

**Group financial results  
Year 2000 and 1<sup>st</sup> quarter 2001**

31 May, 2001

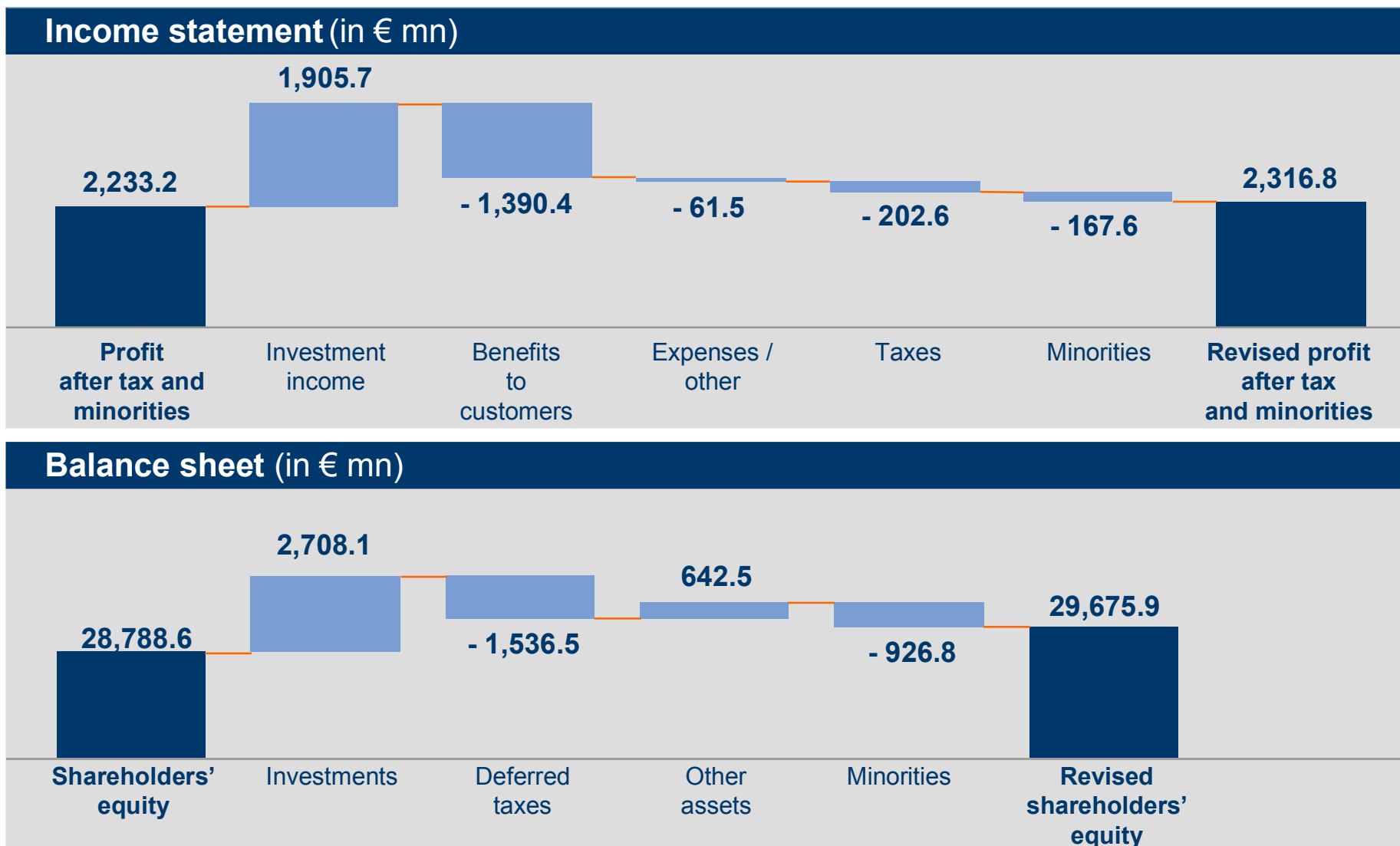
Helmut Perlet

## Key figures and ratios

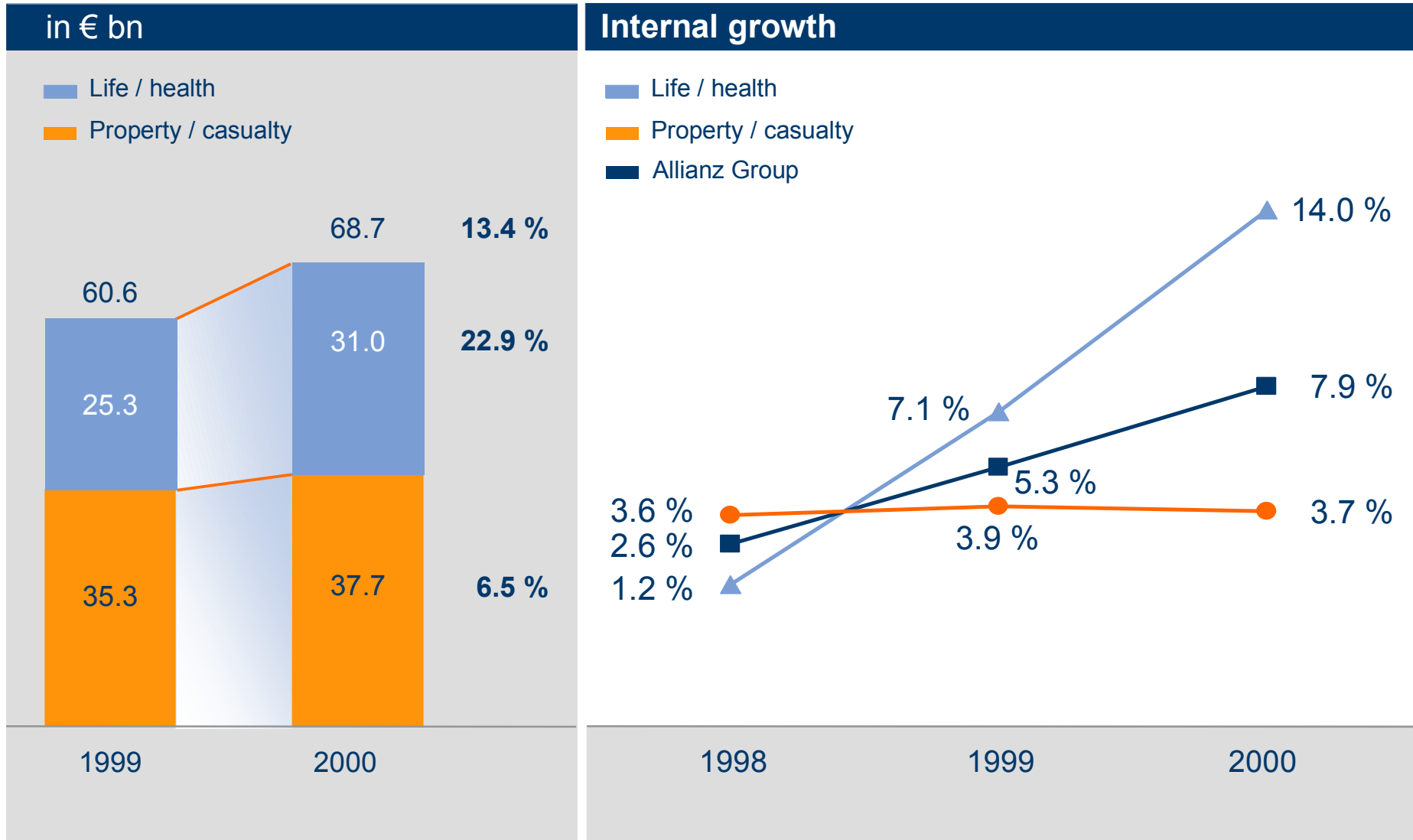
in € bn	1998* restated	1999* restated	2000	Δ 2000 / 1999 restated
Statutory premiums	51.0	60.6	68.7	13.4 %
IAS premiums	46.2	53.8	57.9	7.6 %
Profit after tax and minorities	2.2	2.3	3.5	49.3 %
Extraordinary items		0.2	1.1	
Adjusted profit after tax and minorities	2.2	2.1	2.4	13.4 %
ROE <sub>Reported</sub>	9.8 %	8.5 %	10.6 %	2.1 % -p
ROE <sub>Adjusted</sub> before goodwill depreciation	12.4 %	11.0 %	10.7 %	- 0.3 % -p
EPS <sub>Reported</sub>	(€) 8.97	9.46	14.10	49.0 %
EPS <sub>Adjusted</sub> before goodwill depreciation	(€) 9.99	10.56	11.74	11.2 %
Third party assets under management	22.5	29.5	336.4	

\*) Under consideration of the adjustments for the US-Listing and IAS-SIC 12

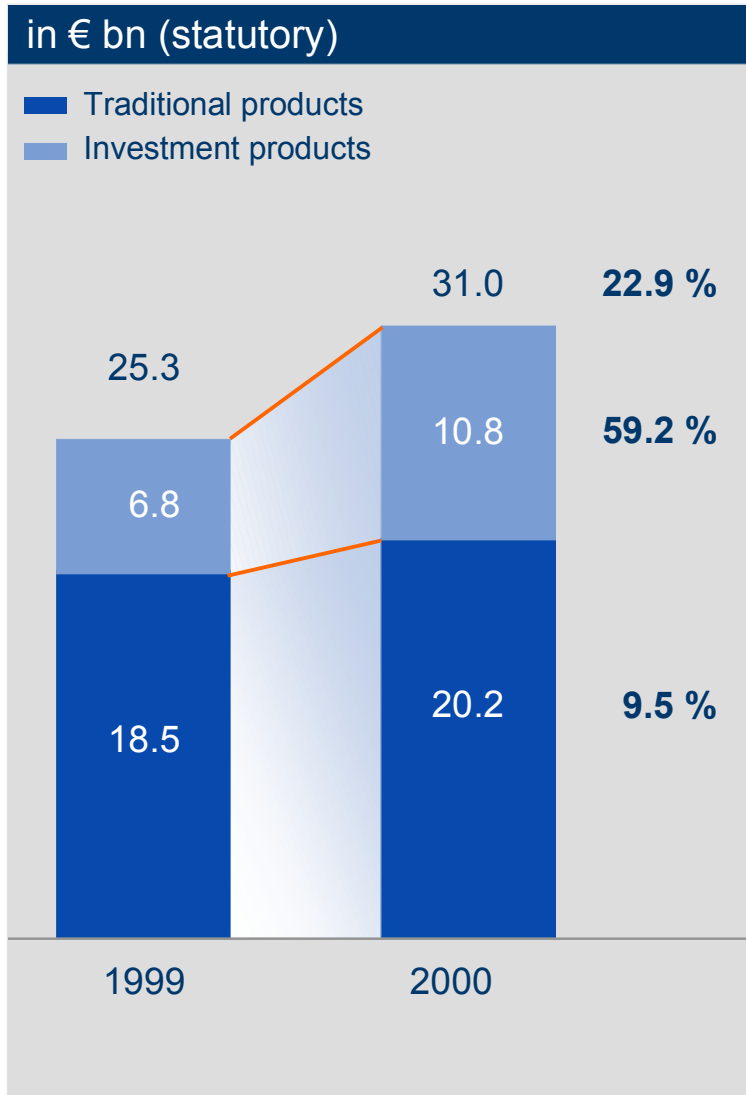
## Restated 1999 figures according to US listing



## Statutory GPW increased by more than 13 %



## L/H growth of 23 % driven by investment products






**Investment products as % of total business volume (in € bn)**

Country	Traditional products (€ bn)	Investment products (€ bn)	Total (€ bn)	% of Total
France	2.3	3.3	5.6	58.7 %
Italy	1.5	3.0	4.5	67.6 %
USA	1.5	2.2	3.7	60.2 %
South Korea	0.8	0.8	1.6	50.0 %
Switzerland	0.5	0.5	1.0	50.2 %
Spain	0.6	0.2	0.8	30.6 %
Other	13.2	0.8	14.0	5.7 %
<b>Total</b>	<b>20.2</b>	<b>10.8</b>	<b>31.0</b>	<b>34.8 %</b>

Legend:   
■ Traditional products   
■ Investment products

## P/C premiums by region

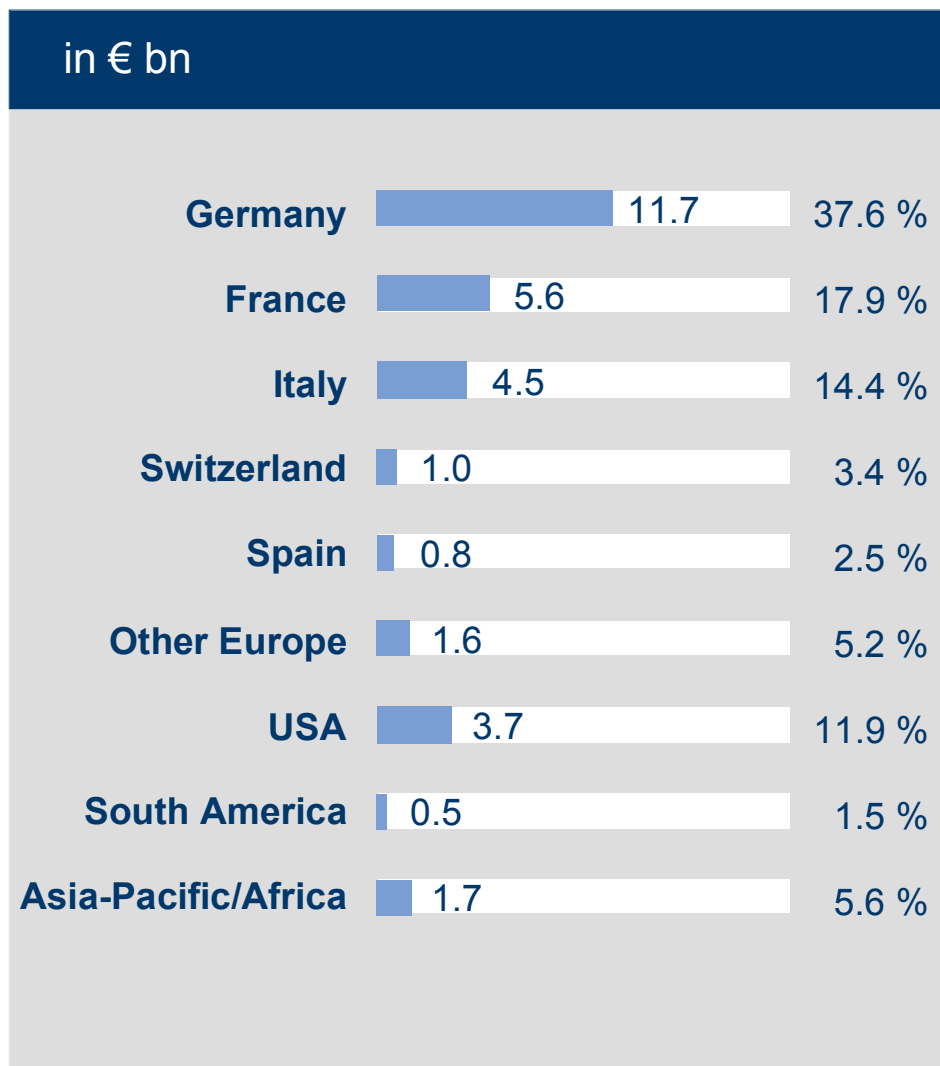
in € bn		
Germany	11.9	27.2 %
France	4.7	12.5 %
Italy	4.3	11.2 %
UK	2.1	5.5 %
Switzerland	1.2	2.9 %
Spain	1.1	2.8 %
Other Europe	3.6	9.2 %
NAFTA	6.3	16.6 %
South America	0.9	2.4 %
Asia-Pacific/Africa	0.8	2.6 %
Specialty*	2.7	7.1 %

