AMOS

Allianz Managed Operations & Services SE

AMOS SE

Annual Report 2013

Allianz

At a glance – 2013

Key commercial figures	2013	2012
Revenues (€ mn)	633.7	606.9
Investments (€ mn)	318.4	286.2
Active employees as of 31 December	2,565	2,146
Revenues with Group companies (percentage)	97.8	97.4

Key figures for IT	2013	2012
Computing capacity in MIPS	55,553	49,801
Disk space (terabytes)	7,933	5,980
Servers	6,731	7,176
Physical workstations	69,850	64,485
Virtual workstations	25,304	10,259
Regular users of Virtual Client (approx. figure)	12,000	8,000
Pages printed (millions)	755	753
Number of Allianz companies using AMOS SAP systems	106	98
Users of AMOS SAP systems with broad-ranging functionality	24,890	24,088
Number of installed video systems	388	261
Users connected to Allianz Global Network	54,414	4,217

Key figures for Operations	2013	2012
OPEX black-belt trained employees (total)	1,293	1,175
OPEX blue-belt trained employees (total)	7,609	6,904
OPEX-supported Allianz Group projects	102	150

Key figures for Services	2013	2012
Savings for the Allianz Group (€ mn)		
on IT products and services	52.3	75.9
on non-IT products and services	31.9	31.6
on claims	36.5	3.3

Content

A _ Management Report

B _ Financial Statements

Report of the Supervisory Board 2013

The Supervisory Board has fulfilled its duties and obligations as provided for under the Statutes and applicable laws. We have monitored the management of the company and advised the Board of Management regarding the conduct of business. In line with our monitoring and advisory activities, the Board of Management has informed us on a regular basis in a timely and comprehensive manner, both verbally and in writing, on the course of business. In the financial year 2013 the Supervisory Board held two meetings in April and in November. In these meetings, the Board of Management informed us about the economic situation of the company, the planned and implemented measures on the development of business and the risk situation. The Supervisory Board was directly involved in all major decisions. In addition, the Supervisory Board adopted four resolutions by circular procedure in April, August and October 2013 and January 2014.

Allianz Managed Operations & Services SE has grown further in size, international presence and complexity to an extent which required additional strengthening of the leadership team. The Supervisory Board has therefore appointed Mr. Philip Varghese, formerly CEO of Bajaj Allianz Life in India, to join the Board of Management of Allianz Managed Operations & Services SE as of September 1, 2013. Philip V. is responsible for the branches in India as well as Quality & Methods / Organizational Management. A key task is managing the ramp up of the Pune branch, and to further develop Allianz Managed Operations & Services SE India in line with the strategic workforce plan 2013 to 2015. Leveraging the Indian labor market for know-how and resources currently not readily available in Europe and to replace external resources by internal is a key building block in the delivery model of the Company.

The business year 2013 was characterized by Allianz Managed Operations & Services SE further developing into a truly customer-focused shared service organization serving Allianz Group, and transforming Allianz into a Digital Group. In September 2013 the Chairwoman of the Company provided a status report to the Allianz SE Board of Management. A continued focus of Allianz Managed Operations & Services SE's portfolio on digitalization topics and market-proven synergy topics with significant expense-ratio stakes was agreed. Guiding principles for deployment are transparency on cost and performance of Allianz Managed Operations & Services SE and the need for tight financial tracking of project business cases.

Since 2010, Allianz Managed Operations & Services SE has achieved significant steps in terms of digitalization and Group synergies, and is delivering Allianz's major transformation programs. In order to successfully continue the journey of digitalizing Allianz and leveraging Group synergies, as well as reaching profitability targets, an internal transformation program, AMOS 20/15, has been started and will be continued to ensure further capability building, employee engagement, operational discipline and to address further key levers.

Changes on the Supervisory Board

Dr. Alexander Vollert resigned from the Supervisory Board effective as of 31 December 2013. The extraordinary Shareholders' Meeting of Allianz Managed Operations & Services SE held on 10 December 2013 appointed Dr. Manfred Knof, member of the Board of Management of Allianz Deutschland AG, as his successor with effect from 1 January 2014. The Supervisory Board thanks Dr. Vollert for his competent advice and commitment to the Company.

Changes on the Board of Management

The Supervisory Board has approved an additional nomination effective as of 1 September 2013:
Mr. Philip Varghese, previously CEO of Bajaj Allianz in Pune, joined the Board of Management to take on responsibility for the Indian branches in Pune and Trivandrum as well as for Quality & Methods/Organizational Management.

Annual financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, audited the annual financial statements and management report of Allianz Managed Operations & Services SE and issued an unqualified opinion for the financial year 2013.

The annual financial statements and management report, together with the audit report prepared by KPMG, were made available to all members of the Supervisory Board and were discussed in detail during the Supervisory Board meeting on March 31, 2014, in the presence of the independent auditors. Our examination of these documents presented by the Board of Management and the independent auditors has raised no objections and we concur with the findings of the independent audit carried out by KPMG. The Supervisory Board has approved the annual financial statements prepared by the Board of Management.

The Supervisory Board expresses its gratitude and appreciation to the Board of Management and the employees for their dedicated work over the past year.

Munich, March 31, 2014
On behalf of the Supervisory Board:

Dr. Christof Mascher

Members of the Supervisory Board

Dr. Christof Mascher
Member of the Board of Management
Allianz SE
Chairman

Manfred Büttner
Employee
Allianz Managed Operations & Services SE
Employee Representative

Patrick Grosjean
Chief Operating Officer
Allianz France

Dr. Manfred Knof
Member of the Board of Management
Allianz Deutschland AG
Deputy Chairman
(since January 1, 2014)

Jürgen Lawrenz
Employee
Allianz Managed Operations & Services SE
Employee Representative

Jesus Marin
Chief Operating Officer
Allianz S.p.A. Italy

Members who left the Supervisory Board during the year

Dr. Alexander Vollert
Member of the Board of Management
Allianz Deutschland AG
Deputy Chairman
(to December 31, 2013)

Board of Management

From left to right:

Sylvie Ouziel
Chairwoman of the Board of Management

Stefan Britz
Member of the Board of Management
Responsible for labor relations and social affairs

Dr. Barbara Karuth-Zelle
Member of the Board of Management

Dr. Rüdiger Schäfer
Member of the Board of Management

Dr. Ralf Schneider
Member of the Board of Management

Philip Varghese
Member of the Board of Management
(since September 1, 2013)

The motivation and all-out commitment of the people who work for AMOS are crucial to the success of the company and its development going forward.

We, the Board of Management of AMOS, would like to thank the employees for their hard work and personal commitment throughout 2013.
We would also like to thank the representatives of the relative work councils for their willingness to engage in dialog and for the good level of cooperation in a spirit of mutual respect.

MANAGEMENT REPORT

Pages **09–21**

A

1. Mandates and Mission

AMOS' mission is to transform Allianz into a digital group. AMOS supports the Group in sustaining a leading market position by exploiting synergies and by fostering innovation adoption. AMOS is the partner of choice of Allianz companies to jointly bring to life projects and services underpinning OE competitiveness and differentiation. As the internal shared-service company and IT service provider, AMOS has the mandate to constantly increase added value of its services around the globe by reducing costs whilst providing a high standard of quality.

AMOS focuses its activities on the strategic priorities of the Allianz Group (in terms of differentiation, competitiveness, security and resilience), notably to be able to face an evolving competitive landscape including new technology players as well as leveraging technology game-changing opportunities to the benefit of the OEs.

AMOS

- drives standardization and simplification of business processes around best practices.
- is incubating innovation and ensuring fast scale-up and deployment.
- is leveraging sourcing opportunities around the globe to exploit skill tanks and cost-efficient locations (such as Romania and India) as well as outsourcing options (bringing external service providers on board).
- is leveraging the buying power of the Allianz Group.
- is capitalizing on repeat delivery experience and industrial methodologies, notably via international delivery centers, in order to bring predictability, reliability and quality.
- is leveraging proven change and business transformation expertise.

Via these approaches, AMOS is bringing to life economies of scale, scope and skill.

2. Structure and Operation

The goal of AMOS is to generate strategic differentiation, sustainable competitiveness and resilience for Allianz companies and the Allianz Group as a whole. AMOS has aligned its portfolio and delivery model along a trajectory designed for this objective.

2.1 Services and Presence

The services of AMOS are derived from the strategic requirements of the Group as well as from the operational needs of OE partners, and support Allianz companies with projects along their value chains in terms of IT infrastructure, applications and business services.

Infrastructure	Data centers Network
Applications	Interaction layer Core Insurance platforms Supporting services
Business Services	Consulting Services Business Services

Germany and India are the main locations in the AMOS Delivery Model. The focus in Germany is on management and steering, whereas the location in India is geared primarily towards the provision of services. On October 29, 2013, a second AMOS location opened in India, in Pune, in addition to the office in Trivandrum. The AMOS India executive office is based in Pune, together with some of the central functions of AMOS in India. As part of reciprocal business continuity planning, both Pune and Trivandrum will offer Application Development & Maintenance and IT Operations Services.

Philip Varghese, previously CEO of Bajaj Allianz Life in India, was appointed to the AMOS Board of Management on September 1, 2013. He is responsible for activities in India and for Quality & Methods and Organizational Management. In this role, he will spearhead the further development of AMOS Pune and of AMOS India as a whole. AMOS will use the opportunities of the Indian employment market to recruit expertise and manpower that is currently in short supply in Europe, and continue to replace external resources by internal staff.

AMOS operates additional specialist locations in Switzerland and, new in this reporting year, in Romania. These sites each provide a specific portfolio of services – for example Global Sourcing and Procurement – across the Group. AMOS Romania took up its work on September 1, 2013. It will focus on actuarial support services and recruiting support, as well as training administration services, with plans to extend the portfolio in 2014.

In Austria, AMOS holds a stake of nearly 50 % in AMOS Austria IT GmbH, whose activities include development of core applications of the Allianz Business System (ABS) insurance platform.

The AMOS Delivery Model is completed by Proximity Service Hubs. Acting as local points of contact for our customers, it is the task of the hubs to adapt services efficiently to local requirements and support local deployment of applications and platforms. AMOS currently operates Service Hubs in the UK, Ireland, Belgium, the Netherlands, Singapore and – new in the reporting year – the USA. With more hubs in the pipeline, the local presences will further expand the AMOS service portfolio, especially for large Allianz companies.

