

# Group financial results 2011

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Member of the Board of Management

Financial Press Conference  
February 23, 2012

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Based on  
preliminary figures

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**Allianz** 

# 1

Group financial  
results 2011

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## Highlights of 2011 financial results

### Severe external shocks ...

Sovereign debt and  
banking crisis

Record low interest rates  
and high market volatility

NatCat losses near  
all time high for  
insurance industry

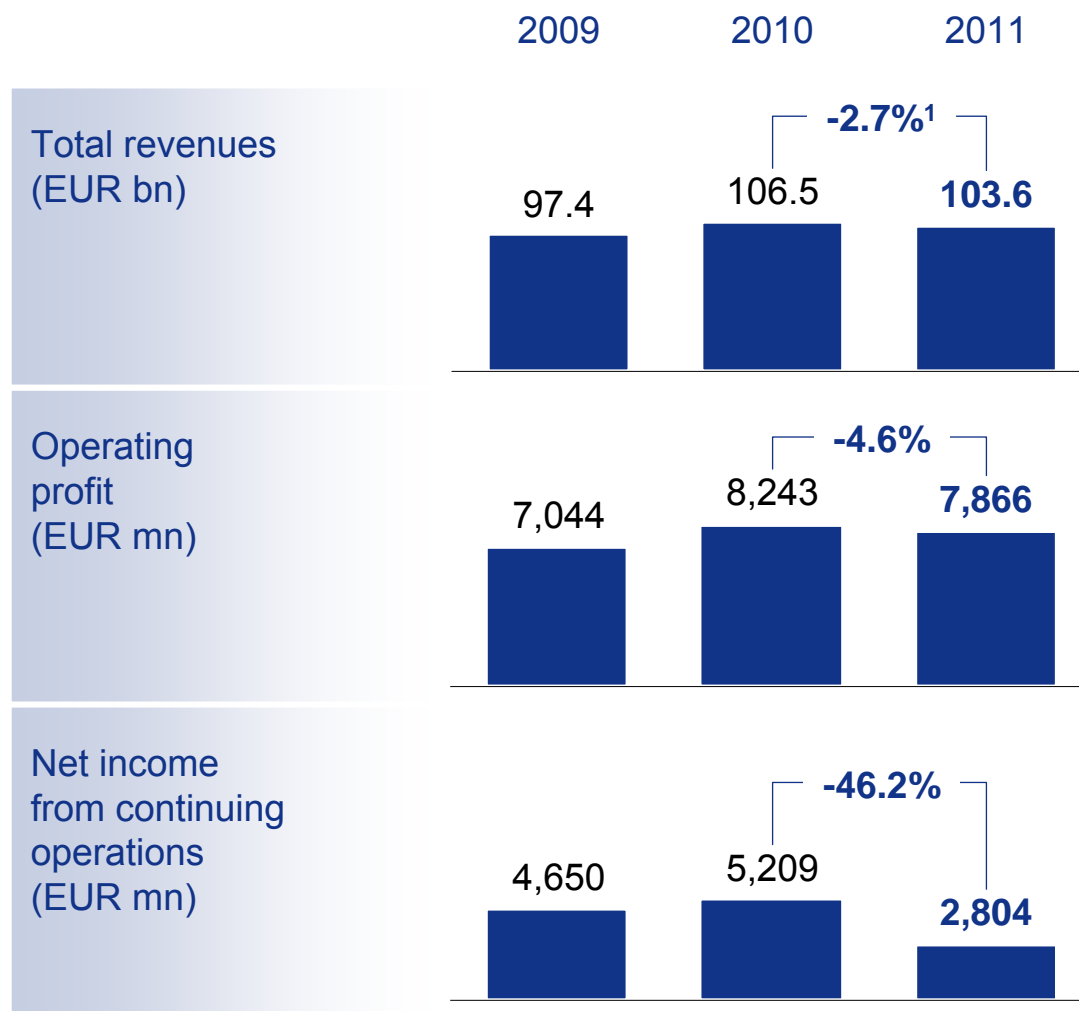
### ... but resilient performance

Revenues of EUR 103.6bn:  
P/C on track, L/H reflecting  
margin discipline and  
AM growing strongly

Operating profit strong at  
EUR 7.9bn, especially in light  
of strict impairment policy

Resilient capital position and  
dividend power, despite high  
impairments

## Key financial results



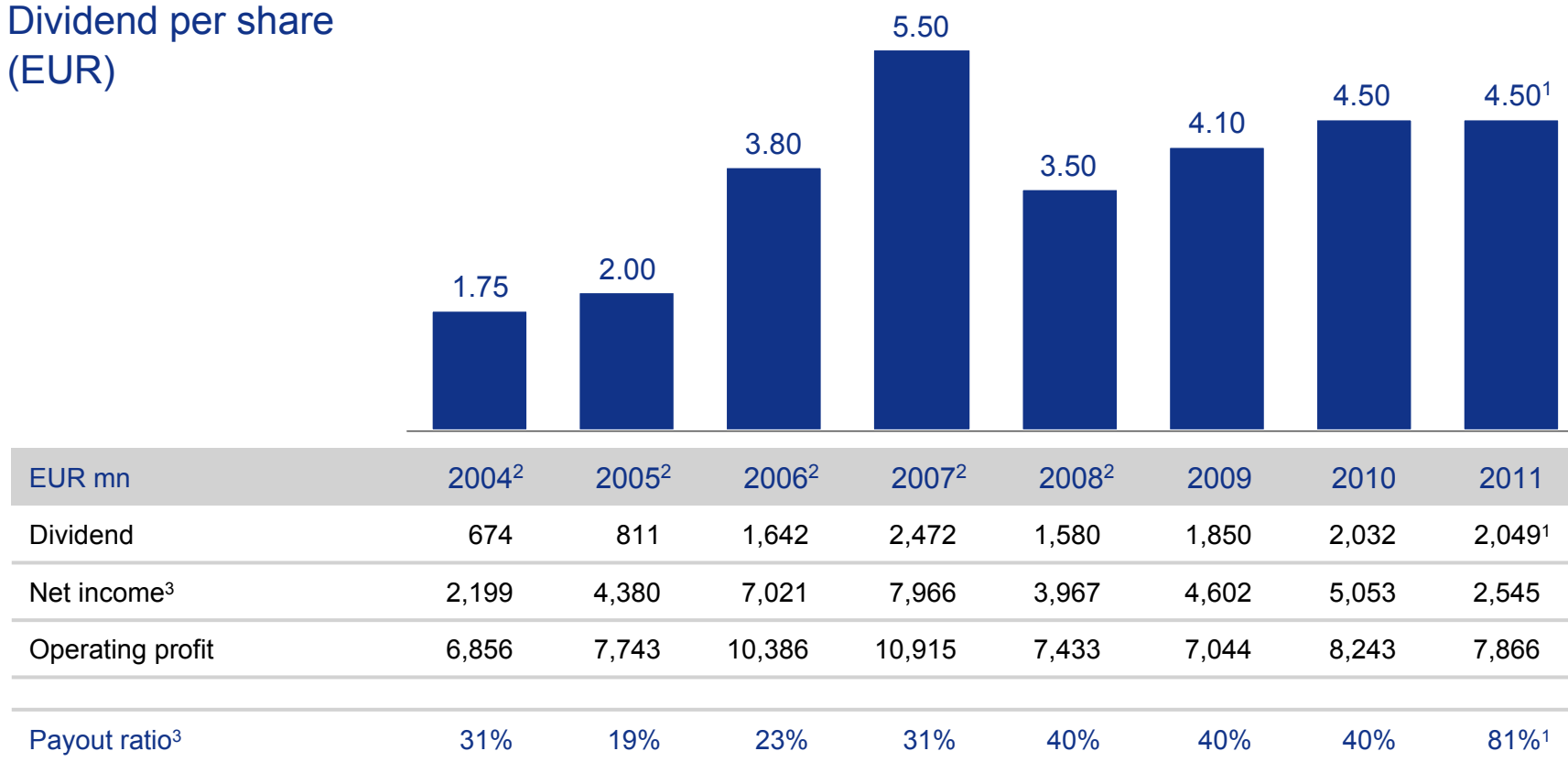
### Key drivers

- Margin focus and lower bancassurance sales in L/H
- Record NatCat claims
- Impairments
- Impairments, including Greek government bonds and financials

1) Internal growth -2.1%, adjusted for F/X effects and consolidation effects

## Dividend proposal reflects resilient balance sheet

Dividend per share  
(EUR)



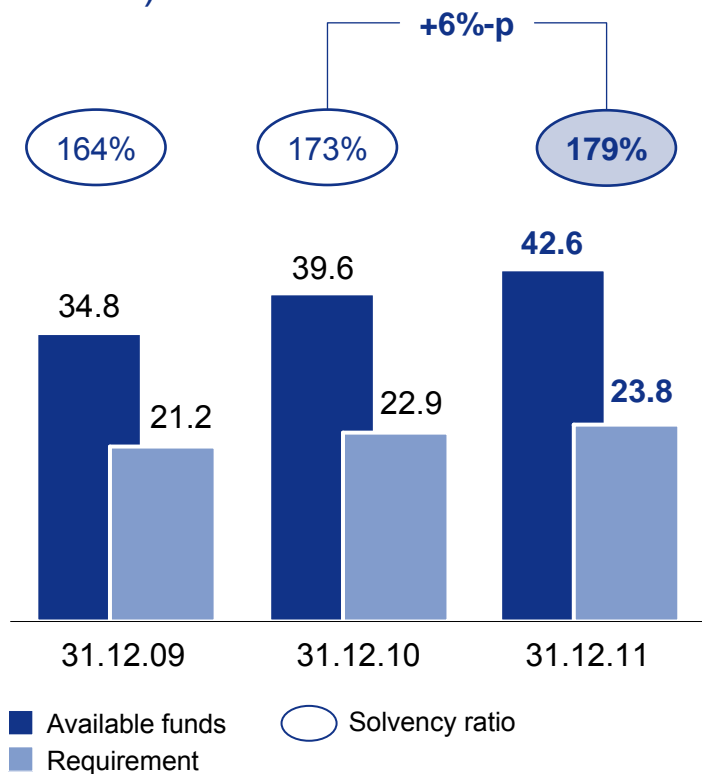
1) Proposal

2) Based on historically reported numbers

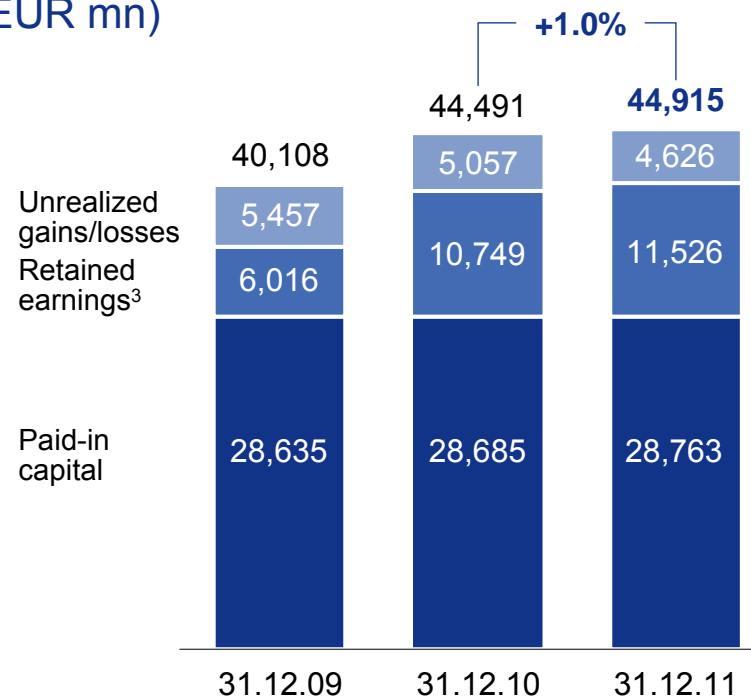
3) Net income from continuing operations, net of non-controlling interests

## Solvency ratio continues to be strong

**Conglomerate solvency<sup>1</sup>**  
(EUR bn)



**Shareholders' equity<sup>2</sup>**  
(EUR mn)



1) Including off-balance sheet reserves (31.12.09: EUR 2.0bn, 31.12.10: EUR 2.1bn, 31.12.11: 2.2bn) pro forma. The solvency ratio excluding off-balance sheet reserves would be 155% as of 31.12.09, 164% as of 31.12.10 and 170% as of 31.12.11. Includes the proposed dividend of EUR 4.50 per share.

2) Excluding non-controlling interests (31.12.09: EUR 2,121mn, 31.12.10: EUR 2,071mn, 31.12.11: EUR 2,338mn)  
3) Including F/X

## Further strengthening our capital position

### Key levers

### Examples

Further de-risking of peripheral counterparty and sovereign exposures

- Reduction of direct and indirect banking exposures
- Liquidity monitoring and buffer enhancements
- Selected further reductions in holdings, especially non-domestic

De-risking of net exposure to financials

- Commerzbank exposure de-risked
- Further de-risking of other net exposures across asset classes

Optimize interest rate and spread sensitivity

- Selective duration management measures
- Enhanced life product design and inforce management approach

Focus investments on businesses with stronger cash returns and lower tail risk

- Closure of life unit in Japan
- Enhanced P/C and AM growth initiatives
- Further reduce exposure to mis-priced markets

# 2

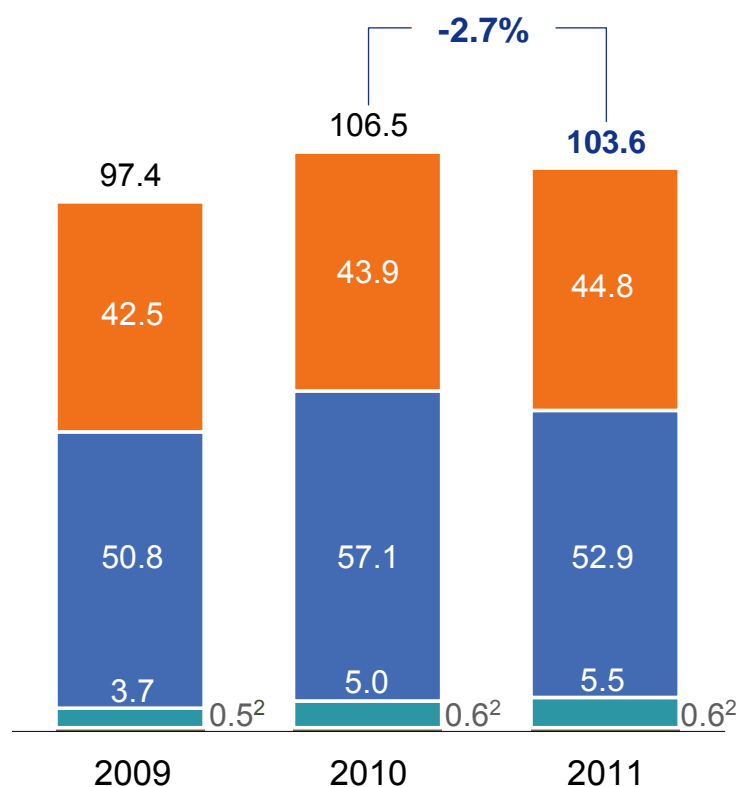
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## L/H reflects margin focus and lower bancassurance sales

Total revenues<sup>1</sup> (EUR bn)



2011 (in %)	Total growth	Internal growth
Group	-2.7	-2.1
P/C	+2.0	+2.3
L/H	-7.4	-6.9
AM	+10.3	+14.6

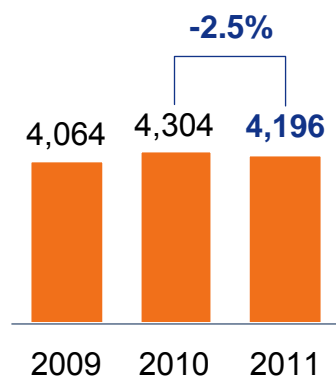
1) All segment figures are based on segment consolidated numbers; figures for the Group as a whole are based on fully consolidated numbers

2) Represents total revenues from Banking within Corporate and Other

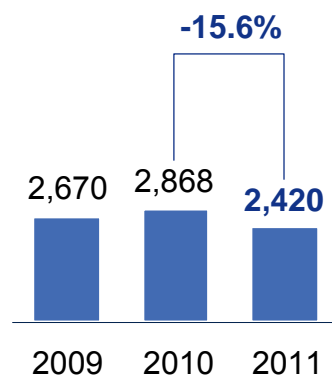
## Strong results despite NatCats and impairments

### Operating profit (EUR mn)

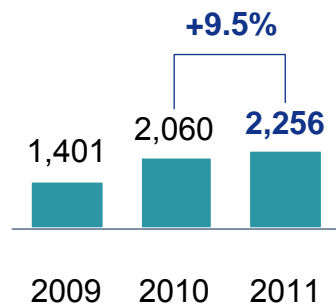
#### Property/Casualty



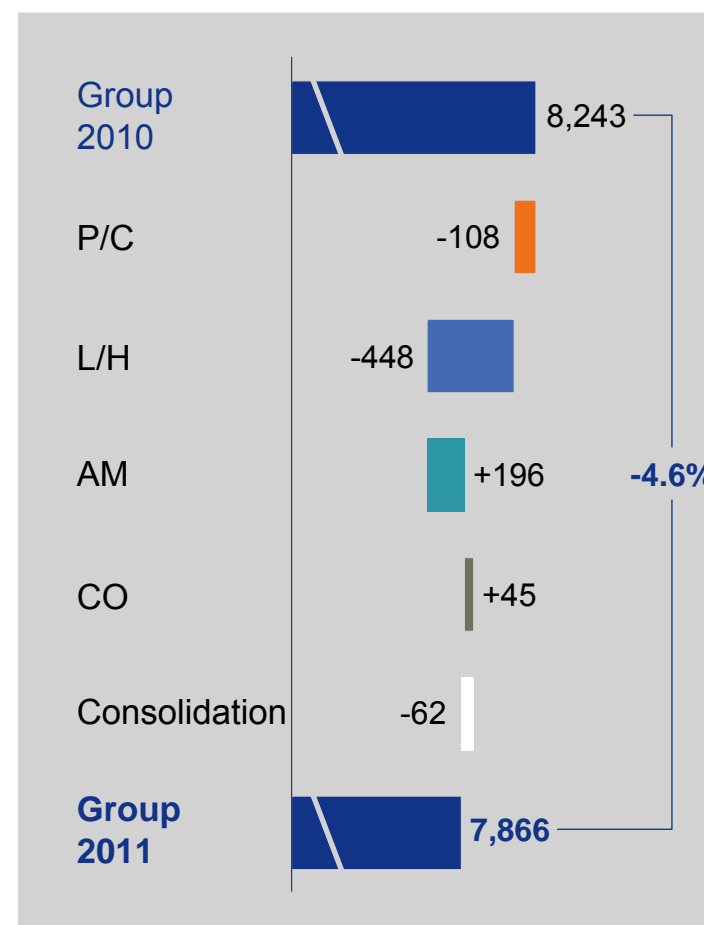
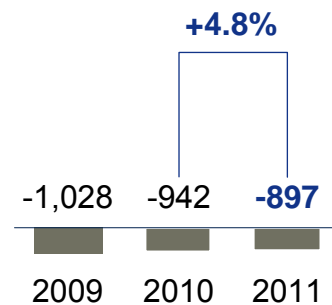
#### Life/Health



