Notice

This translation is provided to shareholders for convenience purposes only.

The German original of this document is exclusively authoritative and legally binding.

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Joint Report

by the Management Board of Allianz SE, Munich

and the Management of
IDS GmbH – Analysis and Reporting Services, Munich

concerning the amendment of the
Control and Profit Transfer Agreement
of April 10, 2002
between Allianz SE and
IDS GmbH – Analysis and Reporting Services

I. Introduction

On April 10, 2002, Allianz SE (at the time still operating as "Allianz AG") and IDS GmbH – Analysis and Reporting Services entered with effect as of August 12, 2002 into a control and profit transfer agreement (hereinafter the "**BGV 2002**"). The BGV 2002 continues in force unamended. Since its conversion into the legal form of a European corporation (SE) on October 13, 2006, Allianz AG operates as Allianz SE.

Due to the German Act on Amendment and Simplification of Corporate Taxation and Travel Expense Tax Regulation, which came into effect on February 26, 2013, in order to fulfil the pre-conditions for a fiscal unity, control and profit transfer agreements with companies legally structured as a GmbH must now include in the sections on loss assumption a so-called dynamic reference to Section 302 German Stock Corporation Act, as amended. The BGV 2002 does not meet these requirements. For this reason, Allianz SE and IDS GmbH – Analysis and Reporting Services entered on March 10, 2014 into the clarifying amendment agreement to the BGV 2002 attached hereto as Annex 1 (hereinafter the "**Amendment Agreement**").

The Management Board of Allianz SE and the Management of IDS GmbH – Analysis and Reporting Services issue the following report concerning the Amendment Agreement in accordance with Section 295 and Section 293a German Stock Corporation Act (AktG).

II. Parties

1. IDS GmbH – Analysis and Reporting Services

IDS GmbH – Analysis and Reporting Services was established in 2001. The company is registered in the commercial register of the District Court of Munich under number HRB 136982. The share capital of the company amounts to EUR 36,000. All shares in the company are held by Allianz SE. According to its Articles of Association, the object of the company is the provision of services in connection with the operative investment control of capital investments, especially the integration and harmonization of international investment data of the Allianz Group, as well as the provision of analysis software for the measurement of performance and risk, furthermore the issue of regular reports for institutional customers of the Allianz Asset Management companies. The Management of IDS GmbH – Analysis and Reporting Services comprises Dr. Wolfgang Dietl, Dr. Bernd Rudolf Fischer, Mr. Holger Haun and Mr. Werner Kieferle.

In the 2012 fiscal year, pursuant to its annual financial statement prepared in accordance with applicable German accounting rules, IDS GmbH – Analysis and Reporting Services generated an annual surplus before profit transfer of EUR 13,481.01. The balance sheet of IDS GmbH – Analysis and Reporting Services as of December 31, 2012 shows a shareholder's equity amounting to EUR 36,000.00 over total assets of EUR 11,204,033.47.

2. Allianz SE

Allianz SE is a listed European Company (Societas Europaea) registered in the commercial register of the District Court of Munich under number HRB 164232. The company is the holding company of the Allianz Group. The Allianz Group employs around 144,000 employees and for the 2012 fiscal year, its IFRS consolidated financial statement indicated an annual net income attributable to shareholders of approximately EUR 5.2 billion. The provisional annual net income attributable to shareholders for the elapsed 2013 fiscal year amounts to approximately EUR 6.0 billion.

According to its Articles of Association, the object of the company is the management of an international group of companies operating in the areas of insurance, banking, asset management and other financial, consultancy and similar services. The company holds interests in insurance companies, banks, industrial companies, investment companies and other enterprises. As a re-insurer, the company primarily assumes insurance business from its Group companies and other companies in which the company holds direct or indirect interests.

III. Conclusion and coming into force of the Amendment Agreement

The Amendment Agreement was concluded between Allianz SE and IDS GmbH – Analysis and Reporting Services on March 7/10, 2014. In order to become effective, the Amendment Agreement requires the approval of the annual general meeting of Allianz SE and the approval of the shareholders' meeting of IDS GmbH – Analysis and Reporting Services.

At the ordinary annual general meeting to be convened for May 7, 2014 the Management Board and Supervisory Board of Allianz SE will propose to grant the approval of the Amendment Agreement. The Amendment Agreement will already have been presented for approval to the shareholders' meeting of IDS GmbH – Analysis and Reporting Services by that time.

