

Helmut Perlet - CFO Allianz AG

Group financial results for the first nine months 2004

**Analysts' conference call
November 12, 2004**

“3+one” drives results



Promise from 12M 2003 analyst meeting:

A. 3 + one

Allianz Group

We will continue to deliver

- 1

Protect and enhance capital base

 - Maintain strong rating compared to peers
 - Align all processes according to internal economic risk capital allocation model
- 2

Substantially strengthen operating profitability

 - P/C: target combined ratio approximately 97% in 2004
 - L/H: operating profit objective of at least EUR 1.5bn in 2005
 - **Banking:** positive bottom-line profit in 2004 (before restructuring expenses), earn cost of capital in 2005
 - **Asset Management:** target growth of 3rd party AuM approx. 10% p.a., competitive cost-income ratio at about 65% in 2005
- 3

Reduce complexity

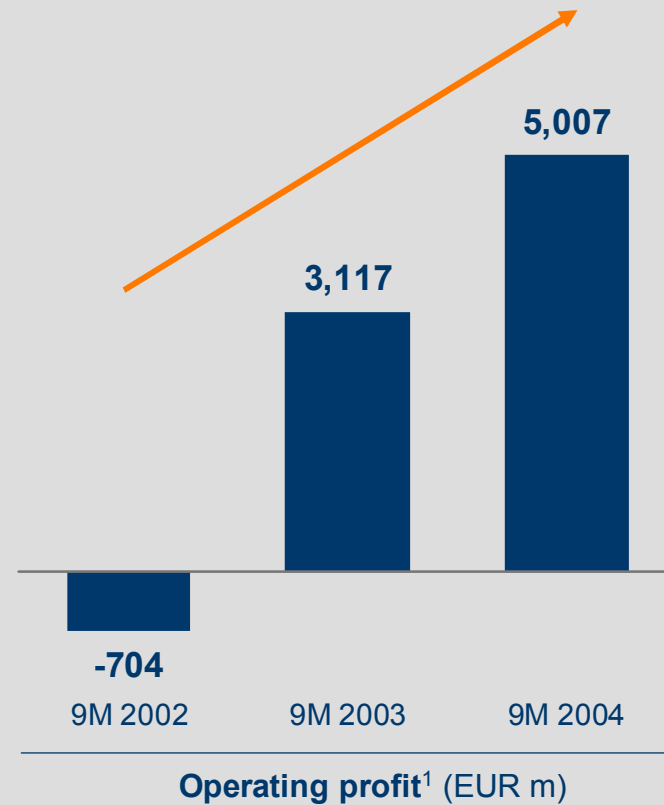
 - Continue to divest sub-critical activities
 - Simplify structures and processes
 - Ensure efficient creation of synergies among business segments and regions
- +
one

Increase sustainable competitiveness and value

 - Direct capital to the most attractive business activities and opportunities

A. 20

Successful implementation continues to show results



1) Operating profit is a non-GAAP measure which we believe highlights the underlying profitability of our operation. For a description on how we measure operating profit and a reconciliation to profit before taxes and minorities, see section “Additional information” (page 37)

The first nine months 2004: we are on track



- **Operating profit¹ up EUR 1.9bn to EUR 5.0bn: all segments further strengthened**
 - P/C: combined ratio down 3.7%-p to 93.2%
 - L/H: operating profit increased by 32%
 - Dresdner Bank: 3rd consecutive quarter with positive results
 - AM: CIR reduced by 2.9%-p to 65.3%

- **Net income more than doubled (9M 04: EUR 1.8bn, 9M 03: EUR 0.7bn), despite higher tax charge of EUR 1.9bn**



Quality of earnings significantly improved

1) Operating profit is a non-GAAP measure which we believe highlights the underlying profitability of our operation. For a description on how we measure operating profit and a reconciliation to profit before taxes and minorities, see section "Additional information" (page 37)