#### Asset Management



#### Corporate and Other



## Non-operating items (EUR mn)

	2009	2010	2011	Δ 11/10
Realized gains/losses and impairments of investments (net)	623	1,079	<b>-716</b>	-1,795
Interest expense from external debt	-905	-889	<b>-973</b>	-84
Fully consolidated private equity inv. (net)	-232	-102	<b>-35</b>	+67
Restructuring charges	-183	-263	<b>-167</b>	+96
Acquisition-related expenses	-406	-440	<b>-209</b>	+231
Other non-operating	23	-384	<b>-892</b>	-508
Thereof: Amortization of intangible assets	-125	-327	<b>-449</b>	-122
Income from fin. assets and liab. carried at FV	148	-57	<b>-443</b>	-386
Reclassification of tax benefits	-774	-71	<b>-28</b>	+43
<b>Non-operating items</b>	<b>-1,854</b>	<b>-1,070</b>	<b>-3,020</b>	<b>-1,950</b>

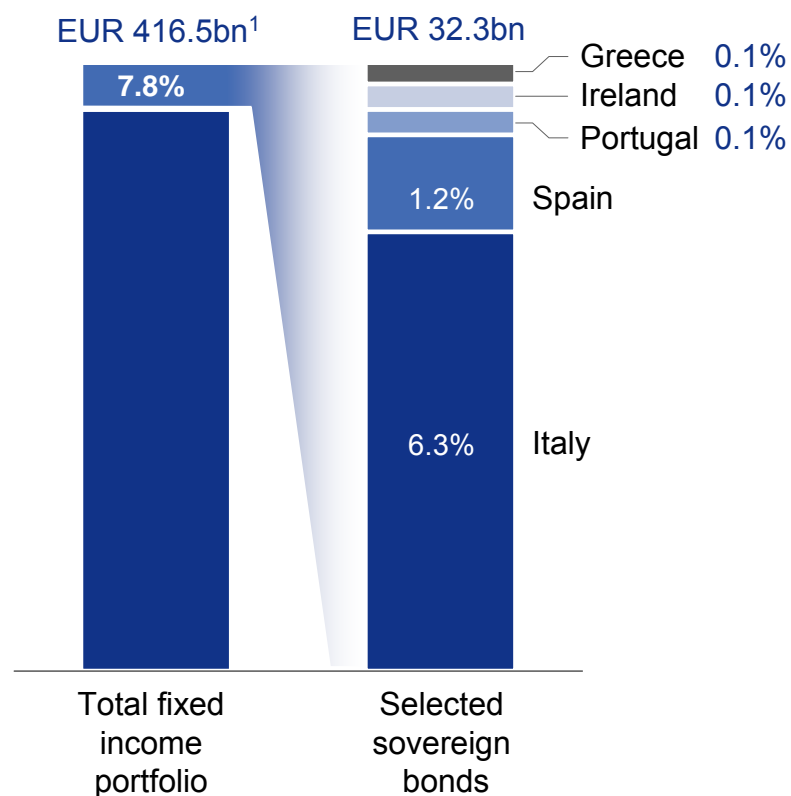
	2010	2011
<b>Realized gains/losses</b>	<b>1,539</b>	<b>1,215</b>
- Equities	1,342	607
- Debt securities	87	416
- Real estate and other	110	192
<b>Impairments (net)</b>	<b>-460</b>	<b>-1,931</b>
- Equities	-303	-1,240
- Debt securities	-96	-646
- Real estate and other	-61	-45
<b>Total</b>	<b>1,079</b>	<b>-716</b>

	31.12.10	31.12.11
Balance of unrealized gains/losses in equities <sup>1</sup>	3.3bn	2.2bn
Balance of unrealized gains/losses in fixed income <sup>1</sup>	2.6bn	4.0bn

1) On-balance sheet unrealized gains and losses, after taxes, non-controlling interests and policyholder participation before shadow DAC

## Exposure to selected sovereigns

### Percent of total fixed income portfolio



### Unrealized gains/losses (EUR mn)

	31.12.2011		31.01.2012 <sup>3</sup>	
	gross	net <sup>2</sup>	gross	net
Greece <sup>4</sup>	0	0	-9	-7
Ireland	-50	-14	-28	-7
Portugal	-205	-103	-236	-121
Spain	-237	-55	-126	-24
Sub-total	-492	-172	-399	-159
Italy	-3,221	-573	-1,980	-330
<b>Total</b>	<b>-3,713</b>	<b>-745</b>	<b>-2,379</b>	<b>-489</b>

1) As of 31.12.2011; portfolio discussion is based on consolidated insurance portfolios (P/C, L/H, Corporate and Other, does not include Banking operations)

2) After policyholder participation and taxes; based on 31.12.2011 balance sheet figures reflected in accumulated other comprehensive income

3) Estimated update on 31.01.2012 is based on portfolio as of 31.12.2011

4) After impairments

## Net income development (EUR mn)

	2009	2010	2011	Δ 11/10
Operating profit	7,044	8,243	7,866	-377
Non-operating items	-1,854	-1,070	-3,020	-1,950
Income before taxes	5,190	7,173	4,846	-2,327
Income taxes	-540	-1,964	-2,042	-78
Net income from continuing operations	4,650	5,209	2,804	-2,405
Discontinued operations	-395	0	0	0
Net income	4,255	5,209	2,804	-2,405
Non-controlling interests	48	156	259	+103
Net income attributable to shareholders	4,207	5,053	2,545	-2,508
Effective tax rate	10%	27%	42%	

# 3

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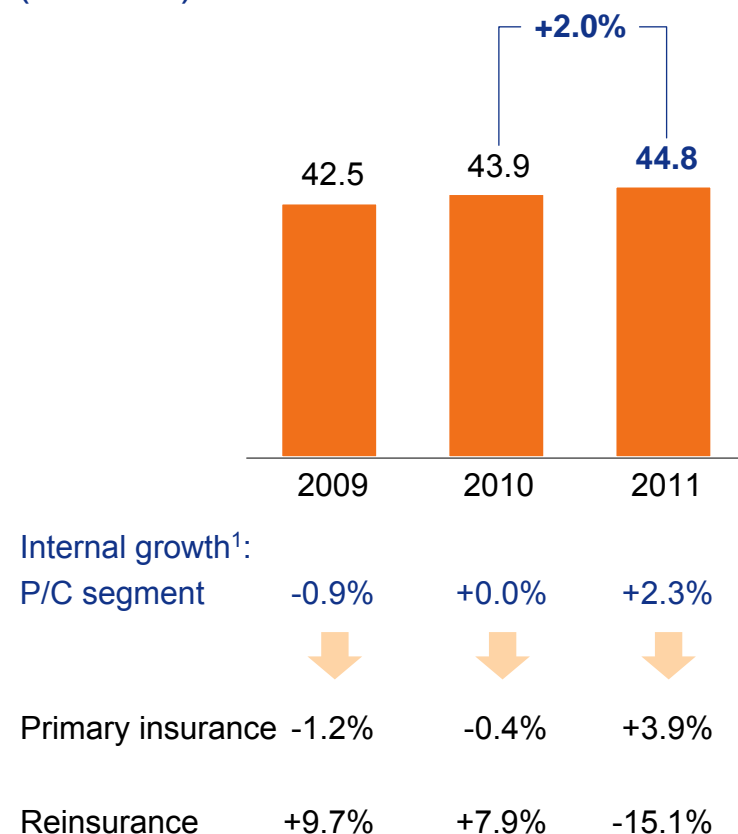
## P/C: Strong performance despite NatCat claims at all time high



- Primary insurance portfolio with growth from both prices and volumes of 4 percent, reinsurance down by 15 percent, overall portfolio growth at 2 percent
- Operating profit at EUR 4.2bn. Continued positive development in underlying accident year losses, despite weaknesses in Germany and the US
- NatCat claims at all time high of EUR 1.8bn and 4.4 combined ratio points
- Improved operating investment result benefits from growing asset base

## Revenues at EUR 44.8bn, up 2 percent

### Revenues (EUR bn)



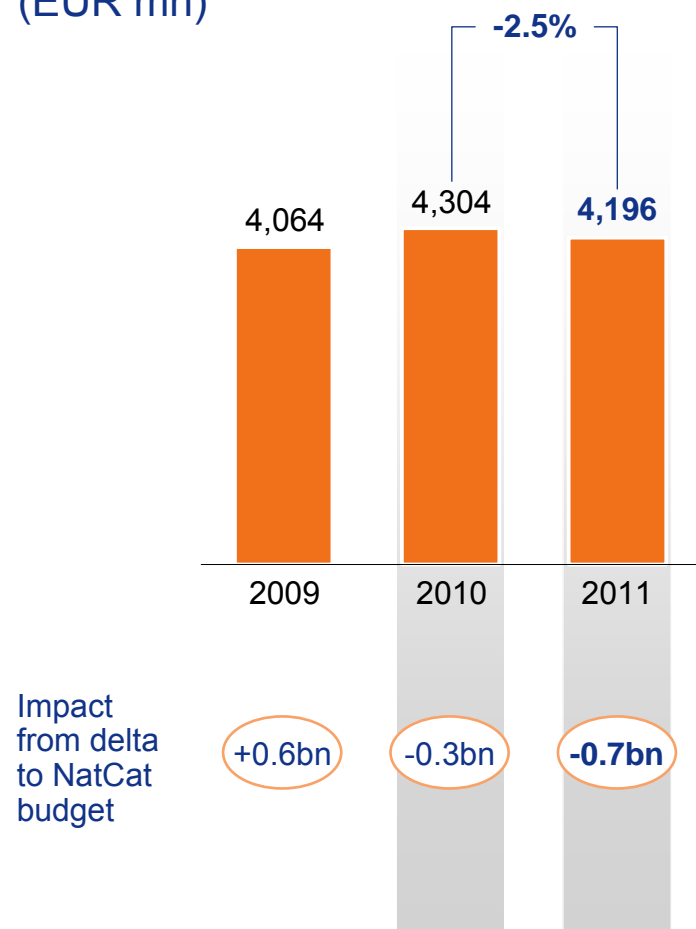
Revenues of sel. OEs (EUR mn)		2009	2010	2011	Δ11/10 <sup>1</sup>
German Speaking Countries	Germany	9,235	9,013	8,979	+0.1%
	Switzerland	1,309	1,389	1,436	+0.2%
Europe incl. South America	France	3,368	3,300	3,313	+0.4%
	Italy	4,190	3,986	3,990	+0.1%
	Spain	2,101	2,011	2,011	+0.3%
	South America	1,151	1,563	1,846	+19.8%
	Reinsurance	3,719	4,014	3,409	-15.1%
Global Insurance Lines & Anglo Markets	AGCS	4,256	4,530	4,918	+6.2%
	UK	1,783	1,939	2,111	+10.1%
	Credit Insurance	1,672	1,767	1,902	+7.6%
	Australia	1,607	2,161	2,508	+8.1%
	CEE	2,615	2,629	2,563	-1.2%
Growth Markets	Asia-Pacific	472	486	486	+10.9%
	NAFTA Markets	3,521	3,350	3,415	+9.8%

1) Changes refer to internal growth (adjusted for F/X and consolidation effects)

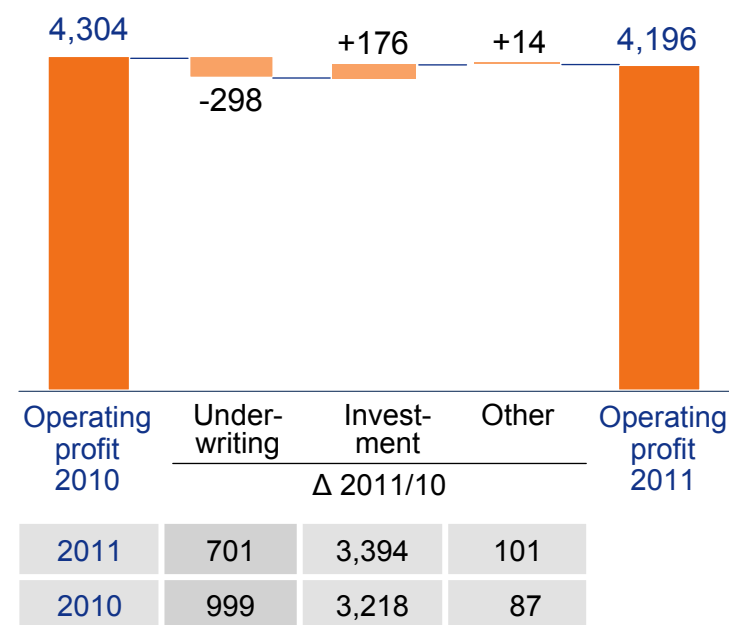


## Strong operating profit of EUR 4.2bn

Operating profit  
(EUR mn)

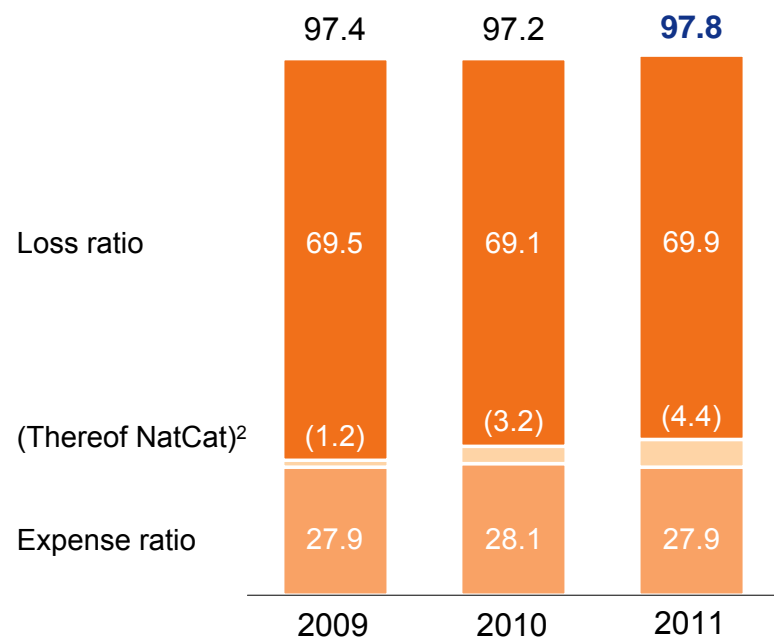


Operating profit drivers  
(EUR mn)



## Resilient portfolio withstands NatCat losses

### Combined ratio (in %)



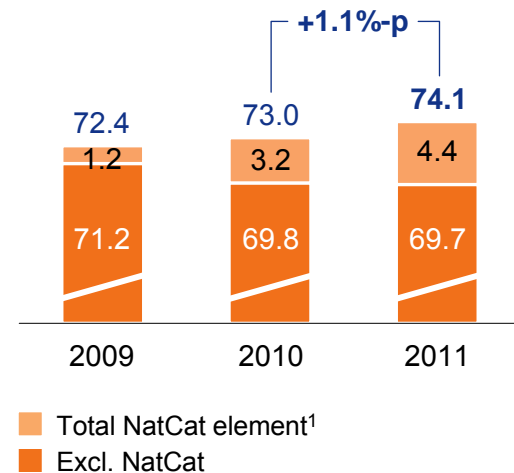
Combined ratio (sel. OEs)		2009	2010	2011	NatCat impact in 2011 <sup>1</sup>
German Speaking Countries	Germany	98.7	100.8	102.9	3.9%-p
	Switzerland	93.5	94.6	95.4	3.3%-p
Europe incl. South America	France	106.8	102.7	97.9	
	Italy	100.8	99.6	93.2	
	Spain	89.7	90.3	87.9	
	South America	98.4	96.7	96.7	
	Reinsurance	92.3	93.2	108.2	27.0%-p
Global Insurance Lines & Anglo Markets	AGCS	87.4	93.1	92.9	11.4%-p
	UK	92.9	96.0	95.7	
	Credit Insurance	110.4	71.7	74.0	
	Australia	94.8	96.1	97.6	4.2%-p
	CEE	92.9	102.0	96.6	
Growth Markets	Asia-Pacific	93.1	91.2	93.8	
	NAFTA Markets	99.8	102.4	115.5	4.1%-p

