Group financial results 2023

2Q

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Munich
August 10, 2023

Content/topics

Note: The financial results are based on the new IFRS 9 (Financial Instruments) and IFRS 17 (Insurance Contracts) accounting standards, which have been adopted as of 1 January 2023. Comparative periods have been adjusted to reflect the application of these new accounting standards.

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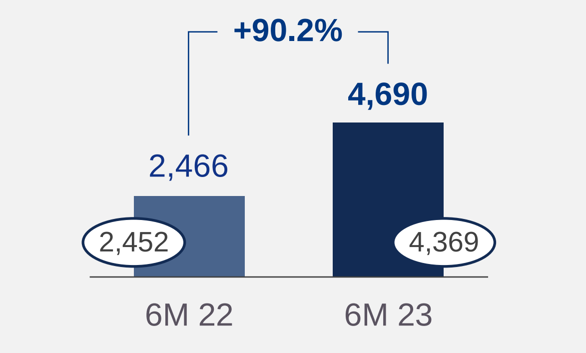
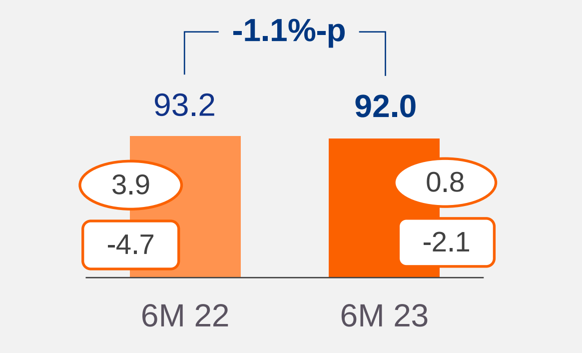
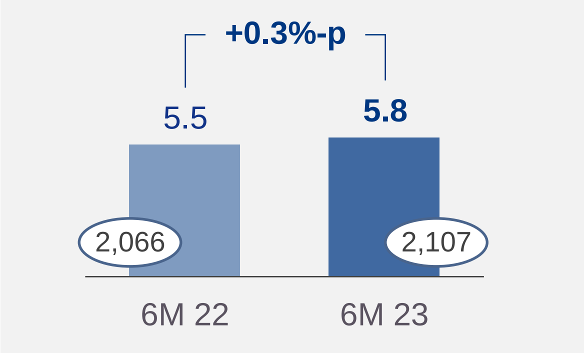
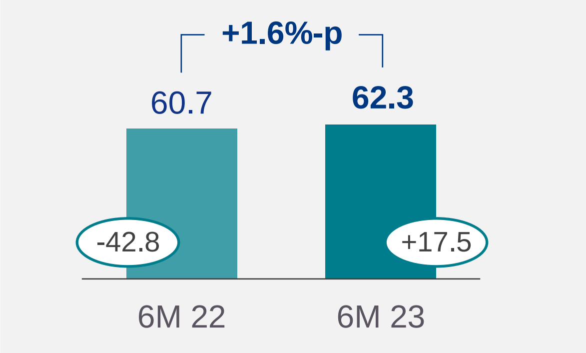
Group 6M: strong profitable growth

Group	Property-Casualty	Life/Health	Asset Management
Total business volume 6M 23 in EUR bn (internal growth vs. prior year in %)			
85.6 (+6.4%)	**41.7** (+11.8%)	**40.4** (+2.2%)	**3.8** (-5.1%)
Operating profit 6M 23 in EUR mn (vs. prior year in %)			
7,513 (+14.9%)	**3,855** (+16.3%)	**2,521** (+41.1%)	**1,426** (-11.1%)
Shareholders' core net income (in EUR mn)	**Combined ratio** (in %)	**New business margin** (in %)	**Cost-income ratio** (in %)









Shareholders' net income

NatCat impact

Run-off ratio

VNB (EUR mn)

3rd party net flows (EUR bn)

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Group 6M: strong profitable growth

Comments

- **Internal growth at 6.4%**
  Internal growth in P/C at 11.8%. Consolidation (+0.1%) and F/X (-1.7%) lead to total revenue growth of 4.8%.
- **Operating profit strong at EUR 7.5bn**
  Group operating profit 6% above run-rate for FY outlook mid-point. Good performance across all segments.
- **Shareholders' core net income very good at EUR 4.7bn**
  Improvement driven by operating profit (∆ EUR +1.0bn) and non-operating result (∆ EUR +1.1bn). Non-operating result in the prior year was impacted by a provision of EUR 1.9bn for the AllianzGI U.S. Structured Alpha matter. Core RoE (annualized) at 16.7% (12M 2022: 12.7%).
- **Share buy-back**
  A total of 5.0mn shares was acquired in 6M 2023, of which 3.2mn for the EUR 1bn SBB announced in 2022 and finished in 1Q 2023 and 1.8mn for the EUR 1.5bn SBB announced in 2023, representing in total 1.2% of issued capital. Number of shares issued at 403.3mn and number of shares outstanding at 396.6mn.
- **P/C – very good profitability and double-digit growth**
  OP of EUR 3.9bn (+16%) at 55% of FY outlook mid-point. Better insurance service result main driver with CR of 92% and strong internal growth of 12%. CR down ∆ -1.1%-p as benign NatCat is partially compensated by lower run-off result. Attritional LR and ER improve as well.
- **L/H – strong operating profit**
  OP of EUR 2.5bn (+41%) at 50% of FY outlook mid-point. CSM release of EUR 2.5bn in line with expectations. Strong contribution from operating investment result. Normalized CSM growth good at 2.7%. NBM excellent at 5.8%. VNB slightly up 2.0% to EUR 2.1bn.
- **AM – OP in line with expectations**
  EUR 2.2tn total and EUR 1.7tn 3rd party AuM, EUR 18bn 3rd party net inflows. EUR 1.4bn operating profit at 48% of FY outlook mid-point, down 11% driven by lower business volume. CIR at 62%.
- **Corporate & Other – better than expectations**
  Operating loss of EUR -287mn (∆ EUR -22mn) at 36% of FY outlook mid-point.

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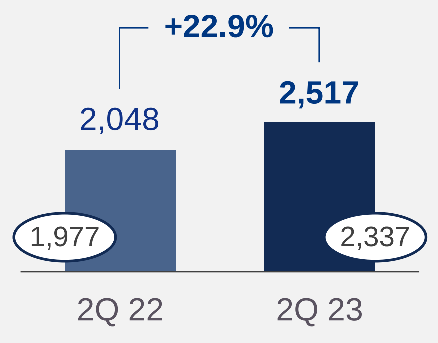
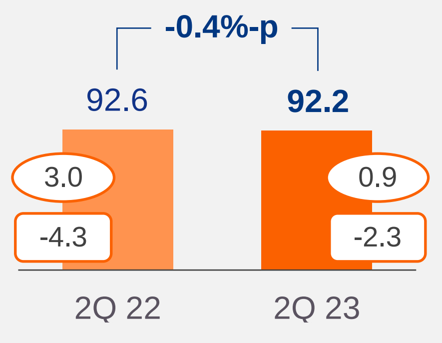
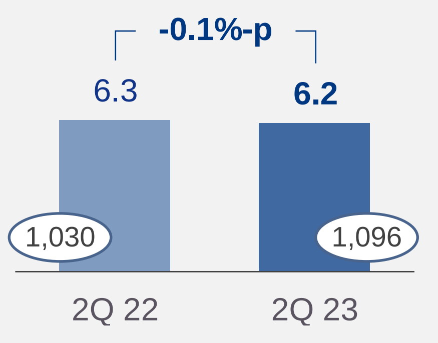
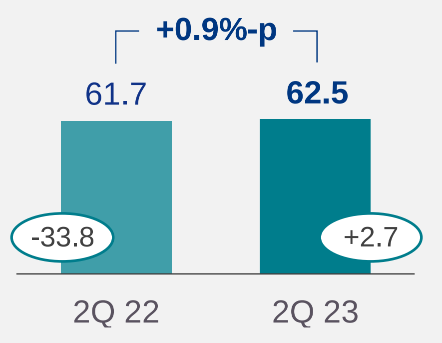
Group 2Q: profitability at very good level

Group	Property-Casualty	Life/Health	Asset Management
Total business volume 2Q 23 in EUR bn (internal growth vs. prior year in %)			
39.6 (+8.7%)	**17.6** (+11.4%)	**20.3** (+7.4%)	**1.9** (-2.0%)
Operating profit 2Q 23 in EUR mn (vs. prior year in %)			
3,783 (+7.1%)	**1,983** (+10.8%)	**1,202** (+22.5%)	**703** (-9.0%)
Shareholders' core net income (in EUR mn)	**Combined ratio** (in %)	**New business margin** (in %)	**Cost-income ratio** (in %)









Shareholders' net income

NatCat impact

Run-off ratio

VNB (EUR mn)

3rd party net flows (EUR bn)

Group 2Q: profitability at very good level

Comments

- **Internal growth at 8.7%**
  Internal growth in P/C at 11.4% and L/H at 7.4%. Consolidation (-0.2%) and F/X (-2.5%) lead to total revenue growth of 5.9%.
- **Operating profit strong at EUR 3.8bn**
  Group operating profit 7% above run-rate for FY outlook mid-point. Double-digit profit growth in insurance segments.
- **Shareholders' core net income excellent at EUR 2.5bn**
  Increase driven by higher operating profit (∆ EUR +0.3bn) and better tax result.
- **Execution of EUR 1.5bn share buy-back on track**
  1.8mn shares acquired in 2Q 2023 representing 0.4% of issued capital. Number of shares issued at 403.3mn and number of shares outstanding at 396.6mn.
- **P/C – operating profit at EUR 2.0bn**
  OP up 11% due to better insurance service result and good investment result, partly compensated by lower 'other' result. CR down -0.4%-p as benign NatCat and better attritional LR overcompensate normalization of run-off ratio. Internal growth excellent at 11.4% driven by strong rate momentum.
- **L/H – good operating profit**
  CSM release of EUR 1.2bn in line with expectations. All other profit sources broadly in line with expectations as well. Normalized CSM growth strong at 1.5%. NBM excellent at 6.2%. VNB up 6.4% to EUR 1.1bn.
- **AM – in line with expectations**
  EUR 703mn operating profit, down 9% driven by lower business volume. EUR 3bn 3rd party net inflows. CIR at 62.5%.
- **Corporate & Other – better than expectations**
  Operating loss of EUR -111mn (∆ EUR -46mn) at 14% of FY outlook mid-point.

