

Allianz Group: Second quarter 2011 development

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Journalist telephone conference
August 5, 2011

Allianz 

Agenda

- 1 Highlights for the first half of 2011
- 2 The global economy and the euro
- 3 Outlook

The first half of 2011 – success despite adversity



§ Total revenues reached EUR 54.5 billion

§ Operating profit of 4.0 billion EUR on track:

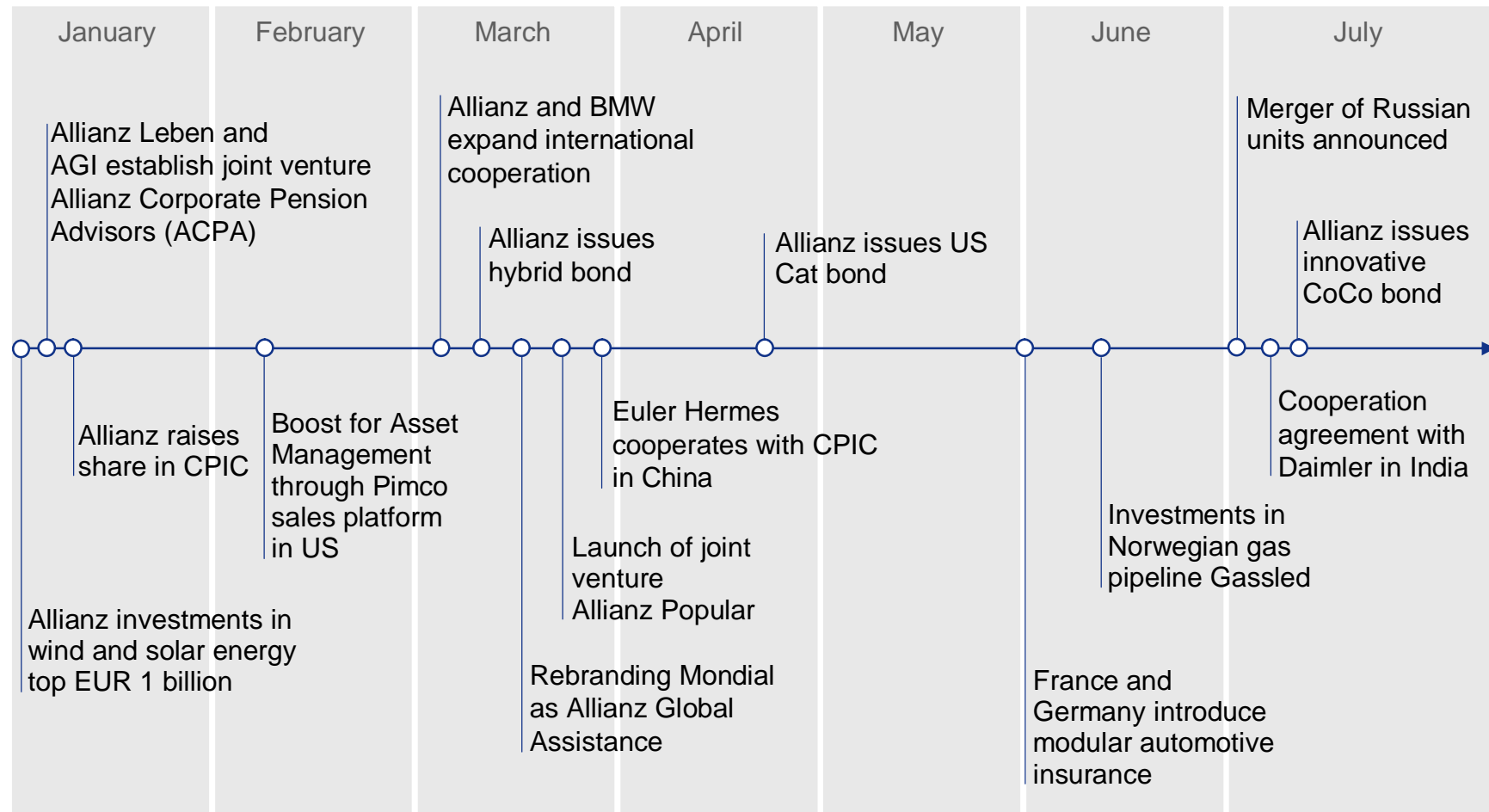
- P/C: EUR 2.0bn– Natural catastrophes well absorbed
- L/H: EUR 1.4bn– Business continuing at target levels
- AM: EUR 1.1bn– Asset Management growing in importance

