

Oliver Bäte, Chief Financial Officer Allianz SE

Group financial results 3Q 2010

Journalists' Conference Call
November 10, 2010



Agenda

Highlights

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Summary

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Glossary

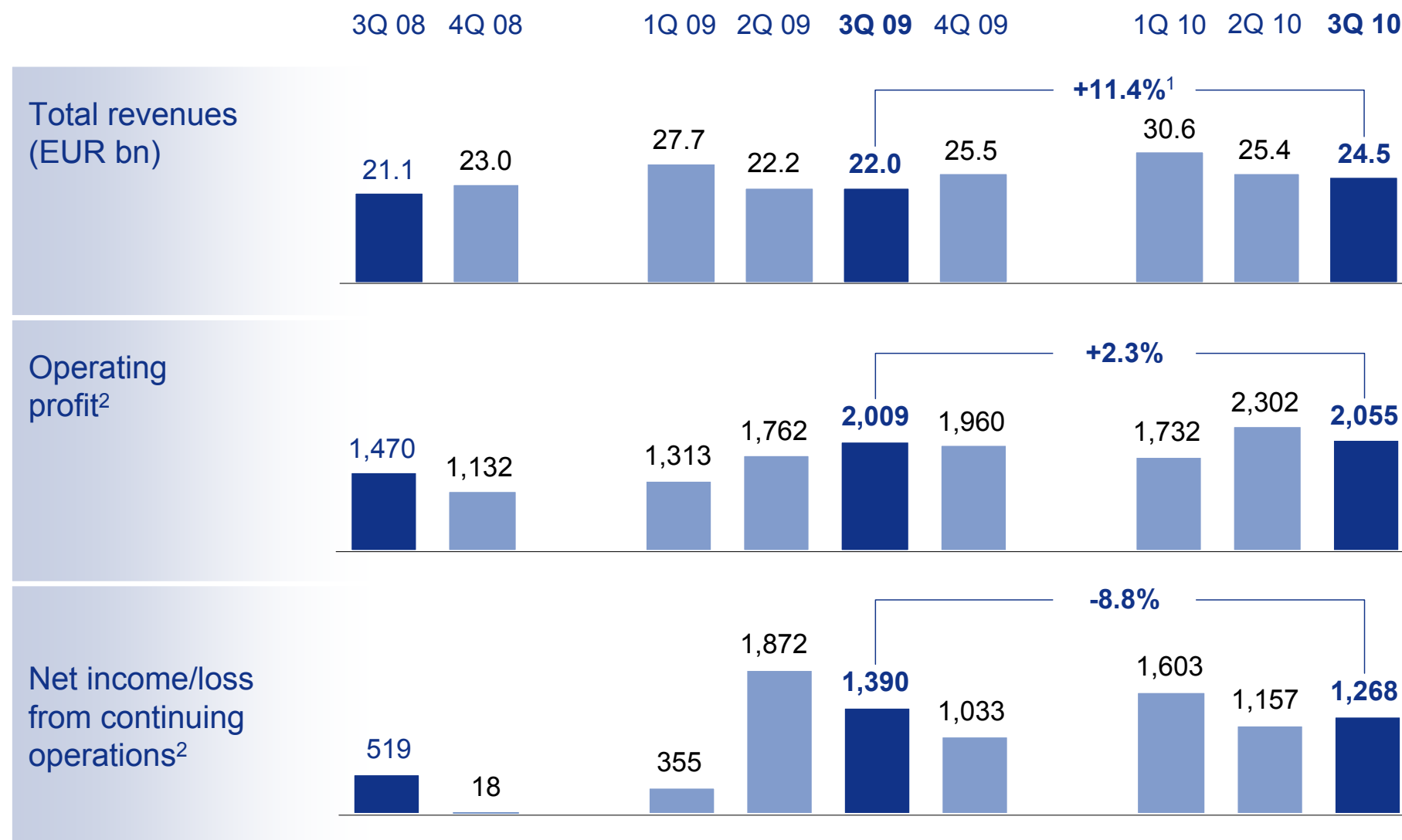
Highlights



- Double digit revenue growth to EUR 24.5bn
- Strong operating profit of EUR 2.1bn
- Net income at EUR 1.3bn
- Solid capital position, with 168 percent solvency ratio

Quarterly results overview

(EUR mn)

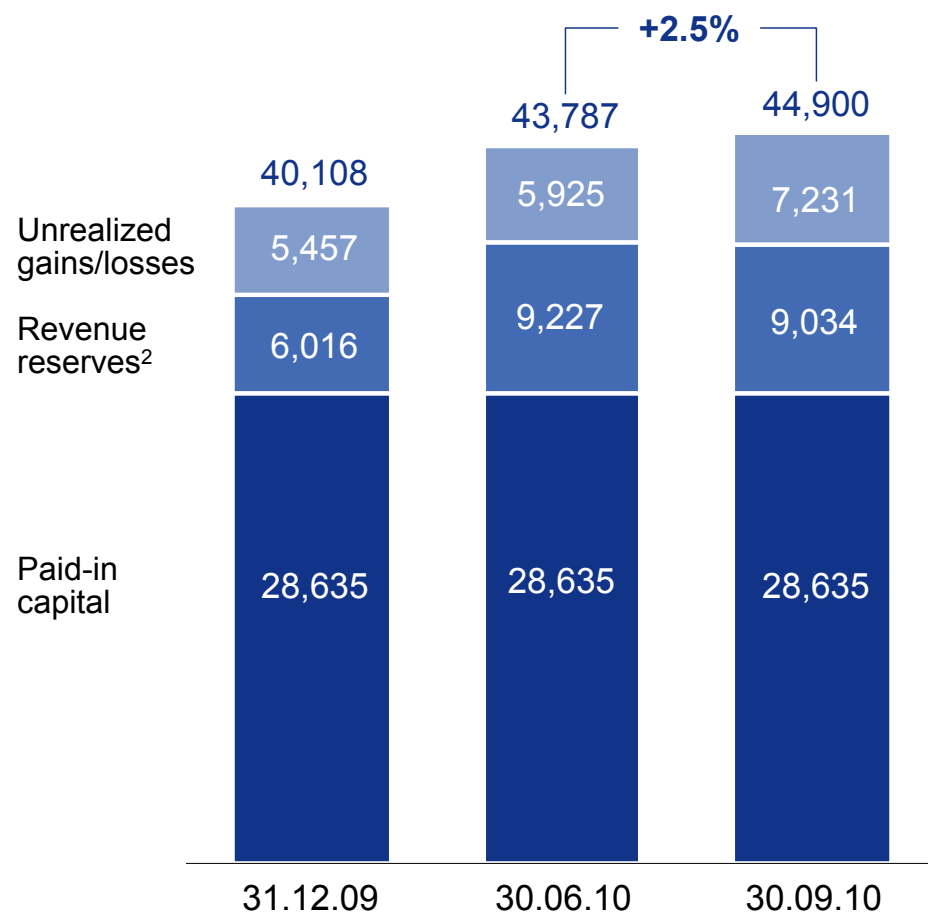


1) Internal growth 6.5%

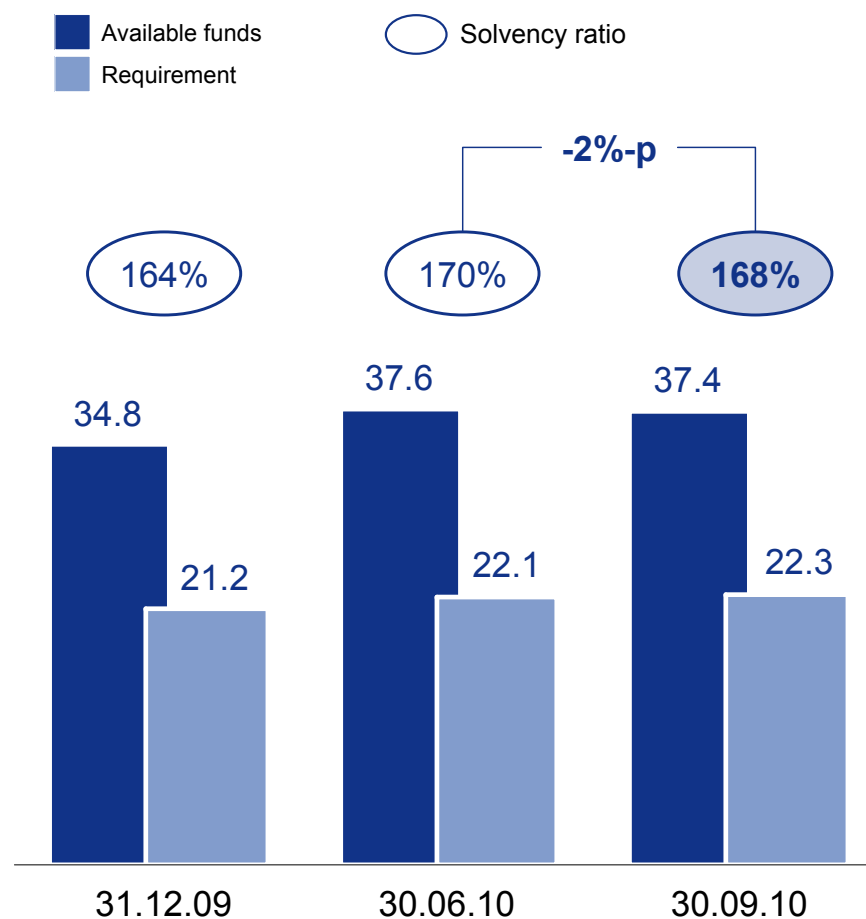
2) Operating profit and net income/loss from continuing operations retrospectively adjusted for accounting policy change at AZ Life, cumulative effect 1Q 2008 to 2Q 2010 for operating profit EUR +122mn and for net income/loss from continuing operations EUR +79mn

Solid capitalization

Shareholders' equity¹ (EUR mn)



Conglomerate solvency³ (EUR bn)



1) Excluding non-controlling interests (31.12.09: EUR 2,121mn, 30.06.10 EUR 2,169mn, 30.09.10: EUR 2,171mn)

2) Including F/X

3) Including off-balance sheet reserves (31.12.09: EUR 1,993mn, 30.06.10: EUR 1,986mn, 30.09.10: EUR 1,914mn) pro forma.

The solvency ratio excluding off-balance sheet reserves would be 159% as of 30.09.10, 161% as of 30.06.10 and 155% as of 31.12.09.

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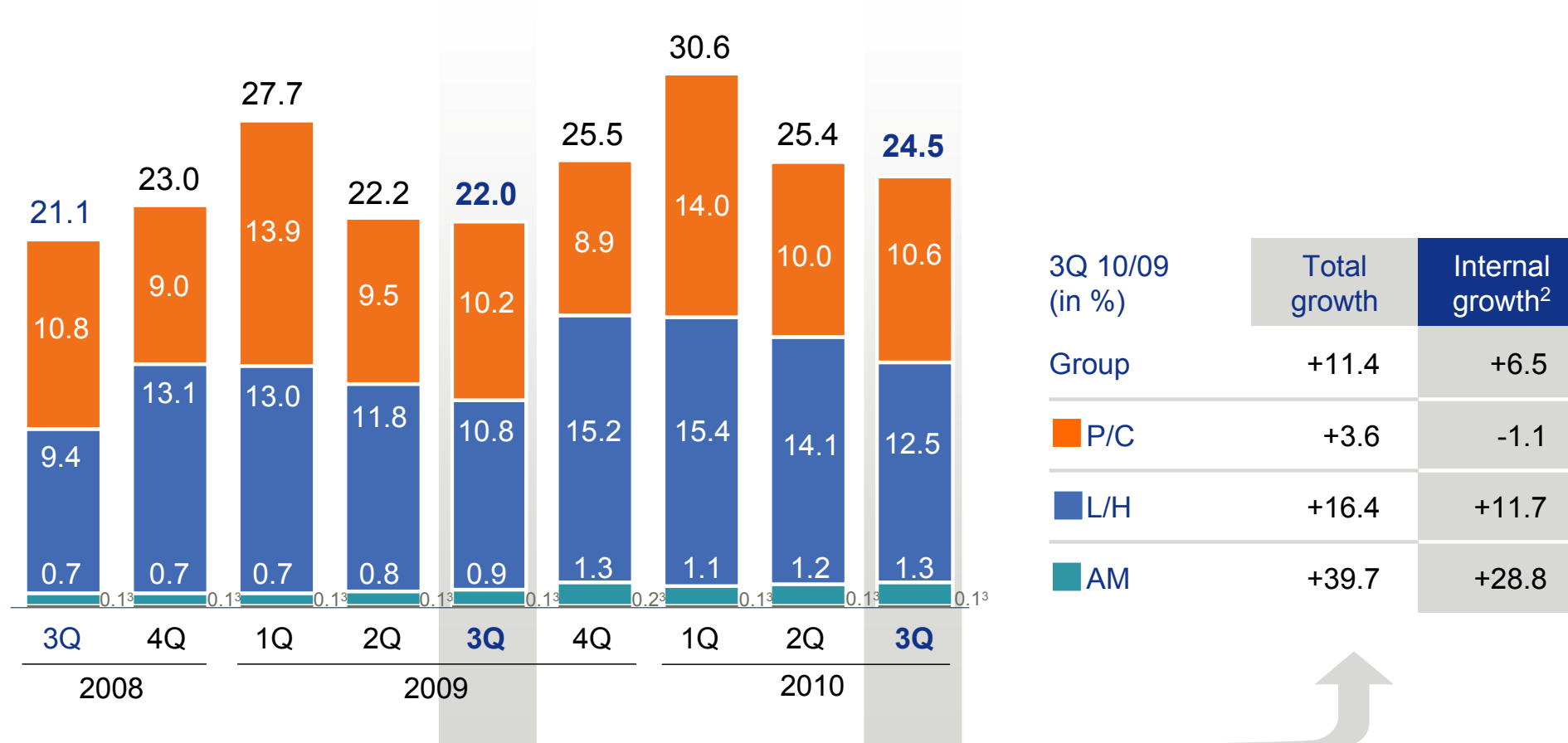
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Revenues: total growth double digit, internal growth at 6.5%

Total revenues¹ (EUR bn)



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

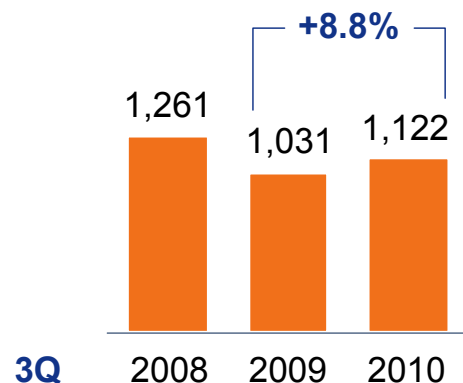
2) Adjusted for F/X and consolidation effects. Total and internal growth on segment level is based on segment consolidated data.