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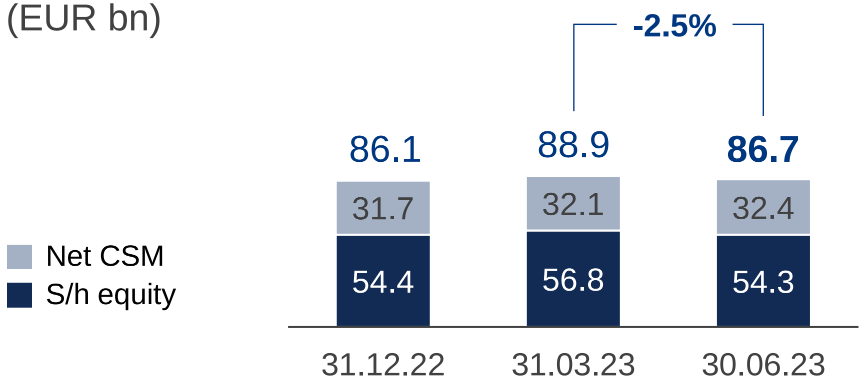
Group: 208% solvency II ratio

Comprehensive s/h capital

(EUR bn)

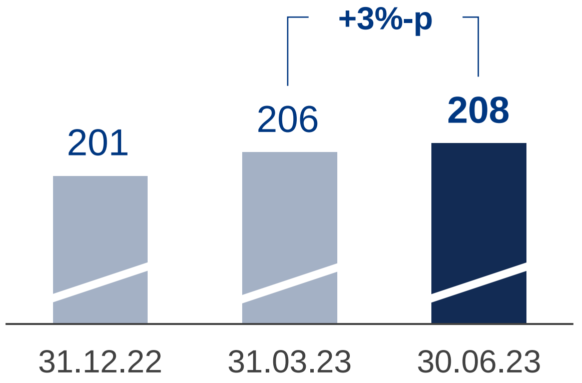


S/h equity – key sensitivities[2]

Equity markets	+30%	+4%
	-30%	-4%
Interest rate SII non-parallel	+50bps	-1%
	-50bps	+1%
Credit spread +50bps	on gov. bonds	-1%
	on non-gov. bonds	-1%

SII capitalization[1]

(%)



SII capitalization – key sensitivities

Equity markets[3]	+30%	+10%-p
	-30%	-12%-p
Interest rate SII non-parallel	+50bps	+1%-p
	-50bps	-3%-p
Credit spread +50bps	on gov. bonds	-4%-p
	on non-gov. bonds	+0%-p

1) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 230% as of 31.12.22, 232% as of 31.03.23 and 235% as of 30.06.23

2) Disclosed shareholders' equity sensitivities are estimates

3) For SII ratio, if stress applied to traded equities only, sensitivities would be +4%-p/-2%-p for a +/-30% stress

Allianz

Group: 208% solvency II ratio

Comments

- **Comprehensive shareholders' capital**
  In 2Q 2023, shareholders' equity decreases by EUR 2.5bn. Major drivers:
  + EUR 2.3bn shareholders' net income
  – EUR 4.5bn dividend payment
  – EUR 0.4bn impact of share buy-back announced in May 2023.

  Net CSM slightly up, following good normalized CSM growth in L/H business.

- **SII sensitivities**
  Sensitivities nearly unchanged. In a combined stress scenario, we estimate an additional impact due to cross effects of ~-3%-p compared to the sum of the individual sensitivities.

- **SII ratio**
  Increase of 3%-p from 206% to 208%. Major drivers:
  + 8%-p organic capital generation (+3%-p after tax and dividend accrual)
  + 1%-p tax/other impacted by regular model updates and diversification effects
  – 6%-p capital management and management actions, driven by share buy-back announced in May 2023 (-4%-p), dividend accrual (-3%-p) and bond transactions (+2%-p).

- **Transitionals**
  Including transitionals, the Group SII ratio stands at 235%. Our general capital steering will continue to focus on the SII ratio excluding the application of transitional measures for technical provisions.

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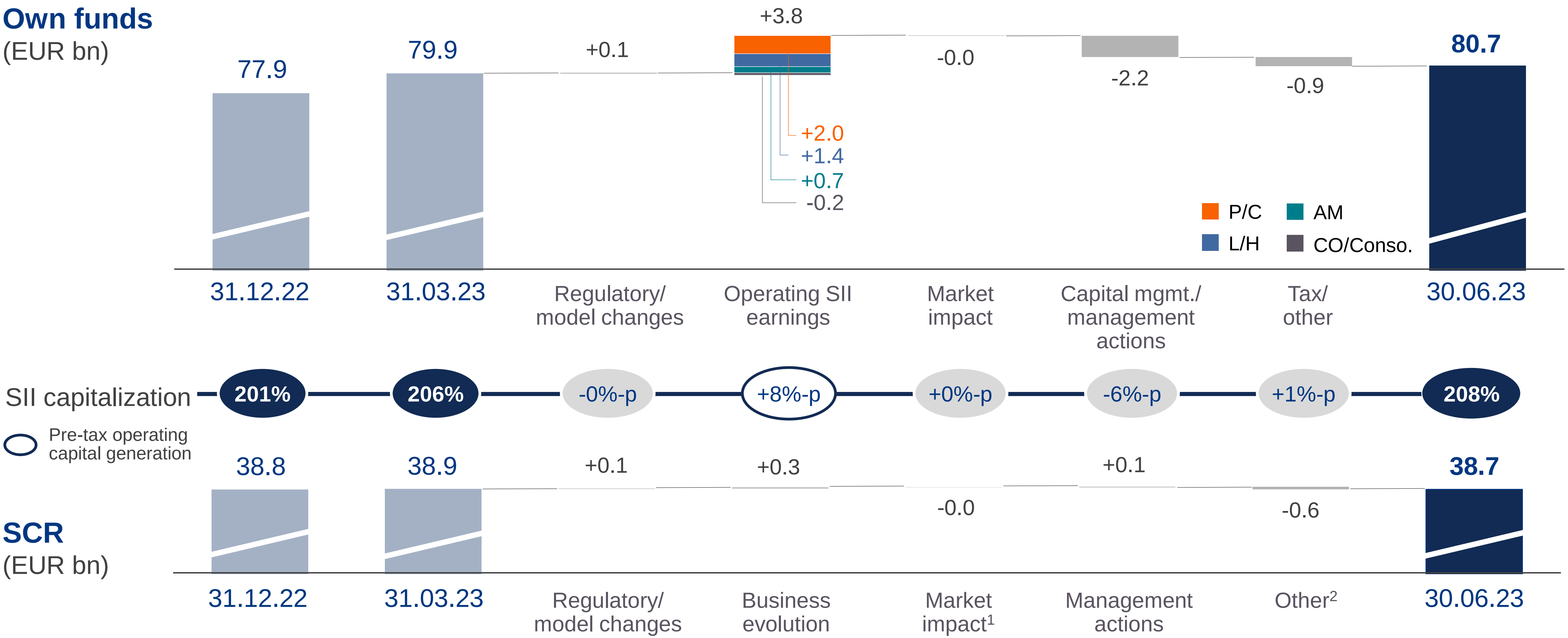
Group: 8%-p capital generation



1) Including cross effects and policyholder participation
2) Other effects on SCR include diversification effects

Group: 8%-p capital generation

Comments

- **8%-p SII capital generation pre-tax/dividend**
  Capital generation after tax and dividend at a good level of +3%-p despite growth-related capital requirements for P/C business. L/H SCR for business evolution is flat, consistent with strategic shift of business portfolio towards preferred/capital-light products.

  6M 2023: +15%-p gross/+5%-p net capital generation.
- **Operating SII earnings**
  Strong at EUR +3.8bn. Earnings are in line or close to IFRS results.

  6M 2023: EUR 7.3bn operating SII earnings at highest 6M-level since introduction of the KPI in 2016.
- **Market impact**
  Several minor impacts offset each other.
- **Capital management/management actions**
  -6%-p, driven by negative impacts from share buy-back announced in May 2023 and dividend accrual, mitigated by positive net impact of two subdebt transactions (EUR +1.25bn issuance/EUR -0.6bn partial buy-back).
- **Tax/other**
  Regular model updates and diversification effects result in a SCR relief, driving +1%-p overall impact.
- **Expected impacts FY 2023**
  We continue to anticipate an operating capital generation net of tax and dividend of 8%-p to 10%-p in 2023.

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P/C: strong growth across operating entities

(EUR mn)		Total business volume			Rate change on renewals	
		2Q 23	Total growth Δ p.y.	Internal growth Δ p.y.	6M 23	12M 22
	Total P/C segment	**17,621**	**+8.0%**	**+11.4%**	**+7.4%**	**+4.9%**
Selected OEs	Germany	2,367	+4.8%	+5.6%	+6.6%	+3.5%
	France	1,071	+6.6%	+6.6%	+8.0%	+6.2%
	Italy	1,150	+7.5%	+7.5%	+4.9%	+2.0%
	United Kingdom	1,297	+5.4%	+8.1%	+17.0%	+6.1%
	Switzerland	272	+7.6%	+3.1%	+1.2%	+2.0%
	Spain	674	+12.3%	+12.3%	+6.9%	+6.7%
	Central & Eastern Europe	1,048	+8.5%	+7.9%	n.a.	n.a.
	Australia	1,316	+3.6%	+13.2%	+8.6%	+9.9%
	Latin America	733	+8.0%	+21.3%	n.a.	n.a.
Global lines	AGCS[1]	2,083	+7.4%	+8.8%	+7.3%	+6.0%
	Allianz Partners	2,315	+23.7%	+26.4%	+11.6%	+6.5%
	Allianz Trade	971	+9.2%	+10.2%	-2.2%	-3.5%

1) Excluding fronting & captives, providing a better reflection of AGCS' underlying business performance

P/C: strong growth across operating entities

Comments

- **Internal growth excellent at 11.4%**
  IG driven by price (+7.1%) and volume (+4.7%), partly offset by service fees (-0.5%). Consolidations (+0.3%) and F/X (-3.7%, mainly TRY and AUD) lead to total growth of +8.0%, which is supported by retail (incl. SME & fleet) and commercial lines. Rate change on renewals further accelerates to +7.4% (3M 2023: +5.6%).
  Insurance revenue (earned premium) grows +8.4%.
- **Germany – positive price effect**
  Higher top-line mainly driven by retail business.
- **France – price effect partially offset by lower volume**
  Top-line driven by retail and MidCorp.
- **Italy – positive price effect main driver**
  MidCorp, motor and non-motor retail contribute.
- **UK – price partly compensated by lower volume**
  Motor retail and MidCorp drive growth.
- **Switzerland – appreciation of CHF drives total growth**
- **Spain – positive price effect main driver**
  All lines of business support top-line growth.
- **CEE – Austria, Romania and Czech Republic main contributors**
- **Australia – price and volume positive**
  Strong rate increases in retail and commercial.
  Total growth negatively impacted by F/X.
- **LatAm – driven by strong price effect across the region**
- **AGCS[1] – Property and MidCorp main drivers**
  Strong customer retention at profitable pricing levels.
- **Allianz Partners – high volume growth and positive price effect**
  Good internal growth in international health and roadside assistance.
  Successful integration of the Aetna portfolio supports growth as well.
- **Allianz Trade – positive volume effect**
  Driven by good customer retention and higher trade volumes (partly due to inflation).