2.2 Our OE Partners

An uncompromising customer focus is at the heart of AMOS' strategy. The customers of AMOS are the companies and business units of the Allianz Group, including the holding functions, and clients outside of Allianz Group. In 2013, 256 Allianz companies sourced services from AMOS. As in the past the largest customer was Allianz Germany and its subsidiaries (e.g. Allianz Beratungs- & Vertriebs-AG, Allianz Lebensversicherungs-AG and others), with sales revenues over the year of approximately € 353,8 million. AMOS acquired among others AMOS of America, the Deutsche Lebensversicherungs-AG and Volkswagen Autoversicherung as new customers, and expanded its business with Allianz Informatique and Allianz IARD in France as well as with Sistemi Informativi in Italy. Allianz Informatique is the IT subsidiary of Allianz France. Allianz IARD is an insurance subsidiary of Allianz France. Sistemi Informativi is an IT subsidiary of Allianz Italy.

Prior to the reporting year, in 2012, AMOS had already created two new roles to reinforce service delivery relationships with customers. The role of the Account Manager cuts across all the services provided to any one Allianz company. Account Managers take care of account planning, sales and customer satisfaction, and broker the contacts with Service Owners. Service Owners, meanwhile, are responsible for one particular service delivered to multiple Allianz entities. As such, they are accountable for revenue, cost, profitability and the liquidity profile of their services. It is also part of their remit to ensure fulfillment of service level agreements and quality agreements, and to drive continuous improvement and innovations in their service offering.

Revenues 2013 (AMOS SE without subsidiaries)

Region	Total	Share in %	Number of clients (Allianz Group and external)
Americas	7,706,224	1.2%	32
Asia-Pacific	7,590,467	1.2%	43
Germany	489,600,048	77.2%	67
EEMEA	951,460	0.2%	10
Western Europe (excl. Germany)	127,849,869	20.2%	127
Total	**633,698,068**	**100.0%**	**279**

Feedback from our OE Partners

Quality & Methods produces the monthly service and project dashboards that take in the entire AMOS organization, and conducts the twice-yearly customer satisfaction survey. The stated objective is to obtain a clear picture of the delivery performance of AMOS. Taken together with customer feedback, this is an important source of intelligence which we channel into continual improvement of AMOS services. The survey was first conducted in October 2012 and repeated in April of the following reporting year. In October 2013 AMOS significantly expanded the reach of the survey to include a wider circle of users, services and projects.

The survey covered all the major services and projects of AMOS and addressed a wide range of users in customer companies, from directors and senior management to points of contact for specific service families and projects. Over half of the customers AMOS contacted took the time to participate in the survey – which testifies to the level of involvement of AMOS' business partners. The survey was conducted using the Net Promoter Score (NPS) method. The Net Promoter Score measures customer satisfaction and the likelihood that customers will recommend a product or service to others.

2.3 Our Employees

The transformation into a digital group is a core theme of the Allianz Group, and AMOS is at the heart of this process. Therefore, in recent months, the scope and reach of projects have expanded considerably: AMOS is developing new services and gaining more and more customers. As the company grows, so does the need for employees.

Through Continuing Professional Development (CPD) programs and by recruiting additional staff, AMOS continued to extend its subject-matter expertise and management capabilities during the reporting year, expanding the overall portfolio of AMOS. Global delivery capacity has improved; AMOS has intensified cooperation with Allianz Group companies and engaged more closely with suppliers and other business partners.

FIT@AMOS

In 2013, the HR program FIT@AMOS continued to progress efforts to efficiently redeploy and grow skills at AMOS with suitable in-house employees with matching profiles, knowledge and skillsets. Internal career fairs – for example in Munich and Stuttgart – gave employees the opportunity to meet with representatives of departments and business units in order to find out about jobs on offer, and discuss their prospects in different areas of AMOS.

AMOS Learning Days

Launched in May 2013 in Guildford (UK) the AMOS Learning Days were a series of internal training events giving staff the opportunity to engage with colleagues on issues of corporate strategy, the company's areas of business, and its corporate culture. After a total of 13 all-day training sessions, with over 20 days of attendance by members of the Board of Management and approximately 1,000 participants, the Learning Days series was concluded in India..

AMOS 20/15

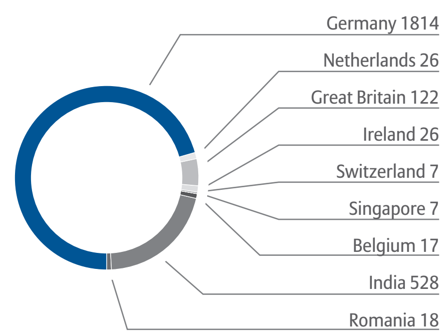
In July 2013, the AMOS management team staged a workshop to kick off a program that has since been known by the name of AMOS 20/15. The program objective is to design the AMOS change process and accelerate its adoption across the organization, with a view to implementing the target model at AMOS by 2020. The first critical milestones have been projected for completion much earlier, in 2015. For 2015, objectives have been set concerning general financial performance of AMOS and introducing individual services for the Allianz Group (critical go-live). Four workstreams have been defined, and work commenced during the reporting year. The blocks are "People and Culture", "The Value Proposition", "Effectiveness and Efficiency" and "Entrepreneurship and Leadership".

Development of the Workforce

On December 31, 2013, AMOS had 1,814 employees at the three German campuses in Munich, Frankfurt am Main and Stuttgart. The international branches and subsidiaries had 751 employees working for AMOS.

26 trainees were in apprenticeships at the Munich campus in 2013, working toward qualifications as IT specialists, machine & plant operators, media technologists/digital printers, informatics & business administrators and logistics specialists. In cooperation with the Ingolstadt University of Applied Sciences, AMOS offers two part-time degree programs for employees – an MBA in IT Management and a BA in computer science and business. Six AMOS-sponsored students were enrolled in the cooperative degree program in computer science and business (combined work and study periods) at the Ingolstadt University of Applied Sciences, and one student was enrolled in applied informatics at the Baden Württemberg University of Cooperative Education (DHBW Stuttgart). One employee enrolled in a part-time MBA program at the European School of Management and Technology in Berlin.

Employees by region



Employees in Germany by location	
Munich	1510
Stuttgart	234
Frankfurt a. M.	70

2.4 Protection of Natural Resources

Environment and climate protection are embedded into the core business of AMOS and its internal processes. Within Germany, AMOS sources energy exclusively from hydropower. The move from fiber-based to recycling paper for both office and high-volume printing has proven a viable approach and AMOS is committed to taking this forward.

AMOS Global Sourcing & Procurement plays a key role in promoting environmental standards with current and potential suppliers. In practice, this means ensuring that all Allianz suppliers abide by the company's environmental, social and governance standards, as outlined in the Allianz Code of Conduct and Purchasing Principles.

3. Key Activities in 2013

3.1 AMOS Service Catalogue

In April 2013, AMOS launched its Service Catalogue and online portal to give customers a complete and direct overview of the services that AMOS has to offer. As part of this process, existing services were harmonized and assembled into new packages. Instead of 2,000 individual services, AMOS customers now have a much clearer choice of approximately 100 service families.

3.2 Infrastructure

3.2.1 Allianz IT Infrastructure Transformation Program (AIT)

In 2013, AMOS created the Allianz IT Infrastructure Transformation Program (AIT), an "umbrella organization" that pulls together all the projects and initiatives working to transform infrastructure in the Allianz Group worldwide. These projects include among others Allianz Global Network (AGN), Data Center Consolidation (DCC) and Allianz Virtual Client (AVC).

This umbrella-organization approach also keeps transformation efforts close to the business, with tight interaction at every stage. Through this enhanced coordination, AMOS is now in an even better position to monitor the goals of the individual projects through to completion. The outcomes are effective disaster recovery, added business value, globalized IT operations and increased cost efficiency for the entire Allianz Group.

Major progress was made in 2013 in the different areas of AIT and its counterparts in Global IT Operations.

Parallel to the three major IT infrastructure change programs, AMOS sustained IT operations at stable levels. Numerous optimizations and performance enhancements were completed for our customers in critical environments such as ABSi and SAP. AGN operation in Germany, France and Italy was integrated into established operating processes. In addition, about 1,500 new server installations and some 1,300 server decommissions were completed in the data center. Full-color printing was introduced in Output Management, adding substantial flexibility to our printing service.

Allianz Global Network (AGN)

The Allianz Group is establishing a global infrastructure to underpin its digital program: the Allianz Global Network offers modern, cost-efficient networking, telecommunications and collaboration solutions, serving as an excellent foundation for a robust Allianz private cloud strategy. Per December 31, 2013, AMOS had migrated 54,414 users across the Group to AGN, including all locations in Germany, Italy, France and Ireland. Migrations are set to continue at a rapid rate in 2014.

Data Center Consolidation Program (DCC)

Currently, Allianz operates 140 data centers worldwide. These are to be consolidated into a total of six data centers. Consolidating the data centers will deliver savings on infrastructure costs to the Allianz Group and raise service quality, while maintaining recovery resilience in the event of a disaster.

On December 20, 2013, Allianz (via AMOS on its behalf) and IBM entered into a contract for operational support of the Allianz data centers. Beginning January 1, 2014, IBM is a global provider of IT operations for Allianz supporting the transformation of the global IT infrastructure of the Allianz Group.

The global partnership with IBM covers IT-related infrastructure processes in technical operation. The goal is to create a global IT infrastructure that is robust enough to withstand disasters – natural and other – and meets the highest standards of quality and service. Another objective of the program is to further increase data security. By yearend 2017, Allianz expects to have migrated fully to the new IT infrastructure and to be operating on the new infrastructure platform.

DCC is being completed step-by-step across the entire Allianz Group. The initial task is to analyze in detail the operational requirements in each country. The first step is being taken by AMOS in Germany: around 250 jobs at AMOS will be transferred to the service provider. The employees concerned will move to the provider under the terms of a transfer of undertakings, retaining all accrued rights. These staff members are to form the nucleus of a new center of excellence and will have a key role to play in driving the digital evolution of Allianz.

Allianz Private Cloud

Currently, AMOS is establishing the Allianz Private Cloud for the Allianz Group: a state-of-the-art global IT infrastructure that measures up to the toughest security benchmarks. Through this activity also, AMOS is helping drive the digital transformation of Allianz worldwide. The Allianz Private Cloud consists of the consolidated data centers discussed above, which will be connected to the Allianz Global Network. The associated Workplace Services are particularly attractive to staff because they enable people to access the network through their usual devices at any time and from any place.

