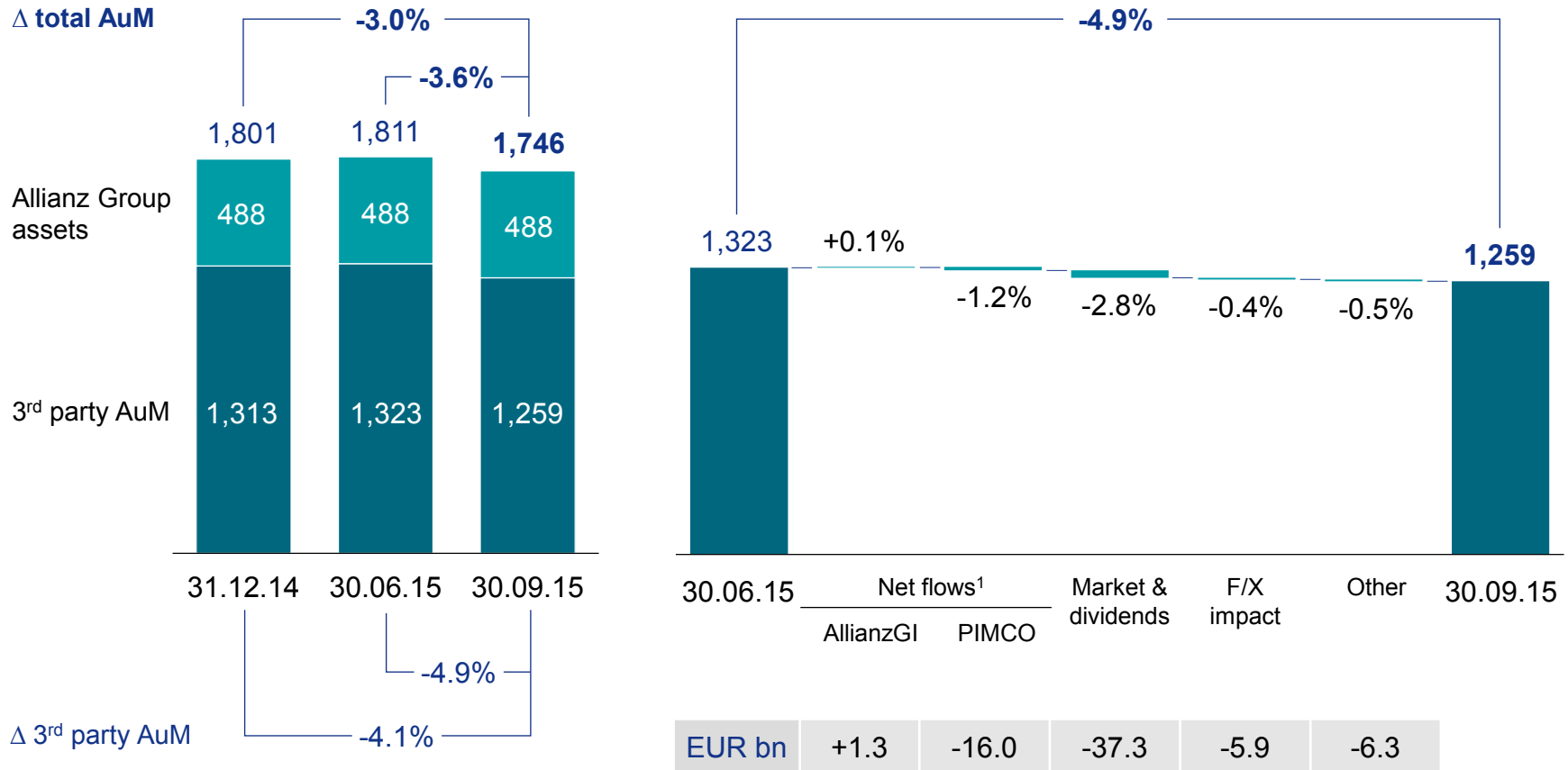
- 1) Asset base under IFRS which excludes unit-linked, FVO and trading
- 2) Based on interest and similar income (net of interest expenses)
- 3) Based on technical interest
- 4) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
- 5) Investment margin divided by the average of the current quarter-end and previous quarter-end aggregate policy reserves
- 6) On an annual basis
- 7) For the duration calculation a non-parallel shift in line with Solvency II yield curves is used. Data excludes internal pensions residing in the L/H segment

L/H: investment margin remains strong at 22bps

Comments

- **Yield decline pared by lower guarantees**
Current yield based on aggregate policy reserves down 2bps only. Negative impact completely offset by lower average minimum guarantee (-2bps).
- **Negative fair value changes**
Decrease of net harvesting & other from 6bps to -24bps. Negative fair value changes (i.e. equity derivatives and F/X) and higher impairments on equities only partially compensated by increased level of realized gains.
- **Investment margin remains strong**
Investment margin at strong level of 22bps. Lower gross investment margin is more than offset by lower PHP in Germany and a pension fund reserve release in Italy.
- **YTD PHP ratio stable**
Different pattern of investment result leads to significantly lower PHP ratio. 9M 2015 PHP ratio broadly unchanged compared with previous year.
- **Reinvestment yield slightly down**
3Q 2015 reinvestment yield 0.4%-p lower compared to 2Q 2015. 9M 2015 reinvestment yield remains at 2.5%.
- **Duration gap slightly lower**
Duration gap lower due to active asset duration extension.

AM: AuM impacted by financial markets (EUR bn)



1) Effective 2015, 3rd party net flows contain re-invested dividends (incl. capital gains) from existing clients (EUR +3.9bn for PIMCO and EUR +0.2bn for AllianzGI in 3Q 15). Those have been recognized as market return until 31.12.14

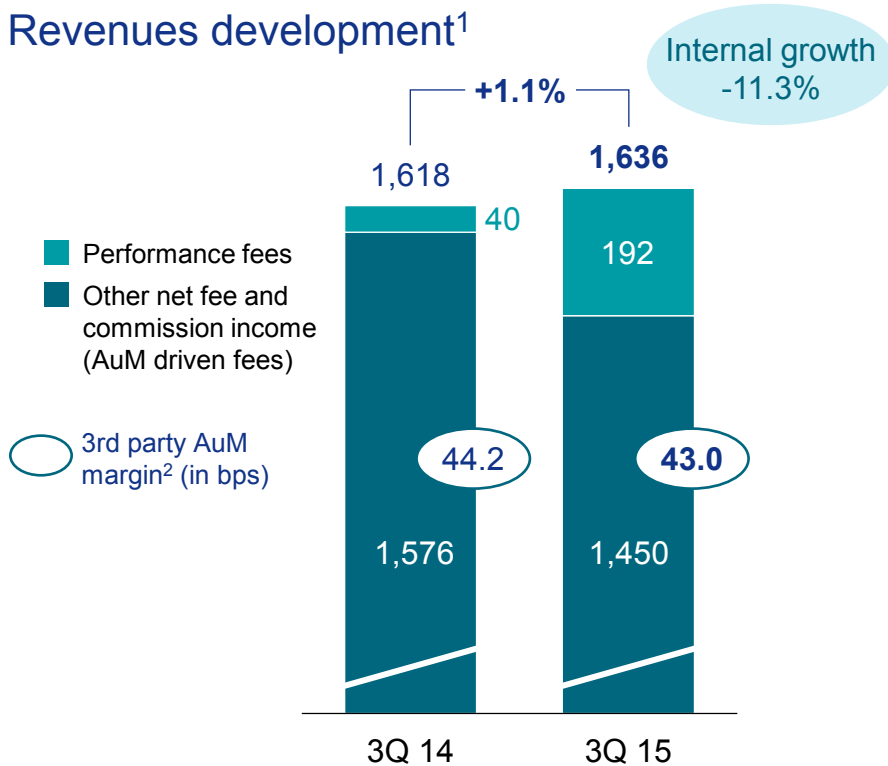
AM: AuM impacted by financial markets

Comments

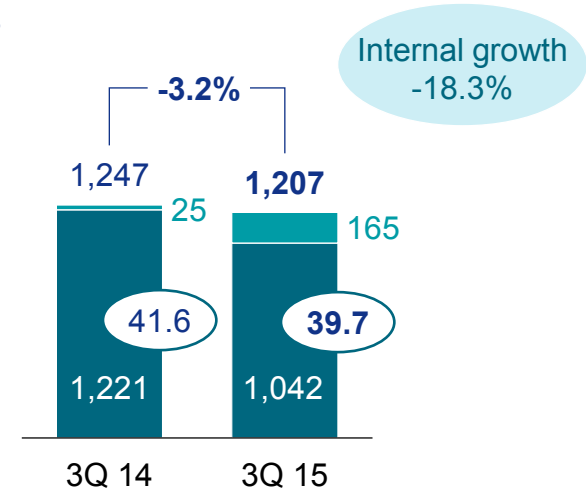
- **Segment – 3rd party AuM driven by market impact in 3Q 2015**
3rd party AuM decrease mainly driven by market impact. Net outflows at PIMCO, F/X and other effects contributed negatively as well.
- **PIMCO – 3rd party AuM down 5%**
Decrease in 3Q 2015 from EUR 1,032bn to EUR 985bn driven by effects mentioned above.
- **AllianzGI – 3rd party AuM down 6%**
3rd party net inflows, but adverse markets result in lower AuM (EUR 274bn after EUR 292bn).
- **PIMCO – many strategies with net inflows**
Lowest quarterly 3rd party net outflows for more than two years. Net inflows in many non-traditional strategies and in Europe and Asia-Pacific. Outflows predominantly in the U.S., following domestic industry trends. PIMCO quarterly 3rd party net outflows further reduced by 45% vs 2Q 2015.
- **AllianzGI – net inflows**
3rd party net inflows in 3Q 2015 stem predominantly from multi-asset products and from Europe. EUR 18bn 3rd party net inflows in last four quarters.

AM: strong performance fees (EUR mn)

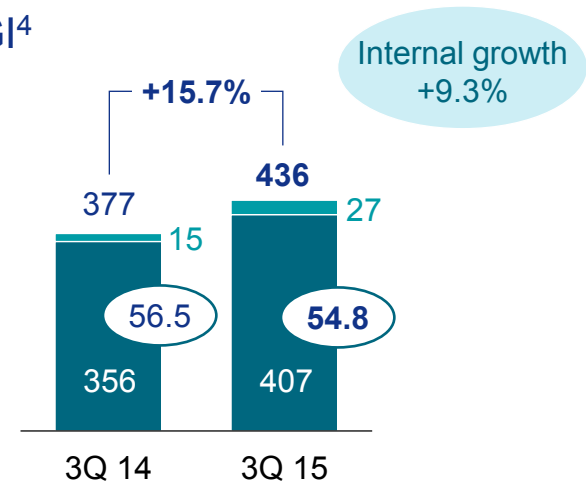
Revenues development¹



PIMCO³



AllianzGI⁴



1) "Other" revenues of EUR 1mn (3Q 14) and EUR -6mn (3Q 15) are not shown in the chart
 2) Excluding performance fees and other income, 3 months
 3) "Other" PIMCO revenues of EUR 0mn (3Q 14) and EUR -1mn (3Q 15) are not shown in the chart
 4) "Other" AllianzGI revenues of EUR 6mn (3Q 14) and EUR 1mn (3Q 15) are not shown in the chart

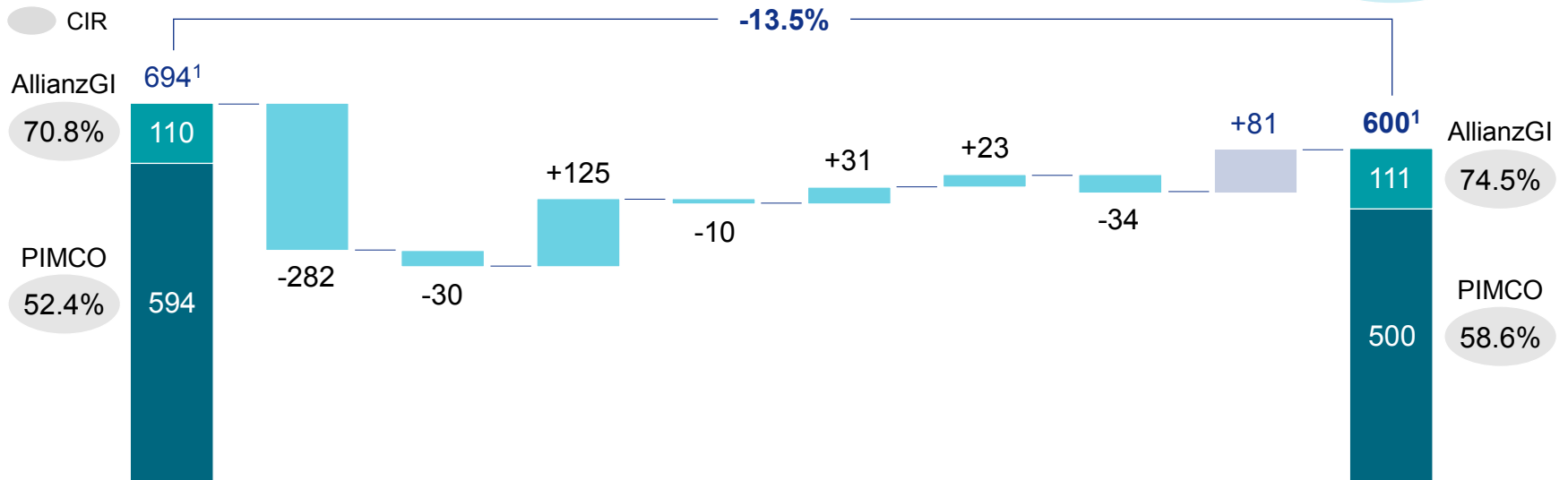
AM: strong performance fees

Comments

- **Segment – higher operating revenues**
High level of performance fees and significantly strengthened USD (1.33 USD/EUR average in 3Q 2014, 1.11 USD/EUR in 3Q 2015) more than compensate for impact from lower average 3rd party AuM and lower margins.
- **PIMCO – strong performance fees**
Decrease of operating revenues mitigated by strong performance fees and USD exchange rate.
Performance fees on highest level since 1Q 2013. Expected performance fees from redemption of a large private fund started to materialize already in 3Q 2015.
AuM driven revenues down 15% due to lower average 3rd party AuM and a lower 3rd party AuM margin.
- **AllianzGI – significantly higher revenues**
Significantly higher average 3rd party AuM, higher performance fees and positive F/X more than compensate for lower 3rd party AuM margin.
- **PIMCO – slight increase of 3rd party AuM margin within 2015**
Margin slightly up vis-à-vis 1Q/2Q 2015.
Lower share of mutual fund business leads to decrease vs 3Q 2014.
- **AllianzGI – comparable 3rd party AuM margin stable vs 3Q 2014**
Margin increased compared with 1Q/2Q 2015.
Reduction vs 3Q 2014 driven by technical effects (e.g. adjustments in reporting of unit-linked products) and structural business changes (e.g. change of fee models).