1) Excluding fronting & captives, providing a better reflection of AGCS' underlying business performance

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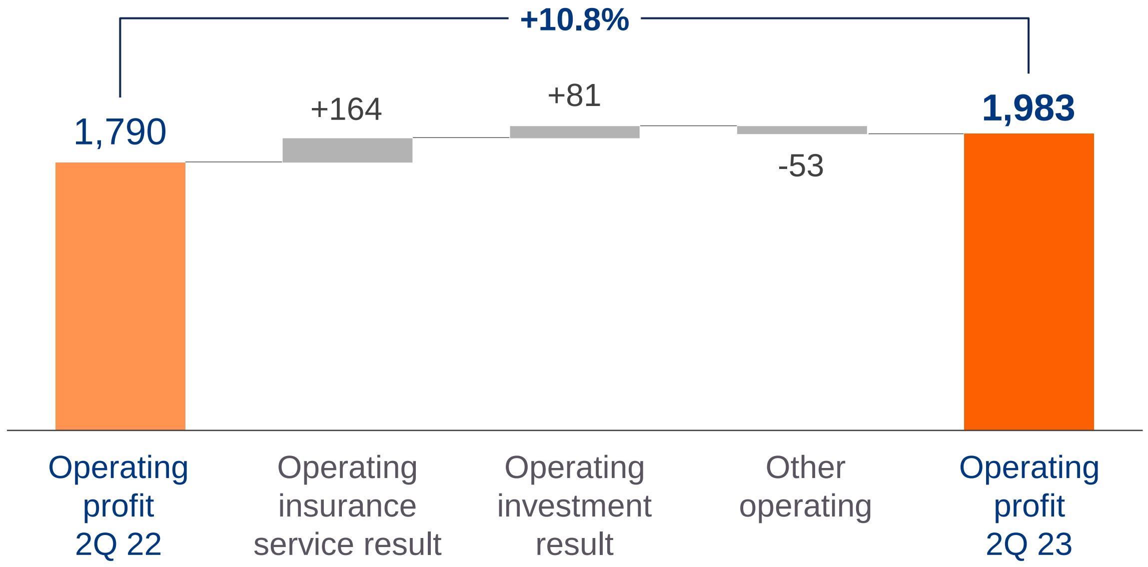
P/C: double-digit operating profit growth

Operating profit drivers

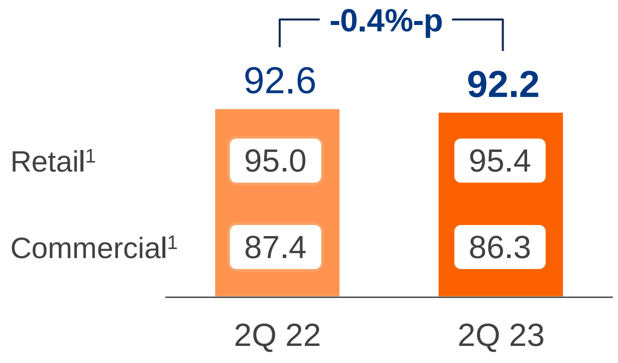
(EUR mn)



2Q 23	**1,320**	**708**	**-45**
2Q 22	1,156	627	7

Combined ratio

(in %)



	2Q 22	2Q 23
Loss ratio[2]	67.9%	**67.4%**
t/o NatCat impact	3.0%	0.9%
t/o run-off ratio	-4.3%	-2.3%
Expense ratio	24.7%	**24.8%**
Revenue basis		
Insurance revenue (EUR bn)	15.6	**16.9**

1) Retail including SME and Fleet; Commercial including large Corporate, MidCorp, credit insurance, internal and 3rd party R/I
2) Reinsurance ratio: 1.4% in 2Q 22, 3.2% in 2Q 23

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P/C: double-digit operating profit growth

Comments

- **Operating profit up 11%**
  OP supported by higher insurance service result due to excellent growth and strong profitability in commercial lines as well as better investment result. CR improves by 0.4%-p due to benign NatCat and attritional LR, partially compensated by normalization of run-off result. Risk adjustment and loss component broadly stable.
- **Attritional LR (AY LR ex. NatCat) at 68.8%**
  Better attritional LR (Δ -0.4%-p) driven by higher discounting effect of -2.7% (Δ -1.2%-p vs. 2Q 2022). Undiscounted attritional LR at 71.5% above prior year (Δ +0.8%-p), but in line with 1Q 2023.
- **Benign NatCat impact**
  NatCat impact at EUR 159mn/0.9%, mainly from hail events in Germany and flood in Italy, below prior year (EUR 461mn/3.0%) and normal expectation (~2.5%).
- **Run-off ratio at -2.3%**
  Prior year level elevated due to COVID-19 related reserve releases. Run-off in 2Q 2023 includes -0.6%-p from release of risk adjustment.
- **Expense ratio remains on good level**
- **Combined ratio by customer segment**
  CR in retail (incl. SME and fleet) at 95.4% (Δ +0.4%-p). Inflation impacts retail business particularly in UK and Australia. CR in commercial further improves to 86.3% (Δ -1.1%-p). Excellent performance of MidCorp (79.7%), AGCS and AZ Trade.
- **6M 2023 – OP at 55% of FY outlook mid-point**

P/C segment	6M 2022	6M 2023	Δ
Attritional LR (%)	68.9	68.5	-0.4%-p
t/o discounting impact (%)	*-1.2*	*-3.1*	*-1.9%-p*
NatCat impact (%)	3.9	0.8	-3.0%-p
Run-off ratio (%)	-4.7	-2.1	+2.5%-p
Expense ratio (%)	25.0	24.8	-0.2%-p
Combined ratio (%)	**93.2**	**92.0**	**-1.1%-p**
Operating profit (EUR mn)	**3,361**	**3,855**	**+16.3%**
Core RoE (annualized; %)	10.7[1]	14.5	+3.9%-p

1) 12M 2022

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P/C: combined ratio at 92%

(EUR mn)

		Operating profit		Combined ratio		NatCat impact	
		2Q 23	Δ p.y.	2Q 23	Δ p.y.	2Q 23	Δ p.y.
	Total P/C segment	**1,983**	**+10.8%**	**92.2%**	**-0.4%-p**	**0.9%-p**	**-2.0%-p**
Selected OEs	Germany	391	-6.8%	90.3%	+0.6%-p	4.4%-p	-0.8%-p
	France	135	+199.6%	94.3%	-9.3%-p	0.0%-p	-12.4%-p
	Italy	128	-26.8%	91.6%	+4.6%-p	2.2%-p	+2.2%-p
	United Kingdom	65	-24.8%	96.8%	+1.8%-p	0.0%-p	-0.6%-p
	Switzerland	74	+13.5%	88.5%	-2.8%-p	0.4%-p	-3.6%-p
	Spain	40	-14.1%	95.5%	+0.5%-p	0.0%-p	0.0%-p
	Central & Eastern Europe	144	+10.6%	89.5%	+1.3%-p	0.1%-p	-1.4%-p
	Australia	26	-79.6%	98.4%	+10.5%-p	0.0%-p	-0.8%-p
	Latin America	58	n.m.[2]	100.6%	-8.8%-p	0.0%-p	0.0%-p
Global lines	AGCS[1]	277	+64.4%	88.3%	-5.2%-p	-0.8%-p	-2.5%-p
	Allianz Partners	85	-2.1%	94.9%	+0.5%-p	0.0%-p	0.0%-p
	Allianz Trade	179	+30.9%	78.7%	-2.7%-p	-	-

1) Excluding fronting & captives, providing a better reflection of AGCS' underlying business performance. OP identical under both views
2) In 2Q 22 OP for Latin America was at EUR +5mn (Δ +52mn)

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P/C: combined ratio at 92%

Comments

- **Germany – profitability on very good level**
  Higher large losses as well as inflation in motor and property, partly offset by favorable run-off and lower NatCat.
- **France – prior year impacted by NatCat**
  CR and OP improve sharply driven by benign NatCat versus prior year.
- **Italy – good performance despite NatCat**
  Better attritional LR overcompensated by lower run-off result and higher NatCat due to flood in May.
- **UK – difficult environment**
  Higher LR partially compensated by better ER.
- **Switzerland – very strong CR**
  CR further improves. Lower NatCat and large losses, partly compensated by less favorable run-off result.
- **Spain – stable CR**
  Market environment remains challenging.
- **CEE – continued strong performance**
  OP driven by better investment result and good top-line growth. CR strong, but above 2Q 2022 from higher ER due to extra-profit tax in Hungary.
- **Australia – CR worsens**
  LR deteriorates as inflationary pressures negatively impact retail business and run-off result.
- **LatAm – significantly improved**
  Recovery of Brazilian motor business continues.
- **AGCS[1] – excellent profitability**
  Better CR driven by underlying performance and favorable NatCat. CR incl. fronting & captives improves Δ -3.4%-p to 92.0%.
- **Allianz Partners – good performance**
  Slightly higher CR mainly driven by international health business.
- **Allianz Trade – outstanding CR**
  Lower large losses and better ER.

1) Excluding fronting & captives, providing a better reflection of AGCS' underlying business performance. OP identical under both views

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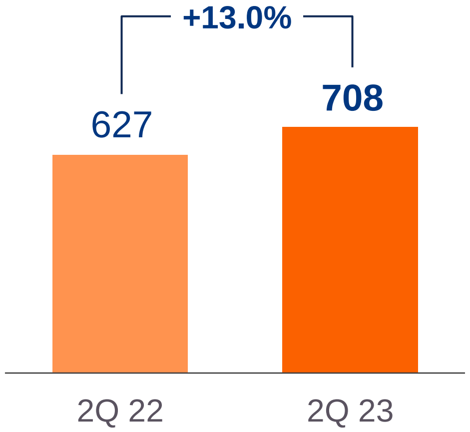
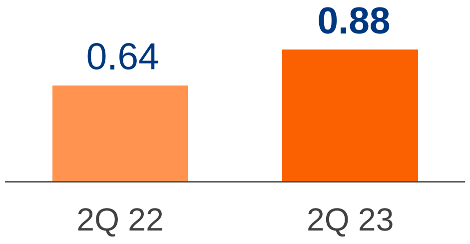
P/C: investment result up 13%

Operating investment result
(EUR mn)

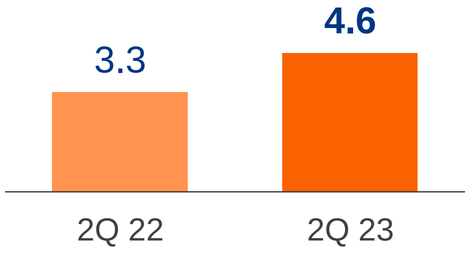


Interest & similar income[1]	907	**1,067**	+160
Interest accretion	-123	**-183**	-60
Valuation result & other[2]	-157	**-176**	-19

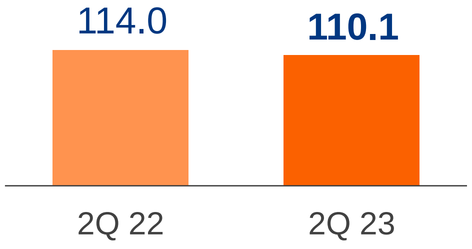
Current yield
(debt securities; in %)



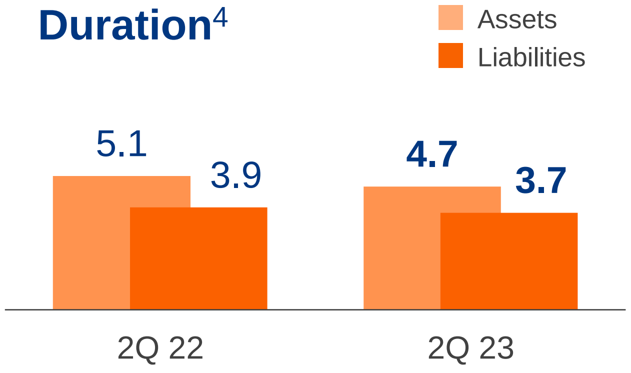
Economic reinvestment yield
(debt securities, in %)



Total average asset base[3]
(EUR bn)



Duration[4]



1) Net of interest expenses
2) Other comprises realized gains/losses, investment expenses, F/X gains/losses on insurance assets/liabilities and other
3) Asset base includes health business France
4) Solvency II duration

P/C: investment result up 13%

Comments

- **Interest & similar income**
  Driven by income from debt and cash due to higher interest rates.
- **Interest accretion in line with expectation**
  Above previous year level due to jump in yields, but lower than in 1Q 2023 (EUR 218mn), fully in line with expected intra-year pattern.
- **Reinvestment yield (debt securities)**
  Economic reinvestment yield rises to 4.6% benefitting from changed yield environment.
- **Change in duration**
  Duration for assets and liabilities declines due to higher interest rates.