	Market share* 2000	Internal growth
 Germany	18.5 %	4.2 %
 Austria	15.6 %	2.5 %
 Italy	15.3 %	4.7 %
 Ireland	14.3 %	11.1 %
 Switzerland	12.2 %	2.3 %
 France	11.9 %	3.5 %
 Spain	6.4 %	1.5 %
 Netherlands	3.4 %	6.6 %
 Belgium	6.3 %	5.4 %
 UK	4.2 %	6.0 %
 USA	1.5 %	0.5 %
<b>Group P/C</b>		<b>3.7 %</b>

\*) Including travel / assistance, credit and ART

\*) Market shares: own estimates (local GAAP)

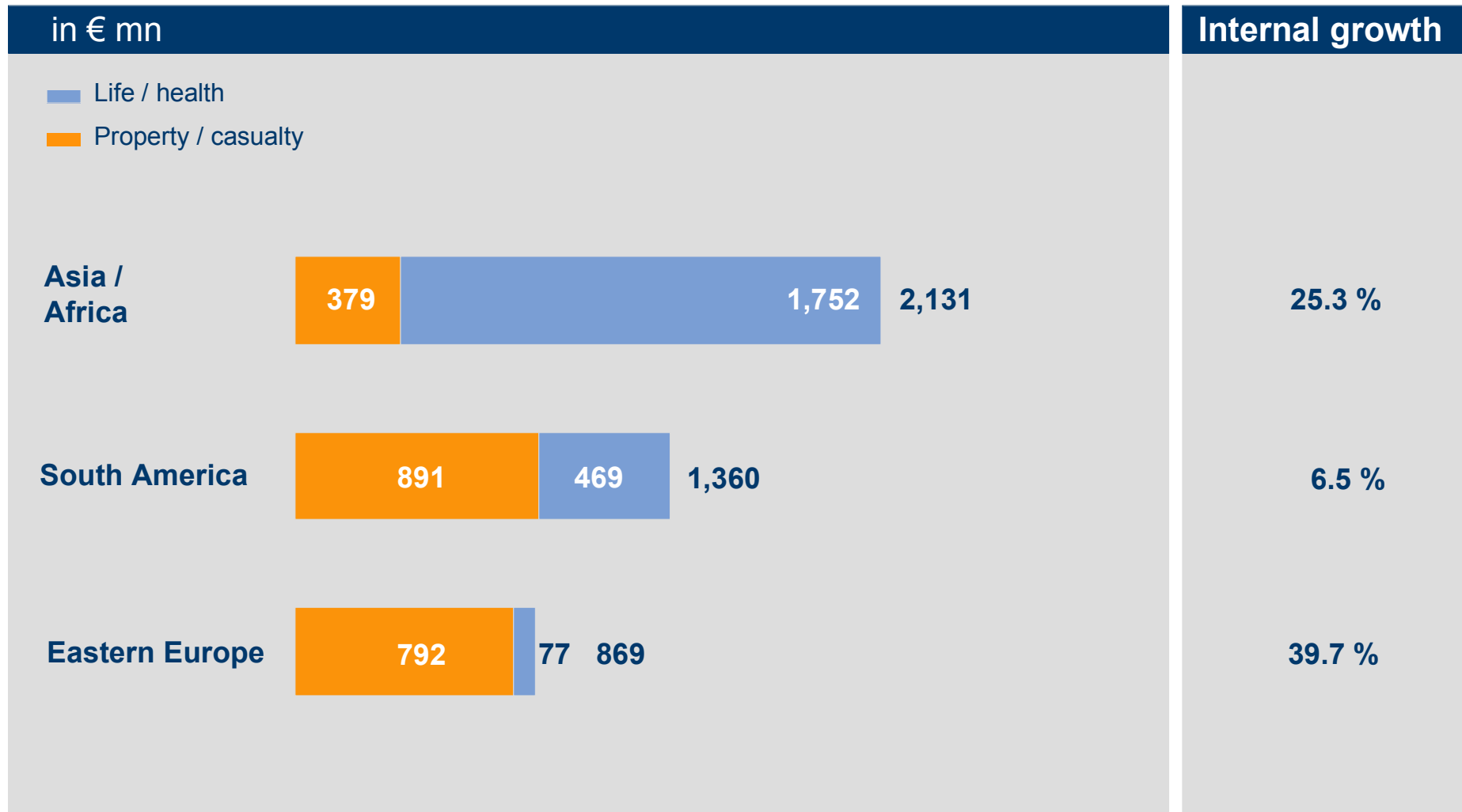
## L/H statutory premiums by region



	Market share* 2000	Internal growth
Germany	14.9 %	2.2 %
Italy	8.5 %	50.5 %
Austria	6.1 %	6.6 %
Switzerland	4.9 %	- 9.1 %
France	5.8 %	33.1 %
Belgium	3.0 %	14.2 %
Spain	3.2 %	74.3 %
USA	< 1.0 %	- 3.0 %
<b>Group L/H</b>		<b>14.0 %</b>

\*) Market shares: own estimates (local GAAP)

## Statutory premiums written in growth markets

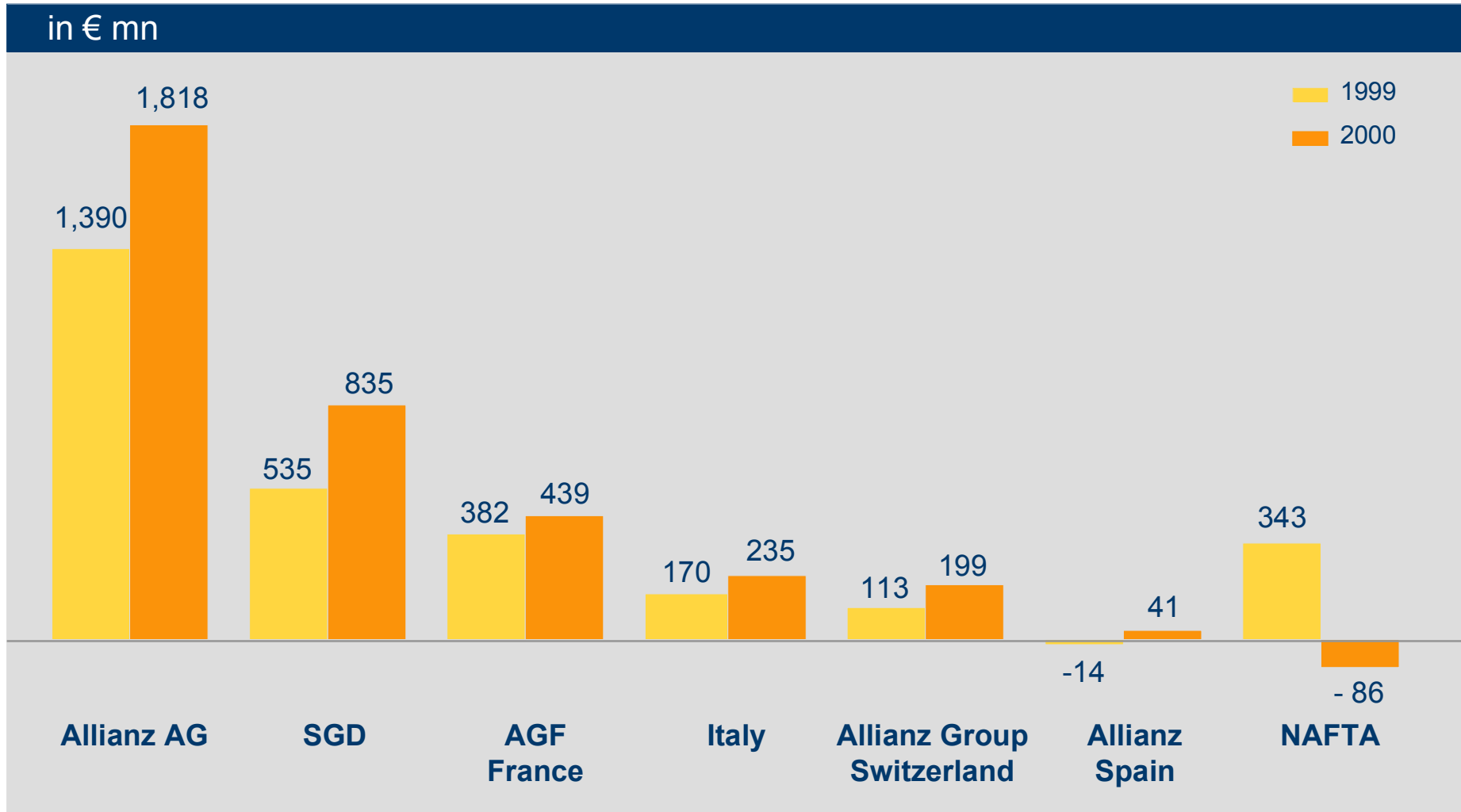




## P/C combined ratio slightly increased

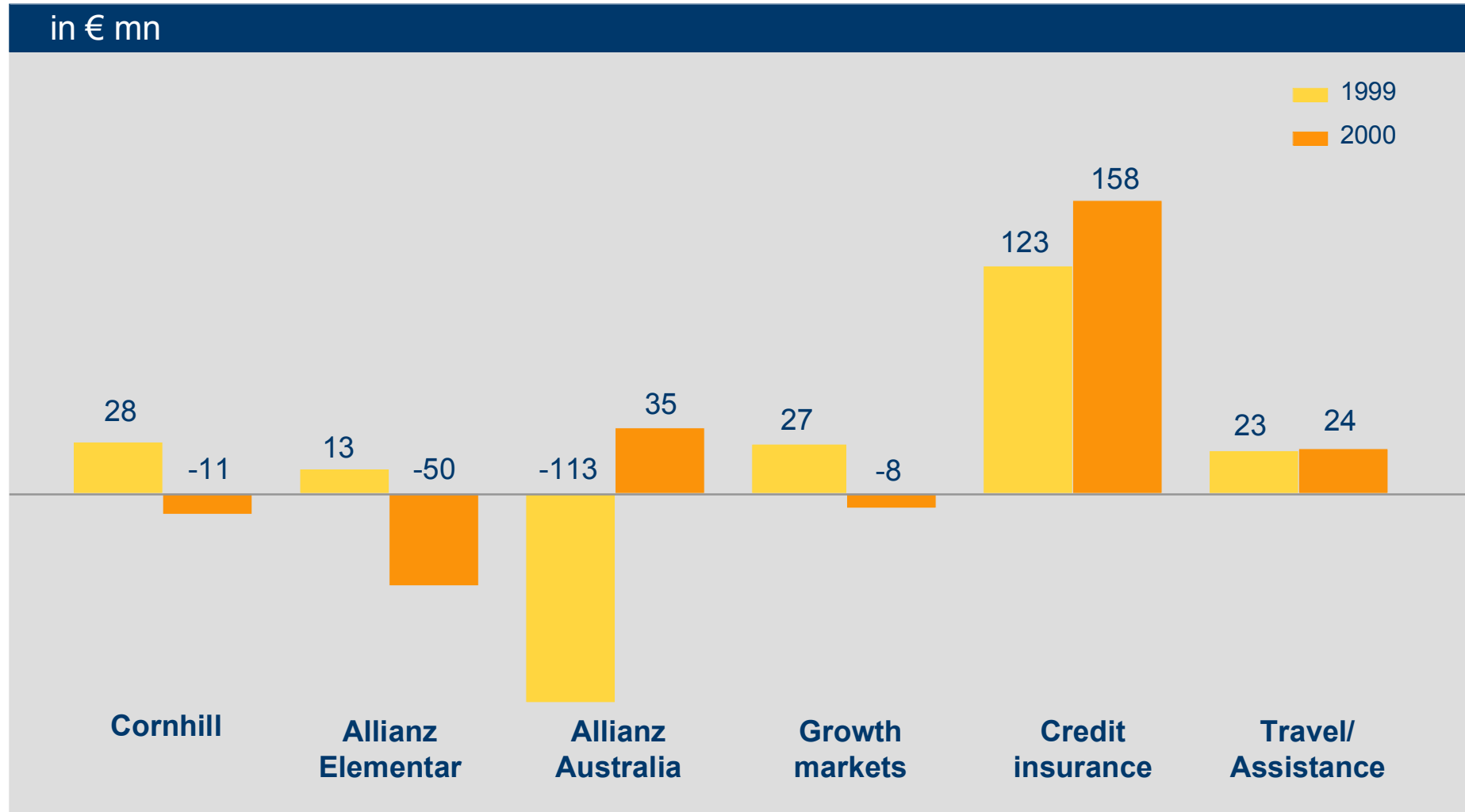
in %	1998	1999	2000	Combined ratio (in %)	1999	2000
Combined ratio	100.8	104.5	104.9	SGD (German P/C Group)	96.7	97.6
Loss ratio	74.4	77.4	77.9	Allianz AG	98.3	97.6
Expense ratio	26.4	27.1	27.0	AGF France	110.3	114.1
Investment result ratio	23.0	26.4	26.6	RAS Group Italy	103.6	100.4
Operating ratio	77.8	78.1	78.3	Lloyd Adriatico	101.8	96.4
Loss reserve ratio	132.4	131.6	131.6	Cornhill	114.1	116.9
Realized gains as % of investments	1.4	2.5	2.6	Allianz Group Switzerland	108.1	104.2
Profit before tax and goodwill	3,922	4,026	4,176	Allianz Spain	114.7	104.9
Adjusted profit after tax and minorities	1,847	1,884	2,225	Allianz Elementar	116.9	118.7
				Royal Nederland	104.3	101.8
				NAFTA	107.1	117.5