AM: performance fees support operating profit

Operating profit drivers (EUR mn)



Operating profit 3Q 14	Revenues				Expenses			F/X effect	Operating profit 3Q 15
	Volume ²	Margin ²	Performance fees	Other	Personnel	Non-personnel	Re-structuring		
F/X impact	+185	+27	+2	-84	-48	0		CIR	
3Q 15	1,450 ²	192	-6	-635	-367	-34		63.3%	
3Q 14	1,576 ²	40	1	-582	-342	0		57.1%	

1) Including operating loss from other entities of EUR -10mn in 3Q 14 and EUR -11mn in 3Q 15
 2) Calculation based on currency adjusted average Allianz AuM / Allianz AuM driven margins and based on currency adjusted average third party AuM / third party AuM driven margins

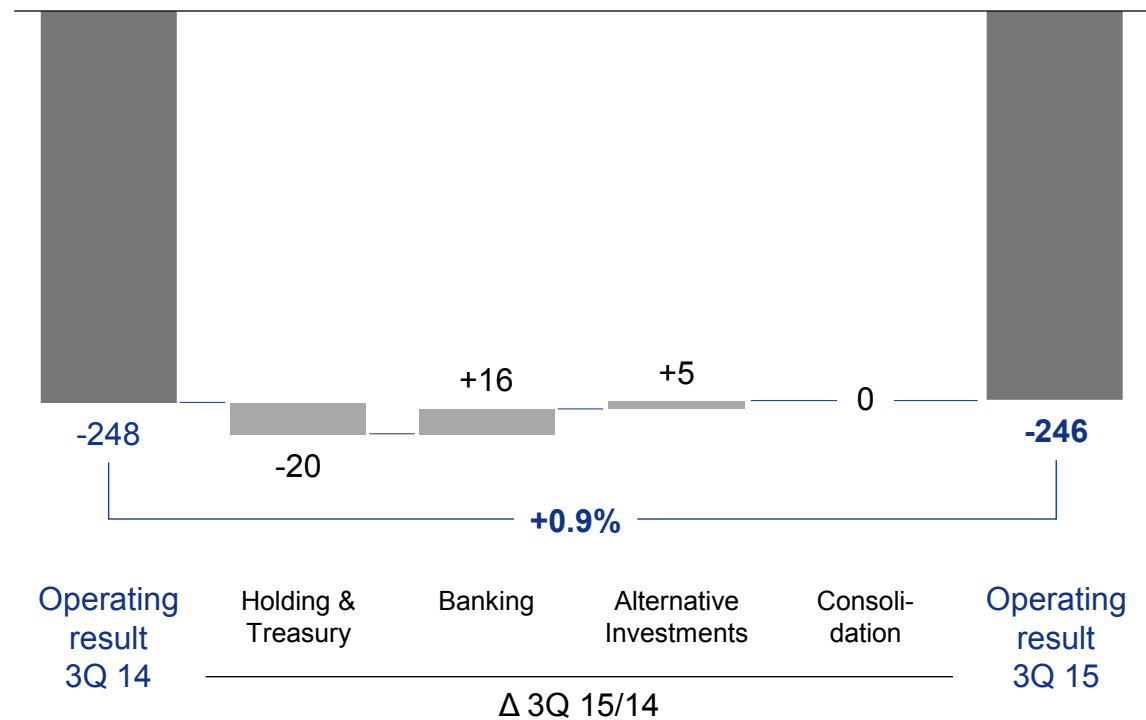
AM: performance fees support operating profit

Comments

- **Segment – FY OP target range in reach**
 OP up 19% vs 2Q 2015, caused by higher performance fees and slightly lower operating expenses.
 Compared with 3Q 2014, decline in average 3rd party AuM, PIMCO retention program and restructuring costs at AllianzGI contribute adversely. On the other hand, performance fees significantly higher than in 3Q 2014. 9M 2015 operating profit represents 66% of full-year outlook midpoint. Above-9M-average performance fees expected in 4Q 2015. FY target range in reach.
- **Segment – underlying CIR improved by 3%-p vs 2Q 2015**
 Performance fees at PIMCO foster improvement of 4%-p vis-à-vis 2Q 2015. Without impact from performance fees and AllianzGI restructuring costs CIR improved by 3%-p vs 2Q 2015. Increase compared with 3Q 2014 primarily due to lower scale at PIMCO.
- **PIMCO – CIR below 60% again**
 Improvement of 6%-p vs 2Q 2015; without considering performance fees CIR decreased by 2%-p. Increase compared with 3Q 2014 partially driven by retention program (3%-p net impact on CIR).
- **AllianzGI – CIR excluding restructuring expenses strongly improved**
 Excluding EUR 34mn restructuring expenses, CIR further improved to the best level since implementation of new structure in 2012 (66.7%). Nominal increase entirely driven by restructuring expenses.

CO: operating result in line with expectations (EUR mn)

Operating loss development and components



3Q 15	-287	28	14	0
3Q 14	-267	11	8	0

CO: operating result in line with expectations

Comments

- **Holding & Treasury – slightly down**
Driven by lower income from fair value assets and higher costs for pensions due to decreased discount rate.
- **Banking – further improvement**
Due to lower expenses in Italy and higher net interest & similar income in Germany.

Group: shareholders' net income down 15 percent (EUR mn)

	3Q 14	3Q 15	Change
Operating profit	2,650	2,452	-198
Non-operating items	-331	-293	+39
Realized gains/losses (net)	184	150	-34
Impairments (net)	-50	-155	-105
Income from fin. assets and liabilities carried at fair value (net)	-54	-12	+42
Interest expenses from external debt	-212	-212	0
Fully consolidated private equity inv. (net)	-11	-13	-2
Acquisition-related expenses	0	1	+1
Amortization of intangible assets	-29	-31	-1
Reclassification of tax benefits	-158	-21	+137
Income before taxes	2,319	2,159	-160
Income taxes	-632	-720	-88
Net income	1,687	1,440	-247
Non-controlling interests	81	81	0
Shareholders' net income	1,606	1,359	-247
Effective tax rate	27%	33%	+6%-p

Group: shareholders' net income down 15 percent

Comments

- **Non-operating items improved**
Positive development mainly driven by lower negative effect from reclassification of tax benefits which is significantly offset by lower investment result mainly due to higher impairments.
- **Tax rate in expected range**
Low 3Q 2014 tax ratio due to one-off tax benefit resulting from a favourable court decision for AZ Leben. Underlying tax rate would have been approx. 32%. Slight increase in 3Q 2015 due to less tax exempt income and higher non-tax deductible equity impairments.
- **Shareholders' net income – up YTD**
Year-to-date up 3.9%. Quarter-on-quarter decline result of lower operating profit and higher tax rate.

9M 2015 and Outlook



- Total revenues at EUR 95.5bn (+3.5%)
- Operating profit of EUR 8,149mn (+0.1%)
- Shareholders' net income of EUR 5,198mn (+3.9%)
- Strong capital position and balance sheet

Outlook¹:

Operating profit outlook EUR 10.4bn, +/- 0.4bn

Allianz expects operating profit for 2015 in the upper end of the target range

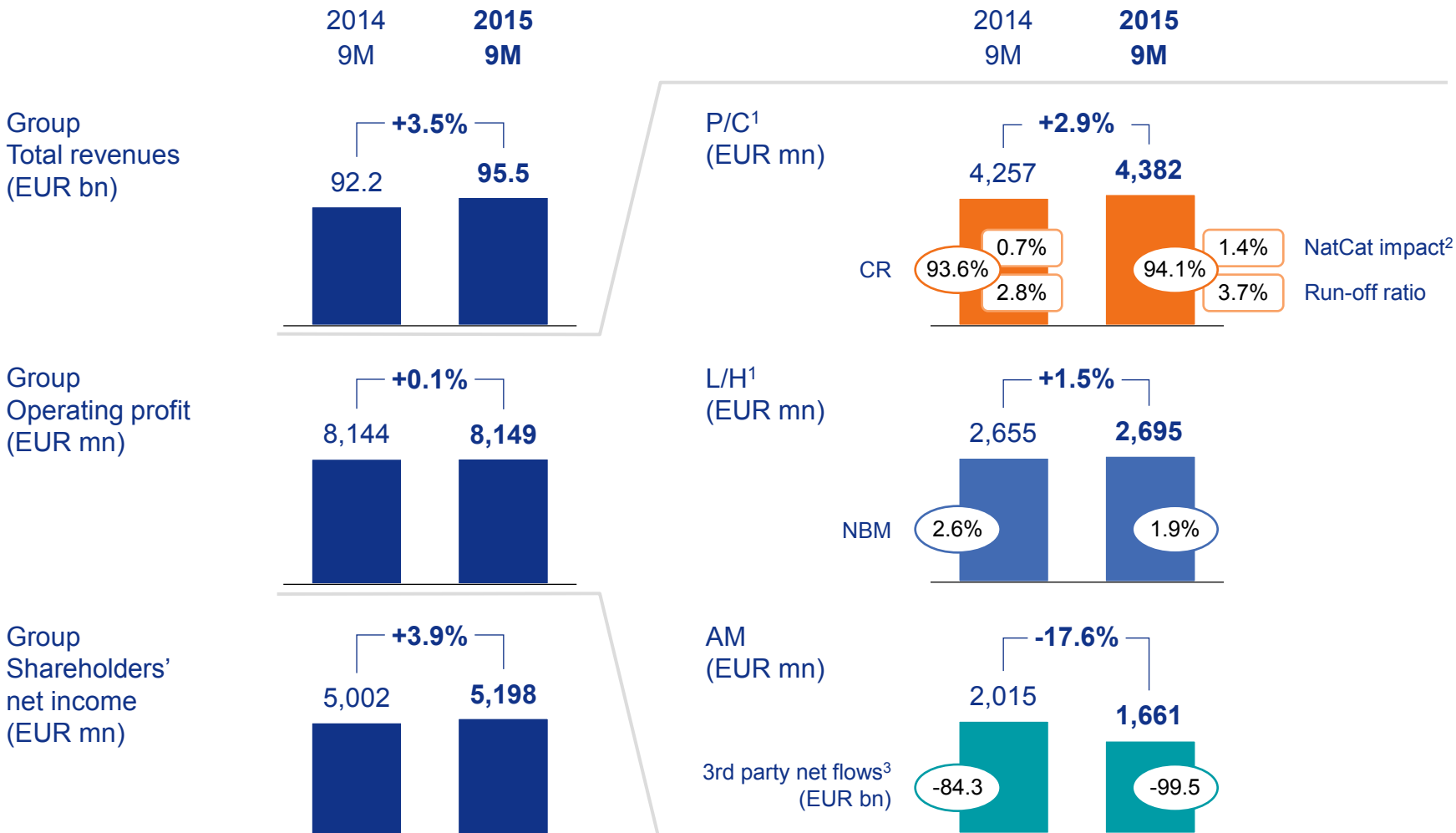
1) Impact from NatCat, financial markets and global economic development not predictable

2a

Group financial
results 3Q 2015

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

Financial highlights 9M 2015



1) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

2) NatCat costs (without reinstatement premiums and run-off)

3) Effective 2015, 3rd party net flows contain re-invested dividends (incl. capital gains) from existing clients (EUR +8.5bn for 9M 15).

Those have been recognized as market return until 31.12.14

Group: key figures¹

(EUR mn)

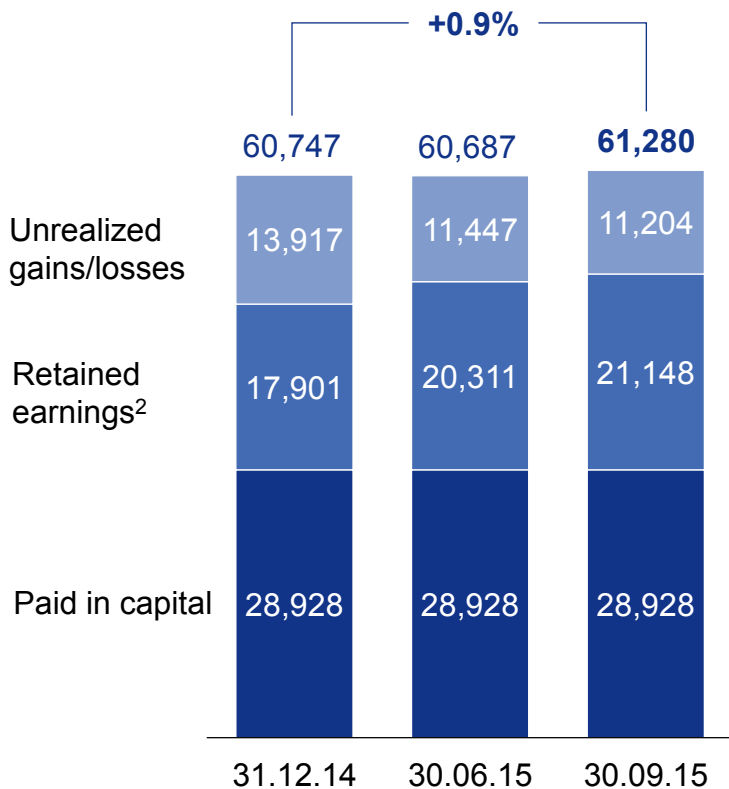
	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
Total revenues (EUR bn)	34.0	29.5	28.8	30.1	37.8	30.2	27.5	-1.3	92.2	95.5	+3.3
<i>Property-Casualty</i>	15.2	10.8	11.3	11.0	17.3	11.8	11.5	+0.3	37.3	40.7	+3.4
<i>Life / Health</i>	17.2	17.0	15.9	17.4	18.8	16.7	14.3	-1.5	50.0	49.9	-0.1
<i>Asset Management</i>	1.5	1.6	1.6	1.6	1.6	1.5	1.6	0.0	4.7	4.8	0.0
<i>Corporate and Other</i>	0.1	0.1	0.1	0.2	0.1	0.1	0.1	0.0	0.4	0.4	0.0
<i>Consolidation</i>	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	-0.2	-0.3	0.0
Operating profit	2,723	2,770	2,650	2,258	2,855	2,842	2,452	-198	8,144	8,149	+6
<i>Property-Casualty</i>	1,489	1,345	1,422	1,125	1,285	1,745	1,352	-71	4,257	4,382	+125
<i>Life / Health</i>	880	985	790	673	1,104	853	738	-52	2,655	2,695	+40
<i>Asset Management</i>	646	676	694	588	555	505	600	-93	2,015	1,661	-355
<i>Corporate and Other</i>	-222	-219	-248	-131	-101	-230	-246	+2	-689	-577	+113
<i>Consolidation</i>	-69	-16	-9	3	13	-32	8	+16	-94	-11	+82
Non-operating items	-117	-37	-331	-1,069	-61	137	-293	+39	-485	-217	+269
Income before taxes	2,607	2,733	2,319	1,189	2,794	2,979	2,159	-160	7,658	7,932	+274
Income taxes	-867	-875	-632	128	-858	-867	-720	-88	-2,373	-2,444	-71
Net income	1,740	1,858	1,687	1,318	1,937	2,112	1,440	-247	5,285	5,488	+203
Non-controlling interests	100	103	81	98	115	94	81	0	283	290	+6
Shareholders' net income	1,640	1,755	1,606	1,220	1,822	2,018	1,359	-247	5,002	5,198	+197
Group financial assets ² (EUR bn)	556.0	572.8	595.8	612.0	662.0	630.1	629.0	+33.1	595.8	629.0	+33.1

1) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

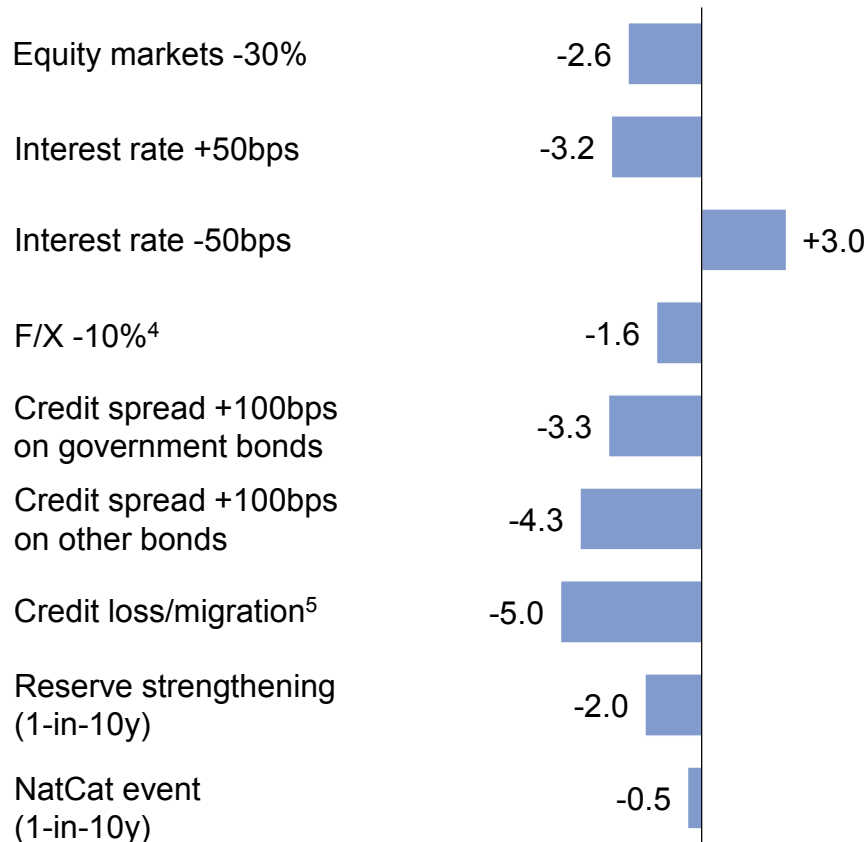
2) Group own assets including financial assets carried at fair value through income, cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling

