

Oliver Bäte, Chief Financial Officer Allianz SE

# Allianz Group: Financial results for the second quarter 2010

Journalists' Conference Call  
August 6, 2010

Allianz 

# Agenda

## Highlights

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Summary

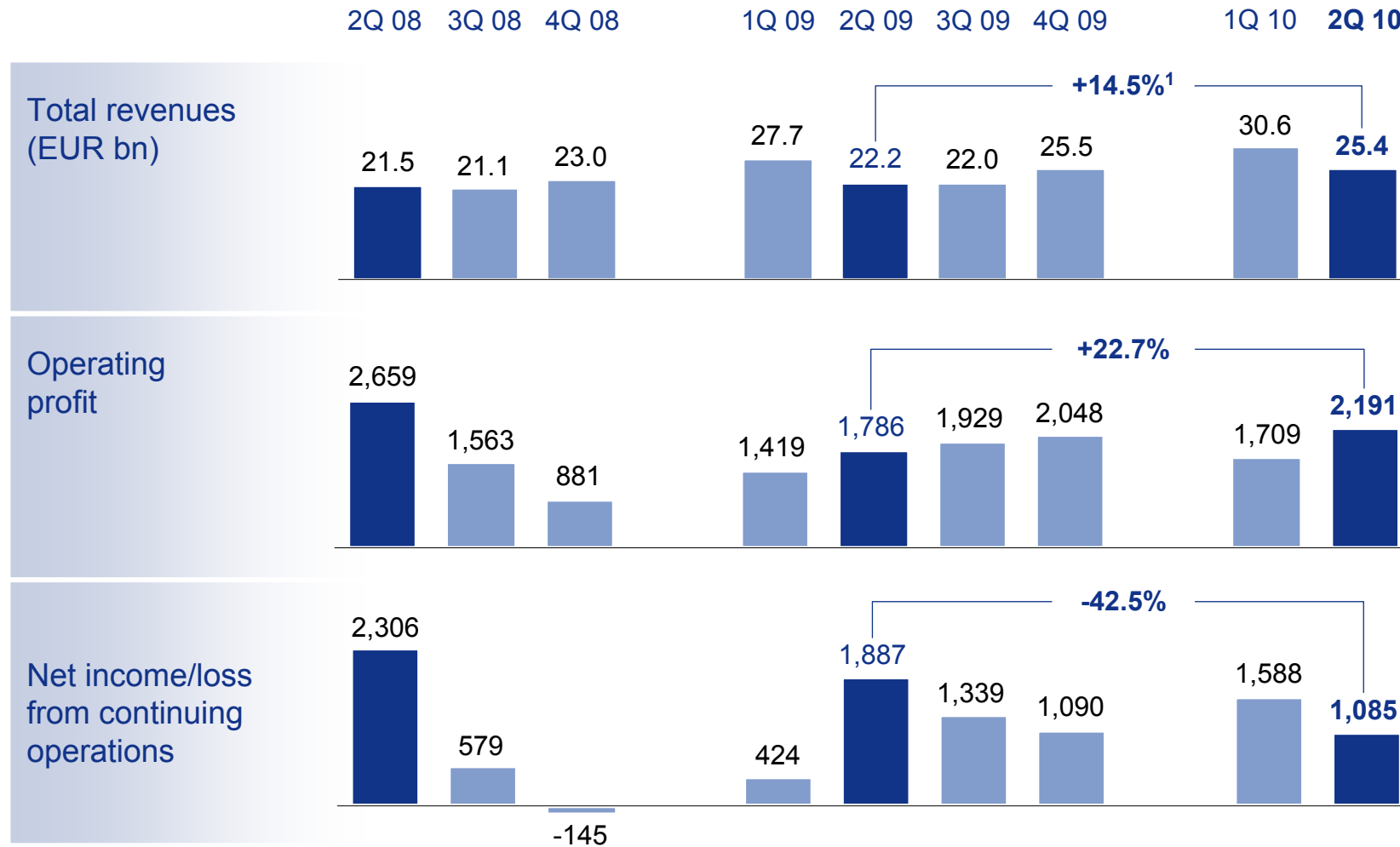
Additional information

## Highlights



- Double digit revenue growth to EUR 25.4bn
- Strong operating profit of EUR 2.2bn
- Net income at EUR 1.1bn, reflecting lower harvesting
- Strong capital position, with 170 percent solvency ratio

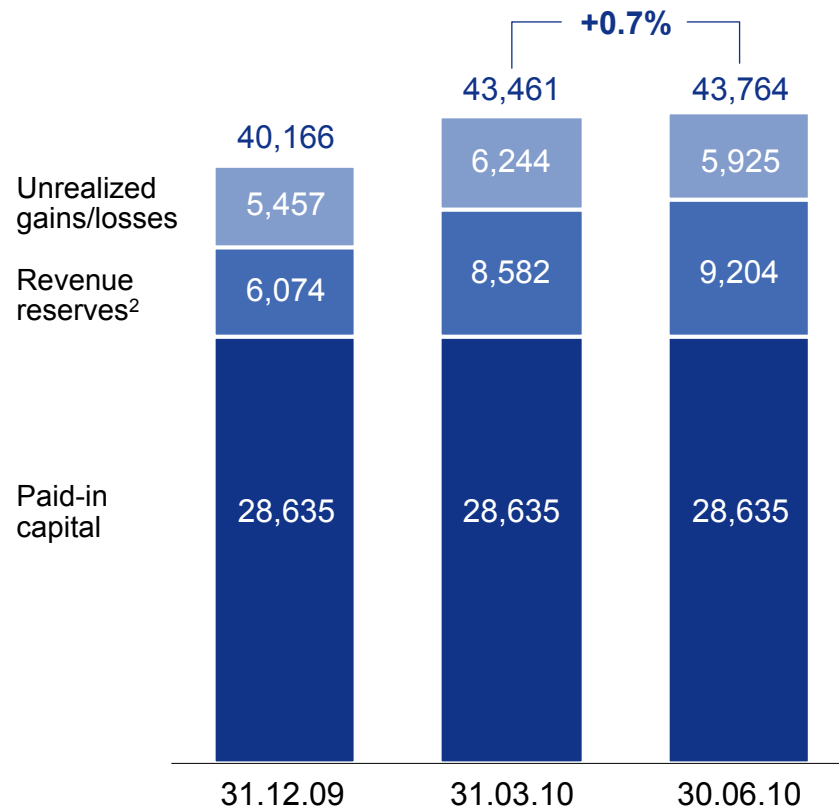
# Quarterly results overview (EUR mn)



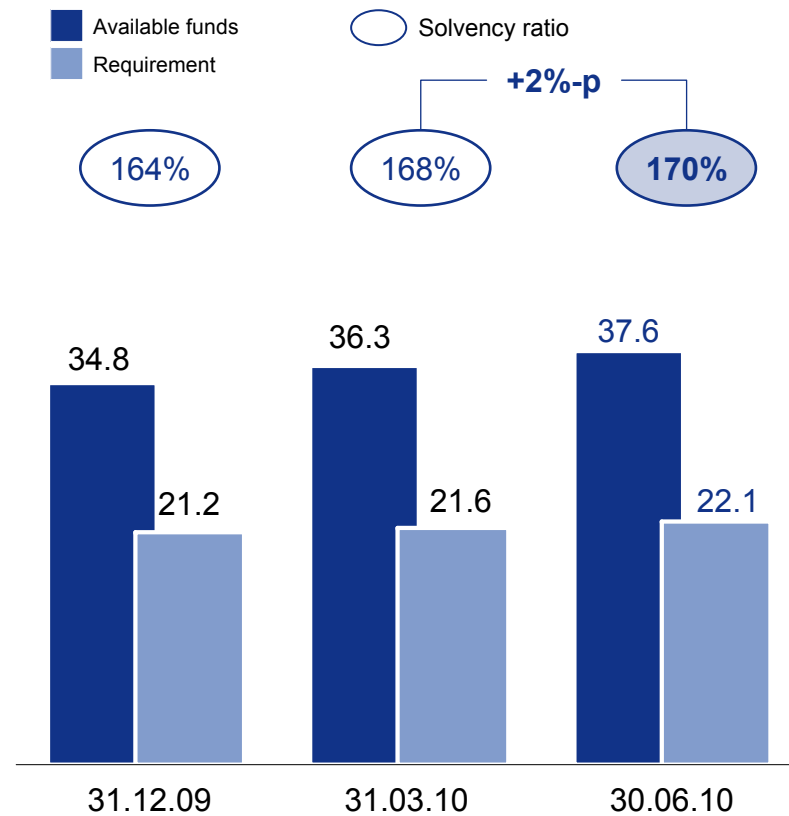
1) Internal growth 10.8%

## Strong capitalization

Shareholders' equity<sup>1</sup>  
(EUR mn)



Conglomerate solvency<sup>3</sup>  
(EUR bn)



1) Excluding non-controlling interests (31.12.09: EUR 2,121mn, 31.03.10 EUR 2,124mn, 30.06.10: EUR 2,169mn)

2) Including F/X

3) Including off-balance sheet reserves (31.12.09: EUR 1,993mn, 31.03.10: EUR 1,986mn, 30.06.10: EUR 1,986mn) pro forma.

The solvency ratio excluding off-balance sheet reserves would be 161% as of 30.06.10, 159% as of 31.03.10 and 155% as of 31.12.09.

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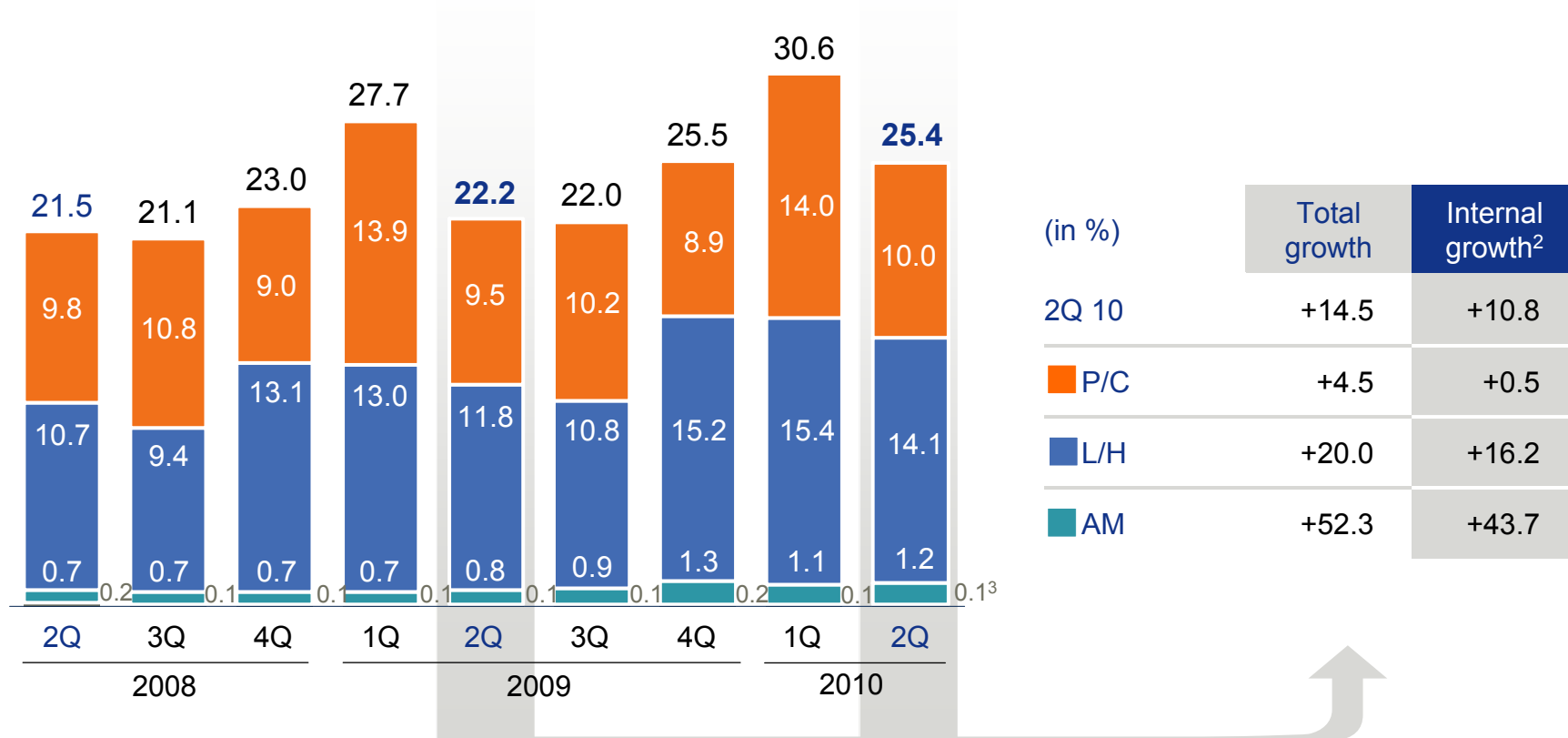
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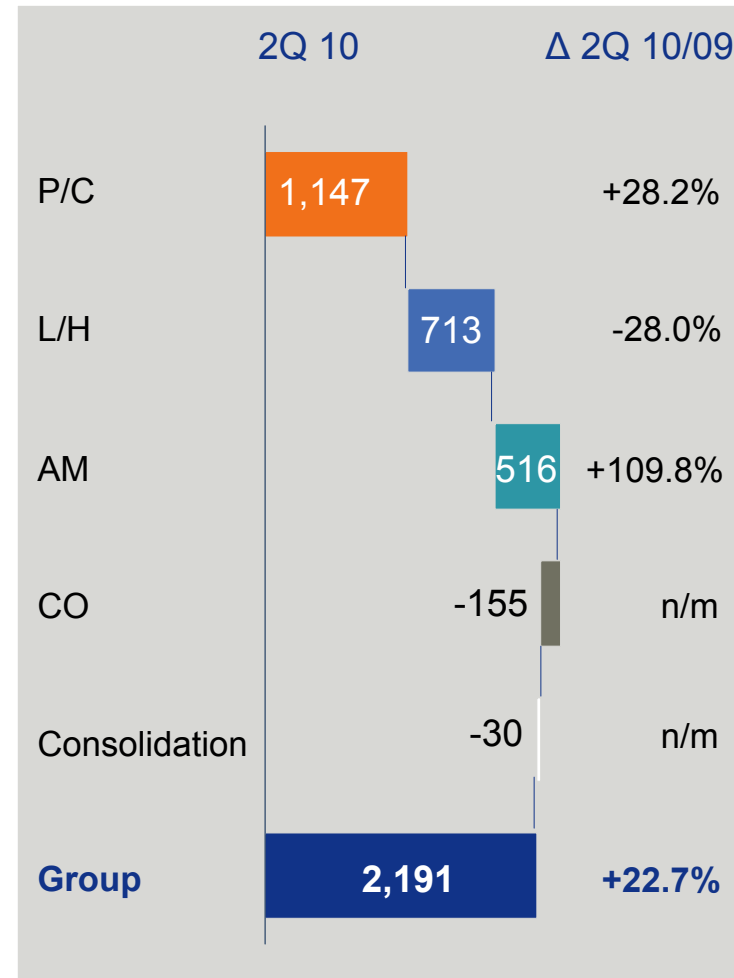
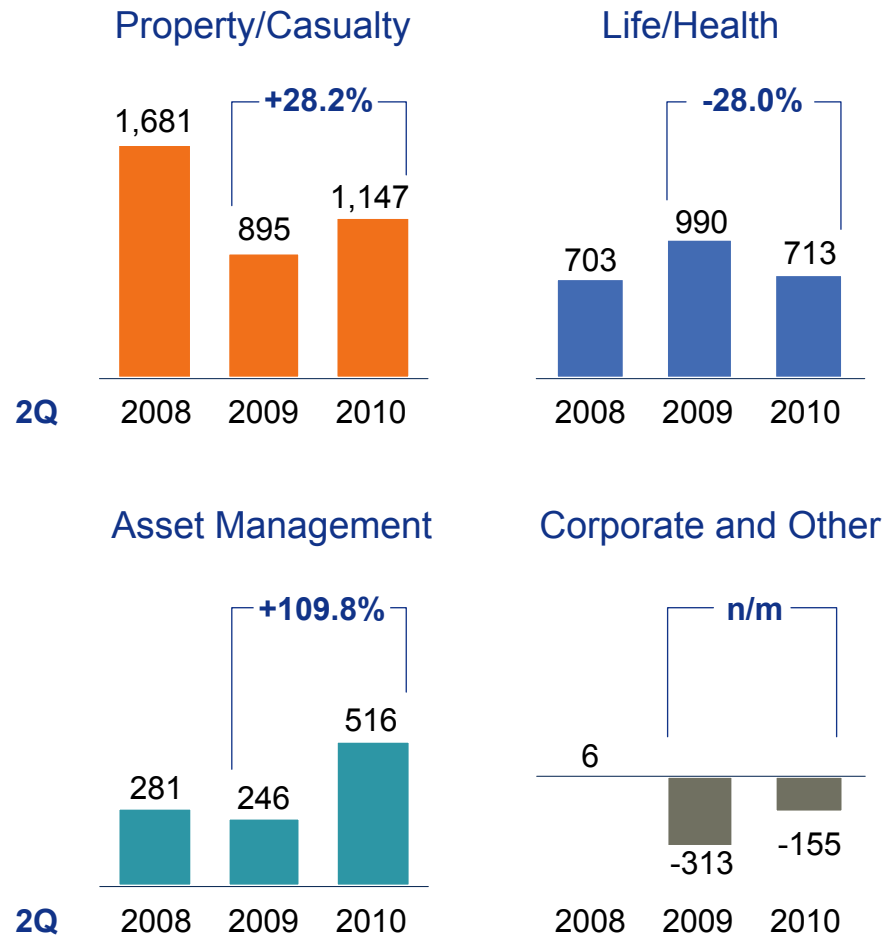
# Revenues: double digit growth (EUR bn)