Total and internal growth for total revenues are based on fully consolidated figures

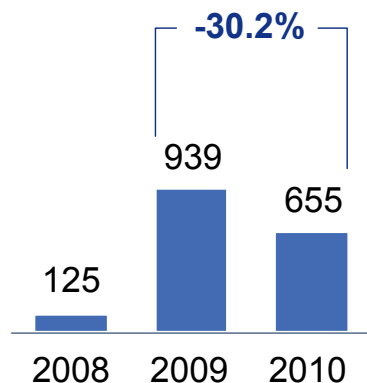
3) Represents Banking total revenues (for every quarter)

Strong operating profit of EUR 2.1bn (EUR mn)

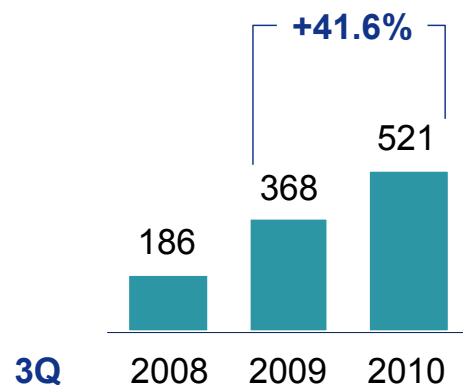
Property/Casualty



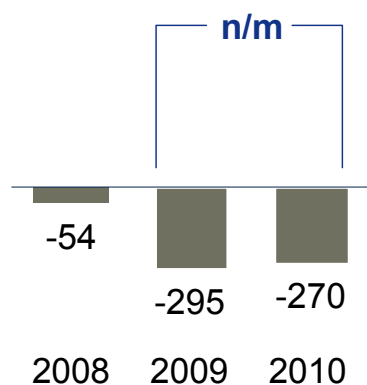
Life/Health



Asset Management

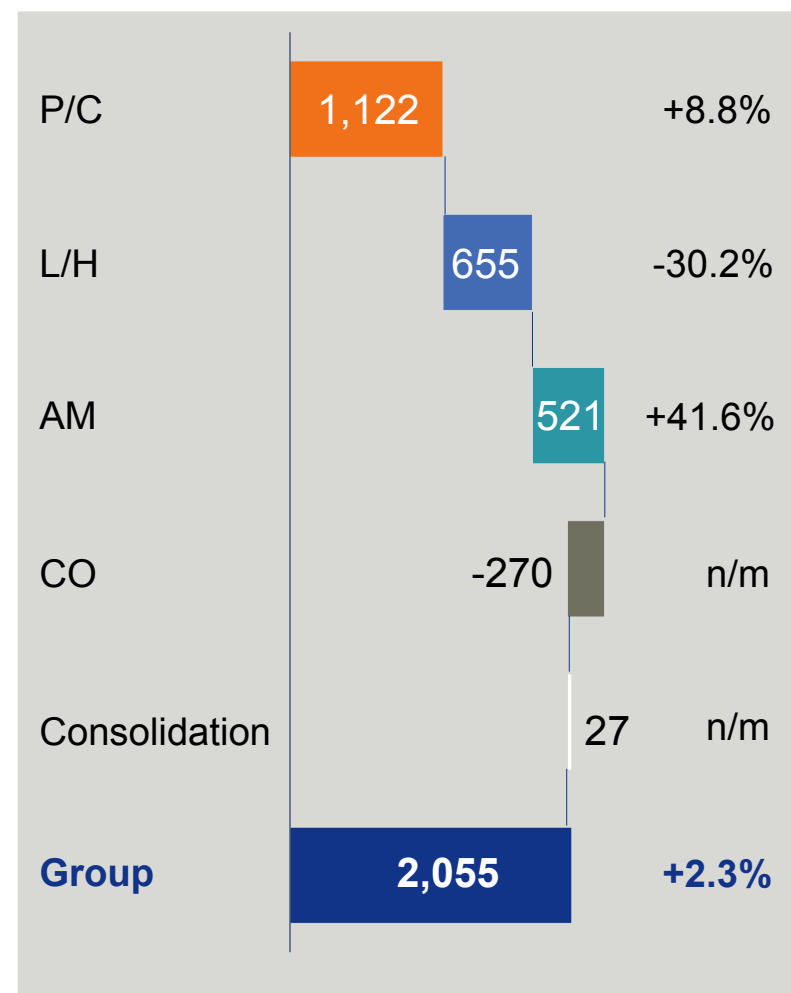


Corporate and Other



3Q 10

Δ 3Q 10/09



Non-operating items (EUR mn)

	3Q 08	3Q 09	3Q 10	Δ 10/09
Realized gains/losses and impairments of investments (net)	-404	276	350	+74
Interest expense from external debt	-227	-228	-225	+3
Fully consolidated private equity inv. (net)	7	-34	-48	-14
Restructuring charges	-77	-60	-11	+49
Acquisition-related expenses	-78	-112	-80	+32
Other non-operating	52	75	-105	-180
Reclassification of tax benefits	-9	-9	-4	+5
Non-operating items from continuing operations	-736	-92	-123	-31

	3Q 09	3Q 10
Realized gains/losses	322	382
- Equities	293	231
- Debt securities	11	132
- Real estate	18	19
Impairments (net)	-46	-32
- Equities	-25	-20
- Debt securities	-5	-8
- Real estate	-15	-4
- Other	-1	0
Total	276	350
Balance of unrealized gains/losses in equities ¹	4.1bn	3.0bn
Balance of unrealized gains/losses in fixed income ¹	2.3bn	5.6bn

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

Net income

(EUR mn)

	3Q 08	3Q 09	3Q 10	Δ 10/09
Operating profit	1,470	2,009	2,055	+46
Non-operating items	-736	-92	-123	-31
Income before taxes	734	1,917	1,932	+15
Income taxes	-215	-527	-664	-137
Net income from continuing operations	519	1,390	1,268	-122
Discontinued operations	-2,550	0	0	+0
Net income	-2,031	1,390	1,268	-122
Non-controlling interests	52	16	4	-12
Net income after non-controlling interests	-2,083	1,374	1,264	-110

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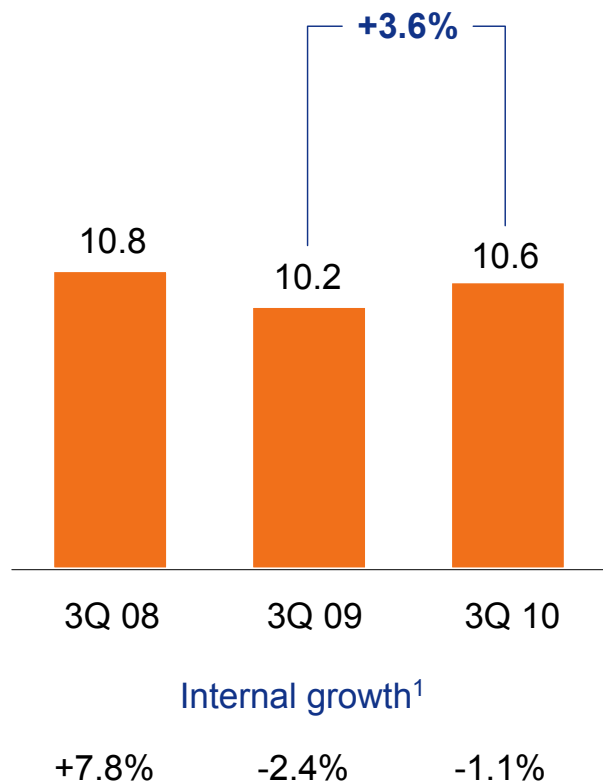
P/C: summary



- Revenues at EUR 10.6bn
- Operating profit of EUR 1,122mn, up 9 percent
- Combined ratio 97.1 percent
- NatCat still above normal with 3.0 percentage points and run-off with 3.4 percentage points

P/C: revenues at EUR 10.6bn (EUR mn)

Revenues (EUR bn)



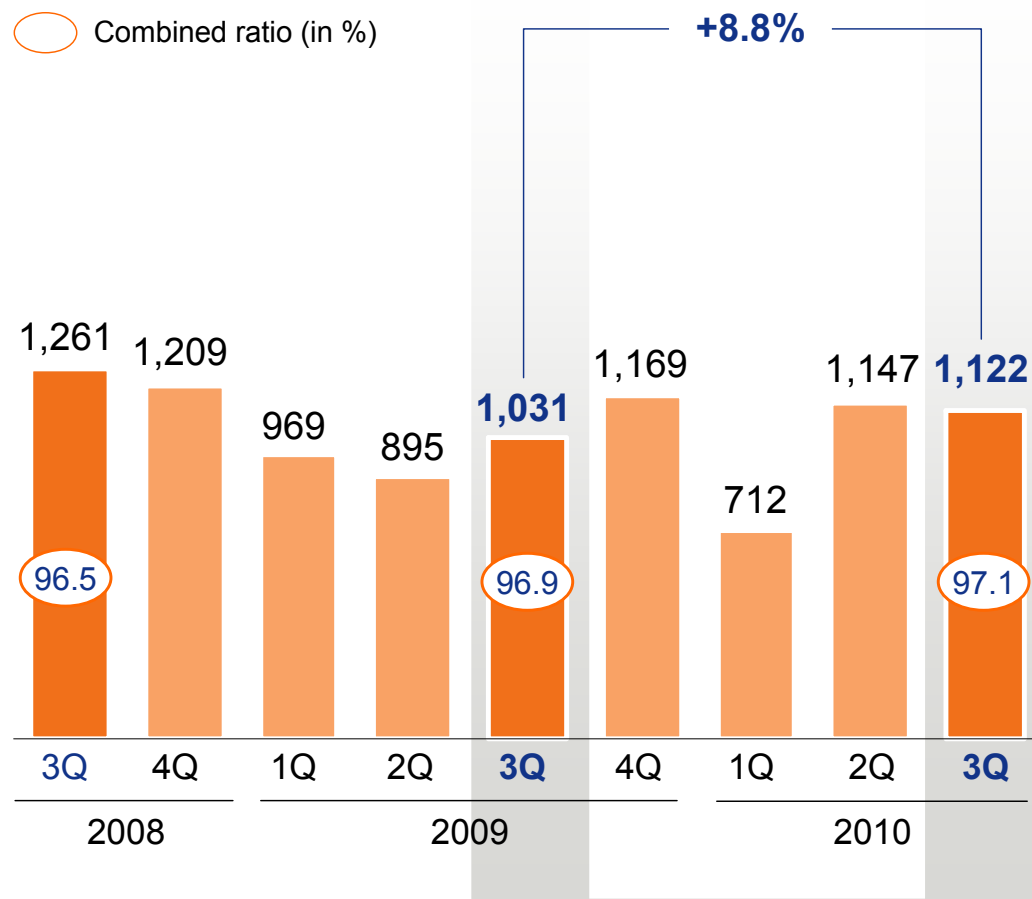
Revenues (sel. OEs)		3Q 08	3Q 09	3Q 10	Δ10/09 ¹
German Speaking Countries	Germany	1,950	1,904	1,859	-2.4%
	Switzerland	246	253	281	-2.4%
Europe incl. South America	France ²	921	773	754	-2.5%
	Italy	922	830	809	-2.4%
	Spain ³	499	494	464	-2.9%
	South America	287	306	401	+11.1%
Global Insurance Lines & Anglo Markets	Reinsurance ⁴	861	759	930	+22.5%
	AGCS ⁵	783	908	899	-4.8%
	UK	443	427	463	+3.7%
	Credit Insurance	440	380	417	+9.7%
	Australia	416	452	594	+9.3%
Growth Markets	CEE	747	635	628	-5.2%
	Asia-Pacific ⁶	112	121	126	+1.9%
NAFTA Markets	USA ⁷	1,813	1,404	1,378	-10.9%

- 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 3Q 08: EUR 92mn)
- 3) Industrial commercial business transferred to AGCS in 2010 (impact 3Q 08: EUR 28mn, 3Q 09: EUR 16mn)
- 4) A large proportion of Reinsurance is from internal business

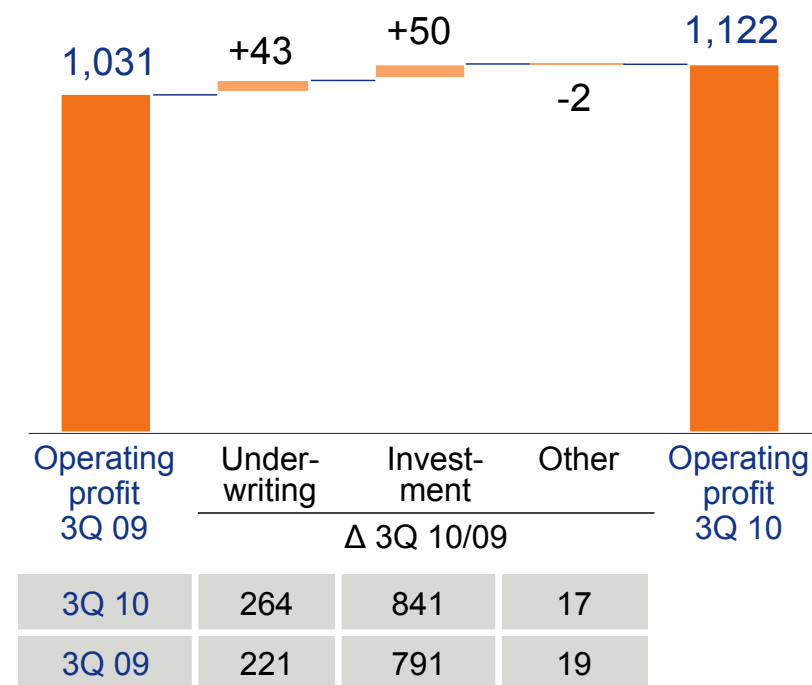
- 5) In 2009 USA marine business portfolios, France corporate customer business and in 2010 Japan business, Spain industrial commercial business were transferred to AGCS (total impact 3Q 08: EUR 200mn, 3Q 09: EUR 27mn)
- 6) Japan business transferred to AGCS in 1Q 10 (impact 3Q 08: EUR 13mn, 3Q 09: EUR 20mn)
- 7) In 2009 change in Crop Insurance program and marine business transfer to AGCS (impact 3Q 08: EUR 430mn)

P/C: operating profit increases by 9% (EUR mn)