Group: shareholders' equity and stress tests

Shareholders' equity¹ (EUR mn)



Estimation of stress impact³ (EUR bn)



1) Excluding non-controlling interests
 (31.12.14: EUR 2,955mn; 30.06.15: EUR 2,824mn; 30.09.15: EUR 2,846mn)
 2) Including F/X
 3) After non-controlling interests, policyholder participation, tax and shadow DAC

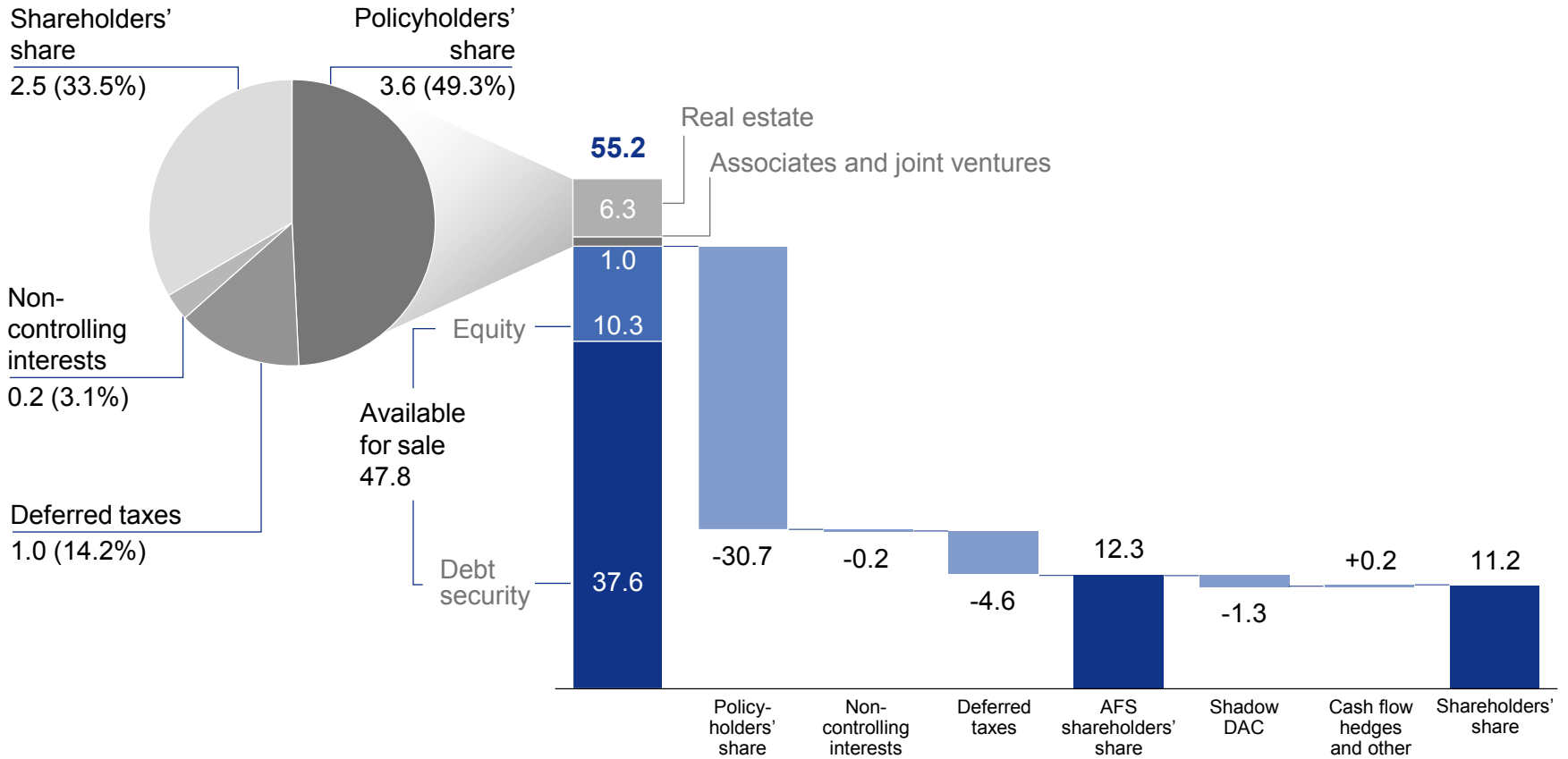
4) Weakening all currencies against EUR
 5) Credit loss/migration: scenario based on probabilities of default in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30%

Group: revaluation reserve (EUR bn)

Off-balance sheet

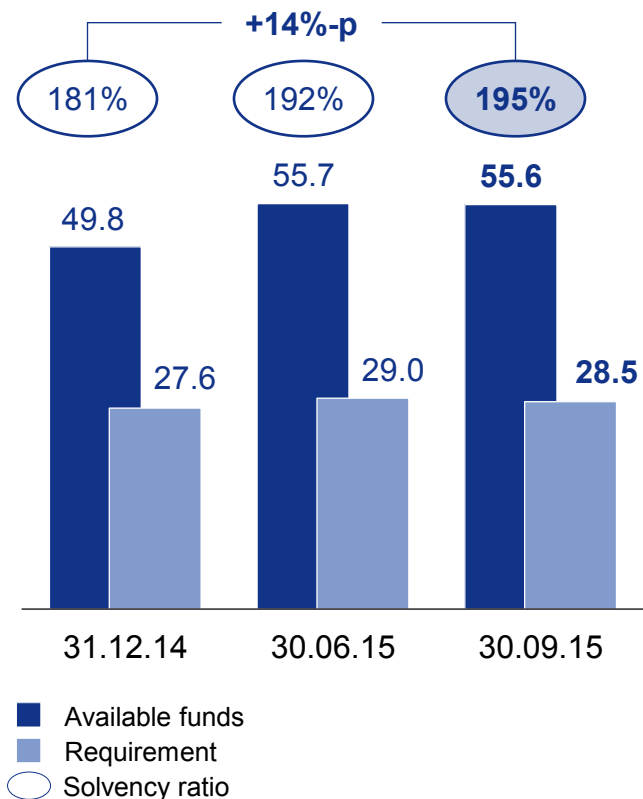
Revaluation reserve

On-balance sheet

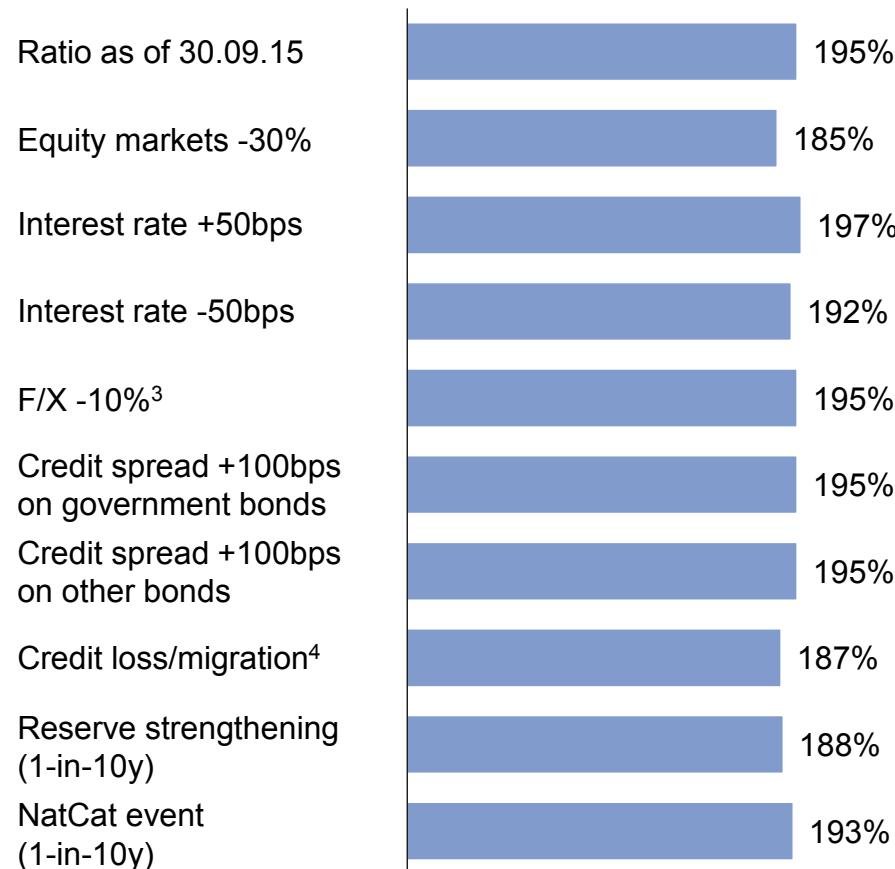


Group: conglomerate solvency ratio and stress tests

Conglomerate solvency¹ (EUR bn)



Estimation of stress impact^{1,2}



1) Off-balance sheet reserves are accepted as eligible capital only upon request. Allianz SE has not submitted an application so far. Off-balance sheet reserves amounted to: 31.12.14: EUR 2.3bn, 30.06.15: EUR 2.4bn and 30.09.15: EUR 2.4bn. The solvency ratio excluding off-balance sheet reserves would be 172% for 31.12.14, 184% for 30.06.15 and 187% for 30.09.15

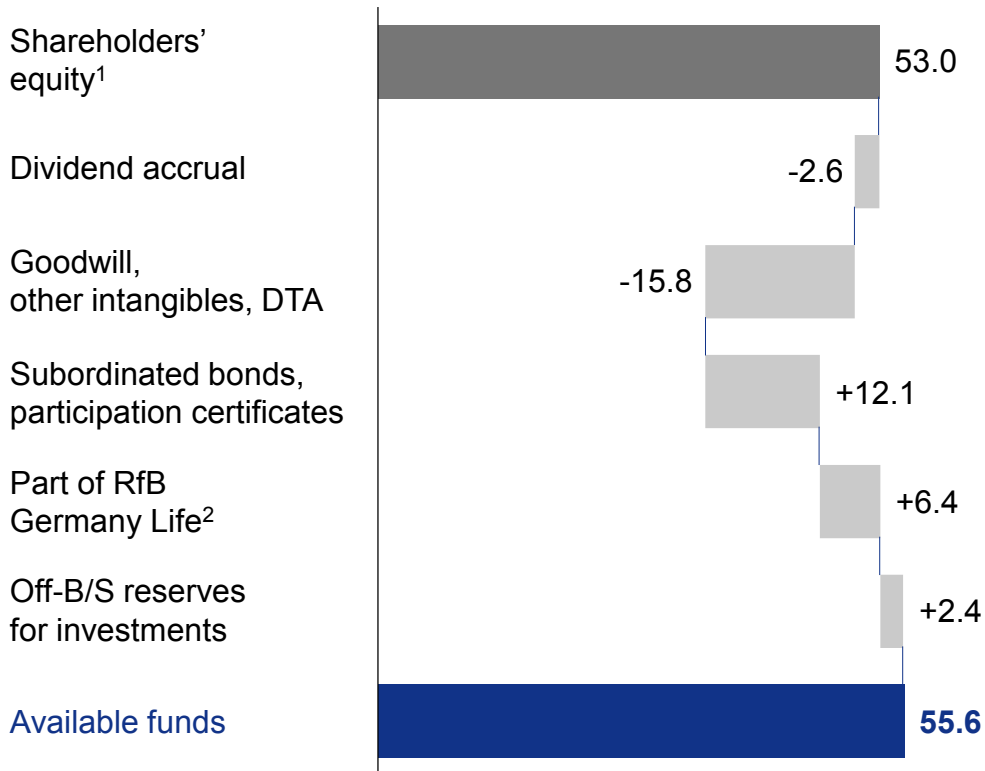
2) After non-controlling interests, policyholder participation, tax and shadow DAC

3) Weakening all currencies against EUR

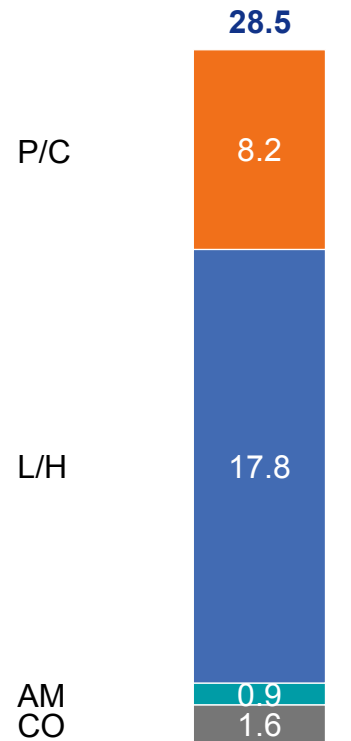
4) Corporate credit loss/migration: scenario based on probabilities of default in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30%

Group: conglomerate solvency details as of 30.09.15 (EUR bn)

Available funds



Required capital

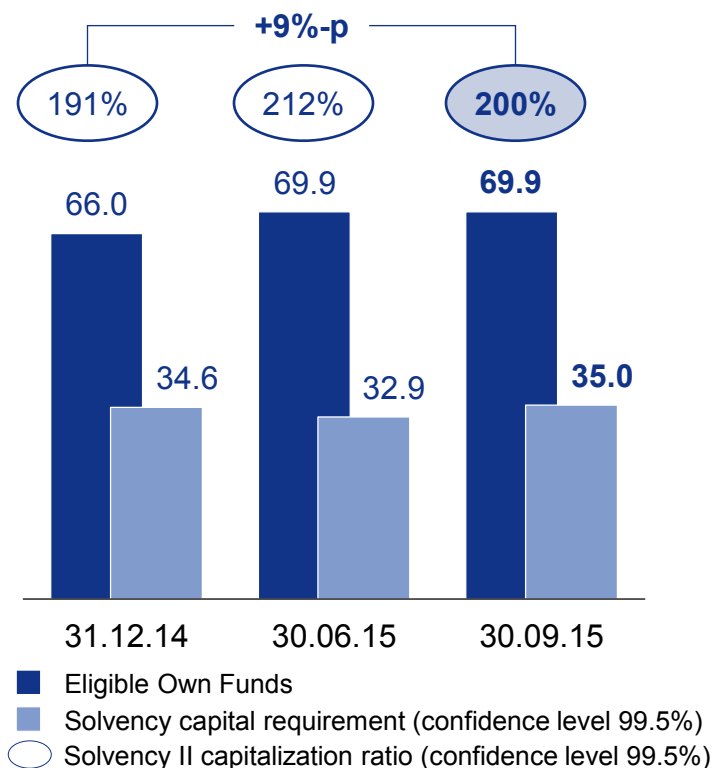


1) Adjusted for unrealized gains/losses on bonds net of shadow DAC (negative effect of EUR 8.3bn)

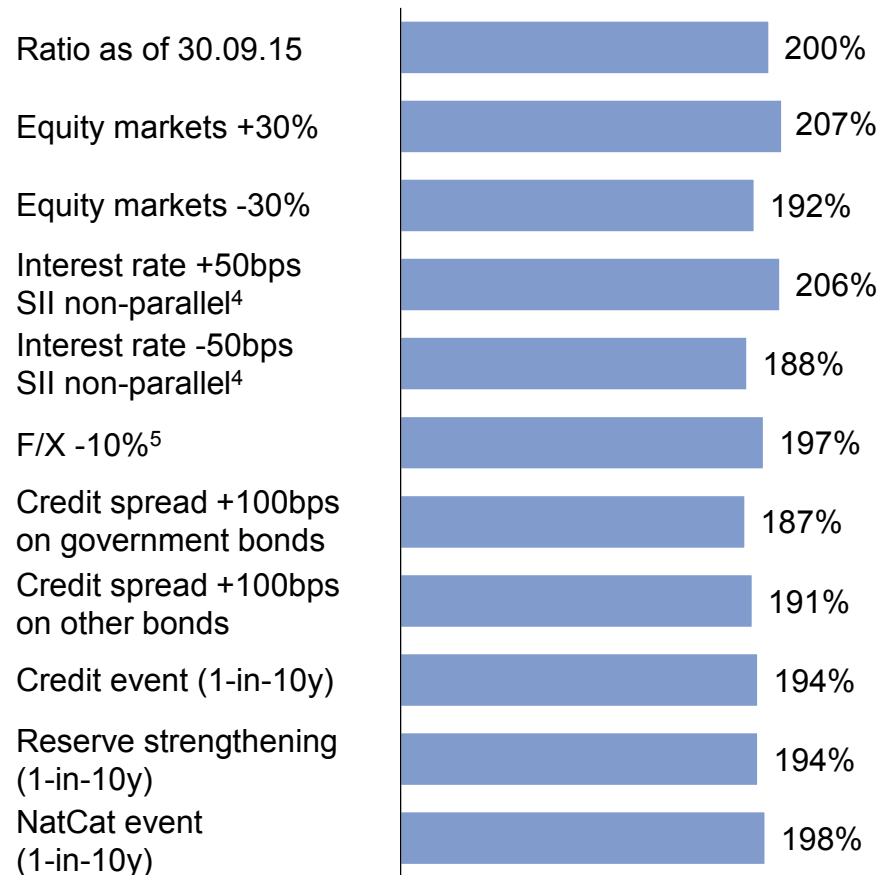
2) Part of the RfB of Germany Life, which counts as FCD available funds