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



1) Total revenues comprise statutory gross premiums written in P/C and L/H, operating revenues in AM and total revenues in Corporate and Other (Banking)  
 All segment figures are based on segment consolidated numbers; figures for the Group as a whole are based on fully consolidated numbers  
 2) Adjusted for F/X and consolidation effects. Total and internal growth on segment level is based on segment consolidated data.  
 Total and internal growth for total revenues are based on fully consolidated figures  
 3) Represents Banking total revenues (for every quarter)

# Strong operating profit up 23% (EUR mn)



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## Non-operating items (EUR mn)

	2Q 08	2Q 09	2Q 10	Δ 10/09
Realized gains/losses and impairments of investments (net)	548	815	-6	-821
Interest expense from external debt	-233	-214	-220	-6
Fully consolidated private equity inv. (net)	29	-101	-15	+86
Restructuring charges	-8	-14	-42	-28
Acquisition-related expenses	-79	-45	-110	-65
Other non-operating	-91	127	-202	-329
Reclassification of tax benefits	-10	-20	-2	+18
<b>Non-operating items from continuing operations</b>	<b>156</b>	<b>548</b>	<b>-597</b>	<b>-1,145</b>

	2Q 09	2Q 10
<b>Realized gains/losses</b>	<b>959</b>	<b>181</b>
- Equities	898	177
- Debt securities	49	-21
- Real estate	12	25
<b>Impairments (net)</b>	<b>-144</b>	<b>-187</b>
- Equities	-112	-163
- Debt securities	-27	-24
- Real estate	-6	0
- Other	1	0
<b>Total</b>	<b>815</b>	<b>-6</b>
Balance of unrealized gains/losses in equities <sup>1</sup>	2.5bn	2.9bn
Balance of unrealized gains/losses in fixed income <sup>1</sup>	-0.7bn	4.0bn

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

## Net income

(EUR mn)

	2Q 08	2Q 09	<b>2Q 10</b>	Δ 10/09
Operating profit	2,659	1,786	<b>2,191</b>	+405
Non-operating items	156	548	<b>-597</b>	-1,145
Income before taxes	2,815	2,334	<b>1,594</b>	-740
Income taxes	-509	-447	<b>-509</b>	-62
Net income from continuing operations	2,306	1,887	<b>1,085</b>	-802
Discontinued operations	-672	0	<b>0</b>	+0
Net income	1,634	1,887	<b>1,085</b>	-802
Non-controlling interests	92	18	<b>68</b>	+50
Net income after non-controlling interests	1,542	1,869	<b>1,017</b>	-852

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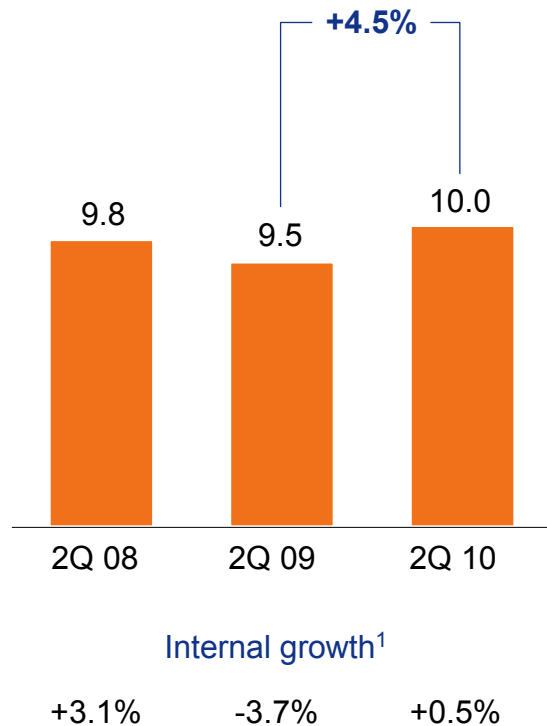
## P/C: summary



- Revenues at EUR 10.0bn
- Operating profit of EUR 1,147mn, up 28 percent
- Combined ratio 96.3 percent
- NatCat impact remains high

## P/C: revenues at EUR 10bn (EUR mn)

### Revenues (EUR bn)



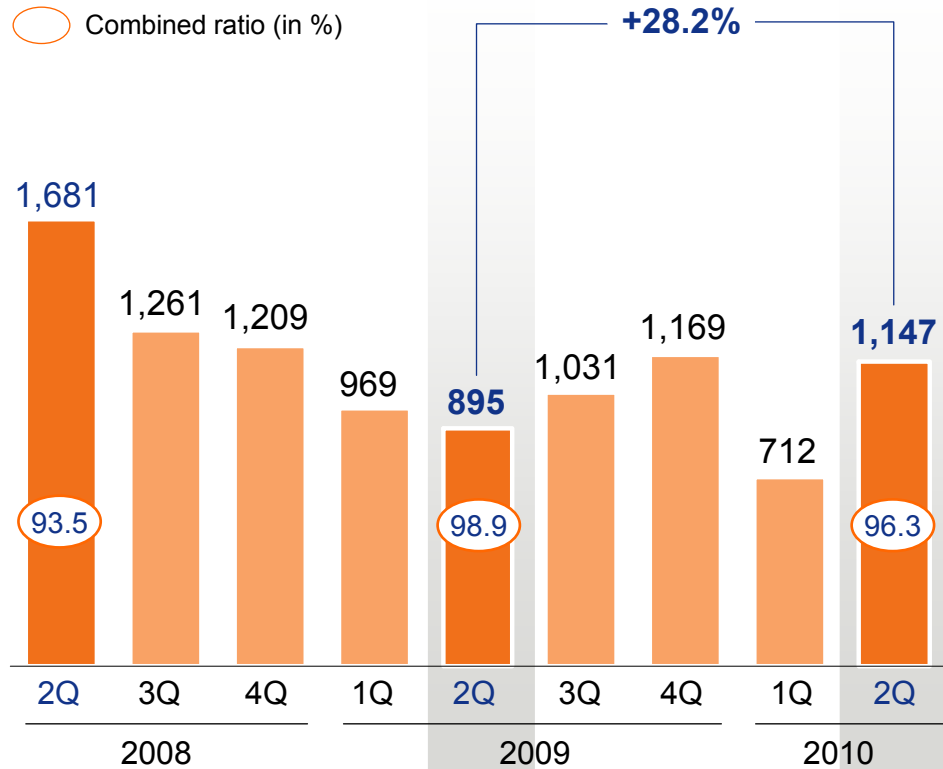
Revenues (sel. OEs)		2Q 08	2Q 09	2Q 10	Δ10/09 <sup>1</sup>
German Speaking Countries	Germany	1,696	1,682	1,642	-2.4%
	Switzerland	124	126	137	+1.6%
Europe incl. South America	France <sup>2</sup>	843	734	714	-2.7%
	Italy	1,232	1,085	1,023	-5.4%
	Spain	522	492	526	+6.9%
	South America	244	265	383	+18.9%
Global Insurance Lines & Anglo Markets	Reinsurance <sup>3</sup>	718	810	730	-9.9%
	AGCS <sup>4</sup>	657	891	952	+3.7%
	UK	528	491	528	+4.3%
	Credit Insurance	437	421	427	+1.4%
	Australia	390	411	555	+8.5%
	CEE	781	655	608	-12.7%
Growth Markets	Asia-Pacific <sup>5</sup>	109	125	130	+1.8%
NAFTA Markets	USA <sup>6</sup>	1,061	786	805	-3.6%

1) Growth numbers refer to internal growth (adjusted for F/X and consolidation effects)  
 2) Corporate customer business transferred to AGCS in 1Q 09 (impact 2Q 08: EUR 103mn)  
 3) A large proportion of Reinsurance is from internal business  
 4) In 2009 USA marine business portfolios, France corporate customer business and in 2010 Japan business were transferred to AGCS (total impact 2Q 08: EUR 162mn, 2Q 09: EUR 16mn)

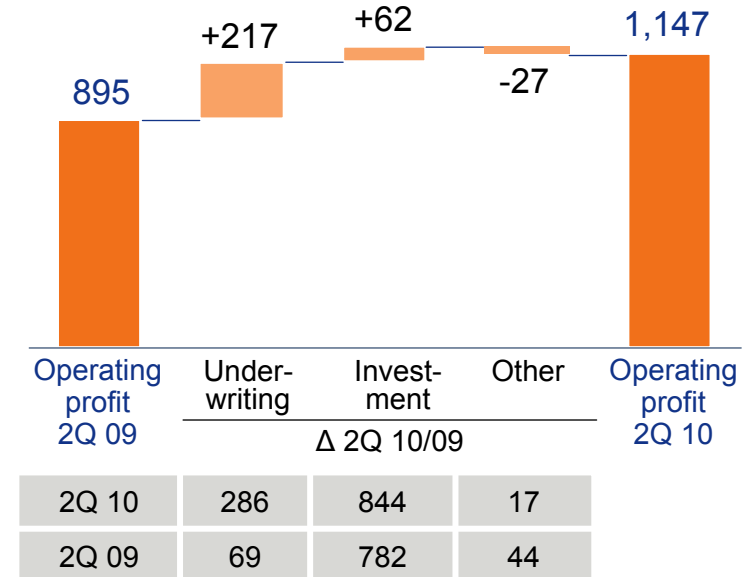
5) Japan business transferred to AGCS in 1Q 10 (impact 2Q 08: EUR 12mn, 2Q 09: EUR 16mn)  
 6) In 2009 change in Crop Insurance program and marine business transfer to AGCS (impact 2Q 08: EUR 126mn)