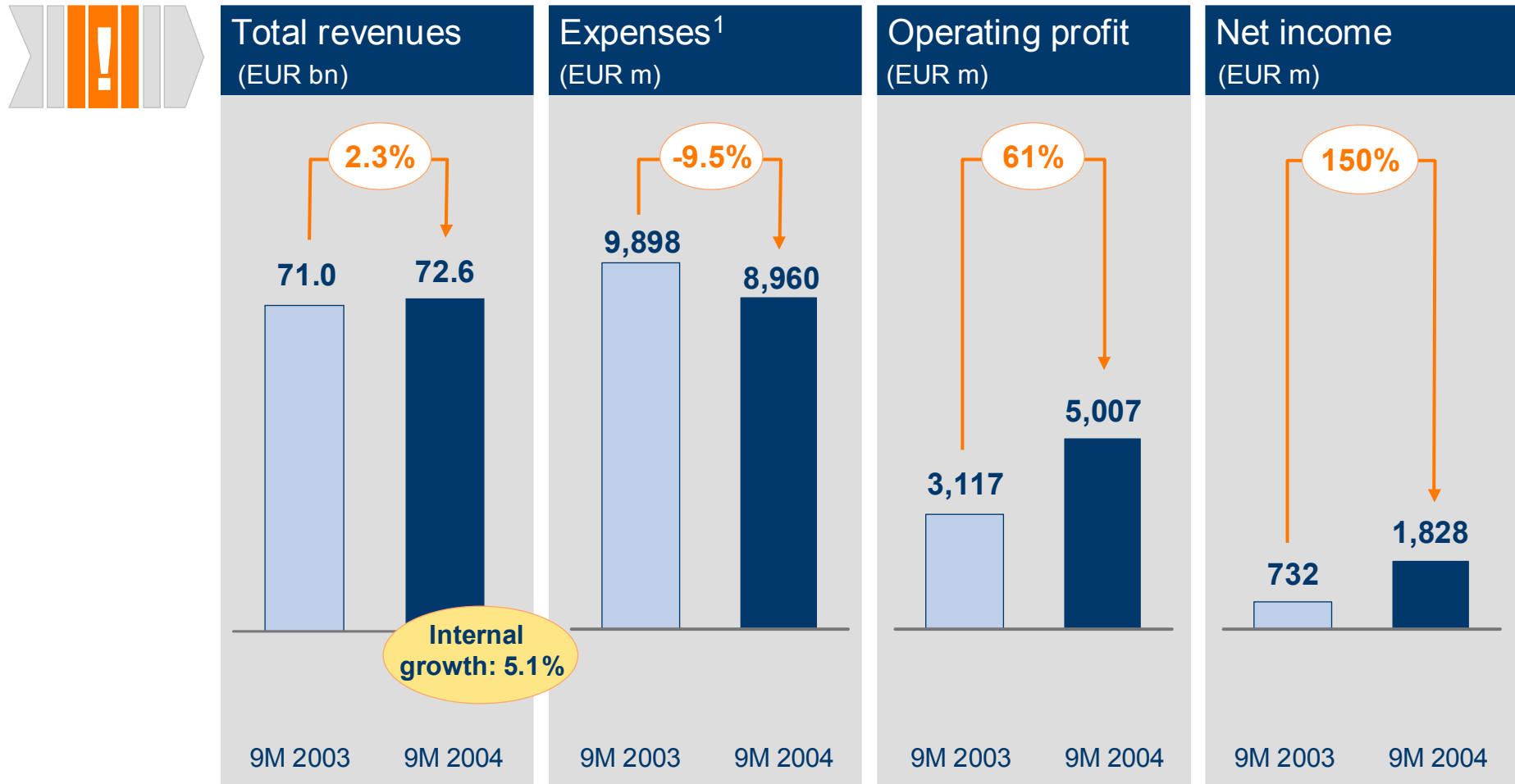
Agenda: where do we stand

Substantially strengthen operating profitability

- **Group**
- P/C
- L/H
- Banking
- Asset Management