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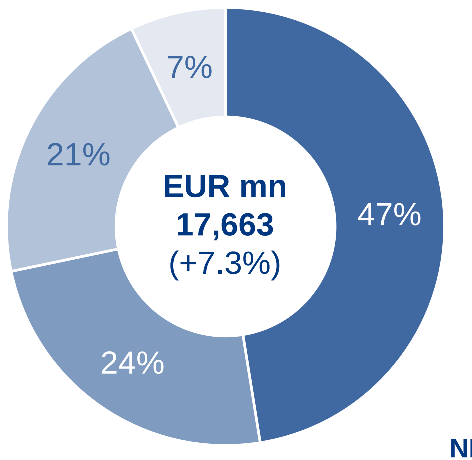
L/H: value of new business up 6%

(EUR mn)	PVNBP		New business margin		Value of new business	
	2Q 23	Δ p.y.	2Q 23	Δ p.y.	2Q 23	Δ p.y.
Total L/H segment	**17,663**	**+7.3%**	**6.2%**	**-0.1%-p**	**1,096**	**+6.4%**
USA	5,348	+24.0%	6.4%	-1.6%-p	340	-1.5%
Germany Life	3,477	-18.2%	5.9%	-0.2%-p	207	-21.1%
Italy	3,077	-6.1%	3.3%	+0.1%-p	103	-2.8%
Asia-Pacific	1,446	-2.7%	9.0%	+0.8%-p	130	+7.0%
France	912	+4.8%	5.6%	+1.8%-p	51	+56.8%
Germany Health	591	-14.2%	5.5%	-1.4%-p	32	-31.3%
Central & Eastern Europe	379	-6.5%	9.1%	+0.4%-p	35	-1.8%

PVNBP by LoB



	NBM
Capital-efficient products	6.1%
Unit-linked w/o guarantees	4.3%
Protection & health	8.8%
Guaranteed savings & annuities	6.0%

Allianz

L/H: value of new business up 6%

Comments

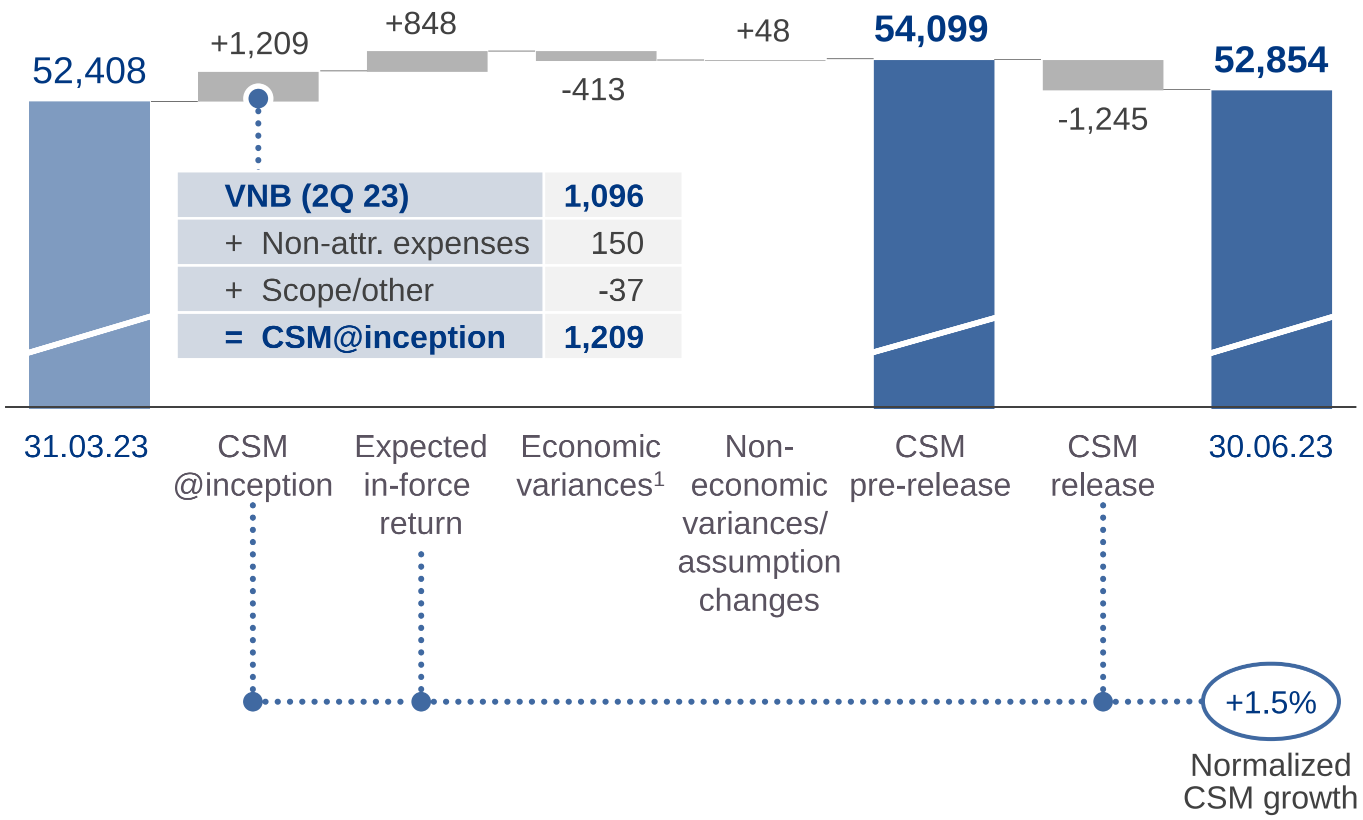
- **Value of new business up 6.4% to EUR 1.1bn**
  VNB growth driven by volume with attractive NBM.
- **PVNBP grows by EUR 1.2bn**
  Strong sales momentum (EUR +2.1bn resp. +12%) partially offset by impact from economics (EUR -0.8bn resp. -5%), mainly discounting impact from higher interest rates. Sales performance supported by Allianz Life USA (EUR +1.0bn) and Allianz Re (EUR +1.0bn). Share of preferred lines at 93%.
- **New business margin**
  NBM remains on attractive level. All lines with strong margins. NBM well above our target level of 5%.
- **Economic reinvestment yield (debt securities) at 4.7%**
  Reinvestment yield up to 4.7% from 3.2% for 12M 2022.
- **USA – largest contributor to VNB**
  Sales increase supported by FIA sales promotion. NBM strong at 6.4% with expected internal rate of return at target.
- **Germany Life – share of preferred lines at 86%**
  Decline of PVNBP driven by economic impacts (EUR -0.4bn resp. -10%) and a decline of single premium business.
- **Italy – market sentiment weighs on UL sales**
  Decrease in new business for UL (EUR -0.4bn) partially offset by capital-efficient products (EUR +0.2bn).
- **Asia Pacific – VNB increase driven by NBM**
  NBM supported by better business mix in Taiwan and China.
- **France – significant improvement of NBM**
  Increase of VNB driven by improved NBM. NBM benefits from more favorable business mix.
- **Germany Health – good underlying growth**
  Good underlying growth more than offset by economic impacts (EUR -0.2bn resp. -33%) including adverse discounting impact.

Allianz

L/H: normalized CSM growth at 1.5%

Contractual service margin

(EUR mn)



VNB (2Q 23)	**1,096**
+ Non-attr. expenses	150
+ Scope/other	-37
= CSM@inception	**1,209**

CSM sensitivities

Equity markets	+30%	+7%
	-30%	-7%
Interest rate	+50bps	-1%
	-50bps	+1%
Credit spread +50bps	on gov. bonds	-1%
	on non-gov. bonds	-1%

1) Including F/X

Allianz

L/H: normalized CSM growth at 1.5%

Comments

- **CSM up by EUR 0.4bn**
  Normalized CSM growth of EUR 0.8bn more than offsets adverse impact from economic variances (EUR -0.4bn).
- **Normalized CSM growth at 1.5%**
  Drivers are healthy levels of value of new business and expected in-force return. CSM release of EUR 1.2bn in line with expectations. Normalized CSM growth at 2.7% in 6M 2023.
- **Expected in-force return**
  Contribution in 2Q 2023 supported by true-up impacts from 1Q 2023 (EUR 0.15bn).
- **Economic variances**
  Adverse impact due to unfavorable market movements (EUR -0.3bn), mainly real estate markets, and F/X (EUR -0.1bn).
- **Duration of assets at 8.8 and 8.4 for liabilities**
  Unchanged vs. 1Q 2023.
- **CSM sensitivities stable vs. 1Q 2023**

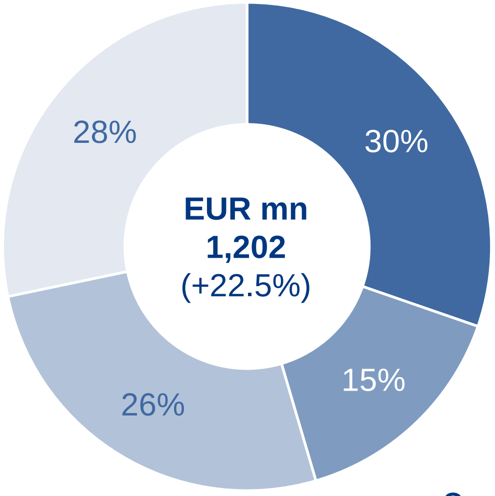
Allianz

L/H: operating profit at EUR 1.2bn

Operating profit
(EUR mn)

	2Q 22	2Q 23	Δ p.y.
CSM release	1,164	1,245	+81
Release of risk adjustment	140	128	-12
Variances from claims & expenses[1]	-75	-96	-21
Losses on onerous contracts	-3	-13	-9
Non-attributable expenses	-242	-274	-32
Operating investment result	-68	162	+230
Other operating	65	49	-16
Operating profit	981	**1,202**	+220

Operating profit by LoB
(EUR mn)