**P/C earnings contribution by region (1)\***



\*) Before consolidation across countries, after tax, before goodwill and minorities and extraordinary tax items

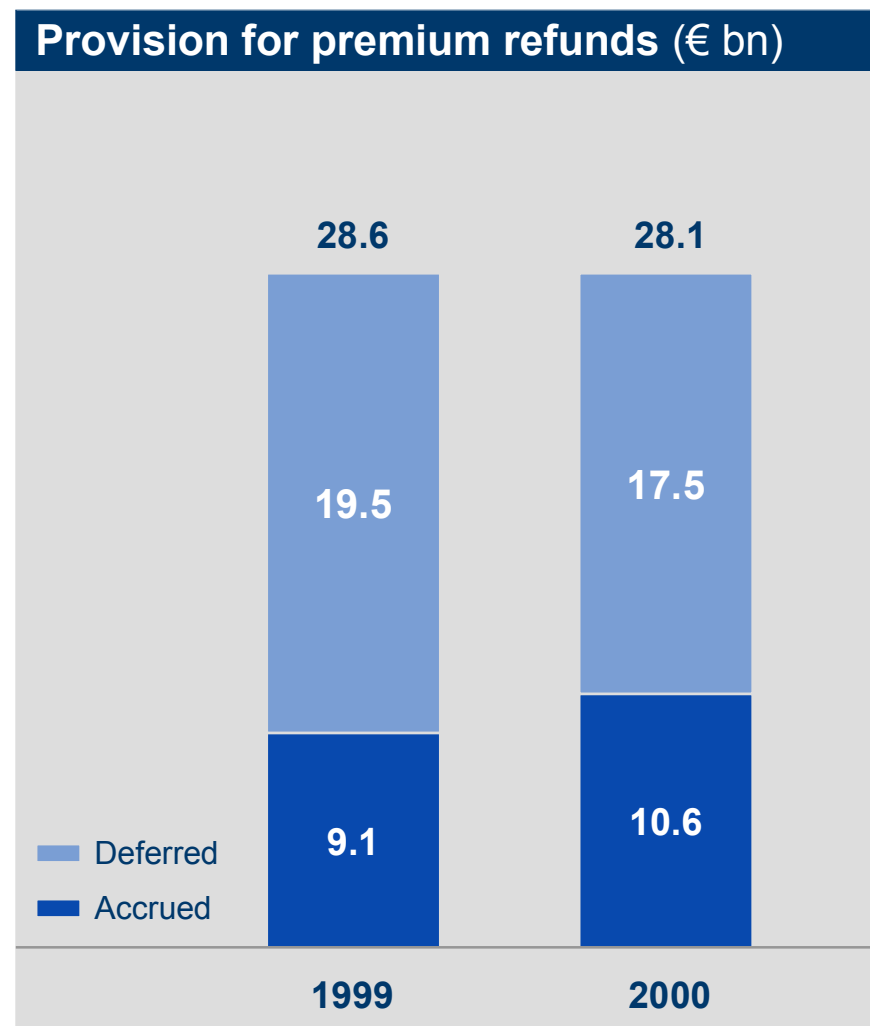
**P/C earnings contribution by region (2)\***



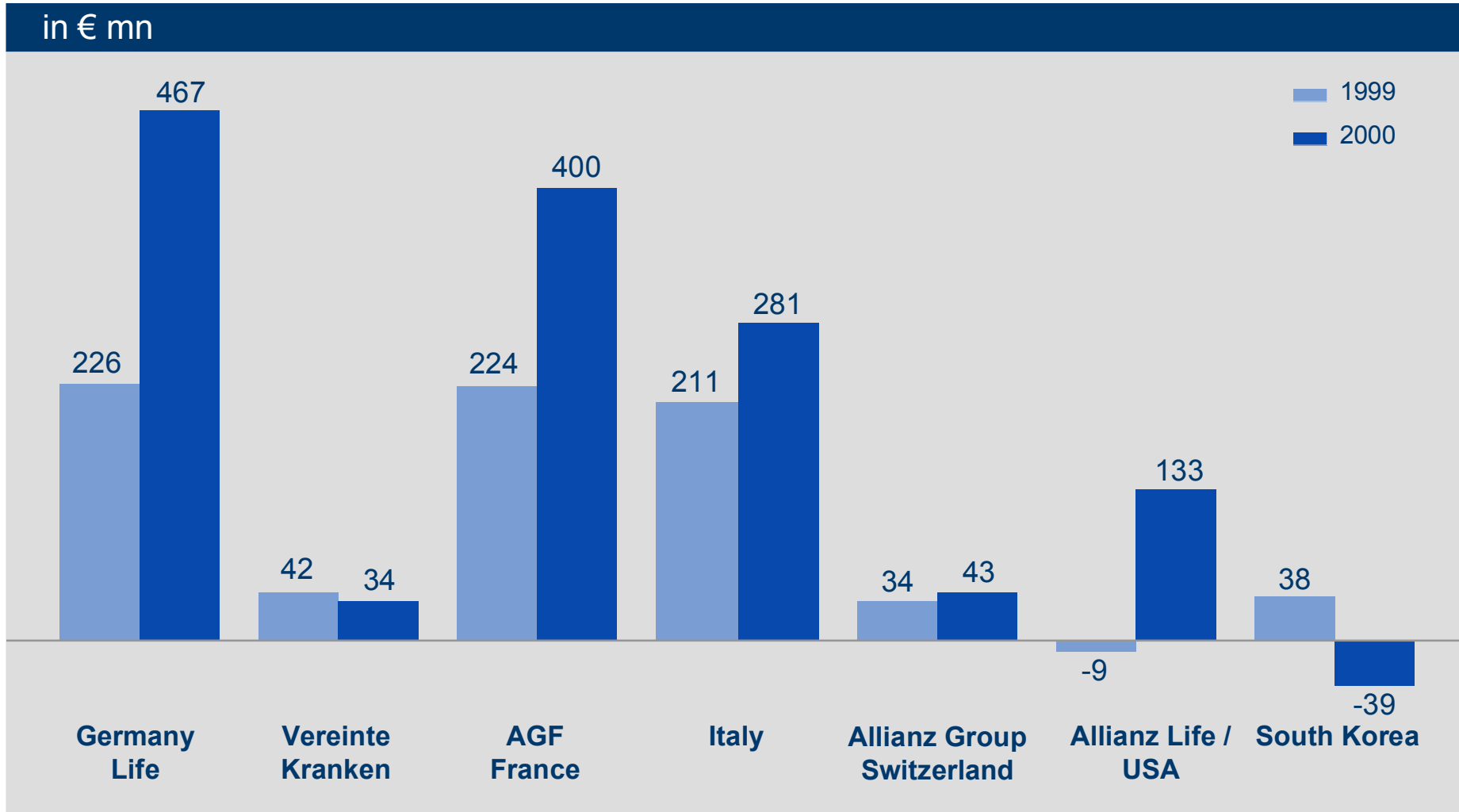
\*) Before consolidation across countries, after tax, before goodwill and minorities and extraordinary tax items

## L/H profit more than doubled

(Statutory)	1998	1999	2000
<b>Stat. expense ratio</b>	12.0 %	11.9 %	12.1 %
<b>Expenses as % of investments</b>	1.31 %	1.34 %	1.55 %
<b>Investment return</b>	6.7 %	6.9 %	6.8 %
<b>Profit before tax and goodwill (€ mn)</b>	<b>1,205</b>	<b>1,333</b>	<b>1,763</b>
<b>Adjusted profit after tax and minorities</b>	<b>377</b>	<b>310</b>	<b>641</b>
<b>Pre-tax margin as % of investments</b>	0.68 %	0.65 %	0.78 %
<b>Investments (€ bn)</b>	<b>191</b>	<b>219</b>	<b>235</b>



**L/H earnings contribution by region \***

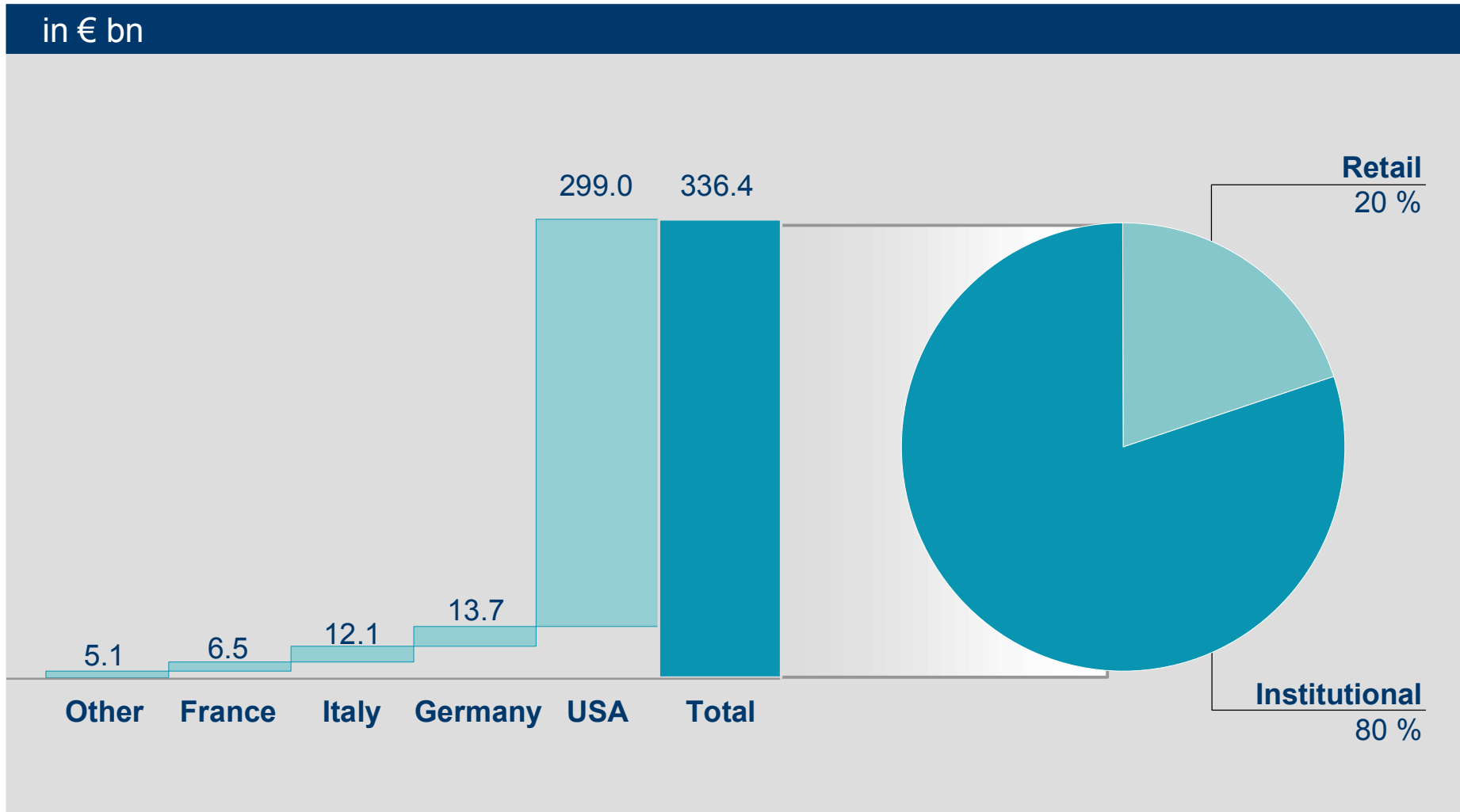


\*) Before consolidation across countries, after tax, before goodwill and minorities and extraordinary tax items