- Investments

Protect and enhance capital base

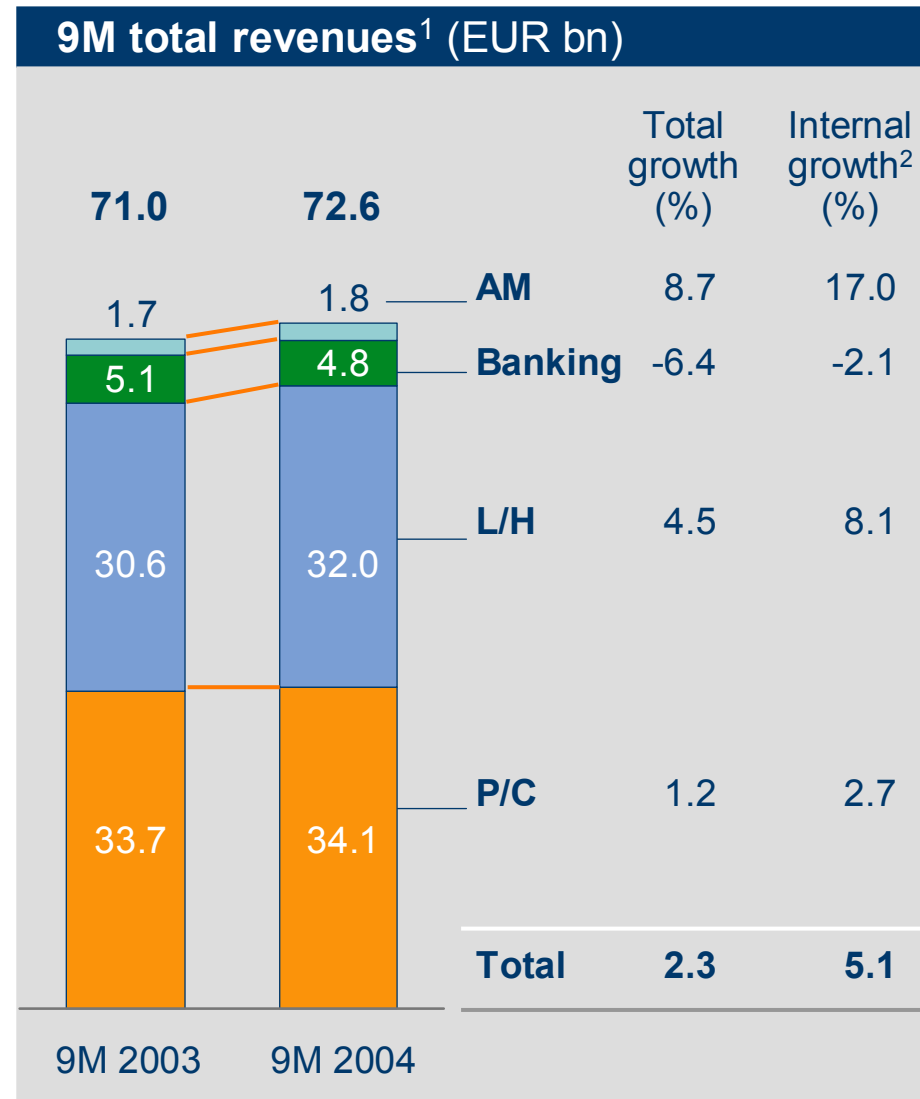
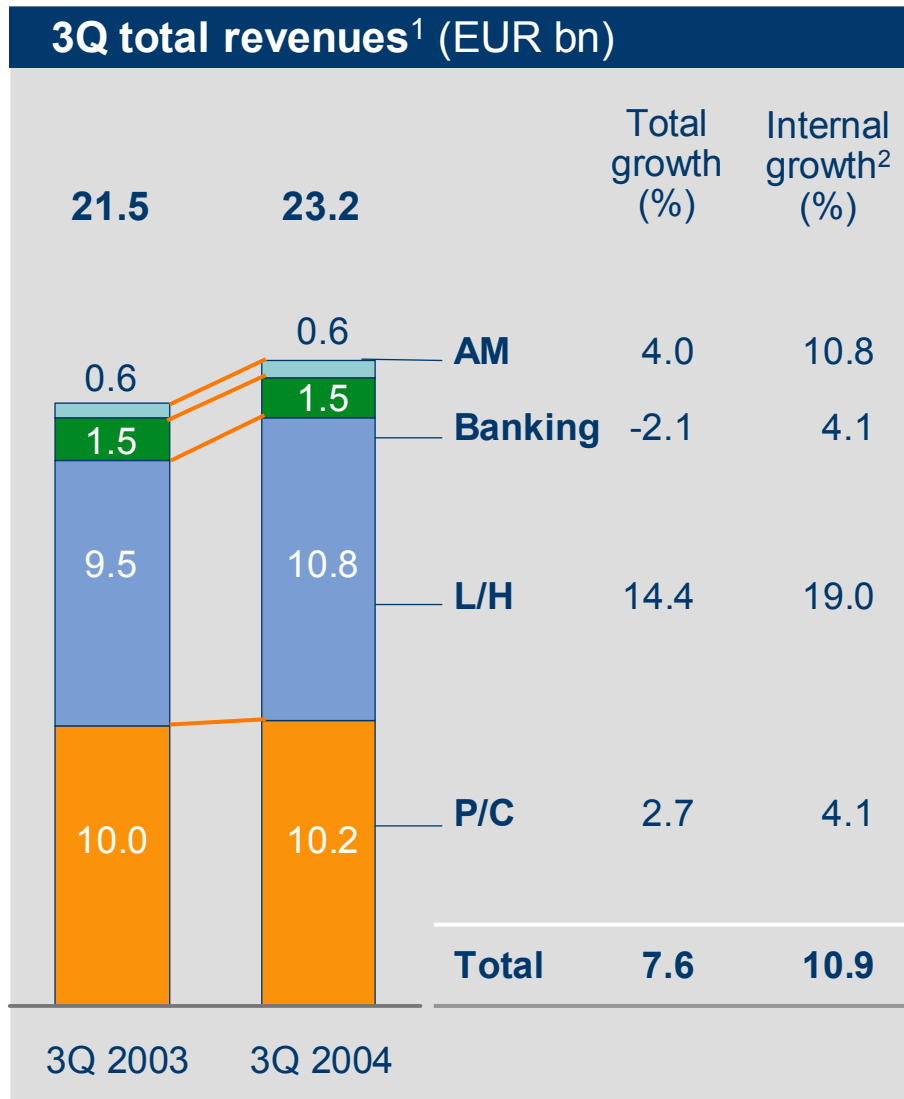
Key financials: positive trend confirmed



