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Allianz Group: Financial results for the second quarter 2009

Journalists' Conference Call
August 7, 2009

INSURANCE | ASSET MANAGEMENT | BANKING



Second quarter 2009: Even in times of crisis, Allianz remains a strong partner for its customers...



- Total revenues of EUR 22.2 bn



- Operating profit of EUR 1.8 bn

- P/C: EUR 0.9 bn – Recession impact
- L/H: EUR 1.0 bn – Record result
- FS: EUR 0.1 bn – Solid result



- Quarterly net income grows by 21% to EUR 1.9 bn



- Strong solvency ratio of 159%



...enabled by “3+One” which began in 2002/2003



“+One“: Increase sustainable competitiveness and shareholder value

1) Solvency ratio after closing of Dresdner Bank transaction

The global economy is on a bumpy journey...

In the journey

- Strategic flexibility and reputation as success factors
- Capital cushions and liquidity are key
- Diversifying revenues as an important operational priority
- Expect higher correlation and volatility
- Credible business stress scenarios required by investors
- Active tail hedging mindset
- Scale will matter more

At the destination

- Lower growth
- Scale will matter
- Emphasis on growth markets will continue
- Flexibility and reputation are key

...Allianz is well prepared with “3+One Reloaded”

1	Protect and enhance capital base	<ul style="list-style-type: none">▪ Early alignment with Solvency II▪ Prudent risk and capital management
2	Substantially strengthen operating profitability	<ul style="list-style-type: none">▪ Strengthening of position in mature and growth markets▪ Continuous cost control▪ Maintaining consistent underwriting discipline
3	Reduce complexity	<ul style="list-style-type: none">▪ Further integration of global business lines▪ Harmonized business model
+One	Increase sustainable competitiveness and shareholder value	<ul style="list-style-type: none">▪ Systematic customer focus

3+One Reloaded

1

Protect and enhance capital base

Solvency II

- Project “Solvency II” set-up already in 2001
- Internal risk capital model implemented since 2004