	Operating profit (EUR mn)
Capital-efficient products	357
Unit-linked w/o guarantees	186
Protection & health	318
Guaranteed savings & annuities	341

1) Including reinsurance result

Allianz

L/H: operating profit at EUR 1.2bn

Comments

- **Operating profit good at EUR 1.2bn**
  CSM release up 7% and in line with expectations. Annualized CSM release ratio at 9%. All other profit sources broadly in line with expectations as well.
- **Limited comparability with previous year´s figures**
  In the prior year adverse impact from accounting mismatch in the U.S. reflected in operating investment result.
- **Variances from claims & expenses**
  2Q 2023 figure includes slightly higher impact from release of ceded CSM in reinsurance result.
- **Non-attributable expenses**
  Non-attributable expenses offset by corresponding CSM release.
- **Operating investment result in line with expectations**
  Prior-year result impacted by accounting mismatch USA.
- **Other operating**
  Good contribution from Asia, CEE, Germany Life and Mexico.
- **6M 2023 – OP at 50% of FY outlook mid-point**

L/H segment	**6M 2022**	**6M 2023**	**Δ**
PVNBP (EUR bn)	37.6	36.2	-3.8%
NBM (%)	5.5	5.8	+0.3%-p
VNB (EUR mn)	2,066	2,107	+2.0%
CSM release (EUR mn)	2,355	2,460	+4.5%
Operating profit (EUR mn)	**1,787**	**2,521**	**+41.1%**
Core RoE (annualized; %)	13.7[1]	14.7	+1.1%-p

1) 12M 2022

Allianz

L/H: good results across operating entities

(EUR mn)	CSM			Operating profit		
	2Q 23	Δ QTD	Δ QTD normalized[1]	2Q 23	Δ p.y.	t/o CSM release
Total L/H segment	**52,854**	**+0.9%**	**+1.5%**	**1,202**	**+22.5%**	**1,245**
USA	11,815	+1.4%	+2.1%	219	+152.9%	288
Germany Life	17,440	+0.6%	+1.1%	270	+4.3%	276
Italy	3,041	+1.9%	+2.1%	112	+4.9%	103
Asia-Pacific	4,353	+0.7%	+2.3%	145	+32.8%	149
France	4,710	-3.3%	+0.5%	144	+6.8%	175
Germany Health	5,786	+0.4%	+2.2%	50	-4.6%	57
Central & Eastern Europe	1,804	+7.3%	+0.0%	126	+2.0%	76

1) Normalized CSM growth rate with CSM of new business, expected in-force return minus CSM release

Allianz

L/H: good results across operating entities

Comments

CSM

- **USA**
  CSM growth supported by strong normalized CSM growth of 2.1%, partially offset by economic variances including F/X.
- **Asia-Pacific**
  Normalized CSM growth of 2.3% benefits from true-ups. CSM negatively impacted by F/X.
- **France**
  CSM impacted by economic variances, mainly market value real estate.
- **CEE**
  CSM benefits from positive economic variances, driven by a refinement, favorable equity markets and interest rates.

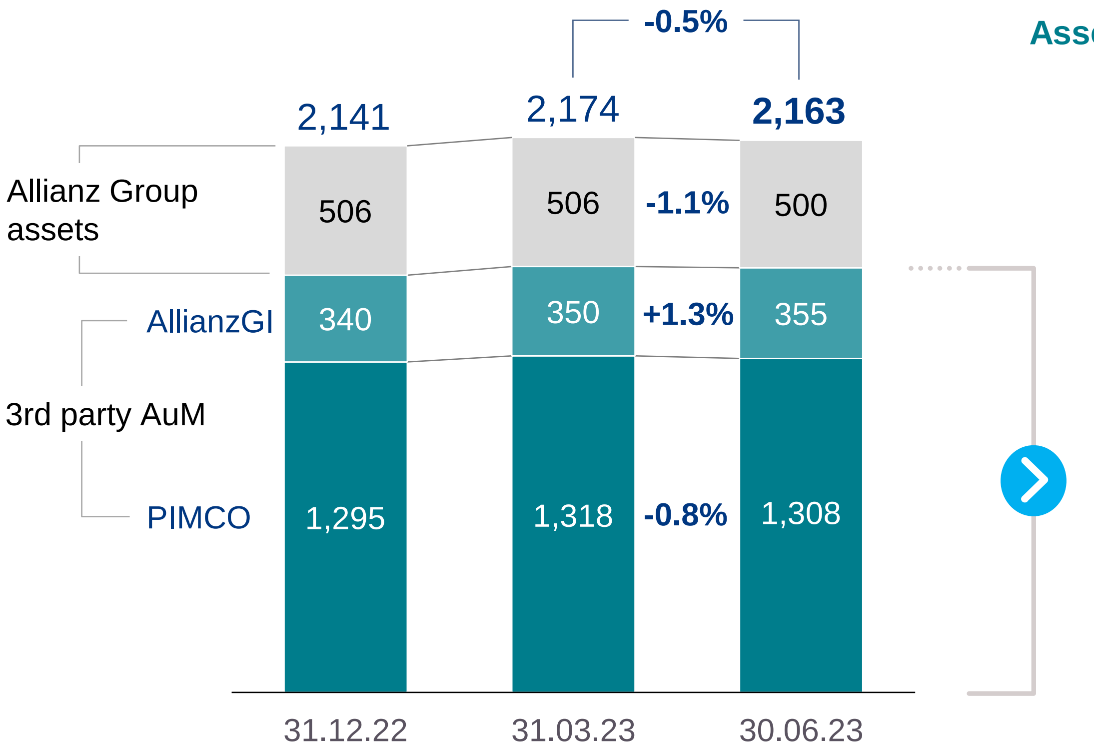
Operating profit

- **Germany Life and Germany Health**
  Profitability again on strong level.
- **USA – good profitability**
  Prior-year result from Allianz Life USA impacted by accounting mismatch due to first time adoption of IFRS 9/17.
- **Italy – higher CSM release**
  Higher CSM release in line with CSM development.
- **Asia-Pacific – higher contribution from several entities**
  Better results from Taiwan and Indonesia, partially due to non-recurring items.
- **France – prior-year CSM release on low level**
  Higher CSM release partially offset by lower result from Protection & health business reflected in variances from claims.
- **CEE – support from IFRS 9 contracts**
  Strong contribution from IFRS 9/15 investment contracts.

Allianz

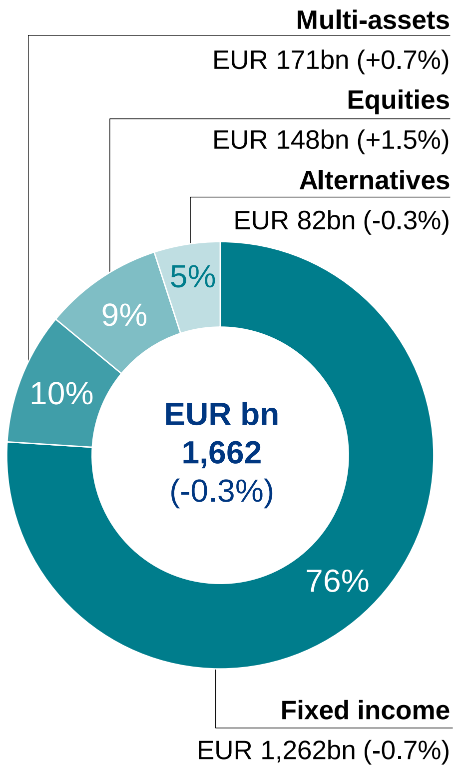
AM: EUR 2.2tn total AuM

Total assets under management
(EUR bn)

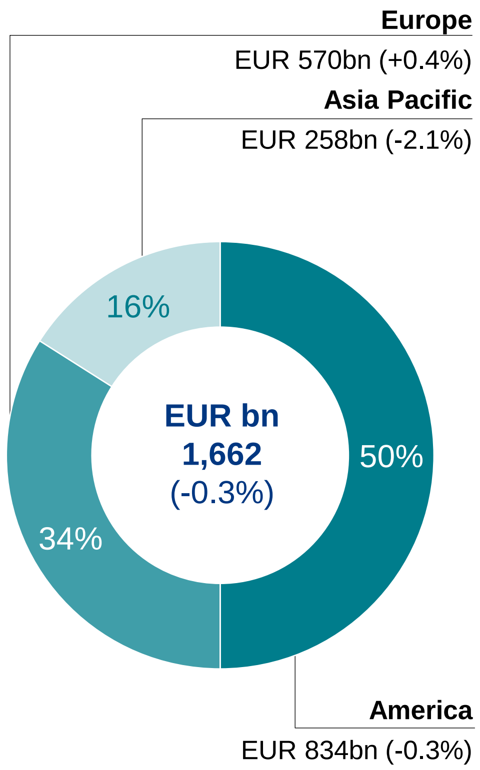


3rd party AuM split
(EUR bn)

Asset classes



Regions



Allianz

AM: EUR 2.2tn total AuM

Comments

- **Total AuM stable**
  Total AuM nearly unchanged in 2Q 2023 (∆ -0.5%). Positive market effects are more than offset by F/X and net outflows in 2Q 2023 after net inflows in 1Q 2023.

  2023 YTD: Total AuM increase by 1.0% driven by positive market effects and net inflows, more than compensating for adverse F/X.

- **Business highlights**
  Investment performance: 82% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.

  PIMCO announced the launch of three active ETFs in 2Q 2023: The PIMCO Commodity Strategy Active ETF will invest in a broad range of commodity-linked instruments, the PIMCO Multisector Bond Active ETF will invest in assets among various sectors across the global bond market, and the PIMCO Ultra Short Government Active ETF will invest primarily in short-term U.S. government related debt.