# P/C: operating profit increased by 28% (EUR mn)

## Operating profit

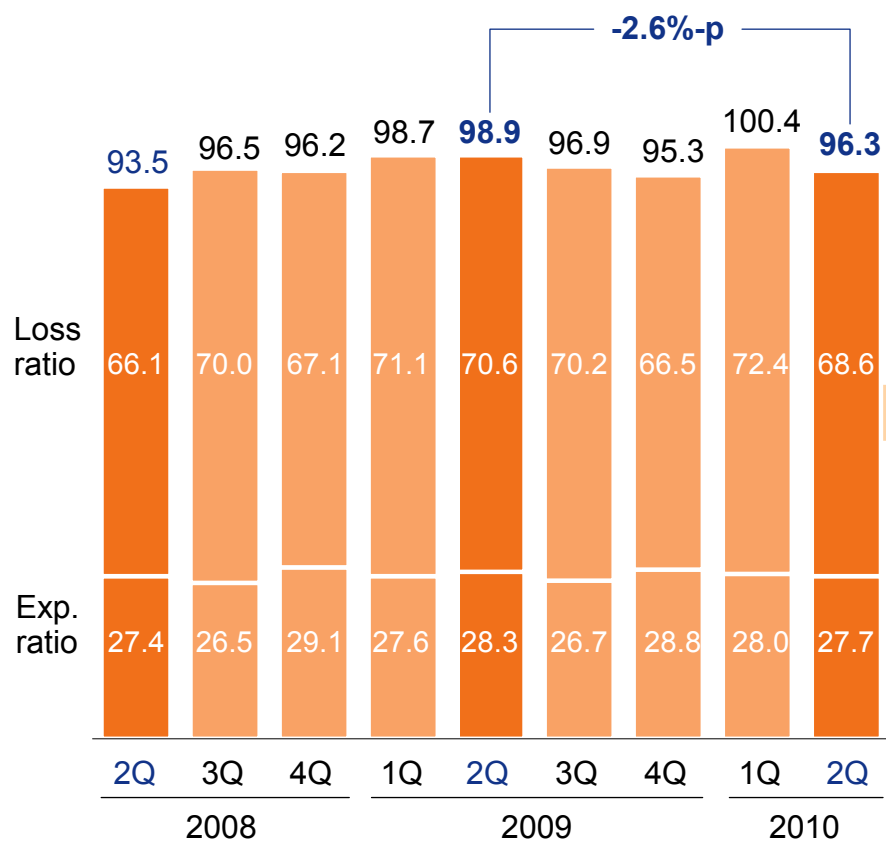


## Operating profit drivers



## P/C: combined ratio at 96.3%

In %

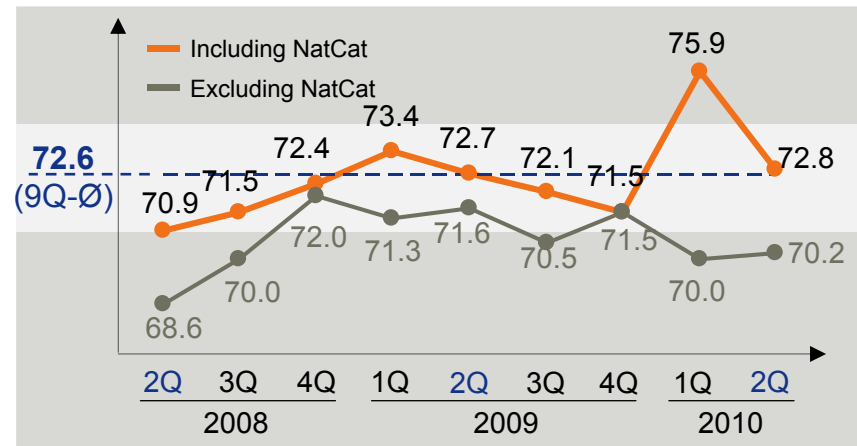


Combined ratio		2Q 08	2Q 09	2Q 10
German Speaking Countries	Germany <sup>1</sup>	100.0	106.2	100.4
	Switzerland	94.0	91.5	91.9
Europe incl. South America	France	96.1	106.2	103.8
	Italy	93.2	100.9	100.7
	Spain	91.6	89.4	92.7
	South America	96.9	99.8	98.4
Global Insurance Lines & Anglo Markets	Reinsurance <sup>2</sup>	89.1	90.7	89.3
	AGCS	83.0	88.0	93.5
	UK	94.2	94.0	94.2
	Credit Insurance	87.4	118.9	67.4
	Australia	89.2	88.6	85.0
Growth Markets	CEE	96.2	89.6	103.7
	Asia-Pacific	97.7	97.8	91.7
NAFTA Markets	USA	90.9	99.7	107.3

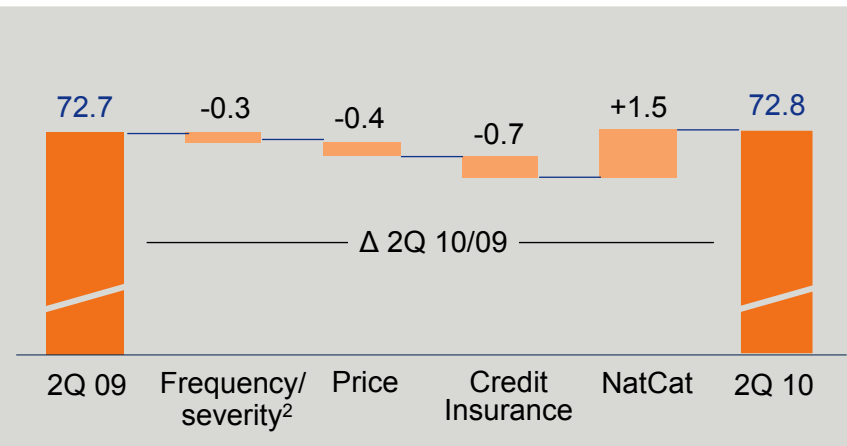
- 1) Net change of reserves related to savings component of UBR business now included in claims. Prior periods have not been retrospectively adjusted
- 2) A large proportion of Reinsurance is from internal business

# P/C: NatCat impact remains high (in %)

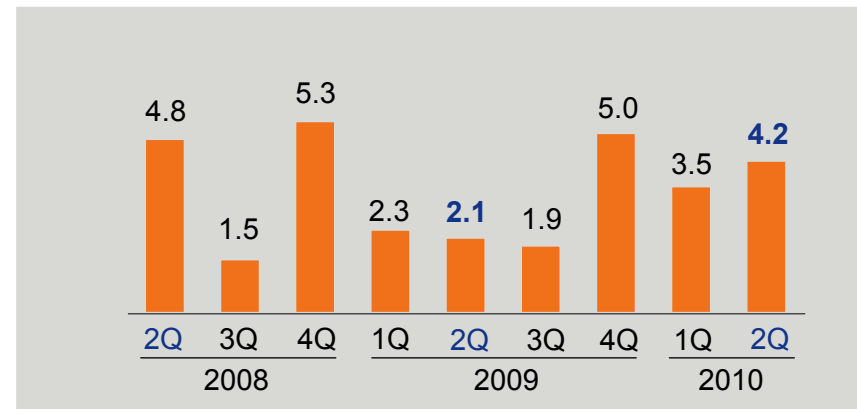
9-quarter overview a.y. loss ratio



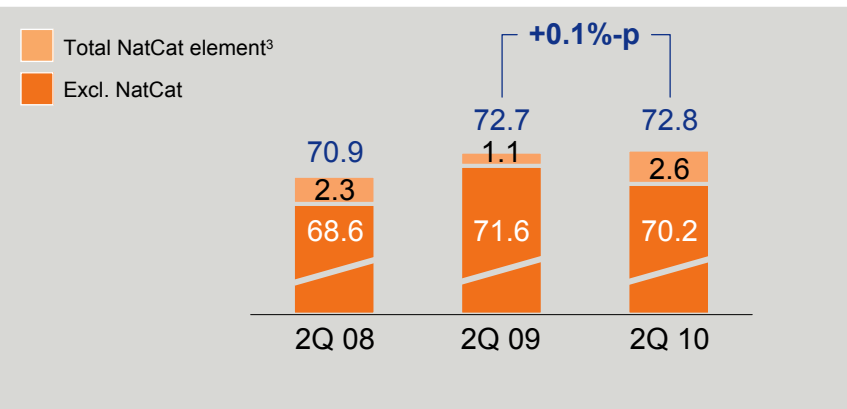
Development 2Q 10/09



Run-off ratio<sup>1</sup>



NatCat vs. non-NatCat

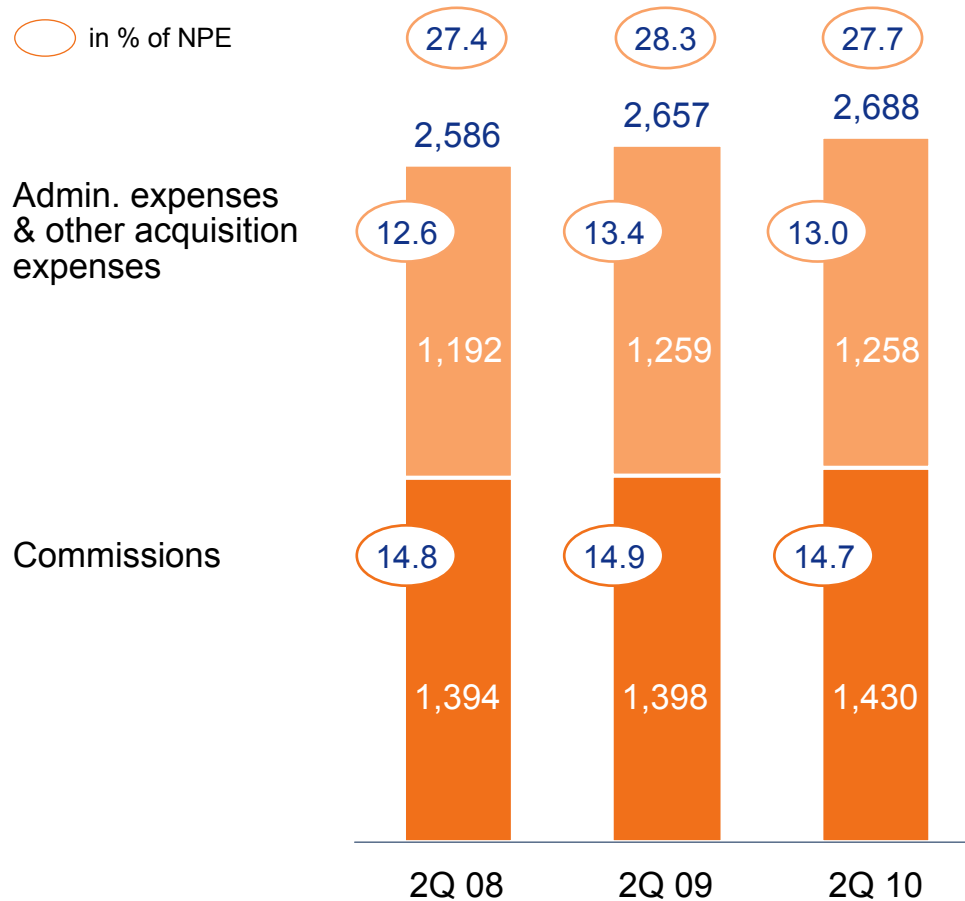


1) Positive values indicate positive run-off; run-off ratio is calculated as run-off result in percent of net premiums earned  
 2) Including large claims, reinsurance  
 3) NatCat costs: EUR 0.2bn, EUR 0.1bn and EUR 0.3bn for 2Q 08, 2Q 09 and 2Q 10, respectively



## P/C: expenses (EUR mn)

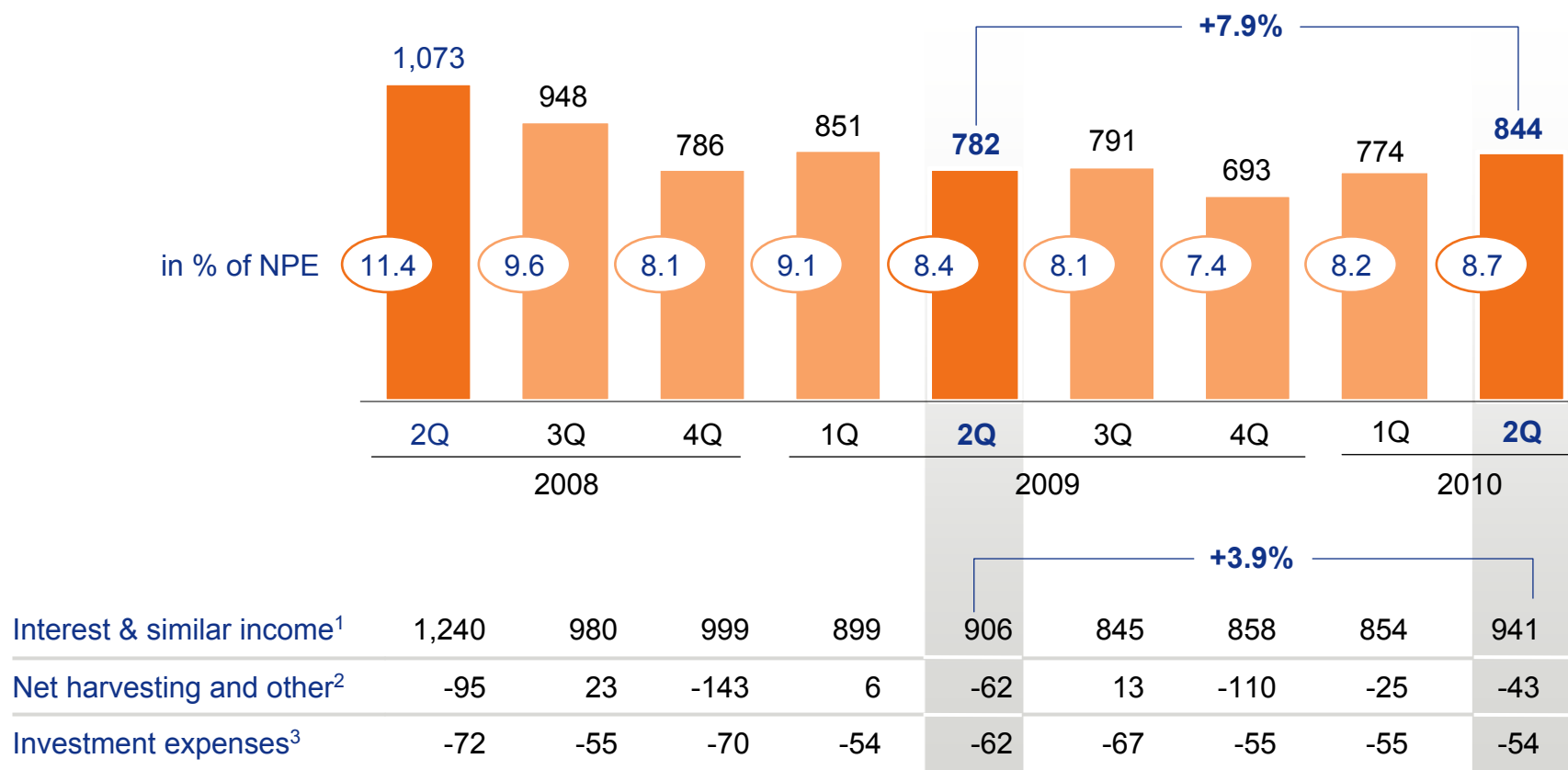
○ in % of NPE



- Expense ratio reduced by 0.6%-p to 27.7%
- F/X impact increased expenses by EUR +88mn
- Administration costs like-for-like down: approx. EUR -30mn mainly due to France, Italy and Germany

## P/C: stable operating investment income

### Operating investment income (EUR mn)



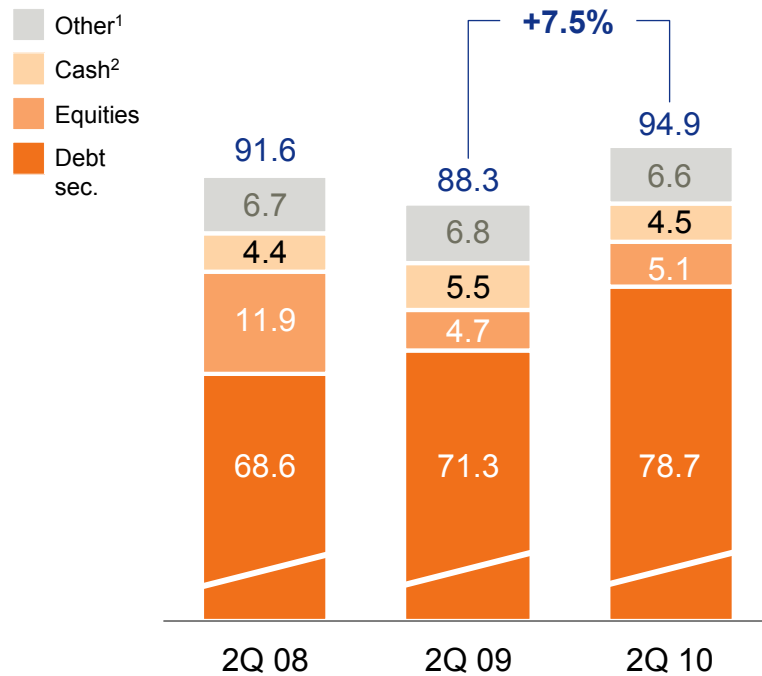
1) Net of interest expenses reclassified from other operating profit result