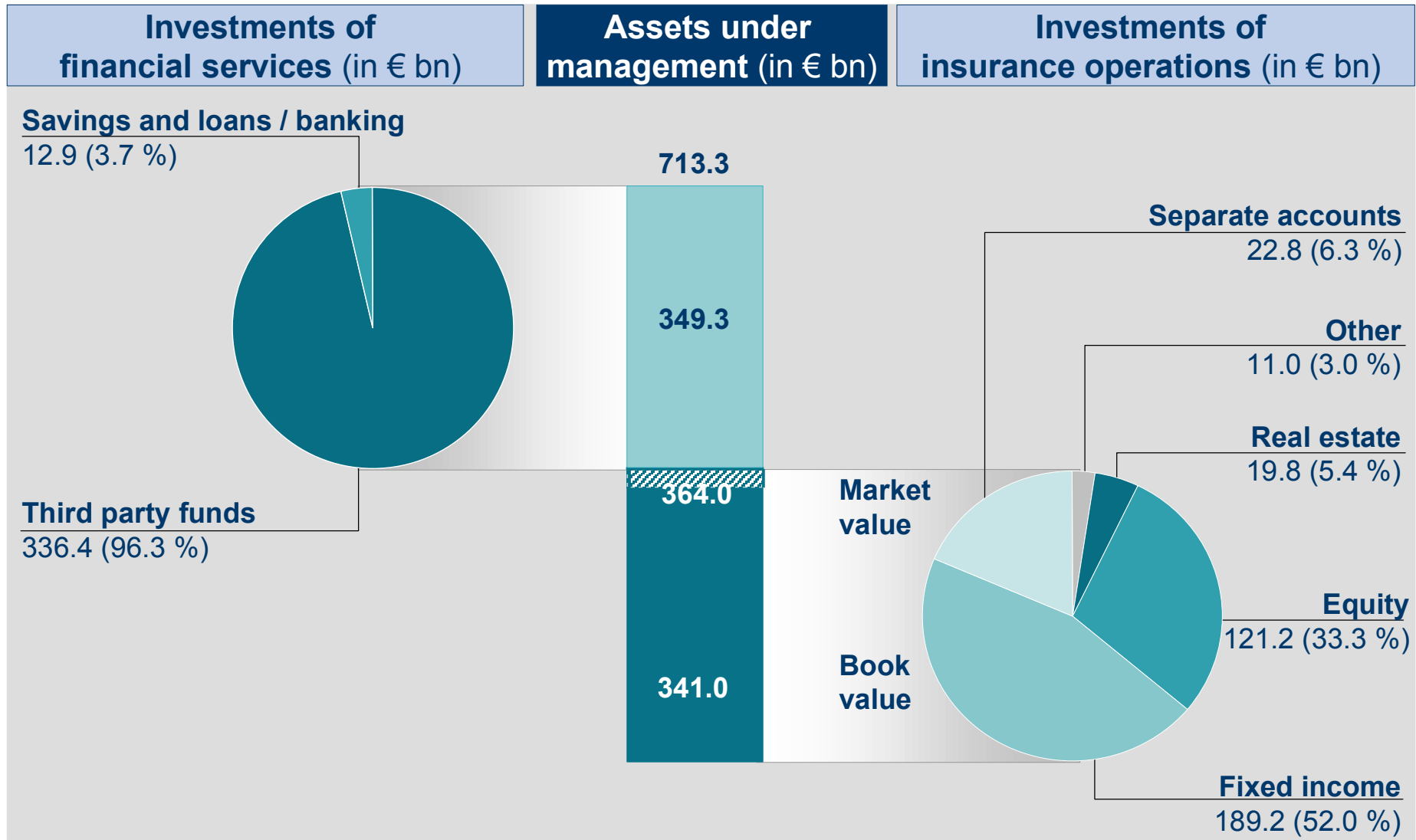
## Financial services: earnings by segment

in € mn			
Earnings after tax, before goodwill and minorities	1998	1999	2000
Asset management thereof PIMCO	21 -	61 -	125 52
Savings and loans / banking	45	42	81
Total	66	103	206
Profit after tax and minorities	22	53	15
<b>Third party assets under management (in € bn)</b>	<b>22.5</b>	<b>29.5</b>	<b>336.4</b>