1) Without reinstatement premiums

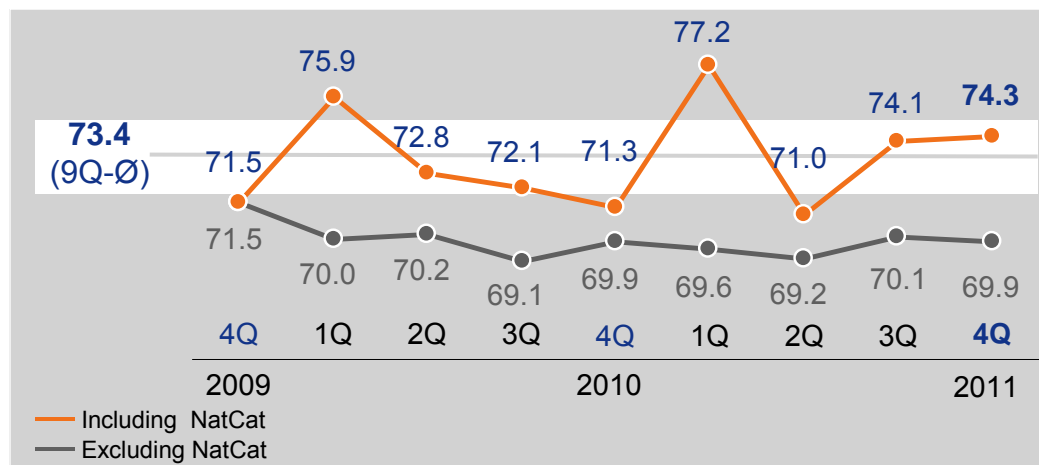
2) Without run-off

## Continued positive trend in underlying a.y. loss ratio (in %)

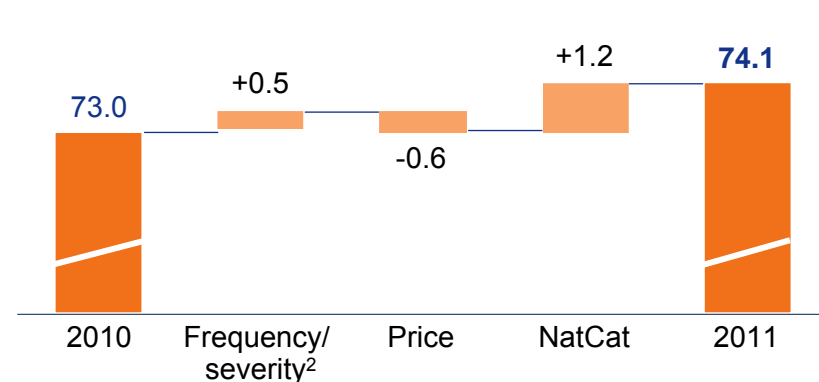
### Accident year loss ratio



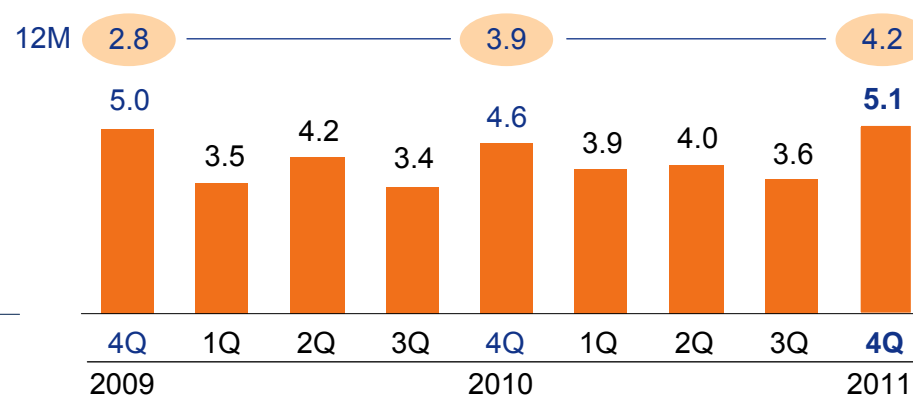
### 9-quarter overview accident year loss ratio



### Development 12M 2011/2010



### Run-off ratio<sup>3</sup>

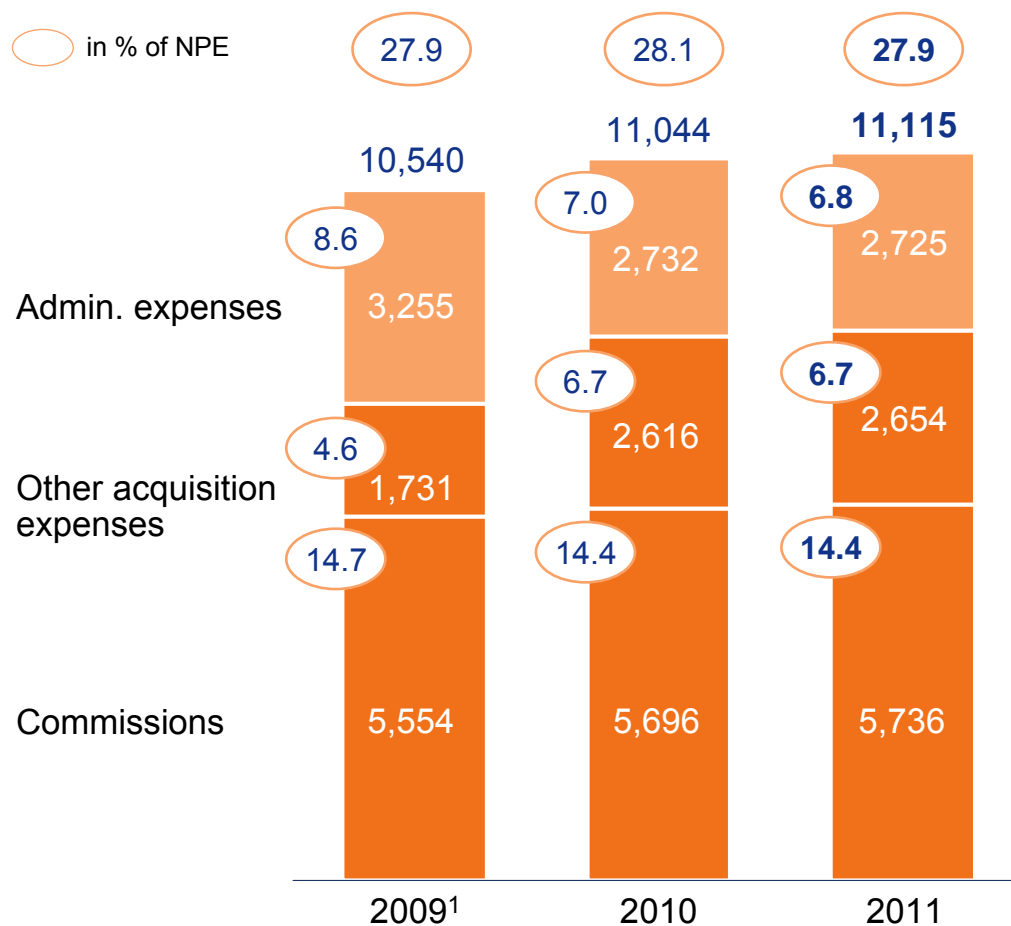


1) NatCat costs (without reinstatement premiums): EUR 0.4bn (2009), EUR 1.3bn (2010) and EUR 1.8bn (2011)

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

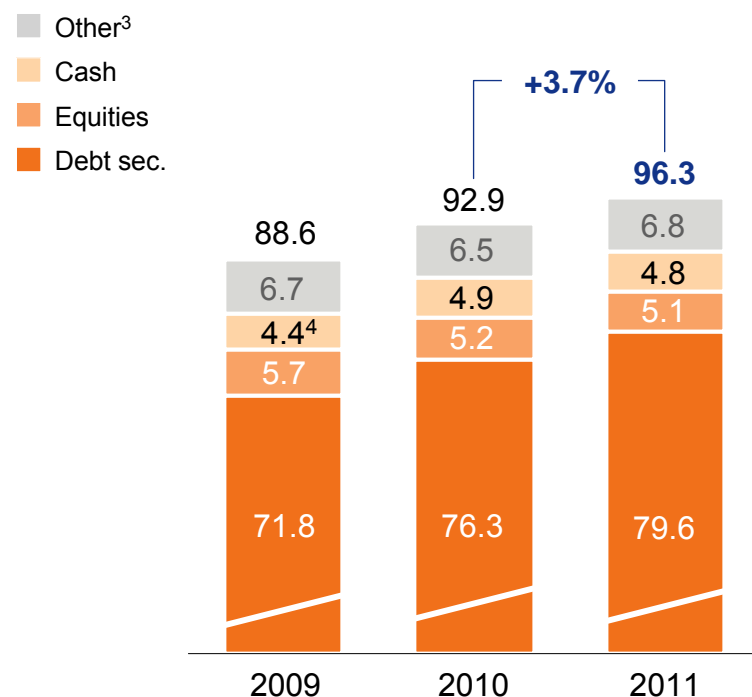
## Expense ratio stable (EUR mn)



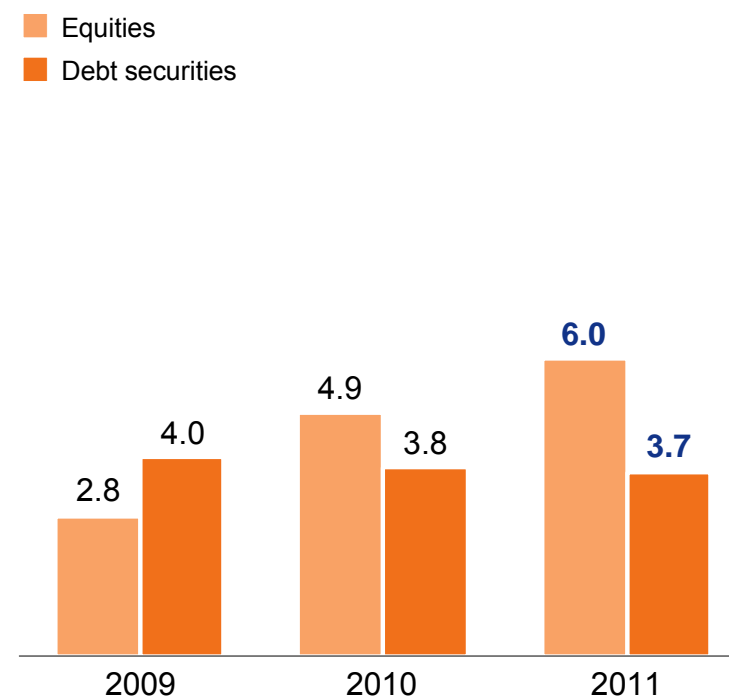
1) Allocation of expenses has been refined in 2010. Prior years have not been adjusted

## Investment portfolio reaches EUR 96bn

### Average asset base<sup>1,2</sup> (EUR bn)



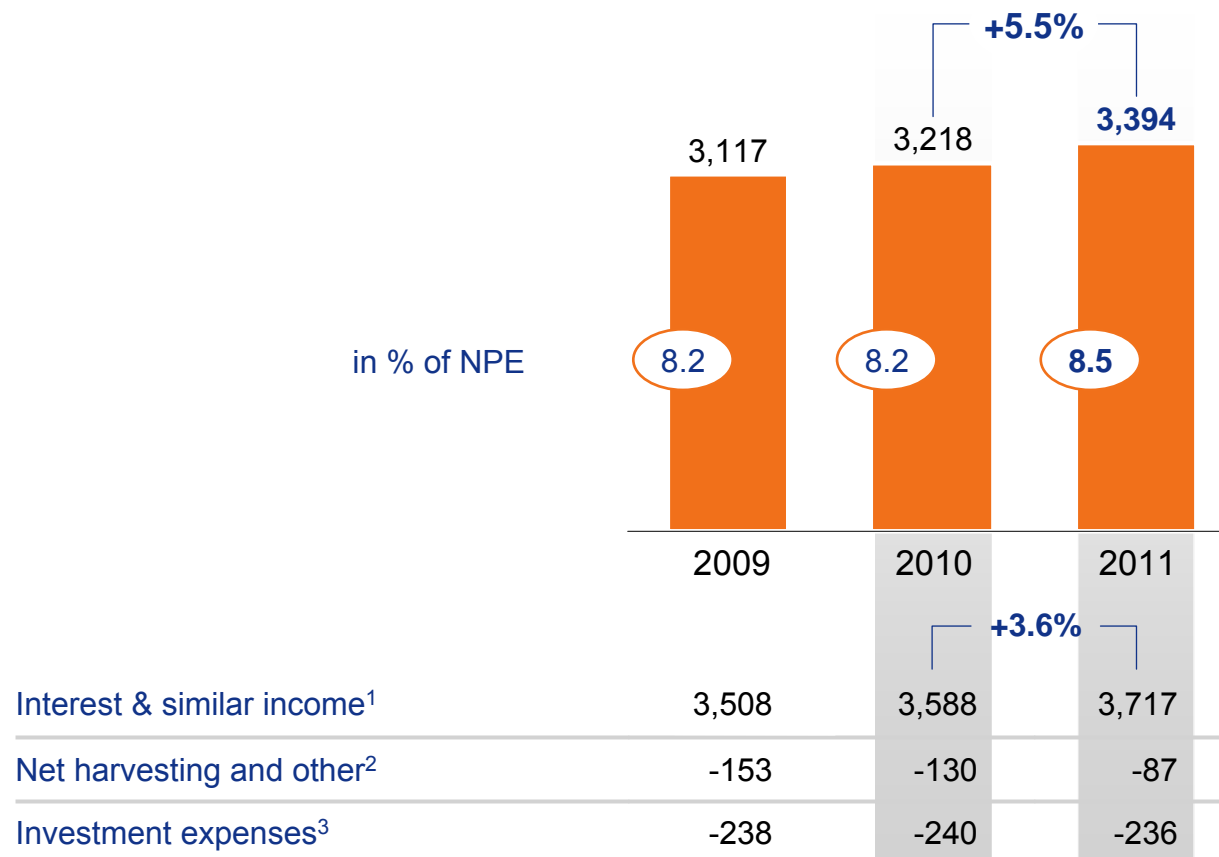
### Current yield (in %)



- 1) Asset base includes health business France
- 2) Asset base excludes fair value option and trading
- 3) Real estate investments and funds held by others under reinsurance contracts assumed
- 4) Cash restated due to cash pool merger in France (2009: EUR 1.5bn)

## Further increase of operating investment income

Operating investment income (EUR mn)



1) Net of interest expenses

2) Comprises realized gains/losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation  
Thereof related to UBR: 2011: EUR -92mn, 2010: EUR -38mn, 2009: EUR -74mn

3) Comprises management expenses and expenses from real estate

## Enhancing the P/C franchise

### Key levers

### Examples

Drive profitable growth

- Global lines, esp. AGCS, Credit, Travel/Assistance, Global Automotive
- South America, Asia-Pacific
- Selective, bolt-on acquisitions in target markets

Improve reinsurance effectiveness

- Review third-party business, esp. NatCat
- Optimize internal retentions and structures
- Group retro program: include top perils and add cover for selected tail risks

Accelerated pricing and cleaning actions in soft markets

- New business tariff increases of approximately 2.5% in 2012
- Motor Germany: 4 - 5 percent effective increases for 2012 in-force book
- Commercial lines: Italy, France and especially USA

Enhance claims execution

- Germany: optimizing claims processes
- Italy: fraud, bodily injury
- France: processes and supply chain management
- Anti-fraud program

Further enhance productivity, especially distribution and back offices

- Agency productivity program and growth in Direct
- Restructuring USA
- Digitalization

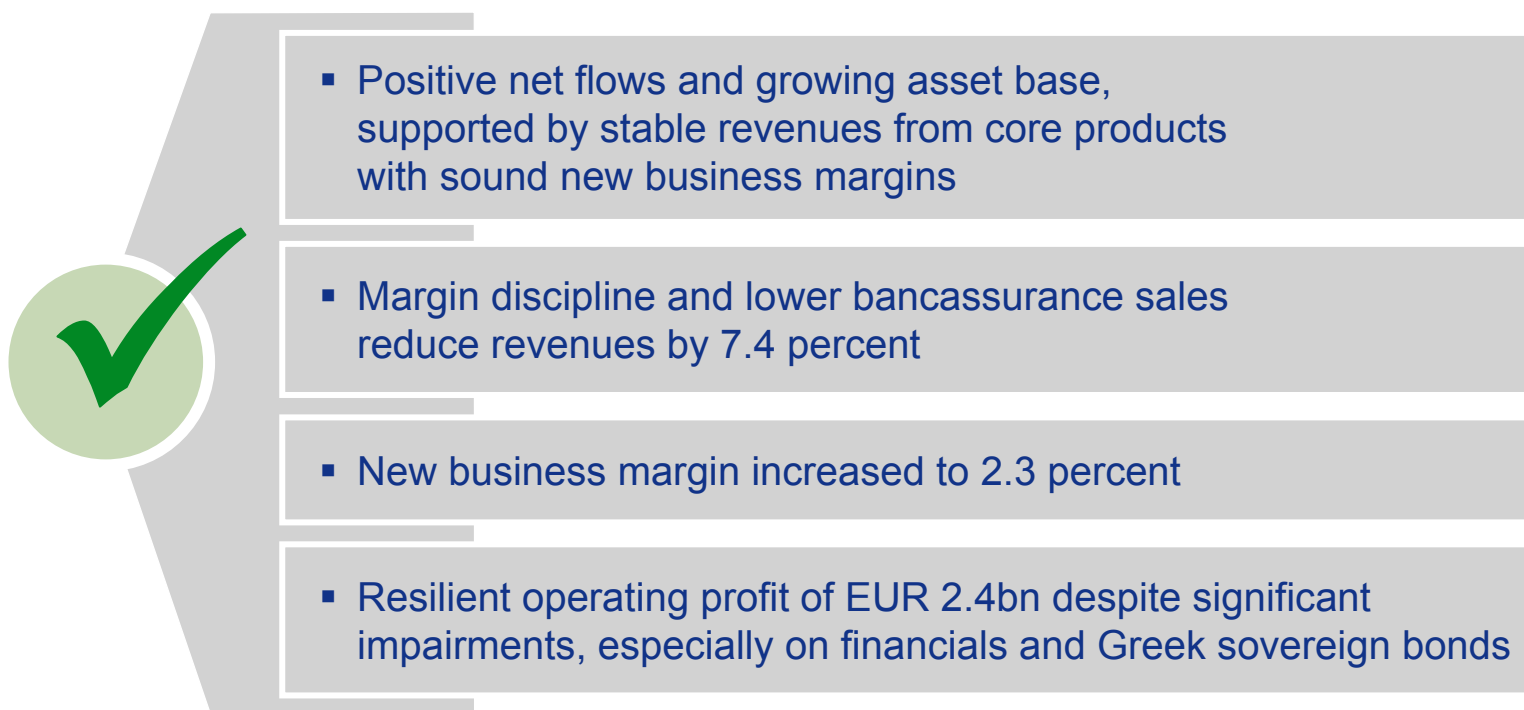
# 4

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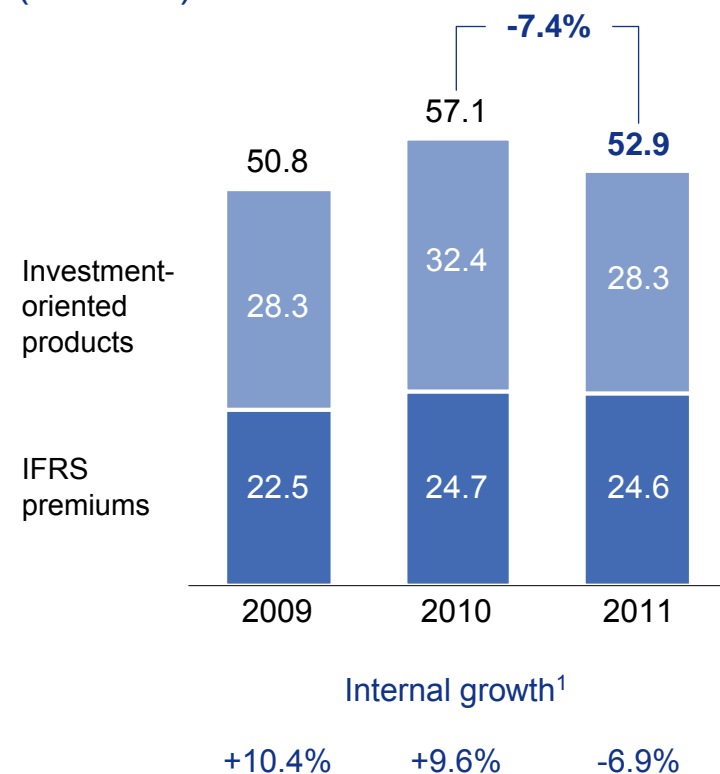