Operating profit

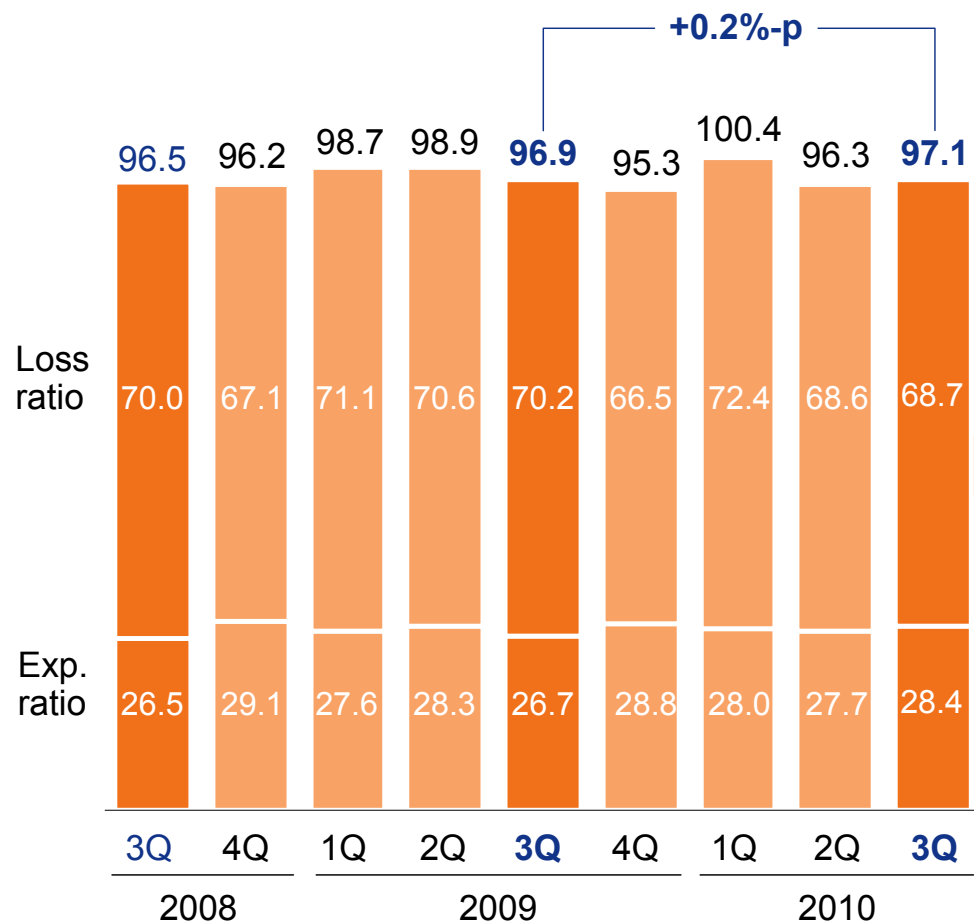


Operating profit drivers



P/C: combined ratio at 97.1%

in %



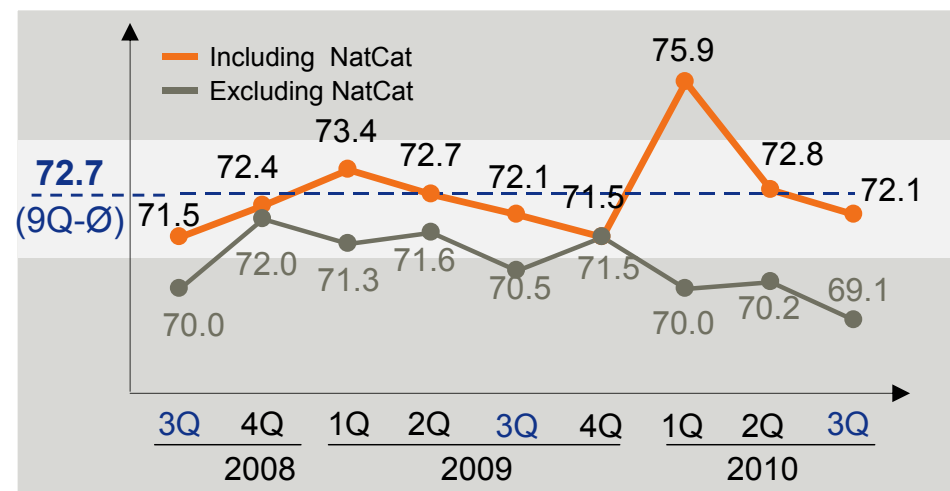
Combined ratio (sel. OEs)		3Q 08	3Q 09	3Q 10
German Speaking Countries	Germany ¹	90.2	100.0	103.4
	Switzerland	93.9	97.1	97.7
Europe incl. South America	France	95.4	101.9	98.1
	Italy	98.5	99.0	99.4
	Spain	91.3	91.3	91.3
	South America	99.4	97.2	96.8
	Reinsurance ²	88.9	95.7	89.7
Global Insurance Lines & Anglo Markets	AGCS	98.4	92.4	96.9
	UK	94.8	83.6	96.8
	Credit Insurance	98.5	106.4	54.3
	Australia	100.2	98.3	99.3
	CEE	91.8	96.2	110.8
Growth Markets	Asia-Pacific	94.7	92.0	87.7
	NAFTA Markets	116.1	95.0	97.2

1) Net change of reserves related to savings component of UBR business now included in claims. Prior periods have not been retrospectively adjusted

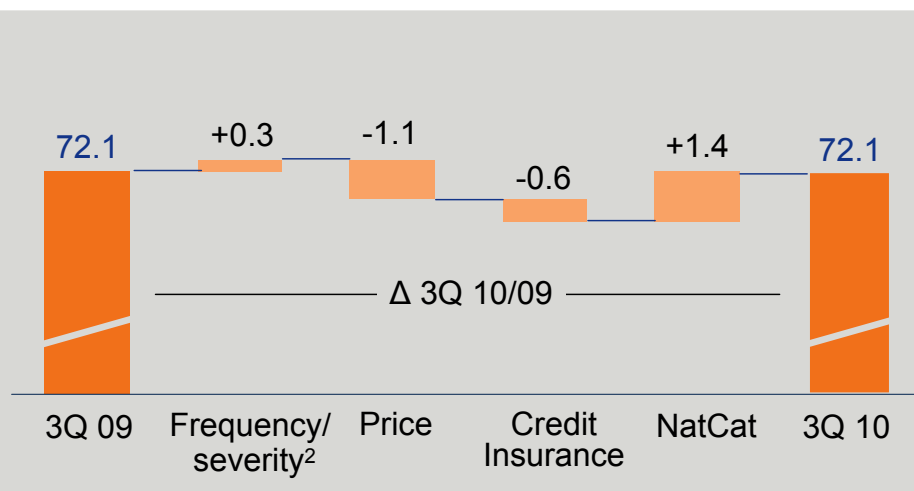
2) A large proportion of Reinsurance is from internal business

P/C: a.y. loss ratio excluding NatCat below 70% (in %)

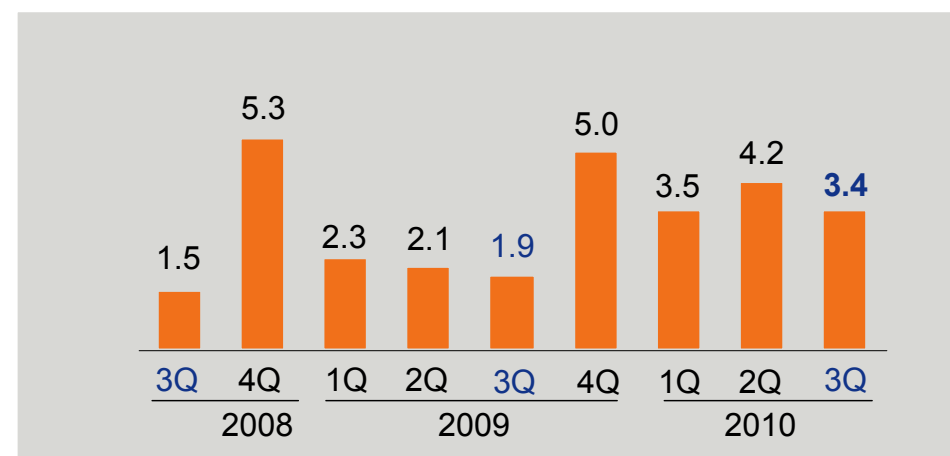
9-quarter overview a.y. loss ratio



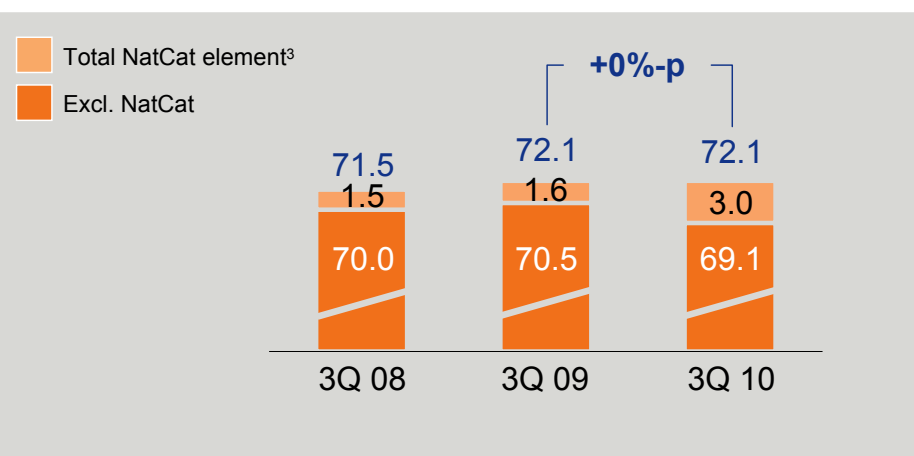
Development 3Q 10/09



Run-off ratio¹



NatCat vs. non-NatCat

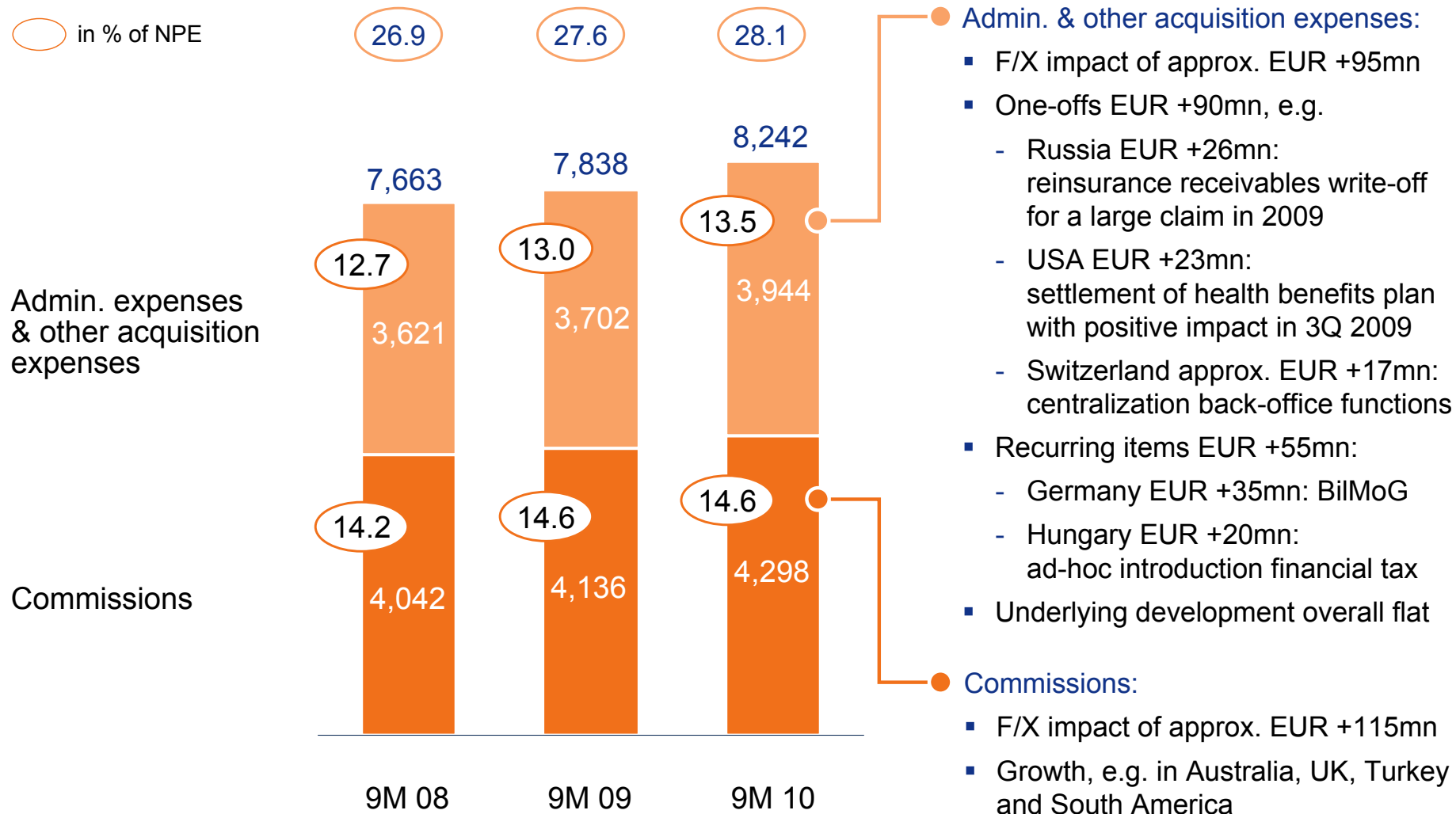


1) Positive values indicate positive run-off; run-off ratio is calculated as run-off result in percent of net premiums earned

2) Including large claims, reinsurance

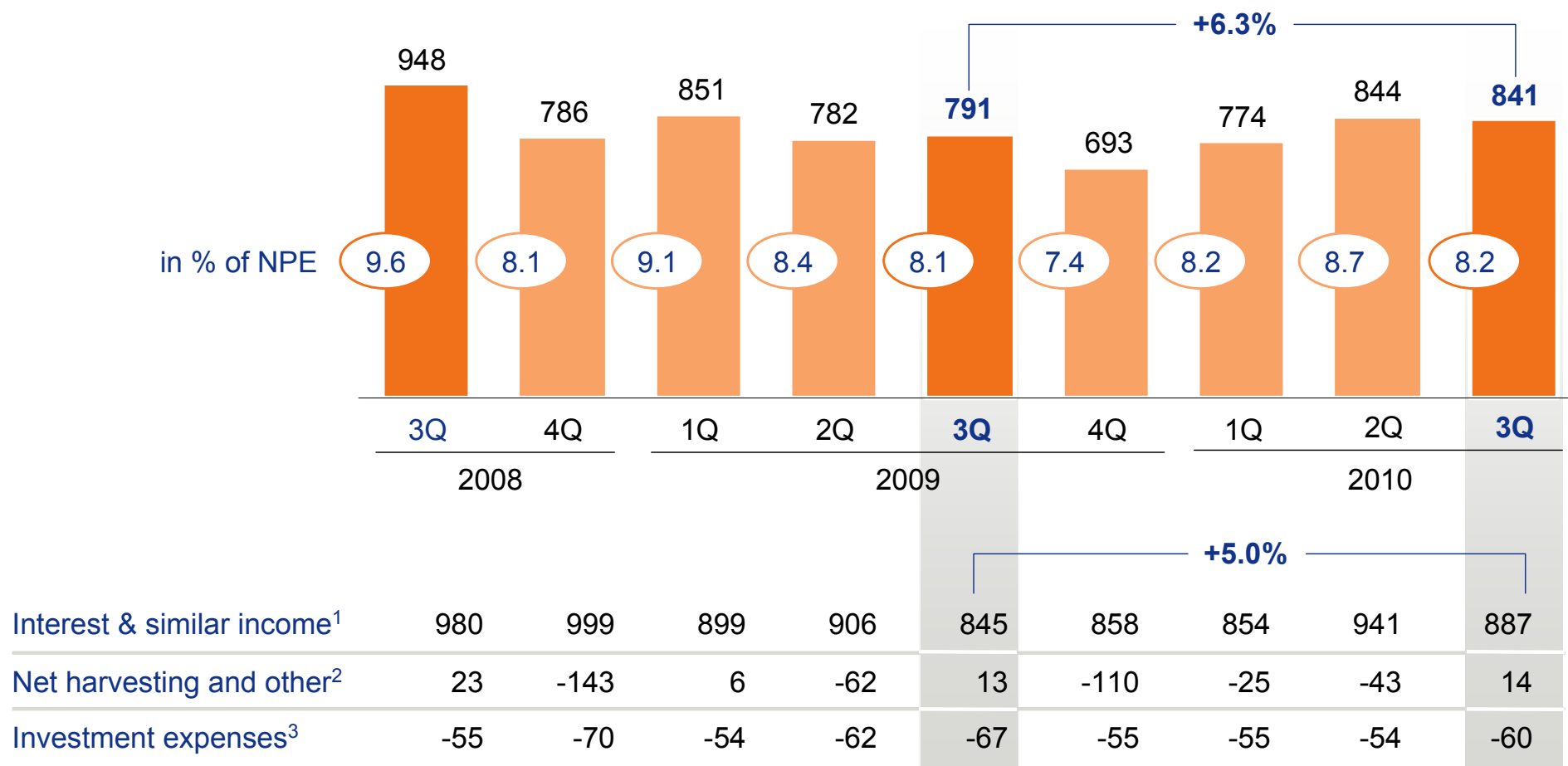
3) NatCat costs: EUR 0.1bn, EUR 0.2bn and EUR 0.3bn for 3Q 08, 3Q 09 and 3Q 10, respectively

P/C: expenses (EUR mn)



P/C: operating investment income increases by 6%

Operating investment income (EUR mn)