Allianz Virtual Client (AVC)

The Allianz Virtual Client provides Allianz staff with a flexible, cost-efficient and secure solution for their end-devices. To date, there are over 24,000 staff using the AVC client, and training has been completed for national customer service and support units.

Global Identity & Access Management (GIAM)

Global Identity & Access Management (GIAM) is one of the key strategic initiatives of AMOS to roll out a worldwide identity store and tool suite for identification and access management. The GIAM tool will give Allianz standardized procedures worldwide to protect systems from unauthorized access. In future, access to IT resources across all systems worldwide is to be managed exclusively through the GIAM Identity and Access tool. Work is currently underway to decide which will be the next companies to introduce GIAM, and priorities for the various systems are being defined in each company.

3.2.2 Other Products

Advanced Malware Detection (AMD)

As the first stand-alone IT security service provided by AMOS, Advanced Malware Detection (AMD) is a "Class One" standard. This means the rollout of AMD will be mandatory for every company in the Allianz Group. In 2013, AMD was introduced at all Allianz companies in Germany and in several international entities. Unlike established protection mechanisms, which filter out known malware, AMD also protects against zero-day exploits, in other words attacks that exploit previously unknown vulnerabilities.

AMOS Output Center

The AMOS Output Center is the shared-service provider of output services in Germany. The center also earns part of its revenues from business with non-Allianz customers. To be able to respond flexibly as customer requirements grow and evolve – on matters such as data format flexibility, for instance – AMOS introduced a standardized output and production management system with mobile handheld devices as part of a wider modernization program. AMOS can now accommodate customers who wish to send documents though channels such as Windows or host platforms, and can offer electronic output channels such as e-letterpost and e-mail. All incoming data and documents undergo a standardized prepress process; mail items are assembled, weight-optimized for lowest postage and readied for mailing before being forwarded to the postal service. In addition, the production management system provides instant, drill-down intelligence on the status of the entire production line – possible because every stage in production is digital, as is the extensive job & support documentation.

A separate document prepress unit has been installed, together with a high performance continuous-feed full-color inkjet printer with its own spooling system. Apart from cutting costs, the modernization program will in future enable AMOS to produce finished jobs from white paper input.

3.3 Applications

The application architecture is organized into the following levels.

- Solutions for mobile devices and the Internet (oneWeb) enabling the use of digital channels.
- Integrated core insurance applications (ABS, OPUS, ePac) help to streamline the product portfolio and support interdisciplinary product sales though multiple channels.
- Corporate Function platforms (GRP, IMA) ensure financial transparency and efficiency according to compliance requirements.
- Analytical Platforms provide Global Business Intelligence (BI) and Analytics solutions to evaluate, track and report existing data.

With these application platforms defined as strategic, AMOS ensures their implementation in a harmonized way within the Allianz Group.

oneWeb is the digital interaction platform of the Allianz Group, and was co-developed with local Allianz companies with a view to increasing digital interaction with customers through all standard end-user devices. In the reporting year, oneWeb took a total of 34 applications live, including the portals of Allianz Switzerland, Allianz France, AGCS and Firemans Fund, as well as various mobile applications.

In the summer of the reporting year a study was completed on *social media analytics*, conducted by AMOS in collaboration with Group Market Management and a number of Allianz companies. The study shows that social media analytics helps companies to better understand social media mechanisms and their impact on customers, products and services – enabling companies to gauge their actions and responses appropriately. Following the successful completion of the study, some of the participating companies have continued to use the tool. The SAS Social Media Analytics service has been bookable by all Allianz companies since the end of 2013.

One undertaking deserving a special mention in this area of business is the Allianz joint venture with Volkswagen, which started in April 2013. This combines two of the applications: AMOS provides *ABSi* as an integrated core insurance platform for sales through the Volkswagen Group dealer network. It also makes it possible to process policies and claims and manage customer data through a direct link into the platform. The direct sales channel, VWAV Direct, has been operational since August 2013. For the first time, a single platform integrates oneWeb for the interaction and ABSi as the core insurance application. Since the launch of the new joint venture, Volkswagen Autoversicherung AG, over 100,000 insurance policies were sold from April 2013 until the end of the financial year.

The core insurance system *ABS in Germany* was further expanded, as planned in 2013. In addition to numerous new products and tariffs, ABS was extended for health insurance, enabling new policies for per-diem hospital allowances to be managed in ABS. Moreover, AMOS invested considerable effort into preparing for the migration of automotive and life insurance policies from the legacy systems, and in transitioning ABS to SEPA. It has consistently been possible – throughout the migrations – to generate reports via the BI system drawing on the entire base of ABS data.

The *Allianz Input Management System AIMS* has been extended and is now deployed nationwide in Germany. The previous incoming letterpost handling system has been replaced by AIMS and was decommissioned in December. Currently over 120,000 transactions run through AIMS each day.

The SAP-based *Group Reporting Program (GRP)* is the central accounting platform for Allianz companies. GRP makes it possible to compare and analyze finance processes right across the Group. With the system being centralized, it is also easier to integrate changes concerning legal requirements. 2013 saw the completion of the GRP rollout at Allianz France, and good progress has been made on introducing GRP at the companies of Allianz Global Assistance (AGA).

3.4 Business Services

Further Group synergies and cost savings are achieved by:
- optimized transactional processes and expert services in Finance and HR,
- also by the reduction of external spending achieved by Global Sourcing & Procurement and Corporate Real Estate Services.

During the reporting year, new services were launched in all areas, and projects were further developed. Allianz Group OPEX (AGO), the internal Allianz consulting unit, also developed favorably in 2013.

Allianz Group OPEX (AGO)

The internal Allianz Group consulting unit, Allianz Group OPEX, experienced strong growth in 2013, expanding its consulting activities and increasing its headcount. As in previous years, the focus in 2013 was on delivering operational-level consulting and support for transformation projects, which were offered and executed worldwide. AGO was involved in more than 90 projects, increasing sales revenues by 27 % compared to the previous reporting period. The number of employees increased to 152 in 2013. As well as reinforcing its team by recruiting highly qualified staff, AGO has also partnered with the consulting firm Roland Berger to quickly ramp up additional capacity and skills worldwide, thus strengthening its service portfolio.

AGO won two awards for its projects at the “Best of Consulting” awards of the German business weekly “Wirtschaftswoche”. In the Marketing and Sales category, the project “Pro5 Agency Consulting”, in which AGO delivered significant support to Allianz Switzerland, was rated as excellent. In a second category, the project Agility@AGA was also rated as excellent. This project entailed staging a Zero Based Budgeting (ZBB) program for Allianz Global Assistance (AGA).

As well as providing consulting services to Allianz companies, Allianz Group OPEX also offers an OPEX training academy at which Allianz staff are trained in the Operational Excellence method to become either Blue Belts or Black Belts. Other training courses include project management and change management training. A total of some 700 employees participated in AGO training. In 2013, 259 employees were certified as Blue Belts, and 27 as Black Belts.

Global Sourcing & Procurement

AMOS Global Sourcing & Procurement has the mission to mobilize the procurement network of Allianz and to utilize all possible saving potentials and procurement benefits. The program, started in late 2012 to implement global sourcing initiatives with Allianz companies, was successfully executed in 2013, and has helped to negotiate significant savings in both IT and non-IT procurement. By increasing overall transparency, pooling Allianz spending and leveraging the bargaining power of the Group, savings of over € 120 million were achieved for the Allianz Group.

Together with Claims Management/Global Claims, additional categories were defined for vehicle parts and concepts were adopted to unlock additional optimization potential as a way to meet the high expectations of the Allianz Group with respect to reducing the external spend in claims management.

Also during the reporting year, sourcing processes were professionalized by introducing a modern eSourcing solution. This provides efficient, auditable processes in negotiation and tendering, and is yet another building block enabling the Allianz Group to meet its internal and external obligations regarding compliance, legal and brand protection.

Corporate Real Estate Services (CRES)

In 2013, Corporate Real Estate Services deployed a new country-based model to Allianz companies across the world to drive savings for the Group. The establishment of National Real Estate Committees in France, Italy and Switzerland supported the definition of a shared level of ambition regarding real estate costs and the definition of shared convergence scenarios for each country.

Support to Allianz companies from CRES in other countries continued in parallel, promoting the previously established Key Design Principles:

- 11 Allianz units in Singapore moved together to Asia Square.
- CRES actively supported the project management of relocating Allianz Egypt's headquarters in Cairo, and;
- supported Allianz Turkey in finding the right strategy to consolidate their premises around Istanbul as a part of the post-merger integration discussions with Yapı Kredi Sigorta.

In one of the flagship projects, CRES supported the new design of Allianz SE offices in Munich, creating a modern, open-space work environment for all H4 functions, including the Group's COO.

CRES also continued to manage the corporate real estate needs of AMOS, by addressing the accommodation needs of an evolving, international organization. Furthermore, sustained assistance to Allianz companies in making corporate real estate decisions regarding transactions has ensured that transparent, comparable facts provided a reliable basis for project decisions in a number of countries.

Finance Business Services

Finance and Business Services have worked with other Allianz companies to developed shared services for transactional accounting and expertise support services for actuaries – such as premium analysis, utilization and coverage analysis, pricing models and data cleansing. A request for tender has been initiated for rolling out and implementing the transactional services, with a view to evolving the service offering with an external partner. It is expected to sign the contract with the service provider in the first quarter of 2014.

HR Shared Services

AMOS HR Shared Services (HRS) offers transactional services (payroll) as well as expertise services to support Allianz companies in staff recruitment and learning. Transactional services are outsourced to Northgate Arinso and expert services are provided in captive shared services in Romania, supported by India when time zone and language requirements make it relevant.

In 2013, the Allianz Language School opened in the first Allianz companies, with blended-learning courses combining face-to-face sessions and eLearning. HRS also designed and delivered other training events with a total of 17,000 participants and approximately 3,900 applicants. In addition, other Allianz companies were acquired as customers.

4. Business Performance

The business of AMOS SE is organized into the delivery of continuous shared services (service portfolio) and support for strategic transformation projects with the resulting new platforms and services for the Allianz Group (investment portfolio).

In 2013 AMOS SE continued to expand and improve its portfolio as the global shared-service provider of the Allianz Group.

4.1 Structural Changes

Effective from September 1 in the financial year 2013, AMOS SE created a Board of Management portfolio headed by Philip Varghese which comprises the branches in India and the area of Quality & Methods/Organizational Management.

On April 12, 2013, a further branch was founded in Pune, India, which combines overall management of India operations with several central functions of AMOS India.