2) Comprising realized gains/losses, impairments (net), fair value option, trading, F/X gains and losses and policyholder participation.  
Thereof related to UBR: 2Q 10: EUR -9mn, 2Q 09: EUR -38mn, 2Q 08: EUR -33mn

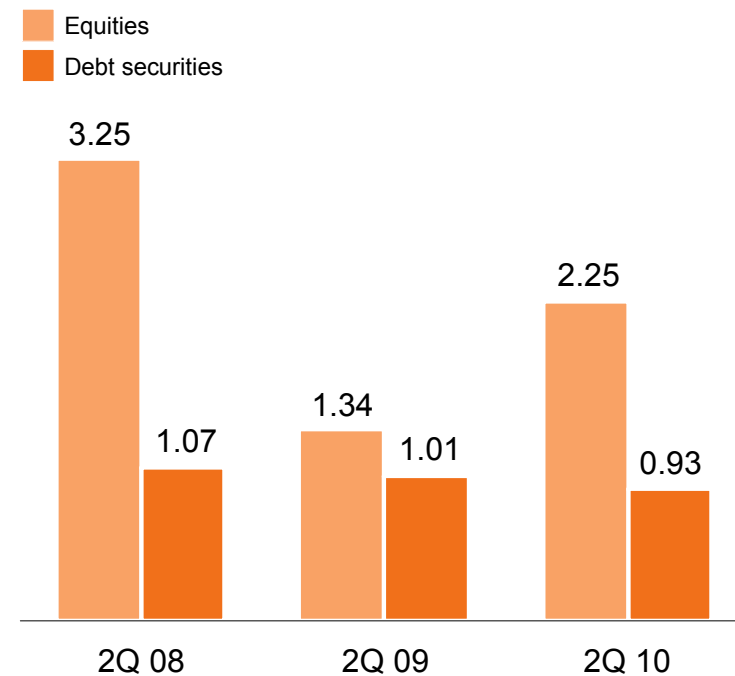
3) Comprises management expenses and expenses for real estate

## P/C: investment portfolio at EUR 95bn

Average asset base (EUR bn)



Current yield<sup>3</sup> (in %)



1) Real estate held for investments and funds held by others under reinsurance contracts assumed  
 2) Cash restated due to cash pool merger in France (2Q 08: EUR 1.2bn, 2Q 09: EUR 1.5bn)  
 3) Definition: current yield = interest and similar income (net of interest expenses) / average asset base at book value (excl. financial assets and liabilities carried at fair value); yield on debt securities including cash components

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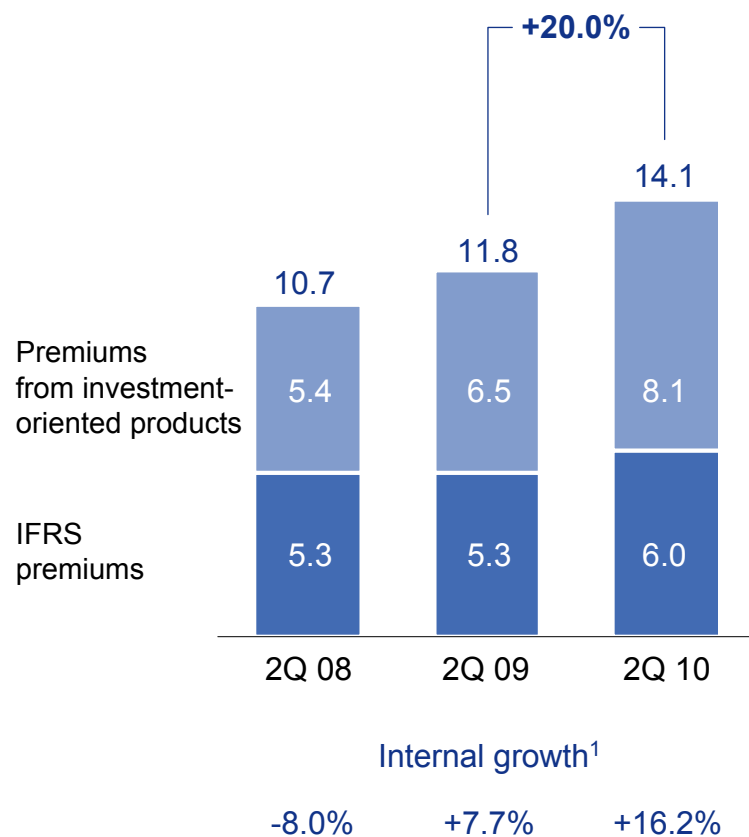
## L/H: summary



- Revenues up 16.2 percent to EUR 14.1bn
- Operating profit at EUR 713mn
- Operating asset base up by EUR 11bn to EUR 414bn
- Value of new business of EUR 247mn,  
and new business margin of 2.2 percent

# L/H: strong revenue growth of 16.2% (EUR mn)

Revenues (EUR bn)

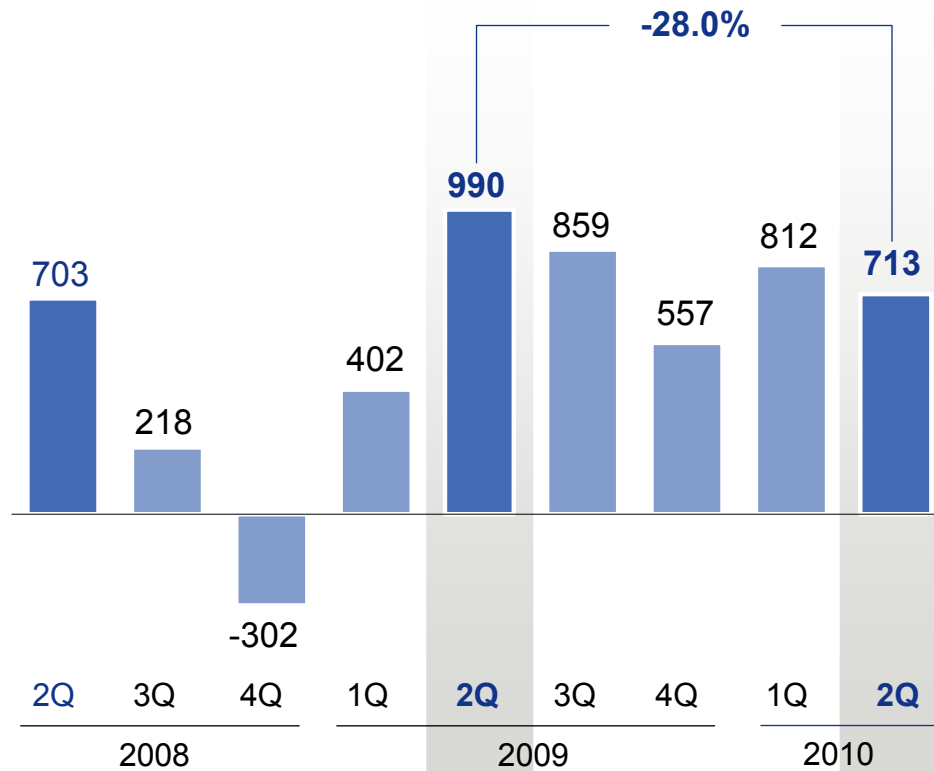


Revenues (selected OEs)		2Q 08	2Q 09	2Q 10	Δ10/09 <sup>1</sup>
German Speaking Countries	Germany Life	3,077	3,436	3,985	+16.0%
	Germany Health	779	792	798	+0.8%
	Switzerland	206	260	233	-16.9%
Europe incl. South America	France	1,690	1,746	1,876	+7.4%
	Italy	1,625	1,935	2,491	+28.7%
	Belgium/Luxembourg	197	208	280	+34.6%
	Spain	233	214	249	+16.4%
	Netherlands	98	88	77	-12.5%
Growth Markets	Asia-Pacific	924	906	1,481	+32.7%
	CEE	234	208	275	+26.0%
NAFTA Markets	USA	1,396	1,630	2,053	+17.5%

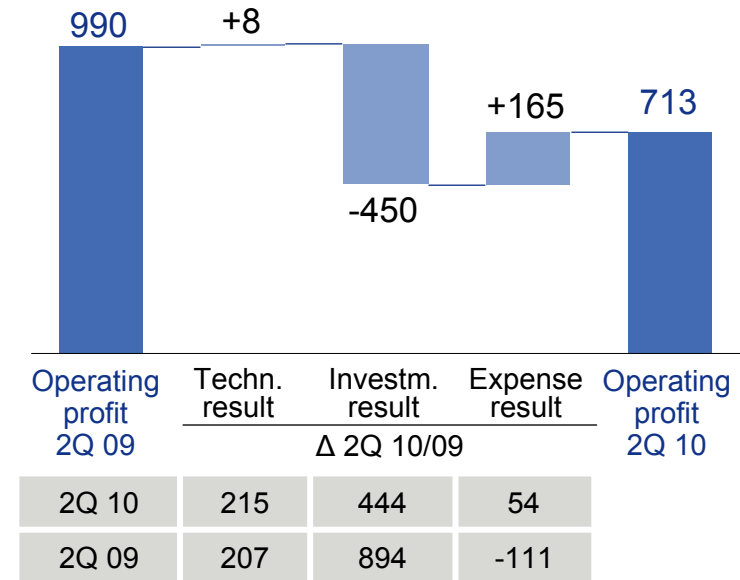
1) Growth numbers refer to internal growth (adjusted for F/X and consolidation effects)

# L/H: operating profit of EUR 713mn (EUR mn)

## Operating profit

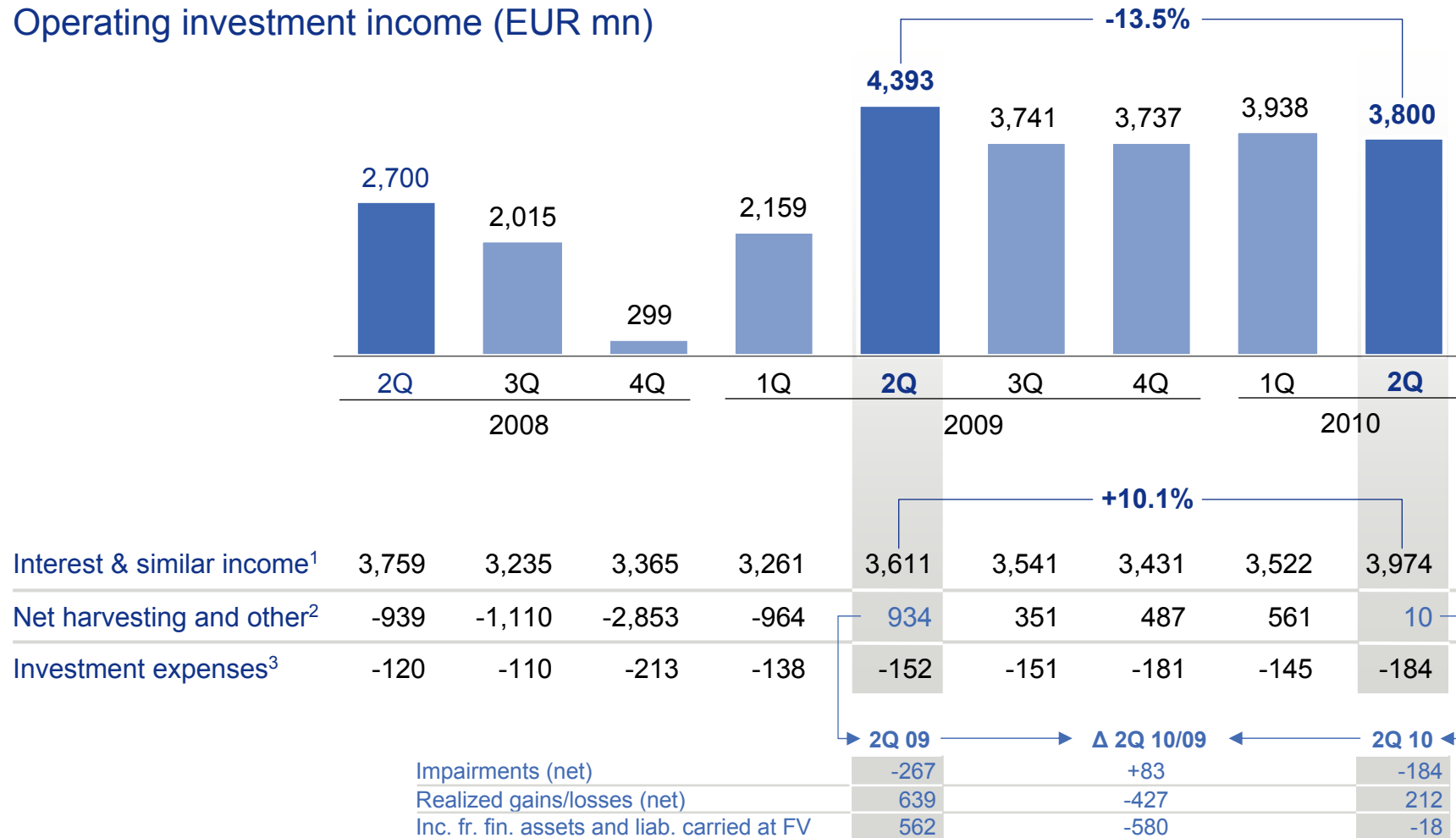


## Operating profit drivers



## L/H: operating investment income of EUR 3.8bn

Operating investment income (EUR mn)