1) Administrative expenses and expenses for investments

Revenue development: managed growth

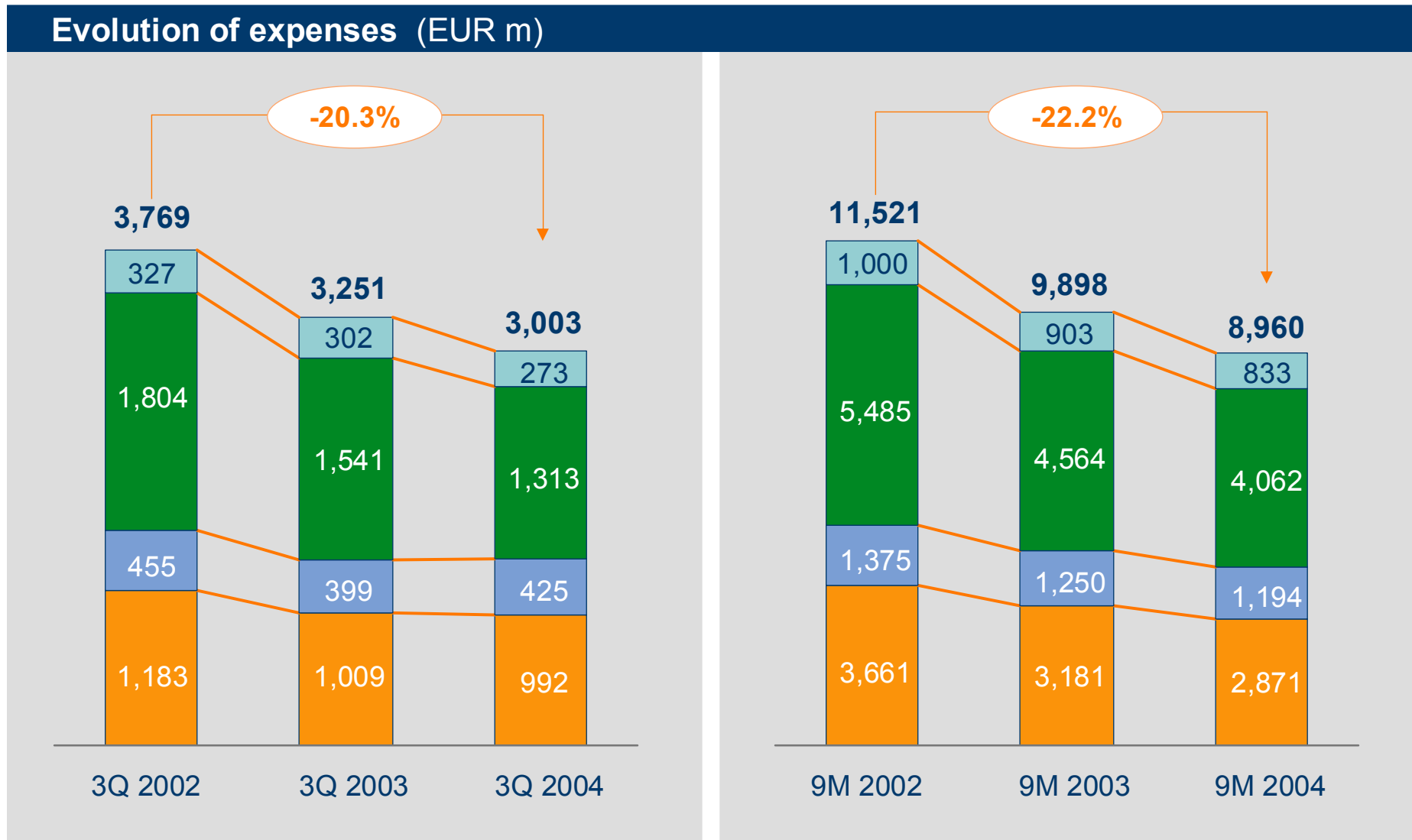
■ P/C ■ Banking
■ L/H ■ AM



1) All figures fully consolidated across segments
 2) Adjusted for F/X effects and changes in Group consolidation

Expenses¹: all segments improve

■ P/C ■ Banking
■ L/H ■ AM²



1) Administrative expenses and investment expenses; all figures fully consolidated across segments

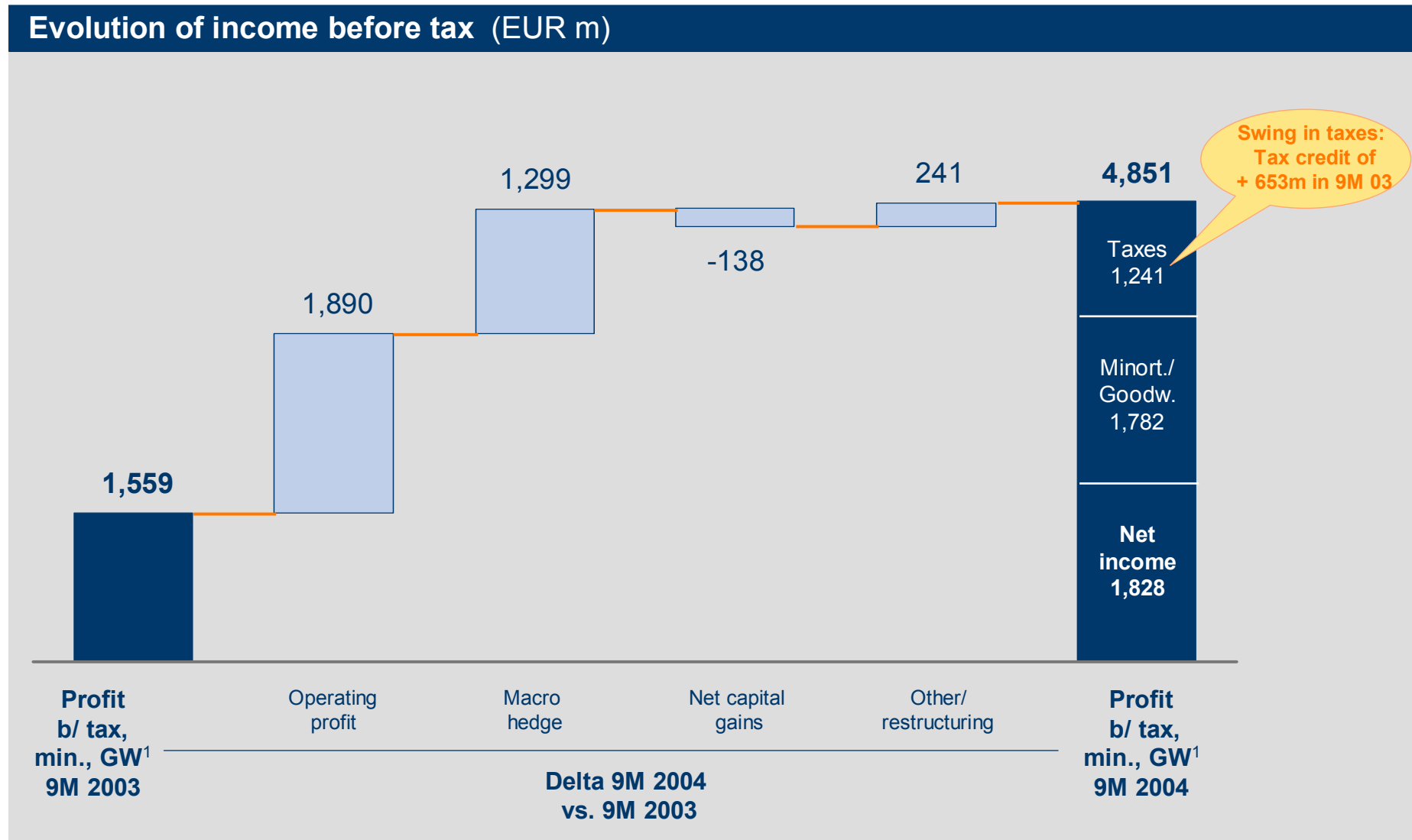
2) Excluding acquisition related expenses