On September 1, 2013, AMOS SE opened a new International Delivery Center in Bucharest, Romania. AMOS Romania will initially focus on the provision of actuarial support services and recruiting support, as well as training administration services.

4.2 Development of Earnings

Revenues from ordinary business activity can be broken down as follows:

Revenues from ordinary business activity (in € mn)	2013	2012	Veränderung
Revenues	633.7	606.9	26.8
Other own work capitalized	18.3	12.7	5.6
Other operating income	63.0	34.2	28.8
Total	**715.0**	**653.8**	**61.2**

Compared to the previous year, total revenues from ordinary business activity rose by € 61.2 million.

In the financial year 2013, AMOS SE generated total revenues of € 633.7 million (2012: € 606.9 million) from shared services, a year-on-year increase of € 26.8 million or 4.4. %.

The breakdown of revenues (in € million) by AMOS SE product groups is as follows:

Revenues (in € mn)	2013	2012	Change
Application & Data Services	186.2	201.5	-15.3
Print & Output Services	81.5	82.0	-0.5
Workplace	70.2	68.8	1.4
Telecommunication	24.4	29.6	-5.2
Projects & Consulting / Individual Services	71.4	81.2	-9.8
Network	35.9	21.3	14.6
Cross Functional Services (Standard & Others)	92.8	66.5	26.3
Others	71.3	56.0	15.3
Total	**633.7**	**606.9**	**26.8**

The percentage breakdown of revenues is as follows:

Revenues (in %)	2013	2012	Change
Application & Data Services	29.4	33.2	-3.8
Print & Output Services	12.9	13.5	-0.6
Workplace	11.1	11.3	-0.2
Telecommunication	3.9	4.9	-1.0
Projects & Consulting / Individual Services	11.3	13.4	-2.1
Network	5.7	3.5	2.2
Cross Functional Services (Standard & Others)	14.6	11.0	3.6
Others	11.1	9.2	1.9
Total	**100.0**	**100.0**	**0.0**

As in the previous year, the “Cross Functional Services (Standard & Others)” group significantly increased due to strategic Group projects, such as GRP (Global Reporting Program) and SAP/IMA (Investment Management Application).

The year-on-year change in Other Operating Income is primarily attributable to greater exchange rate gains and income from releasing other provisions, notably provisions for restructuring measures.

Expenses from ordinary activities of € 887.8 million (2012: € 871.4 million) were incurred in generating this income in the current period. This represents an increase of 1.9 % or € 16.4 million over 2012. The main reasons being the expansion of the business and the investments in developing AMOS SE. The cost of IT operations fell by € 22.0 million to € 501.1 million (2012: € 523.1 million) owing to the reduction of costs for IT services for the data center operated by AMOS SE.

Personnel expenses increased by € 20.7 million to € 224.2 million (2012: € 203.5 million), owing to the expansion of the business.

Depreciation and amortization fell by € 8.7 million, from € 106.2 million in the previous year, to € 97.4 million in 2013, owing to write-downs on software licenses and on items of operating/business equipment that had impacted the 2012 results.

Other operating expenses rose by € 26.4 million, from € 38.6 million in 2012, to € 65.0 million. The increase compared to the previous year is primarily due to the greater demand for services incurred as part of the development of new services such as Allianz Global Network.

Income from the domination and profit transfer agreement contract is disclosed under Income from Participations.

The year-on-year decrease in income from other securities, other interest and similar income is mainly due to reduced interest income from the discounting of long-term provisions.

Interest and other expenses rose by € 11.1 million, from € 4.5 million in 2012 to € 15.6 million in the reporting period, mainly due to borrowing in 2012 and 2013 from various Allianz companies (Allianz SE, Allianz France S.A., Allianz Suisse Versicherungs-Gesellschaft and AGA International S.A. Paris) to fund the respective Group and OE projects.

A loss of € 183.8 million (loss 2012: € 216.7 million) was recorded in earnings from ordinary activities. In the service portfolio, AMOS SE accomplished an improvement in its earnings through the “Transformation Plan” program and through further measures initiated to increase revenue and reduce cost; earnings results still remain negative. The year-on-year improvement in earnings was however partly offset by higher expenses resulting from the investment portfolio. Even though the revenues increased, the investment portfolio shows a negative result until the scheduled break-even of the business cases for the different Group and OE projects. The payback of this strategic transformation effort is planned only for later years.

In the financial year 2013 the company recorded extraordinary income of € 35.8 million, resulting primarily from releasing provisions for planned restructuring measures. These releases were completed owing to successful negotiation outcomes in the financial year.

Accordingly, the earnings before tax record a loss of € 149.0 million (loss 2012: € 251.8 million) for the financial year 2013.

Before settlements from the domination and profit transfer agreement, the annual net loss is € 156.5 million (loss 2012: € 254.2 million).

4.3 Asset Situation, Financial Development

The total assets of AMOS SE rose in 2013 by 17.4 % to € 1,055.8 million (2012: € 899.0 million). The € 156.8 million increase on the asset side is attributable to the capitalization of IT projects in non-current assets. Self-created intangible non-current assets rose by € 20.6 million, from € 124.1 million in 2012 to € 144.7 million in 2013. The acquired intangible non-current assets comprise both finished and unfinished intangible assets. Overall, € 189.5 million development costs for IT projects were capitalized under self-created non-current assets in the financial year 2013.

These investments are above all attributable to the execution of IT projects of the Allianz Group and of IT projects for individual Allianz Group companies. Increases were offset by disposals and depreciation.

Property, plant, and equipment include another major project, Allianz Global Network, with € 123.8 million being an asset under construction. Additional investments in non-current assets concerned network components and telecommunications and computer purchases.

The current assets decreased by € 64.0 million, from € 402.7 million in the previous year to € 338.7 million in 2013. This was due to a decrease in receivables from Allianz SE. Prepaid expenses rose by € 6.7 million.

Under equity and liabilities, shareholders’ equity remained unchanged at € 189.6 million. Due to the significantly increased capital borrowings for funding project activities, the equity ratio on the balance sheet date of 31 December 2013 was lower, at 18 % (2012 21.1 %). AMOS SE funds its project activities through borrowings from Allianz companies or through current account liabilities payable to Allianz SE.

Provisions decreased by € 34.6 million to € 164.8 million (2012: € 199.4 million), due largely to a reduction of other provisions. The decrease in other provisions is primarily attributable to the release of provisions for the “Transformation Plan” restructuring project totaling € 35.7 million. The outcomes of negotiations with employee representatives and with the future service provider for technical operation of IT-related Infrastructure processes made it possible to keep the projected restructuring measures largely cost-neutral.

The liabilities of AMOS SE rose from € 510.0 million to € 701.4 million, an increase of € 191.4 million over 2012. This primarily results from an increase of the liabilities to Allianz SE. Other liabilities, largely of sales tax, rose by € 8.3 million over 2012.

4.4 Investments

Investments in the financial year 2013 were € 318.4 million (2012: € 286.1 million), € 32.3 million more than 2012. This is because more IT projects for the Allianz Group were capitalized as AMOS SE moved forward with establishing new areas of business.

Investments (in € mn)	2013	2012	Change
Software	189.5	156.6	32.9
Client/server hardware	8.3	8.9	-0.6
Mainframe hardware	0.9	2.9	-2.0
Storage media	5.6	9.0	-3.4
Printing and finishing	3.9	0.0	3.9
Network components	75.0	74.6	0.4
Communications equipment	2.6	5.7	-3.1
Operating/business equipment	30.8	19.6	11.2
Low-value assets	0.8	4.3	-3.5
Financial investments	1.0	4.5	-3.5
Total	**318.4**	**286.1**	**32.3**

The total investment of IT projects under the item Intangible assets on the balance sheet was € 189.5 million in 2013 (2012: € 156.6 million). Also, the AGN (Allianz Global Network) project – which started in 2012 – was capitalized under the item Non-current assets on the balance sheet with a volume of € 123.8 million. The increase in Operating/business equipment is owed mainly to the purchase of network components and telecommunications and computer equipment as well as to the purchase of tenant fixtures for the Fritz-Schäffer-Straße building in Munich.

These investments were financed chiefly through new loans of € 349.0 million (2012: € 329.7 million) from Allianz SE, Allianz France S.A., Allianz Suisse Versicherungs-Gesellschaft and from AGA International S.A. Paris for the pre-financing of IT projects. Loans and short-term bridging loans from Allianz SE were in addition used to finance ongoing losses.

5. Outlook

In 2014 AMOS will continue to respond to strategic priorities of the Allianz Group, to the benefit of the OEs. High-quality service delivery and agility in implementation are crucial to this. The international delivery centers in India and Romania will be further expanded in order to reinforce the portfolio. It is planned to launch new international service hubs. This will strengthen AMOS' ability to deliver timely support for global projects, respond to the needs of international customers and provide additional local services when needed, for example in IT infrastructure and applications.

The AMOS 20/15 transformation program will bring to life key programmatic structural changes in terms of how AMOS operates and interacts with OE partners in order to support efficient project and service delivery as well as AMOS financial performance.

5.1 Infrastructure

The Allianz Global Network (AGN) will be rolled out in other countries (including the Netherlands and Ireland); AMOS will also continue to drive forward data center consolidation with our partner IBM. All the relevant provisions and further migrations are being monitored closely by IT Security to guarantee consistently high levels of security across an increasingly complex landscape. Global Identity & Access Management (GIAM) will also be rolled out in more companies in 2014.

5.2 Applications

In 2014 approximately five million life and health insurance policies will be migrated to ABS in Germany. In addition, ABS will be augmented with more functionality, and new products and tariffs will be introduced. As part of new online services for customers and sales agents, we are launching a new technical service architecture, which uses ABS business logic. This initiative also supports the transition of Allianz to a digital group.

The rollout of the core insurance platform ABS is being prepared in other Allianz companies such as France, with revised versions for Belgium and Germany also in the pipeline. The introduction of GRP will continue. The SAP-based Investment Management platform (IMA) is scheduled for rollout in France in the first quarter. Likewise, oneWeb will also work with local Allianz companies to develop new applications for digital customer interaction, with a focus on direct sales and the use of social media channels.

5.3 Business

The service portfolio in Finance Business Services and HR Services will be developed and expanded, partly in cooperation with external providers. The location in Romania will play a particularly important role for FBS and HRS.

Allianz Group OPEX will continue to grow in 2014. Not only will the number of projects and training courses rise; the number of staff will also be increased to accommodate growing demand.

In 2014, Global Sourcing & Procurement will continue to rigorously exploit Group buying power, moving from IT procurement into a bigger footprint in non-IT services (such as travel, professional services and office supplies) and into insurance procurement.