1) Net of interest expenses

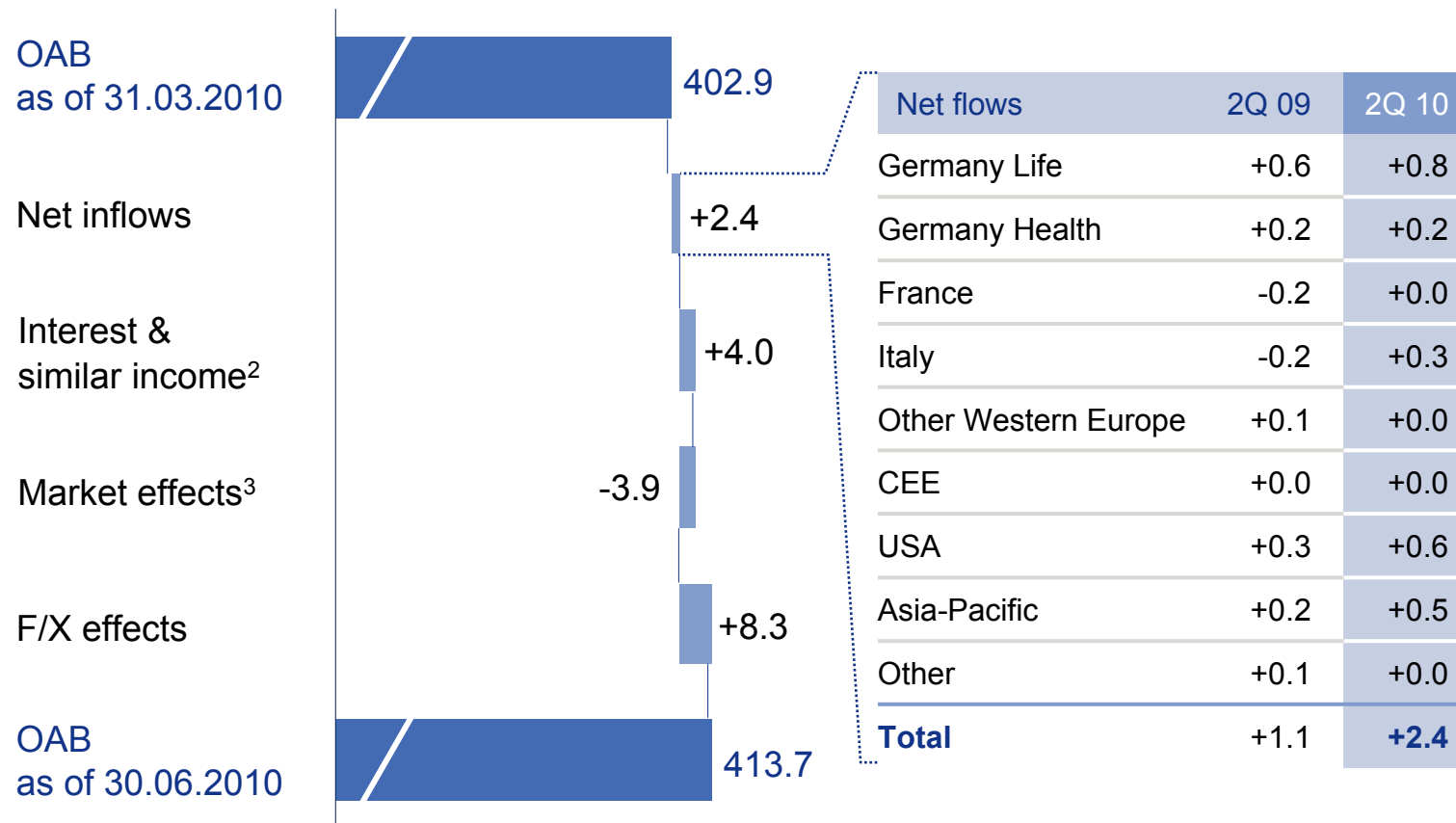
2) Comprising real. gains/losses, impairments (net), fair value option, trading, F/X gains and losses

3) Comprises management expenses and expenses for real estate



## L/H: positive net inflows of 2.4bn (EUR bn)

### Operating asset base<sup>1</sup>



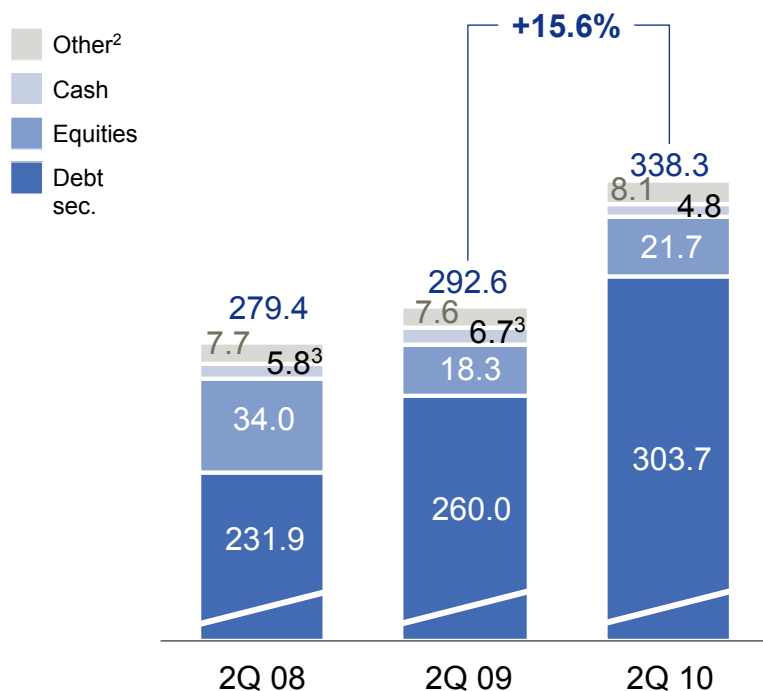
1) Including cash position of EUR 5.5bn as of 31.03.10 and EUR 4.2bn as of 30.06.10

2) Net of interest expenses

3) Includes changes in other assets and liabilities of EUR -0.8bn in 2Q 10

## L/H: total asset base increased by 16%

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



Current yield<sup>4</sup> (in %)



1) Asset base excludes unit linked, FVO and trading. Operating asset base shown on previous slide includes FVO, trading, unit linked (excludes derivatives MVLO)  
 2) Real estate held for investments and funds held by others under reinsurance contracts assumed

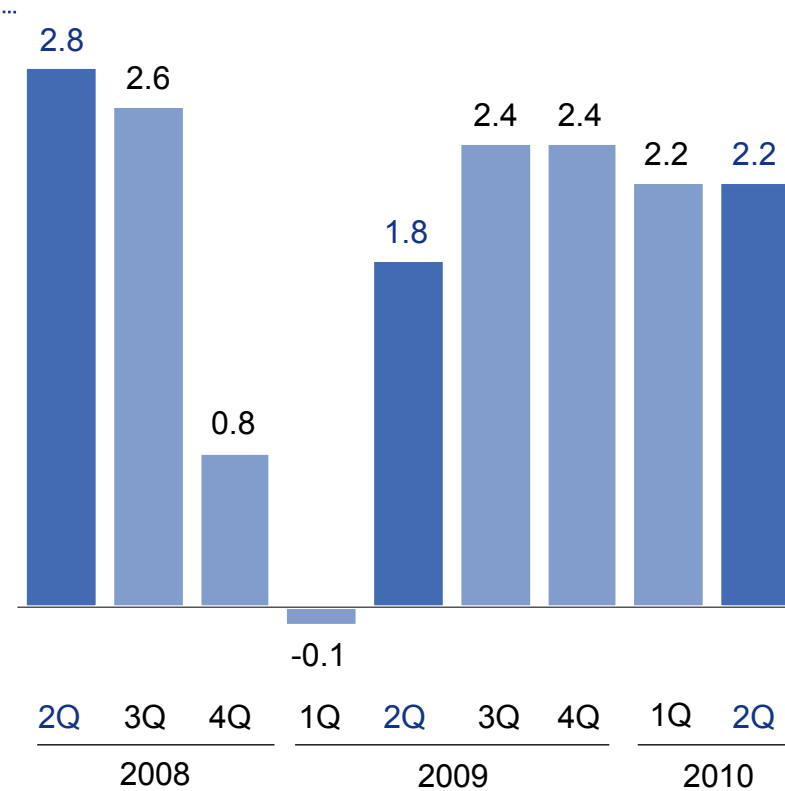
3) Cash restated due to cash pool merger in France (2Q 08: EUR 1.2bn, 2Q 09: EUR 1.5bn)  
 4) Definition: current yield = interest and similar income (net of interest expenses) / average asset base at book value (excl. financial assets and liabilities carried at fair value); yield on debt securities including cash components

## L/H: strong new business margin

Value of new business and new business margin<sup>1</sup>

	VNB (EUR mn)		NBM (in %)	
	2Q 09	2Q 10	2Q 09	2Q 10
Europe	155	202	2.7%	2.6%
Asia-Pacific	15	28	2.0%	1.9%
USA	-10	38	-0.6%	1.8%
<b>Total<sup>2</sup></b>	<b>145</b>	<b>247</b>	<b>1.8%</b>	<b>2.2%</b>

New business margin (in %)<sup>1,2</sup>



1) After non-controlling interests. VNB calculations exclude liquidity premium. All quarterly values using F/X rates as of each valuation date

2) Including holding expenses and internal reinsurance

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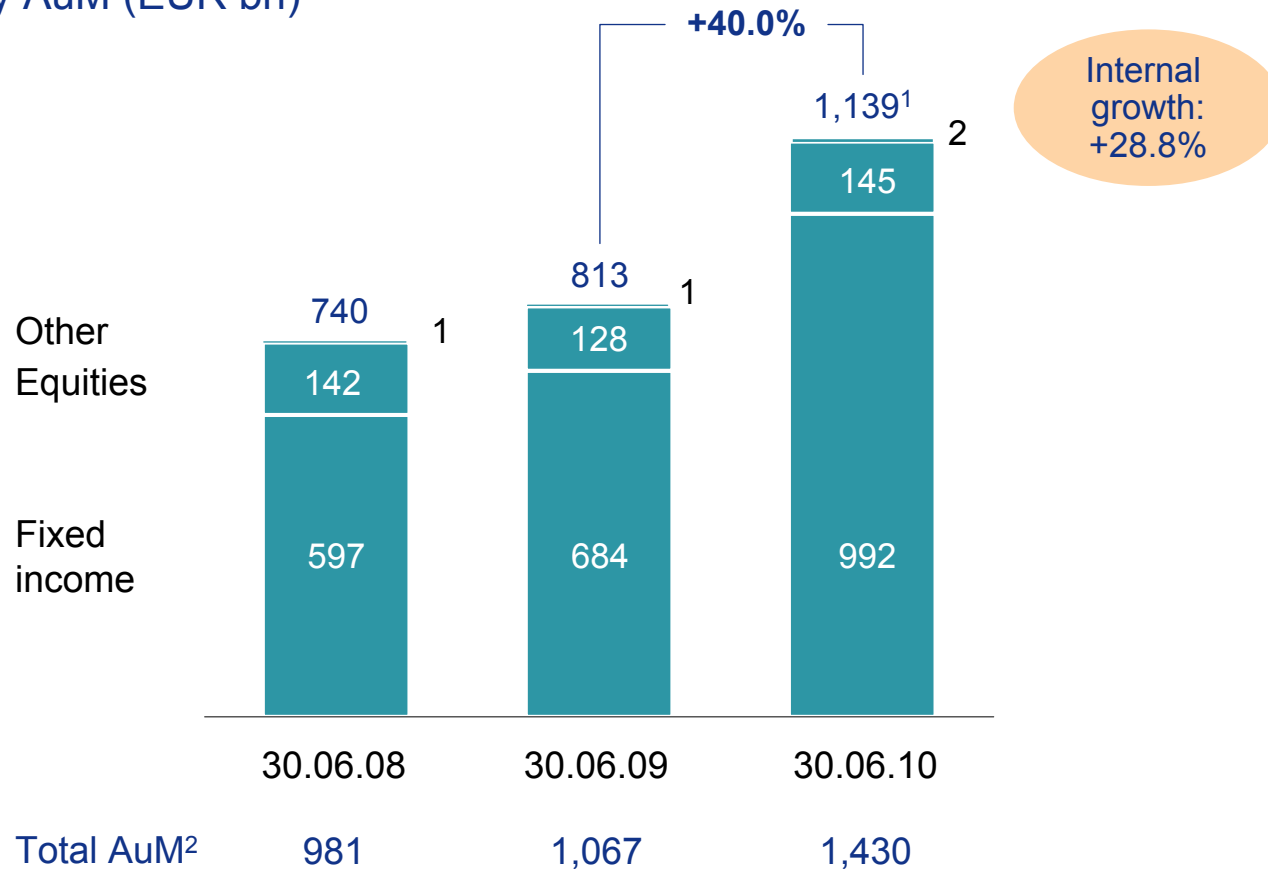
## AM: summary



- 3rd party AuM now exceed EUR 1,100bn, total AuM now surpassing EUR 1,400bn
- Strong 3rd party net inflows with EUR 23bn
- Outstanding operating profit of EUR 516mn and cost-income ratio of 56.6 percent

## AM: 3rd party AuM at EUR 1,139bn

3rd party AuM (EUR bn)

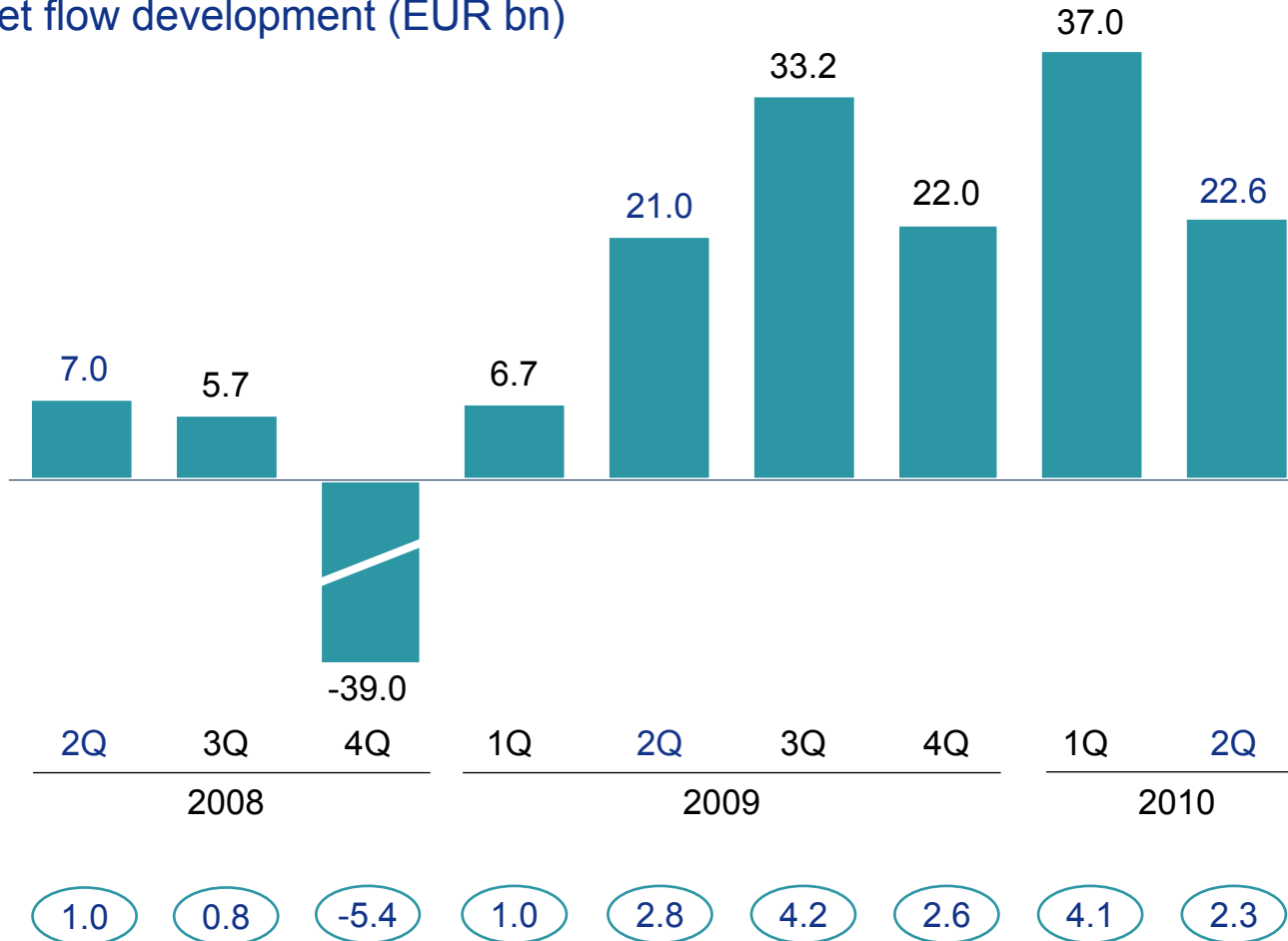


1) Including EUR 109bn F/X effects

2) Consists of 3rd party and Group assets managed by our Asset Management operations