Operating profit¹: all segments improve

EUR m	3Q 2004	Δ3Q 04/03	9M 2004	Δ9M 04/03	Comments 9M 04
P/C	1,168	541	2,910	967	Combined ratio down 3.7%-p to 93.2%
L/H	345	195	946	231	32% improvement
Banking	142	188	573	642	Revenues stabilized, costs reduced, risk profile improved
AM	217	9	578	50	CIR lowered by 2.9%-p to 65.3%
Group	1,872	933	5,007	1,890	

1) Operating profit is a non-GAAP measure which we believe highlights the underlying profitability of our operation. For a description on how we measure operating profit and a reconciliation to profit before taxes and minorities, see section "Additional information" (page 37); segment operating profits; intra-group dividends received by L/H companies are consolidated

Better quality of result



1) Profit before taxes, minorities and goodwill amortization

Agenda: where do we stand

Substantially strengthen operating profitability

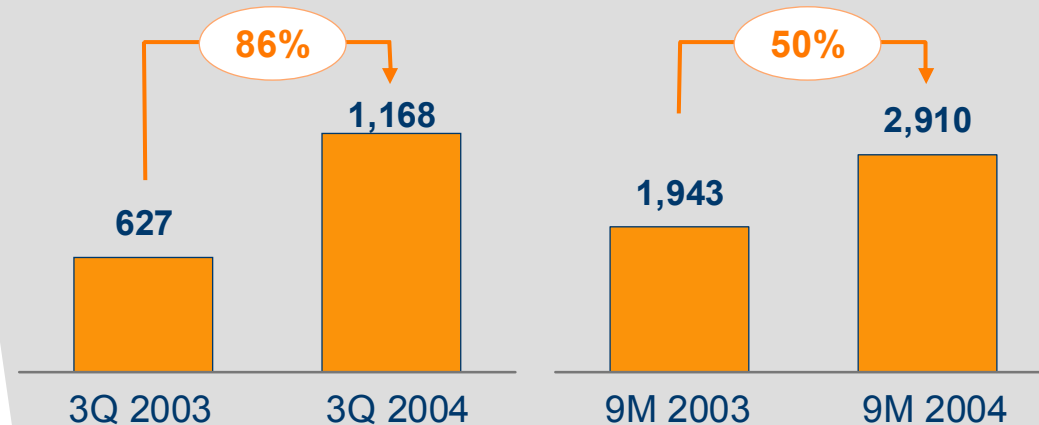
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Protect and enhance capital base

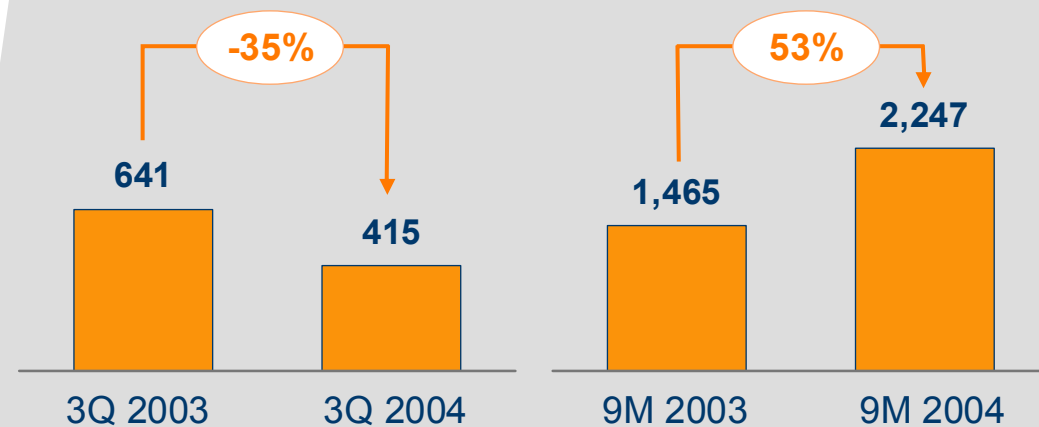
P/C overview: focus on profitability pays off

- Underwriting profitability significantly strengthened, combined ratio now 93.2% (9M 03: 96.9%)
- 9M: strongly increased net income of EUR 2.2bn (+53%) reflects operating improvements and higher investment income (2003: strain from impairments and macro-hedge)
- 3Q: reduced net income reflects EUR 376m lower net capital gains and EUR 398m increased tax charge in 3rd quarter