§ Six-month net income of EUR 2.0 billion

§ Solvency remains strong before introduction of Solvency II

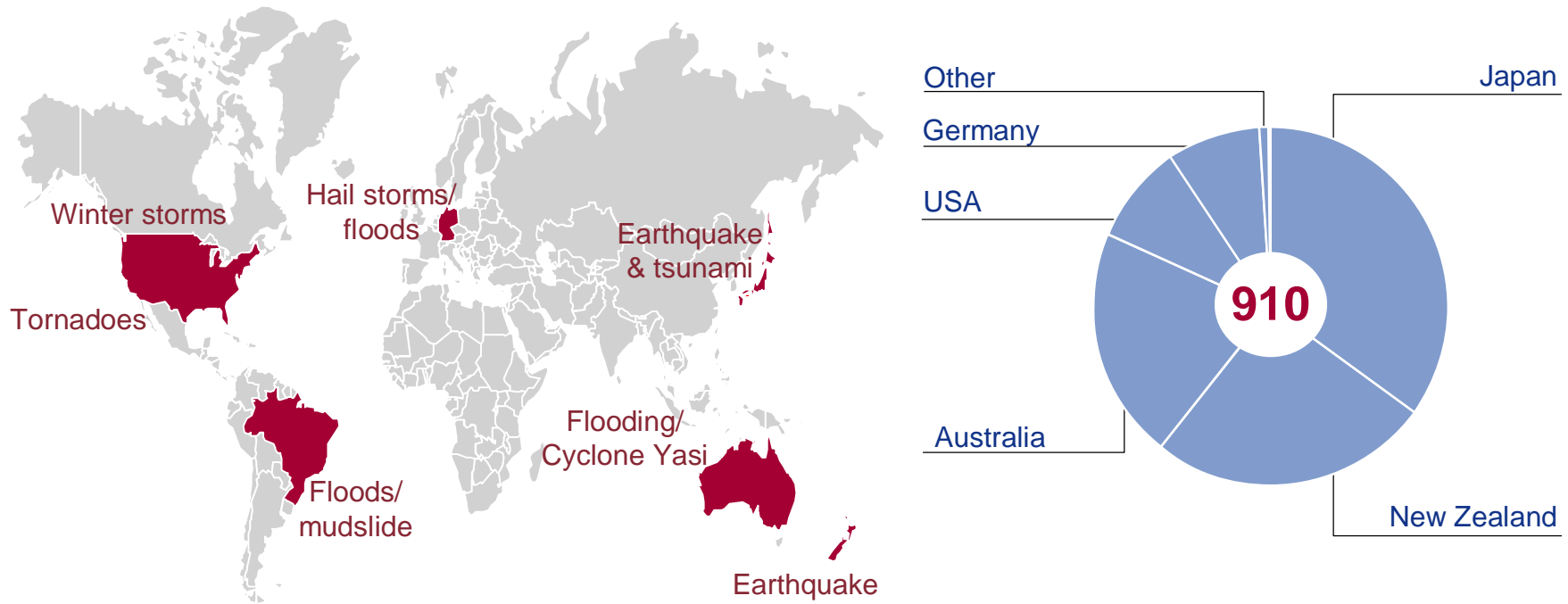
Improved offerings to clients and profitability remain key focus

Milestones in the first half of 2011



Performance after natural catastrophes in first half year

Overview of largest natural catastrophes and Allianz Group share of claims



▶ In just the first 6 months, we made payments to customers of EUR 910 million

Changes still required for Solvency II

Group solvency

- § Acknowledging excess capital of subsidiaries, so that companies in countries with more conservative financial reporting are not disadvantaged
- § Taking diversification effects into account
- § Introducing Solvency II as planned independent of organizational form to avoid non-business structural changes