Global Sourcing & Procurement and Corporate Real Estate Services will roll out their support to additional countries and companies, delivering significant cost savings to Allianz as a Group.

5.4 Financial Development

The business of AMOS SE is organized into the delivery of continuous shared services (service portfolio) and support for strategic transformation projects with the resulting new platforms and services for the Allianz Group (investment portfolio).

Within the service portfolio, AMOS SE has, as forecast, delivered an improvement in earnings through the “Transformation Plan” program and through further measures initiated to increase revenue and reduce cost, with an overall negative result. In the coming year AMOS SE will continue the course it has begun, and for 2014 expects an improvement in earnings in the lower double-digit millions, with overall earnings remaining negative.

By design, the investment portfolio shows a negative result until the scheduled break-even of the business cases for the different Group and OE projects. The payback of this strategic transformation effort is planned only for later years. As anticipated, revenues for those projects were already growing in the financial year 2013. The funding requirements arising from these investments were and will continue to be covered by loans obtained within the Allianz Group. For 2014 AMOS SE expects strong revenue growth in the investment portfolio, but an even stronger increase in costs, and therefore deterioration in earnings in the lower double-digit millions, which more than offsets the improvement in the service portfolio.

The forecast overall goal for the reporting year – revenue growth and an improved earnings situation prior to settlements under the profit and loss transfer agreement, but without reaching break-even – were accomplished. For 2014 AMOS SE plans a slight deterioration of earnings with an overall strong increase in revenues.

6. Opportunities and Risk Report

The explanations of the main opportunities for AMOS are outlined in "5 Outlook".

As an internal service provider to the Allianz Group, AMOS aligns its risk management with operating and financial risks and reports regularly on its current risk position.

6.1 Risk Management Organization

Risk controlling is part of Operational Risk and Business Continuity Management (OpRisk & BCM) in Business Development. OpRisk & BCM heads the Risk Committee, which comprises members of the AMOS Board of Management and to which the sub-division heads of all business units report. The committee convenes for regular meetings, where it identifies, appraises and manages risks and the countermeasures to be adopted. OpRisk & BCM reports on the current risk position to the Supervisory Board of AMOS and to Allianz SE.

6.2 Risk Categories, Risk Assessment and Control Measures

As a service provider, AMOS classifies risks into the following categories: operational, financial, strategic, reputation and market risks. The risks are assessed both quantitatively and qualitatively using recognized and reliable methods in accordance with Allianz Group specifications.

In this respect, AMOS essentially concentrates on identifying and minimizing operational and financial risks. Strategic risks are identified and managed as part of the wider strategic debate in the Allianz Group as a whole. Strategic risks include risks, which could, for example, jeopardize the company's ability to reach its strategic objectives. Reputation risks concern the risk of loss in the event the reputation of AMOS is compromised. Potential reputation risks are regularly discussed with AMOS Communications and recorded. Market risks encompass all risks arising from changes to underlying market conditions, and are considered in conjunction with financial risks. Financial risks cover all risks that can cause outcomes to deviate from financial planning, such as incorrect costing or project planning. Such risks can be mitigated by controlling of financial reporting and by project steering within AMOS. Operational risks cover all risks of loss arising from inefficiencies or errors in processes and controls caused by technology, employees, organizational structures or external factors. Risks of this nature, are mitigated by appropriate technical and organizational safeguards – such as high availability and backup measures at the Unterföhring computer centers and data center in Frankfurt, and crisis management to recover business following a disaster. Allianz customers and business partners have controlled, authorized access to Allianz Group applications protected by firewall-DMZ complexes (demilitarized zone, security system with access-controlled communication between internal and external computer networks). This prevents unauthorized access from the Internet or other external networks. Access authorization and control systems are employed alongside encryption technologies to ensure the confidentiality of stored or transferred data. In addition, correct and secure operation and development of central applications in finance, investment, HR and procurement are ensured by incorporating SAP applications and SAP-supported processes.

Once per year, a business impact analysis/risk identification and assessment (BIA/RIA) is carried out in compliance with the Allianz Standard for Business Continuity Management (ASBCM) to evaluate the ability of AMOS to recover operations in the event of disaster. The risk controlling activities at AMOS did not identify any risks in 2013 that could jeopardize the company's existence.

AMOS meets the requirements of Internal Control over Financial Reporting (ICoFR) in compliance with the provisions of the Group Financial Controls (GFC), carrying out regular controls of key service provision processes such as procurement, processes in change management, problem management, user access management and IT security management, and supplying documentary evidence to the financial reporting officers at customer companies. The controlling environment introduced under ICoFR will continue to contribute to high-quality financial reporting.

AMOS consistently meets the Group guidelines set out in documents such as the Allianz Standard for Information Security, the Allianz Standard for Business Continuity Management, the Group Risk Policy, the Group Compliance Policy and financial reporting requirements from the ICoFR. Compliance with the requirements is demonstrated on a regular basis by means of suitable controls and reports. As was previously the case for the German client base of AMOS, these compliance services for standard operating processes are now also performed for European and non-European Allianz companies which are customers of AMOS. Client-specific services are provided in accordance with customer requirements.

Risk Controlling will again actively track AMOS services for client companies in the 2014 financial year.

7. Intercompany Agreements

A domination and profit transfer agreement between Allianz SE as the controlling company and AMOS SE as the dependent company has been in place since the 2009 financial year. In the financial year 2012 a domination and profit transfer agreement was concluded between AMOS SE as the controlling company and Metafinanz-Informationssysteme GmbH as the dependent company.

8. Report on events subsequent to the balance sheet date

No events of particular significance for evaluating the asset, financial and earnings situation at AMOS occurred between the end of the financial year and the Management Board meeting at which the Annual Report was presented.

FINANCIAL STATEMENTS

Pages **24–39**

B

Balance sheet at December 31, 2013

Assets[1]

€	2013	2013	2013	2012
A. Non-current assets				
I. Intangible assets				
1. Self-created commercial property rights and similar rights and assets	144,725,649			124,057,339
2. Purchased concessions. commercial property rights and similar rights and assets as well as licenses to such rights and assets	303,405,745			191,665,823
		448,131,394		**315,723,162**
II. Property, plant and equipment				
2. Technical plant and equipment	121,917,041			91,976,119
4. Downpayments made and assets under construction	123,772,861			66,246,570
		245,689,901		**158,222,689**
III. Financial assets				
1. Investment in affiliated companies	15,475,124			15,475,124
3. Participations	1,500			1,500
5. Securities	7,830,445			6,842,641
		23,307,068		**22,319,264**
			717,128,363	**496,265,115**
B. Current assets				
I. Inventories				
1. Materials and other supplies	827,755			699,851
		827,755		**699,851**
II. Receivables and other assets				
2. Receivables due from affiliated companies, thereof due after more than one year 0 € (2012: 9,981,099 €)	253,319,298			342,810,611
4. Other assets	47,631,019			28,383,616
		300,950,317		**371,194,226**
IV. Balances with banks, Bundesbank, checks and cash on hand		1,776,833		2,416,890
			303,554,906	**374,310,967**
C. Prepaid expenses			**35,124,167**	**28,413,237**
Total assets			**1,055,807,436**	**898,989,319**

1– Item numbering as per § 266 (2) HGB

Balance sheet at December 31, 2013

Equity and Liabilities[2]

€	2013	2013	2012
A. Shareholders' equity			
I. Issued capital	121,000		121,000
II. Additional capital reserves	189,487,056		189,487,056
		189,608,056	**189,608,056**
B. Provisions			
1. Reserves for pensions and similar obligations	2,277,739		2,033,202
2. Tax provisions	8,110,763		6,279,484
3. Other provisions	154,460,287		191,101,804
		164,848,788	**199,414,490**
C. Liabilities			
4. Trade payables thereof due within one year 51,737,496 € (2012: 48,108,150 €)	51,737,496		48,108,150
6. Liabilities to affiliated companies thereof due within one year 281,176,303 € (2012: 121,016,305 €) thereof due within up to five years 349,007,685 € (2012: 329,718,263 €)	630,183,984		450,734,568
8. Other liabilities thereof due within one year 19,429,112 € (2012: 11,124,054 €)	19,429,112		11,124,054
		701,350,592	**509,966,773**
Total equity and liabilities		**1,055,807,436**	**898,989,319**

2 – Item numbering as per § 266 (3) HGB

Income statement

for the period January 1 to December 31, 2013 in €	2013	2013	2013	2012
1. Revenues		633,698,068		606,933,262
3. Other own work capitalized		18,281,631		12,682,726
4. Other operating income		62,976,213		34,217,124
thereof from currency conversion: 10,647,292 € (2012: 1,722,692 €)				
thereof out-of-period revenues: 28,631,585 € (2012: 12,019,010 €)			**714,955,912**	**653,833,113**
5. Expenses for IT operations				
a) Expenses for materials and other supplies	-6,213,052			-6,959,240
thereof out-of-period expenses: 0 € (2012: 56,410 €)				
b) Expenses for services received	-384,543,554			-380,911,499
thereof out-of-period expenses: 0 € (2012: 7,908,331 €)				
c) Service provider services	-110,386,723			-135,253,885
thereof out-of-period expenses: 97,834 € (2012: 375,241 €)				
		-501,143,330		**-523,124,624**
6. Personnel expenses				
a) Wages and salaries	-179,702,350			-163,273,643
thereof out-of-period expenses: 4,023,226 € (2012: 145,897 €)				
b) Social security	-22,709,243			-21,643,858
thereof out-of-period expenses: 10,448 € (2012: 64,573 €)				
c) Pensions	-21,761,380			-18,604,531
		-224,172,973		**-203,522,033**
7. Depreciation and amortization				
a) on intangible assets	-57,216,998			-62,892,274
b) on property, plant and equipment	-40,204,138			-43,272,001
		-97,421,136		**-106,164,275**
8. Other operating expenses		**-65,044,522**		**-38,572,914**
thereof following currency conversion: 10,688,140 € (2012: 2,154,060 €)				
thereof out-of-period expenses: 2,239,358 € (2012: 1,115,090 €)				
			-887,781,961	**-871,383,845**
9. Income from participations			1,920,844	1,297,703
thereof income from profit transfer: 1,920,844 € (2012: 1,297,703 €)				
11. Other interest and similar income			2,753,428	4,104,676
from affiliated companies: 1,435,654 € (2012: 335,926 €)				
from discounting interest on provisions: 976,546 € (2012: 3,335,148 €)				
13. Interest and similar expenses			-15,604,956	-4,508,971
from affiliated companies: 11,955,270 € (2012: 3,473,505 €)				
from discounting interest on provisions: 2,978,315 € (2012: 387,450 €)				
14. Earnings from ordinary activities			**-183,756,732**	**-216,657,325**
15. Extraordinary income			35,772,645	8,101,509
16. Extraordinary expenses			-979,326	-43,277,957
17. Extraordinary result			34,793,319	-35,176,448
			-148,963,413	**-251,833,773**
18. Taxes on income and earnings			-65,325	628,042
19. Other taxes			-7,501,895	-2,971,696
Income from losses absorbed			156,530,632	254,177,426
20. Net income/loss for the year			**0**	**0**
Net profit/loss			**0**	**0**

Notes to the Financial Statements

Legal Regulations

Allianz Managed Operations & Services SE (termed "AMOS SE" or "Company" in the following) prepares its annual financial statements and management report in accordance with the provisions of the German Commercial Code (HGB) and the German law governing the establishment of a Societas Europaea (SE Introduction Act). It meets the criteria for recognition as a large corporation on the basis of the provisions in § 267 section 3 of the German Commercial Code (HGB).