## L/H: Resilient performance in challenging environment



## Revenues reflect margin discipline and lower bancassurance sales

Revenues  
(EUR bn)

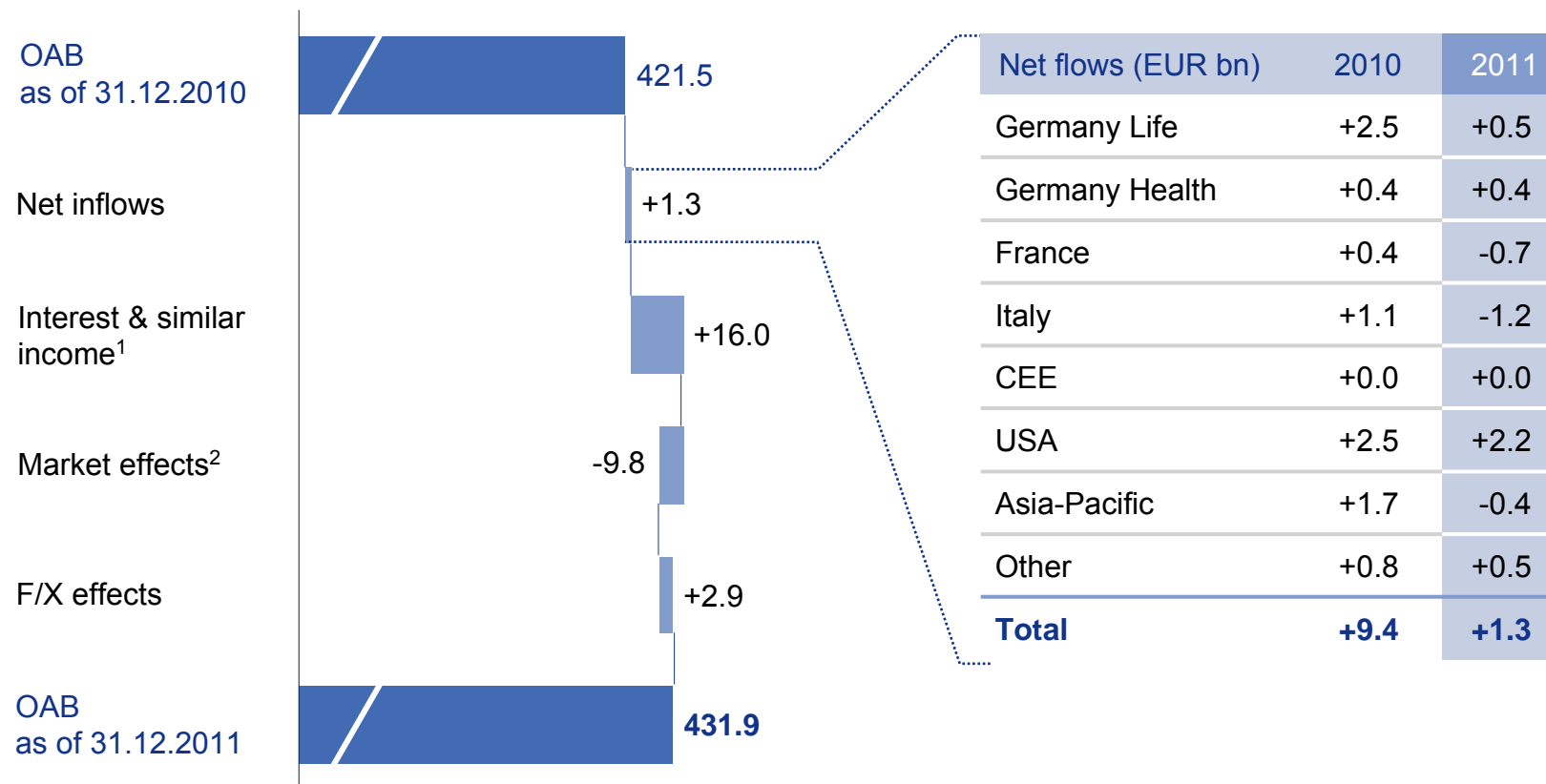


Revenues of sel. OEs (EUR mn)		2009	2010	2011	Δ11/10 <sup>1</sup>
German Speaking Countries	Germany Life	15,049	15,961	15,673	-1.8%
	Germany Health	3,176	3,209	3,204	-0.2%
	Switzerland	1,364	1,502	1,707	+3.3%
Europe incl. South America	France	7,299	8,014	7,705	-5.9%
	Italy	8,664	8,841	6,915	-22.6%
	Benelux	1,188	1,475	1,592	+7.9%
	Spain	948	926	965	+4.2%
Growth Markets	Asia-Pacific	4,197	6,487	4,970	-23.7%
	CEE	1,032	1,057	1,113	+6.1%
NAFTA Markets	USA	6,507	8,155	7,786	+0.5%

1) Changes refer to internal growth (adjusted for F/X and consolidation effects)

## Assets grow to EUR 432bn with positive net flows

### Operating asset base (EUR bn)

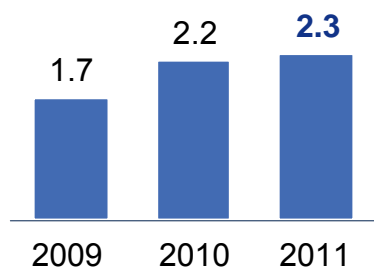


1) Net of interest expenses

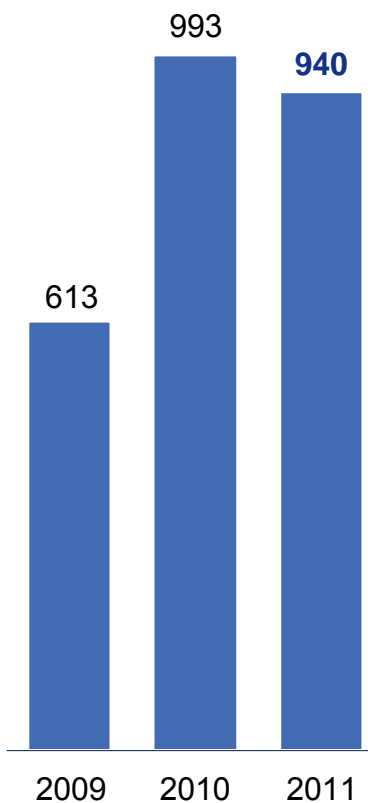
2) Includes changes in other assets and liabilities of EUR 2.8bn

## New business margin improves to 2.3 percent

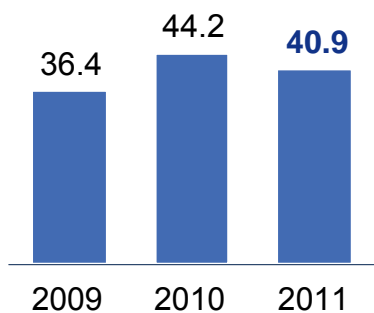
**New business margin<sup>1,2</sup>**  
(VNB in % of PV of NB premiums)



**Value of new business<sup>1,2</sup>**  
(EUR mn)



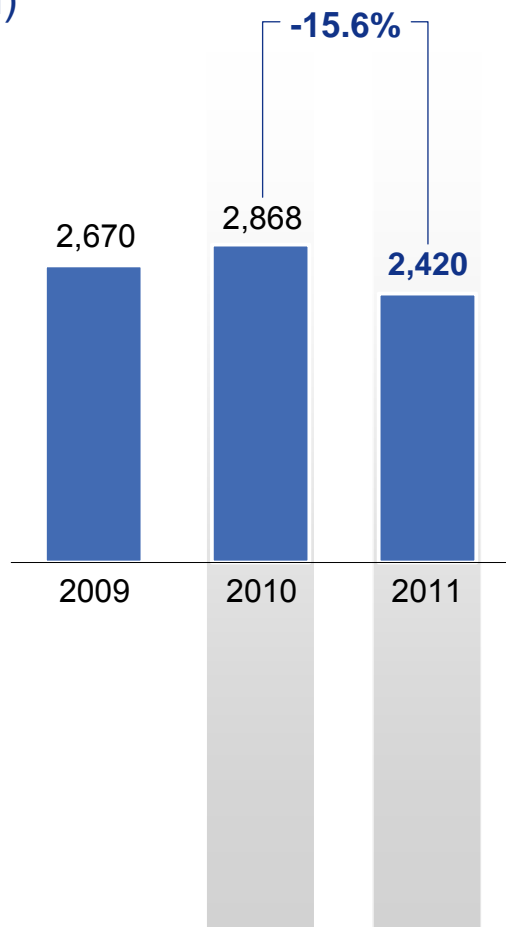
**PV of NB premiums<sup>1,2</sup>**  
(EUR bn)



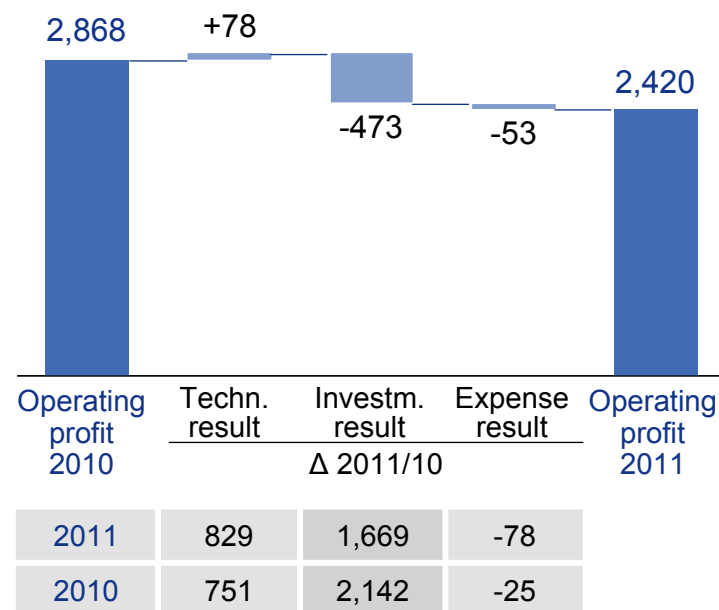
- 1) After non-controlling interests, including holding expenses and internal reinsurance. VNB and NBM include illiquidity premium, EIOPA yield curve extrapolation and updated cost of capital charge for 2010 and 2011. All values using F/X rates as of each valuation date
- 2) Sum of quarters, based on beginning of quarter economic assumptions

## Operating profit solid despite high impairments

Operating profit  
(EUR mn)

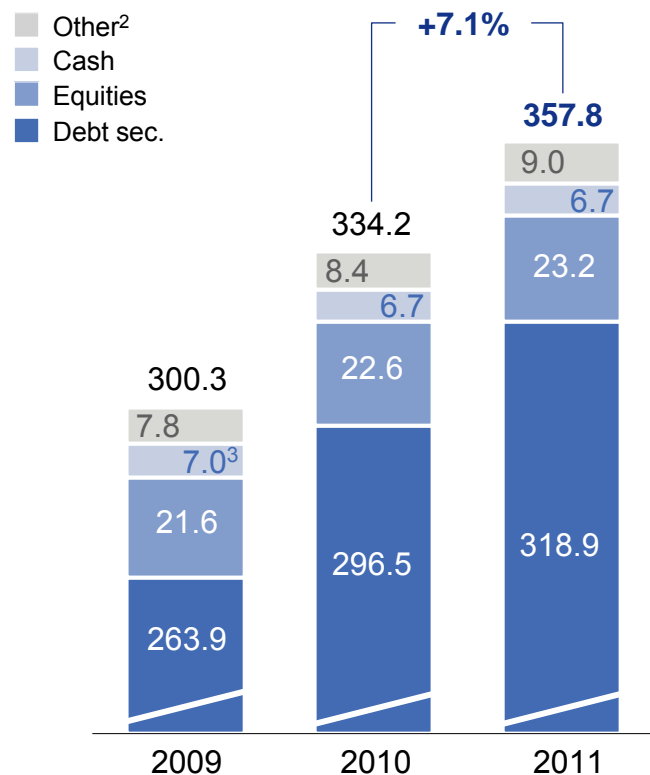


Operating profit drivers  
(EUR mn)

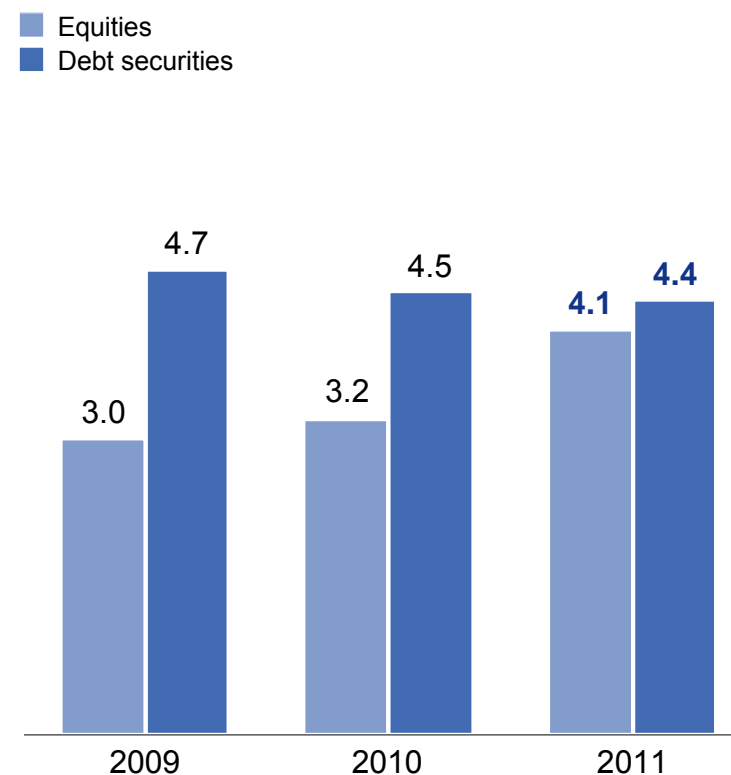


## Average asset base increases by 7.1 percent

Average asset base  
(EUR bn)<sup>1</sup>



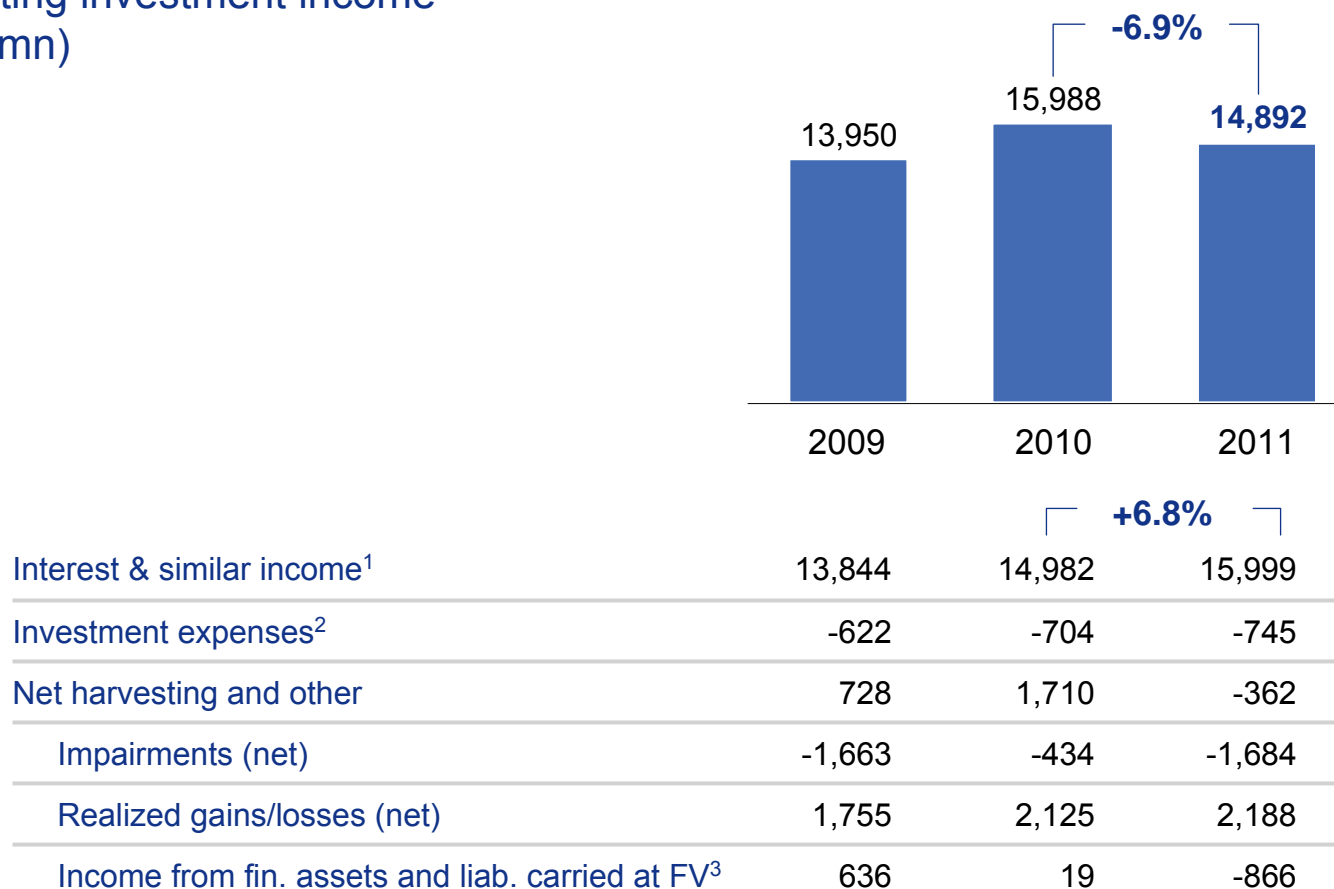
Current yield  
(in %)