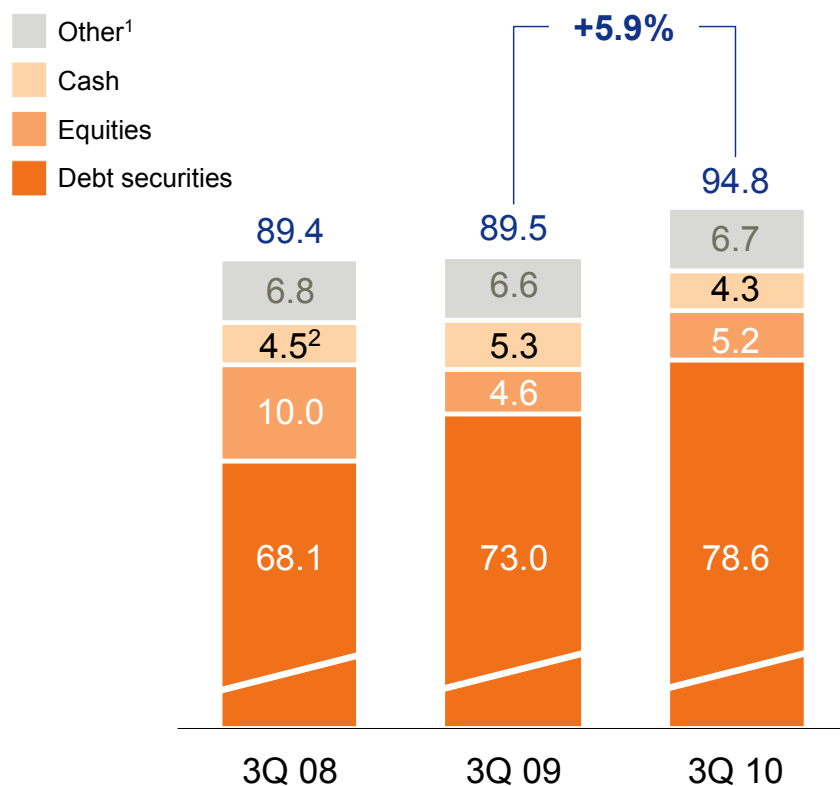
1) Net of interest expenses

2) Comprising realized gains/losses, impairments (net), fair value option, trading, F/X gains and losses and policyholder participation. Thereof related to UBR: 3Q 10: EUR -4.6mn, 3Q 09: EUR +8.7mn, 3Q 08: EUR -19.5mn

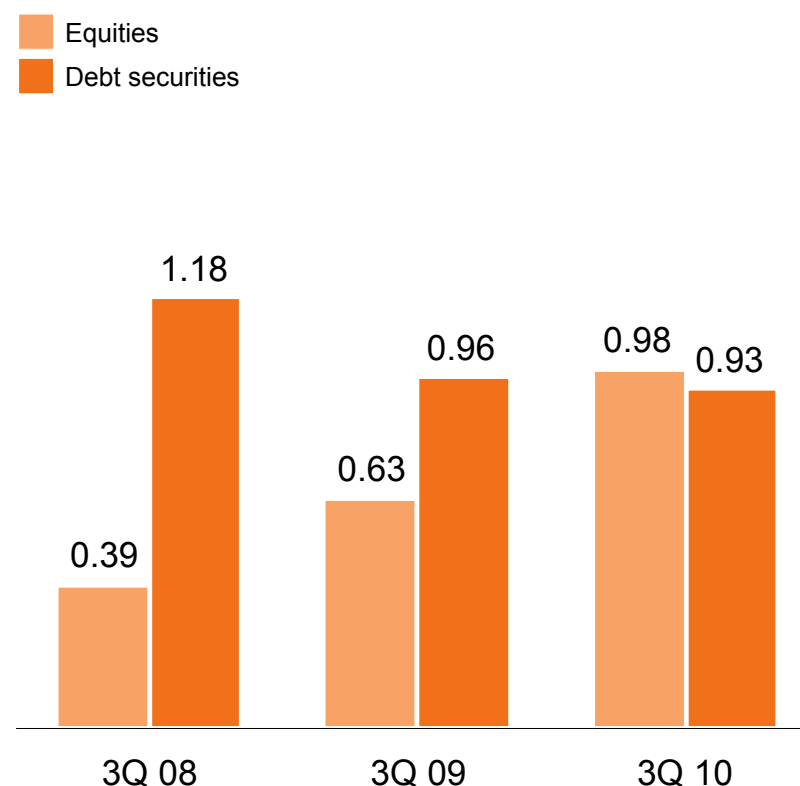
3) Comprises management expenses and expenses for real estate

P/C: investment portfolio grows to EUR 95bn

Average asset base (EUR bn)



Current yield³ (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 (3Q 08: EUR 1.2bn)

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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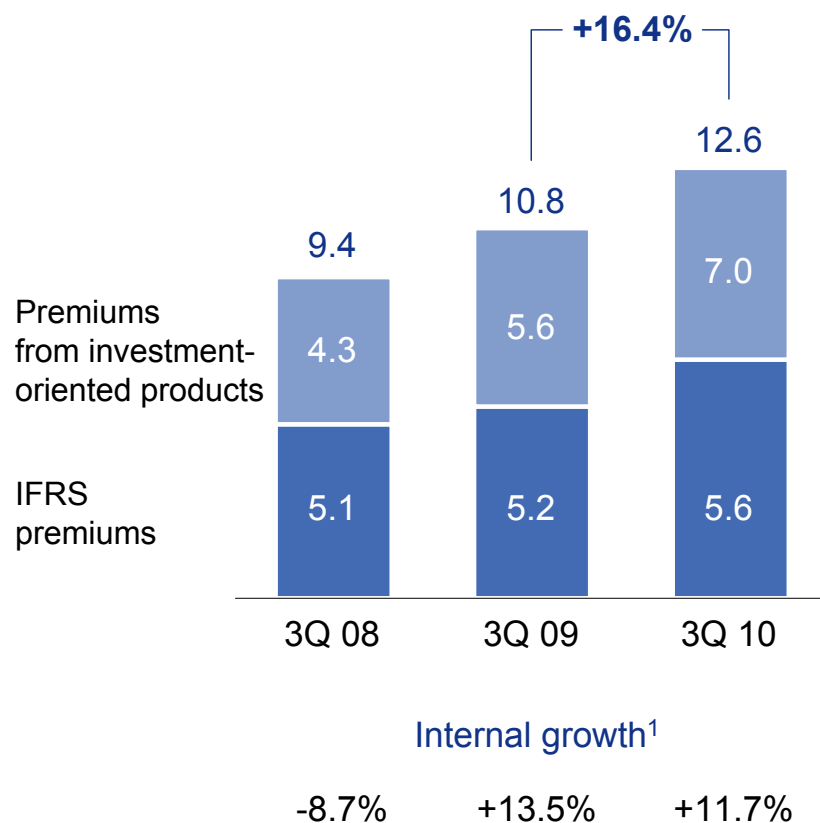
L/H: summary



- Revenues up 16 percent to EUR 12.6bn
- Operating profit at EUR 655mn
- Operating asset base up by EUR 4.2bn to EUR 417.9bn
- Value of new business of EUR 147mn,
and new business margin of 1.6 percent

L/H: revenues up 16% (EUR mn)

Revenues (EUR bn)

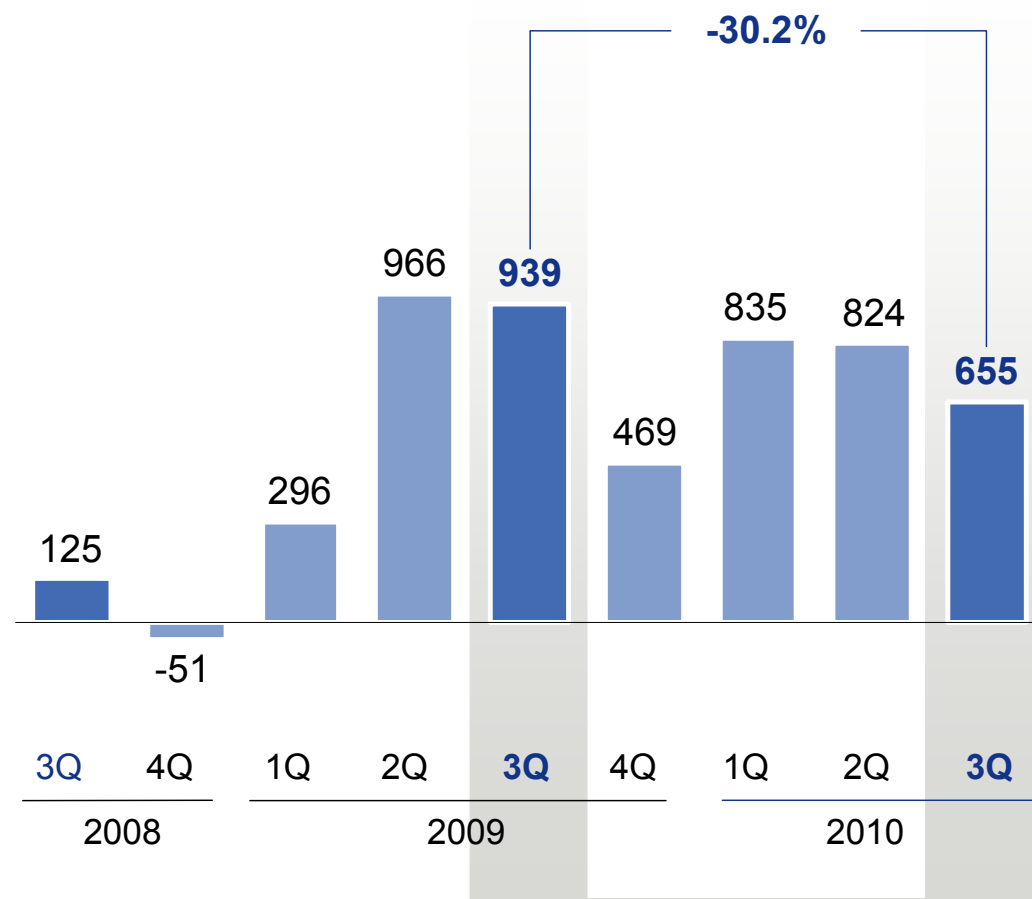


Revenues (selected OEs)		3Q 08	3Q 09	3Q 10	Δ10/09 ¹
German Speaking Countries	Germany Life	2,812	3,327	3,471	+4.3%
	Germany Health	785	798	808	+1.3%
	Switzerland	163	210	225	-5.7%
Europe incl. South America	France	1,572	1,653	1,732	+4.8%
	Italy	870	1,647	1,367	-17.0%
	Belgium/Luxembourg	149	194	237	+22.8%
	Spain	138	146	151	+3.4%
	Netherlands	84	79	73	-7.6%
Growth Markets	Asia-Pacific	806	986	1,681	+45.3%
	CEE	334	221	223	-0.9%
NAFTA Markets	USA	1,464	1,242	2,234	+62.6%

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

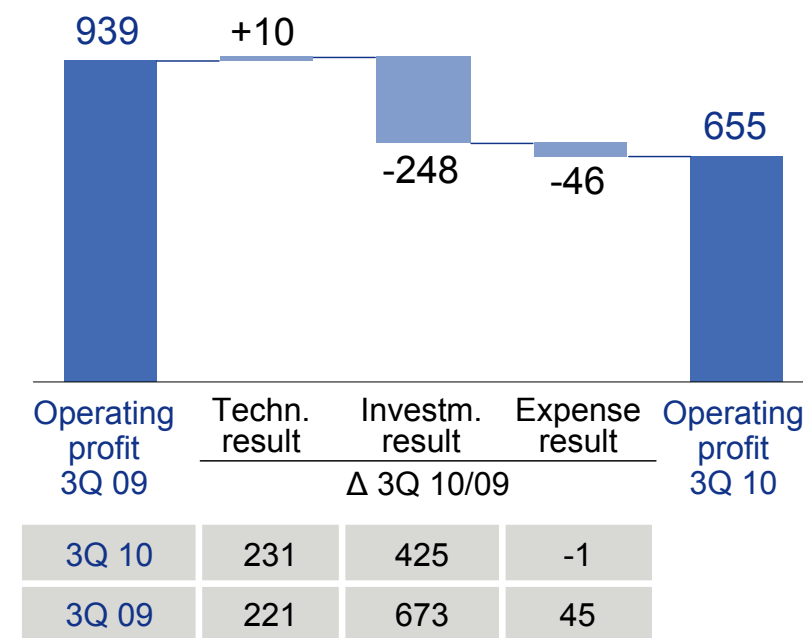
L/H: operating profit of EUR 655mn (EUR mn)

Operating profit¹



Operating profit drivers¹

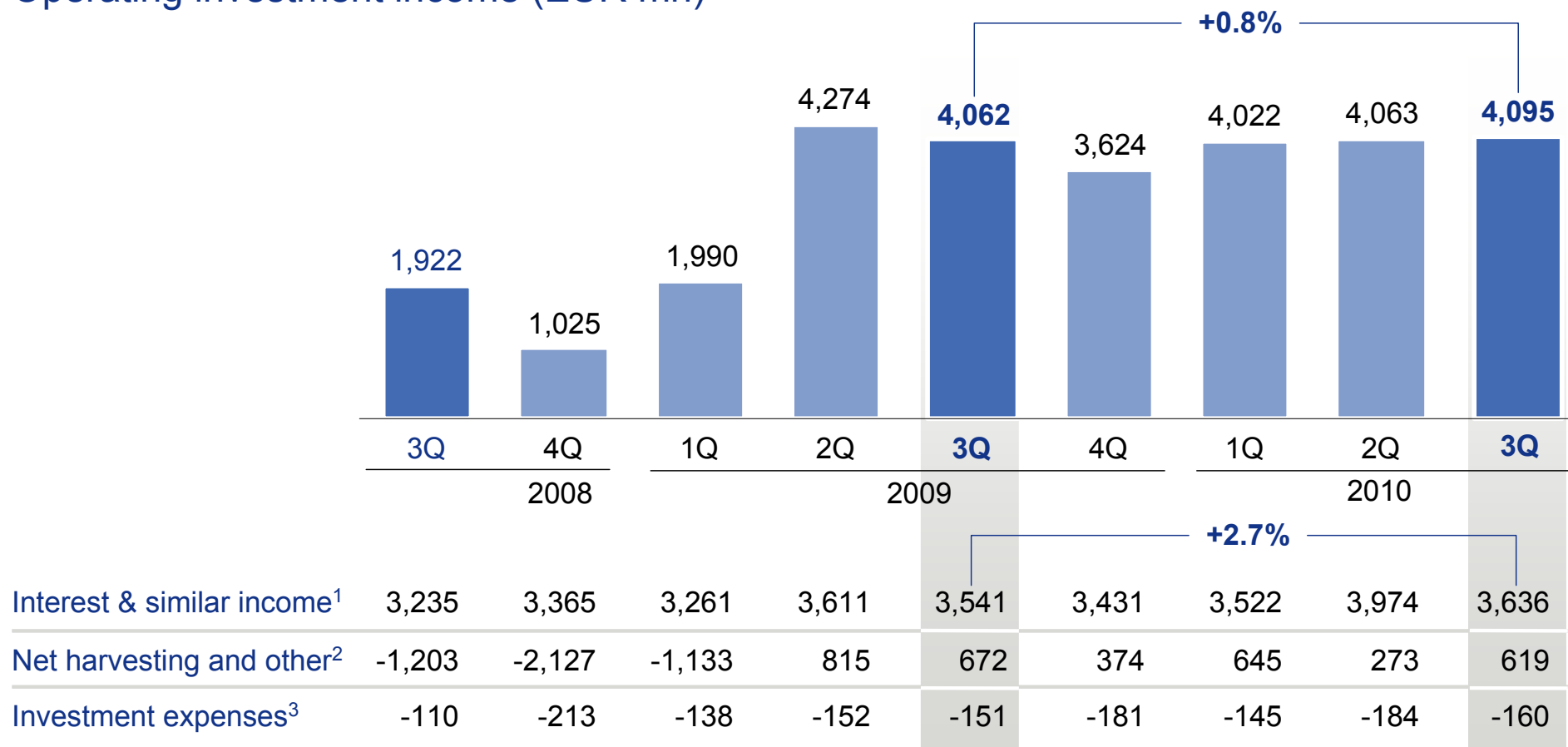
Figures
Allianz Life (USA)
restated



1) Restated prior to 01.07.10

L/H: operating investment income stable at EUR 4.1bn

Operating investment income (EUR mn)



