

# Allianz Group: First Half of 2013 Development

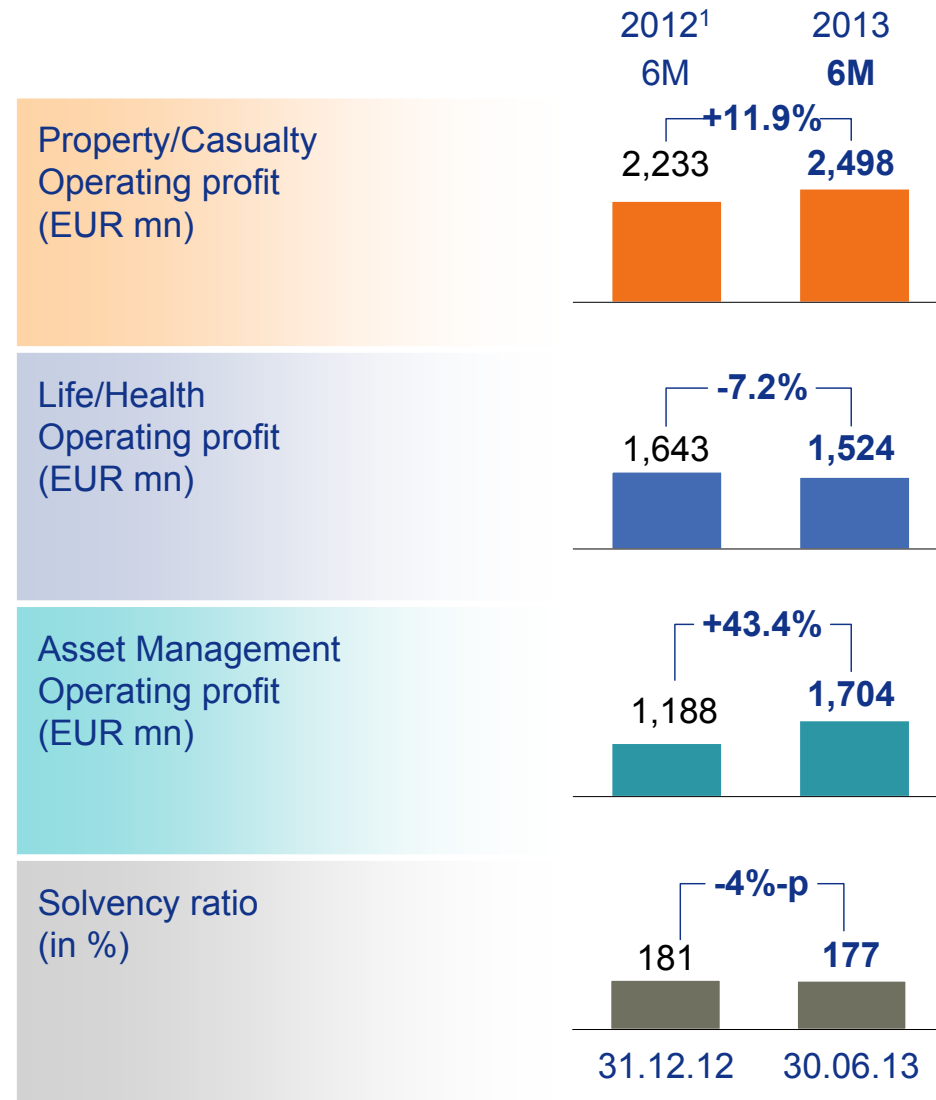
Michael Diekmann,  
CEO

Journalist telephone conference  
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# Agenda

- 1** Highlights in the first half of 2013
- 2** Latest developments
- 3** Outlook

# Highlights in the first half of 2013: Allianz on track



1) Previous year figures are uniformly restated to reflect retroactive application of IAS 19 and the presentation of restructuring costs in operating profit.

## Milestones in the first half of 2013

### Selected examples

Operational improvements  
in core markets

- **Allianz subsidiaries** in **Southern Europe** well positioned
- **Allianz Deutschland** on track
- **Fireman's Fund** with improved half-year results

Organic growth

- **Latin America** – high growth potential for Allianz
- **Development and launch of new and innovative products**
- New **distribution agreements** with high potential

Acquisition

- **Yapı Kredi Sigorta** – Allianz becomes number 1 in Turkey with more than 4 million customers

## New combination of security and return for changed environment

### Challenges for traditional pension insurance

- Persistent low interest rate environment impacting returns for customers
- Increased regulatory capital requirements making traditional guarantees more expensive

Most important customer needs:  
**Security and return**



### Allianz's answer: New provision concept "Perspektive"

- Allianz guarantees capital retention including any yields generated
- Customers profit from lower guaranty costs
- Guaranteed interest rate for pension payout phase not fixed until pension begins, enabling customers to participate in future interest rate developments

**Guaranty** for both accumulation and pension payout phase, combined with chance of higher **returns**

## Examples of innovative products

### “Progetto Reddito”

- Unit-linked life product
- On the Italian market since start of 2013
- Revenues to date over EUR 700 mn