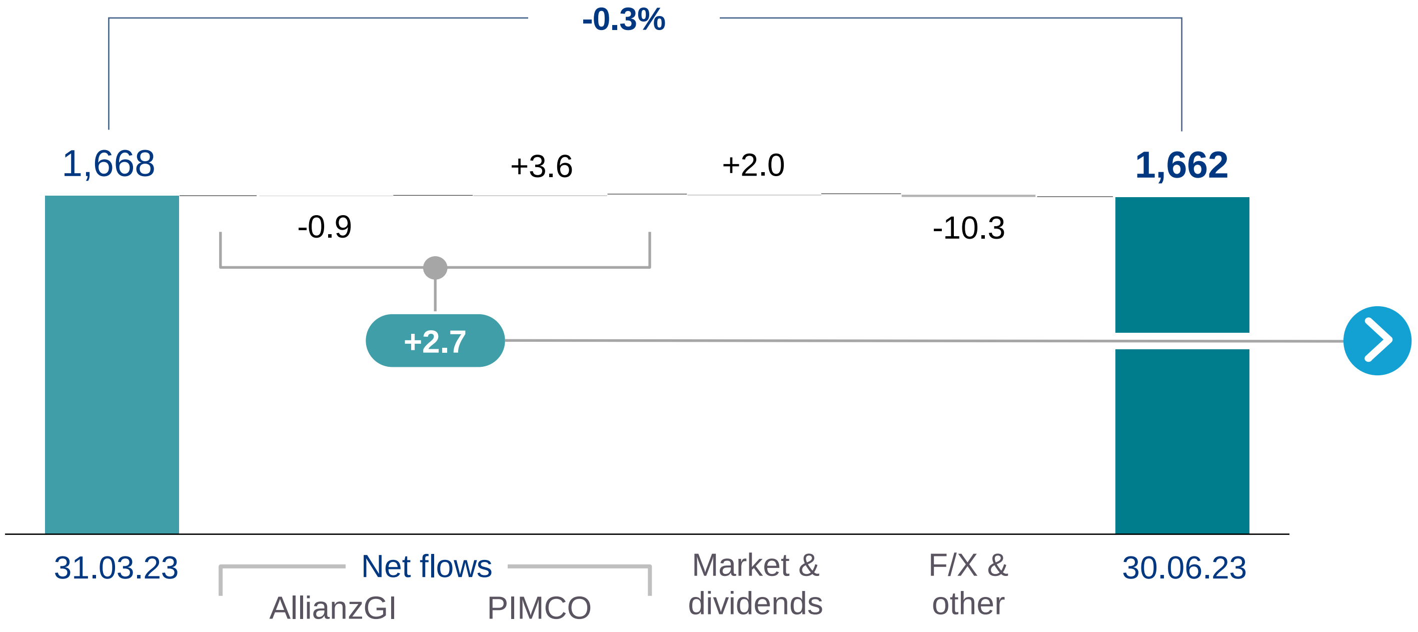
  AllianzGI achieved a new milestone in the partnership between AllianzGI and Voya IM: A fixed income strategy from Voya IM investing in U.S. corporate bonds is now also available via AllianzGI, which will offer this strategy to clients in Europe and Asia.

Allianz

AM: 3rd party AuM at EUR 1.7tn

3rd party assets under management development

(EUR bn)



in %	-0.1%	+0.2%	+0.1%	-0.6%

3rd party net flow split

(EUR bn)

Asset classes	Fixed income	+6.4
	Equities	-2.8
	Multi-assets	-0.9
	Alternatives	-0.0
Regions	America	+2.7
	Europe	-1.9
	Asia-Pacific	+1.9
Investment vehicles	Mutual funds	+2.2
	Separate accounts	+0.5

Allianz

AM: 3rd party AuM at EUR 1.7tn

Comments

- **3rd party AuM at EUR 1.7tn**
  Marginal change of 3rd party AuM versus end of 1Q 2023 (Δ -0.3%) driven by F/X.

  Average 3rd party AuM at EUR 1,663bn in 2Q 2023, 10% below corresponding level in 2Q 2022 and 8% below average FY 2022 level.

- **3rd party net flows PIMCO: EUR +4bn**
  2Q 2023: EUR 4bn 3rd party net inflows driven by fixed income business.

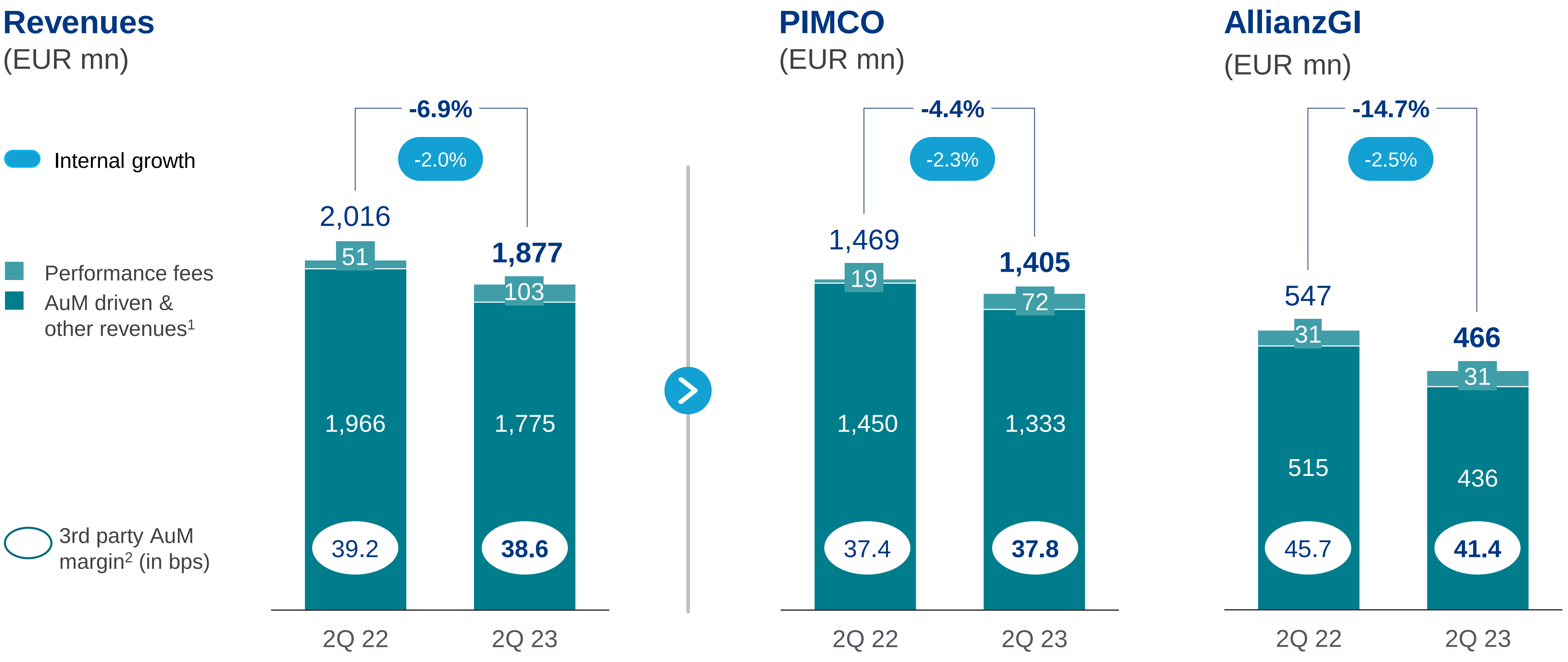
  6M 2023: EUR 18bn 3rd party net inflows mainly from fixed income, but also from alternatives business.

- **3rd party net flows AllianzGI: EUR -1bn**
  2Q 2023: 3rd party net inflows in fixed income, alternatives and multi-assets, more than compensated by net outflows from equity business, summing up to EUR 1bn 3rd party net outflows.

  6M 2023: 3rd party net inflows in multi-assets, fixed income and alternatives offset by net outflows from equity business, summing up to flat flows overall.

Allianz

AM: lower average AuM impact revenues



1) Thereof other revenues: AM: 2Q 22: EUR -1mn; 2Q 23: EUR +20mn; PIMCO: 2Q 22: EUR +8mn; 2Q 23: EUR -1mn; AllianzGI: 2Q 22: EUR -8mn; 2Q 23: EUR +16mn
2) Excluding performance fees and other income

Allianz

AM: lower average AuM impact revenues

Comments

- **Segment revenues – internal growth -2%**
  Nominal decrease of 7% due to lower average 3rd party AuM (∆ -10%) and a slightly lower fee margin (∆ -0.7bps). Revenue decline mitigated by higher performance fees and other revenues (e.g. Voya-related revenues and higher net interest income).

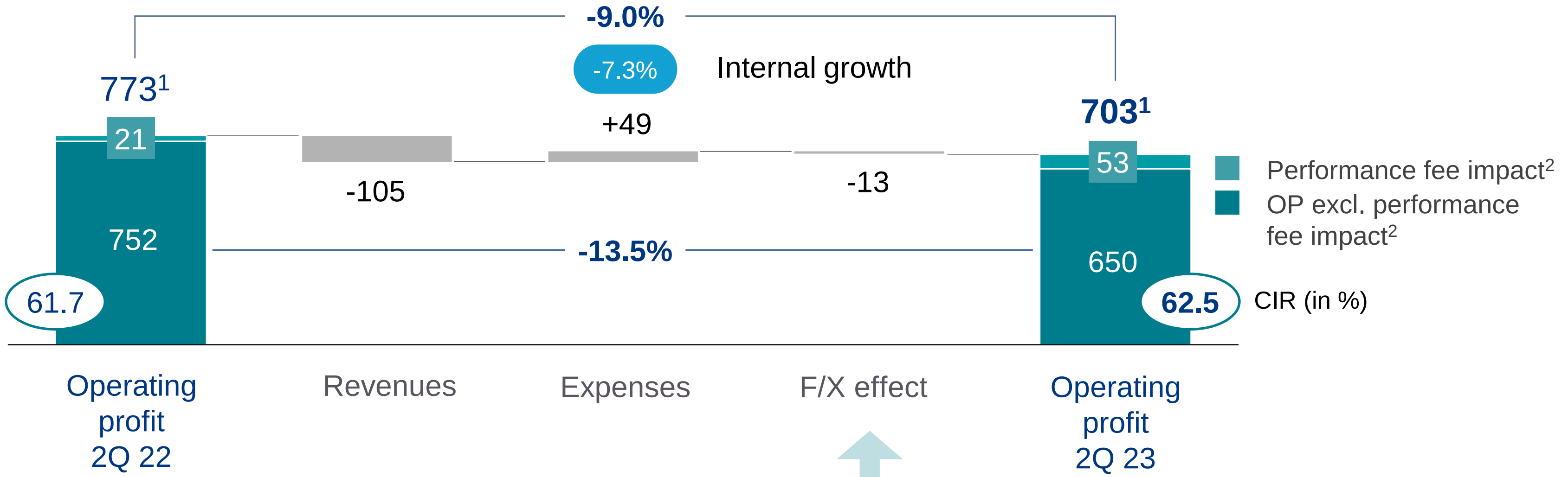
  Operating revenues excluding F/X: ∆ -5%.

- **Segment margin – down 0.7bps**
  Margin at 38.6bps after 38.8bps in 1Q 2023 and 39.2bps in 2Q 2022. Change driven by AllianzGI.
- **PIMCO margin – up 0.4bps**
  Increase driven by business mix shifts towards higher margin strategies.
- **AllianzGI margin – down 4.3bps**
  Decrease mainly due to U.S. exit-related effects.