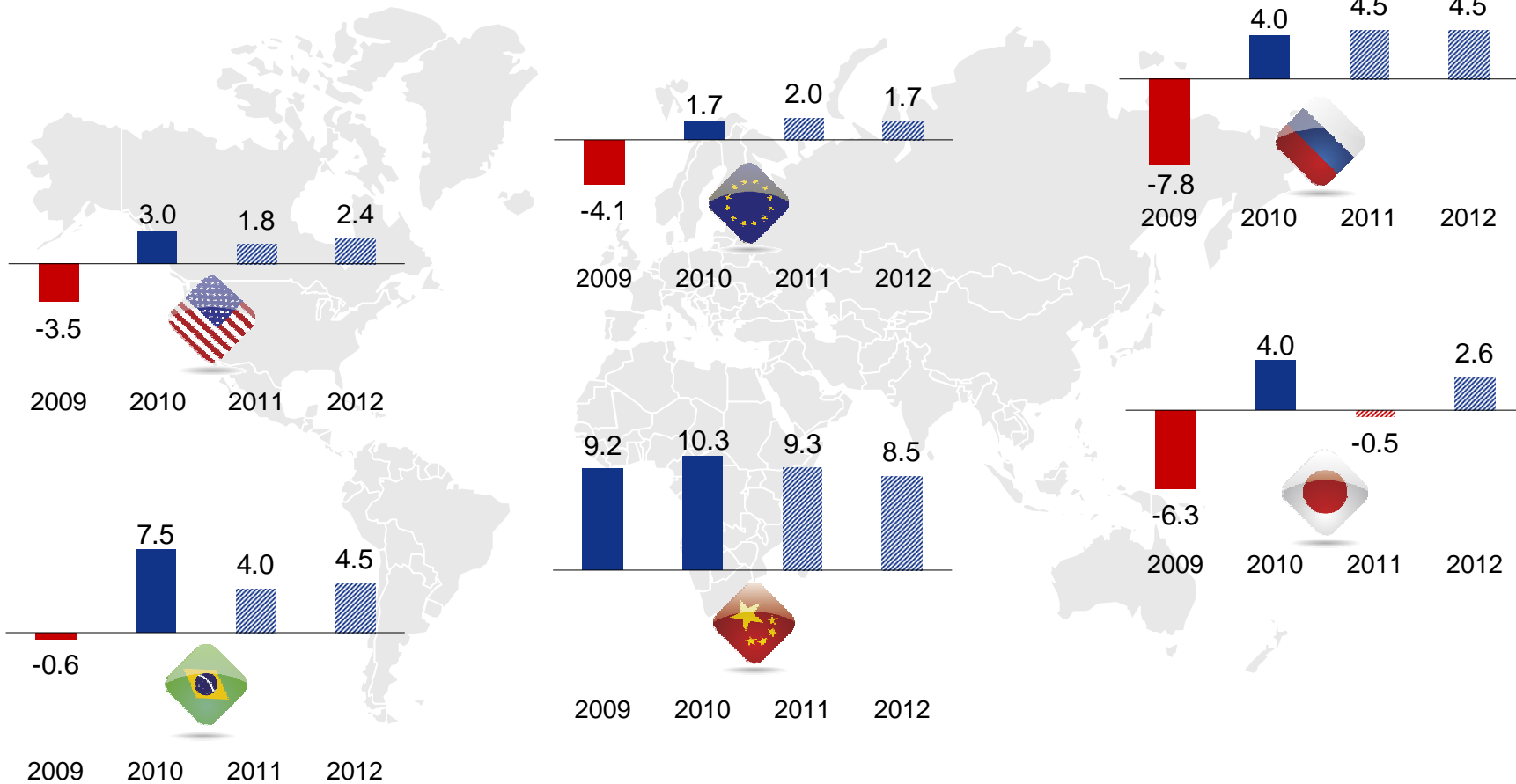
Financing the real economy

- § Retaining important capital (equity and debt) lenders for banks
- § Avoiding further cost increases for bank refinancing
- § Retaining insurers as investors in sectors with long-term investment needs
- § Avoiding more cautious lending by banks

▶ Fully taking into account economic aspects of the insurance business

Global economic growth weakening

Real GDP growth rates 2009 - 2012 (%)



Sovereign debt: Issues and challenges

Stabilizing Greece

- Crisis management
- Consolidation and structure reforms
- Growth



Coordinating fiscal policy

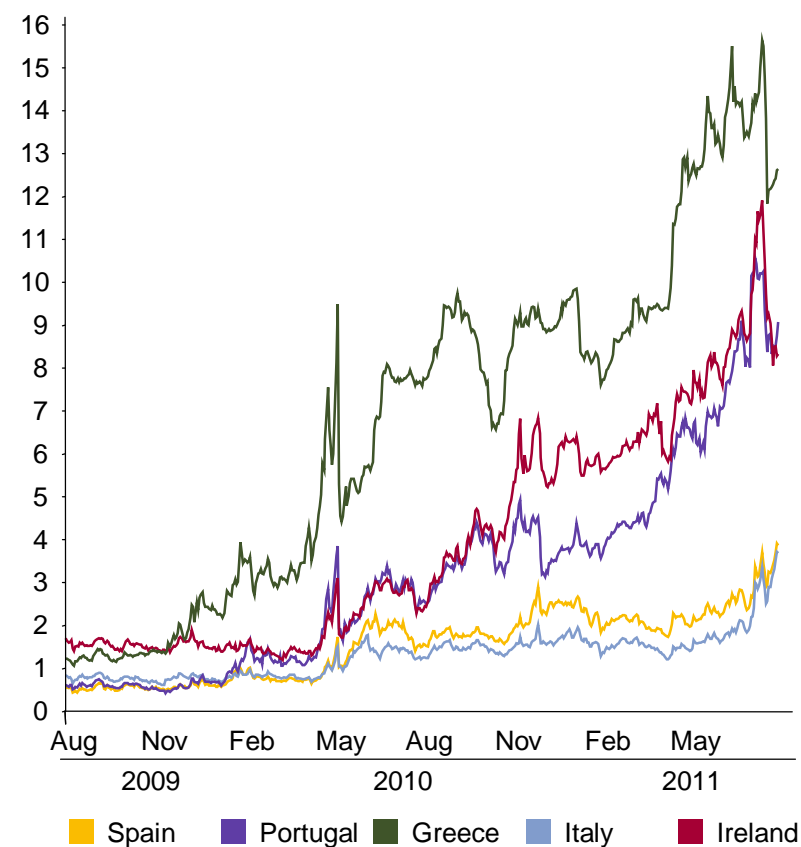
- Stability and Growth Pact
- Macroeconomic monitoring
- Further political integration