### Satellite-supported crop insurance

- Pilot 2014
- Use in developing countries also possible

2013

2014

### “Allianz Cyber Protect”

- July 2013: launch in Germany
- 2013: Austria, Switzerland, UK, France, Spain, Australia and New Zealand to follow
- 2014: Launches in Asia and Latin America

### “Connected Home”

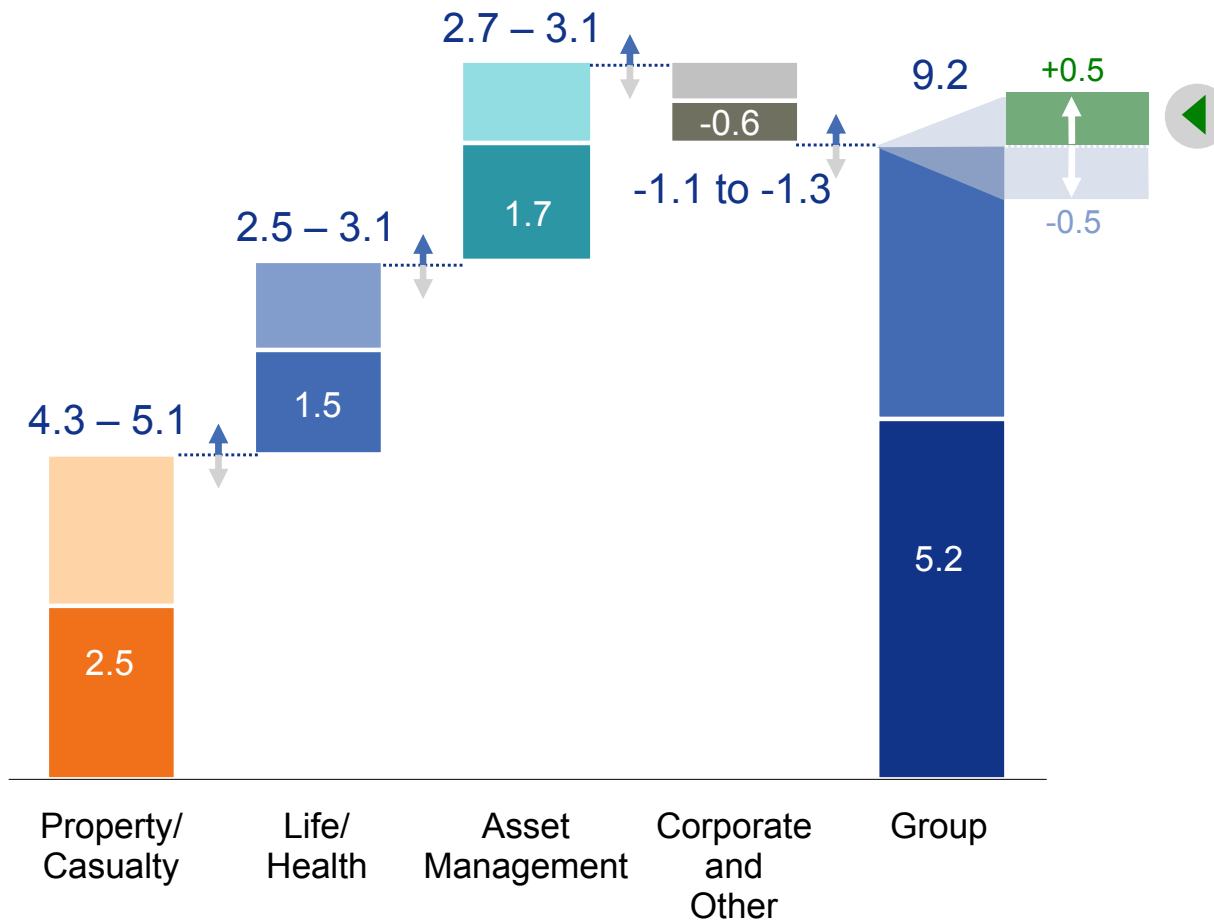
- Cooperation with energy and technology companies
- Initial test phases for individual products and services in conjunction with our Allianz Worldwide Partners initiative
- Further possible cooperation models with partner companies in development

## Major current industry issues

1	Regulation	<p>Requirements:</p> <ul style="list-style-type: none"><li>▪ Solvency II: Smoothing artificial volatility for existing business</li><li>▪ Harmonized capital requirements in Europe</li></ul>
2	Sovereign debt crisis in Europe	<ul style="list-style-type: none"><li>▪ Continuation of structural and fiscal reforms</li><li>▪ Securing competitiveness of European economic area</li></ul>
3	Capital and financial markets	<ul style="list-style-type: none"><li>▪ Severe reactions in financial markets following statements about future central bank policy</li><li>▪ Beginning of return to normal after latest interest rate increase</li><li>▪ PIMCO well prepared and ideally positioned</li></ul>

# Status and outlook 2013

(Operating profit<sup>1</sup> in EUR bn)



- Forecast range for Group results reflects diversification
- **Legal disclaimer:** Effects of natural catastrophes and developments in financial markets and global economy are not foreseeable

Allianz sees 2013 operating profit at upper end of range

1) Operating profit including restructuring costs



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The statements contained herein may include prospects, statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the

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