

Allianz SE

Group Communications and Corporate Responsibility

Media Release

Allianz strengthens its Alternatives capabilities

- Allianz looks to create one of the largest global real estate investment managers by transferring the shares of Allianz Real Estate to PIMCO
- Respective organizations are complementary in terms of geography, products, and investor coverage

Munich, March 10, 2020. Today Allianz announced its intention to combine the strengths of PIMCO, one of the world's premier fixed income investment managers, and Allianz Real Estate, the captive real estate specialist with more than EUR 70 billion of assets under management. This organic move is proposed to strengthen its Alternatives capability by creating one of the world's most preeminent real estate managers. It will manage over EUR 100 billion in core, value add, and opportunistic real estate across Europe, the U.S., and the Asia-Pacific region.

PIMCO has an established Alternatives platform in opportunistic real estate. Its macro-economic and analytical framework will be complemented by the real estate scale and global footprint of Allianz Real Estate. Positioning this footprint and network of specialist partners alongside PIMCO's top down investment framework and third-party expertise will enable the business to become one of the largest real estate investment managers in the years to come.

The respective organizations are complementary in terms of geography, products, investor coverage, people, and expertise. PIMCO's real estate platform focuses on opportunistic investments and credit in the U.S. and Europe. Allianz Real Estate brings its highly regarded global expertise in acquiring and managing direct core/manage to core real estate investments and indirect core and value add investments in Europe, Asia, and the U.S., as well as its European and U.S. core and enhanced lending activity.

Allianz Real Estate is wholly owned by Allianz SE and is currently part of its investment division. In the context of the transaction, it shall be transferred to PIMCO and thereby become a part of the asset management division of Allianz SE. The proposal is still subject to the finalization of legally binding agreements, standard regulatory approvals, and the involvement of employee representatives in continental Europe.

The leadership teams of Allianz Real Estate and PIMCO will work together in the coming months to align their expertise more closely while ensuring that both organizations remain

fully committed to fulfilling the various fund investments and institutional mandates of their current configurations.

“This is an excellent growth opportunity,” said Jackie Hunt, Member of the Board of Management of Allianz SE. “Bringing two high performing, complementary specialist parts of the business together puts us in a position to provide customers a more comprehensive solution in real estate capabilities and strengthens our position in Alternatives, where we are already among the top 10 global players.”

“Real estate has been, and will continue to be, central to the development of our Private Strategies platform, which we consider essential to providing our clients with alternative approaches to achieving their long-term investment objectives,” said Emmanuel Roman, PIMCO’s CEO. “By incorporating Allianz Real Estate into PIMCO’s existing suite of private solutions, we intend to significantly enhance our capabilities in an area that has become a critical component of our clients’ portfolios.”

“This is a very interesting time for those of us at Allianz Real Estate and the alliance is very balanced for us as we are complementary in what we do. By playing off each other’s strengths, we will be able to do great things in the future,” said Francois Trausch, CEO & CIO Allianz Real Estate. “When we match the Allianz Real Estate global footprint and the Allianz appetite for real estate with the unparalleled access to the PIMCO intellect, research, analytics, focus on performance, and of course global distribution capabilities, we are destined to become one of the world’s most well rounded real estate specialists and Alternatives experts.”

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About Allianz

The Allianz Group is one of the world's leading insurers and asset managers with more than 100 million retail and corporate customers in more than 70 countries. Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life and health insurance to assistance services to credit insurance and global business insurance. Allianz is one of the world’s largest investors, managing around 754 billion euros on behalf of its insurance customers. Furthermore, our asset managers PIMCO and Allianz Global Investors manage almost 1.7 trillion euros of third-party assets. Thanks to our systematic integration of ecological and social criteria in our business processes and investment decisions, we hold the leading position for insurers in the Dow Jones Sustainability Index. In 2019, over 147,000 employees achieved total revenues of 142 billion euros and an operating profit of 11.9 billion euros for the group.

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