- 1) Asset base excludes unit linked, FVO and trading. Operating asset base includes FVO, trading, unit linked (excludes derivatives MVLO)  
 2) Real estate investments and funds held by others under reinsurance contracts assumed  
 3) Cash restated due to cash pool merger in France (2009: EUR 1.5bn)

## Markets weigh on operating investment income

Operating investment income  
(EUR mn)



1) Net of interest expenses

2) Comprises management expenses and expenses from real estate

3) Comprises fair value option, trading and F/X gains and losses

## Enhancing the L/H franchise

### Key levers

Protect and enhance  
new business value

### Examples

- Proactive and prompt re-pricing of products to enhance risk result
- Focus on recurring premiums and underwriting profits
- Incentivize sales based more on net inflows
- Exit unprofitable lines
- Recycling of AM benefits into Life products

Efficient management of  
in-force book

- Dynamic crediting rate adjustments
- Maintain flat admin. expense base despite growing AuM
- Management of lapse movements and liquidity

Protecting capital base via  
ALM effectiveness

- Optimize duration management
- De-risk equity exposure
- Focus sovereign risk in domestic units



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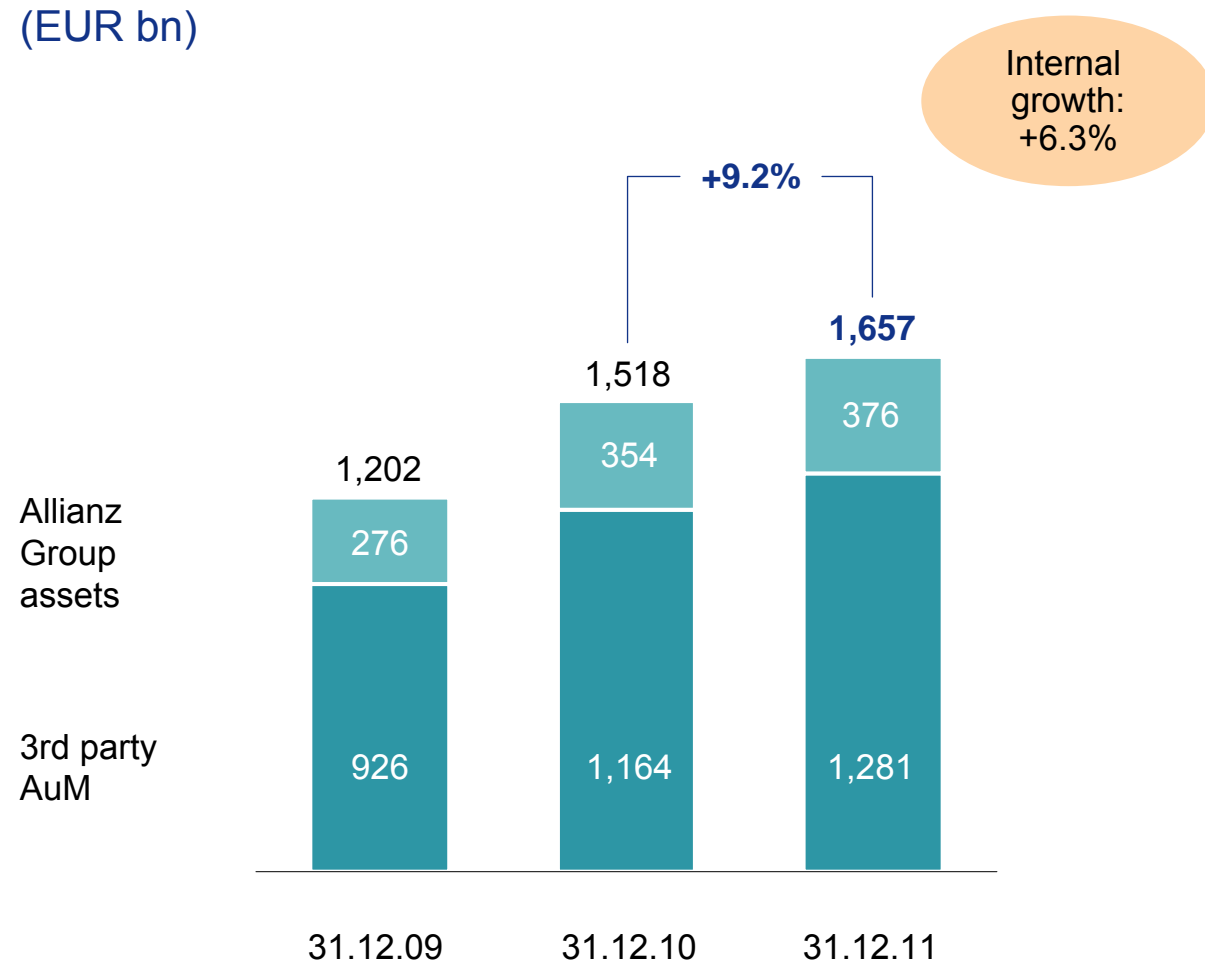
## AM: Another excellent year, despite headwinds



- Continued organic growth of Assets under Management in 2011 of 9.2% to EUR 1,700 billion, despite challenging capital markets and more volatile net flows
- Operating profit at EUR 2.3bn and net income of EUR 1.3bn reach new records, reinforcing Asset Management's contribution to Allianz' earnings power
- Outstanding investment outperformance at 3-year level of 90 percent of AuM, and cost-income ratio of 59 percent

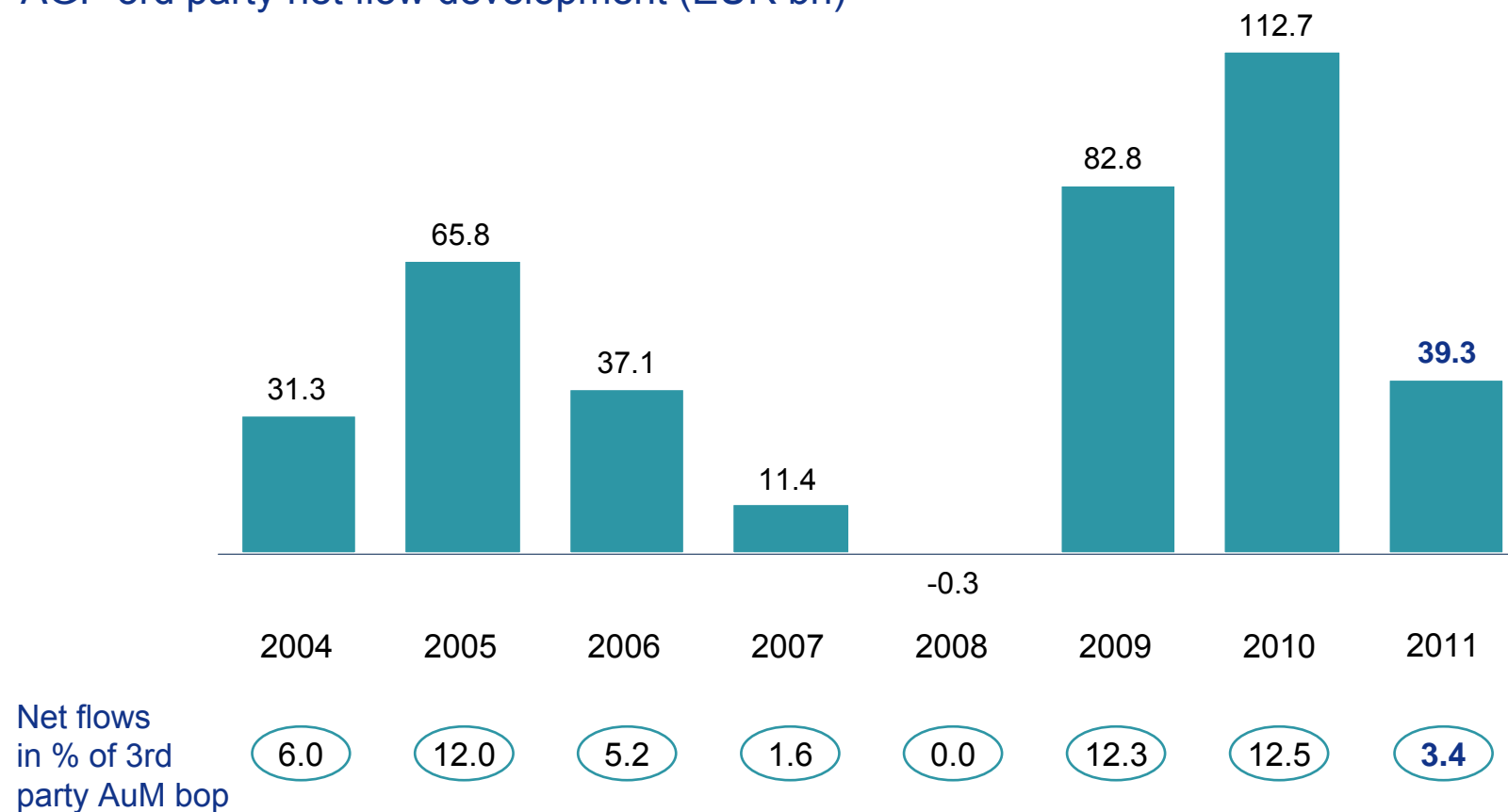
## Total managed assets increase to EUR 1,700 billion

Assets under Management  
(EUR bn)



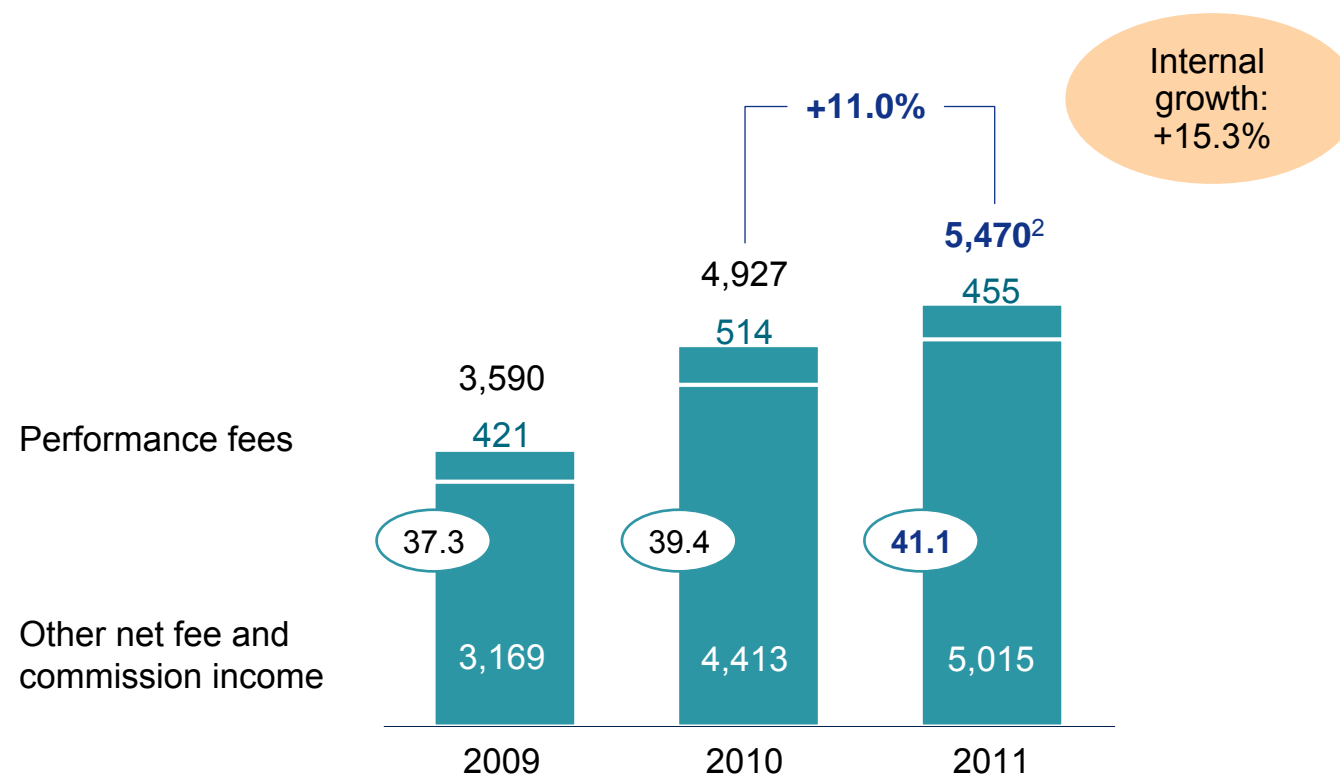
## 3rd party net inflows of EUR 39bn


AGI<sup>1</sup> 3rd party net flow development (EUR bn)



1) Since January 2012: AAM (Allianz Asset Management)

## Net fee and commission income up 11 percent (EUR mn)



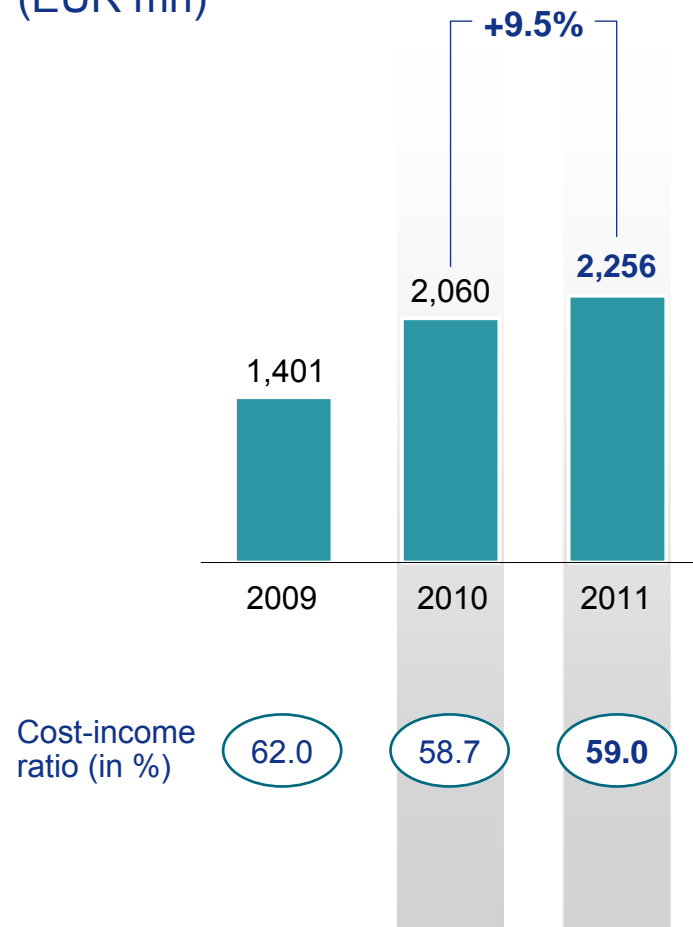
 3rd party AuM driven margin<sup>1</sup> (in bps)

1) Excluding performance fees, 12-months rolling

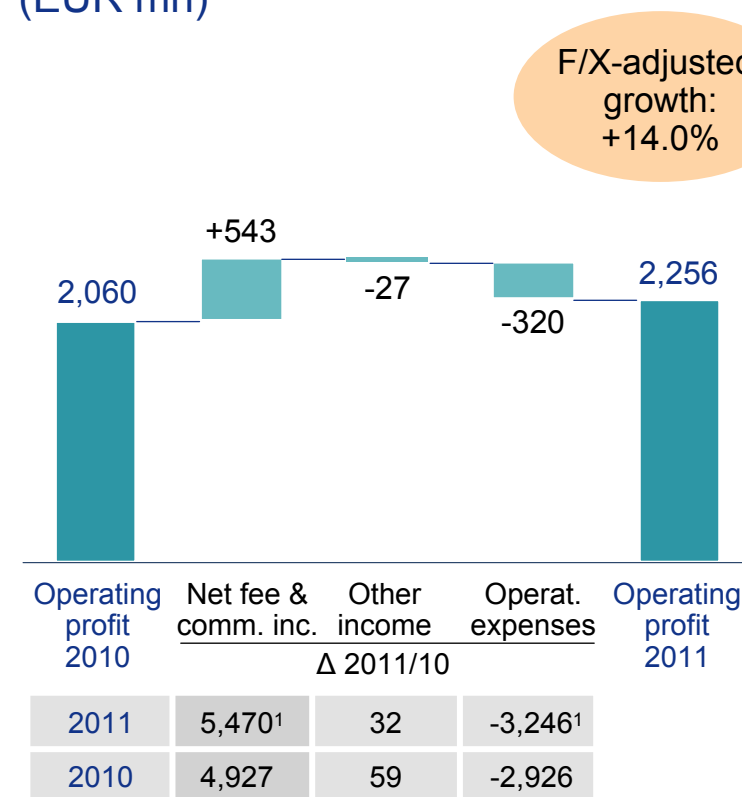
2) Net fee and commission income includes F/X effect of EUR -215mn

## Operating profit grows to EUR 2.3bn

Operating profit  
(EUR mn)



Operating profit drivers  
(EUR mn)