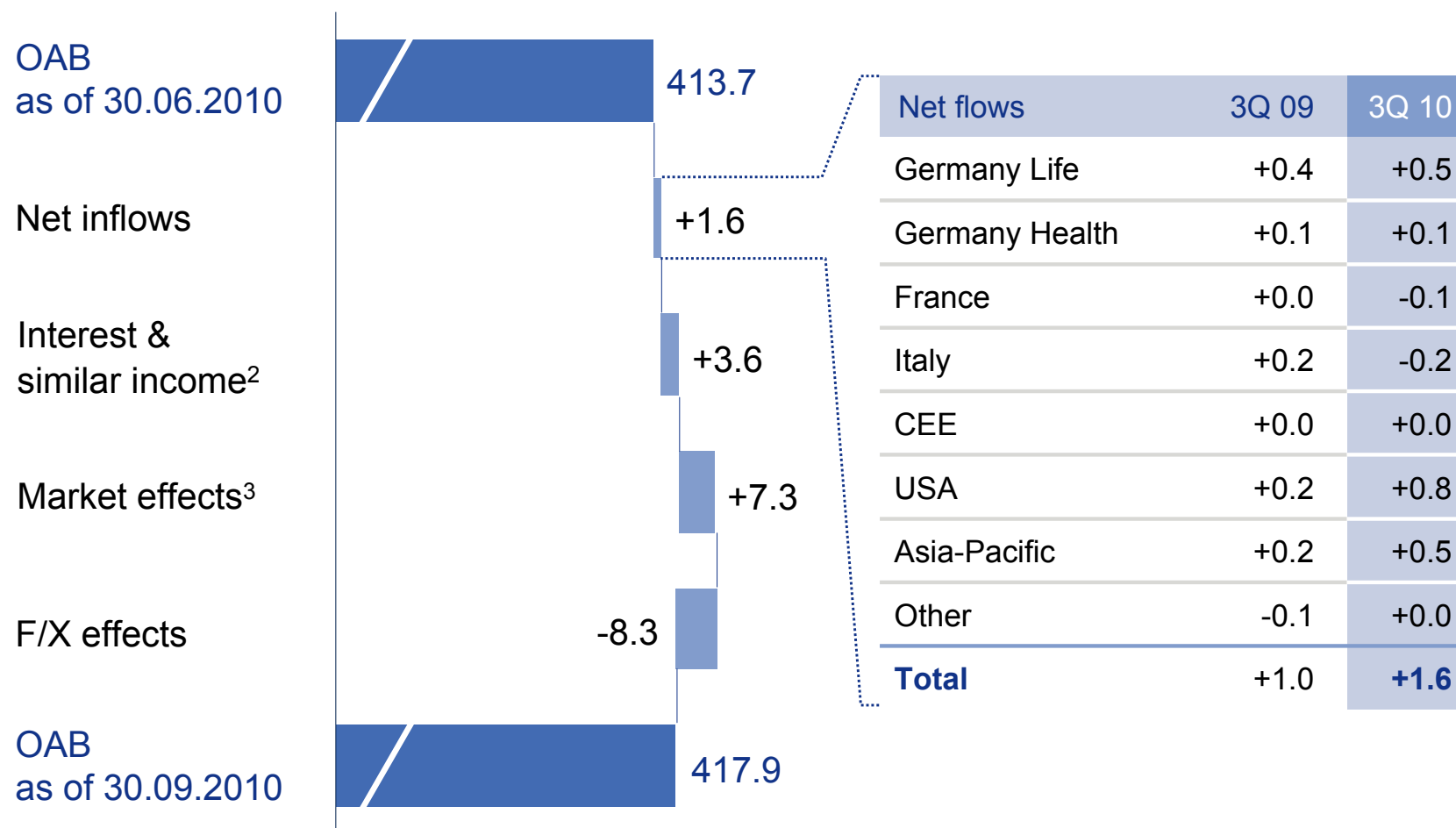
1) Net of interest expenses

2) Comprising realized 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 flows (EUR bn)

Operating asset base¹



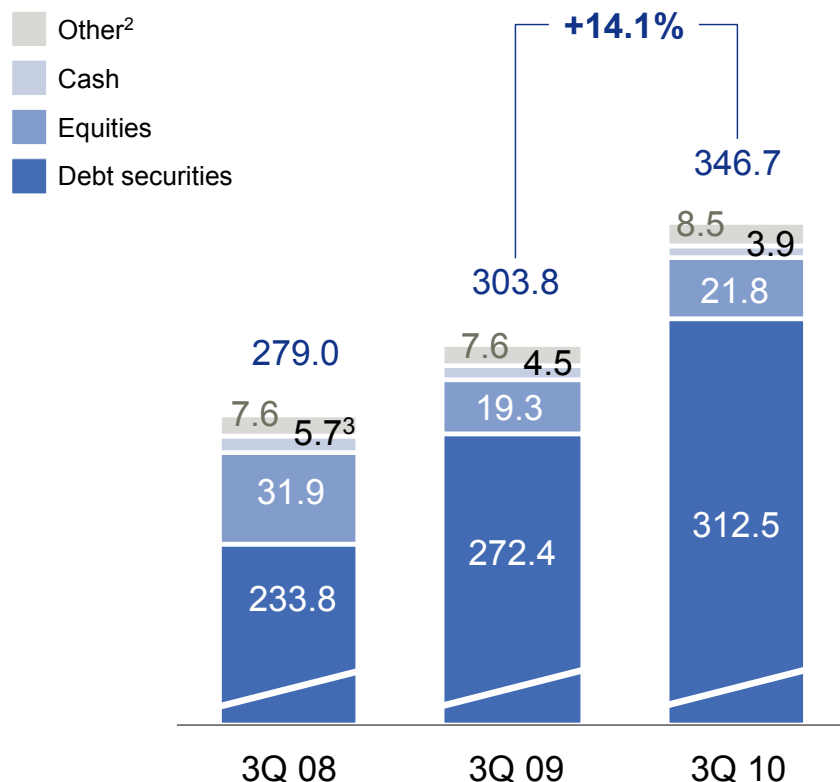
1) Including cash position of EUR 4.2bn as of 30.06.10 and EUR 3.7bn as of 30.09.10

2) Net of interest expenses

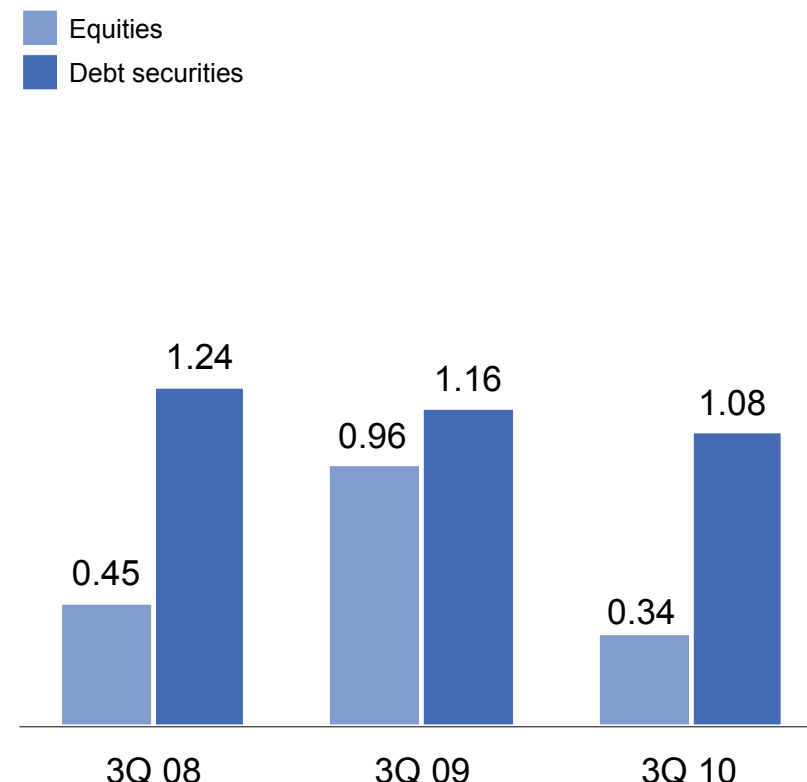
3) Includes changes in other assets and liabilities of EUR +0.7bn in 3Q 10

L/H: total asset base increases by 14%

Average total asset base (EUR bn)¹



Current yield⁴ (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

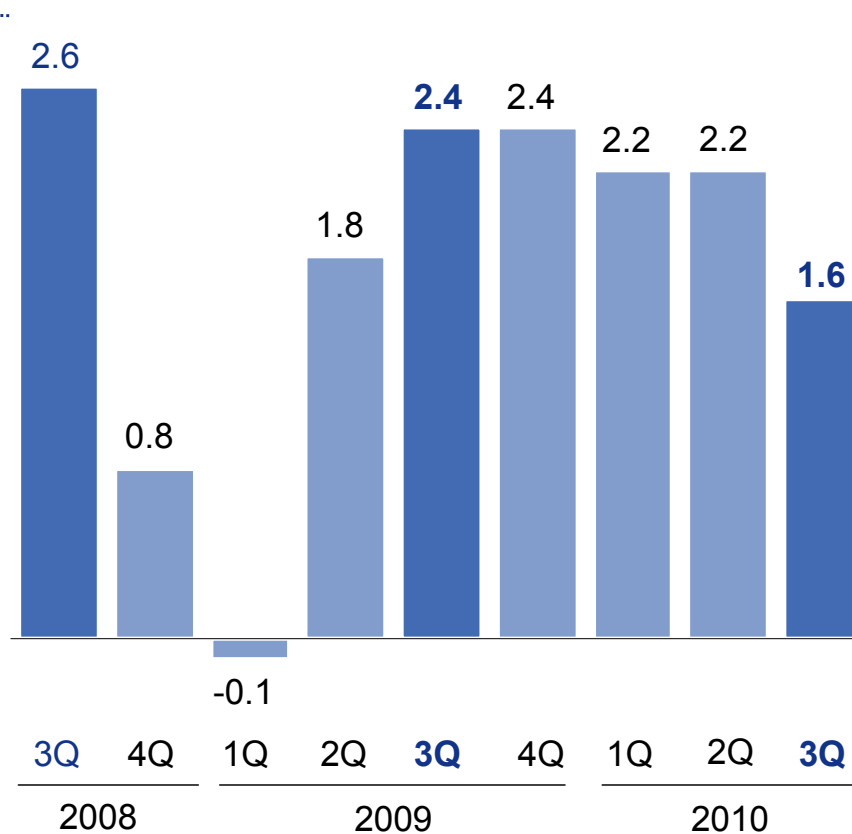
3) Cash restated due to cash pool merger in France (3Q 08: EUR 1.2bn)
 4) Definition: current yield = interest and similar income (net of interest expenses) / average asset base at book value (excl. financial assets and liabilities carried at fair value); yield on debt securities including cash components

L/H: new business margin at 1.6%

Value of new business and new business margin¹

	VNB (EUR mn)		NBM (in %)	
	3Q 09	3Q 10	3Q 09	3Q 10
Europe	167	119	3.1%	2.1%
Asia-Pacific	11	33	1.5%	2.1%
USA	8	11	0.7%	0.5%
Total²	174	147	2.4%	1.6%

New business margin (in %)^{1,2}



- 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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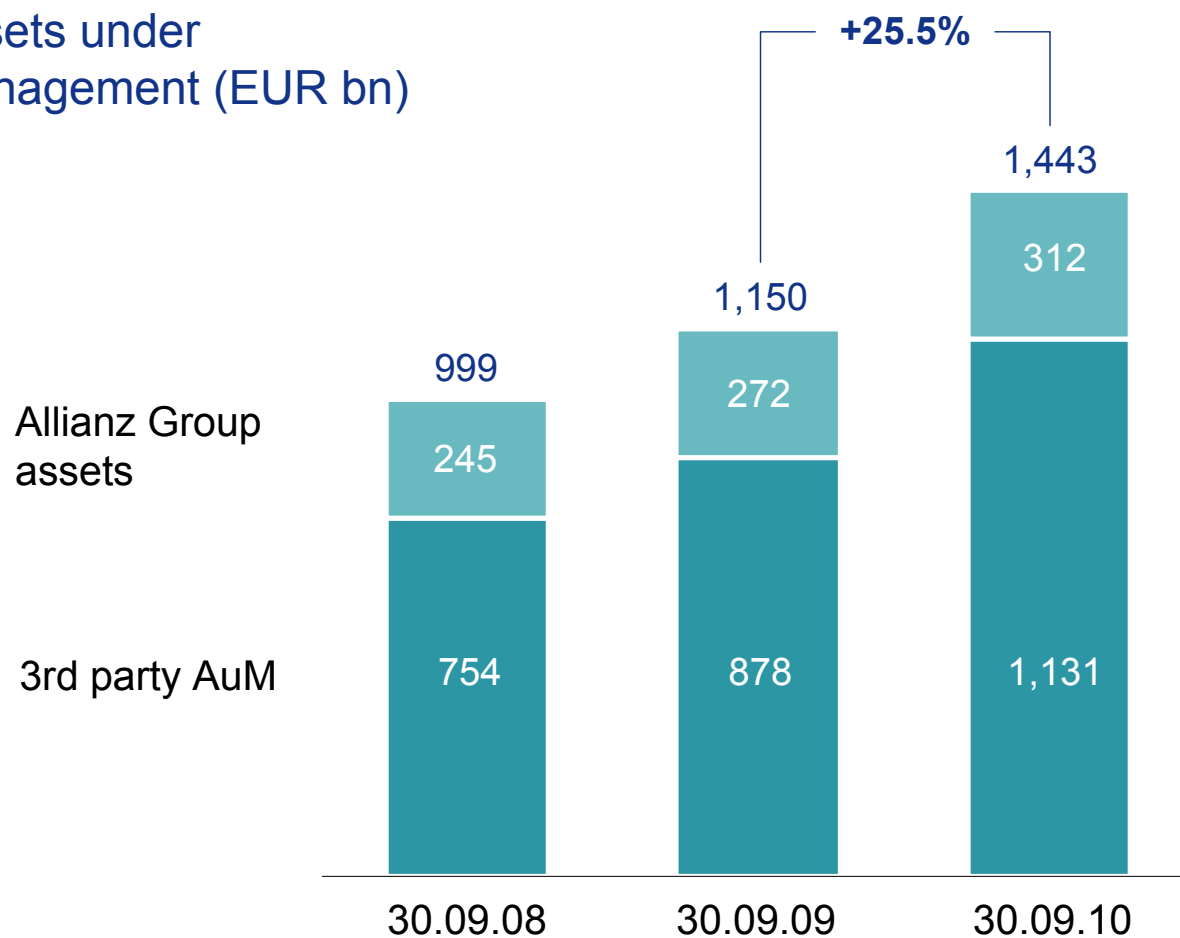
AM: summary



- Total AuM exceed EUR 1.4tn,
3rd party AuM above EUR 1.1tn
- Exceptionally strong 3rd party net inflows with EUR 40bn
- Operating profit continues at record levels,
and cost-income ratio of 58.5 percent