# Third party assets under management boosted by PIMCO

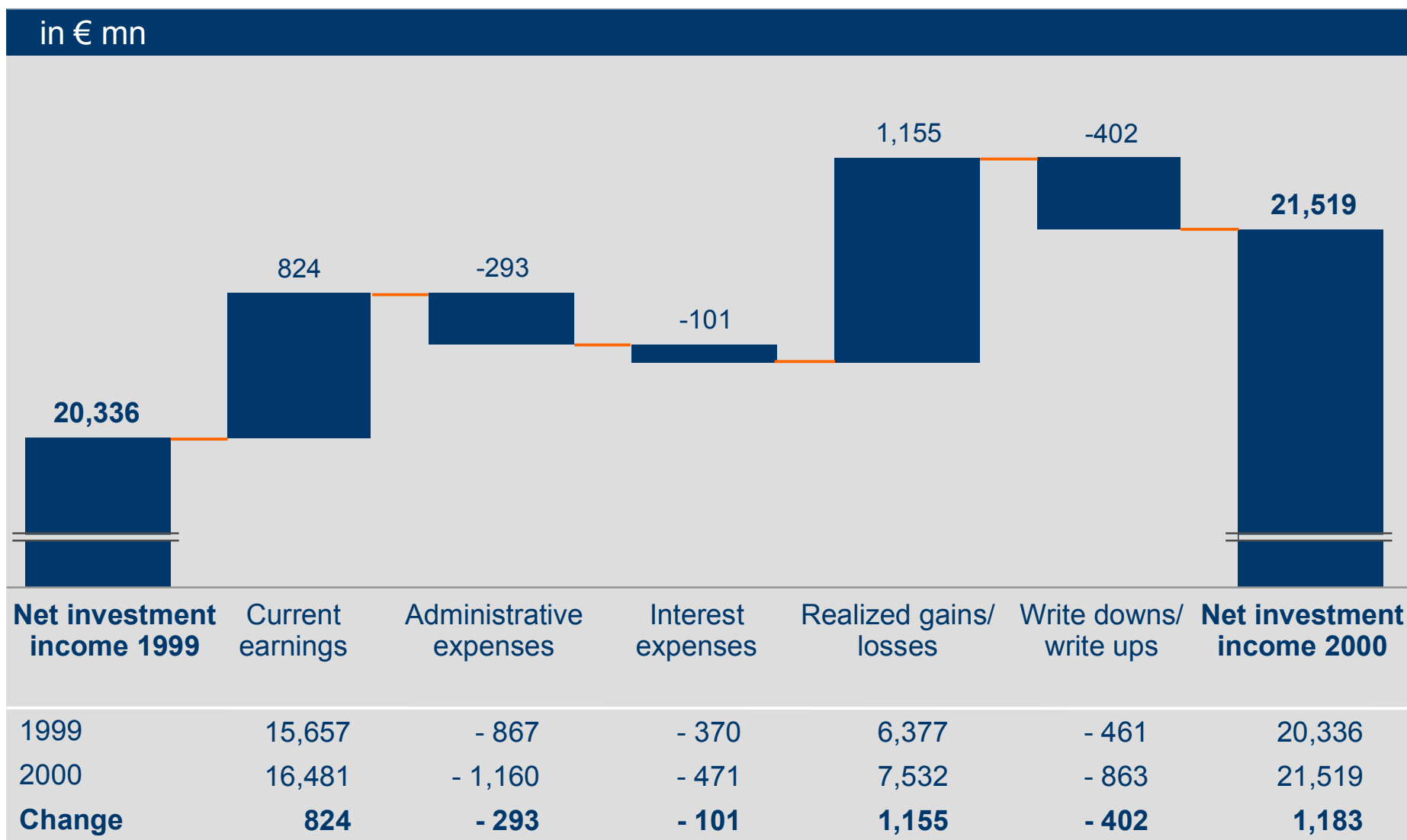


# Assets under management

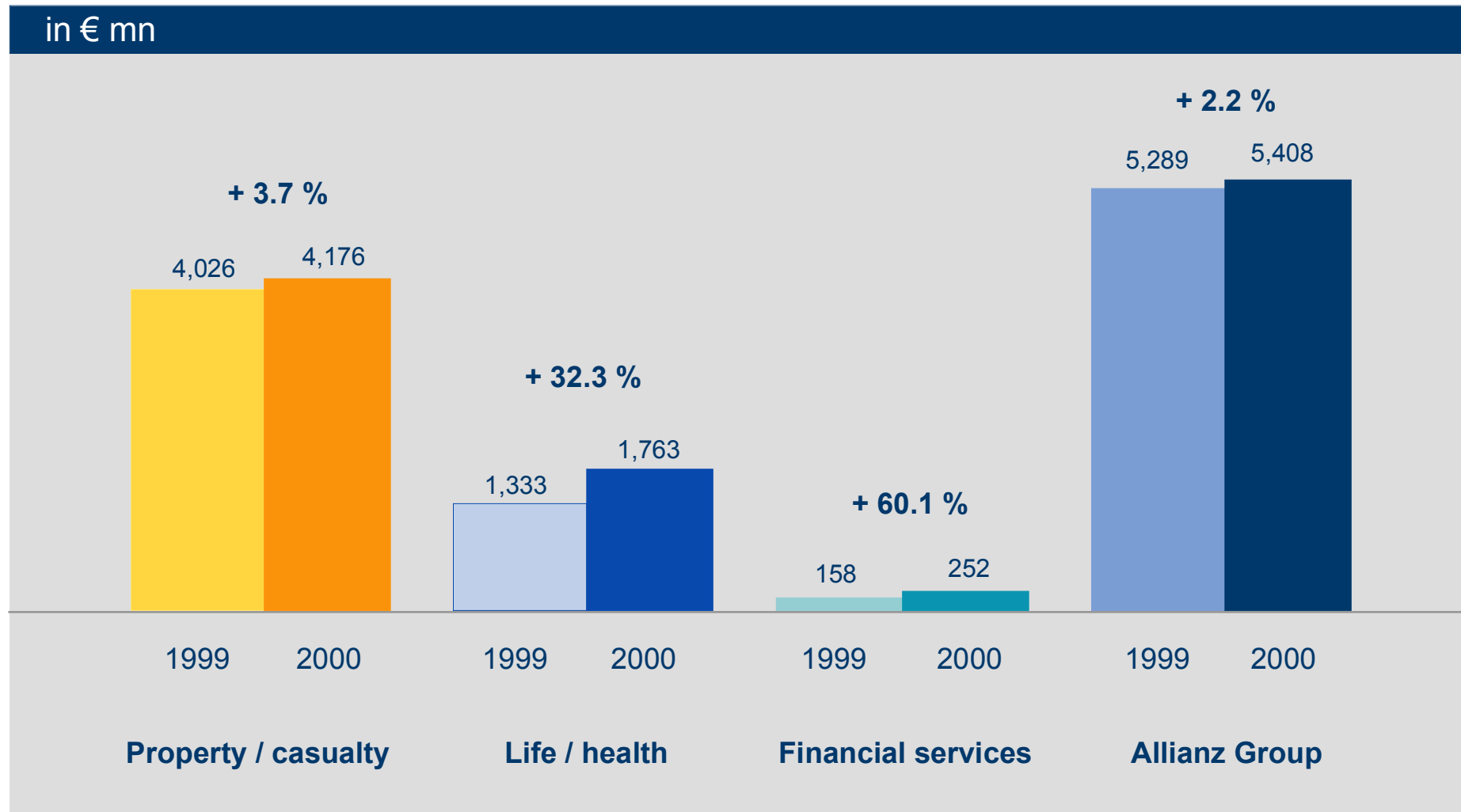




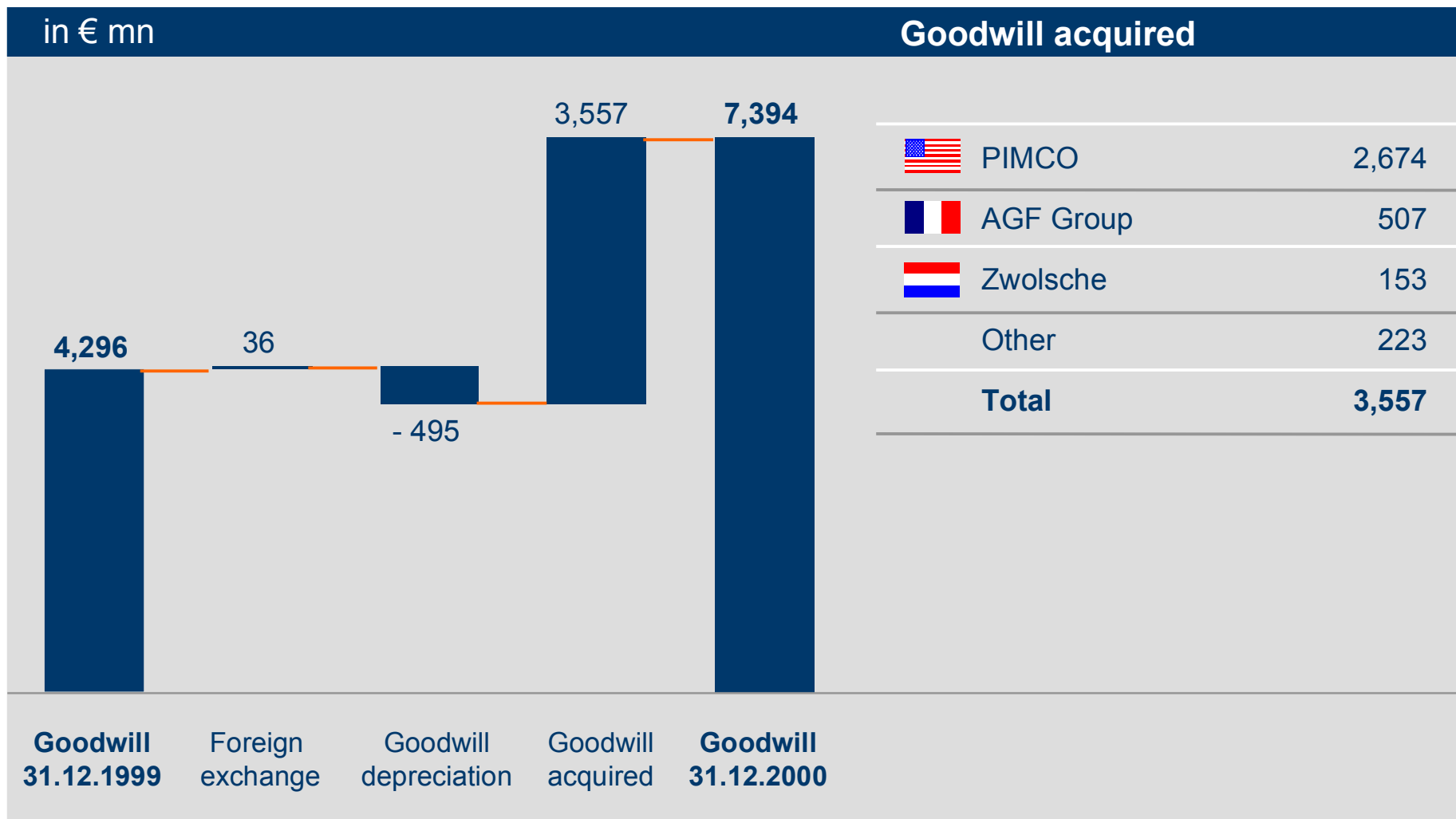
## Investment income increased by 5.8 %



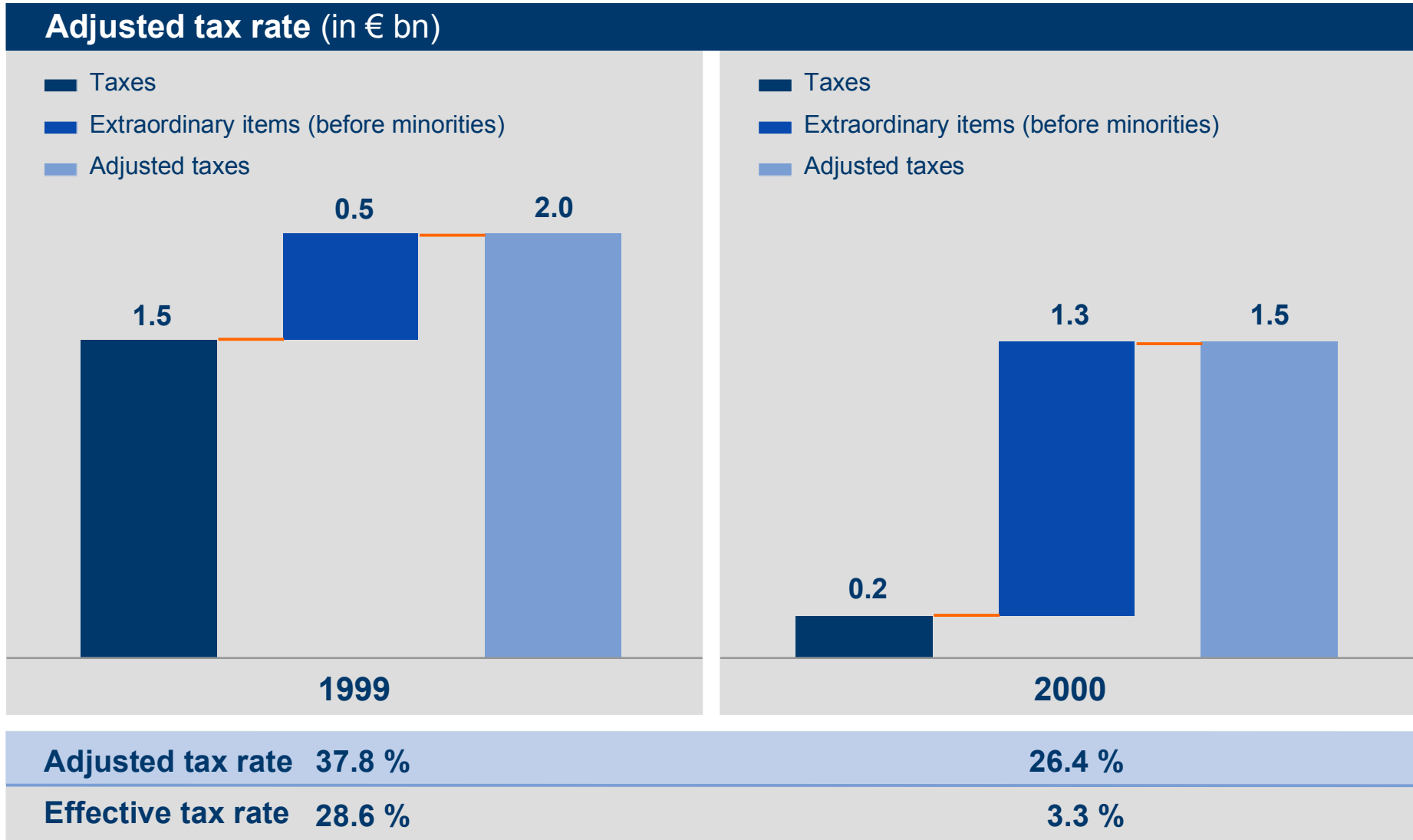
## Profit before tax and goodwill slightly increased



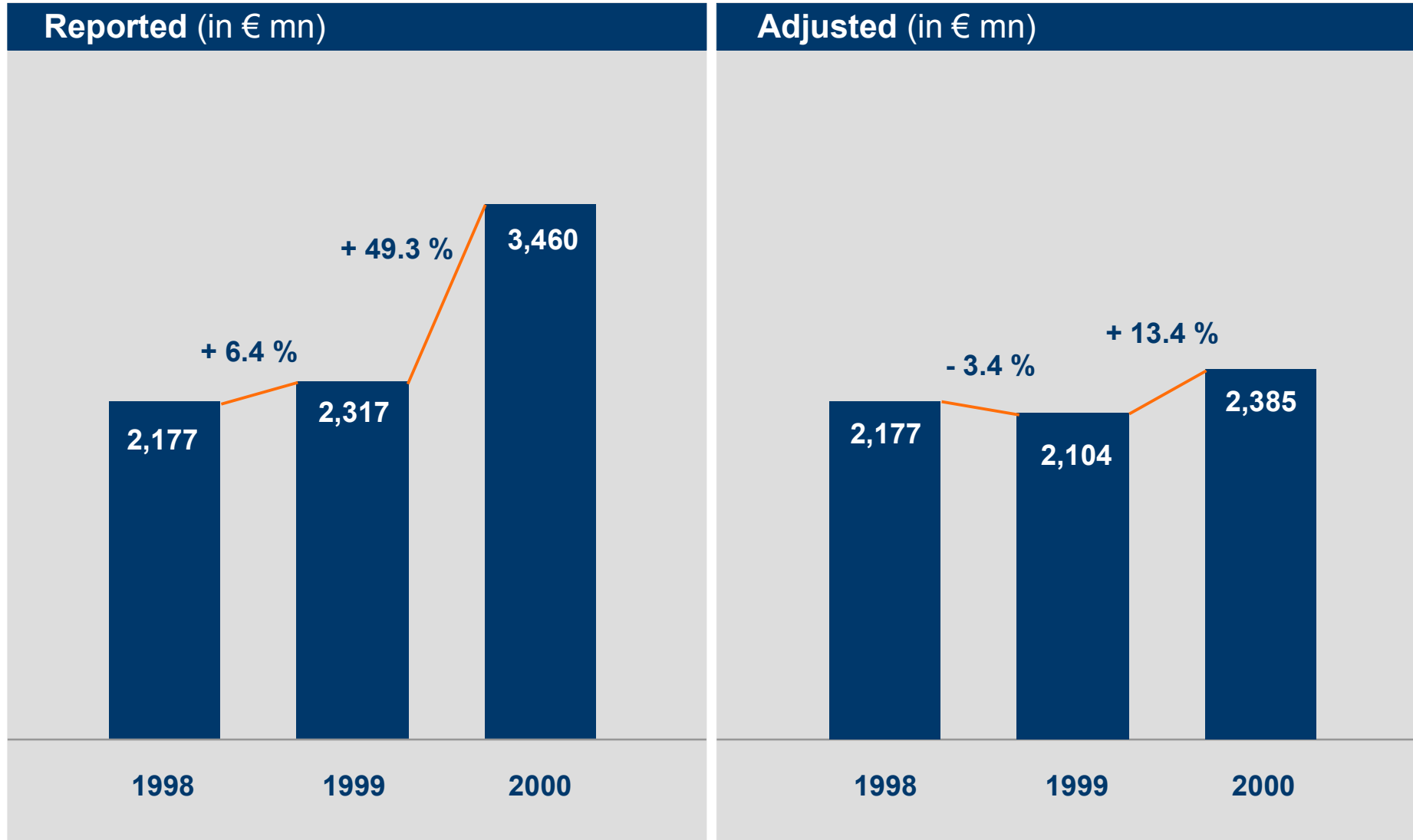
## Significant goodwill increase due to PIMCO acquisition



## Adjusted tax rate significantly lower



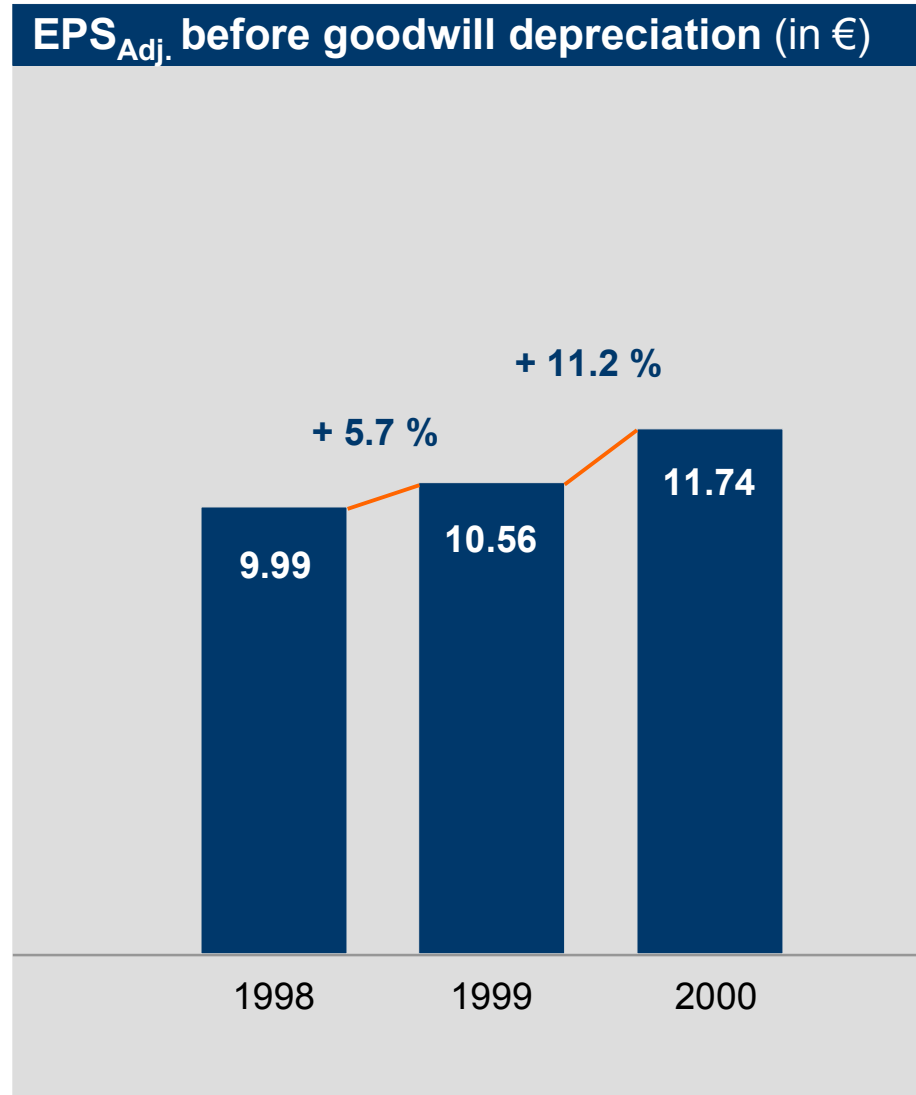
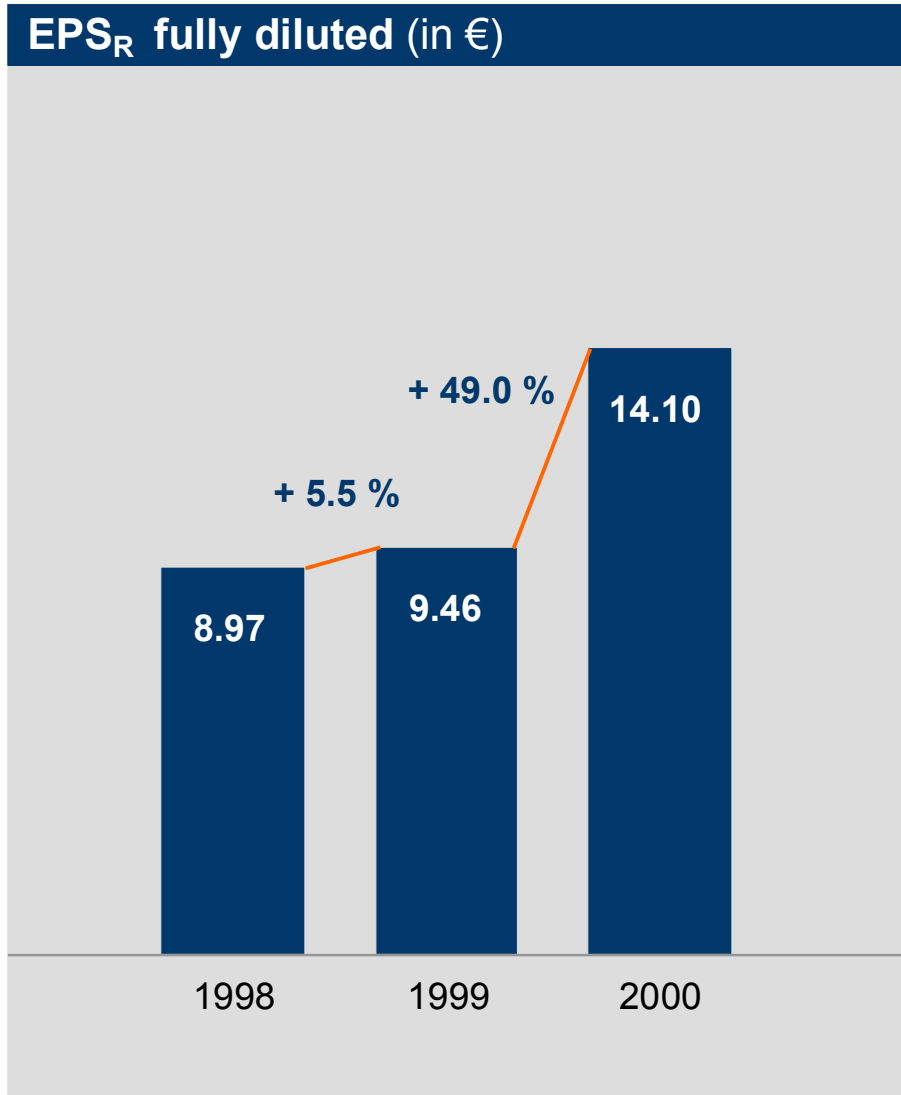
## Double digit increase in profit after tax and minorities