The financial statements have been prepared in Euros (€).

In 2013, AMOS SE continued to expand and improve its portfolio as the global shared-service provider of the Allianz Group.

On April 12, 2013, a further branch was founded in Pune, India, which combines management in India with several central functions of AMOS India.

On September 1, 2013, AMOS SE opened a new International Delivery Center in Bucharest, Romania. AMOS Romania will initially focus on the provision of actuarial support services, recruiting support and training administration services.

Owing to these circumstances, there is only limited comparability between the figures of this reporting year and those of the previous year.

Accounting and valuation policies

Intangible assets, property, plant and equipment

Intangible assets are stated at their acquisition cost or production cost minus depreciation and amortization. Depreciation is calculated on a monthly basis.
The production costs are reported with the lower production cost limit. Overheads have not been included because they were insignificant.

The purchased intangible assets include both finished and unfinished intangible assets.

In exercising the capitalization options pursuant to § 248 section 2 HGB, self-created intangible assets were capitalized in the financial year and depreciated on a straight-line basis. Write-downs are made in the case of permanent impairment.

No research and development costs were incurred in the financial year for self- created intangible assets, because no new IT projects were launched in 2013.
Assets with an acquisition cost of up to € 150 are depreciated according to tax regulations.

Various IT projects that AMOS SE is performing for other Allianz companies are capitalized in the intangible assets at acquisition or production costs.

Investment in affiliated companies

Investments in affiliated companies are carried at acquisition cost or at the contribution value (book value carried by the predecessor in title).

Participations

The participation is valued at cost.

Securities

Part of the pension commitments are secured by a contractual trust arrangement (Methusalem Trust e.V.). These trust assets constitute primarily offsettable plan assets in accordance with § 246 section 2 HGB, the fair value of which is either equivalent to the asset value or the market value in accordance with § 253 section 1 HGB.

The financial assets are valued at the mitigated lower of cost or market principle.

Inventories

Inventories are valued individually at cost.

Trade and other receivables

Receivables are valued at their nominal amounts. Receivables in currencies other than the Euro are valued at the average foreign exchange spot rate on the balance sheet date.

AMOS SE has offset certain receivables against payables and liabilities to the extent permitted by German commercial law.

Option rights are acquired to hedge liabilities from Stock Appreciation Rights (SAR). The Die Restricted Stock Units (RSU) are hedged through forward contracts (Hedge RSU) with Allianz SE, carried as a receivable due from Allianz SE and as an equity swap. The option rights and forward contracts are combined with the corresponding underlying transactions as a hedge, provided a direct hedging relationship exists. The underlying transactions are reported under

Development of non-current assets in the financial year 2013

	Acquisitions				
	Balance at 31.12.12 Total €	Additions 2013 €	Reclassifications 2013 €	Disposals 2013 €	Balance at 31.12.13 €
Software	467,775,060	149,426,793	71,528	-576,216	616,697,165
Self-created software	138,422,636	40,101,123	0	0	178,523,758
Total software	**606,197,696**	**189,527,915**	**71,528**	**-576,216**	**795,220,924**
Mainframes	58,490,740	936,431	0	-3,718	59,423,453
Storage media	86,872,487	5,621,705	0	-2	92,494,190
Print and post-press	24,258,656	3,883,594	-84,490	-3,630	28,054,131
Network components	100,253,744	74,998,788	0	-2,935	175,249,598
Servers	200,097,621	8,286,506	-128	-321,562	208,062,437
Plant and office equipment	62,097,812	33,358,597	13,270	-466,155	95,003,525
Low-value assets	3,503,185	819,417	-180	-603,200	3,719,223
Total property plant and equipment	**535,574,246**	**127,905,039**	**-71,528**	**-1,401,201**	**662,006,557**
Investments in affiliated companies	15,475,124	0	0	0	15,475,124
Participations	1,500	0	0	0	1,500
Securities	6,842,641	987,804	0	0	7,830,445
Total investments	**22,319,264**	987,804	**0**	**0**	**23,307,068**
Total	**1,164,091,206**	**318,420,759**	**0**	**-1,977,416**	**1,480,534,548**

Other Provisions and the hedging transactions are reported under Other Assets.
A micro-hedge is used to ensure that hedges are fully protected against the risk of price changes as a result of fluctuations in market prices.
The effectiveness of the hedging for the Group Equity Incentive Plans which are scheduled to expire in 2017 at the latest is checked prospectively and retrospectively at the balance sheet date using the critical term match method to match conditions, parameters and risks.

The underlying transactions, which consist of future payment obligations, totaled € 8,438 thou (2012: € 6,196 thou) on the balance sheet date. Hedges against risks of changes in value in the amount of € 5,400 thou (2012: € 2,449 thou) have been formed. The hedges are reported using the net hedge presentation method.

In the net hedge presentation method, value changes or the changes to payment flows of underlying transactions and the hedging transactions are not reported when they concern the effective component of the valuation unit. They are reported in the balance sheet only for the non-effective part of the valuation unit and for unhedged risks.

Prepaid expenses
Prepaid expenses are stated at nominal value.

Provisions
Provisions are based on the anticipated settlement amount required.

Long-term provisions formed in 2013 are discounted applying the average market interest rate of the past seven financial years, according to their remaining maturities.

Reserves for pensions
The Company has made pension commitments for which pension reserves have been formed. Part of these pension commitments are secured by a contractual trust arrangement (Methusalem Trust e.V.). These trust assets constitute offsettable plan assets, the fair value of which is either equivalent to the asset value or the market value.

Depreciation and amortization					Balance sheet results	
Balance at 31.12.12 Total €	Additions 2013 €	Reclassifications 2013 €	Disposals 2013 €	Balance at 31.12.13 €	Balance at 31.12.12 Total €	Balance at 31.12.13 Total €
276,109,238	37,784,186	0	-602,004	313,291,420	191,665,823	303,405,745
14,365,297	19,432,813	0	0	33,798,109	124,057,339	144,725,649
290,474,534	**57,216,998**	**0**	**-602,004**	**347,089,529**	**315,723,162**	**448,131,394**
47,434,742	3,870,955	0	-3,718	51,301,979	11,055,998	8,121,474
71,716,674	6,189,490	0	-2	77,906,162	15,155,813	14,588,028
20,548,396	1,768,692	-1,408	-2,685	22,312,996	3,710,260	5,741,135
24,407,773	3,362,376	0	-2,935	27,767,214	75,845,971	147,482,383
182,083,512	12,024,914	0	-320,003	193,788,423	18,014,109	14,274,013
28,218,571	12,175,361	398	-305,264	40,089,066	33,879,241	54,914,459
2,941,889	812,349	-223	-603,200	3,150,815	561,296	568,408
377,351,557	**40,204,138**	**-1,233**	**-1,237,806**	**416,316,655**	**158,222,689**	**245,689,901**
0	0	0	0	0	15 475 124	15,475,124
0	0	0	0	0	1,500	1,500
0	0	0	0	0	6,842,641	7,830,445
0	**0**	**0**	**0**	**0**	**22,319,265**	**23,307,069**
667,826,092	**97,421,136**	**-1,233**	**-1,839,810**	**763,406,184**	**496,265,115**	**717,128,363**

The settlement amount is determined by applying the projected unit credit actuarial method or reported as the present value of the acquired pension entitlement.

The reserves for pensions are calculated according to actuarial principles. The conversion costs incurred as a result of the initial application of the German Act to Modernize Accounting, Reporting and Auditing (BilMoG) in 2010, are being distributed over up to 15 years. In the financial year 2013, one-fifteenth of this amount is recorded as an extraordinary expense. This results from the pension commitments, which are accounted for centrally at Allianz SE (see section on Contingent Liabilities). Provisions for long-service awards to staff, partial retirement ("Altersteilzeit", which is a specific type of early retirement program in Germany) and preretirement benefits are also determined according to actuarial principles. The full amount of the obligations determined is carried as a liability.

The simplified regulations in § 253 section 2 sentence 2 HGB (residual time to maturity of 15 years) were used to arrive at the discount rate.

The effect of a change in the discount rate is recognized in Other Interest and Similar Income.

On December 31, 2013, the discount rate was 4.90 % (2012: 5.06 %), the rate of pension increase was 1.90 % (2012: 1.90 %) and the rate of increase in remuneration was 3.25 % (2012: 3.25 %), including average career rate increases.

Notwithstanding the above, some of the pension commitments use the guaranteed rate of the pension commitments of 2.75 % p.a. and the guaranteed rate of pension increase of 1 % p.a. as their basis.

The mortality tables used are the current RT2005G tables of Dr. Klaus Heubeck, adjusted with respect to mortality, disability and fluctuation to reflect company-specific circumstances. The retirement age applied is the contractual or legal retirement age (as per the German Pension Insurance Retirement Age Adjustment Act of 2007).

Derivative financial instruments (Assets B.II.)