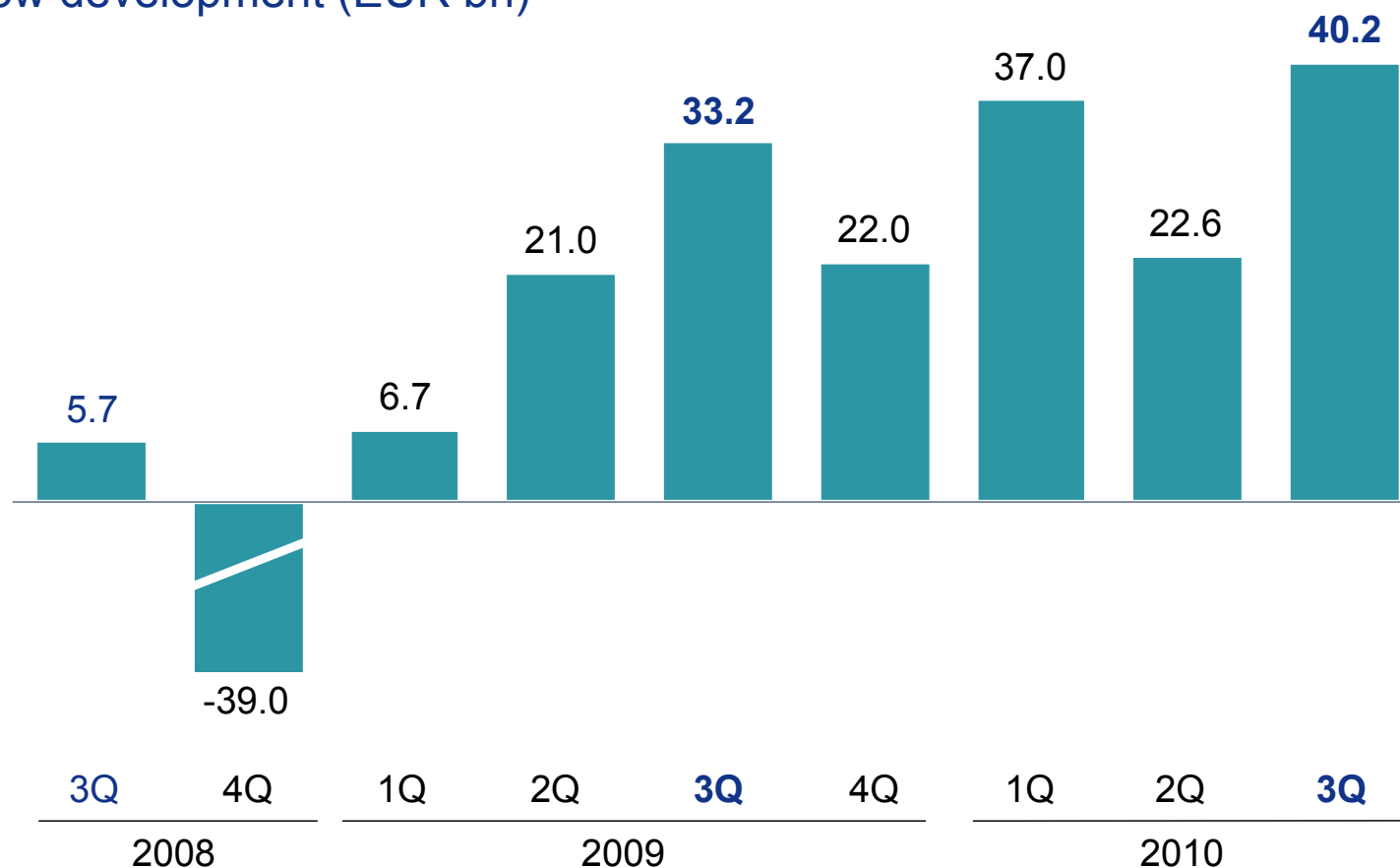
AM: total AuM above EUR 1.4tn

Assets under
Management (EUR bn)



AM¹: exceptionally strong 3rd party net inflows of EUR 40bn and EUR 100bn YTD

3rd party net flow development (EUR bn)



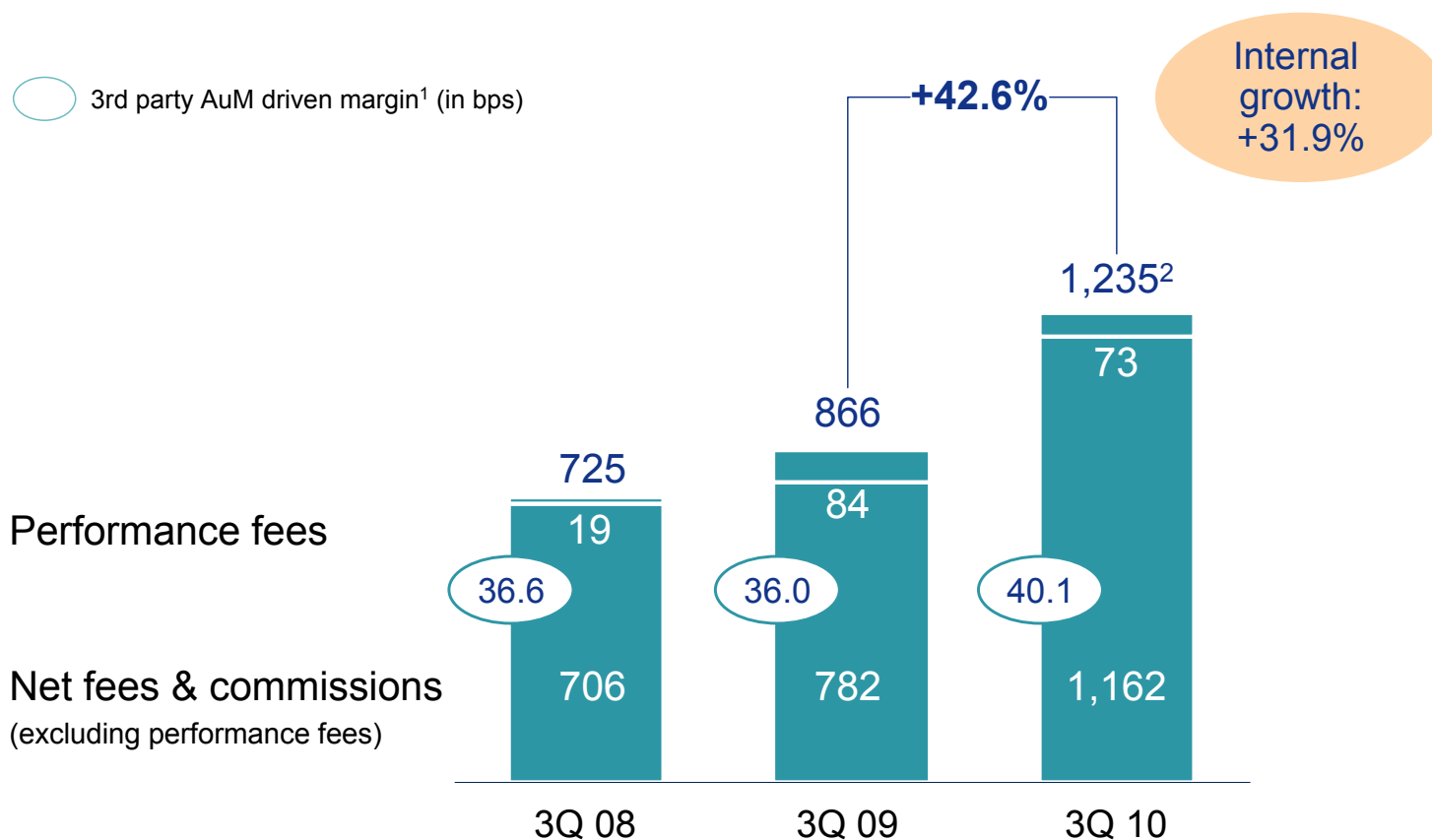
3rd party net flows
in % of AuM bop



1) AGI only

AM: net fee and commission income up 43%

Net fee and commission income (EUR mn)

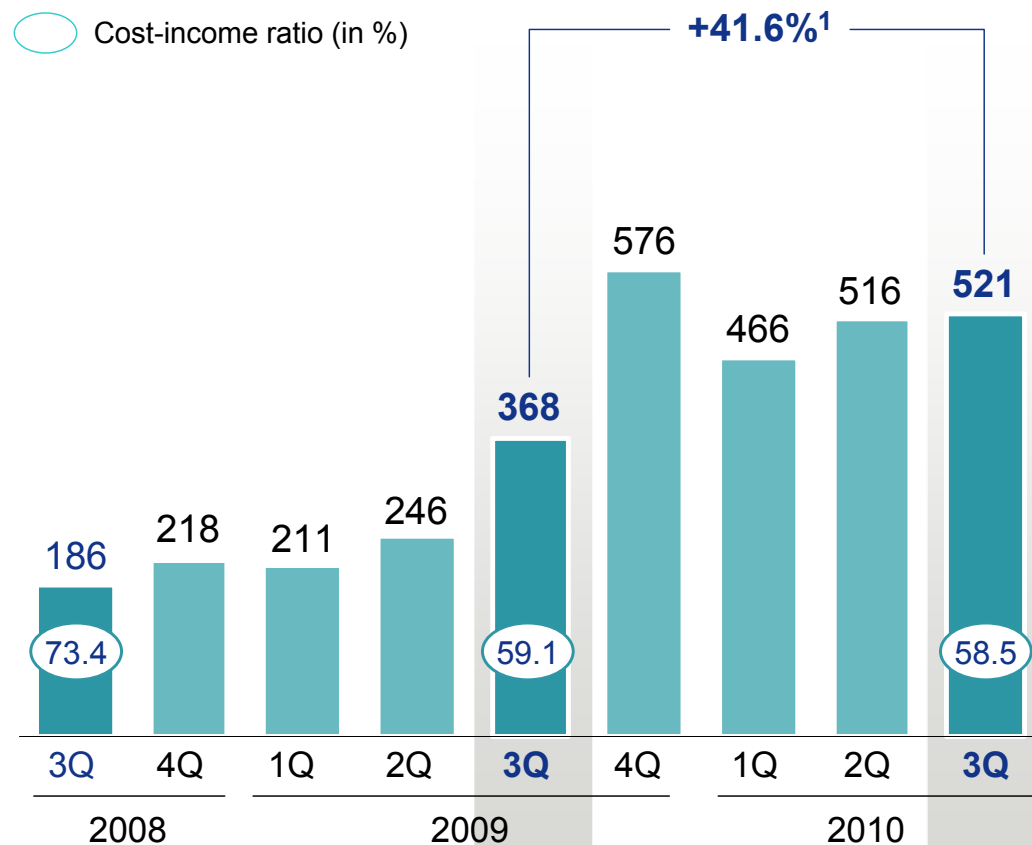


1) Excluding performance fees, 12-month rolling

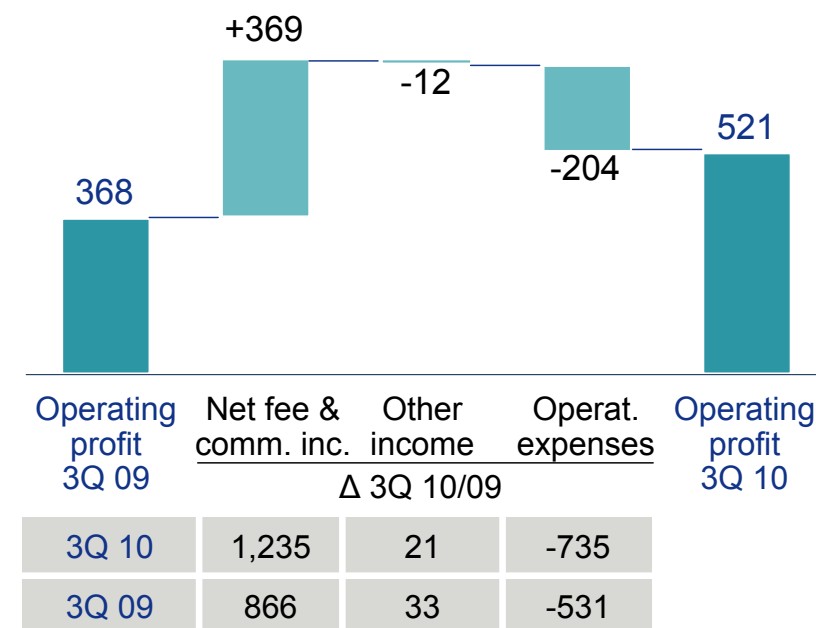
2) Net fee and commission income includes F/X effect of EUR +95mn

AM: operating profit continues at record levels (EUR mn)

Operating profit



Operating profit drivers

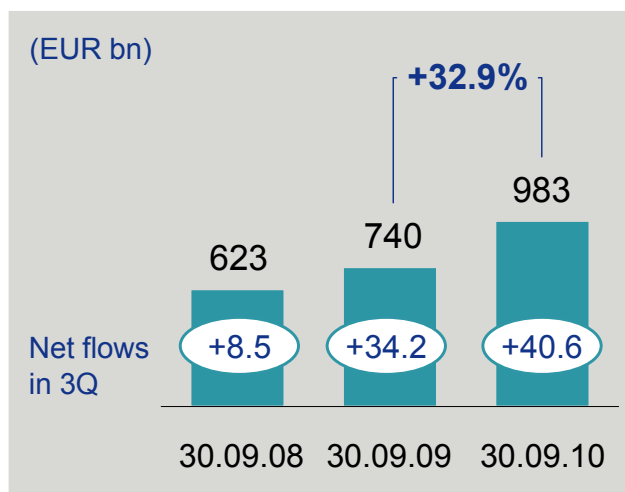


1) Internal growth: +29.7%

AM: distinctive fixed income performance continues

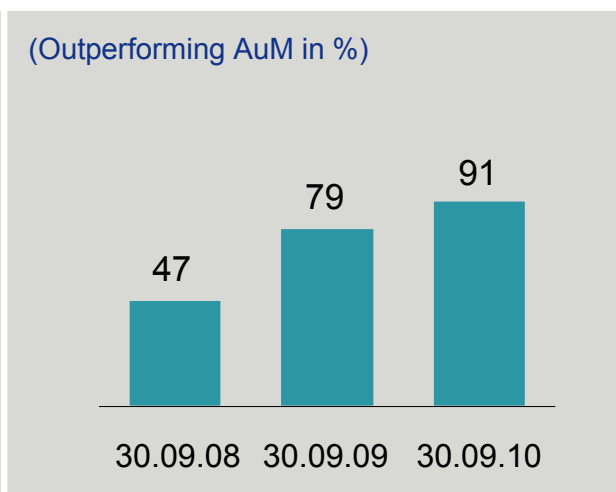
Fixed income

3rd party AuM



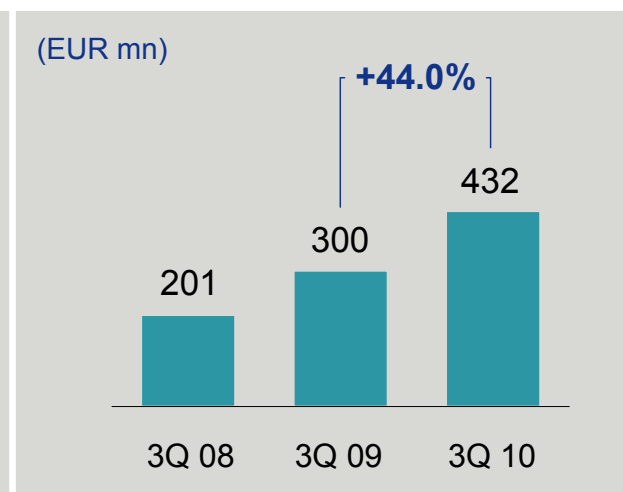
- Strong 12 month rolling net inflows of EUR 127bn
- Average AuM up by 41% vs. 3Q 09
- Positive F/X impact supports AuM development vs. 3Q 09