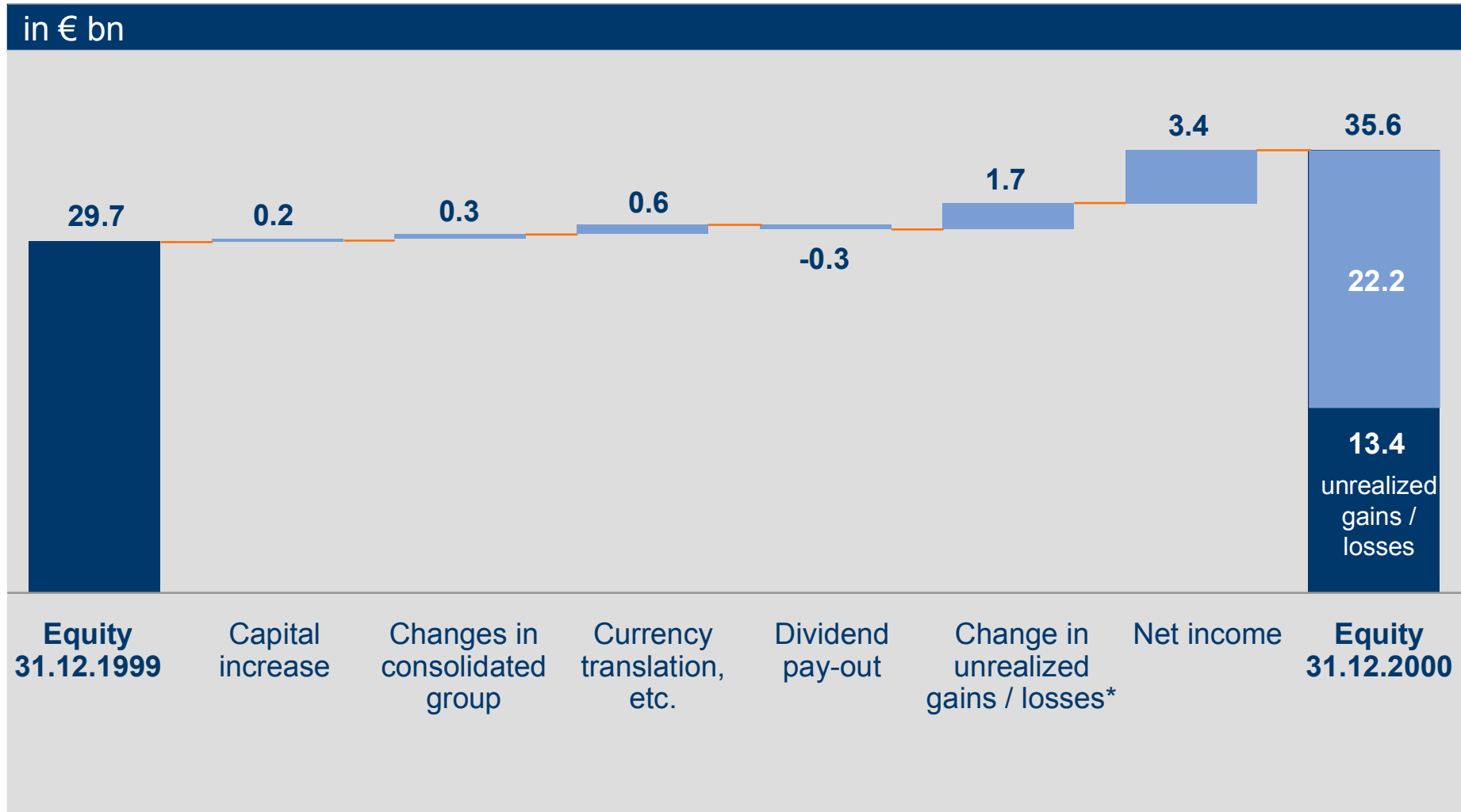
## Extraordinary items

in € mn	after tax and minorities		before tax and minorities	
	1999	2000	1999	2000
Extraordinary goodwill depreciation	- 128	—	- 128	—
Holocaust provision	- 42	—	- 76	—
Taxes	383	1,075	484	1,254
<b>Total adjustments</b>	<b>213</b>	<b>1,075</b>	<b>—</b>	<b>—</b>

## Double digit increase in EPS



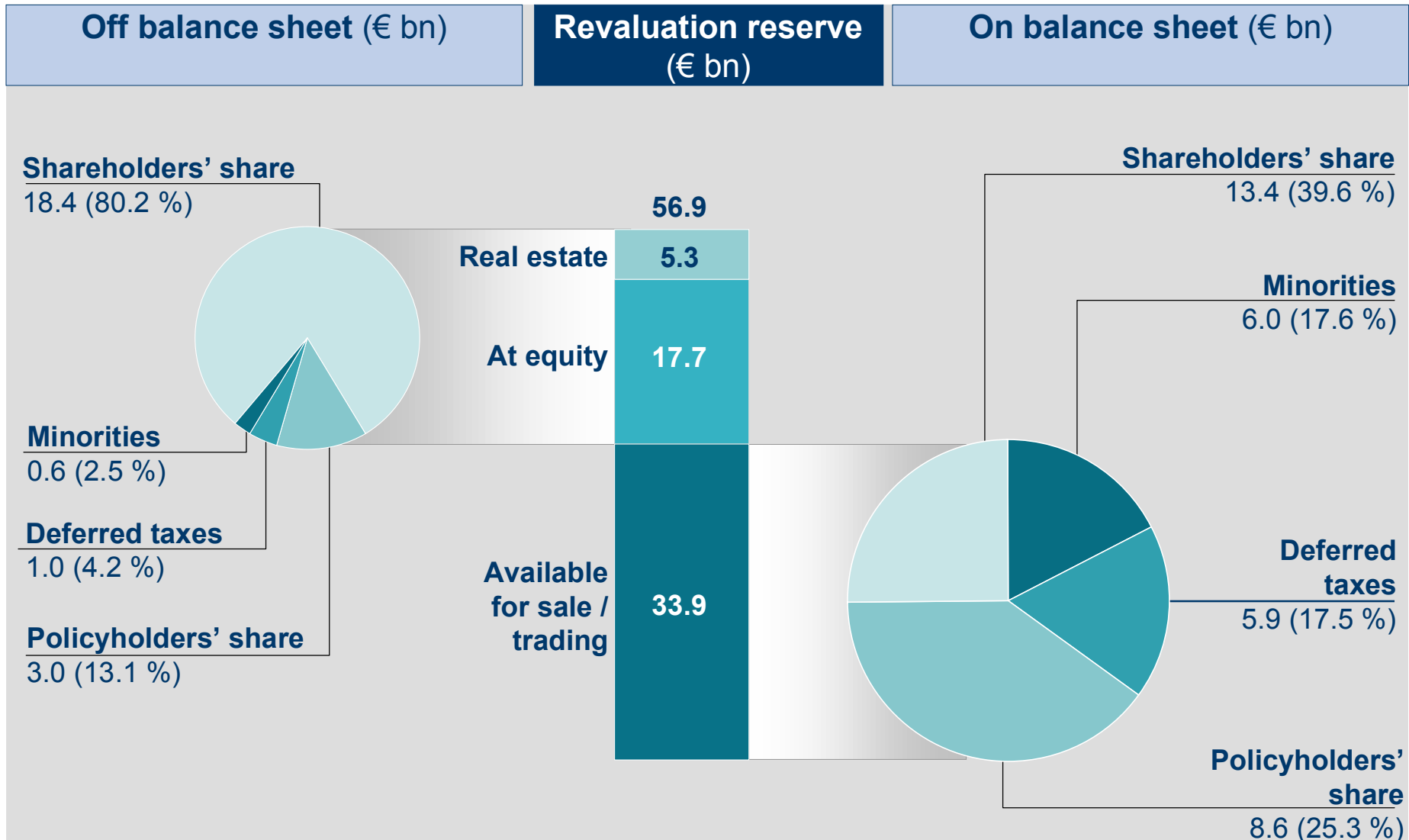
## Shareholders' equity increased by nearly 20 %



\*) After tax effects



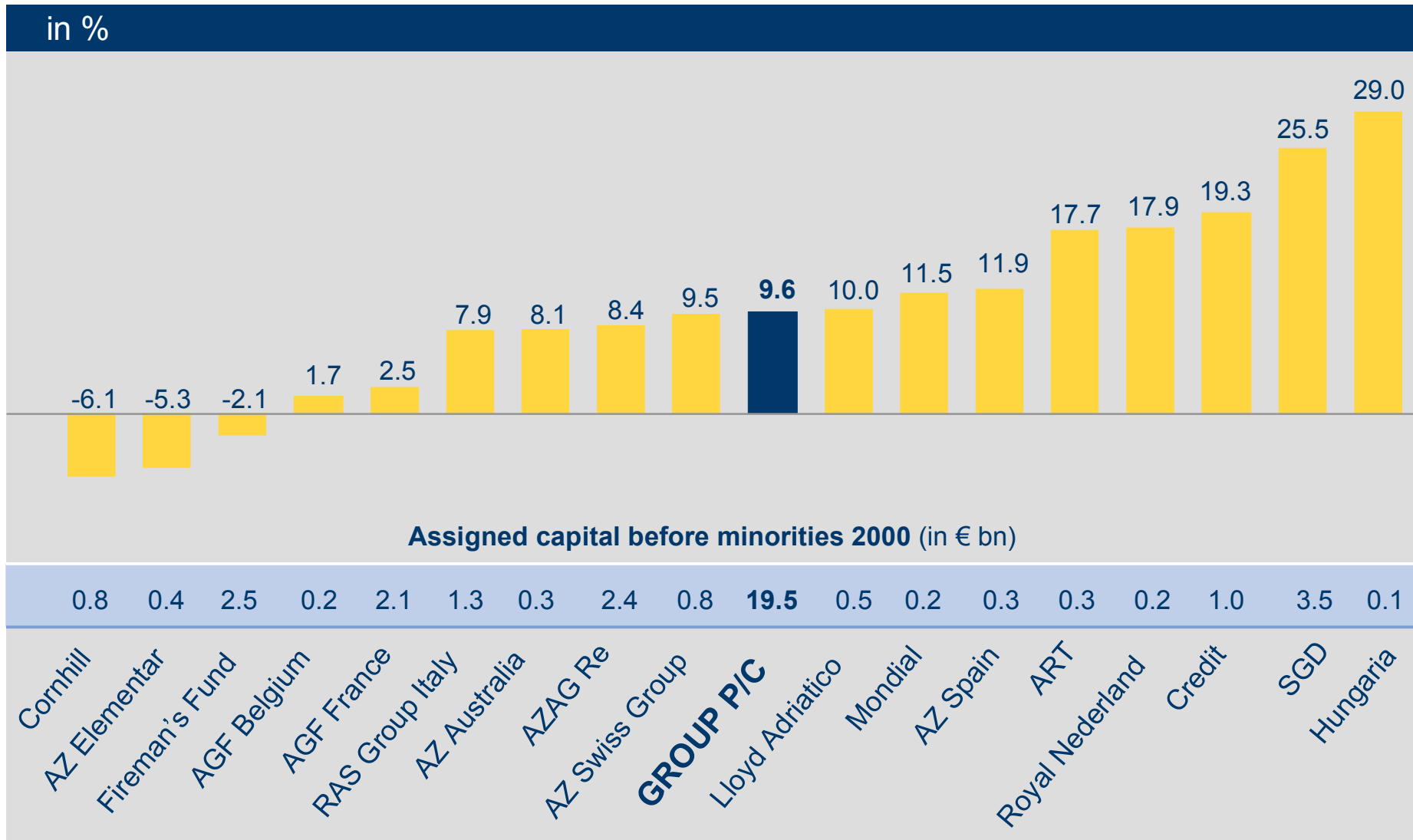
## Revaluation reserve around € 57 bn



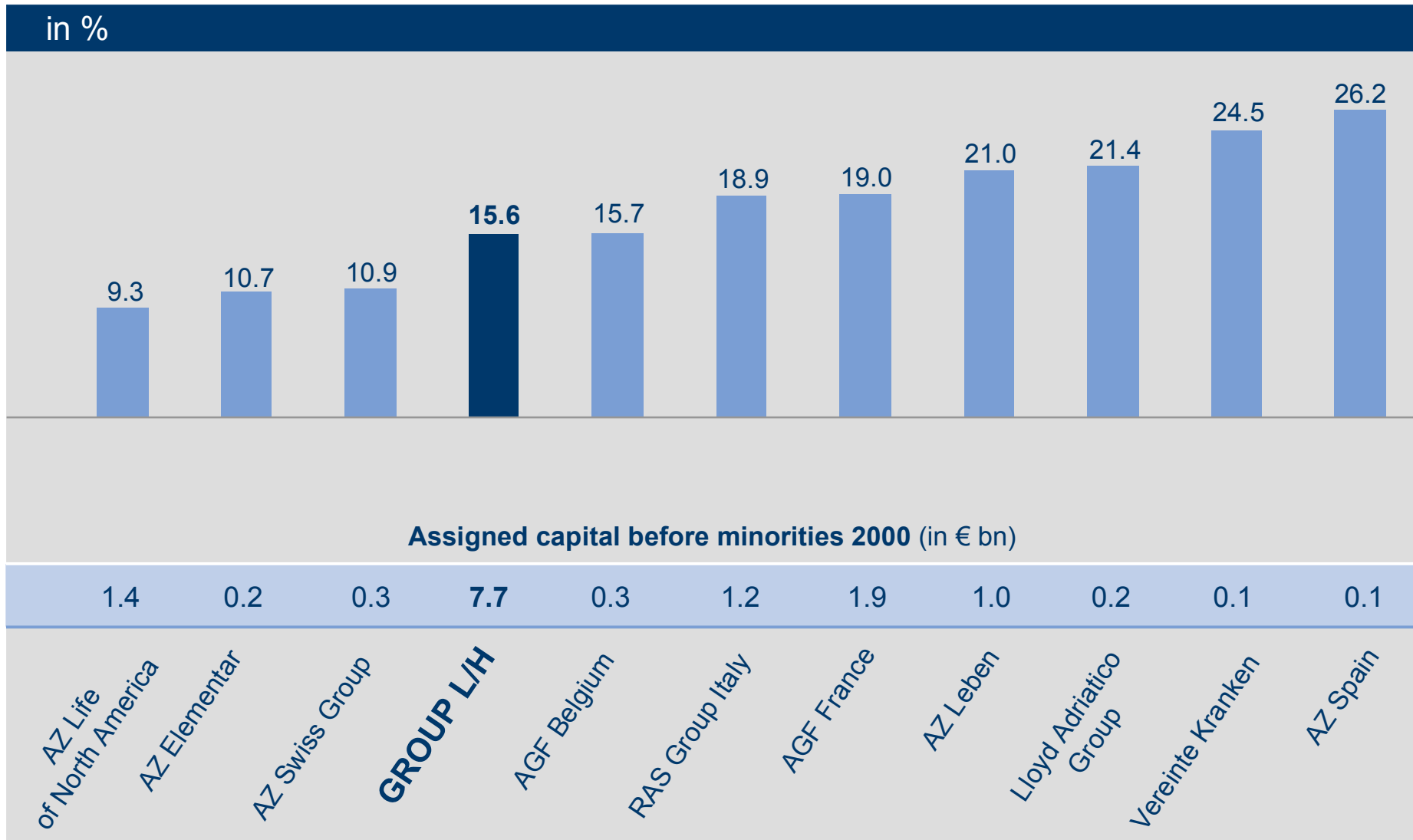
Value management: assigned capital and ROE<sub>N</sub>

in € bn	Assigned capital		ROE <sub>N</sub>	
<b>Property / casualty</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>	<b>2000</b>
Before minorities	18.2	19.5	10.1 %	9.6 %
After minorities	14.4	15.7	11.8 %	9.7 %
<b>Life / health</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>	<b>2000</b>
Before minorities	6.1	7.7	10.8 %	15.6 %
After minorities	4.0	5.2	10.3 %	14.5 %
<b>Financial services</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>	<b>2000</b>
Before minorities	0.2	2.4	77.1 %	26.9 %
After minorities	0.1	1.5	42.3 %	28.5 %