# AM<sup>1</sup>: strong 3rd party net inflows of EUR 23bn

3rd party net flow development (EUR bn)

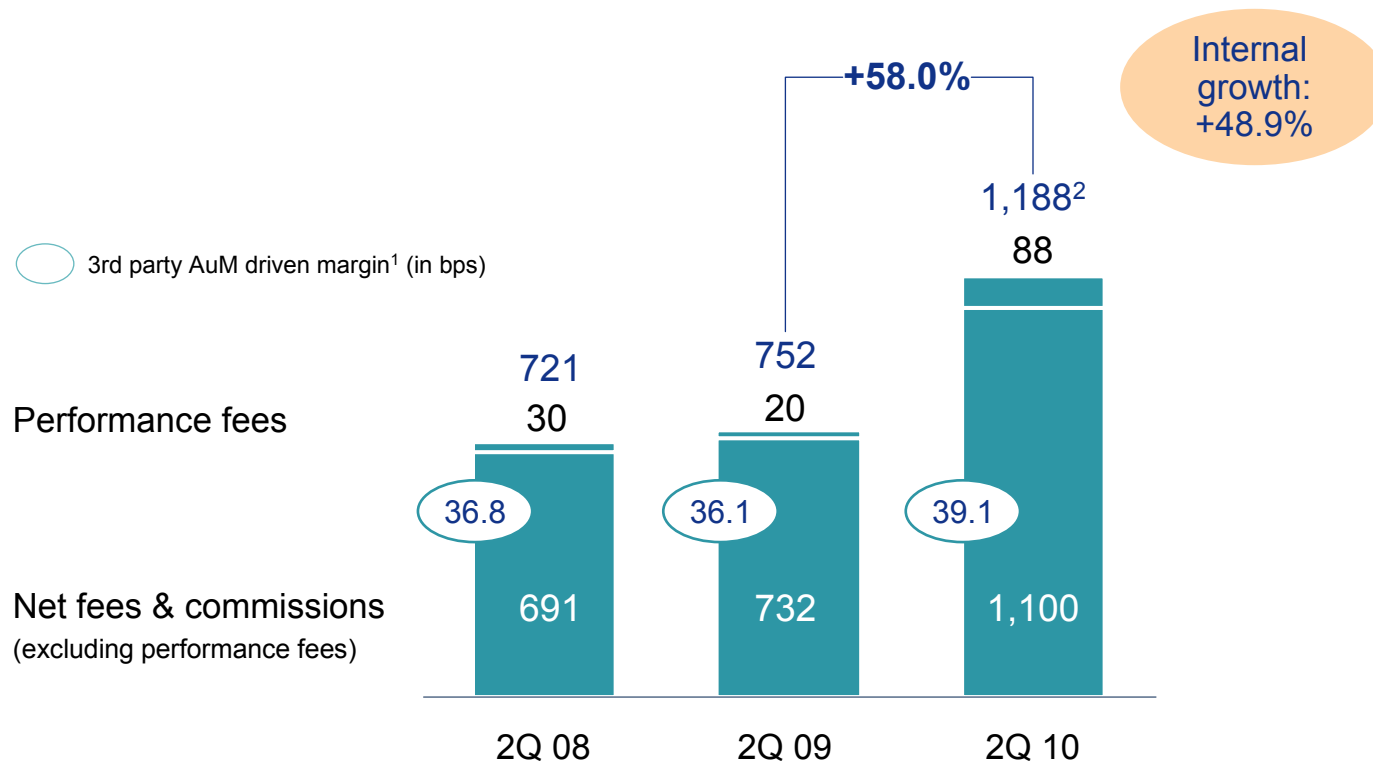


Net flows in % of 3rd party AuM bop

1) AGI only

## AM: net fee and commission income up 58%

Net fee and commission income (EUR mn)



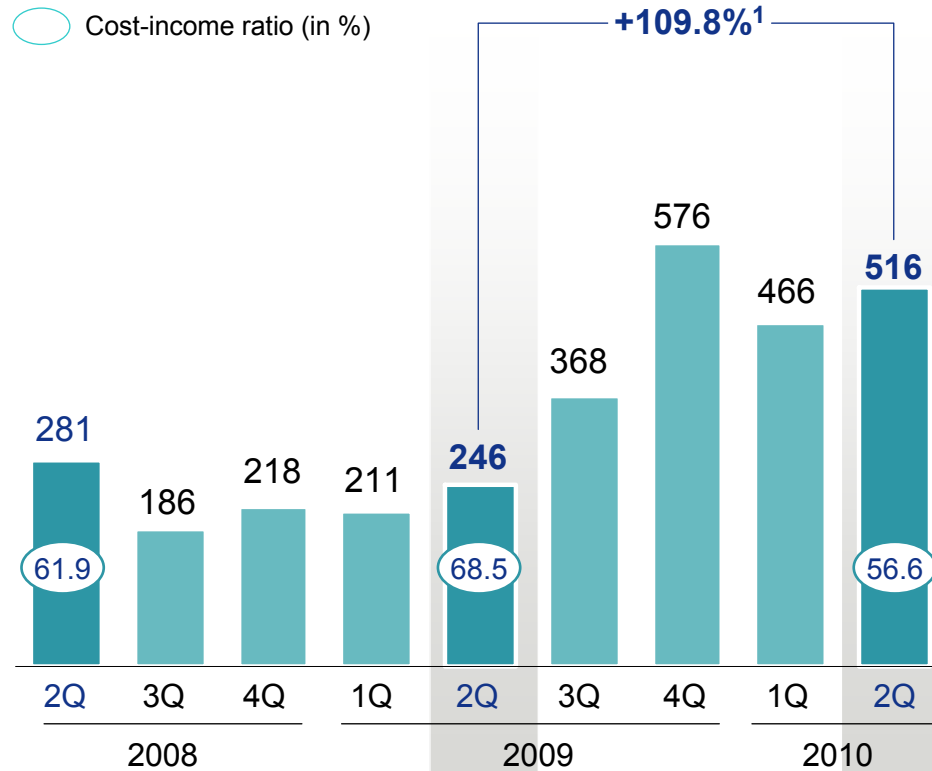
1) Excluding performance fees, 12-month rolling

2) Net fee and commission income includes F/X effect of EUR +64mn

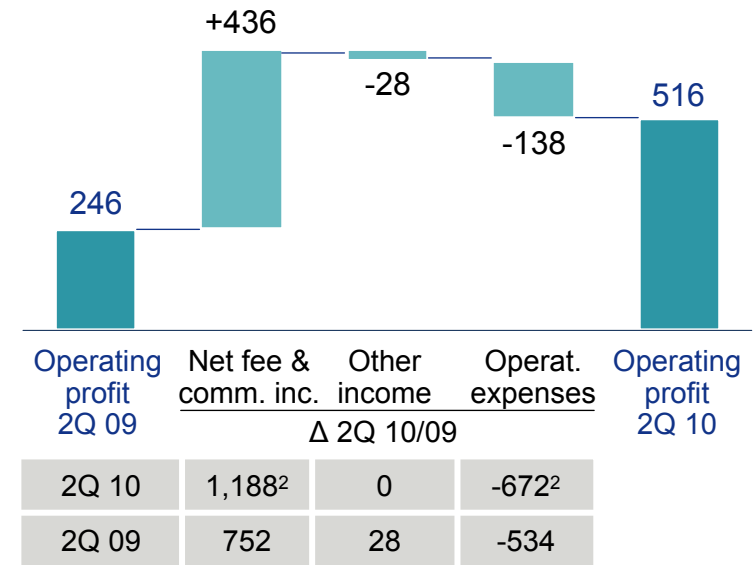


# AM: exceptional operating profit of EUR 516mn (EUR mn)

## Operating profit



## Operating profit drivers



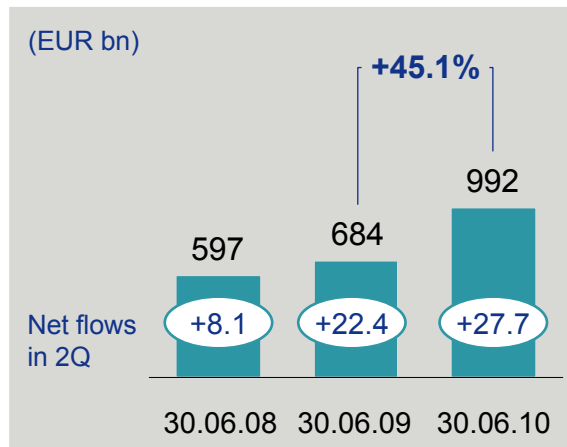
1) Internal growth: +97.2%

2) Net fee and commission income includes F/X effect of EUR +64mn; operating expenses include F/X effect of EUR -35mn

# AM: outstanding fixed income performance continues

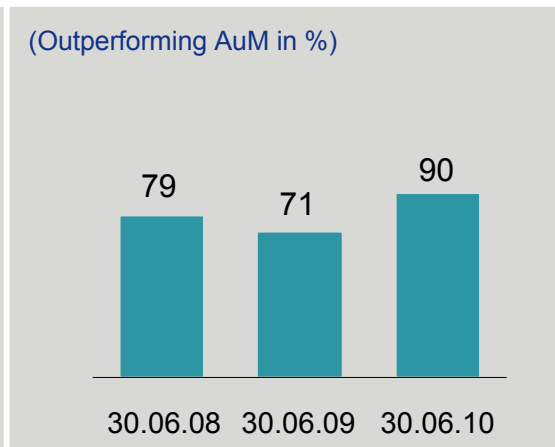
## Fixed income

### 3rd party AuM



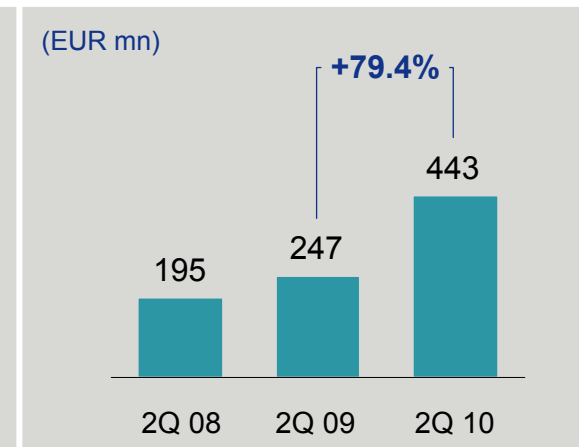
- Net inflows over the last 12 months accumulate to outstanding EUR 121bn
- AuM also strongly supported by positive market return and F/X effect
- Average AuM increased by 42% vs. 2Q 09

### Performance<sup>1</sup>



- Clearly above target level
- Outperforming assets continue to grow

### Operating profit



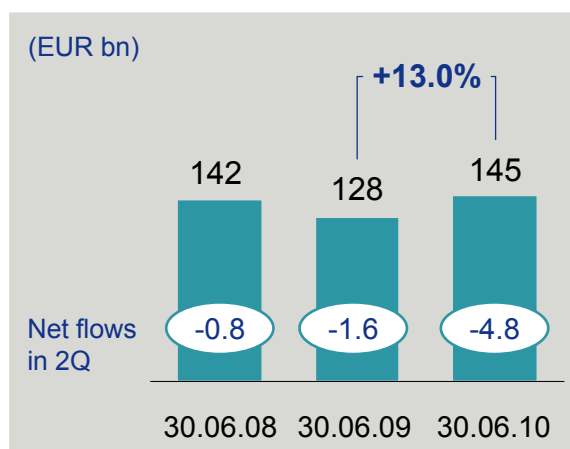
- Performance fees up by EUR 59mn vs. 2Q 09
- AuM driven fee income grew F/X adjusted by 45%
- Excellent CIR of 45.6% vs. CIR 50.9% in 2Q 09 also supported by performance fees

1) AGI account-based, asset-weighted 3-year investment performance of 3rd party assets vs. benchmark including all accounts managed by equity and fixed income managers of AGI. Fund-of-funds at AGI Germany and AGI Solutions as well as funds/accounts at Allianz GTJA China are not considered. For some retail funds the net of fee performance is compared to the median performance of an appropriate peer group (Morningstar or Lipper; 1st and 2nd quartile mean out-performance). For all other retail funds and for all institutional accounts performance is calculated gross of fees using closing prices (revaluated) where appropriate and compared to the benchmark of each individual fund or account. Other than under GIPS, the performance of closed funds/accounts is not included in the analysis. Also not included: in parts WRAP accounts and accounts of Joint-Venture GTJA China.