Performance



- Excellent investment performance
- Outperforming AuM even grow vs. 2Q 10

Operating profit

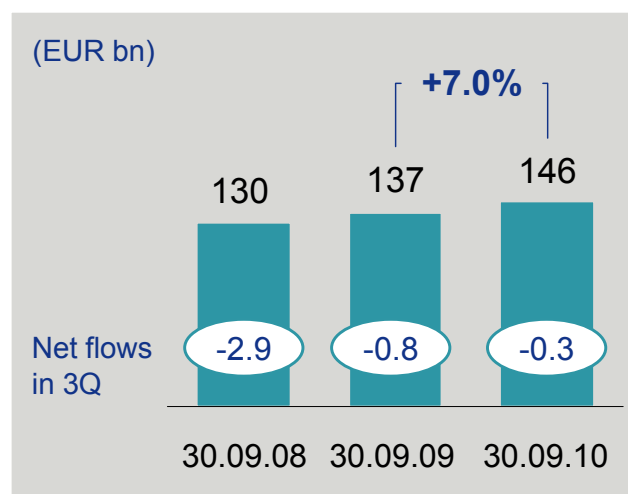


- Growth due to higher AuM and positive shift in asset mix
- Support from F/X (internal growth 31%)
- Performance fees remain strong (EUR 44mn), but below 3Q 09 (EUR 63mn)
- Excellent CIR of 49.1% in 3Q 10

AM: 3rd party equities AuM at EUR 146bn

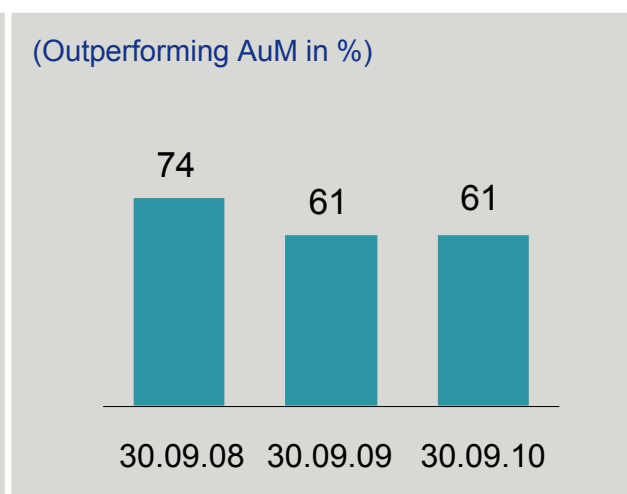
Equities

3rd party AuM



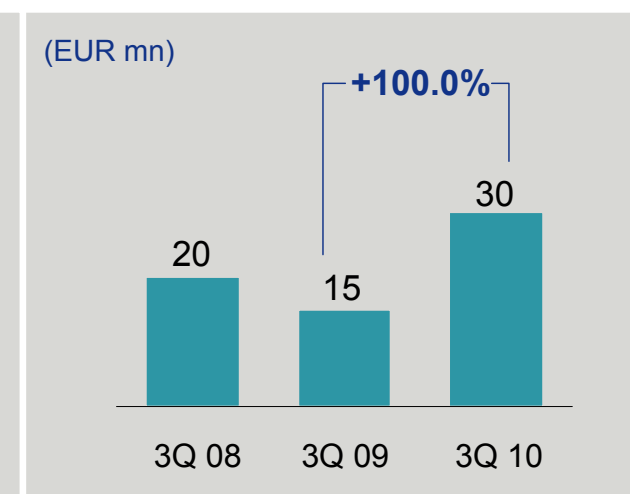
- Notable AuM increase, largely driven by positive market development
- Net outflows considerably reduced

Performance



- Investment performance better than market average

Operating profit

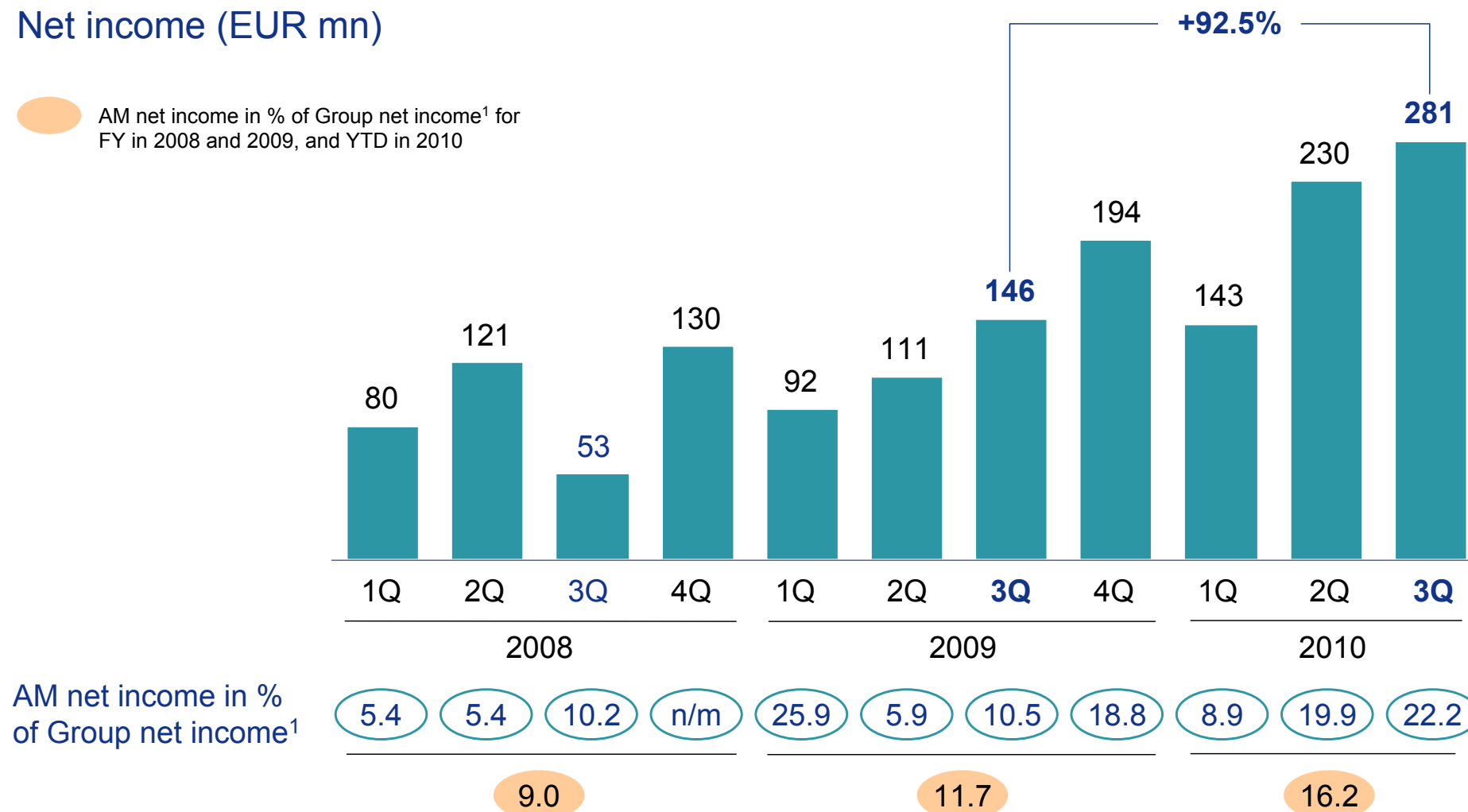


- Growing average AuM +6% drive profitability
- Performance fees of EUR 15mn in 3Q 10
- CIR of 75.5% clearly improved vs. 3Q 09 (84.4%)

AM: strong growth in net income contribution

Net income (EUR mn)

AM net income in % of Group net income¹ for FY in 2008 and 2009, and YTD in 2010



1) From continuing operations

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- Double digit revenue growth to EUR 24.5bn
- Strong operating profit of EUR 2.1bn
- Net income at EUR 1.3bn
- Solid capital position, with 168 percent solvency ratio

▶ Outlook¹: we expect the Allianz Group operating profit to trend towards the upper end of our target range of around EUR 7.2bn, plus or minus EUR 0.5bn

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

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Group: result by segments overview (EUR mn)

	P/C		L/H		AM		CO		Consolidation		Total	
	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10
Total revenues (EUR bn)	10.2	10.6	10.8	12.6	0.9	1.3	0.1	0.1	0.0	-0.1	22.0	24.5
Operating profit	1,031	1,122	939	655	368	521	-295	-270	-34	27	2,009	2,055
Non-operating items	43	113	12	-4	-148	-60	29	-266	-28	94	-92	-123
Income b/ tax, non-contr.	1,074	1,235	951	651	220	461	-266	-536	-62	121	1,917	1,932
Income taxes	-293	-363	-290	-206	-74	-180	121	82	9	3	-527	-664
Net income from continuing operations	781	872	661	445	146	281	-145	-454	-53	124	1,390	1,268
Net income from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0
Net income	781	872	661	445	146	281	-145	-454	-53	124	1,390	1,268
<i>Net income attributable to:</i>												
Non-controlling interests	17	51	9	9	1	2	-3	-58	-8	0	16	4
Shareholders	764	821	652	436	145	279	-142	-396	-45	124	1,374	1,264

Group: key figures

(EUR mn)

	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	Delta 3Q 10/09	9M 2008	9M 2009	9M 2010
Total revenues (EUR bn)	21.1	23.0	27.7	22.2	22.0	25.5	30.6	25.4	24.5	+2.5	69.5	71.9	80.5
Operating profit	1,470	1,132	1,313	1,762	2,009	1,960	1,732	2,302	2,055	+46	6,323	5,084	6,089
Non-operating items	-736	-1,068	-974	548	-92	-1,336	259	-597	-123	-31	-788	-518	-461
Income b/ tax, non-contr.	734	64	339	2,310	1,917	624	1,991	1,705	1,932	+15	5,535	4,566	5,628
Income taxes	-215	-46	16	-438	-527	409	-388	-548	-664	-137	-1,285	-949	-1,600
Net inc. from cont. ops.	519	18	355	1,872	1,390	1,033	1,603	1,157	1,268	-122	4,250	3,617	4,028
Net inc. from discount. ops.	-2,550	-2,933	-395	0	0	0	0	0	0	0	-3,440	-395	0
Net income	-2,031	-2,915	-40	1,872	1,390	1,033	1,603	1,157	1,268	-122	810	3,222	4,028
<i>Net income attributable to:</i>													
Non-controlling interests	52	33	0	18	16	14	38	68	4	-12	224	34	110
Shareholders	-2,083	-2,948	-40	1,854	1,374	1,019	1,565	1,089	1,264	-110	586	3,188	3,918
Group financial assets ¹ (EUR bn)	399.1	394.3	400.8	413.7	431.6	438.8	456.4	467.8	471.4	+39.8	399.1	431.6	471.4

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

P/C: key figures (EUR mn)

	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	Delta 3Q 10/09	9M 2008	9M 2009	9M 2010
Gross premiums written (EUR bn)	10.8	9.0	13.9	9.5	10.2	8.9	14.0	10.0	10.6	+0.4	34.4	33.6	34.5
Operating profit	1,261	1,209	969	895	1,031	1,169	712	1,147	1,122	+91	4,438	2,895	2,981
Non-operating items	-138	-279	-193	196	43	32	149	-7	113	+70	568	46	255
Income b/ tax, non-contr.	1,123	930	776	1,091	1,074	1,201	861	1,140	1,235	+161	5,006	2,941	3,236
Income taxes	-303	-276	-333	-333	-293	-404	-270	-303	-363	-70	-1,213	-959	-936
Net income	820	654	443	758	781	797	591	837	872	+91	3,793	1,982	2,300
<i>Net income attributable to:</i>													
Non-controlling interests	29	-11	12	9	17	17	31	51	51	+34	123	38	133
Shareholders	791	665	431	749	764	780	560	786	821	+57	3,670	1,944	2,167
Combined ratio (in %)	96.5%	96.2%	98.7%	98.9%	96.9%	95.3%	100.4%	96.3%	97.1%	+0.2%-p	95.2%	98.2%	97.9%
Segment financial assets ¹ (EUR bn)	92.3	88.9	89.9	90.3	92.7	92.2	96.5	96.7	96.3	+3.6	92.3	92.7	96.3

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 and derivatives.
Adjusted for cash pool merger France

L/H: key figures

(EUR mn)

	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	Delta 3Q 10/09	9M 2008	9M 2009	9M 2010
Statutory premiums (EUR bn)	9.4	13.1	13.0	11.8	10.8	15.2	15.4	14.1	12.6	+1.8	32.5	35.6	42.0
Operating profit	125	-51	296	966	939	469	835	824	655	-284	1,385	2,201	2,314
Non-operating items	-175	-320	-67	21	12	-23	-35	23	-4	-16	-215	-34	-16
Income b/ tax, non-contr.	-50	-371	229	987	951	446	800	847	651	-300	1,170	2,167	2,298
Income taxes	-8	29	28	-323	-290	-71	-224	-287	-206	+84	-333	-585	-717
Net income	-58	-342	257	664	661	375	576	560	445	-216	837	1,582	1,581
<i>Net income attributable to:</i>													
Non-controlling interests	7	40	5	18	9	16	21	19	9	0	46	32	49
Shareholders	-65	-382	252	646	652	359	555	541	436	-216	791	1,550	1,532
Cost-income ratio (in %)	98.9%	100.4%	98.0%	93.9%	93.6%	97.5%	95.7%	95.4%	96.0%	+2.4%-p	96.5%	95.2%	95.7%
Segment financial assets ^{1,2} (EUR bn)	289.0	290.9	293.3	305.1	317.5	324.2	339.1	349.3	352.9	+35.4	289.0	317.5	352.9
Unit-linked investments (EUR bn)	57.1	50.4	49.1	51.9	54.9	57.0	60.1	61.0	61.7	+6.8	57.1	54.9	61.7
Operating asset base ^{2,3} (EUR bn)	348.5	343.8	345.0	359.7	375.4	384.5	402.9	413.7	417.9	+42.5	348.5	375.4	417.9

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 and derivatives

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 and derivatives

AM: key figures

(EUR mn)

	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	Delta 3Q 10/09	9M 2008	9M 2009	9M 2010
Operating revenues	700	726	716	780	899	1,294	1,116	1,188	1,256	+357	2,168	2,395	3,560
Operating profit	186	218	211	246	368	576	466	516	521	+153	708	825	1,503
Non-operating items	-87	-2	-50	-47	-148	-254	-207	-128	-60	+88	-291	-245	-395
Income b/ tax, non contr.	99	216	161	199	220	322	259	388	461	+241	417	580	1,108
Income taxes	-46	-86	-69	-88	-74	-128	-116	-158	-180	-106	-163	-231	-454
Net income	53	130	92	111	146	194	143	230	281	+135	254	349	654
<i>Net income attributable to:</i>													
Non-controlling interests	1	1	1	1	1	2	-6	3	2	+1	4	3	-1
Shareholders	52	129	91	110	145	192	149	227	279	+134	250	346	655
Cost-income ratio (in %)	73.4%	70.0%	70.5%	68.5%	59.1%	55.5%	58.2%	56.6%	58.5%	-0.6%-p	67.3%	65.6%	57.8%
3rd party AuM¹ (EUR bn)	753.8	703.5	766.0	813.3	877.5	925.7	1,022.7	1,138.5	1,130.9	+253.4	753.8	877.5	1,130.9