Group: Solvency II capitalization and stress tests

SII capitalization^{1,2} (EUR bn)



Estimation of stress impact³



1) AZ Life included in the SII capital requirement based on third country equivalence with 100% of RBC CAL in 31.12.14 and in 30.06.15, and with 150% of RBC CAL in 30.09.15
 2) Eligible Own Funds include anchoring in line with EIOPA approach
 3) Estimated Solvency II capitalization ratio changes in case of stress scenarios (stress applied on both Eligible Own Funds and Solvency capital requirement). Second order effects to other risk types and to own funds transferability restrictions are not considered

4) IR stresses based on non-parallel shifts of the interest rate curve in line with anchoring based on the EIOPA approach
 5) Weakening all currencies against EUR

Group: asset allocation (EUR bn)

		Property-Casualty		Life/Health		Asset Management		Corporate and Other		Consolidation		Group	
		30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15
Investments	<i>Equities¹</i>	6.1	6.3	31.1	34.2	0.0	0.0	2.5	2.7	0.0	0.0	39.7	43.3
	<i>Debt securities</i>	71.6	74.4	317.9	343.4	0.1	0.2	29.6	31.0	0.0	0.0	419.2	449.0
	<i>Cash and cash pool assets²</i>	5.3	5.6	7.4	6.9	2.7	2.2	-4.6	-3.3	-1.6	-1.0	9.3	10.4
	<i>Other³</i>	7.9	9.7	10.5	10.5	0.0	0.0	0.3	0.3	-6.5	-7.4	12.3	13.1
	Total Investments	91.0	96.0	367.0	395.0	2.8	2.4	27.7	30.6	-8.0	-8.4	480.5	515.8
Loans and advances	Debt securities	15.1	13.4	91.1	92.1	0.1	0.1	17.9	15.9	-7.5	-6.5	116.8	115.0
Investments & loans		106.1	109.4	458.1	487.2	2.9	2.5	45.7	46.6	-15.5	-14.9	597.3	630.8
Financial assets and liabilities designated at fair value ⁴		0.1	0.1	3.7	4.1	0.0	0.0	0.2	0.5	0.0	0.0	4.1	4.7
Financial assets and liabilities held for trading ⁴		0.4	0.4	-5.4	-6.4	0.0	0.0	-0.5	-0.5	0.0	0.0	-5.5	-6.4
Group financial assets		106.6	110.0	456.4	484.8	2.9	2.5	45.4	46.6	-15.5	-14.9	595.8	629.0
Equities AFS		5.5	5.5	29.1	31.0	0.0	0.0	1.9	2.0	0.0	0.0	36.5	38.5
Equities associated ent. / joint ventures		0.6	0.8	2.1	3.2	0.0	0.0	0.5	0.7	0.0	0.0	3.2	4.7
Equities		6.1	6.3	31.1	34.2	0.0	0.0	2.5	2.7	0.0	0.0	39.7	43.3
Affiliated enterprises		8.9	9.0	0.1	0.2	0.0	0.0	77.1	76.7	-86.1	-85.9	0.0	0.0
Investments & loans incl. affiliated enterprises		115.0	118.4	458.2	487.4	2.9	2.5	122.8	123.3	-101.6	-100.8	597.3	630.8
Real estate held for investment		3.0	3.2	7.9	8.2	0.0	0.0	0.3	0.3	0.0	0.0	11.2	11.8
Funds under reins. contr. assumed		4.9	6.4	2.6	2.3	0.0	0.0	0.0	0.0	-6.5	-7.4	1.1	1.3
Other		7.9	9.7	10.5	10.5	0.0	0.0	0.3	0.3	-6.5	-7.4	12.3	13.1

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

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

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

4) Net of liabilities

Group: investment result

(EUR mn)

	Property-Casualty		Life/Health		Asset Management		Corporate and Other		Consolidation		Group	
	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015
Operating investment result												
Interest and similar income ¹	878	882	4,233	4,515	-2	-2	77	93	11	6	5,196	5,494
Inc. fr. fin. assets and liab. carried at FV ²	-138	-38	-1,495	-583	0	-4	-57	-26	10	-6	-1,679	-657
Realized gains/losses (net)	74	57	746	1,209	0	0	0	0	-111	13	709	1,279
Impairments of investments (net)	-4	-41	-102	-794	0	0	0	0	0	0	-106	-835
F/X result	142	-48	1,288	-564	2	-1	70	16	0	0	1,502	-597
Investment expenses	-88	-85	-219	-243	0	0	-19	-20	64	80	-261	-268
Subtotal	864	726	4,451	3,541	0	-7	72	63	-26	93	5,360	4,416
Non-operating investment result												
Inc. fr. fin. assets and liab. carried at FV	-15	16	-17	-49	0	0	-11	16	-11	6	-54	-12
Realized gains/losses (net)	158	179	19	103	5	0	36	39	-34	-171	184	150
Impairments of investments (net)	-42	-135	-7	-9	0	0	-1	-12	0	0	-50	-155
Subtotal	101	60	-5	45	5	0	23	44	-45	-166	79	-17
Net investment income	965	786	4,447	3,586	5	-7	95	107	-71	-72	5,440	4,399
<i>Investment return in % of avg. investm.³</i>	0.9%	0.7%	1.0%	0.7%	n/m	n/m	0.2%	0.2%	n/m	n/m	0.9%	0.7%
Movements in unrealized gains/losses on equities	11	-445	204	-2,153	0	0	180	-48	n/m	n/m	395	-2,646
<i>Total investment return in % of avg. inv.³</i>	0.9%	0.3%	1.0%	0.3%	n/m	n/m	0.6%	0.1%	n/m	n/m	1.0%	0.3%

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

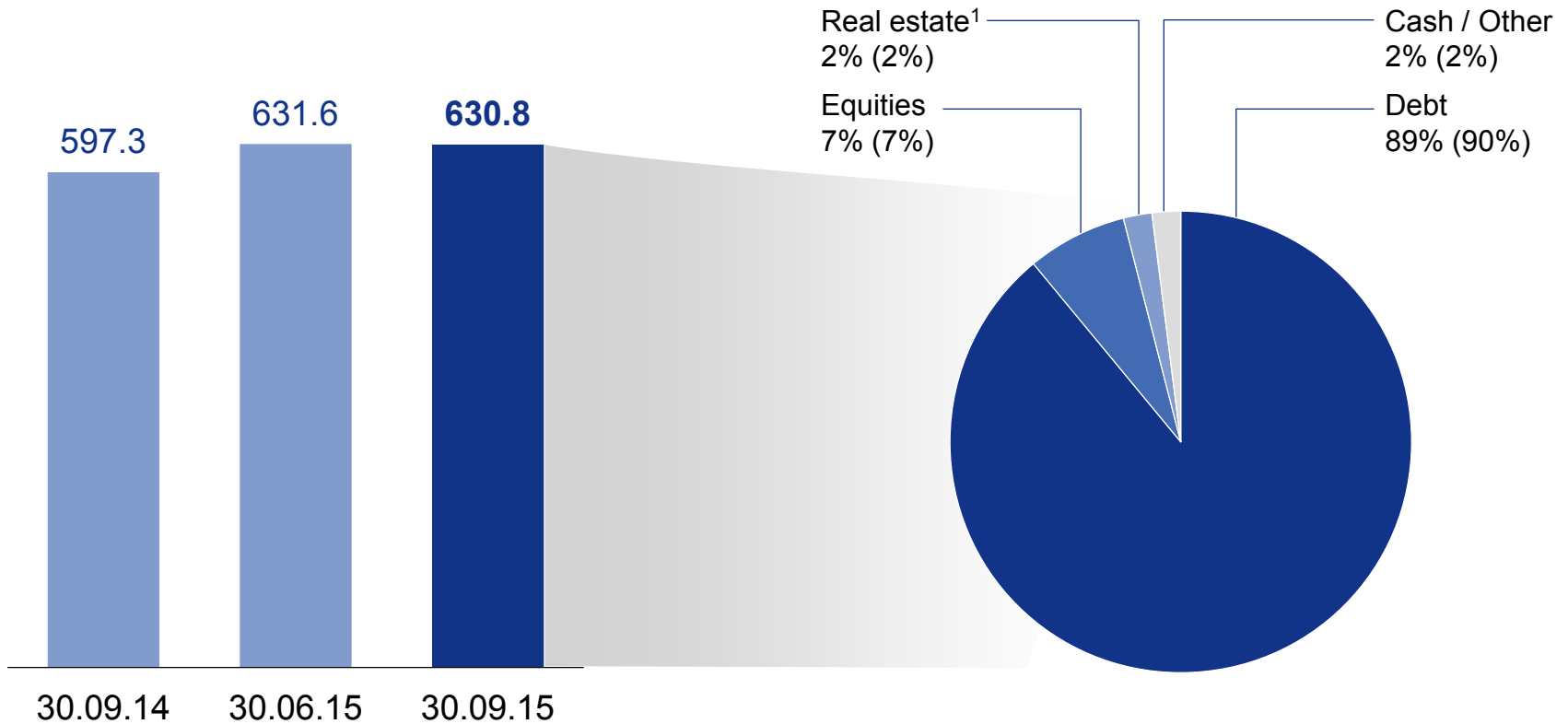
2) Contains income from financial assets/liabilities carried at fair value and operating trading result excluding F/X result

3) Investment return calculation is based on total assets

Group: overview investment portfolio

Group investments and loans
(EUR bn)

Asset allocation as of 30.09.15 (30.09.14)



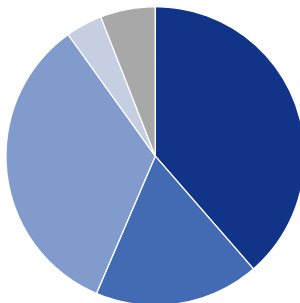
1) Excluding real estate own use and real estate held for sale

Group: fixed income portfolio (30.09.15)

By type of issuer

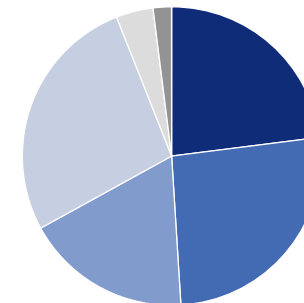
Government	39%
Covered	18%
Corporate	34%
<i>thereof Banking</i>	6%
ABS/MBS ¹	4%
Other ²	6%

Total
EUR 564.1bn



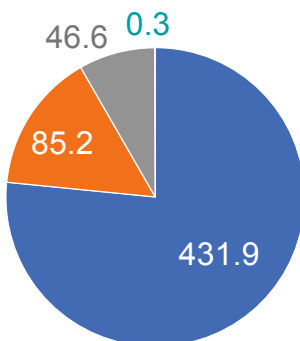
By rating³

AAA	23%
AA	26%
A	18%
BBB	27%
Non-investment grade	4%
Not rated ⁴	2%

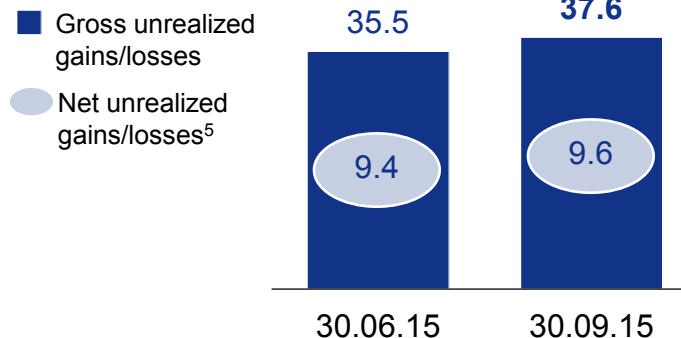


By segment (EUR bn)

L/H	77%
P/C	15%
Corporate and Other	8%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



1) Including U.S. agency MBS investments (EUR 3.8bn)
 2) Including seasoned self-originated private retail loans and short-term deposits at banks
 3) Excluding seasoned self-originated private retail loans

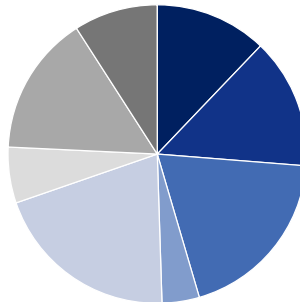
4) Mostly mutual funds and short-term investments
 5) On-balance sheet unrealized gains/ losses after tax, non-controlling interests, policyholders and before shadow DAC

Group: fixed income portfolio – Government and government related (30.09.15)

By region

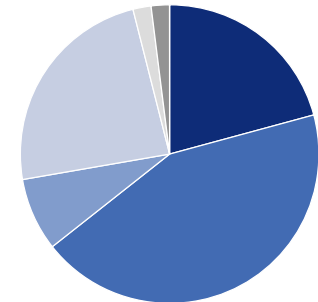
Germany	12%
Italy	14%
France	19%
Spain	4%
Rest of Europe	20%
USA	6%
Rest of World	15%
Supranational	9%

Total
EUR 218.2bn¹



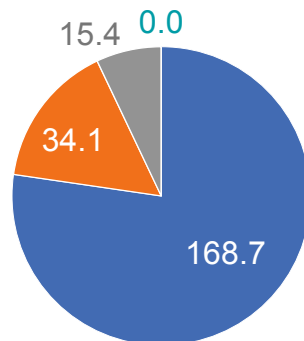
By rating

AAA	21%
AA	44%
A	8%
BBB	24%
Non-investment grade	2%
Not rated	2%

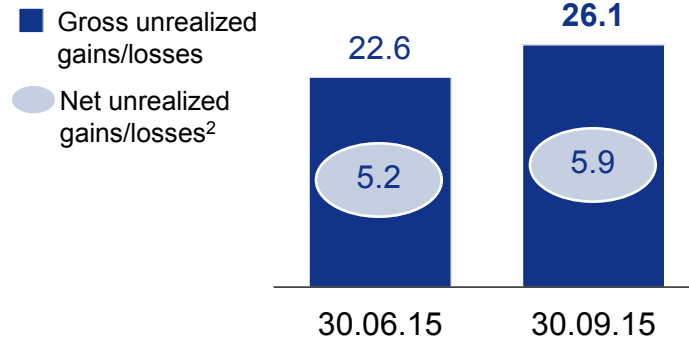


By segment (EUR bn)

L/H	77%
P/C	16%
Corporate and Other	7%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



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

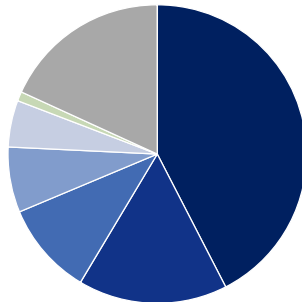
2) On-balance sheet unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC

Group: fixed income portfolio – Covered bonds (30.09.15)

By country

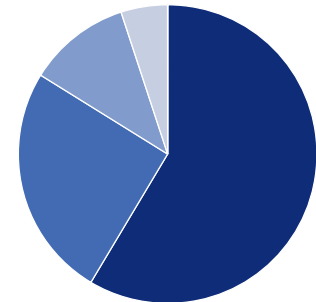
Germany	42%
France	16%
Spain	10%
Italy	7%
UK	5%
Ireland	1%
Rest of World	18%