Furthermore, in order to become effective the Amendment Agreement must be registered in the commercial register of IDS GmbH – Analysis and Reporting Services.

IV. Legal and tax reasons for concluding the Amendment Agreement

In its original version, Section 3 of the BGV 2002 contained the following provision concerning the mandatory loss assumption:

> "In accordance with the provisions of Section 302 (1) and (3) of the German Stock Corporation Act, Allianz SE (formerly Allianz AG) is obliged to compensate any annual deficit sustained during the term of this agreement, unless such deficit is balanced through withdrawing amounts from the free reserves (other retained earnings in accordance with Section 272 (3) German Civil Code (HGB) and capital reserves from additional payments pursuant to Section 272 (2) no. 4 HGB) which were allocated to the free reserves during the term of this agreement."

Due to the German Act on Amendment and Simplification of Corporate Taxation and Travel Expense Tax Regulations, which came into effect on February 26, 2013, Section 17 (2) no. 2 Corporate Income Tax Act (KStG) was amended to the effect that, in order to fulfil the pre-conditions for a fiscal unity, control and profit transfer agreements with companies legally structured as a GmbH must now include in the sections on loss assumption a so-called dynamic reference to Section 302 German Stock Corporation Act, as amended.

It was for this reason that BGV 2002 required an amendment.

V. Explanation of the individual provisions of the Amendment Agreement

The statutory amendment described in IV above is provided for by No. 1 of the Amendment Agreement. Accordingly, in Section 3, first sub-clause of BGV 2002 the phrase

> "the provisions of Section 302 (1) and (3) of the German Stock Corporation Act"

is substituted by the phrase

> "the provisions of Section 302 German Stock Corporation Act, as amended".

Section 3 of the BGV 2002, as amended, therefore reads as follows:

> "In accordance with the provisions of Section 302 German Stock Corporation Act, as amended, Allianz SE (formerly Allianz AG) is obliged to compensate any annual deficit sustained during the term of this agreement, unless such deficit is balanced through withdrawing amounts from the free reserves (other retained earnings in accordance with Section 272 (3) German Civil Code (HGB) and capital reserves from additional payments pursuant to Section 272 (2) no. 4 HGB) which were allocated to the free reserves during the term of this agreement."

This amendment enables Allianz SE to continue to secure and utilize the tax benefits for the Allianz Group brought by the BGV 2002.

In accordance with No. 2 of the Amendment Agreement, the remaining contents of BGV 2002 remain unchanged. The Amendment Agreement therefore does not entail any other changes to the BGV 2002.

VI. No compensation or settlement entitlements; no contract review

Given the absence of any minority interest in IDS GmbH – Analysis and Reporting Services, neither the BGV 2002 nor the amendment thereof establishes any obligation on the part of Allianz SE to satisfy any compensation or settlement entitlements (Section 304, Section 305 German Stock Corporation Act).

Moreover, since Allianz SE holds all shares in IDS GmbH – Analysis and Reporting Services, there is no requirement for an audit of the Amendment Agreement by a court-appointed auditor (contract auditor) pursuant to Section 295, Section 293b et seqq. German Stock Corporation Act.

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Munich, dated March 11, 2014

Allianz SE

[signature]
(Diekmann)

[signature]
(Dr. Mascher)

[signature]
(Bäte)

[signature]
(Ralph)

[signature]
(Bauer)

[signature]
(Dr. Wemmer)

[signature]
(Bhojwani)

[signature]
(Dr. Zedelius)

[signature]
(Booth)

[signature]
(Dr. Zimmerer)

[signature]
(Dr. Jung)

IDS GmbH – Analysis and Reporting Services

[signature]
(Dr. Dietl)

[signature]
(Dr. Fischer)

[signature]
(Haun)

[signature]
(Kieferle)

Amendment Agreement
to the
Control and Profit Transfer Agreement

between

Allianz SE (formerly Allianz AG), Munich

hereinafter: "**AZ-SE**"

and the

IDS GmbH – Analysis and Reporting Services, Munich

hereinafter: "**IDS**"

Preamble

On April 10, 2002, AZ-SE (at the time still operating as "Allianz AG") and IDS entered with effect as of January 1, 2002 into the control and profit transfer agreement attached hereto as Annex (hereinafter the "**BGV 2002**"). In absence of termination by either party, the BGV 2002 remains in force unamended. Since its conversion into the legal form of a European corporation (SE), the Allianz AG operates as Allianz SE.