Preventing contagion

Crisis summit provides limited relief on markets

Yield spreads over 10-year German gvt. bonds, percentage points¹



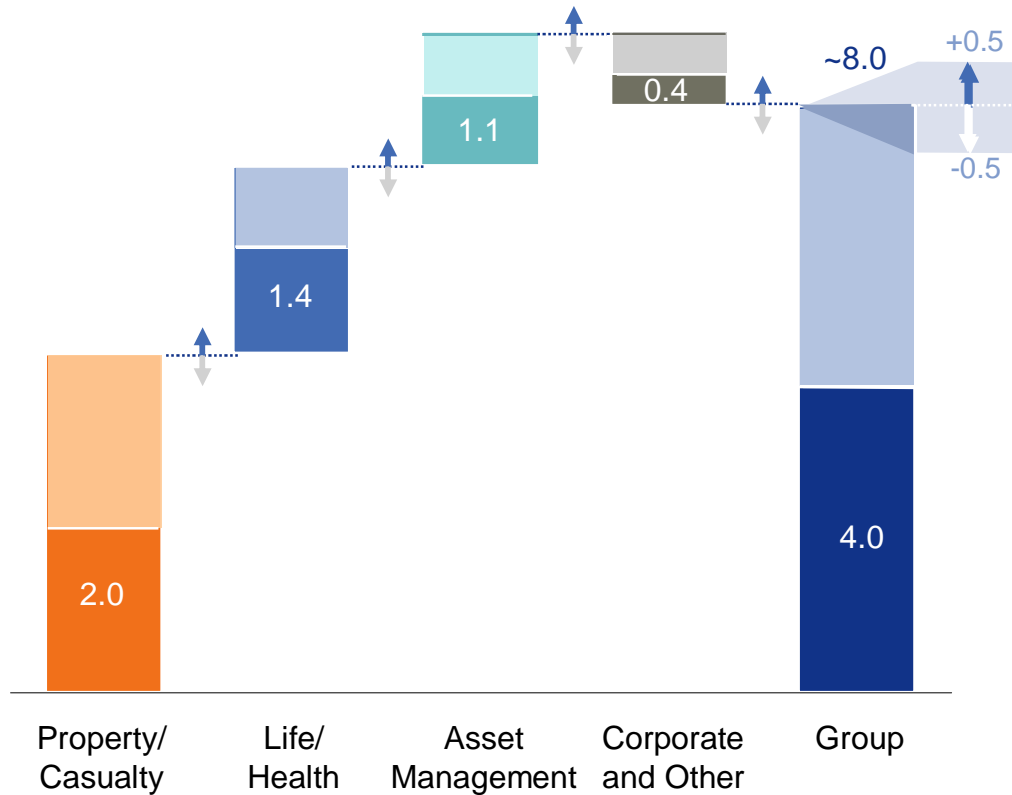
Government debt indicators for selected EMU countries²

2010						
in % of GDP	Budget deficit	Primary balance	Gross governm. debt	External governm. debt	Private net wealth	Credit rating S&P
Greece	-10.5	-3.7	142.8	94.2	55.0	CC
Ireland	-32.4	-29.3	96.2	54.9	64.0	BBB+
Portugal	-9.1	-4.4	93.0	59.9	123.0	BBB-
Spain	-9.2	-7.3	60.1	31.1	77.0	AA
Italy	-4.6	-0.4	119.0	55.5	181.0	A+
France	-7.0	-5.2	81.7	51.4	142.0	AAA
Germany	-3.3	-1.2	83.2	37.8	136.0	AAA

1) Source: EcoWin

2) Source: Bloomberg, Eurostat, national central banks

Status and outlook 2011 (EUR bn)



§ Forecast range for Group results reflects diversification

§ **Legal disclaimer**

Effects of natural catastrophes and developments in financial markets and global economy are not foreseeable

▶ Allianz on track to reach operating profit target for 2011

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