Total
EUR 100.1bn



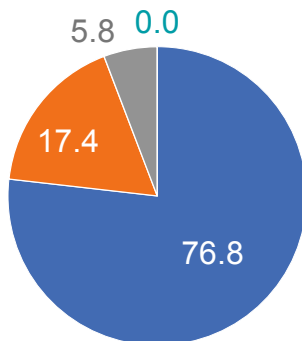
By rating

AAA	58%
AA	25%
A	11%
BBB	5%
Non-investment grade	0%
Not rated	0%

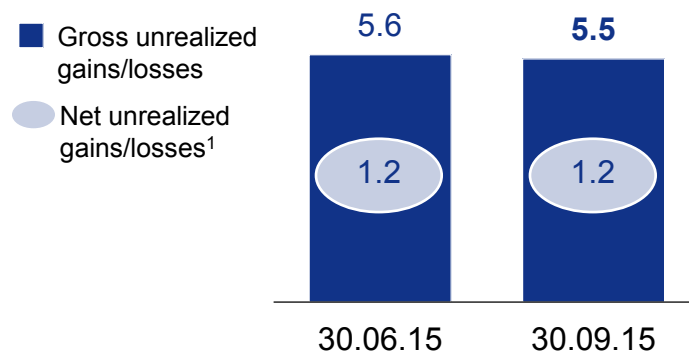


By segment (EUR bn)

L/H	77%
P/C	17%
Corporate and Other	6%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



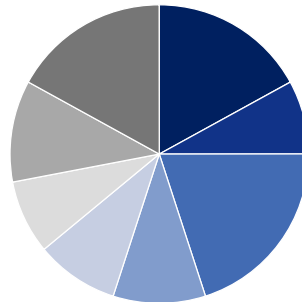
1) On-balance sheet unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC

Group: fixed income portfolio – Corporate (30.09.15)

By sector

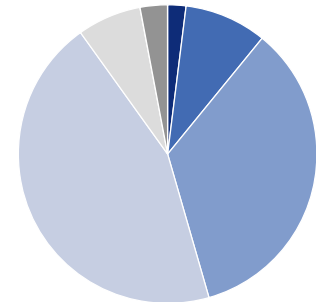
Banking	17%
Other financials	8%
Consumer	20%
Communication	10%
Energy	8%
Industrial	8%
Utility	11%
Other	17%

Total
EUR 189.9bn



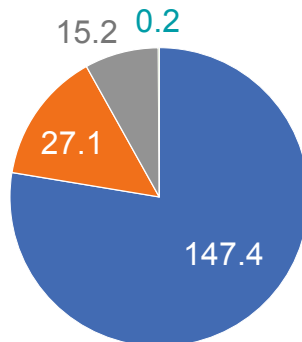
By rating

AAA	2%
AA	9%
A	35%
BBB	45%
Non-investment grade	7%
Not rated ¹	3%

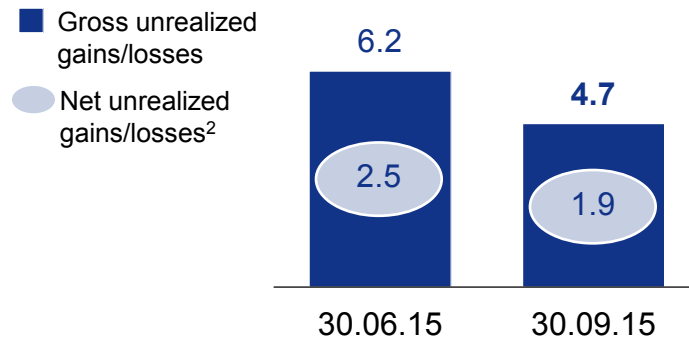


By segment (EUR bn)

L/H	78%
P/C	14%
Corporate and Other	8%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



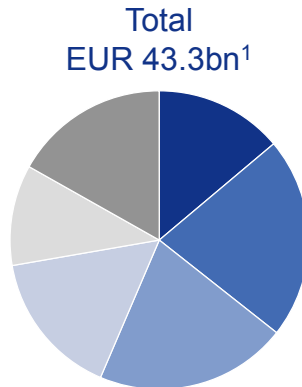
1) Including Eurozone loans/bonds (1%)

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

Group: equity portfolio (30.09.15)

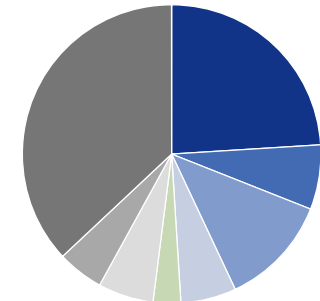
By region

Germany	14%
Eurozone ex Germany	22%
Europe ex Eurozone	21%
NAFTA	16%
Rest of World	11%
Multinational ²	17%



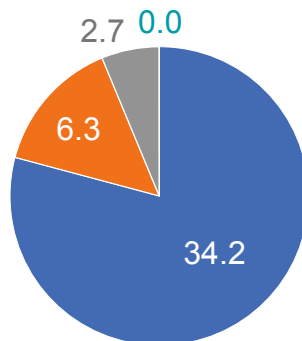
By industry

Consumer	24%
Banking	7%
Other Financials	12%
Basic materials	6%
Utilities	3%
Industrial	6%
Energy	5%
Funds and Other ³	37%

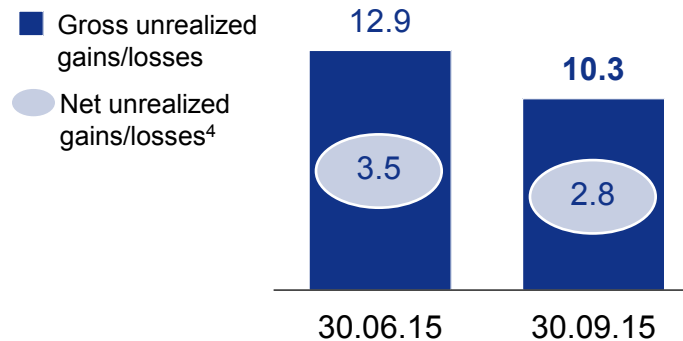


By segment (EUR bn)

L/H	79%
P/C	15%
Corporate and Other	6%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



1) Incl. non-equity retail funds (EUR 0.0bn), excl. equities designated at fair value through income (EUR 2.2bn)

2) Incl. private equity funds (EUR 4.2bn) and mutual stock funds (EUR 2.7bn)

3) Diversified investment funds (EUR 2.9bn); private and unlisted equity (EUR 7.3bn)

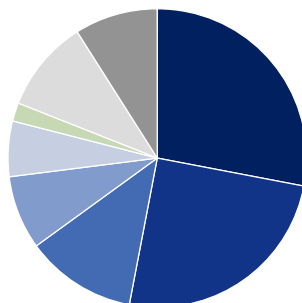
4) On-balance sheet unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC

Group: real estate portfolio¹

By region

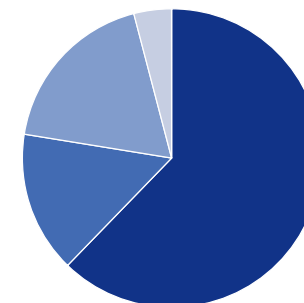
France	28%
Germany	25%
Switzerland	12%
Italy	8%
USA	6%
Poland	2%
Rest of Eurozone	10%
Rest of World	9%

Total
EUR 24.7bn^{2,3}



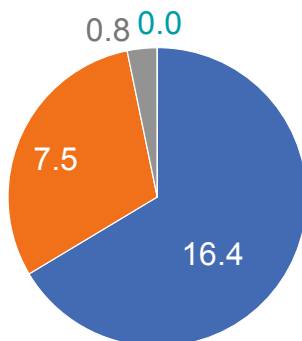
By sectors

Office	61%
Residential	15%
Retail	18%
Other/mixed	6%

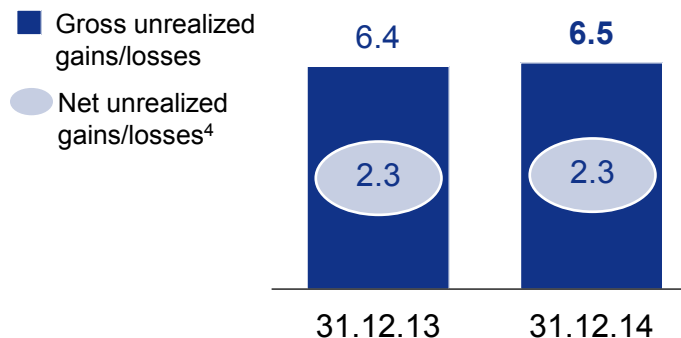


By segment (EUR bn)

L/H	66%
P/C	30%
Corporate and Other	3%
Asset Management	0%



Unrealized gains/losses (EUR bn)³



1) Based on market values as of 31.12.14

2) Market value of real estate assets including EUR 20.1bn directly held real estate assets (e.g. held for investment, held for own use) and EUR 4.6bn indirectly held real estate assets (e.g. associates and joint ventures, available-for-sale investments)

3) Associates and joint ventures as well as available-for-sale indirectly held real estate investments are also part of the equity portfolio and fixed income portfolio

4) Unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC, based on external and internal real estate valuations

2b

Group financial
results 3Q 2015

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

P/C: key figures¹

(EUR mn)

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
Gross premiums written (EUR bn)	15.2	10.8	11.3	11.0	17.3	11.8	11.5	+0.3	37.3	40.7	+3.4
Operating profit	1,489	1,345	1,422	1,125	1,285	1,745	1,352	-71	4,257	4,382	+125
<i>Underwriting result</i>	704	516	650	380	555	694	627	-24	1,871	1,876	+5
<i>Investment result</i>	748	805	770	743	799	840	717	-53	2,323	2,356	+33
<i>Other</i>	38	24	2	2	-69	212	7	+6	64	150	+87
Non-operating items	-576	85	86	-1	0	130	45	-42	-405	175	+580
Income before taxes	913	1,430	1,509	1,124	1,284	1,876	1,396	-112	3,852	4,556	+704
Income taxes	-268	-461	-426	-373	-362	-532	-378	+49	-1,155	-1,272	-117
Net income	645	969	1,083	751	922	1,344	1,019	-64	2,697	3,285	+587
Non-controlling interests	44	42	31	42	52	37	27	-4	117	117	+0
Shareholders' net income	601	928	1,051	709	870	1,306	991	-60	2,581	3,168	+587
Combined ratio (in %)	92.6	94.6	93.5	96.5	94.6	93.5	94.1	+0.6%-p	93.6	94.1	+0.5%-p
<i>Loss ratio</i>	64.6	66.2	65.9	67.1	66.4	65.7	65.9	0.0%-p	65.6	66.0	+0.4%-p
<i>Expense ratio</i>	28.0	28.4	27.6	29.3	28.2	27.8	28.3	+0.6%-p	28.0	28.1	+0.1%-p
Segment financial assets ² (EUR bn)	104.6	104.2	106.6	109.2	116.5	111.3	110.0	+3.4	106.6	110.0	+3.4

1) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

2) 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

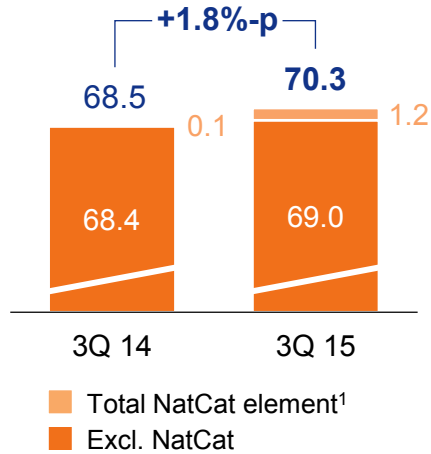
P/C: portfolio split 9M 2015¹

Combined ratio	< 95%	> 95% <100%	> 100%
Key contributors	<p>Spain</p> <ul style="list-style-type: none"> With 5.8% strong internal growth outgrowing the market at a CR of 89.1% supported by a hardening of rates and higher volumes. Attritional LR improved vs. py. <p>Germany</p> <ul style="list-style-type: none"> Good internal growth of 0.9% combined with a 92.2% CR benefitting from positive price momentum and a favorable large loss and expense development. Despite higher NatCat losses vs. py. <p>AGCS excl. FFIC²</p> <ul style="list-style-type: none"> Excellent CR of 92.5% supported by run-off and despite a number of larger man-made events. 	<p>France</p> <ul style="list-style-type: none"> Solid CR of 96.0% combined with a good internal growth of 1.3% driven by a positive sales momentum in our retail lines. <p>AWP</p> <ul style="list-style-type: none"> Our B2B2C business continues to record an excellent internal growth of 10.2% at a CR of 97.2%. <p>Australia</p> <ul style="list-style-type: none"> CR of 97.9% affected by severe NatCat losses in 1H, partly mitigated by significant run-off after reserve review in May. Strong internal growth of 4.7% driven by both positive volume and price effects. 	<p>FFIC²</p> <ul style="list-style-type: none"> CR unsatisfactory at 125.7% affected by extraordinary effects incl. EUR -0.1bn 2Q reserve strengthening and 1Q NatCat losses. Integration of commercial business into AGCS on track. <p>Argentina</p> <ul style="list-style-type: none"> CR of 118.9% driven by a reserve strengthening for our motor portfolio in 3Q. <p>Brazil</p> <ul style="list-style-type: none"> CR of 118.3% with the economic downturn hampering the overall progress of our turn-around program.
Share of GPW	62%	30%	8%
Ø internal growth	+2.2%	+5.4%	-2.1%

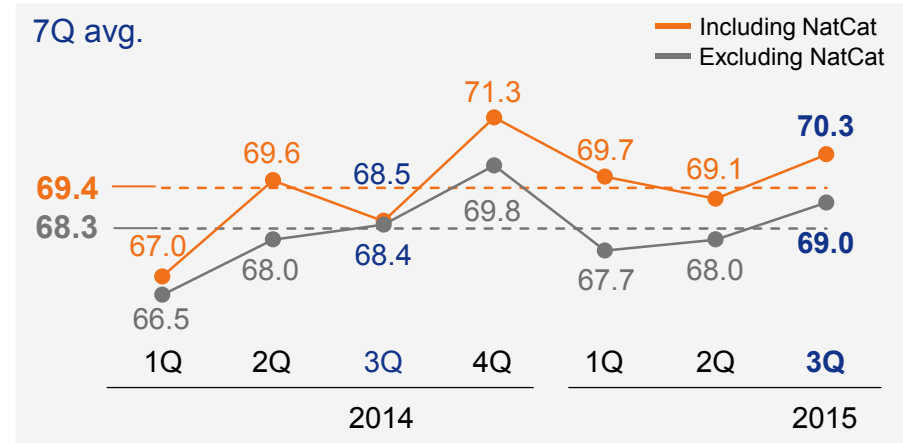
- 1) Analysis based on OEs as reported. Exception LatAm where analysis is based on individual country performance and Reinsurance PC which is based on Group external business only for calculation of internal growth. Excludes consolidation effects
- 2) Effective 1 January 2015, FFIC was integrated into AGCS Group. Previous period figures were not adjusted. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of FFIC, have been reported within Reinsurance PC since 1 January 2015

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

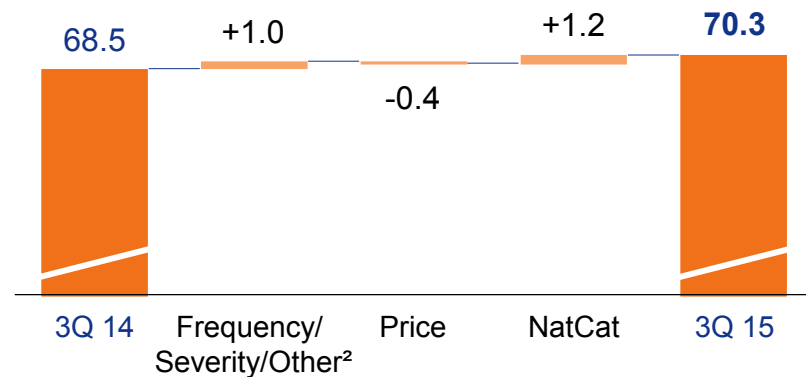
Accident year loss ratio



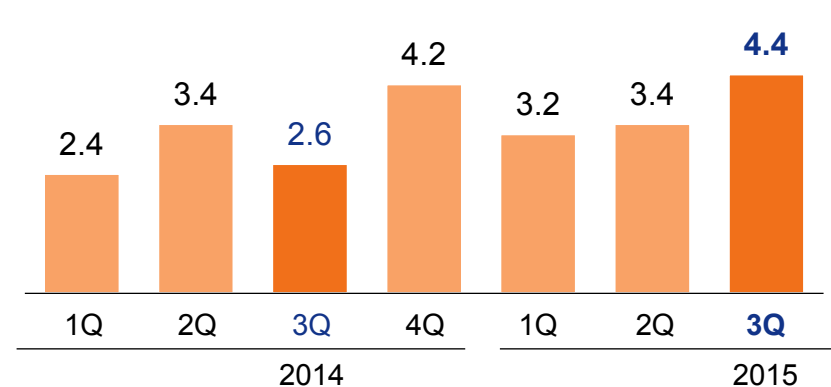
7-quarter overview accident year loss ratio