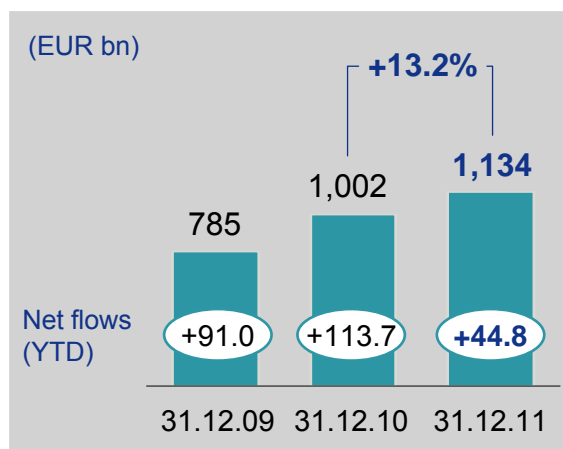


1) Net fee and commission income includes F/X effect of EUR -215mn; operating expenses include F/X effect of EUR +121mn

## Strong performance of fixed income

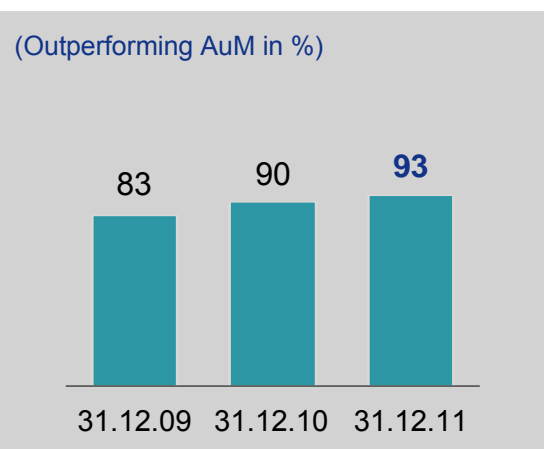
### Fixed income

#### 3rd party AuM



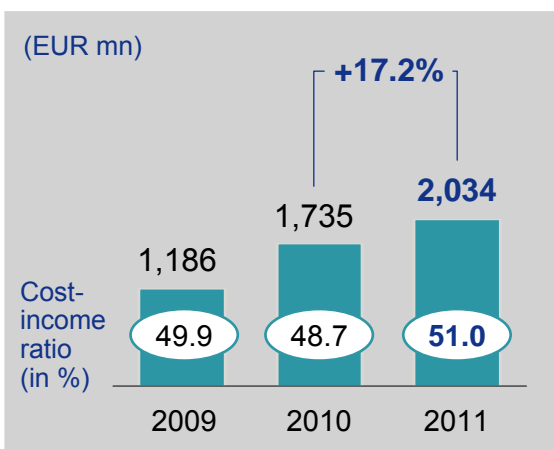
- Net inflows driven by retail and institutional clients
- In 4Q 11 3rd party fixed income net outflows of EUR -5.5bn in difficult capital markets
- Internal growth of 3rd party AuM amounts to 9.5%
- Average fixed income 3rd party AuM increased by 10% vs. 2010

#### 3-year-outperformance



- Outstanding investment performance vs. benchmark

#### Operating profit

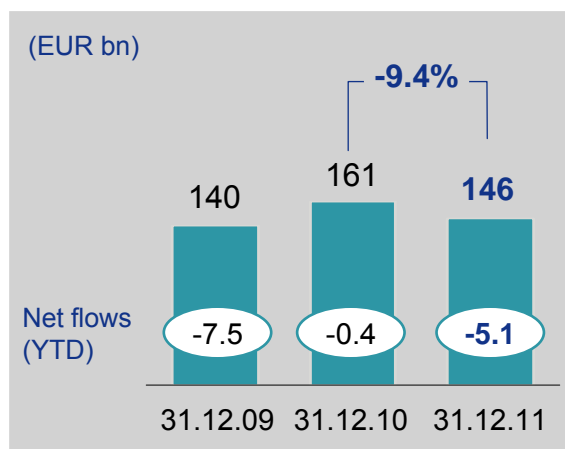


- Strong performance fees in 2011 (EUR 356mn), but slightly below previous year
- Ongoing investments in infrastructure and new businesses
- CIR remains at excellent level

## Stable profitability in challenging environment

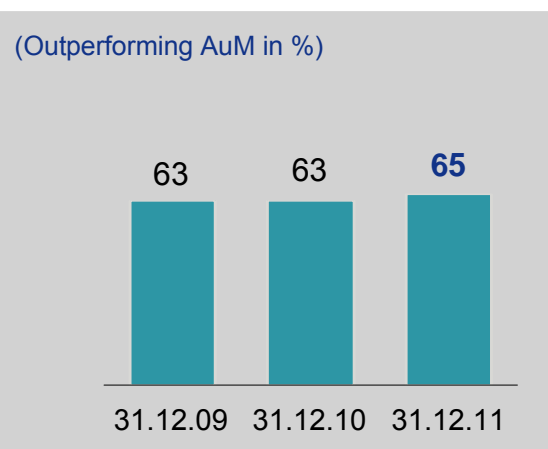
### Equity

#### 3rd party AuM



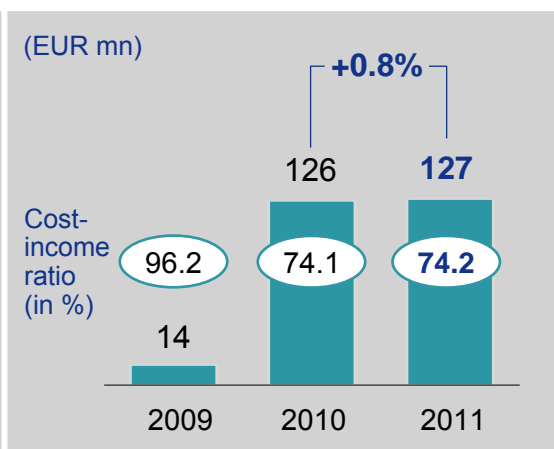
- In 4Q 11 EUR +0.3bn equity net inflows
- 3rd party AuM burdened by negative market effect of EUR -11bn in 2011 along with volatile equity markets
- Average 3rd party equity AuM up by 2% compared to 2010

#### 3-year-outperformance



- Improved investment performance of 65%

#### Operating profit

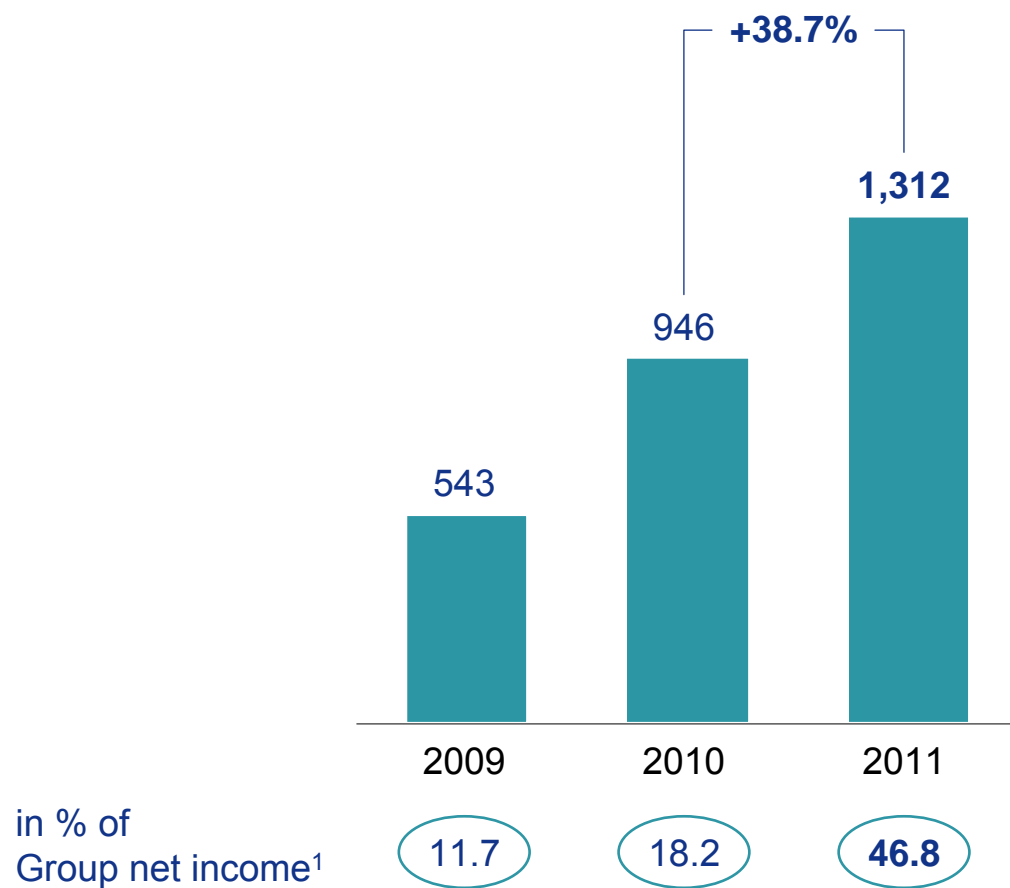


- Driven by average AuM



## Strong growth in net income contribution

Net income (EUR mn)



1) From continuing operations

## Fortify foundations for continued success

### Key levers

### Examples

Investment performance

- Positioned investment portfolios to cope with low yield environment and market uncertainty

Expense management

- Strict cost containment to assure best-in-class cost-income ratios

PIMCO as a global provider of investment solutions

- Aligned distribution globally to facilitate continued asset diversification, leveraging the entire value chain

Allianz Global Investors as one global firm

- Aligned structure under one global management to assure sustainable growth and efficiency

# 6

Group financial  
results 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H
- 5 Asset Management
- 6 Summary**
- 7 Additional information
- 8 Additional information – 4Q results

## Summary

### 2011 with serious shocks for the industry

- Sovereign debt and banking crisis
- Record low interest rates and high market volatility
- NatCat losses near all time high for insurance industry

### Allianz with resilient performance

- Profitable growth focus
- Resilient operating earnings power
- Strong capital position

### Strong profit distribution

- **Proposed dividend at EUR 4.50**
- **Payout at 81 percent of IFRS net income**

# 7

Group financial  
results 2011

- 1 Highlights
- 2 Group
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- 4 L/H
- 5 Asset Management
- 6 Summary
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## Group: Result by segments overview (EUR mn)

	P/C		L/H		AM		CO		Consolidation		Total	
	12M 2010	12M 2011	12M 2010	12M 2011	12M 2010	12M 2011	12M 2010	12M 2011	12M 2010	12M 2011	12M 2010	12M 2011
<b>Total revenues (EUR bn)</b>	<b>43.9</b>	<b>44.8</b>	<b>57.1</b>	<b>52.9</b>	<b>5.0</b>	<b>5.5</b>	<b>0.6</b>	<b>0.6</b>	<b>-0.1</b>	<b>-0.2</b>	<b>106.5</b>	<b>103.6</b>
<b>Operating profit</b>	<b>4,304</b>	<b>4,196</b>	<b>2,868</b>	<b>2,420</b>	<b>2,060</b>	<b>2,256</b>	<b>-942</b>	<b>-897</b>	<b>-47</b>	<b>-109</b>	<b>8,243</b>	<b>7,866</b>
Non-operating items	16	-179	-85	-488	-455	-257	-718	-2,158	172	62	-1,070	-3,020
<b>Income b/ tax</b>	<b>4,320</b>	<b>4,017</b>	<b>2,783</b>	<b>1,932</b>	<b>1,605</b>	<b>1,999</b>	<b>-1,660</b>	<b>-3,055</b>	<b>125</b>	<b>-47</b>	<b>7,173</b>	<b>4,846</b>
Income taxes	-1,216	-1,205	-934	-734	-659	-687	775	554	70	30	-1,964	-2,042
<b>Net income from continuing operations</b>	<b>3,104</b>	<b>2,812</b>	<b>1,849</b>	<b>1,198</b>	<b>946</b>	<b>1,312</b>	<b>-885</b>	<b>-2,501</b>	<b>195</b>	<b>-17</b>	<b>5,209</b>	<b>2,804</b>
Net income from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net income</b>	<b>3,104</b>	<b>2,812</b>	<b>1,849</b>	<b>1,198</b>	<b>946</b>	<b>1,312</b>	<b>-885</b>	<b>-2,501</b>	<b>195</b>	<b>-17</b>	<b>5,209</b>	<b>2,804</b>
<i>Net income attributable to:</i>												
Non-controlling interests	161	174	72	74	0	18	-77	-7	0	0	156	259
Shareholders	2,943	2,638	1,777	1,124	946	1,294	-808	-2,494	195	-17	5,053	2,545

## Group: Key figures

(EUR mn)

	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011	Delta 4Q 11/10	12M 2009	12M 2010	12M 2011
<b>Total revenues (EUR bn)</b>	<b>25.5</b>	<b>30.6</b>	<b>25.4</b>	<b>24.5</b>	<b>26.0</b>	<b>29.9</b>	<b>24.6</b>	<b>24.1</b>	<b>25.0</b>	<b>-1.0</b>	<b>97.4</b>	<b>106.5</b>	<b>103.6</b>
<b>Operating profit</b>	<b>1,960</b>	<b>1,732</b>	<b>2,302</b>	<b>2,055</b>	<b>2,154</b>	<b>1,660</b>	<b>2,300</b>	<b>1,906</b>	<b>2,000</b>	<b>-154</b>	<b>7,044</b>	<b>8,243</b>	<b>7,866</b>
Non-operating items	-1,336	259	-597	-123	-609	-174	-686	-1,262	-898	-289	-1,854	-1,070	-3,020
Income b/ tax	624	1,991	1,705	1,932	1,545	1,486	1,614	644	1,102	-443	5,190	7,173	4,846
Income taxes	409	-388	-548	-664	-364	-571	-543	-386	-542	-178	-540	-1,964	-2,042
<b>Net inc. from cont. ops.</b>	<b>1,033</b>	<b>1,603</b>	<b>1,157</b>	<b>1,268</b>	<b>1,181</b>	<b>915</b>	<b>1,071</b>	<b>258</b>	<b>560</b>	<b>-621</b>	<b>4,650</b>	<b>5,209</b>	<b>2,804</b>
Net inc. from discount. ops.	0	0	0	0	0	0	0	0	0	+0	-395	0	0
<b>Net income</b>	<b>1,033</b>	<b>1,603</b>	<b>1,157</b>	<b>1,268</b>	<b>1,181</b>	<b>915</b>	<b>1,071</b>	<b>258</b>	<b>560</b>	<b>-621</b>	<b>4,255</b>	<b>5,209</b>	<b>2,804</b>
<i>Net income attributable to:</i>													
Non-controlling interests	14	38	68	4	46	58	71	62	68	+22	48	156	259
Shareholders	1,019	1,565	1,089	1,264	1,135	857	1,000	196	492	-643	4,207	5,053	2,545
<b>Group financial assets<sup>1</sup> (EUR bn)</b>	<b>438.8</b>	<b>456.4</b>	<b>467.8</b>	<b>471.4</b>	<b>470.3</b>	<b>470.4</b>	<b>473.4</b>	<b>480.6</b>	<b>485.6</b>	<b>+15.3</b>	<b>438.8</b>	<b>470.3</b>	<b>485.6</b>

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

## P/C: Key figures (EUR mn)

	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011	Delta 4Q 11/10	12M 2009	12M 2010	12M 2011
<b>Gross premiums written (EUR bn)</b>	<b>8.9</b>	<b>14.0</b>	<b>10.0</b>	<b>10.6</b>	<b>9.4</b>	<b>14.3</b>	<b>10.2</b>	<b>10.8</b>	<b>9.5</b>	<b>+0.1</b>	<b>42.5</b>	<b>43.9</b>	<b>44.8</b>
<b>Operating profit</b>	<b>1,169</b>	<b>712</b>	<b>1,147</b>	<b>1,122</b>	<b>1,323</b>	<b>663</b>	<b>1,329</b>	<b>1,111</b>	<b>1,093</b>	<b>-230</b>	<b>4,064</b>	<b>4,304</b>	<b>4,196</b>
Non-operating items	32	149	-7	113	-239	173	-9	-300	-43	+196	78	16	-179
Income b/ tax	1,201	861	1,140	1,235	1,084	836	1,320	811	1,050	-34	4,142	4,320	4,017
Income taxes	-404	-270	-303	-363	-280	-279	-368	-298	-260	+20	-1,363	-1,216	-1,205
<b>Net income</b>	<b>797</b>	<b>591</b>	<b>837</b>	<b>872</b>	<b>804</b>	<b>557</b>	<b>952</b>	<b>513</b>	<b>790</b>	<b>-14</b>	<b>2,779</b>	<b>3,104</b>	<b>2,812</b>
<i>Net income attributable to:</i>													
Non-controlling interests	17	31	51	51	28	38	60	38	38	+10	55	161	174
Shareholders	780	560	786	821	776	519	892	475	752	-24	2,724	2,943	2,638
<b>Combined ratio (in %)</b>	<b>95.3</b>	<b>100.4</b>	<b>96.3</b>	<b>97.1</b>	<b>94.9</b>	<b>101.3</b>	<b>95.0</b>	<b>97.6</b>	<b>97.6</b>	<b>+2.7%-p</b>	<b>97.4</b>	<b>97.2</b>	<b>97.8</b>
Segment financial assets <sup>1</sup> (EUR bn)	92.2	96.5	96.7	96.3	97.3	99.0	98.5	100.3	98.3	+1.0	92.2	97.3	98.3

1) Segment own assets (incl. financial assets carried at fair value through income).  
Including cash and cash pool assets net of liabilities from securities lending and derivatives