# AM: 3rd party equities AuM at EUR 145bn

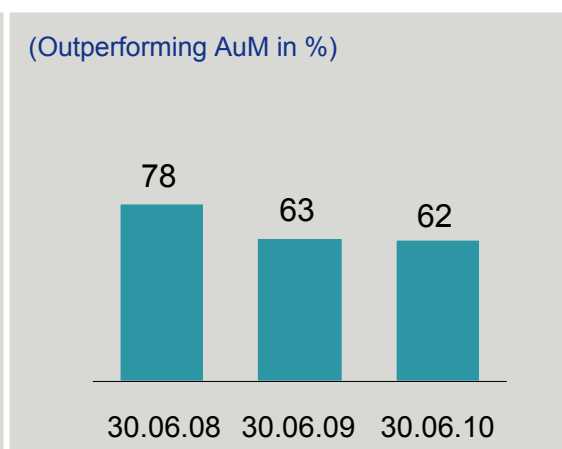
## Equities

### 3rd party AuM



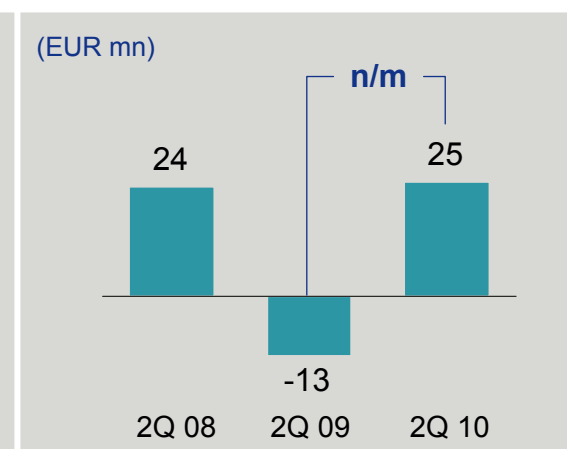
- Strong increase of AuM vs. 2Q 09
- 2Q 10 outflows driven by low margin mandates
- Average AuM up by 22% vs. 2Q 09

### Performance<sup>1</sup>



- Competitive investment performance level
- Stable compared to 1Q 10 (61%)

### Operating profit<sup>1</sup>

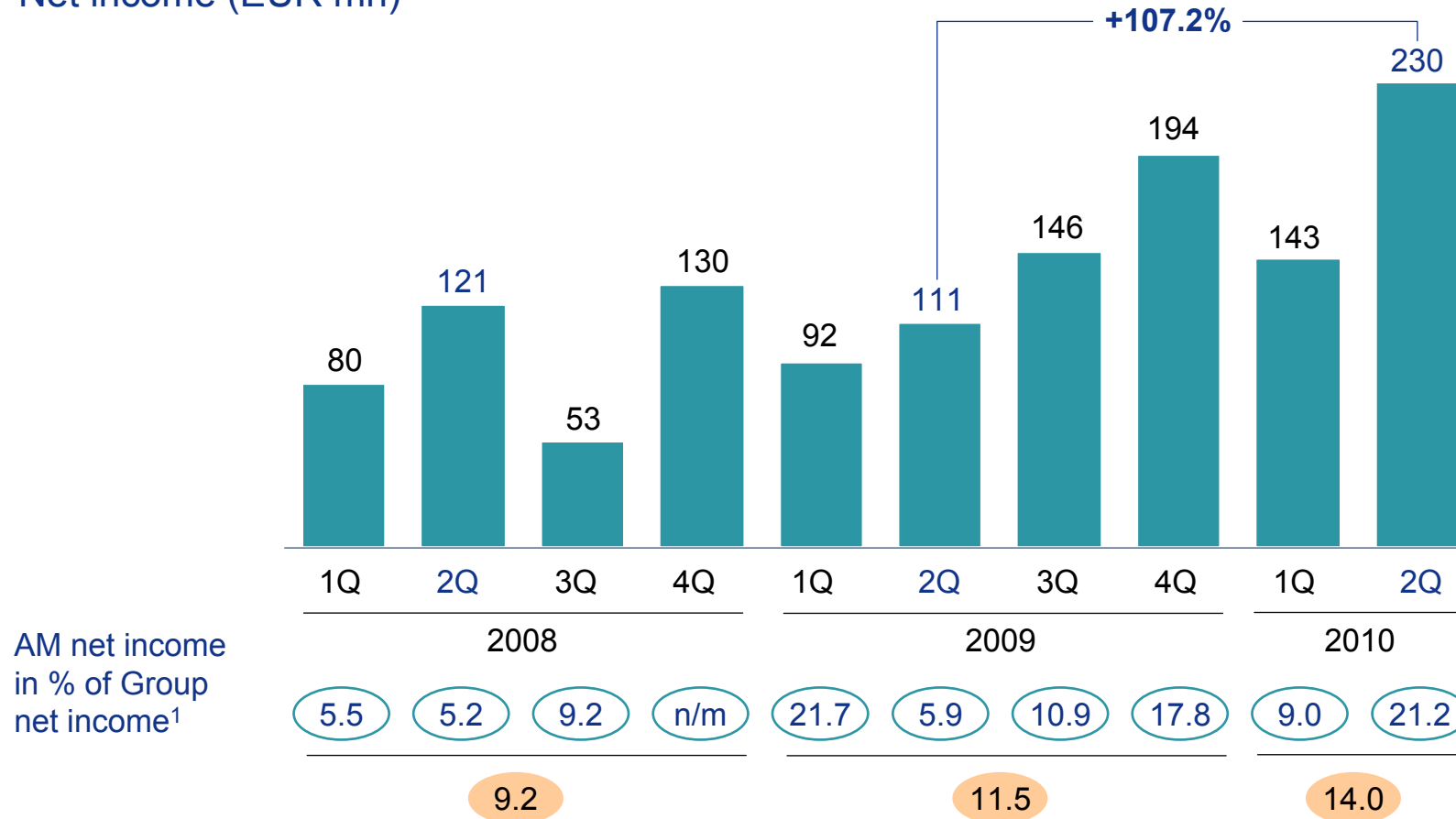


- 2Q 09 negatively impacted by EUR 15mn one-off
- AuM driven fee income up due to higher average AuM

1) AGI account-based, asset-weighted 3-year investment performance of 3rd party assets vs. benchmark including all accounts managed by equity and fixed income managers of AGI. Fund-of-funds at AGI Germany and AGI Solutions as well as funds/accounts at Allianz GTJA China are not considered. For some retail funds the net of fee performance is compared to the median performance of an appropriate peer group (Morningstar or Lipper; 1st and 2nd quartile mean out-performance). For all other retail funds and for all institutional accounts performance is calculated gross of fees using closing prices (revaluated) where appropriate and compared to the benchmark of each individual fund or account. Other than under GIPS, the performance of closed funds/accounts is not included in the analysis. Also not included: in parts WRAP accounts and accounts of Joint-Venture GTJA China.

## AM: growth in net income contribution to Allianz Group

Net income (EUR mn)



AM net income in % of Group net income<sup>1</sup>

AM net income in % of Group net income<sup>1</sup> for FY in 2008 and 2009, and YTD in 2010

1) From continuing operations

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Additional information

## Summary: well on track to meet our targets



- Double digit revenue growth to EUR 25.4bn
- Strong operating profit of EUR 2.2bn
- Net income at EUR 1.1bn, reflecting lower harvesting
- Strong capital position, with 170 percent solvency ratio

# Agenda

Highlights

Group

P/C

L/H

Asset Management

Summary

**Additional information**

## Group: result by segments overview (EUR mn)

	P/C		L/H		AM		CO		Consolidation		Total	
	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10
<b>Total revenues</b> (EUR bn)	9.5	10.0	11.8	14.1	0.8	1.2	0.1	0.1	0.0	0.0	22.2	25.4
<b>Operating profit</b>	895	1,147	990	713	246	516	-313	-155	-32	-30	1,786	2,191
Non-operating items	196	-7	21	23	-47	-128	363	-513	15	28	548	-597
<b>Income b/ tax, non-contr.</b>	1,091	1,140	1,011	736	199	388	50	-668	-17	-2	2,334	1,594
Income taxes	-333	-303	-332	-248	-88	-158	286	197	20	3	-447	-509
<b>Net income from continuing operations</b>	758	837	679	488	111	230	336	-471	3	1	1,887	1,085
Net income from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net income</b>	758	837	679	488	111	230	336	-471	3	1	1,887	1,085
<i>Net income attributable to:</i>												
Non-controlling interests	9	51	18	19	1	3	-18	-5	8	0	18	68
Shareholders	749	786	661	469	110	227	354	-466	-5	1	1,869	1,017

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.



## Group: key figures (EUR mn)

	2Q 2008	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	Delta 2Q 10/09	6M 2008	6M 2009	6M 2010
<b>Total revenues</b> (EUR bn)	<b>21.5</b>	<b>21.1</b>	<b>23.0</b>	<b>27.7</b>	<b>22.2</b>	<b>22.0</b>	<b>25.5</b>	<b>30.6</b>	<b>25.4</b>	<b>+3.2</b>	<b>48.5</b>	<b>49.9</b>	<b>56.0</b>
<b>Operating profit</b>	<b>2,659</b>	<b>1,563</b>	<b>881</b>	<b>1,419</b>	<b>1,786</b>	<b>1,929</b>	<b>2,048</b>	<b>1,709</b>	<b>2,191</b>	<b>+405</b>	<b>4,885</b>	<b>3,205</b>	<b>3,900</b>
Non-operating items	156	-736	-1,068	-974	548	-92	-1,336	259	-597	-1,145	-52	-426	-338
Income b/ tax, non-contr.	2,815	827	-187	445	2,334	1,837	712	1,968	1,594	-740	4,833	2,779	3,562
Income taxes	-509	-248	42	-21	-447	-498	378	-380	-509	-62	-1,081	-468	-889
<b>Net inc. from cont. ops.</b>	<b>2,306</b>	<b>579</b>	<b>-145</b>	<b>424</b>	<b>1,887</b>	<b>1,339</b>	<b>1,090</b>	<b>1,588</b>	<b>1,085</b>	<b>-802</b>	<b>3,752</b>	<b>2,311</b>	<b>2,673</b>
Net inc. from discontin. ops.	-672	-2,550	-2,933	-395	0	0	0	0	0	+0	-890	-395	0
<b>Net income</b>	<b>1,634</b>	<b>-1,971</b>	<b>-3,078</b>	<b>29</b>	<b>1,887</b>	<b>1,339</b>	<b>1,090</b>	<b>1,588</b>	<b>1,085</b>	<b>-802</b>	<b>2,862</b>	<b>1,916</b>	<b>2,673</b>
<i>Net income attributable to:</i>													
Non-controlling interests	92	52	33	0	18	16	14	38	68	+50	172	18	106
Shareholders	1,542	-2,023	-3,111	29	1,869	1,323	1,076	1,550	1,017	-852	2,690	1,898	2,567
Group financial assets <sup>1</sup> (EUR bn)	432.0	397.6	392.2	398.8	412.0	429.7	436.9	454.2	465.0	+53	432.0	412.0	465.0

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. Starting with 3Q 08, only continuing operations and loan portfolio Banking business included; prior periods not revised

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

	2Q 2008	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	Delta 2Q 10/09	6M 2008	6M 2009	6M 2010
<b>Gross premiums written</b> (EUR bn)	9.8	10.8	9.0	13.9	9.5	10.2	8.9	14.0	10.0	+0.5	23.6	23.4	23.9
<b>Operating profit</b>	1,681	1,261	1,209	969	895	1,031	1,169	712	1,147	+252	3,177	1,864	1,859
Non-operating items	628	-138	-279	-193	196	43	32	149	-7	-203	706	3	142
Income b/ tax, non-contr.	2,309	1,123	930	776	1,091	1,074	1,201	861	1,140	+49	3,883	1,867	2,001
Income taxes	-432	-303	-276	-333	-333	-293	-404	-270	-303	+30	-910	-666	-573
<b>Net income</b>	1,877	820	654	443	758	781	797	591	837	+79	2,973	1,201	1,428
<i>Net income attributable to:</i>													
Non-controlling interests	55	29	-11	12	9	17	17	31	51	+42	94	21	82
Shareholders	1,822	791	665	431	749	764	780	560	786	+37	2,879	1,180	1,346
<b>Combined ratio (in %)</b>	<b>93.5%</b>	<b>96.5%</b>	<b>96.2%</b>	<b>98.7%</b>	<b>98.9%</b>	<b>96.9%</b>	<b>95.3%</b>	<b>100.4%</b>	<b>96.3%</b>	<b>-2.6%-p</b>	<b>94.5%</b>	<b>98.8%</b>	<b>98.4%</b>
Segment financial assets <sup>1</sup> (EUR bn)	91.7	92.3	88.9	89.9	90.3	92.7	92.2	96.5	96.7	+6.4	91.7	90.3	96.7

1) Segment own assets including financial assets carried at fair value through income and cash and cash pool assets net of liabilities from securities lending. Adjusted for cash pool merger France

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

	2Q 2008	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	Delta 2Q 10/09	6M 2008	6M 2009	6M 2010
<b>Statutory premiums (EUR bn)</b>	<b>10.7</b>	<b>9.4</b>	<b>13.1</b>	<b>13.0</b>	<b>11.8</b>	<b>10.8</b>	<b>15.2</b>	<b>15.4</b>	<b>14.1</b>	<b>+2.3</b>	23.1	24.8	29.5
<b>Operating profit</b>	<b>703</b>	<b>218</b>	<b>-302</b>	<b>402</b>	<b>990</b>	<b>859</b>	<b>557</b>	<b>812</b>	<b>713</b>	<b>-277</b>	<b>1,292</b>	<b>1,392</b>	<b>1,525</b>
Non-operating items	-58	-175	-320	-67	21	12	-23	-35	23	+2	-40	-46	-12
Income b/ tax, non-contr.	645	43	-622	335	1,011	871	534	777	736	-275	1,252	1,346	1,513
Income taxes	-200	-41	117	-9	-332	-261	-102	-216	-248	+84	-336	-341	-464
<b>Net income</b>	<b>445</b>	<b>2</b>	<b>-505</b>	<b>326</b>	<b>679</b>	<b>610</b>	<b>432</b>	<b>561</b>	<b>488</b>	<b>-191</b>	<b>916</b>	<b>1,005</b>	<b>1,049</b>
<i>Net income attributable to:</i>													
Non-controlling interests	20	7	40	5	18	9	16	21	19	+1	39	23	40
Shareholders	425	-5	-545	321	661	601	416	540	469	-192	877	982	1,009
<b>Cost-income ratio (in %)</b>	<b>94.7%</b>	<b>98.1%</b>	<b>102.3%</b>	<b>97.3%</b>	<b>93.8%</b>	<b>94.1%</b>	<b>97.0%</b>	<b>95.8%</b>	<b>96.0%</b>	<b>+2.2%-p</b>	<b>95.5%</b>	<b>95.5%</b>	<b>95.9%</b>
Segment financial assets <sup>1,2</sup> (EUR bn)	285.3	287.5	288.8	291.3	303.4	315.6	322.3	336.9	346.5	+43.1	285.3	303.4	346.5
Unit-linked investments (EUR bn)	59.4	57.1	50.4	49.1	51.9	54.9	57.0	60.1	61.0	+9.1	59.4	51.9	61.0
Operating asset base <sup>2,3</sup> (EUR bn)	348.4	348.5	343.8	345.0	359.7	375.4	384.5	402.9	413.7	+54.0	348.4	359.7	413.7