Allianz

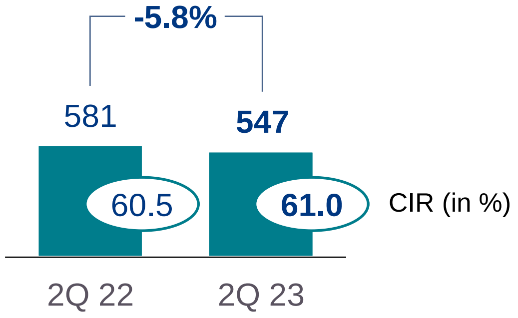
AM: operating profit in line with expectations

Operating profit drivers
(EUR mn)

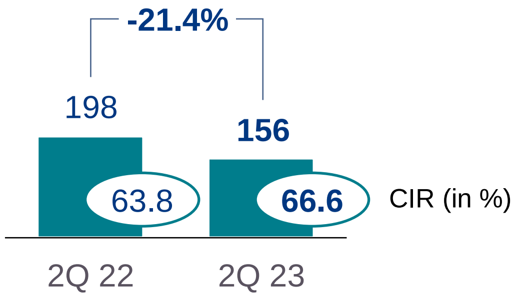


F/X impact	-34	+21
2Q 23	**1,877**	**-1,174**
2Q 22	2,016	-1,243

PIMCO
(EUR mn)



AllianzGI
(EUR mn)



1) Including operating result from other entities of EUR -6mn in 2Q 22 and EUR +0mn in 2Q 23
2) Performance fees of PIMCO and AllianzGI (excl. Allianz Capital Partners), net of 30% variable compensation

Allianz

AM: operating profit in line with expectations

Comments

- **Segment – OP at EUR 703mn**
  Lower AuM driven revenues (Δ -10.8%) partially compensated by lower operating expenses (Δ -5.6%) and higher performance fees (Δ +103%). Overall EUR -13mn F/X impact.

  CIR up 0.9%-p to 62.5%.

- **PIMCO – OP at 547mn**
  OP down 6% mainly due to lower AuM driven revenues (Δ -7.6%), partially compensated by a higher level of performance fees (Δ +274%) and lower operating expenses (Δ -3.5%). Overall EUR -11mn F/X impact.

  CIR up 0.6%-p to 61.0%.

- **AllianzGI – OP at EUR 156mn**
  OP at EUR 156mn. Reduction of 21% mainly due to lower AuM driven revenues (Δ -19.7%). Decrease mitigated by lower operating expenses (Δ -10.8%) and higher other revenues (Δ +24mn, e.g. Voya-related revenues and higher interest income).

  CIR up 2.9%-p to 66.6%.

- **6M 2023 – OP at 48% of FY outlook mid-point**

AM segment	**6M 2022**	**6M 2023**	**Δ**
Operating revenues (EUR mn)	4,084	3,778	-7.5%
Operating profit (EUR mn)	**1,605**	**1,426**	**-11.1%**
Average 3rd party AuM (EUR bn)	1,884	1,666	-11.6%
3rd party net flows (EUR bn)	-42.8	+17.5	n.m.
3rd party AuM margin (bps)	38.7	38.7	+0.0bps
CIR (%)	60.7	62.3	+1.6%-p

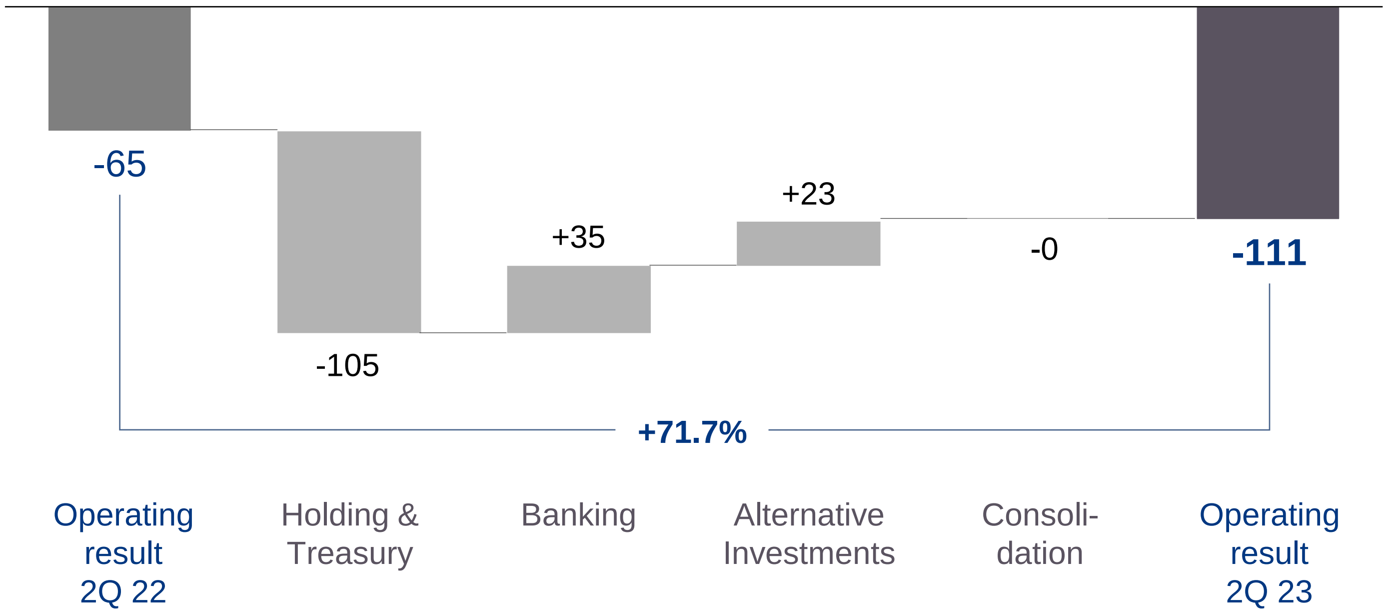
1) 12M 2022

Allianz

CO: better than expectations

Operating result development and components

(EUR mn)



2Q 23	**-193**	**48**	**33**	**0**
2Q 22	-88	13	10	0

Allianz

CO: better than expectations

Comments

- **Operating loss at 14% of FY outlook mid-point**
  Change in operating loss driven by lower investment income, i.e. inflation-linked bonds and dividends, all reflected in result from Holding & Treasury. Exceptional high level of investment income in the prior year.
- **Banking**
  Improvement driven by higher interest rates.
- **Alternative Investments**
  Increase supported by dividends.

Allianz

Group: s/h core net income at EUR 2.5bn

(EUR mn)	2Q 22	2Q 23	Δ p.y.
Operating profit	3,532	3,783	+250
Non-operating items	**-708**	**-761**	**-53**
Realized gains/losses (net)	-28	-31	-3
Expected credit loss and impairments (net)	-25	-84	-60
Result from assets and liabilities measured at fair value incl. derivatives	-147	-254	-107
Interest expenses from external debt	-132	-150	-17
Restructuring and integration expenses	-262	-72	+190
Amortization of intangible assets	-75	-74	+1
Other[1]	-38	-97	-58
Income before taxes	**2,824**	**3,021**	**+197**
Income taxes	-734	-535	+200
Net income	**2,089**	**2,486**	**+397**
Non-controlling interests	-112	-150	-38
Shareholders' net income	**1,977**	**2,337**	**+359**
Adjustment for non-operating market movements and for amortization of intangible assets from business combinations[2]	71	180	+109
Shareholders' core net income	**2,048**	**2,517**	**+469**
Effective tax rate	26%	18%	-8%-p
Core earnings per share (in EUR)	4.75	5.97	+1.22

1) Includes hyperinflation result
2) After tax and minorities

Allianz

Group: s/h core net income at EUR 2.5bn

Comments

- **S/h core net income up EUR 0.5bn to EUR 2.5bn**
  Increase driven by operating profit (∆ EUR +0.3bn) and better tax result.
- **Non-operating result broadly stable**
  Lower restructuring expenses and better result from hyperinflation accounting offset by less favorable result from derivatives and reclassification of tax income.
- **Result from assets and liabilities measured at FV**
  Decline is driven by a less favorable result from derivatives. Line item also includes amortization of tax incentivized alternative investments with a run-rate of EUR -0.2bn – -0.3bn p.a.
- **Restructuring expenses**
  Prior year restructuring expenses impacted by transfer of AGI U.S. business to Voya Investment Management (impact EUR -0.1bn).
- **Other**
  Lower adverse impact from hyperinflation accounting offset by adjustment to neutralize positive L/H consolidation effect in tax line.
- **Taxes**
  Tax rate impacted by several favorable non-recurring items as well as tax exempted income.
- **Adjustment for non-operating market movements and for amortization of intangible assets from business combinations**
  Increase driven by result from derivatives.

Allianz

Summary – strong results across all dimensions

Facts and figures 6M 2023 (EUR)

85.6bn +4.8% Total business volume	**7.5bn** +14.9% Operating profit	**14.2bn** **+/- 1bn** OP outlook
4.7bn +90.2% Shareholders' core net income	**208%** Target: ≥ 180% Solvency II ratio	**1.5bn** Share buy-back in progress

Content/topics

Glossary (1)

AGCS	Allianz Global Corporate & Specialty
AllianzGI	Allianz Global Investors
AM	(The Allianz business segment) Asset Management
APR	Accident insurance with premium refund (“Unfallversicherung mit Beitragsrückzahlung”): Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents, has a guaranteed claim to the refund of premiums, either at the agreed maturity date or in the event of death.
Attritional LR	Represents the loss ratio excluding claims from natural catastrophes (net) and the results of the prior year’s reserve development (net). Please refer to “LR” (loss ratio), “NatCat”.
AuM	Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. Assets under management include portfolios sub-managed by third-party investment firms. The portfolios are managed on behalf of third parties as well as on behalf of the Allianz Group. **Net flows:** Net flows represent the sum of new client assets, additional contributions from existing clients (including dividend reinvestment), withdrawals of assets from and termination of client accounts, and distributions to investors. **Market & dividends:** Represents current income earned on and changes in fair value of securities held in client accounts. This also includes dividends from net investment income and from net realized capital gains to investors of open-ended mutual funds and closed-end funds.
AY LR	Accident year loss ratio: Represents the loss ratio excluding the results of the prior year’s reserve development (net). Please refer to “LR” (loss ratio).
AZ	Allianz
BBA	Building Block Approach, IFRS 17 measurement model also referred to as “General Measurement Model (GMM)” in the standard.
Bps	Basis points: 1 Basis point = 0.01%.
CEAG	Capital-efficient alternative guarantee [products]. Please refer to “L/H lines of business”.
CEE	Central and Eastern Europe

Glossary (2)

CIR	Cost-income ratio: Operating expenses divided by operating revenues.
CO	(The Allianz business segment) Corporate and Other
Comprehensive shareholders' capital	Shareholders' equity plus net-CSM.
Core EPS	Core earnings per share: Calculated by dividing the respective period's shareholders' core net income, adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity, by the weighted average number of shares outstanding (basic core EPS). To calculate diluted core earnings per share, the number of common shares outstanding and the core net income attributable to shareholders are adjusted to include the effects of potentially dilutive common shares that could still be exercised. Potentially dilutive common shares result from share-based compensation plans (diluted core EPS).
Core RoE	**Core return on equity – Group:** Represents the annualized ratio of shareholders' core net income to the average shareholders' equity at the beginning and at the end of the period. Shareholders' core net income is adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity. From the average shareholders' equity undated subordinated bonds classified as shareholders' equity and net OCI are excluded. **Core return on equity P/C OE:** Represents the annualized ratio of core net income to the average total equity excluding net OCI, deducting goodwill and deducting participations in affiliates not already consolidated in this OE, at the beginning and at the end of the period. **Core return on equity L/H OE**: Represents the annualized ratio of core net income to the average total equity excluding net OCI and deducting goodwill at the beginning and at the end of the period.
CR	Combined ratio: Represents the total of operating acquisition and administrative expenses including non-attributable acquisition and administrative expenses, claims and insurance benefits incurred, and the reinsurance result divided by insurance revenue.
CSM	Contractual service margin: Balance sheet liability, containing deferred discounted future profits of in-force long duration business. "Gross CSM" accounts for (i) the present value of non-attributable expenses, (ii) the part of the CSM ceded to third-party reinsurers, (iii) tax and (iv) non-controlling interests. "Net CSM" is an adjusted CSM which reduces the Gross CSM by respective items (i), (ii), (iii) and (iv).
Current yield	Represents interest and similar income divided by average asset base at book value.