Development 3Q 15/14 (in %-p)



Run-off ratio³ (7Q-average: 3.4%)

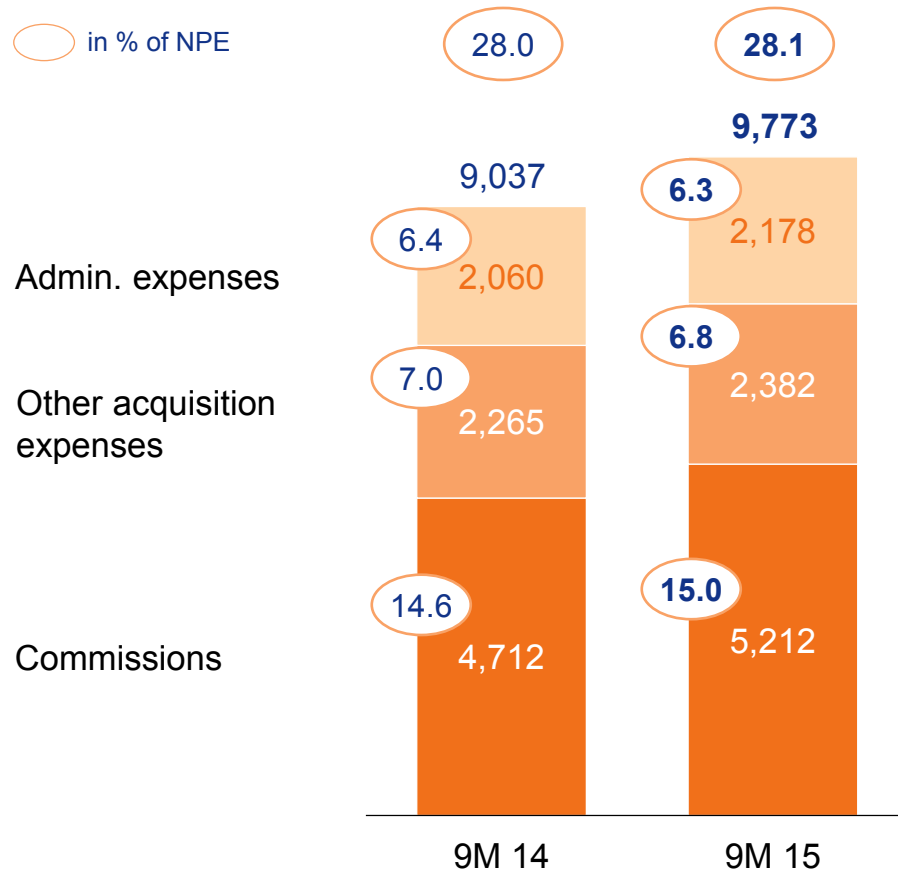


1) NatCat costs (without reinstatement premiums and run-off): EUR 7mn (3Q 14) and EUR 144mn (3Q 15)

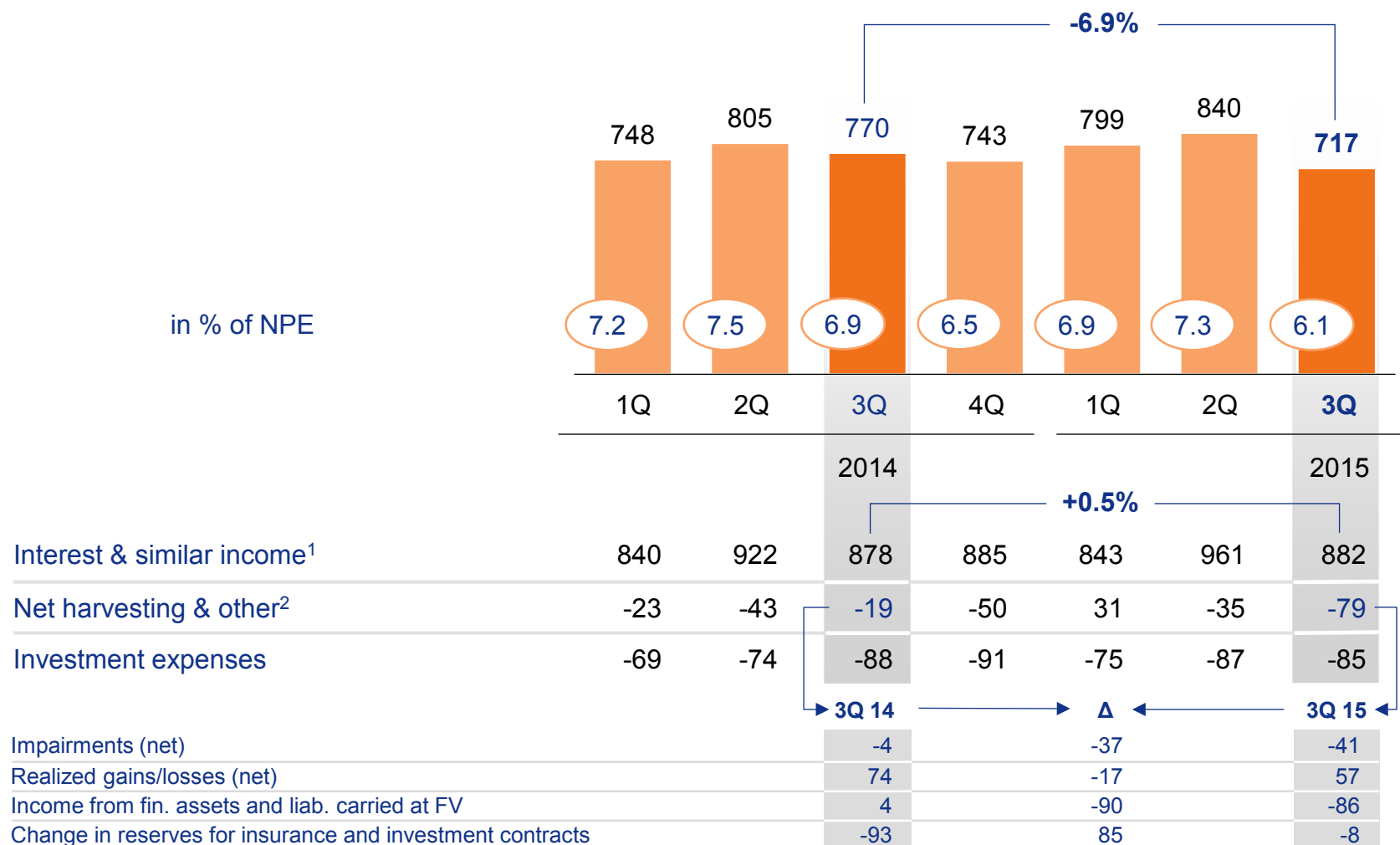
2) Including large claims, reinsurance, credit insurance

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: operating investment result (EUR mn)



1) Net of interest expenses

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

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	+1.6%	<ul style="list-style-type: none"> Motor with nearly stable rate increases Non-motor with premium adjustments in property business, legal protection and commercial liability
Austria	+1.6%	<ul style="list-style-type: none"> Motor: price stabilization at point-of-sale; consumer price index at low level in 2015; introduction of new index (KVLPI) leads to higher indexation Non-motor: weak market situation; price index at low level
Italy	-2.4%	<ul style="list-style-type: none"> Motor still in a soft phase, strong competitiveness and persistent premium decrease Non-motor retail trend driven by indexation and premium adjustments. Market remains soft
France	+1.3%	<ul style="list-style-type: none"> Retail motor pricing trend remains stable All other lines' pricing trends are softer
Spain	+3.3%	<ul style="list-style-type: none"> Good pricing momentum consolidates, driven by motor in both retail and commercial books
UK	+1.1%	<ul style="list-style-type: none"> Commercial market supported by benign weather in property. Furthermore, early signs of traction with rate on motor and liability lines Continuing price increases in the retail market lifting rates above market average
Australia	-0.4%	<ul style="list-style-type: none"> Market conditions soft with pressure on rates across commercial lines (esp.: property, casualty, construction, fleet) Retail rates reasonably flat during 2015; small increases in motor and compulsory third party
Credit Insurance	-3.2%	<ul style="list-style-type: none"> Average rates still negative, under pressure due to low loss ratio of policies coming up for renewal Acceleration of the decrease linked to high level of rebates
AGCS ²	-0.1%	<ul style="list-style-type: none"> Rate increases in FFIC commercial & marine are offset by rate decreases mainly in aviation & energy Generally soft market conditions driven by abundant capacity in large parts of the business Strong competition with competitors compensating low yield with aggressive underwriting
9M 2015³	+0.5%	

1) Estimates based on 9M 2015 survey as communicated by our operating entities; coverage of P/C segment 73%

2) AGCS excluding ART; incl. FFIC

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

2c

Group financial
results 3Q 2015

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

L/H: key figures¹ (EUR mn)

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
Statutory premiums (EUR bn)	17.2	17.0	15.9	17.4	18.8	16.7	14.3	-1.5	50.0	49.9	-0.1
Operating profit	880	985	790	673	1,104	853	738	-52	2,655	2,695	+40
<i>Loadings & fees</i>	1,272	1,287	1,320	1,407	1,441	1,411	1,334	+14	3,878	4,186	+307
<i>Investment margin</i>	670	922	701	680	1,002	834	904	+203	2,293	2,740	+447
<i>Expenses</i>	-1,522	-1,657	-1,586	-1,757	-1,659	-1,624	-1,522	+64	-4,765	-4,806	-41
<i>Technical margin</i>	270	269	318	346	301	295	277	-40	857	874	+17
<i>Impact of change in DAC</i>	189	163	39	-2	19	-63	-255	-294	391	-299	-690
Non-operating items	4	54	-15	-55	-39	81	34	+48	44	76	+33
Income before taxes	884	1,039	776	617	1,065	935	771	-4	2,698	2,771	+73
Income taxes	-255	-308	-245	-188	-326	-273	-224	+21	-808	-823	-16
Net income	629	731	530	429	739	662	547	+17	1,891	1,948	+57
Non-controlling interests	31	32	24	35	40	37	30	+6	87	107	+21
Shareholders' net income	598	699	507	394	699	624	517	+11	1,804	1,840	+37
Margin on reserves (in bps)	73	79	61	50	77	58	52	-9	70	64	-6
Segment financial assets ² (EUR bn)	422.7	438.5	456.4	470.8	510.4	483.6	484.8	+28.5	456.4	484.8	+28.5
Unit-linked investments (EUR bn)	82.9	86.9	90.8	94.6	106.2	104.9	100.7	+9.9	90.8	100.7	+9.9
Operating asset base ³ (EUR bn)	509.6	529.8	551.8	571.0	622.7	594.1	590.8	+38.9	551.8	590.8	+38.9

1) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014.

Prior year figures changed in order to reflect the roll out of profit source reporting to Malaysia

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: operating profit details¹

(EUR mn)

	L/H segment ²			Guaranteed savings & annuities		Protection & health		Unit-linked w/o guarantee	
	3Q 2014	3Q 2015	Delta 3Q 15/14	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015
Loadings & fees	1,320	1,334	+14	753	751	398	405	169	179
Loadings from premiums	888	874	-14	444	431	376	378	68	65
as % of statutory premiums	5.6%	6.1%	+0.5%-p	4.2%	4.7%	15.6%	16.0%	2.5%	2.3%
Loadings from reserves	272	280	+8	237	236	22	27	12	17
as % of avg. reserves ^{3,4}	0.06%	0.05%	0.00%-p	0.06%	0.05%	0.07%	0.07%	0.04%	0.04%
Unit-linked management fees	160	181	+20	71	84	0	0	89	97
as % of avg. unit-linked reserves ^{4,5}	0.14%	0.14%	0.00%-p	0.13%	0.14%	N/A	N/A	0.17%	0.15%
Investment margin	701	904	+203	679	887	9	2	13	15
Investment margin net of PHP	701	904	+203	679	887	9	2	13	15
as % of avg. aggregate policy reserves ⁴	0.19%	0.22%	+0.03%-p	0.20%	0.24%	0.03%	0.01%	4.79%	5.57%
Expenses	-1,586	-1,522	+64	-1,050	-945	-402	-414	-135	-163
Acquisition expenses and commissions	-1,193	-1,150	+43	-782	-716	-310	-311	-101	-123
as % of PVNBP	-9.0%	-9.7%	-0.7%-p	-8.7%	-9.5%	-25.3%	-26.7%	-3.3%	-4.0%
Admin and other expenses	-393	-373	+21	-269	-229	-91	-103	-34	-40
as % of avg. reserves ^{3,4}	-0.09%	-0.07%	+0.01%-p	-0.07%	-0.05%	-0.27%	-0.28%	-0.10%	-0.10%
Technical margin	318	277	-40	131	84	165	167	22	27
Operating profit before change in DAC	752	993	+242	512	776	170	161	70	57
Impact of change in DAC⁶	39	-255	-294	18	-178	14	-94	7	16
Capitalization of DAC	466	405	-61	337	262	95	86	34	57
Amortization, unlocking and true-up of DAC	-427	-660	-233	-319	-440	-81	-180	-27	-41
Operating profit	790	738	-52	530	598	184	67	77	73
Statutory premiums	15,853	14,313	-1,540	10,672	9,129	2,416	2,362	2,766	2,822
Avg. unit-linked reserves	88,843	102,813	+13,970	55,427	61,144	0	0	33,416	41,669
Avg. aggregate policy reserves	373,529	406,482	+32,953	338,870	369,309	34,385	36,902	274	271
Avg. reserves ³	462,372	509,295	+46,923	394,297	430,453	34,385	36,902	33,689	41,940
PVNBP ⁷	13,189	11,827	-1,362	8,932	7,572	1,226	1,162	3,031	3,093

1) Prior year figures changed in order to reflect the roll out of profit source reporting to Malaysia. In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

2) Profit sources are based on 20 in scope OEs with a coverage of 96.6% revenues. Operating profit from OEs that are not in scope is included in "Investment margin"

3) Aggregate policy reserves + unit-linked reserves

4) Yields are pro-rata

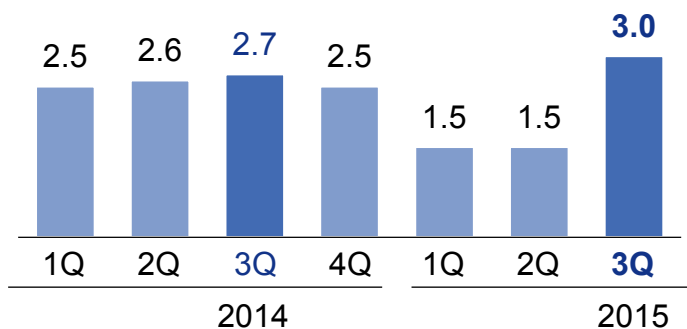
5) Calculation based on only unit-linked fees on unit-linked reserves