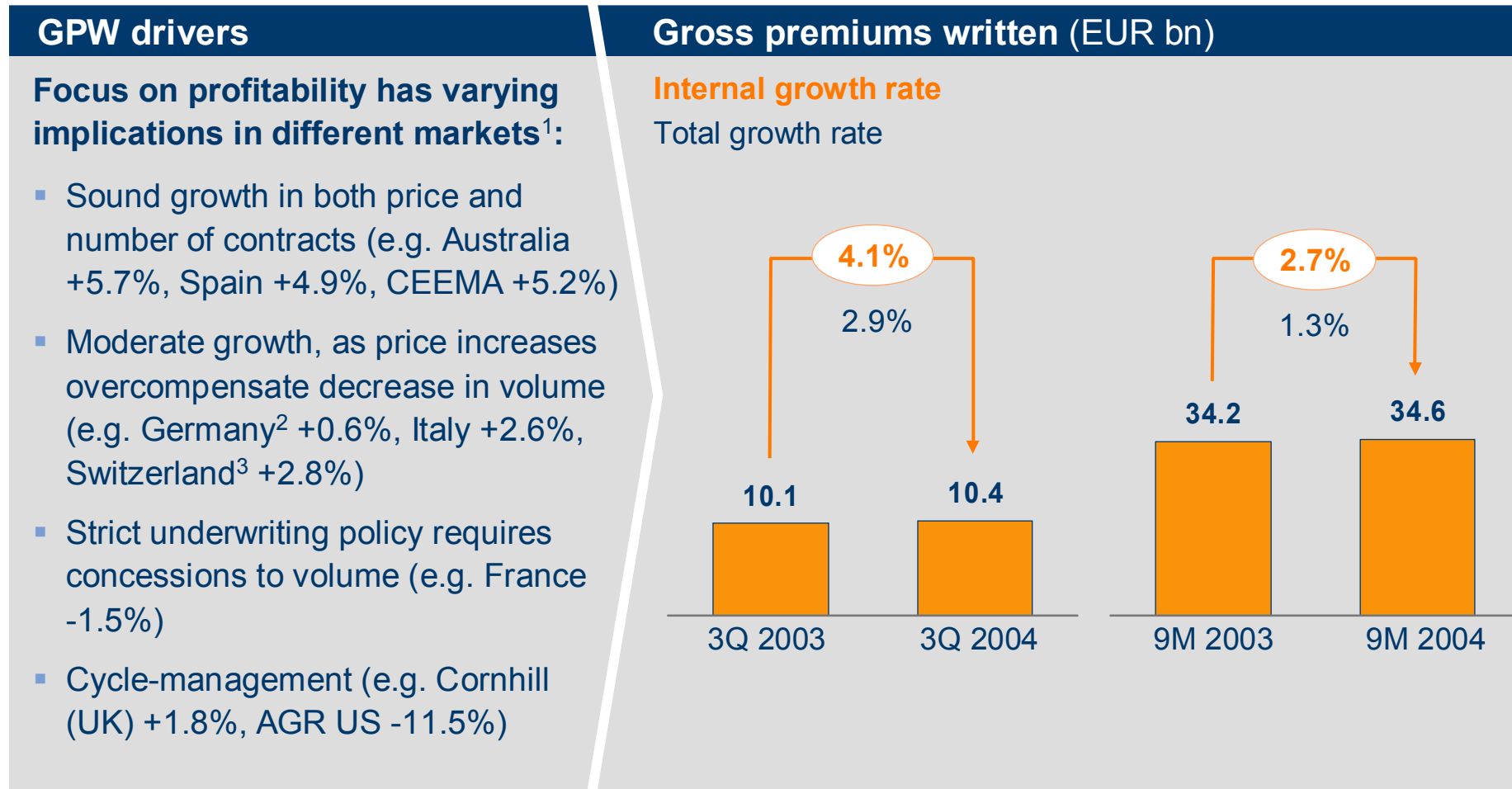
Operating profit (EUR m)



Net income (EUR m)



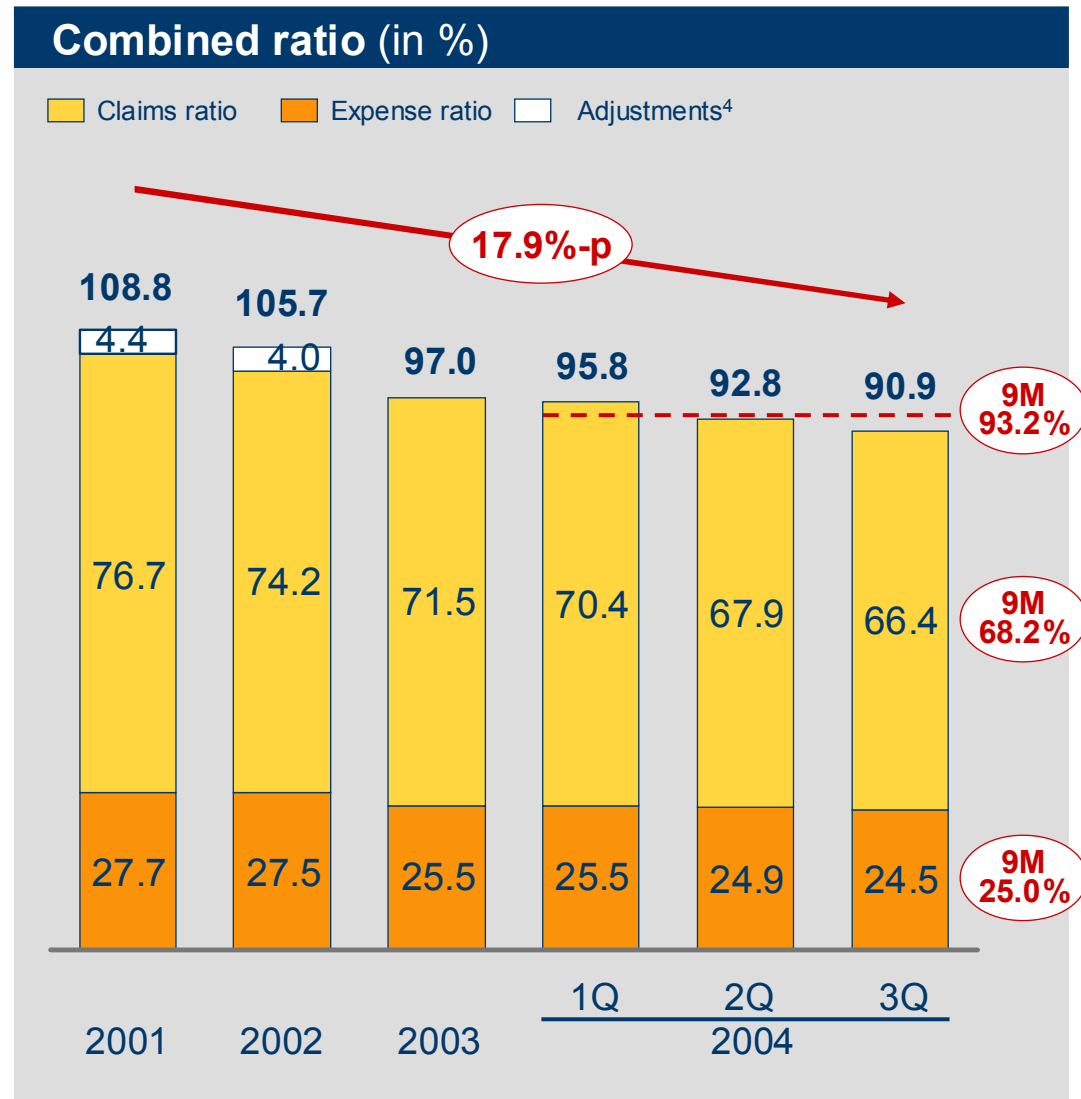
P/C: further strict underwriting policy...