Category / Type	Nominal amount in € thou	Fair value in € thou	Valuation method	Significant assumptions		Book value in € thou	Balance sheet line item
Options (Allianz Long Call SAR 2007)	1,852	0	Binomial model	Interest rate	0.16%	0	Assets B.II.
				Volatility	19.51%		
				Dividend yield	0.00%		
				Share price	130.35 €		
				Cap	400.33 €		
Options (Allianz Long Call SAR 2008)	1,958	251	Binomial model	Interest rate	0.15%	112	Assets B.II.
				Volatility	20.58%		
				Dividend yield	4.06%		
				Share price	130.35 €		
				Cap	293.45 €		

Status December 31, in €	2013	2012
Acquisition cost of the offset assets	51,458,686	42,192,672
Fair value of the offset assets	51,677,822	42,297,526
Settlement amount of the offset debts	53,955,461	44,330,729
Amount of provisions not recognized in accordance with Art. 67 section 2 EGHGB (Introductory Act to the German Commercial Code)	0	0

The net total amount of reserves for pensions formed at AMOS SE is € 2,278 thou (2012: € 2,033 thou). In accordance with § 246 section 2 sentence 2 HGB, assets that serve exclusively to fulfill obligations from pension commitments are offset with debts. In addition, pension obligations were issued which are accounted for under joint and several liability at Allianz SE.

You can find further explanations of reporting of pensions and similar obligations in the Notes under "Notes on Liabilities" and "Contingent liabilities".

Other provisions

The company has obligations from staff long-service awards, a long-term credit account and partial retirement and early retirement agreements which are reported under Other Provisions.

The assets reserved in the Methusalem Trust e.V. for partial retirement security deposits and the long-term credit account represent offsettable pension assets, the fair value of which is either equivalent to the asset value or the market value. These obligations are valued largely in the same way as for pension commitments and on the basis of the same accounting assumptions.

Status December 31, in €	2013	2012
Acquisition cost of the offset assets	9,884,669	9,194,029
Fair value of the offset assets	11,034,325	10,373,109
Settlement amount of the offset debts	18,142,179	27,365,183

Liabilities

Liabilities are carried at the settlement amount. Liabilities in currencies other than the Euro are valued on the balance sheet date at the average foreign exchange spot rate on the balance sheet date.

Foreign currency translation

All business transactions are in principle posted in the original currency and converted to Euros at the rate prevailing on the day (average spot exchange rate). As at December 31, 2013, receivables and liabilities as per § 256 a sentence 1 HGB were valued on the balance sheet date at the average spot exchange rate on the balance sheet date. The provisions of § 256 a sentence 2 HGB were applied to receivables and liabilities due within one year. Profit and loss were posted in the income statement in the "thereof" note.

Deferred taxes

Pursuant to the option provided under § 274 section 1 sentence 2 HGB, deferred tax assets in excess of the offsettable amount are not included.
The largest discrepancy between the commercial and fiscal valuations can be found in the item Intangible assets, which results in deferred tax assets. A tax rate of 31 % is used in the valuation of the domestic deferred tax assets.

Profit distribution block

The sum total of amounts which pursuant to § 268 section 8 HGB are essentially subject to the profit distribution block, or which are subject to the profit transfer block as per § 268 section 8 in combination with § 301 AktG (Stock Corporation Act) is € 146,095 thou (2012: € 125,236 thou). This amount comprises amounts from capitalizing self-created intangible assets totaling € 144,726 thou (2012: € 124,057 thou), and amounts from capitalizing assets at fair value totaling € 1,369 thou (2012: € 1,284 thou), serving exclusively to serve debts from pension obligations. The amount subject to the profit transfer block is fully covered by freely available shareholder equity.

Additional capital reserves (Equity and Liabilities A.II.)

	Balance at 31.12.12 in €	Addition	Disposal	Balance at 31.12.13 in €
Additional capital reserves	189,487,056	0	0	**189,487,056**

Retained earnings (Equity and Liabilities A.III.)

	Balance at 31.12.12 in €	Addition	Disposal	Balance at 31.12.13 in €
Retained earnings	0	0	0	**0**

Notes to the balance sheet and income statement

Intangible assets (Assets A.I.)

This item covers self-created intangible assets and purchased software licenses.

The self-created intangible assets rose from € 124,057 thou in the preceding year to € 144,726 thou. The purchased intangible assets include both finished and unfinished intangible assets. A total of € 189,528 thou was capitalized in 2013 for development costs for IT projects and for self-created intangible assets.
These investments are primarily driven by Allianz Group projects and by projects for other Allianz companies. Increases were offset by disposals and depreciation.

Property, plant and equipment (Assets A.II.)

Property, plant and equipment comprises servers, network components, storage devices, plant and office equipment, mainframes, print and post-press, and low- value assets.
The Downpayments made and Assets under construction item includes € 123,773 thou for the Allianz Global Network project, which is not yet completed.

Financial assets (Assets A.III.)

Investment in affiliated companies (Assets A.III.1.)

	Participation in %	Equity capital 31.12.2013 in € thou	Result 2013 in € thou
Allianz Managed Operations & Services Netherlands B.V. (Rotterdam, Netherlands)	100 %	77.5	-54.4
Metafinanz-Informationssysteme GmbH (Munich, Germany)	100 %	1,026.7	1,920.8
AMOS Austria GmbH (Vienna, Austria)	49,9 %	20,692.7	4,541.4

In 2012, the branch in the Netherlands migrated to a 100 % subsidiary. The subsidiary is reported at investment book value.

Metafinanz-Informationssysteme GmbH (Munich) has since August 2011 been a 100 % subsidiary of AMOS SE.

A domination and profit transfer agreement was concluded with AMOS SE in the 2012 financial year.

AMOS SE has held a 49.9 % share in AMOS Austria GmbH (Vienna) since June 2011.

Participations (Assets A.III. 3.)

The portfolio of participation investments at the balance sheet date consists solely of a holding in DENIC Domain Verwaltungs- und Betriebsgesellschaft eG, Frankfurt am Main, Germany.

Securities (Assets A.III. 5.)

The portfolio of securities comprises investment fund shares of € 7,830 thou (2012: € 6,843 thou) serving as insolvency insurance for partial retirement credits under the Contractual Trust Arrangement (CTA). The shares in the CTA are assets received up to the balance sheet date with the same value as the liability under the partial retirement agreements insured against insolvency from July 1, 2004.

Assets and debts were offset pursuant to § 246 section 2 sentence 2 HGB.

Inventories (Assets B.I.)

The inventories comprise stocks of printing paper.

Receivables and other assets (Assets B.II.)

Trade receivables relate to unpaid claims against third parties for services rendered and contractual agreements.

Receivables from affiliated companies are primarily the receivable of € 157,208 (2012: € 254,591 thou) from the domination and profit transfer agreement with Allianz SE. There are also receivables of € 81,691 thou (2012: € 47,845 thou), from Group customers arising from unpaid invoices for services.

The Other assets item includes tax refund claims resulting from the affiliation for tax purposes with Allianz SE totaling € 16,025 thou (2012: € 7,318 thou), SAP licenses held for resale totaling € 9,218 thou (2012: € 6,144 thou), options on shares of Allianz SE to hedge the risks of the Allianz Group arising from the Group Equity Incentives (GEI) and Allianz Equity Incentives (AEI) totaling € 8,550 thou (2012: € 6,662 thou) and tax refund claims from value added tax in Switzerland totaling € 6,407 thou (2012: € 4,135 thou).

Details as per § 285 No. 23 HGB on the valuation units (GEI) are reported under Trade and other receivables.

In addition, reimbursement rights from the inland revenue resulting from corporation tax and loans to employees are also reported under this item.

Prepaid expenses (Assets C.)

Prepaid expenses rose by € 6,711 thou from € 28,413 thou in 2012 to € 35,124 thou, and comprise prepaid amounts for maintenance and servicing of hardware and software and for rental fees.

Issued capital (Equity and liabilities A.I.)

The issued capital on December 31, 2013 totaled € 121 thou, the same as 2012.

Additional capital reserves (Equity and liabilities A.II.)

The capital reserves were unchanged per December 31, 2013 over December 31, 2012. The capital reserves include freely available shareholder equity pursuant to § 272 section 4 HGB.

Reserves for pensions (Equity and liabilities B.1.)

Reserves for pensions consist of obligations arising from vested pension contributions of € 1,284 thou (2012: € 1,138 thou) to contribution-based pension plans (BPV), after offsetting with the pension assets, and of pension commitments for deferred compensation schemes (PZE) amounting to € 993 thou (2012: € 895 thou).

Tax provisions (Equity and liabilities B.2.)

A tax reserve was formed for operations at various locations. In addition, it was necessary to form a value added tax reserve for the procurement of licenses, the use of which had not been adequately finalized by December 31, 2013.

Other provisions (Equity and liabilities B.3.)

The main items under Other Provisions were € 98,482 thou (2012: € 106,169 thou) for outstanding trade payables, € 15,120 thou for profit-sharing schemes (2012: € 9,413 thou) and € 7,671 thou (2012: € 35,921 thou for the change of provider.

In the previous financial year, the provisions for outstanding trade payables included provisions of € 43,972 thou for the change of provider; these provisions are reported separately in 2013.

The decrease in other provisions by € 36,642 thou in comparison to the previous year is primarily due to the provisions of € 36,302 thou for the change of provider, used and released in this financial year, also from the release of provisions for restructuring costs of € 35,653 thou, and from the release of provisions for partial retirement of € 10,849 thou. The decrease is partially offset by an increase in provisions for outstanding trade payables totaling € 36,286 thou and for profit-sharing totaling € 5,706 thou.

Since provisions for documents with mandatory retention periods (archiving costs) are provisions with a term of more than one year, they were discounted at the interest rate published by the German Central Bank (Deutsche Bundesbank) on the balance sheet date.

Funds have been set aside for staff vacation and flexitime credits, staff anniversary awards, Group Equity Incentive plans, bonuses, preretirement benefits, contributions to the employers' mutual insurance association, tax audits, archiving costs, financial statement costs and the compensatory levy for severely disabled persons.

Liabilities (Equity and liabilities C.)

Liabilities resulting from trade payables relate to unpaid claims by third parties for goods and services received and for contractual agreements. In 2013, there are no liabilities for goods and services received whose due date lies over one year into the future.

Liabilities to affiliated companies comprise primarily liabilities arising from loans. The loan providers are the parent company Allianz SE, Allianz France, AGA International S.A. Paris and Allianz Switzerland. Per December 31, 2013, the loan liabilities were € 349,008 thou (2012: € 414,718 thou). This item also includes the following liabilities: € 242,815 thou in liabilities to Allianz SE resulting from the cash pool (2012: receivable of € 32,414 thou), liabilities of € 35,288 thou (2012: € 33,248 thou) through the clearing business with Group companies, and liabilities of € 2,484 thou (2012: € 1,790 thou) for value-added tax payments from the years 1999-2003 due to Allianz SE.

Revenues (Income statement 1.)