# Value management: ROE<sub>N</sub> before minorities of major P/C operations



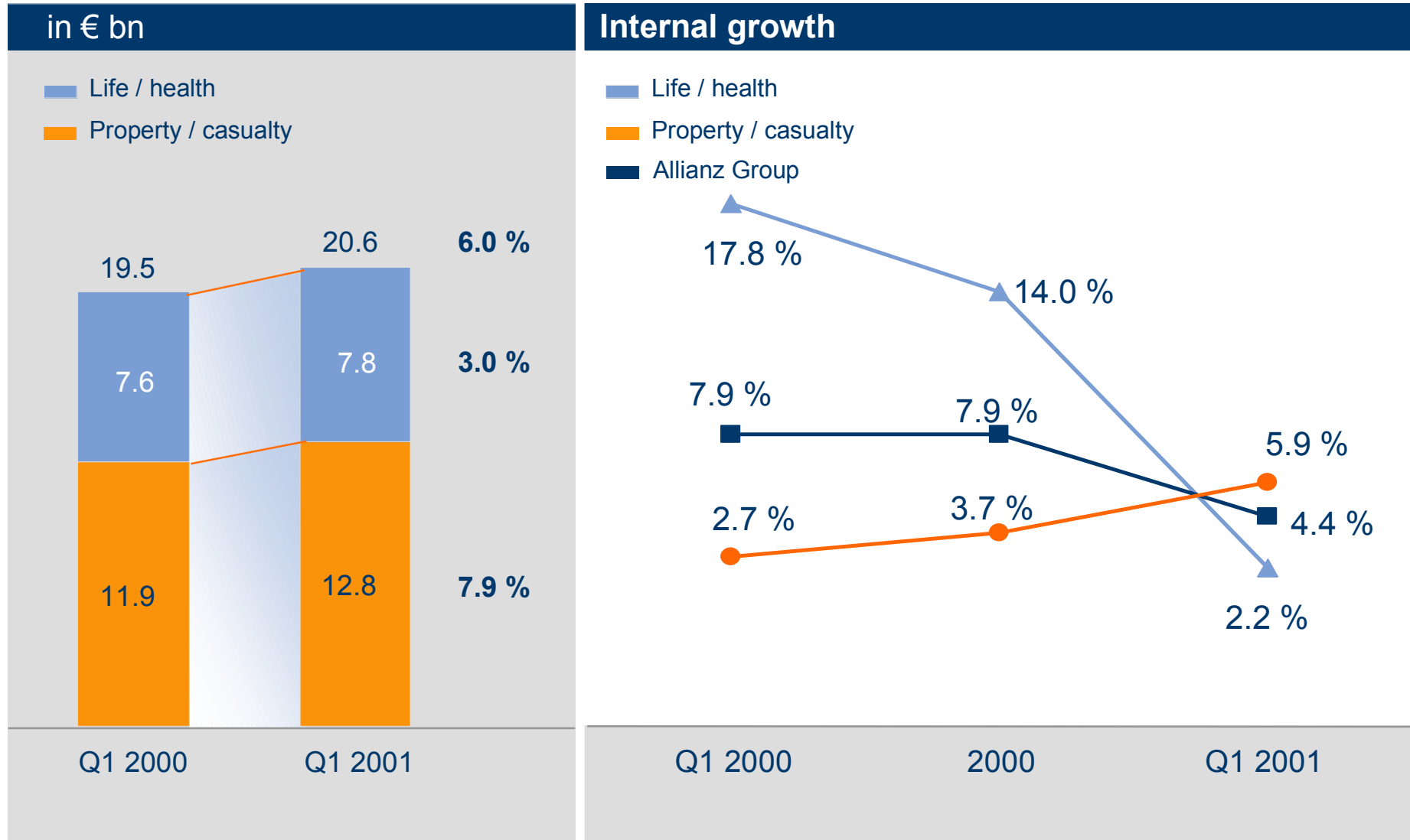
**Value management:  
ROE<sub>N</sub> before minorities of major L/H operations**



## First quarter 2001: key figures

in € bn		2000	Q1 2001
Statutory premiums		68.7	20.6
IAS premiums		57.9	17.6
Profit after tax and minorities		3.5	0.7
Extraordinary items		1.1	
Adjusted profit after tax and minorities		2.4	0.7
EPS <sub>Reported</sub>	(€)	14.10	2.87
EPS <sub>Adjusted</sub> before goodwill depreciation	(€)	11.74	3.49
Third party assets under management		336.4	384.1

## First quarter 2001: premiums increased by 6 %



## First quarter 2001: results by business segment

in € mn	2000	Q1 2001
Profit before tax and goodwill	5,408	1,397
- Property / casualty	4,176	1,052
- Life / health	1,763	359
- Financial services	252	10
- Consolidations	-783	-24
Goodwill depreciation	-495	-153
Taxes	-176	-292
Extraordinary items	1,075	—
Adjusted profit after tax and minorities	2,385	705

## P/C first quarter 2001: loss ratio is improving

in € mn	2000	Q1 2001
Gross premiums written	38,382	13,038
Growth rate	6.5 %	7.9 %
Combined ratio	104.9 %	102.7 %
Loss ratio	77.9 %	75.0 %
Expense ratio	27.0 %	27.7 %
Investment result ratio	26.6 %	23.2 %
Operating ratio	78.3 %	79.5 %
Profit before tax and goodwill	4,176	1,052
Extraordinary items	1,037	—
Adjusted profit after tax and minorities	2,225	625



## L/H first quarter 2001: faltering beginning of the year

in € mn	2000	Q1 2001
Statutory premiums	31,025	7,773
Growth rate	22.9 %	3.0 %
IAS premiums	20,239	4,762
Statutory expense ratio	12.1 %	14.8 %
Profit before tax and goodwill	1,763	359
Extraordinary items	- 16	—
Adjusted profit after tax and minorities	641	151

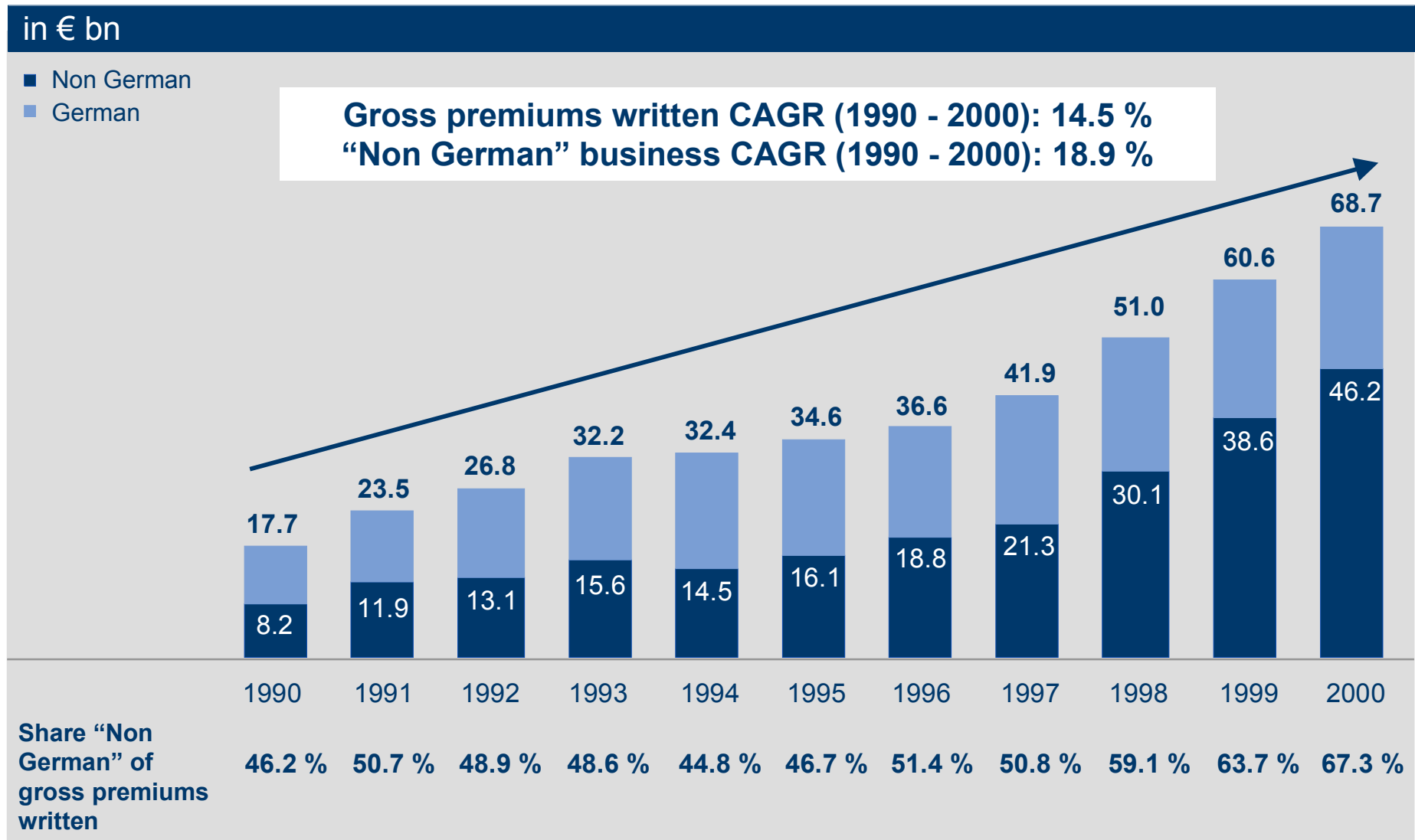
## Financial services: first quarter 2001 first consolidation of Nicholas-Applegate

in € mn	2000	Q1 2001
Assets under management (€ bn)	336.4	384.1
Profit after tax, before goodwill and minority	206	35
thereof: PIMCO	52	22
Nicholas-Applegate	-	7
Profit after tax and minorities	15	-56

## Goals delivered

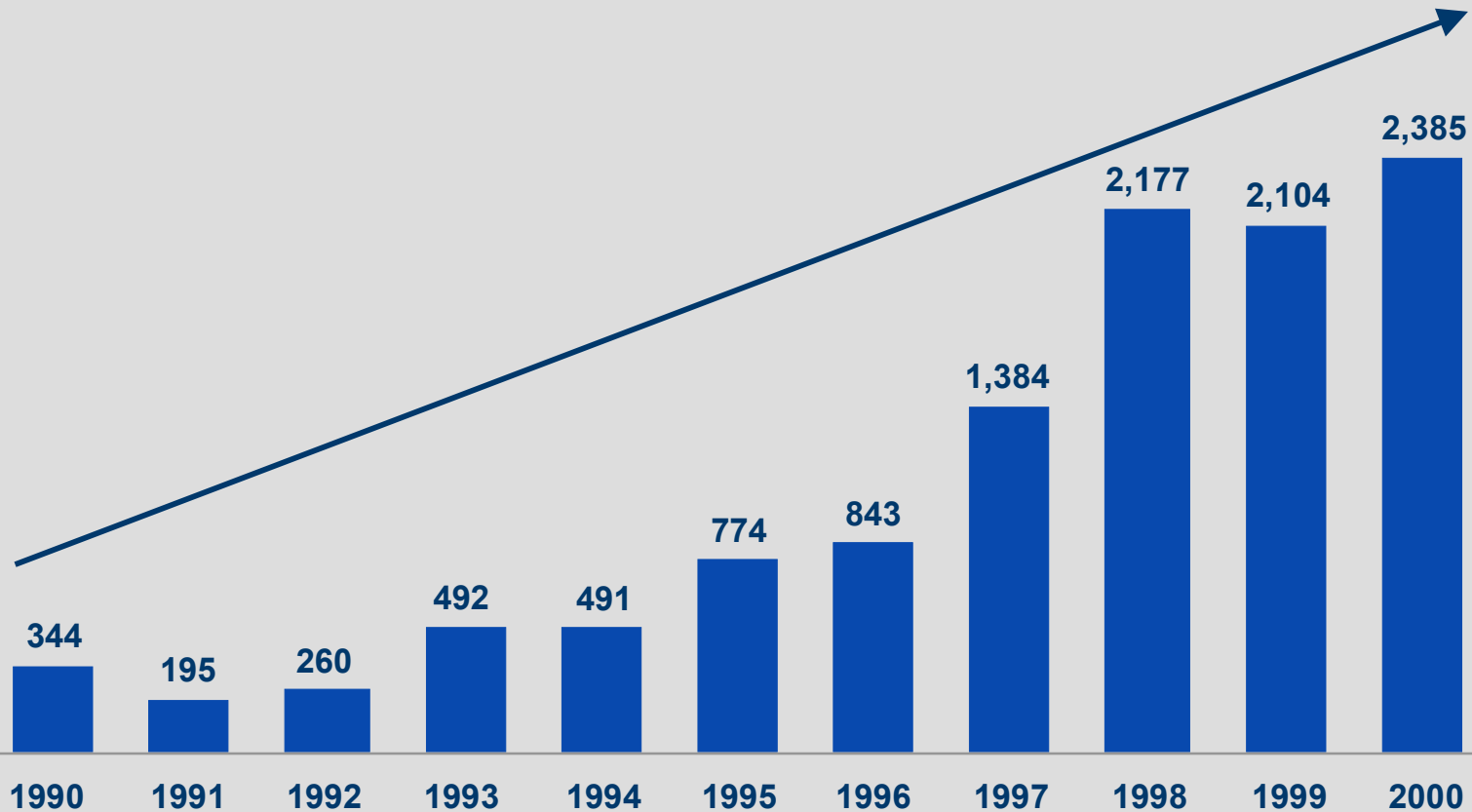
▪ “Old” goals delivered	✓	
▪ Profitable growth achieved	✓	
▪ Value creation: > 20 % growth in profit over the last ten years	✓	
▪ Value creation: EPS with proven track record	✓	
▪ AGF acquisition: target achieved	✓	
▪ Growing value generation	✓	