1) All growth figures refer to internal growth, i.e. adjusted for currency and consolidation effects
 2) SGD (German P/C Group)
 3) Excluding Allianz Risk Transfer (ART)

P/C: ...leads to strongly improved combined ratio

Combined ratio	9M 03	9M 04
SGD (German P/C Group)	91.9	87.0
Allianz AG ¹	97.8	85.4
AGF ²	103.7	99.1
RAS Group Italy	97.7	95.5
Lloyd Adriatico	87.3	79.7
Allianz Cornhill	94.6	93.5
Allianz Spain	95.1	91.4
Allianz Suisse ex. ART	100.0	97.1
Allianz Austria	99.7	97.4
Allianz Australia	94.5	95.3
Credit insurance	84.7	73.1
Allianz Global Risks ³	94.5	94.2
Fireman's Fund	100.2	97.6

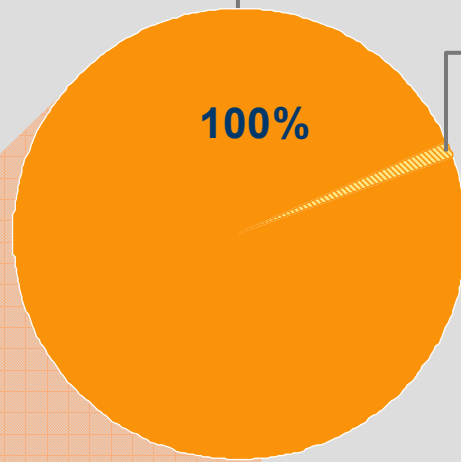


1) Excluding L/H-reinsurance and head office costs 2) Non-Life excluding health business 3) AGR virtual business unit (incl. industrial business not ceded to AGR Re)
 4) In 2001: adjustment for impact of WTC attack. In 2002: adjustment for impact of Central European floods and A&E reserve strengthening

P/C: risk management limits hurricane exposure (EUR)

3Q 2004: four hurricanes caused considerable damage in the Caribbean region and the southern part of the US (esp. Florida)

Insured loss¹ industry-wide 16.0 – 24.0bn



Allianz' share (net) 216m

Charley	47m
Frances	44m
Ivan	96m
Jeanne	28m

FFIC: share of loss significantly below market share due to effective NatCat risk management:

- selective underwriting of “good risks” (upscale house owners, particularly solid commercial buildings, etc.)
- exposure limitation (e.g. higher percentage deductibles in “hot zones”)

1) Based on industry estimates from RMS, AIR, EQECAT, ISO/PCS & III

AGF on track for attaining target 2004

Measures taken

- Selective tariff increases in inforce:
 - Motor (Ø): 12M 03: 9%; 9M 04: 3%
 - Commercial lines: 12M 03: 14% - 20%; 9M 04: 9% - 14%
 - Household: 12M 03: 7%; 9M 04: 7%