Risk management

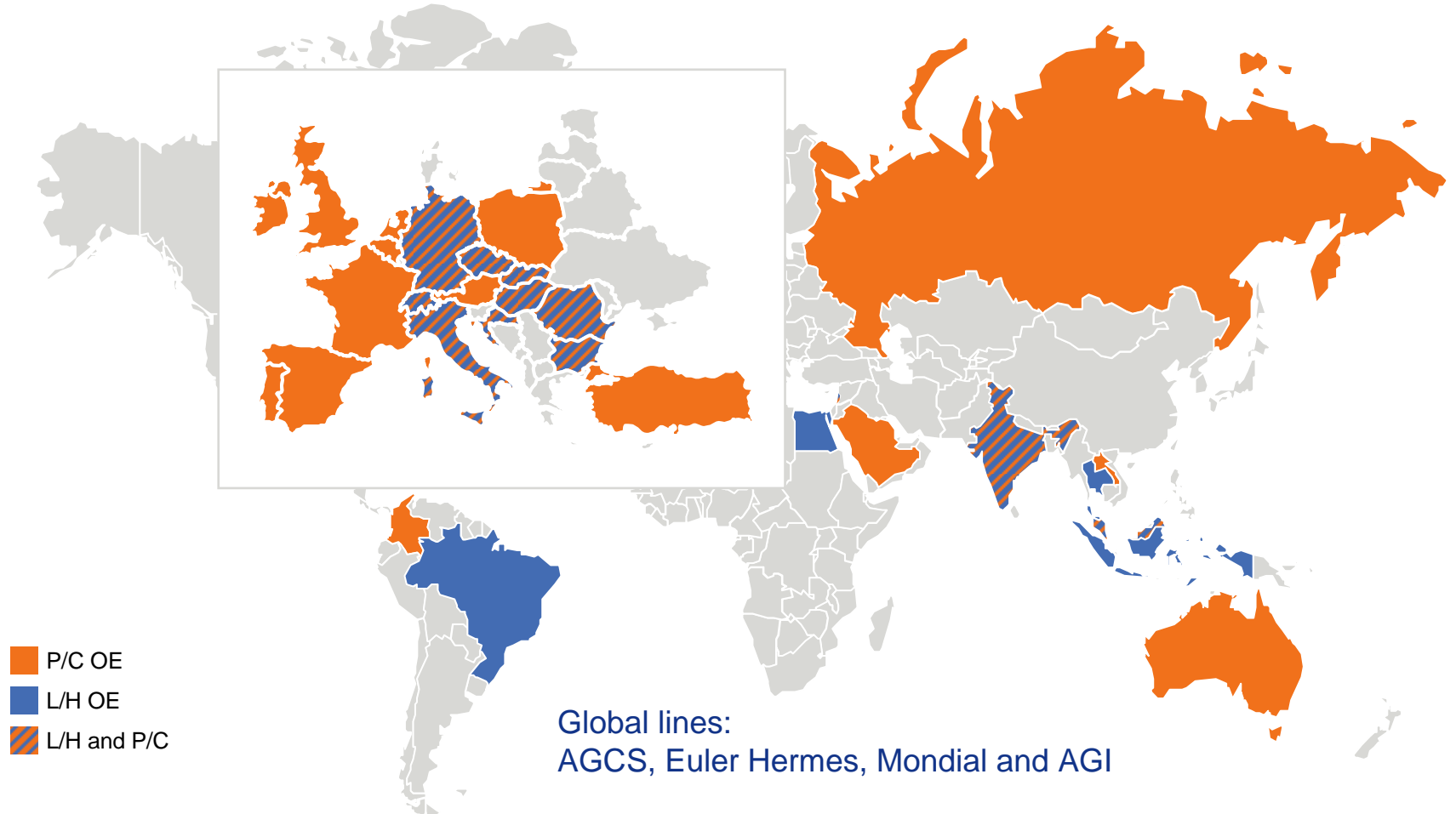
- Capital strength: Solvency consistently 50% above regulatory minimum requirements
- High quality fixed income portfolio
- Equity gearing continuously reduced
- External shocks with limited influence on capital base

3+One Reloaded

2

Strengthening of market position

Among the Top 6 in 44 local and 4 global markets worldwide



Note: L/H and P/C per country counted as separate markets; Brazil – market position for Health

Cost control and underwriting discipline

First half-year

- Combined ratio impacted by more frequent weather-related claims, recession and singular events
- Decrease in gross contributions, increase in claims and claims costs

Second half-year

- Group initiatives (e.g. TOM, Sustainability and new Profit Recovery Program) improve cost ratio
- Focus on underwriting discipline remains (e.g. portfolio adjustment in fleet business, risk adequate pricing in credit insurance), improve claims ratio

▶ Improvement of combined ratio expected for the second half-year

3+One Reloaded

3

Further integration of global business segments



Merger of independent insurance subsidiaries to one holding company with branches throughout Europe

- Simplified management structure and regulatory handling
- More efficient capital management



Establishment of the Euler Hermes World Agency

- Central support of multinational clients with their strategy
- Introduction of an integrated and centralized management system for locally-adaptable solutions