6) 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

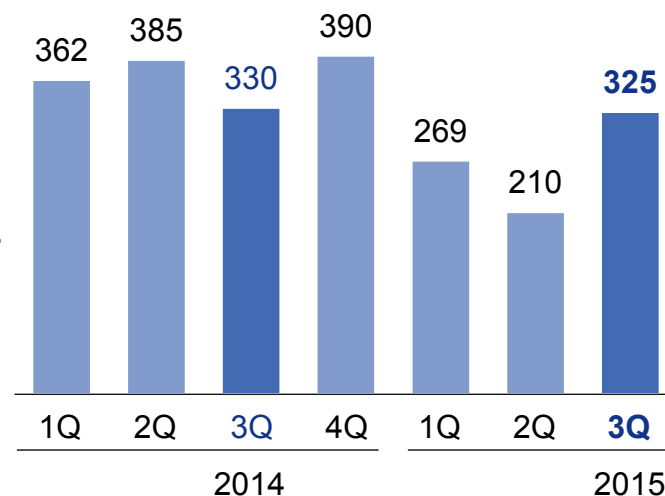
7) PVNBP is before non-controlling interests

L/H: key new business metrics¹

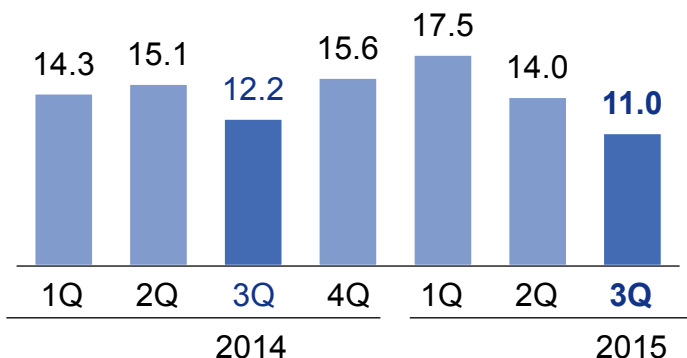
New business margin
(VNB in % of PV of NB premiums)



Value of new business
(EUR mn)



PV of NB premiums
(EUR bn)



1) After non-controlling interests, including internal reinsurance. All values using F/X rates as of valuation date. New business figures were restated by the impact of contract boundaries, removal of holding expenses and the replacement of CNHR and CRcC by RM after tax to be aligned with SII balance sheet

L/H: new business profitability by OE (1/2)^{1,2} (EUR mn)

		Value of new business		New business margin (in %)		Present value of new business premium			Recurring premium		Single premium		Internal rate of return ³ (in %)		Payback period (yrs) ³	
		3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	Delta 3Q 15/14 ⁴	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015	3Q 2014	3Q 2015
Total L/H segment		330	325	2.7	3.0	12,235	10,970	-13.5%	508	625	8,619	7,149	12.5	20.1	6.1	4.0
Large OEs	Germany Life ⁵	74	75	2.4	2.9	3,091	2,597	-16.0%	104	126	1,730	950	16.0	14.9	5.9	7.1
	USA	108	91	3.6	3.8	3,029	2,378	-30.6%	17	33	2,901	2,245	12.6	13.6	5.6	5.3
	Italy	30	32	1.5	2.1	1,939	1,502	-18.9%	26	73	1,708	1,273	14.7	17.5	4.7	4.0
	France	16	23	1.2	1.6	1,389	1,428	-8.2%	50	28	1,033	1,281	6.2	20.6	11.6	4.0
Selected OEs	Asia-Pacific	47	50	3.2	3.4	1,463	1,491	+0.2%	174	156	782	801	17.7	15.8	4.6	4.7
	Germany Health	7	8	3.0	2.7	227	282	+24.3%	20	21	0	5	n.m.	n.m.	n.m.	n.m.
	Benelux	6	4	2.6	1.2	229	354	+82.0%	9	13	163	302	8.3	6.3	10.0	10.6
	Spain	9	11	5.0	4.8	176	237	+33.6%	7	11	112	132	9.8	17.7	8.1	4.9
	Switzerland	4	2	3.2	1.4	135	158	+6.1%	6	8	43	32	10.1	10.6	9.1	7.3
	CEE	8	7	4.9	4.7	154	149	-4.0%	33	76	33	30	14.8	15.2	4.7	3.5

- 1) After non-controlling interests, including internal reinsurance. All values using F/X rates as of valuation date. New business figures were restated by the impact of contract boundaries, removal of holding expenses and the replacement of CNHR and CRcC by RM after tax to be aligned with SII balance sheet
- 2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
- 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) Internal growth (adjusted for F/X and consolidation effects)
- 5) Single premium for Germany Life does not include Parkdepot business (3Q 14: EUR 371mn, 3Q 15: EUR 242mn)

L/H: new business profitability by OE (2/2)^{1,2,3}

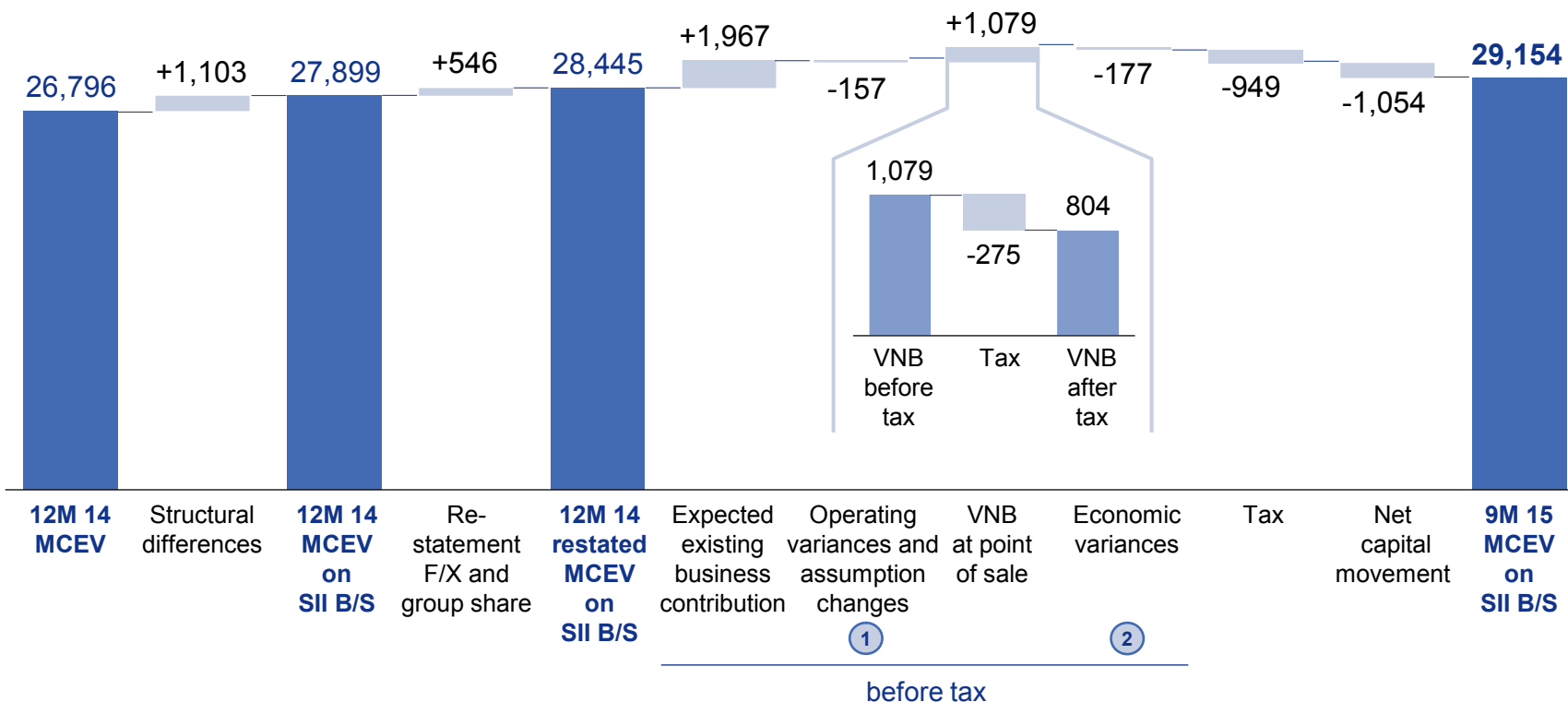
		Value of new business (EUR mn)							New business margin (in %)						
		1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015
Total L/H segment		362	385	330	390	269	210	325	2.5	2.6	2.7	2.5	1.5	1.5	3.0
Large OEs	Germany Life	88	74	74	128	73	30	75	2.6	2.4	2.4	2.5	1.8	0.9	2.9
	USA	115	142	108	93	65	64	91	4.6	4.3	3.6	3.0	2.4	2.6	3.8
	Italy	30	53	30	50	17	29	32	1.5	1.3	1.5	2.0	0.5	1.0	2.1
	France	15	15	16	9	-17	4	23	0.5	1.0	1.2	0.6	-0.6	0.3	1.6
Selected OEs	Asia-Pacific	33	37	47	46	53	53	50	2.8	3.2	3.2	3.5	3.3	3.0	3.4
	Germany Health	10	8	7	7	9	4	8	3.8	3.5	3.0	2.5	2.3	1.2	2.7
	Benelux	15	9	6	6	4	-5	4	3.9	2.5	2.6	2.3	0.8	-1.0	1.2
	Spain	14	13	9	10	14	-1	11	4.6	4.2	5.0	2.6	3.0	-0.2	4.8
	Switzerland	16	6	4	6	16	3	2	2.4	2.7	3.2	3.2	2.0	1.4	1.4
	CEE	8	8	8	8	9	8	7	4.2	3.9	4.9	4.8	4.9	5.2	4.7

1) After non-controlling interests, including internal reinsurance. All values using F/X rates as of valuation date. New business figures were restated by the impact of contract boundaries, removal of holding expenses and the replacement of CNHR and CReC by RM after tax to be aligned with SII balance sheet

2) In 4Q 14 the French International Health business was reclassified from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

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

L/H: MCEV based on SII balance sheet (EUR mn)



MCEV on SII balance sheet represents shareholders' equity in the L/H segment

L/H: MCEV based on SII balance sheet development highlights (EUR mn, after non-controlling interests)

① Operating variances and assumption changes

-157

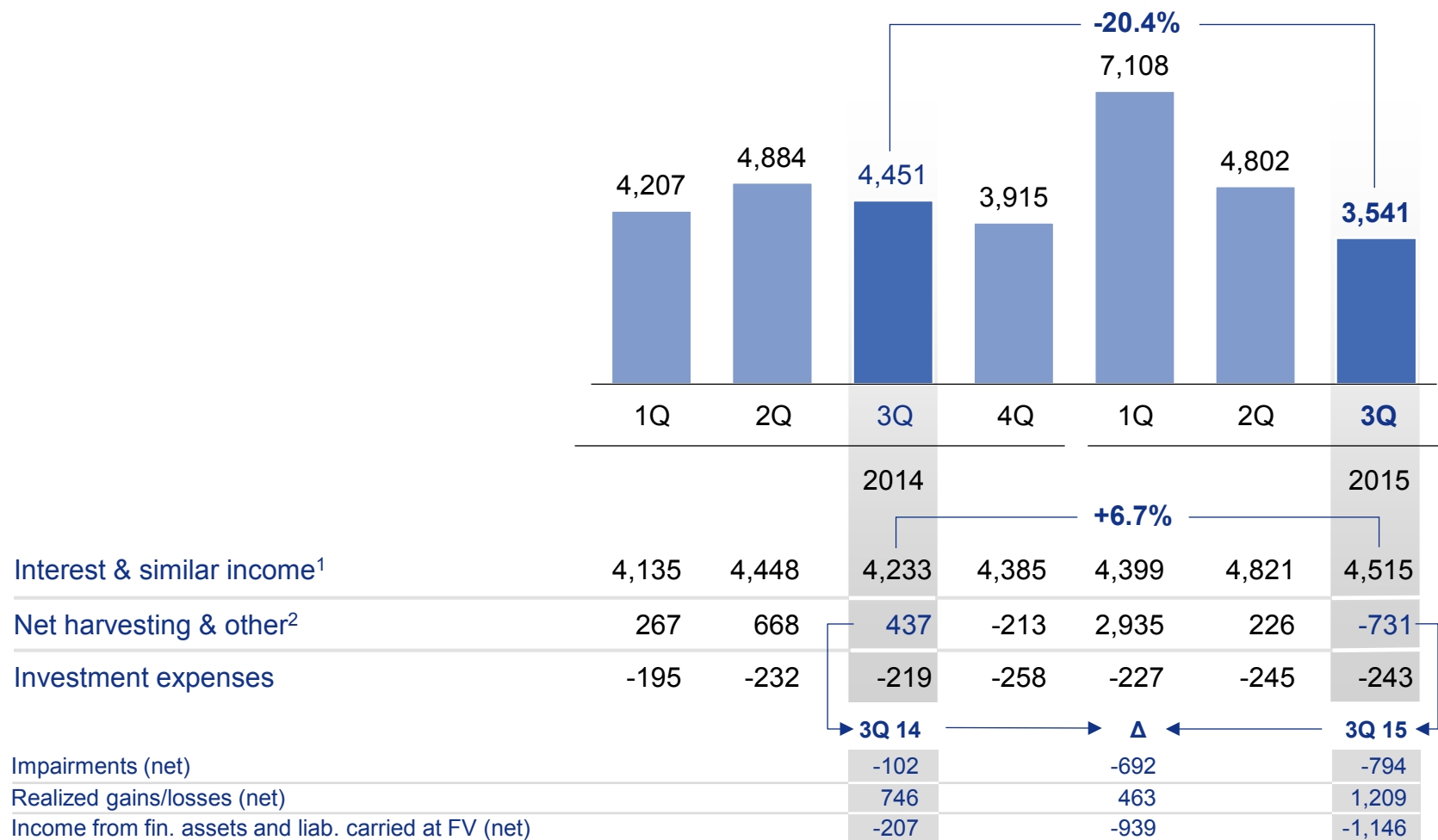
Mainly driven by non-economic assumption changes (German speaking countries & CEE). Positive impacts from operating variance (Italy, Spain).

② Economic variances

(EUR mn) Estimates based on sensitivities and other approximations	German speaking countries & CEE	Western & Southern Europe incl. MENA	Iberia & Latin America	Asia- Pacific	USA	Total ¹
Economic variances	2,012	575	-78	-466	-2,242	-177
Driven by changes in interest rate	3,137	300	-52	-400	-347	2,661
Driven by changes in equity value	-329	103	-3	-19	76	-171
Driven by changes in credit spreads and other	-796	172	-22	-48	-1,972	-2,666

1) Total includes reinsurance

L/H: operating investment result (EUR mn)

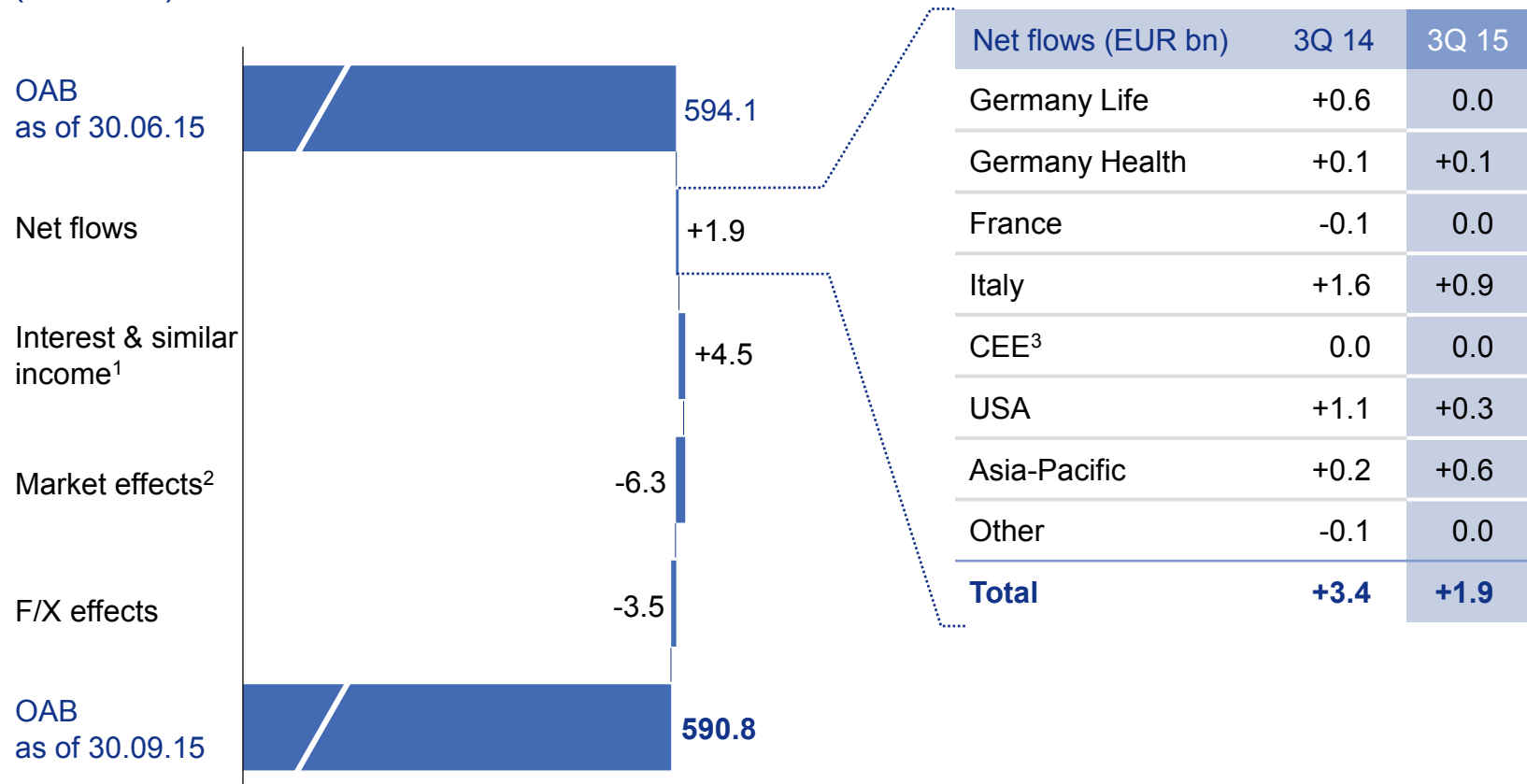


1) Net of interest expenses

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

L/H: operating asset base

Operating asset base (EUR bn)