# Profitable growth achieved



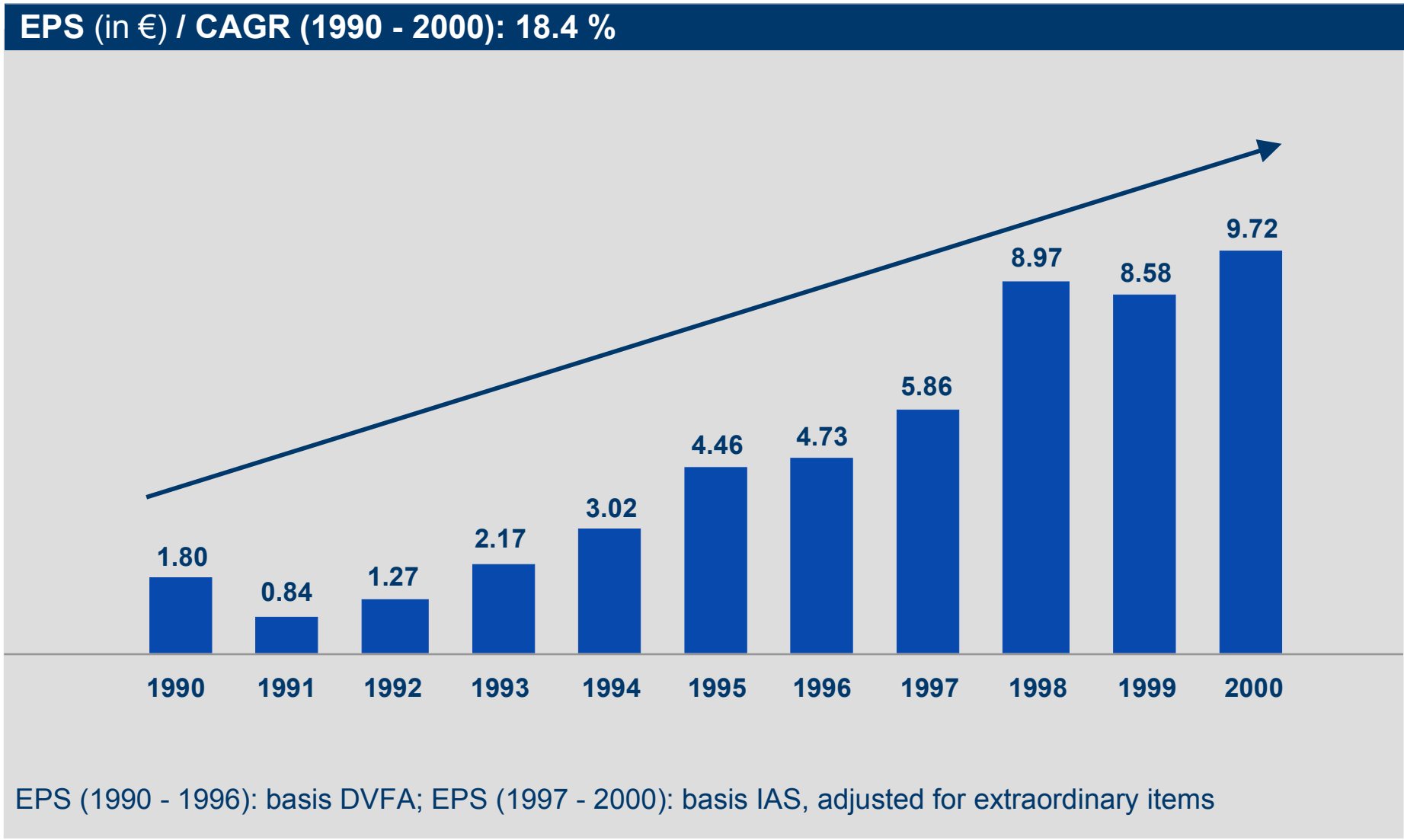
## Value creation: > 20 % growth in profit over the last ten years

Profit after tax and minorities (in € mn) / CAGR (1990 - 2000): 21.3 %

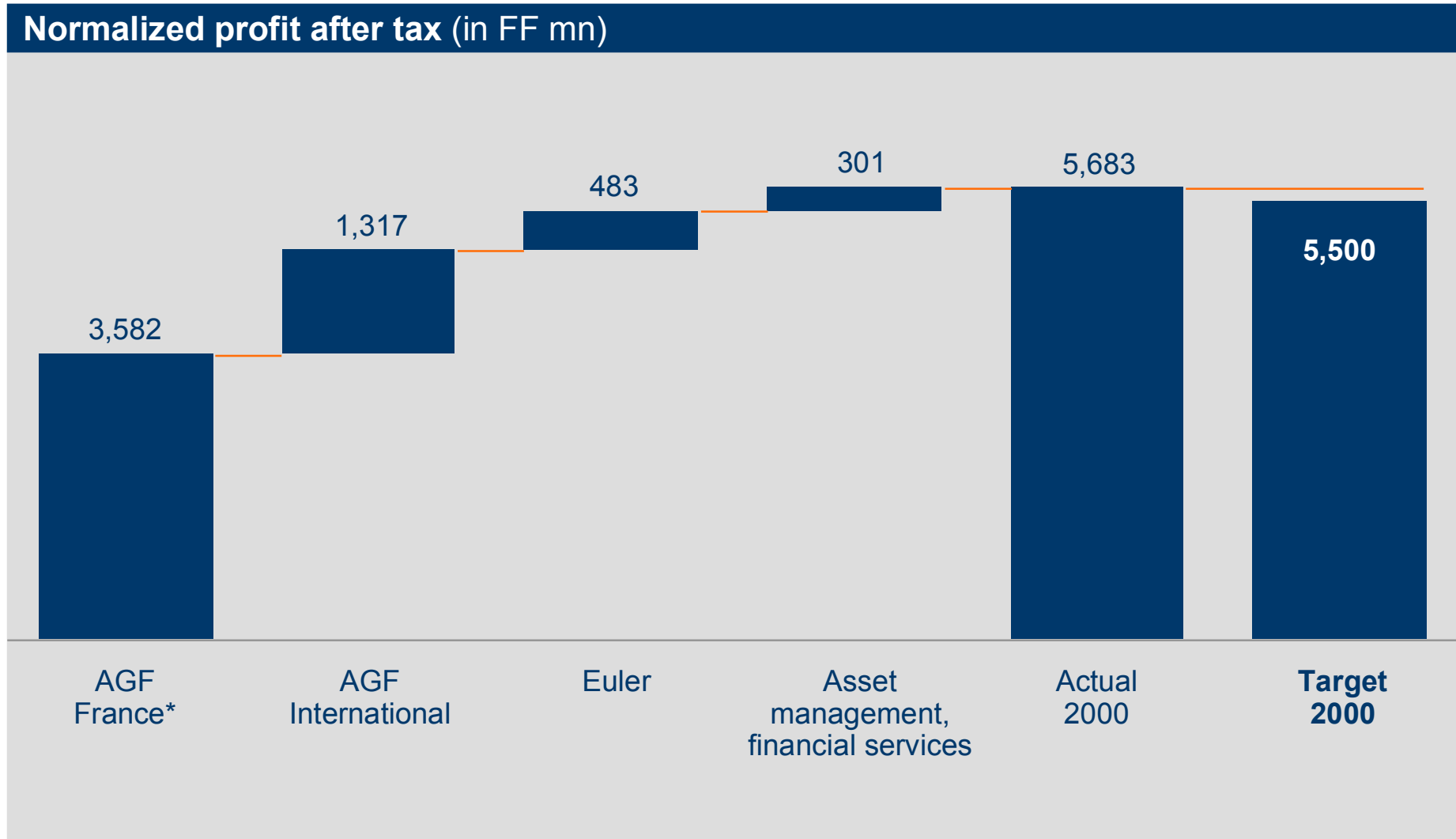


Profit (1990 - 1996): basis German accounting; profit (1997 - 2000): basis IAS, adjusted for extraordinary items

## Value creation: EPS with proven track record

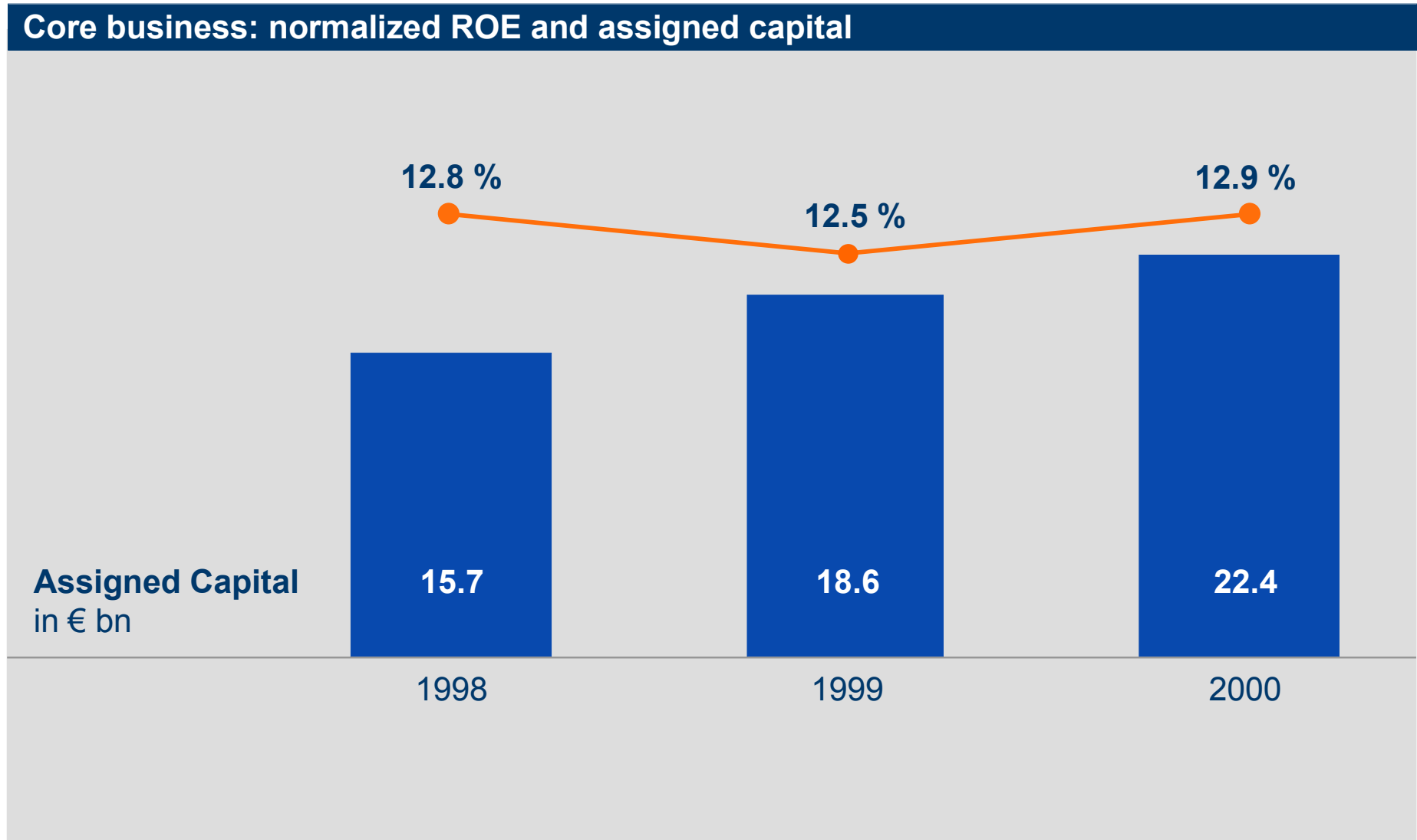


# AGF acquisition: target achieved



\*) Adjusted for the extraordinary losses due to the December 1999 storms

## Growing value generation





## Dresdner Bank impact on Allianz Group EPS


	EPS pro forma 2001 Frankfurt, 2 <sup>nd</sup> April	EPS pro forma 2001 Munich, 1 <sup>st</sup> June	EPS forecast 2001 basis IAS
<b>accretion:</b>			
EPS after goodwill	+ 13 %	+ 9.7 %	+ 2.5 %
EPS before goodwill	+ 26 %	+ 20.0 %	+ 7.0 %
<b>in € bn</b>			
cost of financing	- 0.4	- 0.40	- 0.19
goodwill	- 0.4	- 0.40	- 0.16
Dreba profit (before goodwill)	1.2	1.06	0.42
	IBES (12 months, 80% of earnings)	(12 months, 80% of earnings)	(6 months, 60% of earnings)
<ul style="list-style-type: none"> <li>Allianz stand alone increase in EPS Forecast 2001</li> <li>Allianz-Dresdner Bank combined increase in EPS Forecast 2001</li> </ul>			+13.0% +15.5%

## Dresdner Bank will have a positive impact on Allianz Group results already in 2001

IAS equity unchanged			
Excess capital invested	=	risk capital	+ goodwill
€ 19 bn		€ 13 bn	€ 6 bn

EPS impact will be positive		
	€ bn	
- cost of financing	0.19	EPS before goodwill + 7.0 %
- goodwill	0.16	
+ Dreba profit (without goodwill) (6 months, 61 % of earnings)	0.42	EPS after goodwill + 2.5 %

## Dresdner Bank will enhance EVA of Allianz Group significantly

Outlook 2004	
Investment in Dresdner Bank (risk capital and goodwill)	€ 19 bn
Operating income (10 % of risk capital)	€ 1.3 bn
Normalized investment income	€ 1.2 bn
<b>Total</b>	<b>€ 2.5 bn</b>
	
ROI = 13 %	
<b>In addition:</b>	
<ul style="list-style-type: none"> <li>▪ Synergies 2004: € 680 mn before tax (ca. € 500 mn after tax) by additional risk capital of € 730 mn: ROI &gt; 15 %</li> <li>▪ More efficient risk capital allocation</li> </ul>	

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