Glossary (3)

dNPS	Digital net promoter score: A measurement of customers' willingness to recommend Allianz.
ECL	Expected credit loss
Economic reinvestment yield	Reflects the reinvestment yield, including F/X hedging costs on non-domestic hard-currency F/X bonds as well as expected F/X losses on non-domestic emerging-market bonds in local currencies. The yield is presented on an annual basis.
EIOPA	European Insurance and Occupational Pensions Authority.
ER	Expense ratio: Represents operating acquisition and administrative expenses including non-attributable acquisition and administrative expenses divided by insurance revenue. All income and expenses related to reinsurance contracts held are part of the reinsurance result which is part of the loss ratio.
Expected in-force return	Unwind from discount plus normalized investment over-returns from in-force book above valuation rate.
F/X	Foreign exchange rate
FIA	Fixed index annuity: Annuity contract under which the policyholder can elect to be credited based on movements in equity or in bond market indices, with the principal remaining protected.
FV	Fair value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
FVTOCI	Fair value through other comprehensive income – change in fair value shown in OCI.
FVTPL	Fair value through P&L – change in fair value shown in P&L.
Goodwill	Difference between the cost of acquisition and the fair value of the net assets acquired.
Government bonds	Government bonds include government and government agency bonds.
Gross/net	In insurance terminology the terms "gross" and "net" mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term "net" is used where the relevant expenses have already been deducted.
GS&A	Guaranteed savings & annuities [products]. Please refer to "L/H lines of business".
Held for sale	A non-current asset is classified as held for sale if its carrying amount will principally be recovered through a sale transaction rather than continued use. On the date a non-current asset meets the criteria for being considered as held for sale, it is measured at the lower of its carrying amount and its fair value less costs to sell.

Glossary (4)

IFRS	International Financial Reporting Standards: As of 2002, the term IFRS refers to the total set of standards adopted by the International Accounting Standards Board. Standards approved before 2002 continue to be referred to as International Accounting Standards (IAS).
IMIX	Our Inclusive Meritocracy Index (IMIX) measures the progress of the organization on its way towards inclusive meritocracy. This internal index is based on ten items from the Allianz Engagement Survey (AES) which deal with leadership, performance, and corporate culture.
Insurance revenue	The amount charged for insurance coverage and other services when it is earned.
Insurance service result	Presents in profit or loss insurance revenue, insurance service expenses including incurred claims and other incurred insurance service expenses as well as the reinsurance service result. The following components are also included by Allianz in the operating insurance service result: 1) Non-attributable acquisition, administrative and claims expenses of our operating entities; 2) Adjustments for claims and expense variances where our operating entities share the technical results with the policyholders (only for insurance contracts under the variable fee approach); 3) Restructuring expenses that are shared with the policyholder.
Internal growth	Total business volume performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
JV	Joint venture
KPI	Key performance indicator
L/H	(The Allianz business segment) Life and Health insurance
L/H lines of business	**Guaranteed savings & annuities [products] (GS&A):** Life insurance products linked to life expectancy, offering life and / or death benefits in the form of single or multiple payments to beneficiaries and possibly including financial and non-financial guarantees. **Capital-efficient alternative guarantee [products] (CEAG):** Products that are based on the general account but involve a significantly lower market risk, either through comprehensive asset/liability management or through significant limitation of the guarantee. This also includes hybrid products which, in addition to conventional assets, invest in a separate account (unit-linked). Capital-efficient products offer a guaranteed surrender value at limited risk, due to, e.g. precise asset-liability management or market value adjustment. **Protection & health [products] (P&H):** Insurance products covering the risks associated with events that affect an individual’s physical or mental integrity. **Unit-linked [products] without guarantees:** With conventional unit-linked products, all benefits under the contract are directly linked to the value of a set of assets which are pooled in an internal or external fund and held in a separate account by the insurer. In this constellation, it is the policyholder rather than the insurer who bears the risk.

Glossary (5)

LatAm	Latin America: South America and Mexico
LIC	Liability for incurred claims
LoB	Line of business
LR	Loss ratio: Represents the total of claims and insurance benefits incurred and the reinsurance result divided by insurance revenue.
LRC	Liability for remaining coverage: Liability relating to coverage that will be provided to the policyholder for insured events that have not yet occurred.
LTC	Long-term care
NatCat	Accumulation of net claims impact that are all related to the same natural or weather/atmospheric event during a certain period and where the estimated gross loss for the Allianz Group exceeds EUR 20mn.
NBM	New-business margin: Performance indicator to measure the profitability of new business in the Life/Health business segment. It is calculated as the Value of New Business (VNB), divided by the present value of new business premiums (PVNBP), both based on the same assumptions to ensure a valid and meaningful indicator.
Net	Please refer to “Gross/net”
Non-controlling interests	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
OCI	Other comprehensive income – component of equity, includes revenues, expenses, gains, and losses not shown in net income.
OE	Operating entity
Onerous contracts	Contracts for which the unavoidable costs of meeting the contractual obligation outweigh the expected benefits.

Glossary (6)

OP	Operating profit: The portion of income before income taxes that is attributable to the ongoing core operations of the Allianz Group, which generally excludes the following non-operating effects: realized gains/losses (net), expected credit loss allowance, income from derivatives (net), interest expenses from external debt, impairments of investments (net), valuation result from investments and other assets and financial liabilities measured at fair value through profit and loss, specific acquisition and administrative expenses (net), consisting of acquisition-related expenses (from business combinations), income taxes related incidental benefits/expenses, litigation expenses, and one-time effects from significant reinsurance transactions with disposal character, amortization of intangible assets, restructuring and integration expenses and income and expenses from the application of hyperinflation accounting. For insurance products with policyholder participation, all items listed above are included in operating profit if the profit sources are shared with policyholders.
Operating SII earnings	Operating SII earnings represent the change in own funds, before tax and dividend accrual, that is attributable to the Allianz Group's ongoing core operations. As such, operating SII earnings comprise: expected return from existing business, new business value, operating variances and changes in assumptions, and interest expense on external debt. Operating SII earnings exclude the following effects, which are disclosed separately in our analysis of own funds movements: regulatory / model changes, economic variances driven by changes in capital market parameters, including F/X rates, taxes, non-operating restructuring charges, capital management (e.g. issuance or redemption of subordinated debt, dividend accruals and payments, share buy-back programs), one-off impacts from, e.g., the acquisition and disposal of subsidiaries, changes in transferability restrictions, and the effects resulting from the application of tier limits.
Own funds	The capital eligible to cover the regulatory solvency capital requirement.
P/C	(The Allianz business segment) Property and Casualty [insurance]
P&H	Protection & health [products]. Please refer to "L/H lines of business".
PAA	Premium Allocation Approach, simplified measurement model as defined by IFRS 17 for short term business, in particular applicable to most P/C business.
PIMCO	Pacific Investment Management Company Group.
PVNBP	Present value of new business premiums: i.e. the present value of future premiums on new business written during the period in question, discounted at a reference rate. This includes the present value of projected new regular premiums plus the total amount of single premiums received. PVNBP is shown before non-controlling interests, unless otherwise stated.

Glossary (7)

Pre-tax operating capital generation	Represents the change in SII capitalization following regulatory model changes and which is attributable to a) changes in own funds as a consequence of operating SII earnings and b) changes in SCR as a consequence of business evolution. Factors such as market developments, dividends, capital management activities, taxes, etc. are not taken into account.
PVFCF	Present value of future cash flows, balance sheet liability representing the policyholder reserve of the in-force business based on discounted expected cash flows to policyholders including attributable expenses.
RA	Risk adjustment – additional reserve for non-financial risks.
Recycling	Reclassification of unrealized gains and losses from accumulated other comprehensive income (OCI) to the income statement (P&L).
R/I	Reinsurance: Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies. **Reinsurance result**: Represents the total of premiums (ceded to reinsurers), claims and insurance benefits (ceded to reinsurers) and expenses (ceded to reinsurers). **Reinsurance ratio**: Represents the reinsurance result divided by insurance revenue.
RILA	Registered index-linked annuities.
Run-off ratio	The run-off result (net result from reserve developments for prior (accident) years in P/C business) as a percentage of insurance revenue.
SII	Solvency II.
SII capitalization	Ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
SCR	Solvency capital requirement.
SE	Societas Europaea: European stock company.
SFCR	Solvency and Financial Condition Report.
Shareholders’ core net income	Presents the portion of shareholders’ net income before non-operating market movements and before amortization of intangible assets from business combinations.
SPPI	Solely payments of principal and interest – criterion determining whether fixed income assets are measured at amortized cost, FVTOCI or FVTPL.

Glossary (8)

TBV	Total business volume: It presents a measure for the overall amount of business generated during a specific reporting period. According to our business segments, total business volume in the Allianz Group comprises: - Gross premiums written as well as fee and commission income in Property-Casualty; - Statutory gross premiums written in Life/Health; and - Operating revenues in Asset Management.
Total equity	The sum of shareholders' equity and non-controlling interests.
UFR	Ultimate forward rate: The UFR is determined using the EIOPA methodology and guidelines, and is used for extrapolation of periods after the last liquid point defined by the SII regulation. The UFR is calculated for each currency based on expected real rates and inflation for the respective region. The UFR is subject to revision in order to reflect fundamental changes in long term expectations.
UL	Unit-linked: Please refer to "L/H lines of business".
VA	Variable annuities: The benefits payable under this type of life insurance depend primarily on the performance of the investments in a mutual fund. The policyholder shares equally in the profits or losses of the underlying investments. In addition, the contracts can include separate guarantees, such as guaranteed death, withdrawal, accumulation or income benefits.
VFA	Variable Fee Approach, IFRS 17 measurement model for direct participating business.
VNB	The additional value to shareholders that results from the writing of new business. The VNB is determined as the present value of pre-tax future profits, adjusted for acquisition expenses overrun or underrun and non-attributable expenses, minus a risk adjustment, all determined at issue date. Value of new business is calculated at point of sale, interpreted as at the beginning of each quarter assumptions.

Content/topics

Cautionary note regarding forward-looking statements

This document includes forward-looking statements, such as prospects or expectations, that are based on management's current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements. Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) adverse publicity, regulatory actions or litigation with respect to the Allianz Group, other well-known companies and the financial services industry generally, (iv) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses, (v) mortality and morbidity levels and trends, (vi) persistency levels, (vii) the extent of credit defaults, (viii) interest rate levels, (ix) currency exchange rates, most notably the EUR/USD exchange rate, (x) changes in laws and regulations, including tax regulations, (xi) the impact of acquisitions including and related integration issues and reorganization measures, and (xii) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

No duty to update

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