Revenues are attributable to Application & Data Services (29.4 %), Standard and Other Cross Functional Services (14.6 %), Print & Output Services (12.9 %), Projects & Consulting (11.3 %), Workplace (11.1 %), Network (5.7 %), Telecommunication (3.9 %) and Other Services (11.1%).

The Other Services also include services from Operations and Services and license sales.

Revenues organized by geographical markets:

Company code	2013 in € thou	%
Germany	574,796	90.7
UK	28,848	4.6
Belgium	14,028	2.2
Ireland	8,047	1.2
Switzerland	5,561	0.9
Singapore	2,418	0.4
Total revenue	**633,698**	**100**

Other own work capitalized (Income statement 3.)
This item comprises own work capitalized for IT projects which are carried as intangible assets and property, plant and equipment in the balance sheet.

Other operating income (Income statement 4.)
Other operating income essentially results from the release of provisions, e.g. for the change of provider and for partial retirement obligations totaling € 26,188 thou (2012: € 9,244 thou) and from value added tax declarations from 2013 totaling € 23,396 thou (€ 20,758 thou) as a result of company affiliation for tax purposes.

Expenses for IT operations (Income statement 5.)
The items recognized under expenses for IT operations include expenses for purchased services and for materials and other supplies.

Expenses for purchased services primarily include expenses for services of service providers, for maintenance and repair services, rents, fees for external services, intra-Group and inter-Group netting of services, fees for postal services, communications and external personnel costs.

Expenses for materials and other supplies represent expenses for disposable items and consumables and IT information carriers.

Personnel expenses (Income statement 6.)
The item includes wages and salaries, social security contributions and pensions for AMOS SE employees over the financial year. The € 20,651 thou increase in personnel expenses, from € 203,522 thou in 2012 to € 224,173 thou in 2013, is attributable to the expansion of the business and the resulting higher number of employees in 2013.

Depreciation and amortization (Income statement 7.)
Depreciation and amortization is recorded as scheduled depreciation applied on the basis of monthly charges as permitted under commercial law. In contrast with the amortization period of 3-5 years, the European target IT platform project transferred from Allianz SE, and the SAP-based Global Reporting System, are being amortized over a period of ten years.

Other operating expenses (Income statement 8.)
Other operating expenses include expenses for the use of cross-departmental functions charged by Group companies to AMOS SE, expenses for travel and professional training, expenses for consulting services for AMOS SE projects, and expenses for the valuation of foreign currencies and for exchange differences. The other operating expenses rose by € 26,472 thou, from € 38,573 thou in 2012 to € 65,045 thou in the reporting year. The increase compared to the previous year is primarily due to the greater demand for services incurred as part of the development of new services such as Allianz Global Network.

Income from participations (Income statement 9.)
Income from participations exclusively comprises the income from profit transfer with Metafinanz-Informationssysteme GmbH totaling € 1,921 thou (2012: € 1,298 thou).

Other interest and similar income (Income statement 11.)
Other interest and similar income chiefly comprises interest revenue from affiliated companies arising out of interest on the assumption of losses by Allianz SE for the previous year, and interest accruing from the cash pool.

In addition, this item includes other interest income. This results mainly from interest from pension commitments, interest from discounting of multiyear provisions and interest income from employee loans.

Interest and similar expenses (Income statement 13.)
Interest and similar expenses chiefly comprise interest expenses against affiliated companies. These include the proportionate interest expenses for the loans, and the interest cost for reserves for employee anniversary awards. Also reported in this item are other interest expenses. These chiefly comprise interest cost on long-term provisions, and interest payment for a back payment of value added tax.

Other obligations

Status December 31, in €	2013
Income from the fair value of the offset assets	-33,983
Imputed interest on the settlement amount of offset debts	792,902
Effect of the change in the discount rate on the settlement amount	41,235
Net amount of offset income and expenses	**800,154**

Pensions and similar obligations

Status December 31, in €	2013
Income from the fair value of the offset assets	-1,741,278
Imputed interest on the settlement amount of offset debts	1,863,765
Effect of the change in the discount rate on the settlement amount	81,029
Net amount of offset income and expenses	203,516

Offsetting was carried out as per § 246 section 2 sentence 2 HGB.

Extraordinary income (Income statement 15.)

There was extraordinary income of € 35,773 thou (2012: € 8,102 thou), in 2013, chiefly comprising income from releasing restructuring provisions. These concerned mainly older restructuring measures, which were ended in 2013.
Income ascribed to a different financial year was recognized in the income statement under the item Other operating income.

Extraordinary expenses (Income statement 16.)

There were extraordinary expenses of € 979 thou (2012: € 43,278 thou) in 2013. These comprised expenses of € 979 thou (2012: € (1,066 thou) arising out of exercising the option in accordance with article 67 section 1 sentence 1 in conjunction with article 67 section 7 EGHGB.

Out-of-period income

The out-of-period income of € 28,632 thou (2012: € 12,019 thou) results chiefly from releasing provisions for partial retirement benefits and for the change of provider.

Out-of-period expenses

The out-of-period expenses of € 6,371 thou largely comprise expenses for profit-sharing and higher expenses for service provider invoices and for maintenance services.

Other taxes

Value added tax

The other taxes are chiefly value added tax expenses for previous years.

Other information

Contingent liabilities from company pension commitments and other financial obligations

a) Pension commitments

Contingent liabilities exist within the framework of pension plans. The company pension plan for employees of the German subsidiaries is generally based on membership in the Allianz Versorgungskasse VVaG pension fund (AVK), which is a legally independent pension fund regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, or BaFin). The benefits provided by the AVK are financed in accordance with the lump-sum contribution system, under which the member companies make payments to the fund through deferred compensation.

In addition to Allianz SE, Allianz Deutschland AG, Allianz Versicherungs-AG and Allianz Lebensversicherungs-AG, the member companies also include the Company.

The Company is obliged to cover the administration costs of the pension fund on a pro rata basis, and may also be obliged to pay subsidies in accordance with legal requirements.

The member companies also make contributions to the Allianz Pensionsverein e.V. (APV), a contribution-based Group pension plan.

Allianz SE has assumed joint liability for part of the Company's pension commitments. The Company reimburses the costs; Allianz SE has assumed the fulfillment. For this reason, reserves for pensions are carried on the Allianz SE accounts, and not on the Company's accounts.

The Company's joint and several liabilities arising from these pension commitments and the related right of recourse against Allianz SE are:

Status December 31, in €	2013	2012
Settlement amount of the offset debts	96,904,378	91,753,141
Amount of reserve not recognized in accordance with Art. 67 section 2 EGHGB	10,657,704	11,637,030
Joint and several liability/right of recourse to Allianz SE	86,246,674	80,116,111

b) Changed financing procedure of the Pension Guarantee Fund in 2006

The conversion of the financing procedure of the pension guarantee fund in 2006 gave rise to joint and several liability of € 316 thou (2012: € 351 thou), which is not reported in the Company's balance sheet as it is matched by a right of recourse to Allianz SE in the same amount.

c) Other financial obligations

Other financial obligations resulting chiefly from multiyear project, maintenance and data transmission contracts with third parties total € 1,091,187 thou (2012: € 1,259,542 thou).
This item includes obligations totaling € 633,208 thou resulting from obligations from the overarching Allianz Group project Allianz Global Network.

Additional financial obligations resulting from multiyear rental agreements total € 109,528 thou (2012: € 102,199 thou). Included in this total are financial obligations toward affiliated companies totaling € 29,600 thou (2012: € 102,199 thou).

The full fees to the auditor are reported in the Group financial statements of Allianz SE.

Remuneration for the Board of Management and the Supervisory Board

The remuneration paid to two members of the Board of Management is part of the personnel expenses of Allianz SE.
The total remuneration for the other members of the Board of Management in the reporting period was € 2,732 (2012: € 3,027 thou). Shared-based remuneration of 4,994 (2012: 5,051) Restricted Stock Units (RSU) granted in the financial year was issued to members of the Board of Management. The fair value of these units at the time they were granted is € 513 thou (2012: € 435 thou).

Allianz SE created provisions of € 3,501 thou (2012: € 3,380 thou) for current pensions and accrued pension rights for former members of the Board of Management and their surviving dependents.

The following chart shows the reserves for pensions for former members of the Board of Management/Directors and their surviving dependents:

Status December 31, in €	2013	2012
Acquisition cost of the offset assets	107,759	97,104
Fair value of the offset assets	107,759	97,104
Settlement amount of the offset debts	4,265,281	4,193,888
Amount of reserve not recognized in accordance with Art. 67 section 2 EGHGB	656,603	716,294
Reserves for pensions/excess of plan assets over pension liability	3,500,919	3,380,490

The fair value of the offset assets is based on the fair asset value of the reinsurance cover.

Expenses for the Supervisory Board amounted to € 32 thou in the financial year (2012: € 10 thou). The members of the Supervisory Board and the members of the Board of Management are listed on pages 6 and 7 respectively.

Average total number of employees for the year	
Full-time employees	2,027
Part-time employees	219
Total	**2,246**

(excluding members of the Board of Management, trainees, interns and employees on parental leave or in military service/alternative civilian service.)

Group membership

Allianz Managed Operations & Services SE (AMOS SE) is part of the Allianz Group, for which the controlling parent company is Allianz SE, Munich. The consolidated financial statements and Group Management Report of Allianz SE are published in March in the Group Annual Report and then submitted to the operator of the German Official Gazette and published there. The documents may be viewed in the corporate register or requested from our Company. They are also available on the Allianz SE website. AMOS SE is included in the consolidated financial statements and Group Management Report of Allianz SE, with discharging effect for AMOS SE.

A domination and profit transfer agreement has existed between Allianz SE and AMOS SE since the financial year 2009. The companies belonging to the Allianz Group and their affiliated companies are named in the Annual Report of Allianz SE.

Munich, March 20, 2014

Allianz Managed Operations & Services SE
The Board of Management

Sylvie Ouziel | Stefan Britz | Dr. Barbara Karuth-Zelle

Dr. Rüdiger Schäfer | Dr. Ralf Schneider | Philip Varghese

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of the Allianz Managed Operations & Services SE, Munich, Germany for the business year from 1 January to 31 December 2013. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB [„Handelsgesetzbuch": „German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Munich, March 21, 2014

KPMG AG
Wirtschaftsprüfungsgesellschaft

Dr. Frank Pfaffenzeller Wirtschaftsprüfer [German Public Auditor]	Dr. Thomas Kagermeier Wirtschaftsprüfer [German Public Auditor]