## L/H: Key figures (EUR mn)

	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011	Delta 4Q 11/10	12M 2009	12M 2010	12M 2011
<b>Statutory premiums</b> (EUR bn)	<b>15.2</b>	<b>15.4</b>	<b>14.1</b>	<b>12.6</b>	<b>15.1</b>	<b>14.3</b>	<b>13.0</b>	<b>11.8</b>	<b>13.8</b>	<b>-1.3</b>	50.8	57.1	52.9
<b>Operating profit</b>	<b>469</b>	<b>835</b>	<b>824</b>	<b>655</b>	<b>554</b>	<b>702</b>	<b>679</b>	<b>520</b>	<b>519</b>	<b>-35</b>	<b>2,670</b>	<b>2,868</b>	<b>2,420</b>
Non-operating items	-23	-35	23	-4	-69	-4	-329	-88	-67	+2	-57	-85	-488
Income b/ tax	446	800	847	651	485	698	350	432	452	-33	2,613	2,783	1,932
Income taxes	-71	-224	-287	-206	-217	-216	-136	-197	-185	+32	-656	-934	-734
<b>Net income</b>	<b>375</b>	<b>576</b>	<b>560</b>	<b>445</b>	<b>268</b>	<b>482</b>	<b>214</b>	<b>235</b>	<b>267</b>	<b>-1</b>	<b>1,957</b>	<b>1,849</b>	<b>1,198</b>
<i>Net income attributable to:</i>													
Non-controlling interests	16	21	19	9	23	21	11	21	21	-2	48	72	74
Shareholders	359	555	541	436	245	461	203	214	246	+1	1,909	1,777	1,124
<b>Margin on reserves<sup>1</sup></b> (in bps)	<b>51.0</b>	<b>87.0</b>	<b>83.0</b>	<b>65.0</b>	<b>54.0</b>	<b>69.0</b>	<b>66.0</b>	<b>50.0</b>	<b>50.0</b>	<b>-4.0</b>	<b>74.0</b>	<b>73.0</b>	<b>58.0</b>
Segment financial assets <sup>2</sup> (EUR bn)	324.2	339.1	349.3	352.9	352.8	350.5	354.4	362.0	364.9	+12.1	324.2	352.8	364.9
Unit-linked investments (EUR bn)	57.0	60.1	61.0	61.7	64.8	64.8	64.8	61.2	63.5	-1.3	57.0	64.8	63.5
Operating asset base <sup>3</sup> (EUR bn)	384.5	402.9	413.7	417.9	421.5	419.1	423.0	426.7	431.9	+10.4	384.5	421.5	431.9

1) Margin on reserves = IFRS operating profit (annualized) divided by average IFRS net reserves

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 and derivatives

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

## AM: Key figures (EUR mn)

	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011	Delta 4Q 11/10	12M 2009	12M 2010	12M 2011
<b>Operating revenues</b>	<b>1,294</b>	<b>1,116</b>	<b>1,188</b>	<b>1,256</b>	<b>1,426</b>	<b>1,273</b>	<b>1,303</b>	<b>1,326</b>	<b>1,600</b>	<b>+174</b>	<b>3,689</b>	<b>4,986</b>	<b>5,502</b>
<b>Operating profit</b>	<b>576</b>	<b>466</b>	<b>516</b>	<b>521</b>	<b>557</b>	<b>528</b>	<b>528</b>	<b>537</b>	<b>663</b>	<b>+106</b>	<b>1,401</b>	<b>2,060</b>	<b>2,256</b>
Non-operating items	-254	-207	-128	-60	-60	-99	-47	-54	-57	+3	-499	-455	-257
Income b/ tax	322	259	388	461	497	429	481	483	606	+109	902	1,605	1,999
Income taxes	-128	-116	-158	-180	-205	-120	-192	-150	-225	-20	-359	-659	-687
<b>Net income</b>	<b>194</b>	<b>143</b>	<b>230</b>	<b>281</b>	<b>292</b>	<b>309</b>	<b>289</b>	<b>333</b>	<b>381</b>	<b>+89</b>	<b>543</b>	<b>946</b>	<b>1,312</b>
<i>Net income attributable to:</i>													
Non-controlling interests	2	-6	3	2	1	3	4	5	6	+5	5	0	18
Shareholders	192	149	227	279	291	306	285	328	375	+84	538	946	1,294
<b>Cost-income ratio (in %)</b>	<b>55.5</b>	<b>58.2</b>	<b>56.6</b>	<b>58.5</b>	<b>60.9</b>	<b>58.5</b>	<b>59.5</b>	<b>59.5</b>	<b>58.6</b>	<b>-2.3%-p</b>	<b>62.0</b>	<b>58.7</b>	<b>59.0</b>
<b>3rd party AuM<sup>1</sup> (EUR bn)</b>	<b>925.7</b>	<b>1,022.7</b>	<b>1,138.5</b>	<b>1,130.9</b>	<b>1,164.0</b>	<b>1,138.5</b>	<b>1,150.9</b>	<b>1,222.3</b>	<b>1,281.3</b>	<b>+117.3</b>	<b>925.7</b>	<b>1,164.0</b>	<b>1,281.3</b>

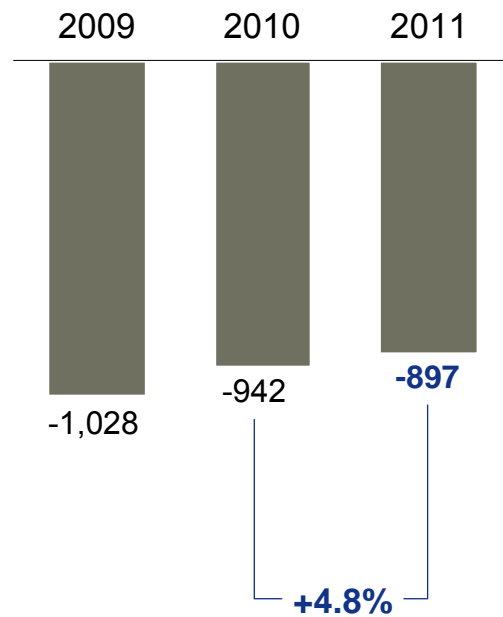
1) 3rd party Assets under Management are end of period values

## CO: Key figures (EUR mn)

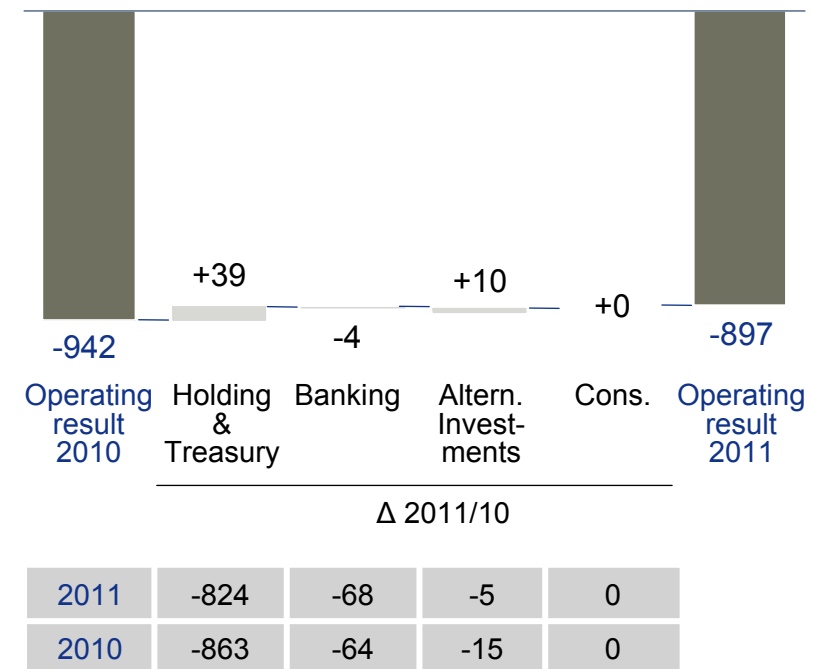
	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	2Q 2011	3Q 2011	4Q 2011	Delta 4Q 11/10	12M 2009	12M 2010	12M 2011
<b>Total revenues (Banking)</b>	<b>157</b>	<b>128</b>	<b>138</b>	<b>146</b>	<b>175</b>	<b>151</b>	<b>137</b>	<b>129</b>	<b>150</b>	<b>-25</b>	<b>517</b>	<b>587</b>	<b>567</b>
<b>Operating profit</b>													
Holding & Treasury	-217	-226	-138	-237	-262	-221	-170	-234	-199	+63	-849	-863	-824
Banking	-26	-23	-15	-24	-2	2	-24	-9	-37	-35	-165	-64	-68
Alternative Investments	7	-2	-2	-9	-2	-4	-11	9	1	+3	-13	-15	-5
Consolidation	0	0	0	0	0	0	0	1	-1	-1	-1	0	0
<b>Corporate and Other operating profit</b>	<b>-236</b>	<b>-251</b>	<b>-155</b>	<b>-270</b>	<b>-266</b>	<b>-223</b>	<b>-205</b>	<b>-233</b>	<b>-236</b>	<b>+30</b>	<b>-1,028</b>	<b>-942</b>	<b>-897</b>
<b>Non-operating items</b>													
Holding & Treasury	-235	245	-466	-55	-120	-245	-287	-861	-608	-488	-390	-396	-2,001
Banking	-78	6	-32	-8	-96	0	8	-3	-119	-23	-87	-130	-114
Alternative Investments	-83	-70	-31	-222	-5	-37	-25	-30	-1	+4	-383	-328	-93
Consolidation	0	85	16	19	16	21	1	24	4	-12	185	136	50
<b>Corporate and Other non-operating items</b>	<b>-396</b>	<b>266</b>	<b>-513</b>	<b>-266</b>	<b>-205</b>	<b>-261</b>	<b>-303</b>	<b>-870</b>	<b>-724</b>	<b>-519</b>	<b>-675</b>	<b>-718</b>	<b>-2,158</b>
Income b/taxes	-632	15	-668	-536	-471	-484	-508	-1,103	-960	-489	-1,703	-1,660	-3,055
Income taxes	272	209	197	82	287	32	145	271	106	-181	1,063	775	554
<b>Net inc. from cont. ops.</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-454</b>	<b>-184</b>	<b>-452</b>	<b>-363</b>	<b>-832</b>	<b>-854</b>	<b>-670</b>	<b>-640</b>	<b>-885</b>	<b>-2,501</b>
Net inc. from discount. ops.	0	0	0	0	0	0	0	0	0	+0	-395	0	0
<b>Net income</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-454</b>	<b>-184</b>	<b>-452</b>	<b>-363</b>	<b>-832</b>	<b>-854</b>	<b>-670</b>	<b>-1,035</b>	<b>-885</b>	<b>-2,501</b>
<i>Net income attributable to:</i>													
Non-controlling interests	-21	-8	-5	-58	-6	-4	-4	-2	3	+9	-60	-77	-7
Shareholders	-339	232	-466	-396	-178	-448	-359	-830	-857	-679	-975	-808	-2,494
<b>Cost-income ratio Banking (in %)</b>	<b>105.0</b>	<b>107.8</b>	<b>103.7</b>	<b>104.1</b>	<b>92.6</b>	<b>88.2</b>	<b>93.4</b>	<b>96.9</b>	<b>85.4</b>	<b>-7.2%-p</b>	<b>122.5</b>	<b>101.4</b>	<b>90.7</b>
<b>RWA<sup>1</sup> Banking (EUR bn)</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>+0</b>	<b>9</b>	<b>9</b>	<b>9</b>

## Corporate and Other results improved

### Operating loss (EUR mn)



### Operating loss development (EUR mn)

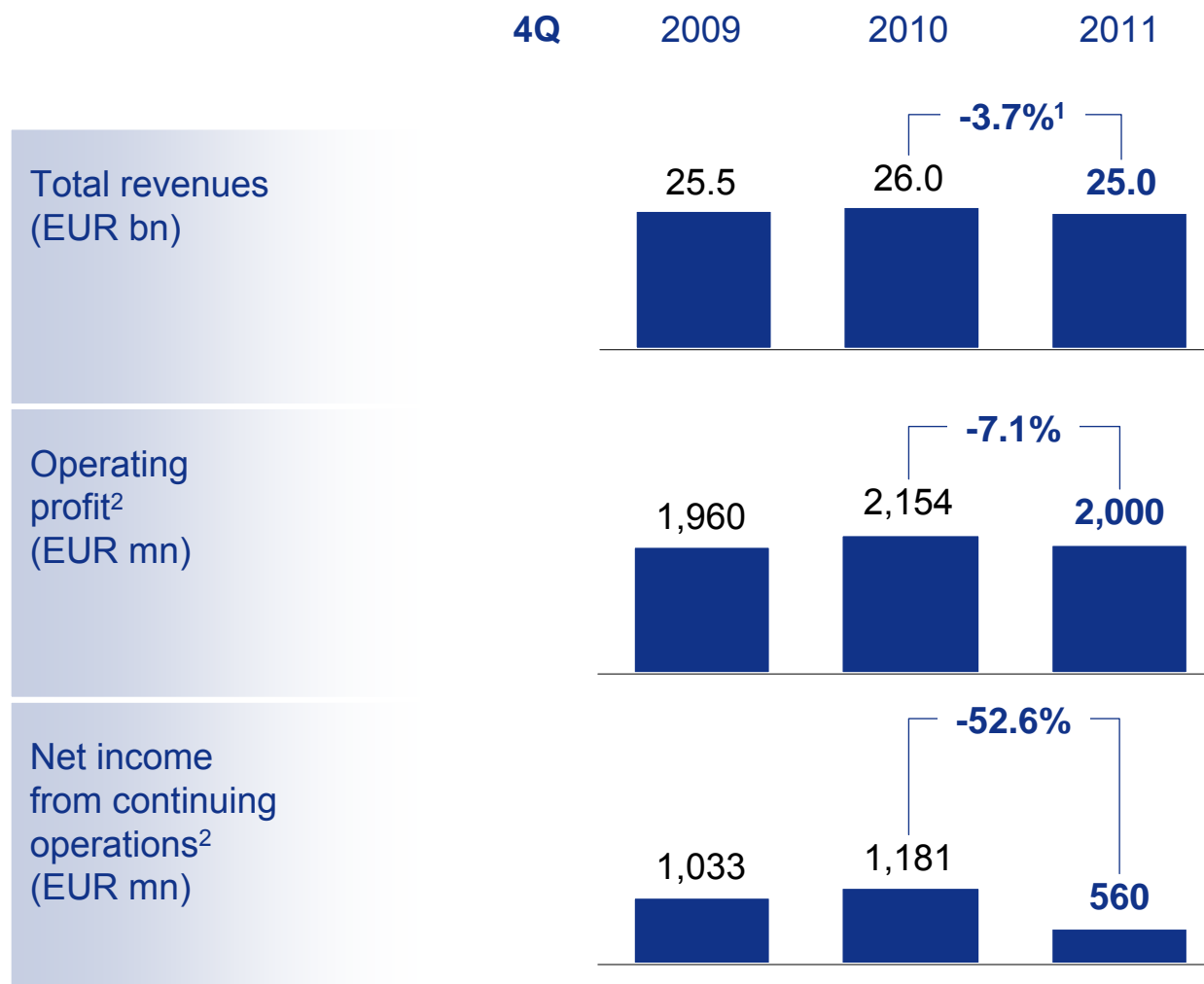


# 8

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## 4Q: results overview

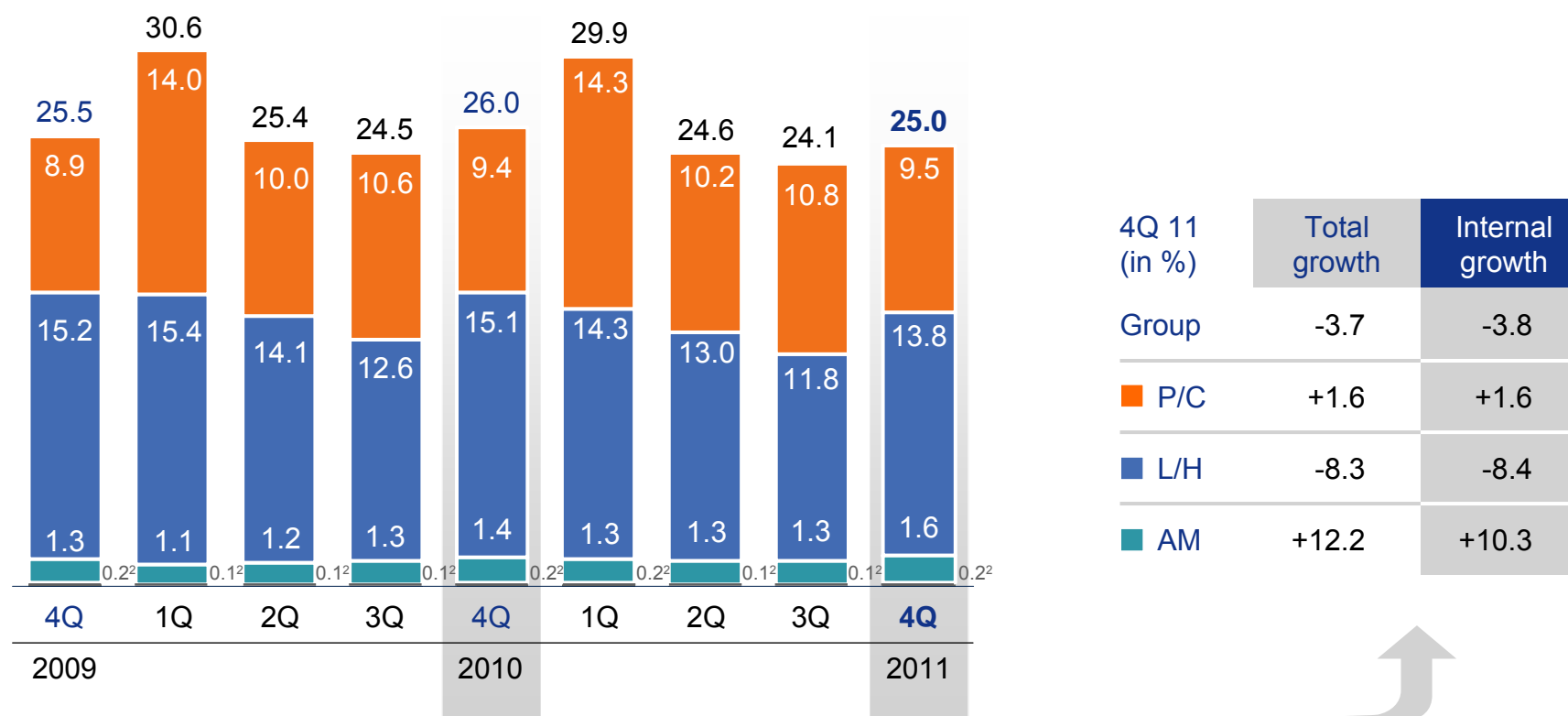


1) Internal growth -3.8% adjusted for F/X effects and consolidation effects

2) Operating profit and net income from continuing operations retrospectively adjusted for accounting policy change at AZ Life (USA), operating profit effect 4Q 09: EUR -88mn, net income from continuing operations effect 4Q 09: EUR -57mn