Due to the German Act on Amendment and Simplification of Corporate Taxation and Travel Expense Tax Regulation, which came into effect on February 26, 2013, profit transfer agreements with companies legally structured as a GmbH must now include in the sections on loss absorption a so-called "dynamic reference" to Section 302 German Stock Corporation Act. The BGV 2002 does not meet these requirements. Therefore, the parties conclude the following amendment agreement:

1. **Amendment of Section 3 (Loss absorption) of the BGV 2002**

   In the Section 3, first sub-clause of the BGV 2007, the phrase "the provisions of Section 302 (1) and (3) of the German Stock Corporation Act" is replaced by the phrase "the provisions of Section 302 German Stock Corporation Act, as amended". Section 3, first sub-clause reads in its amended version as follows:

   "In accordance with the provisions of Section 302 German Stock Corporation Act, as amended, Allianz SE (formerly Allianz AG) is obliged".

2. **BGV 2002 otherwise continues as before**

   The remainder of BGV 2002 remains unchanged.

Munich, dated March 10, 2014

Allianz SE

[signature]	[signature]
Dr. Jung Member of the Management Board	Dr. Ress Authorized Representative

Munich, dated March 10, 2014

IDS GmbH – Analysis and Reporting Services

[signature]	[signature]
Schröder Managing Director	Adena Authorized Representative

<u>Encl:</u>

Control and profit transfer agreement of April 10, 2002

Control and Profit Transfer Agreement

between

Allianz Aktiengesellschaft, Munich

hereinafter: "AZ-AG"

and

IDS GmbH - Analysis and Reporting Services, Munich

hereinafter: "IDS"

Section 1

Control exercised by AZ-AG

1. IDS submits the direction of the company to AZ-AG. AZ-AG is consequently authorized to issue instructions to the management of IDS regarding the direction of the company.

2. AZ-AG will exercise its right to issue instructions through its management board only. Instructions must be issued in writing.

Section 2

Profit transfer

1. IDS undertakes for the term of this agreement to transfer its entire profits to AZ-AG. Subject to the formation or dissolution of reserves pursuant to para. 2, the amount to be transferred is the annual net income as determined without any profit transfer, less a loss carry-forward from the previous year, if any.

2. With the consent of AZ-AG, IDS may allocate amounts out of the annual net income to other retained earnings insofar as this is permissible under applicable German accounting rules and is economically justified based on sound business judgment. Upon request by AZ-AG, any free reserves (other retained earnings pursuant to Section 272 (3) German Commercial Code [HGB] and capital reserves from additional payments pursuant to Section 272 (2) no. 4 German Commercial Code [HGB]) accumulated during the term of this agreement must be dissolved and applied to balancing any annual deficit or be transferred as profit. The transfer of amounts generated from the dissolution of free reserves pursuant to sentence 2, which were accumulated prior to the effectiveness of this agreement, shall be excluded.

Section 3

Loss assumption

In accordance with the provisions of Section 302 (1) and (3) of the German Stock Corporation Act [AktG], AZ-AG is obliged to compensate any annual deficit sustained during the term of this agreement, unless such deficit is balanced through withdrawing amounts from the free reserves (other retained earnings pursuant to Section 272 (3) German Commercial Code [HGB] and capital reserves from additional payments pursuant to Section 272 (2) no. 4 German Commercial Code [HGB]) which were allocated to the free reserves during the term of this agreement.

Section 4

Effective start and duration of the agreement

1. This agreement is subject to the approval of the annual general meeting of AZ-AG and the approval of the shareholders' meeting of IDS. It will become effective upon registration in the commercial register of IDS and - with the exception of the right to issue instructions pursuant to Section 1 - shall have retroactive effect as of January 1, 2002.

2. The agreement may be terminated for the first time with effect as of midnight on December 31, 2006 with 6 months' prior notice. Unless it is terminated, it will be consecutively renewed for each calendar year with the same notice period.

3. The right to terminate the agreement for cause without notice remains unaffected. AZ-AG is in particular entitled to terminate for cause, if it no longer holds the majority of the voting rights as established by the shares in IDS.

Munich, dated April 10, 2002 [signature] [signature]

Allianz Aktiengesellschaft

Munich, dated April 10, 2002 [signature] [signature]

IDS GmbH - Analysis and Reporting Services