- 1) Segment own assets including financial assets carried at fair value through income and cash and cash pool assets net of liabilities from securities lending
- 2) Adjusted for cash pool merger France
- 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

## AM: key figures (EUR mn)

	2Q 2008	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	Delta 2Q 10/09	6M 2008	6M 2009	6M 2010
<b>Operating revenues</b>	<b>738</b>	<b>700</b>	<b>726</b>	<b>716</b>	<b>780</b>	<b>899</b>	<b>1,294</b>	<b>1,116</b>	<b>1,188</b>	<b>+408</b>	<b>1,468</b>	<b>1,496</b>	<b>2,304</b>
<b>Operating profit</b>	<b>281</b>	<b>186</b>	<b>218</b>	<b>211</b>	<b>246</b>	<b>368</b>	<b>576</b>	<b>466</b>	<b>516</b>	<b>+270</b>	<b>522</b>	<b>457</b>	<b>982</b>
Non-operating items	-89	-87	-2	-50	-47	-148	-254	-207	-128	-81	-204	-97	-335
Income b/ tax, non contr.	192	99	216	161	199	220	322	259	388	+189	318	360	647
Income taxes	-71	-46	-86	-69	-88	-74	-128	-116	-158	-70	-117	-157	-274
<b>Net income</b>	<b>121</b>	<b>53</b>	<b>130</b>	<b>92</b>	<b>111</b>	<b>146</b>	<b>194</b>	<b>143</b>	<b>230</b>	<b>+119</b>	<b>201</b>	<b>203</b>	<b>373</b>
<i>Net income attributable to:</i>													
Non-controlling interests	1	1	1	1	1	1	2	-6	3	2	3	2	-3
Shareholders	120	52	129	91	110	145	192	149	227	+117	198	201	376
<b>Cost-income ratio (in %)</b>	<b>61.9%</b>	<b>73.4%</b>	<b>70.0%</b>	<b>70.5%</b>	<b>68.5%</b>	<b>59.1%</b>	<b>55.5%</b>	<b>58.2%</b>	<b>56.6%</b>	<b>-11.9%-p</b>	<b>64.4%</b>	<b>69.5%</b>	<b>57.4%</b>
<b>3rd party AuM<sup>1</sup> (EUR bn)</b>	<b>739.6</b>	<b>753.8</b>	<b>703.5</b>	<b>766.0</b>	<b>813.3</b>	<b>877.5</b>	<b>925.7</b>	<b>1,022.7</b>	<b>1,138.5</b>	<b>+325.2</b>	<b>739.6</b>	<b>813.3</b>	<b>1,138.5</b>

1) 3rd party assets under management are end of period values

## Corporate and Other: key figures (EUR mn)

	2Q 2008	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	Delta 2Q 10/09	6M 2008	6M 2009	6M 2010
<b>Total revenues (Banking)</b>	<b>156</b>	<b>125</b>	<b>131</b>	<b>117</b>	<b>124</b>	<b>119</b>	<b>157</b>	<b>128</b>	<b>138</b>	<b>+14</b>	<b>299</b>	<b>241</b>	<b>266</b>
<b>Operating profit</b>													
Holding & Treasury	-34	-78	-89	-170	-210	-252	-217	-226	-138	+72	-163	-380	-364
Banking	15	-16	-26	-9	-93	-37	-26	-23	-15	+78	11	-102	-38
Alternative Investments	8	25	-56	-5	-9	-6	7	-2	-2	+7	53	-14	-4
<i>Consolidation</i>	17	15	-24	0	-1	0	0	0	0	+1	25	-1	0
<b>Corporate and Other operating profit</b>	<b>6</b>	<b>-54</b>	<b>-195</b>	<b>-184</b>	<b>-313</b>	<b>-295</b>	<b>-236</b>	<b>-251</b>	<b>-155</b>	<b>+158</b>	<b>-74</b>	<b>-497</b>	<b>-406</b>
<b>Non-operating items</b>													
Holding & Treasury	-290	-277	-482	-606	396	55	-235	245	-466	-862	-393	-210	-221
Banking	3	-35	-92	-3	3	-9	-78	6	-32	-35	-1	0	-26
Alternative Investments	78	24	-43	-63	-220	-17	-83	-70	-31	+189	86	-283	-101
<i>Consolidation</i>	-28	-53	-67	1	184	0	0	85	16	-168	-148	185	101
<b>Corporate and Other non operating items</b>	<b>-237</b>	<b>-341</b>	<b>-684</b>	<b>-671</b>	<b>363</b>	<b>29</b>	<b>-396</b>	<b>266</b>	<b>-513</b>	<b>-876</b>	<b>-456</b>	<b>-308</b>	<b>-247</b>
Income b/taxes, non-contr.	-231	-395	-879	-855	50	-266	-632	15	-668	-718	-530	-805	-653
Income taxes	184	134	296	384	286	121	272	209	197	-89	255	670	406
<b>Net inc. from cont. ops.</b>	<b>-47</b>	<b>-261</b>	<b>-583</b>	<b>-471</b>	<b>336</b>	<b>-145</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-807</b>	<b>-275</b>	<b>-135</b>	<b>-247</b>
Net inc. from discount. ops.	-518	-2,523	-2,873	-395	0	0	0	0	0	+0	-712	-395	0
<b>Net income</b>	<b>-565</b>	<b>-2,784</b>	<b>-3,456</b>	<b>-866</b>	<b>336</b>	<b>-145</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-807</b>	<b>-987</b>	<b>-530</b>	<b>-247</b>
<i>Net income attributable to:</i>													
Non-controlling interests	17	17	1	-18	-18	-3	-21	-8	-5	+13	39	-36	-13
Shareholders	-582	-2,801	-3,457	-848	354	-142	-339	232	-466	-820	-1,026	-494	-234
<b>Cost-income ratio Banking (in %)</b>	<b>88%</b>	<b>107%</b>	<b>112%</b>	<b>102%</b>	<b>167%</b>	<b>120%</b>	<b>105%</b>	<b>108%</b>	<b>104%</b>	<b>-63%-p</b>	<b>93%</b>	<b>135%</b>	<b>106%</b>
<b>RWA<sup>1</sup> Banking (EUR bn)</b>	<b>11</b>	<b>8</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>+1</b>	<b>11</b>	<b>8</b>	<b>9</b>

1) Risk weighted assets are end of period values. RWA based on Basel II approach from 3Q 08 onwards

# Investment result

(EUR mn)

	P/C		L/H		AM		Corporate und Sonstiges		Consolidation		Group <sup>1</sup>	
	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10	2Q 09	2Q 10
<b>Operating investment result</b>												
Interest and similar income <sup>2</sup>	906	941	3,611	3,974	-2	-1	84	118	70	-2	4,669	5,030
Inc. fr. fin. assets and liab. carried at FV <sup>3</sup>	52	-22	615	-472	24	-10	47	19	10	-8	748	-493
Realized gains/losses (net)	20	3	639	212	0	0	0	0	0	0	659	215
Impairments of investments (net)	-4	-6	-267	-184	0	0	0	0	0	0	-271	-190
F/X result	-66	1	-53	454	0	6	-125	-17	1	-1	-243	443
Investment expenses	-62	-54	-152	-184	0	0	-17	-23	46	46	-185	-215
<b>Subtotal</b>	<b>846</b>	<b>863</b>	<b>4,393</b>	<b>3,800</b>	<b>22</b>	<b>-5</b>	<b>-11</b>	<b>97</b>	<b>127</b>	<b>35</b>	<b>5,377</b>	<b>4,790</b>
<b>Non-operating investment result</b>												
Inc. fr. fin. assets and liab. carried at FV	-35	4	15	26	0	0	206	-224	-48	9	138	-185
Realized gains/losses (net)	355	93	17	13	3	0	616	71	-32	4	959	181
Impairments of investments (net)	-118	-85	-9	-10	0	0	-17	-92	0	0	-144	-187
<b>Subtotal</b>	<b>202</b>	<b>12</b>	<b>23</b>	<b>29</b>	<b>3</b>	<b>0</b>	<b>805</b>	<b>-245</b>	<b>-80</b>	<b>13</b>	<b>953</b>	<b>-191</b>
<b>Net investment income</b>	<b>1,048</b>	<b>875</b>	<b>4,416</b>	<b>3,829</b>	<b>25</b>	<b>-5</b>	<b>794</b>	<b>-148</b>	<b>47</b>	<b>48</b>	<b>6,330</b>	<b>4,599</b>
<i>Investment return in % of avg. investm.</i>	1.2%	0.9%	1.5%	1.1%	n/m	n/m	2.0%	-0.4%	n/m	n/m	1.6%	1.0%
Movements in unrealized gains/losses on equities	356	-196	1,558	-693	n/m	n/m	-120	-408	n/m	n/m	1,802	-1,299
<i>Total investment return in % of avg. inv.</i>	1.6%	0.7%	2.0%	0.9%	n/m	n/m	1.7%	-1.5%	n/m	n/m	2.0%	0.7%
Impairments and realized gains/losses attributable to shareholders (EUR bn)	0.2	0.0	0.0	0.0	n/m	n/m	0.6	0.0	n/m	n/m	0.8	0.0

1) Comprising result from continuing operations only

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

3) Contains inc. from fin. assets/liab. carried at fair value and oper. trading result excl. F/X result

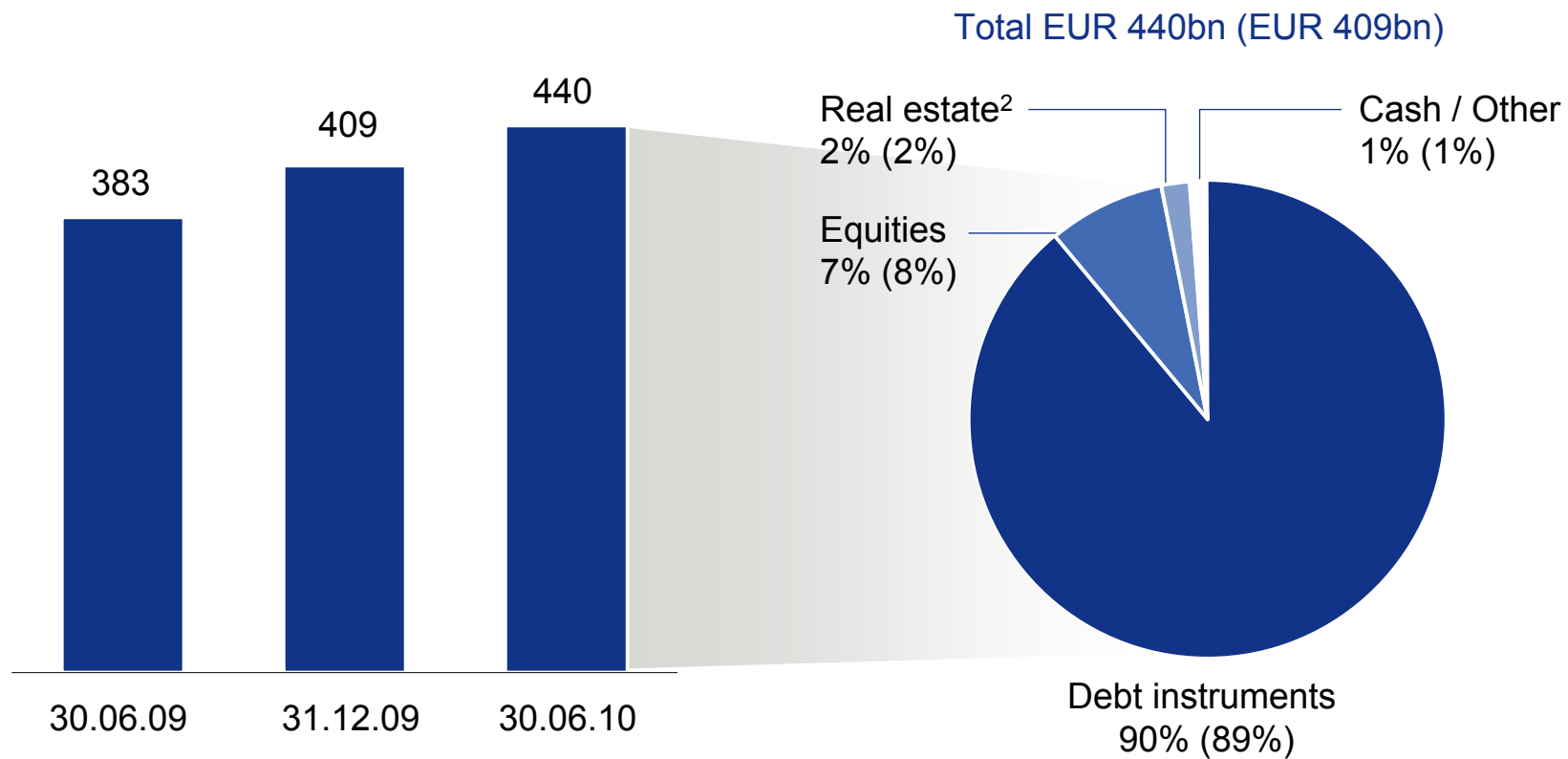
## Shareholders' equity (EUR mn)

	Paid-in capital	Revenue reserves	Foreign currency translation adjustments	Unrealized gains and losses (net)	Shareholders' equity	Non-controlling interests	Total equity
Balance as of 31.12.08	28,569	7,110	-4,006	2,011	33,684	3,564	37,248
Total comprehensive income		1,865	450	256	2,571	36	2,607
Paid-in capital	0				0		0
Treasury shares		-137			-137	0	-137
Transactions between equity holders	0	-8	0	0	-8	-1,431	-1,439
Dividends paid		-1,580			-1,580	-88	-1,668
<b>Balance as of 30.06.09</b>	<b>28,569</b>	<b>7,250</b>	<b>-3,556</b>	<b>2,267</b>	<b>34,530</b>	<b>2,081</b>	<b>36,611</b>
Balance as of 31.12.09	28,635	9,689	-3,615	5,457	40,166	2,121	42,287
Total comprehensive income		2,635	2,331	468	5,434	206	5,640
Paid-in capital	0				0		0
Treasury shares		4			4	0	4
Transactions between equity holders	0	20	-10	0	10	-55	-45
Dividends paid		-1,850			-1,850	-103	-1,953
<b>Balance as of 30.06.10</b>	<b>28,635</b>	<b>10,498</b>	<b>-1,294</b>	<b>5,925</b>	<b>43,764</b>	<b>2,169</b>	<b>45,933</b>

# Overview investment portfolio (EUR bn)

Group investments and loans<sup>1</sup>

as of 30.06.10 (31.12.09)



1) Portfolio discussion is based on consolidated insurance portfolios (P/C, L/H, Corporate and Other)

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



## 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.