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

Corporate and Other: key figures

(EUR mn)

	3Q 2008	4Q 2008	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	Delta 3Q 10/09	9M 2008	9M 2009	9M 2010
Total revenues (Banking)	125	131	117	124	119	157	128	138	146	+27	424	360	412
Operating profit													
Holding & Treasury	-78	-89	-170	-210	-252	-217	-226	-138	-237	+15	-241	-632	-601
Banking	-16	-26	-9	-93	-37	-26	-23	-15	-24	+13	-5	-139	-62
Alternative Investments	25	-56	-5	-9	-6	7	-2	-2	-9	-3	78	-20	-13
Consolidation	15	-24	0	-1	0	0	0	0	0	0	40	-1	0
Corporate and Other operating profit	-54	-195	-184	-313	-295	-236	-251	-155	-270	+25	-128	-792	-676
Non-operating items													
Holding & Treasury	-277	-482	-606	396	55	-235	245	-466	-55	-110	-670	-155	-276
Banking	-35	-92	-3	3	-9	-78	6	-32	-8	+1	-36	-9	-34
Alternative Investments	24	-43	-63	-220	-17	-83	-70	-31	-222	-205	110	-300	-323
Consolidation	-53	-67	1	184	0	0	85	16	19	+19	-201	185	120
Corporate and Other non operating items	-341	-684	-671	363	29	-396	266	-513	-266	-295	-797	-279	-513
Income b/taxes, non-contr.	-395	-879	-855	50	-266	-632	15	-668	-536	-270	-925	-1,071	-1,189
Income taxes	134	296	384	286	121	272	209	197	82	-39	389	791	488
Net inc. from cont. ops.	-261	-583	-471	336	-145	-360	224	-471	-454	-309	-536	-280	-701
Net inc. from discount. ops.	-2,523	-2,873	-395	0	0	0	0	0	0	0	-3,235	-395	0
Net income	-2,784	-3,456	-866	336	-145	-360	224	-471	-454	-309	-3,771	-675	-701
<i>Net income attributable to:</i>													
Non-controlling interests	17	1	-18	-18	-3	-21	-8	-5	-58	-55	56	-39	-71
Shareholders	-2,801	-3,457	-848	354	-142	-339	232	-466	-396	-254	-3,827	-636	-630
Cost-income ratio Banking (in %)	107%	112%	102%	167%	120%	105%	108%	104%	104%	-16%-p	97%	130%	105%
RWA¹ Banking (EUR bn)	8	7	8	8	8	9	9	9	9	+1	8	8	9

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 and Other		Consolidation		Group ¹	
	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10	3Q 09	3Q 10
Operating investment result												
Interest and similar income ²	845	887	3,541	3,636	12	10	27	34	-56	43	4,369	4,610
Inc. fr. fin. assets and liab. carried at FV ³	69	82	480	677	18	15	-17	-9	13	31	563	796
Realized gains/losses (net)	35	19	544	587	0	0	0	0	-10	2	569	608
Impairments of investments (net)	-4	-2	-232	-95	0	0	0	0	0	60	-236	-37
F/X result	-36	-52	-120	-550	-1	-8	-21	-11	3	2	-175	-619
Investment expenses	-67	-60	-151	-160	0	0	-21	-23	44	66	-195	-177
Subtotal	842	874	4,062	4,095	29	17	-32	-9	-6	204	4,895	5,181
Non-operating investment result												
Inc. fr. fin. assets and liab. carried at FV	3	-19	-14	-12	0	0	125	36	-2	-32	112	-27
Realized gains/losses (net)	117	169	40	12	0	32	159	158	6	11	322	382
Impairments of investments (net)	-44	-21	-3	-2	0	-1	1	-8	0	0	-46	-32
Subtotal	76	129	23	-2	0	31	285	186	4	-21	388	323
Net investment income	918	1,003	4,085	4,093	29	48	253	177	-2	183	5,283	5,504
<i>Investment return in % of avg. investm.</i>	<i>1.0%</i>	<i>1.0%</i>	<i>1.3%</i>	<i>1.2%</i>	<i>n/m</i>	<i>n/m</i>	<i>0.7%</i>	<i>0.5%</i>	<i>n/m</i>	<i>n/m</i>	<i>1.2%</i>	<i>1.2%</i>
Movements in unrealized gains/losses on equities	404	147	1,859	323	n/m	n/m	1,027	-106	n/m	n/m	3,290	363
<i>Total investment return in % of avg. inv.</i>	<i>1.4%</i>	<i>1.2%</i>	<i>1.9%</i>	<i>1.3%</i>	<i>n/m</i>	<i>n/m</i>	<i>3.3%</i>	<i>0.2%</i>	<i>n/m</i>	<i>n/m</i>	<i>2.0%</i>	<i>1.2%</i>
Impairments and realized gains/losses attributable to shareholders (EUR bn)	0.1	0.2	0.0	0.0	n/m	n/m	0.2	0.1	n/m	n/m	0.3	0.3

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, as previously reported	28,569	7,110	-4,006	2,011	33,684	3,564	37,248
Adjustments	0	43	-7	0	36	0	36
Balance as of 31.12.08 (restated)	28,569	7,153	-4,013	2,011	33,720	3,564	37,284
Total comprehensive income		3,149	53	4,054	7,256	65	7,321
Paid-in capital	0				0		0
Treasury shares		-47			-47		-47
Transactions between equity holders	0	6	0	0	6	-1,431	-1,425
Dividends paid		-1,580			-1,580	-113	-1,693
Balance as of 30.09.09 (restated)	28,569	8,681	-3,960	6,065	39,355	2,085	41,440
Balance as of 31.12.09 , as previously reported	28,635	9,689	-3,615	5,457	40,166	2,121	42,287
Adjustments	0	-47	-11	0	-58	0	-58
Balance as of 31.12.09 (restated)	28,635	9,642	-3,626	5,457	40,108	2,121	42,229
Total comprehensive income		3,954	894	1,774	6,622	187	6,809
Paid-in capital	0				0		0
Treasury shares		4			4		4
Transactions between equity holders		26	-10	0	16	-15	1
Dividends paid		-1,850			-1,850	-122	-1,972
Balance as of 30.09.10	28,635	11,776	-2,742	7,231	44,900	2,171	47,071

L/H: changed accounting for fixed-indexed annuities¹

The problem

USD 5.2bn
fair value assets

USD 7.4bn
fair value liabilities
discounted with
market risk free rates



High accounting
volatility stemming from
credit spread and
interest rate movements

The solution

1

Sale of the assets
held at fair value, and
reinvested in available
for sale assets

2

Introduction of a new
accounting policy for
fixed-indexed annuity
liabilities

The result

All assets backing fixed-
indexed annuities are
now in the available
for sale category

Remaining fair value
liabilities are discounted
at earned rates

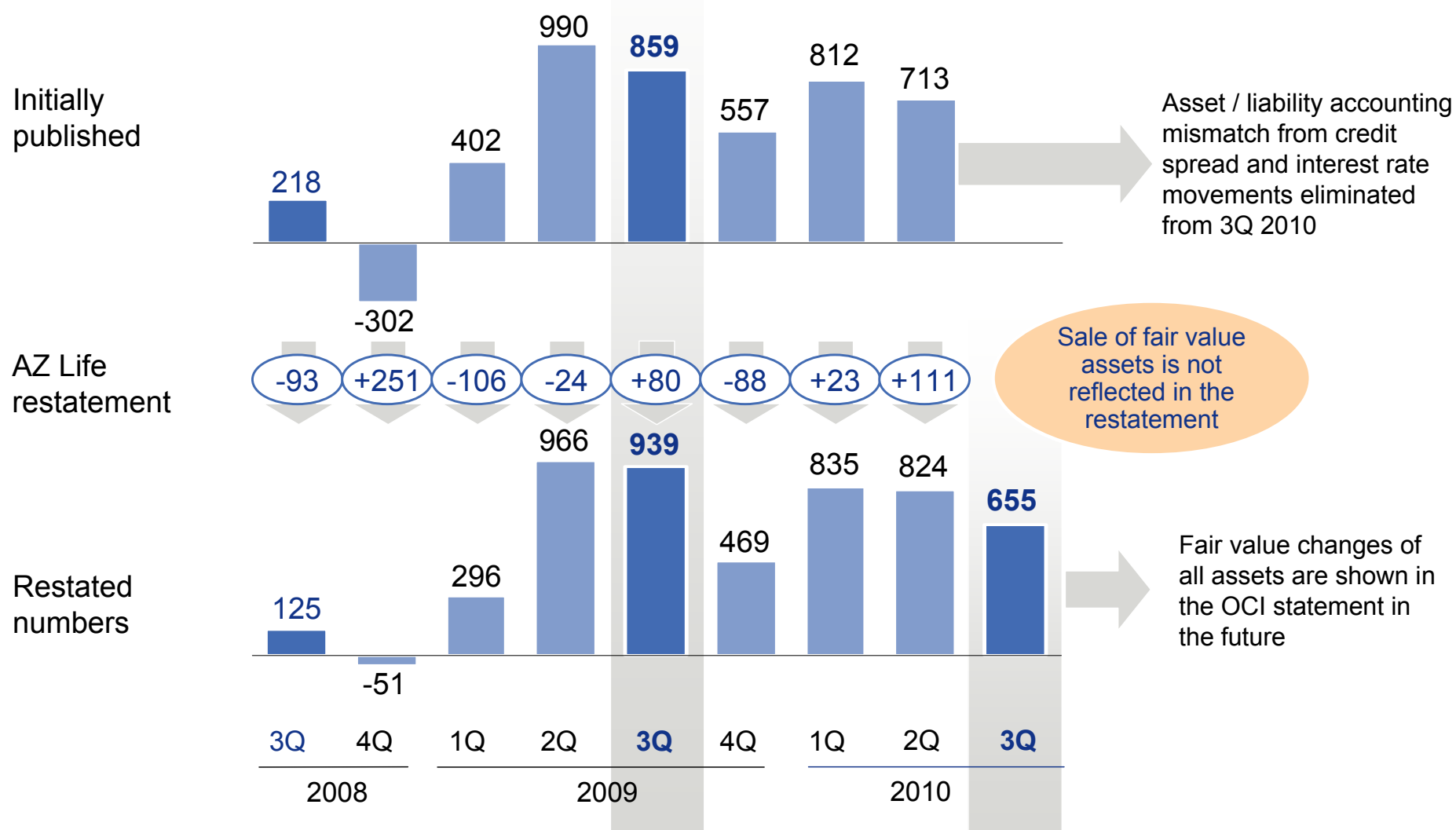


No more unjustified
accounting volatility
stemming from credit
spread and interest rate
movements

1) Values as of 31.12.09

L/H: impact of accounting policy change for fair value liabilities to eliminate the accounting mismatch

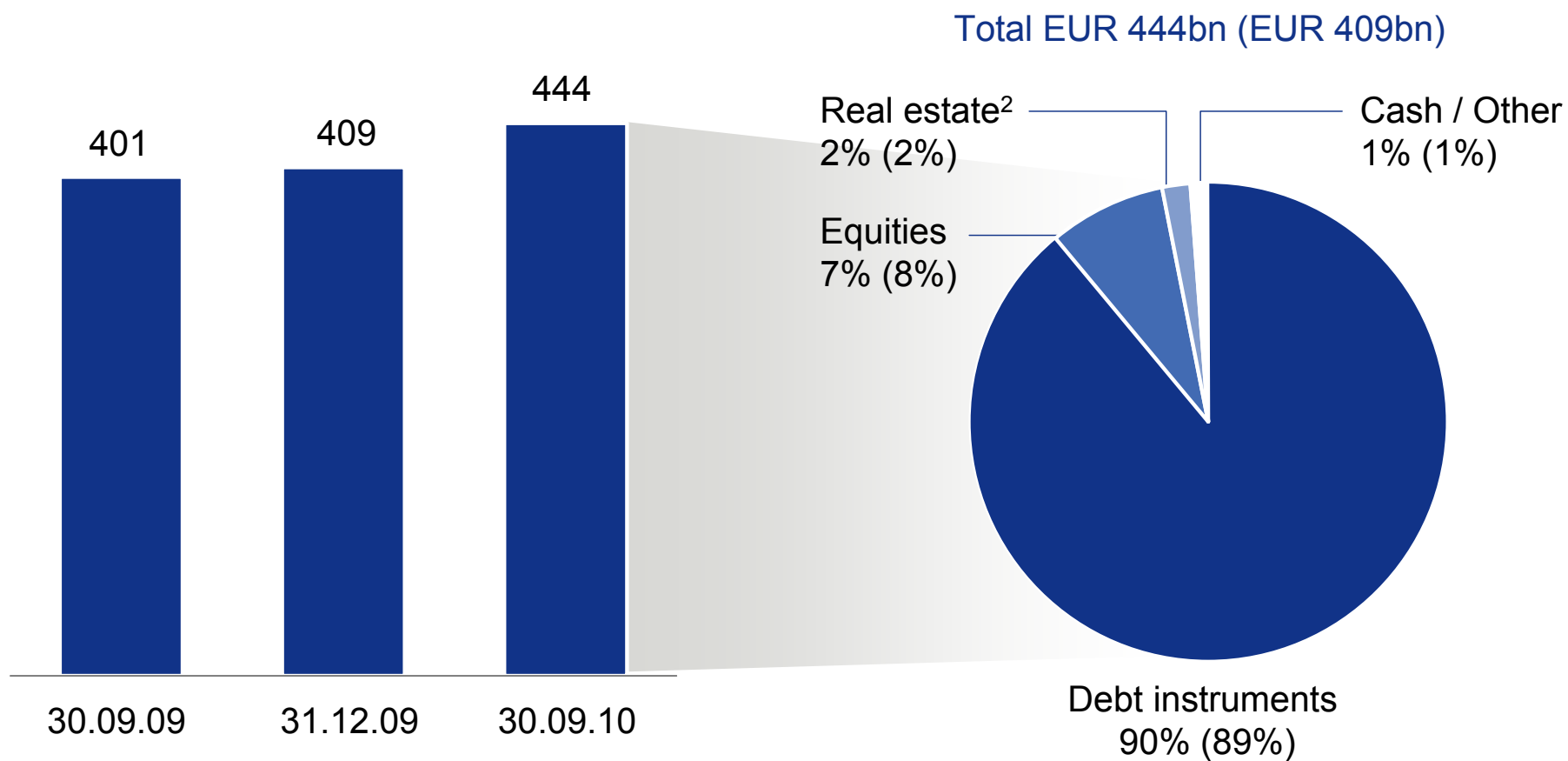
Operating profit (EUR mn)



Overview investment portfolio (EUR bn)

Group investments and loans¹

as of 30.09.10 (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

Agenda

Highlights

Group

P/C

L/H

Asset Management

Summary

Additional information

Glossary

Glossary (1)

AGCS	Allianz Global Corporate & Specialty
AGI	Allianz Global Investors
AM	Asset Management
AuM	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
Bp	Basis point = 0.01%
CEE	Central and Eastern Europe
Combined ratio	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)
Cost-income ratio (CIR)	Represents operating expenses divided by operating revenues
Current yield	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
DAC	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
Fair value	The amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction
FCD	Financial conglomerates directive: European regulation for the supervision of financial conglomerates and financial groups involved in cross-sectoral business operations

Glossary (2)

Goodwill	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
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
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 acquisitions and disposals
L/H	Life and health insurance
Loss ratio	Claims and insurance benefits incurred (net) divided by net premiums earned (net).
NBM	New business margin: Value of new business divided by present value of new business premiums
Non-controlling interests	Represent the proportion of equity of affiliated enterprises not owned by Group companies
OAB	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
OE	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

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.