1) Net of interest expenses

2) Includes changes in other assets and liabilities of EUR 0.0bn

3) From 3Q 15 onwards Central and Eastern Europe is reported excluding Russia. Previous period figures were not adjusted

2d

Group financial
results 3Q 2015

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

AM: AAM key figures (1/2)

(EUR mn)

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
Operating revenues	1,517	1,607	1,618	1,646	1,573	1,548	1,636	+18	4,742	4,757	+15
Performance fees	19	67	40	149	59	52	192	+152	126	304	+177
Operating profit	646	676	694	588	555	505	600	-93	2,015	1,661	-355
Non-operating items	-14	-3	2	0	-27	0	-2	-4	-15	-28	-13
Income before taxes	631	673	696	588	528	505	599	-97	2,000	1,632	-368
Income taxes	-225	-254	-258	-230	-199	-176	-225	+34	-738	-600	+138
Net income	406	419	438	358	329	329	374	-63	1,263	1,033	-230
Non-controlling interests	22	23	22	19	17	16	20	-3	67	52	-15
Shareholders' net income	385	396	415	340	312	314	355	-61	1,196	981	-215
Cost-income ratio (in %)	57.4	57.9	57.1	64.3	64.7	67.4	63.3	+6.2%-p	57.5	65.1	+7.6%-p
3rd party AuM (EUR bn)	1,342	1,373	1,411	1,313	1,408	1,323	1,259	-152	1,411	1,259	-152
Allianz AuM (EUR bn)	423	441	461	488	525	488	488	+27	461	488	+27
Total AuM (EUR bn)	1,765	1,814	1,872	1,801	1,933	1,811	1,746	-125	1,872	1,746	-125
3rd party net flows¹ (EUR bn)	-19.8	-17.2	-47.4	-141.3	-62.1	-22.5	-14.8	+32.6	-84.3	-99.5	-15.1
Net flows in 3rd party AuM eop (in %)	-1.5	-1.3	-3.5	-10.0	-4.7	-1.6	-1.1	+2.3%-p	-6.3	-7.6	-1.2%-p

1) Effective 2015, 3rd party net flows contain re-invested dividends (incl. capital gains) from existing clients (EUR +4.1bn in 3Q 15). Those have been recognized as market return until 31.12.14

AM: AAM key figures (2/2)

(EUR mn)

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
PIMCO											
Operating profit	563	597	594	488	428	396	500	-94	1,754	1,323	-430
Performance fees	11	46	25	122	26	24	165	+140	83	215	+132
Cost-income ratio (in %)	52.2	51.8	52.4	61.2	62.5	64.3	58.6	+6.2%-p	52.1	61.7	+9.6%-p
3rd party AuM (EUR bn)	1,116	1,135	1,162	1,053	1,114	1,032	985	-178	1,162	985	-178
3rd party net flows ¹ (EUR bn)	-21.7	-20.4	-49.2	-144.8	-68.3	-29.3	-16.0	+33.1	-91.3	-113.6	-22.4
3-yr. outperformance (in %)	88	89	93	88	87	84	70	-23%-p	93	70	-23%-p
AllianzGI											
Operating profit	96	89	110	113	135	139	111	+1	295	385	+90
Performance fees	8	20	15	27	33	28	27	+12	43	88	+44
Cost-income ratio (in %)	72.1	76.1	70.8	70.9	68.9	68.7	74.5	+3.6%-p	73.0	70.7	-2.3%-p
3rd party AuM (EUR bn)	226	238	248	260	294	292	274	+26	248	274	+26
3rd party net flows ¹ (EUR bn)	2.0	3.2	1.8	3.5	6.2	6.7	1.3	-0.5	6.9	14.2	+7.2
3-yr. outperformance (in %)	53	51	58	55	58	64	62	+4%-p	58	62	+4%-p

1) Effective 2015, 3rd party net flows contain re-invested dividends (incl. capital gains) from existing clients (EUR +3.9bn for PIMCO and EUR +0.2bn for AllianzGI in 3Q 15). Those have been recognized as market return until 31.12.14

AM: splits of 3rd party AuM¹ (EUR bn)

	AAM		PIMCO		AllianzGI	
	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15
Regions²						
America	878	719	802	643	76	76
Europe	390	405	241	226	150	178
Asia-Pacific	143	135	120	115	23	19
Investment vehicles³						
Mutual funds	862	738	677	540	185	198
Separate accounts	549	521	486	445	63	76
Asset classes⁴						
Fixed income	1,216	936	1,162	880	54	56
Equity	195	141	0	23	195	119
Multi-Assets	n.a.	134	n.a.	45	n.a.	89
Other	n.a.	47	n.a.	37	n.a.	10

1) Comprises 3rd party AuM managed by AAM

2) Based on the origination of the assets by the asset management company

3) Effective 2015, the split of AuM into clients has been replaced by a split into investment vehicles. Mutual funds pool the money of several individual investors into one account. At separate accounts, the money of a single investor is directly managed in a separate dedicated account

4) Effective 2015, the split of AuM into asset classes has been enhanced with two additional asset classes for a more granular breakdown. Multi-Assets is a combination of several different asset classes. Other comprises money market instruments with short maturity as well as alternative investments. Therefore, 2015 and 2014 figures are not comparable

2e

Group financial
results 3Q 2015

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

CO: key figures (EUR mn)

	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	Delta 3Q 15/14	9M 2014	9M 2015	Delta 9M 15/14
Total revenues (Banking)	139	132	135	151	140	131	146	+11	405	416	+11
Operating profit	-222	-219	-248	-131	-101	-230	-246	+2	-689	-577	+113
<i> Holding & Treasury</i>	-248	-245	-267	-157	-143	-264	-287	-20	-760	-694	+66
<i> Banking</i>	18	17	11	21	32	26	28	+16	46	85	+40
<i> Alternative Investments</i>	8	8	8	6	10	8	14	+5	24	32	+8
<i> Consolidation</i>	0	0	0	0	0	0	0	0	0	0	0
Non-operating items	472	-177	-211	-276	27	-89	-195	+16	84	-256	-340
<i> Holding & Treasury</i>	484	-177	-194	-271	23	-82	-170	+24	113	-230	-343
<i> Banking</i>	-1	4	3	5	6	5	0	-2	6	11	+6
<i> Alternative Investments</i>	-11	-5	-19	-11	-2	-11	-25	-6	-35	-38	-3
<i> Consolidation</i>	0	0	0	0	0	0	0	0	0	0	0
Income before taxes	249	-397	-458	-407	-74	-318	-440	+18	-606	-833	-227
Income taxes	-118	148	147	179	25	113	86	-61	177	225	+48
Net income	131	-249	-311	-228	-49	-205	-354	-43	-429	-609	-180
Non-controlling interests	4	6	3	2	6	4	4	+1	13	14	+1
Shareholders' net income	127	-255	-315	-231	-55	-209	-358	-44	-442	-622	-181
Cost-income ratio Banking (in %)	80.7	75.8	86.6	76.8	71.7	67.0	71.5	-15.1%-p	81.1	70.2	-10.9%-p
RWA ¹ Banking (EUR bn)	8.9	8.9	9.0	8.9	8.9	8.6	8.6	-0.4	9.0	8.6	-0.4

1) RWA data is preliminary; based on Basel approach

3

Group financial
results 3Q 2015

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

Glossary (1)

AAM	Allianz Asset Management, mainly the holding company of PIMCO and AllianzGI
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
AllianzGI	Allianz Global Investors
AM	Asset Management – AM segment
APR (accident insurance with premium refund)	Special form of accident insurance (in German: “Unfallversicherung mit garantierter Beitragsrückzahlung” (UBR)) 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).
AuM	<p>Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. They are managed on behalf of third parties as well as on behalf of the Allianz Group.</p> <p>Net flows: Net flows represent the sum of new client assets, additional contributions from existing clients, including dividend reinvestment, withdrawals of assets from, and termination of, client accounts and distributions to investors.</p> <p>Market and dividends: Market and dividends represents current income earned on, and changes in fair value of, securities held in client accounts. It also includes dividends from net investment income and from net realized capital gains to investors of open ended mutual funds and of closed end funds.</p>

Glossary (2)

AuM splits by asset classes

Multi-assets: A combination of several asset classes (e.g. bonds, stocks, cash and real property) used as an investment. Multi-assets class investments increase the diversification of an overall portfolio by distributing investments throughout several asset classes.

Other: Composed of other asset classes than equity, fixed income and multi-assets, e.g. money markets, commodities, real estate investment trusts, infrastructure investments, private equity investments, hedge funds.

AuM splits by investment vehicle

Mutual funds: Investment vehicles (in the US, investment companies, subject to the US code; in Germany, vehicles subject to the “Standard-Anlagerichtlinien des Fonds” Investmentgesetz) where the money of several individual investors is pooled into one account to be managed by the asset manager, e.g. open-end funds, closed-end funds.

Separate accounts: Investment vehicles where the money of a single investor is directly managed by the asset manager in a separate dedicated account (e.g. public or private institutions, high net worth individuals, corporates)

Bps

Basis point = 0.01%

CEE

Central and Eastern Europe. From 3Q 15 onwards CEE is reported excluding Russia and Ukraine.

CNHR

Cost of residual non-hedgeable risk: The allowance made in the MCEV for non-hedgeable risks. This allowance should include the impact of non-hedgeable non-financial risks and non-hedgeable financial risks.

CO

Corporate and Other

Combined ratio (CR)

Represents the total of acquisition and administrative expenses (net), excluding one-off effect from pension revaluation, and claims and insurance benefits incurred (net) divided by premiums earned (net).

Cost-income ratio (CIR)

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

Glossary (3)

CReC	Frictional cost of required capital: The allowance made in the MCEV for the frictional costs of required capital. Frictional costs should reflect the taxation and investment costs on the assets backing required capital. Further, frictional costs may be due to any sharing of investment income on required capital with policyholders.
Current yield	Represents interest and similar income divided by 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: Expenses of an insurance company which are incurred in connection with the acquisition of new insurance policies or the renewal of existing policies. These typically include commissions paid and the costs of processing proposals.
EIOPA	European Insurance and Occupational Pensions Authority
Expense ratio (ER)	Acquisition and administrative expenses (net) divided by premiums earned (net)
F/X	Foreign exchange
Fair value (FV)	The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
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 financial assets held for trading and financial assets designated at fair value through income.
Financial liabilities carried at fair value through income	Financial liabilities carried at fair value through income include financial liabilities held for trading and financial liabilities designated at fair value through income.
Fixed index annuity (FIA)	Annuity contract whereby the policyholder is credited based on movements in stated equity or bond market indices with protection of principal.
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.

Glossary (4)

Goodwill	Difference between the cost of acquisition and the fair value of the net assets acquired
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
IRR	Internal rate of return: The discount rate which gives a zero value of new business under real-world projections after allowing for any acquisition expense overrun or underrun
L/H	Life and health insurance
L/H lines of business	<p>Guaranteed savings & annuities: Guaranteed savings and annuities are life insurance obligations that always relate to the length of human life. Life obligations may be related to guarantees offering life and/or death coverage of the insured in the form of single or multiple payments to a beneficiary.</p> <p>Protection & health: Protection and health insurance covers different risks which are linked to events affecting the physical or mental integrity of a person.</p> <p>Unit-linked without guarantee: Conventional unit-linked products are those where all of the benefits provided by a contract are directly linked to the value of assets contained in an internal or external fund held by the insurance undertakings. Performance is linked to a separate account and the investment risk is borne by the policyholder rather than the insurer.</p>

Glossary (5)

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

Latin America

South America and Mexico

Loss frequency

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

Loss ratio (LR)

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' interests in the covered business. It is defined as:

Net asset value (NAV)

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

Glossary (6)

MCEV on SII balance sheet	Represents market consistent embedded value based on SII balance sheet
MoR	Margin on reserves: Represents annualized operating profit (loss) 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, where 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
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.
NAV	Net asset value: Capital not backing local statutory liabilities, valued at market value
NBM	New business margin: Value of new business divided by present value of new business premiums
Non-controlling interests	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group
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 (OP)	Earnings from ordinary activities before income taxes and non-controlling interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: Income from financial assets and liabilities carried at fair value (net), realized gains/ losses (net), impairments on investments (net), interest expenses from external debt, amortization of intangible assets, acquisition-related expenses and 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 (7)

Payback period	Payback period is the period from the point of sale of new business to the first point in time when the undiscounted sum of distributable earnings, under real world assumptions, is positive.
PHP	Policyholder participation
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.
PVFP	Present value of future profits: Future (statutory) shareholder profits after tax projected to emerge from operations and assets backing liabilities, including value of unrealized gains on assets backing policy reserves
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	An insurance company transfers part of its insurance risk assumed to another insurance company.
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
Retained earnings	In addition to the reserve required by law in the financial statements of the Group parent company, this item consists mainly of the undistributed profits of Group entities and amounts transferred from consolidated net income.
Return on equity (RoE)	<p>RoE Group: Represents net income attributable to shareholders divided by the average shareholders' equity beginning of the period and end of the period</p> <p>RoE OE/Segment: Represents net income divided by the average equity excluding unrealized gains/losses on bonds (net of Shadow DAC) beginning of the period and end of the period</p>
RfB	Reserves for premium refunds (in German: "Rückstellung für Beitragsrückerstattung"): That part of the surplus which will be distributed to policyholders in the future. This refund of premiums is made on the basis of statutory, contractual, or company by-law obligations, or voluntary undertaking.

Glossary (8)

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
RM	Risk margin: A component of the technical provisions (TP) under Solvency II and represents the additional amount on top of the fair value of liabilities (best estimate liabilities) that insurance and reinsurance obligations are expected to require in order to take over and meet the insurance and reinsurance obligations related to non-hedgeable risks.
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.
RWA	Risk-weighted assets: All assets of a bank multiplied by the respective risk-weight according to the degree of risk of each type of asset
SE	Societas Europaea: European stock company
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
TIO	Territory Insurance Office
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)
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.

Glossary (9)

Variable annuity (VA)	Annuity contract whose value fluctuates based on performance of an underlying investment portfolio of funds; benefit payouts will vary based on account value of the contract.
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 expense overrun or underrun, minus the time value of financial option and guarantees (O&G), minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital (CReC), all determined at issue date.
VOBA	Value of the business acquired: It refers to the present value of future profits (PVFP) associated with a block of business purchased.
3-year-outperformance AM	The investment performance is based on 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.

Disclaimer

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 may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

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