AGCS
Marine Business

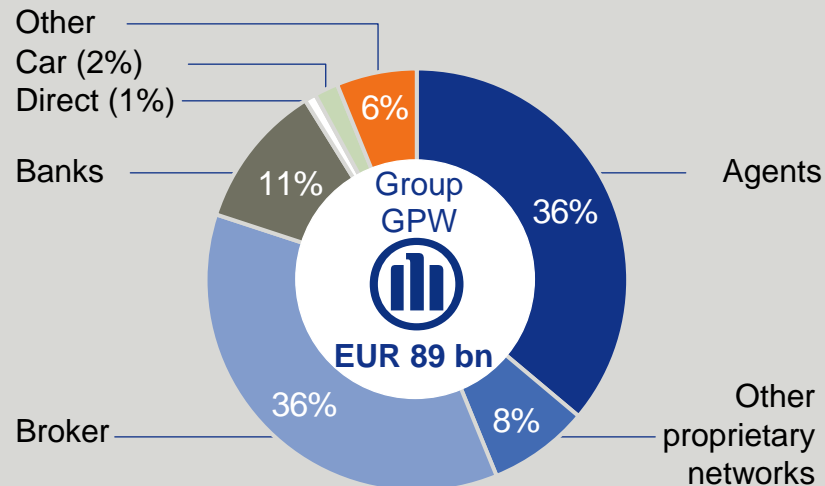
Integration of marine insurance business into AGCS

- Creation of one of the world's largest specialized insurers with GPW of USD 1bn
- Alignment of company structure with industry structure

3+One Reloaded
+One

Stronger coordination of Direct business

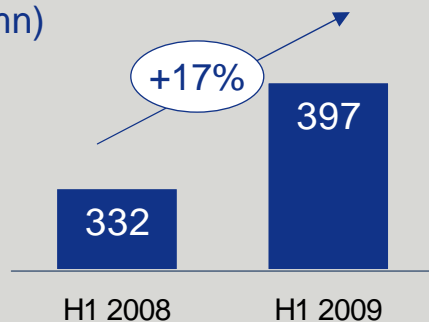
Distribution mix of Allianz (GPW 2008)¹



Strategy Direct business, worldwide

- Further expansion with stronger international coordination

Growth Direct business, worldwide²
(EUR mn)



Direct business in Germany with two differentiated solutions:

- Service oriented Internet offer
- Price oriented Internet offer

1) Over 2006-2017 period

2) Preliminary figures

3+One Reloaded
+One

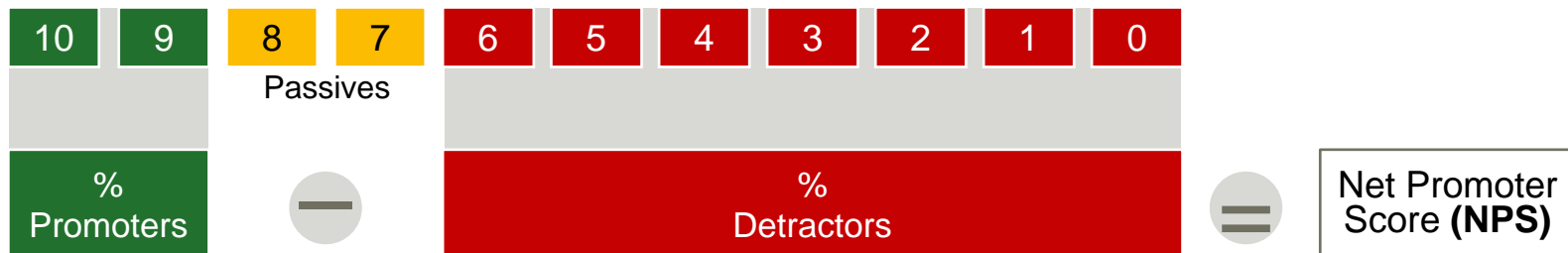
Improve quality for the customer

Stronger
customer
focus

- 34 Allianz companies participating in the NPS model (80% of premium income)
- Standardized interviewing of customers since 2006
- 550,000 customers interviewed in 2008 alone
- Tripling of Allianz companies, whose customer loyalty is greater than the peer average (since 2006)

NPS: Measurement of customer loyalty

Scale



Allianz with a stronger balance sheet and sustainable business model

Management focus in the second half-year

- Improvement of Combined Ratio and productivity
- Protection of financial stability and prudent risk management
- Quality assurance in customer service

▶ Rock-solid basics

Priority is reliability

- Proven business model
- “Safe haven” for customers and investors in a challenging environment

▶ Well prepared for the “New Normal”

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No duty to update

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