## 4Q: revenues (EUR bn)

### Total revenues<sup>1</sup>




1) For a description of total revenues and internal growth please refer to the glossary

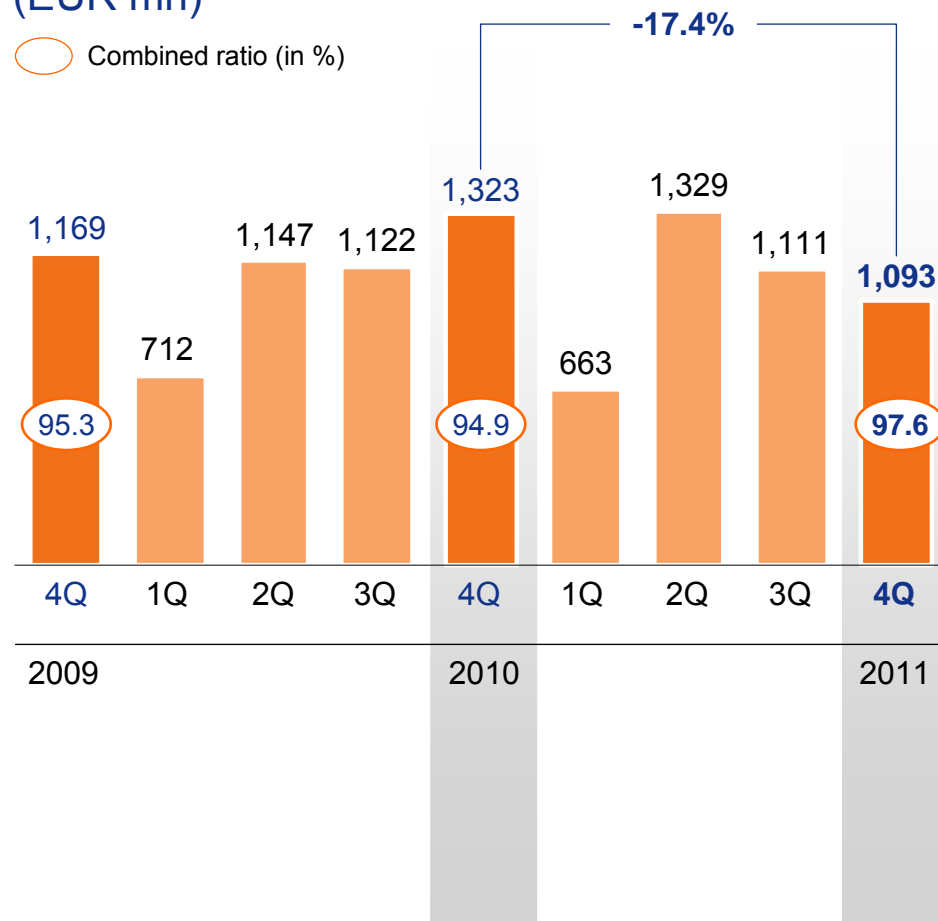
All segment figures are based on segment consolidated numbers; figures for the Group as a whole are based on fully consolidated numbers

2) Represents total revenues from Banking within Corporate and Other

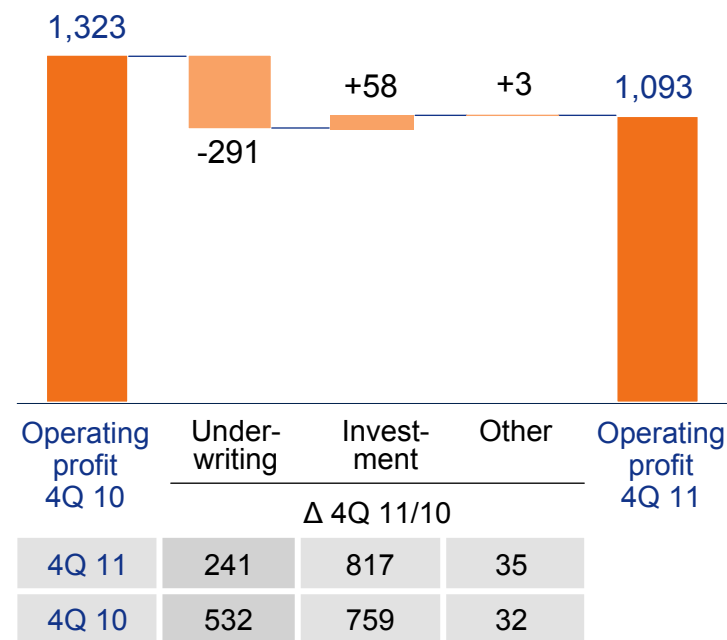
## 4Q: operating profit at EUR 1.1bn

### Operating profit (EUR mn)

 Combined ratio (in %)



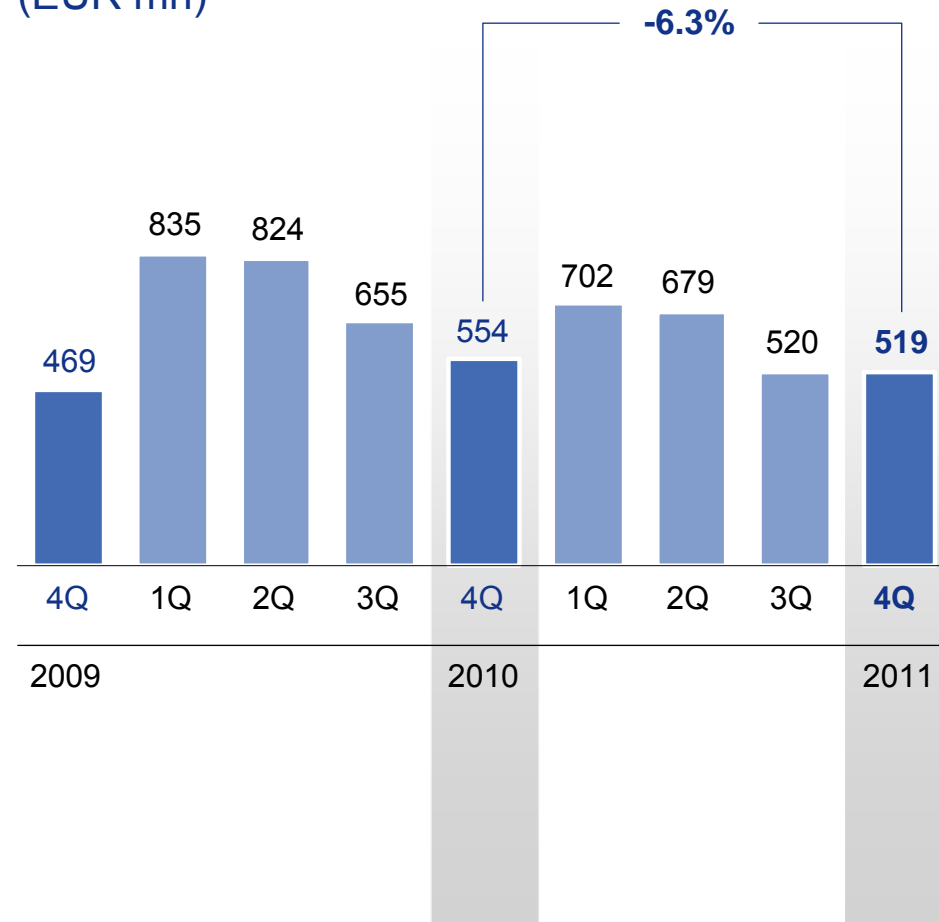
### Operating profit drivers (EUR mn)



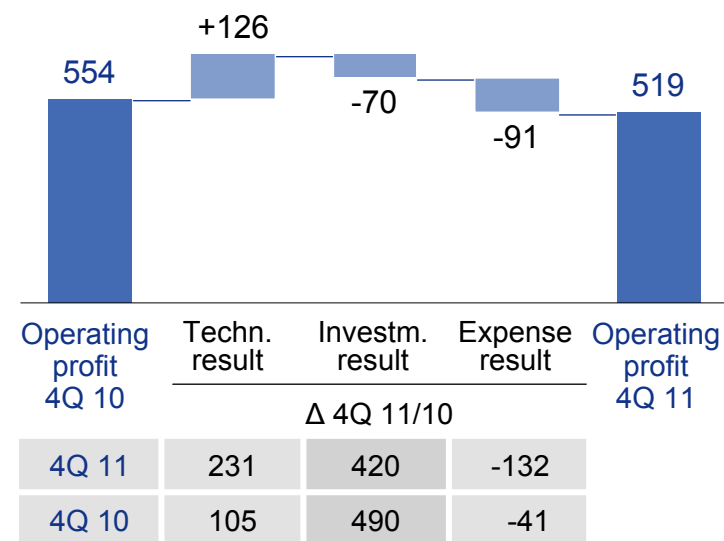


## 4Q: operating profit at EUR 519mn

Operating profit  
(EUR mn)



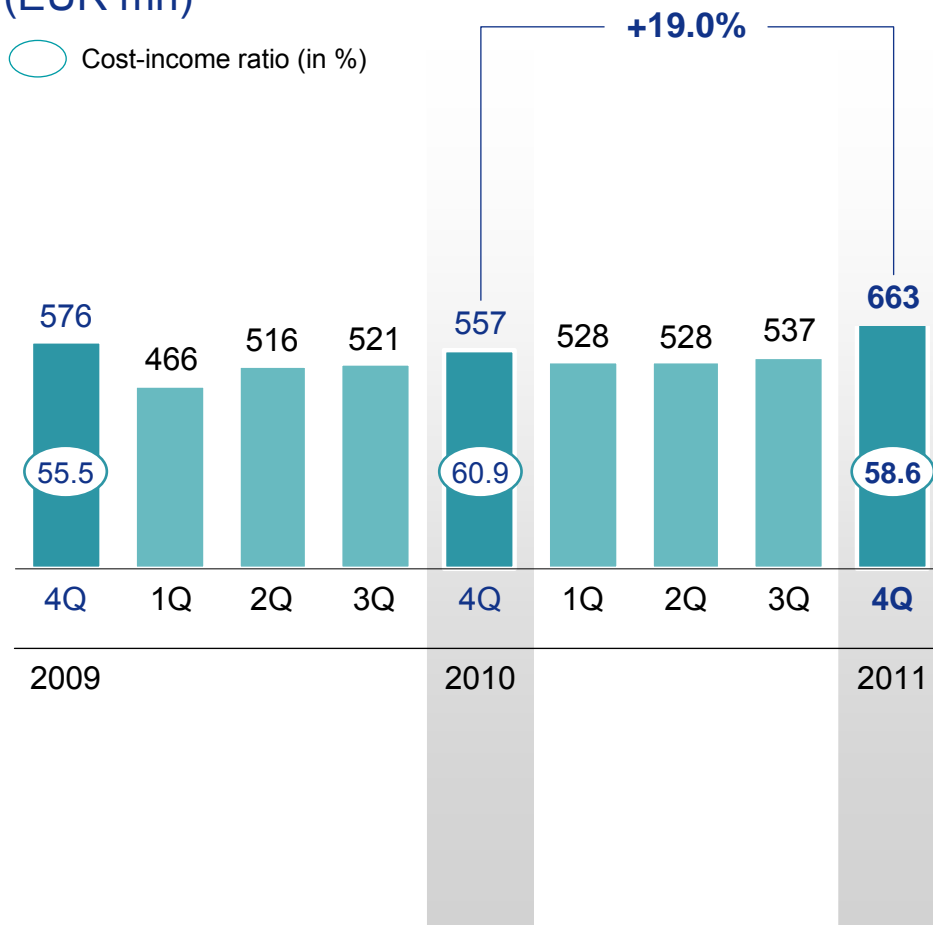
Operating profit drivers  
(EUR mn)



## 4Q: operating profit up 19 percent

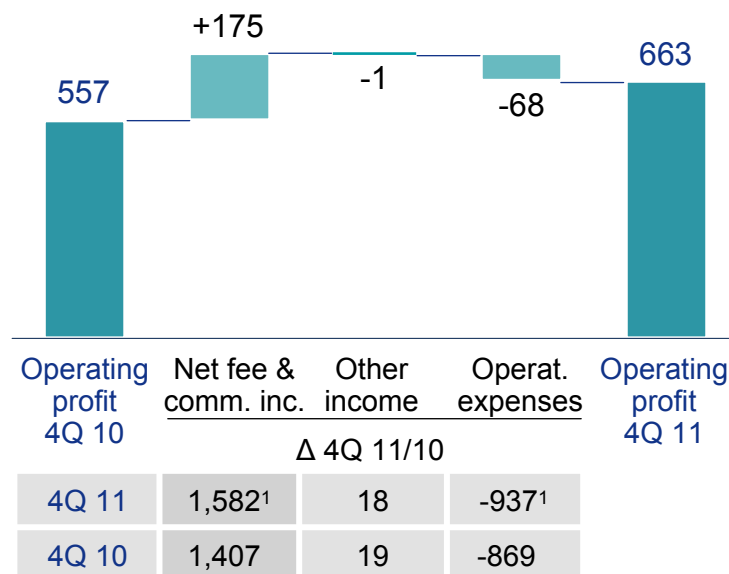
### Operating profit (EUR mn)

 Cost-income ratio (in %)



### Operating profit drivers (EUR mn)

F/X-adjusted  
growth:  
+18.3%



1) Net fee and commission income includes F/X effect of EUR +9mn; operating expenses include F/X effect of EUR -6mn

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## Glossary (1)

<b>AGCS</b>	Allianz Global Corporate & Specialty
<b>AGI</b>	Allianz Global Investors
<b>AM</b>	Asset Management – since January 2012: AAM (Allianz Asset Management)
<b>AuM</b>	Assets under Management: The total of all investments, valued at current market value, which the Group has under management with responsibility for maintaining and improving their performance. In addition to the Group's own investments, they include investments managed on behalf of third parties
<b>Bp</b>	Basis point = 0.01%
<b>CEE</b>	Central and Eastern Europe
<b>Combined ratio</b>	Sum of loss ratio and expense ratio, represents the total of acquisition and administrative expenses (net) and claims and insurance benefits incurred (net) divided by premiums earned (net)
<b>Cost-income ratio (CIR)</b>	Represents operating expenses divided by operating revenues
<b>Current yield</b>	Interest and similar income / average asset base at book value (excluding income from financial assets and liabilities carried at fair value); current yield on debt securities adjusted for interest expenses from securities lending; yield on debt securities including cash components
<b>DAC</b>	Deferred acquisition costs: Commissions, underwriting expenses and policy issuance costs, which vary with and are primarily related to the acquisition and renewal of insurance contracts. These acquisition costs are deferred, to the extent that they are recoverable, and are subject to recoverability testing at the end of each accounting period
<b>Fair value</b>	The amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction
<b>FCD</b>	Financial conglomerates directive: European regulation for the supervision of financial conglomerates and financial groups involved in cross-sectoral business operations

## Glossary (2)

<b>Goodwill</b>	Difference between a subsidiary's purchase price and the relevant proportion of its net assets valued at the current value of all assets and liabilities at the time of acquisition
<b>Gross/Net</b>	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
<b>IFRS</b>	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)
<b>Internal growth</b>	Enhances the understanding of our total revenue performance by excluding the effects of foreign currency translation as well as acquisitions and disposals
<b>L/H</b>	Life and health insurance
<b>Loss ratio</b>	Claims and insurance benefits incurred (net) divided by net premiums earned (net).
<b>NBM</b>	New business margin: Value of new business divided by present value of new business premiums
<b>Non-controlling interests</b>	Represent the proportion of equity of affiliated enterprises not owned by Group companies
<b>OAB</b>	Operating asset base: Operating asset base represents all operating investment assets within 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
<b>OE</b>	Operating entity

## Glossary (3)

### Operating profit

We evaluate the results of our Property-Casualty, Life/Health, Asset Management and Corporate and Other segments using a financial performance measure we refer to herein as “operating profit”. We define our segment operating profit as income before income taxes and non-controlling interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: Non-operating income from financial assets and liabilities carried at fair value through income (net), non-operating realized gains/losses (net), income from fully consolidated private equity investments (net), interest expenses from external debt, non-operating impairments of investments (net), acquisition-related expenses, amortization of intangible assets, non-operating restructuring charges and reclassification of tax benefits. While these excluded items are significant components in understanding and assessing our consolidated financial performance, we believe that the presentation of operating results enhances the understanding and comparability of the performance of our segments by highlighting net income attributable to ongoing segment operations and the underlying profitability of our businesses. For example, we believe that trends in the underlying profitability of our segments can be more clearly identified without the fluctuating effects of the realized gains/losses or impairments of investments, as these are largely dependent on market cycles or issuer specific events over which we have little or no control, and can and do vary, sometimes materially, across periods. Further, the timing of sales that would result in such gains or losses is largely at our discretion. Operating profit is not a substitute for income before income taxes and non-controlling interests in earnings or net income as determined in accordance with International Financial Reporting Standards (or “IFRS”). Our definition of operating profit may differ from similar measures used by other companies, and may change over time.

### P/C

Property and casualty insurance

### Shadow DAC

Shadow accounting is applied in order to include the effect of unrealized gains or losses from the debt or equity securities classified as available for sale in the measurement of Deferred Acquisition Costs in the same way as it is done for realized gains or losses. Due to virtual (shadow) realization of unrealized gains or losses Deferred Acquisition Costs are adjusted with corresponding charges or credits recognized directly to shareholders’ equity.

### VNB

Value of New Business: The additional value to shareholder created through the activity of writing new business. It is defined as Present value of future profits (PVFP) after acquisition expenses minus the cost of option and guarantees (O&G), minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital, all determined at issue date

# Disclaimer

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

## Cautionary Note Regarding Forward-Looking Statements

The statements contained herein may include 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 that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency

levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/ or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures, and (xiv) 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. The company assumes no obligation to update any forward-looking statement.

## No duty to update

The company assumes no obligation to update any information contained herein.