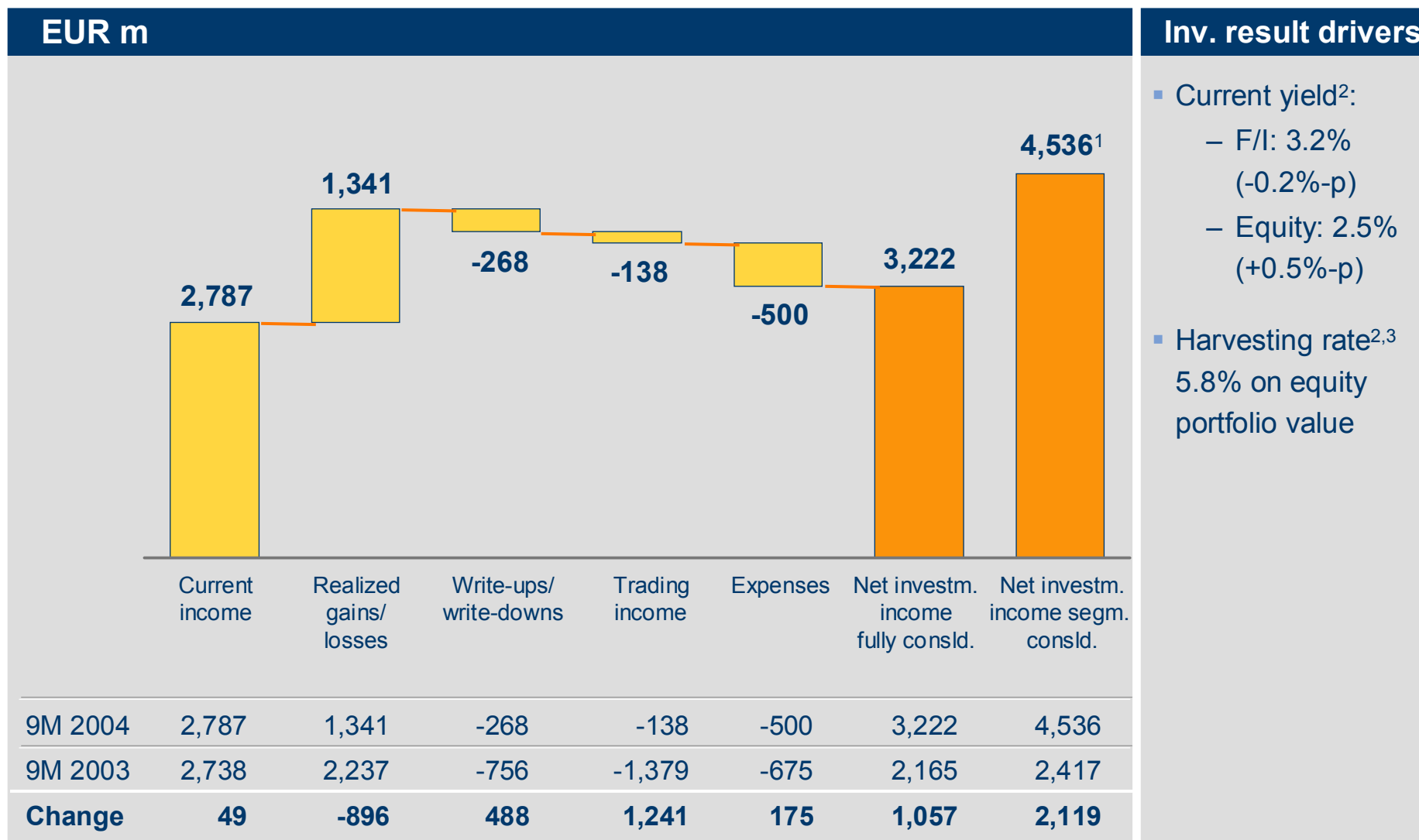
- Continued cutting of administrative and IT costs, improvement of claims management (e.g. optimization of claims handling process, fraud reduction)

Evolution of combined ratio (in %)

■ Claims ratio
 ■ Expense ratio



P/C: investment income significantly up



1) Reconciliation to fully consolidated net investment income: intra-group dividends EUR 1.0bn, intra-group gains/losses EUR 0.1bn, intra-group interests 0.2bn 2) 9M 2004, not annualized

3) Definition harvesting rate: (realized gains + write-ups - realized losses - write-downs - premium refund of sale of Messer Griesheim) ÷ average investments at book values (excl. trading)

Agenda: where do we stand

Substantially strengthen operating profitability

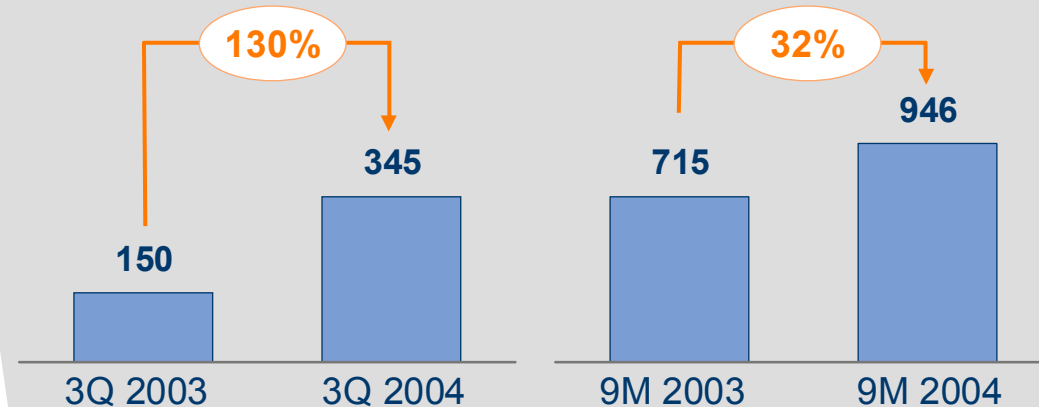
- Group
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- **L/H**
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Protect and enhance capital base

L/H overview: net income increases by 58%

- Operating CIR¹ improved by 1.2%-p, driven especially by:
 - pricing of new business
 - efficiency gains
 - reduction of policyholder bonus
- Korea: net loss of EUR 52m in 3Q 04, almost entirely driven by impairment of deferred tax assets expiring in 2005 and 2006 (9M 04: loss of EUR 26m). Restructuring efforts continue

Operating profit (EUR m)

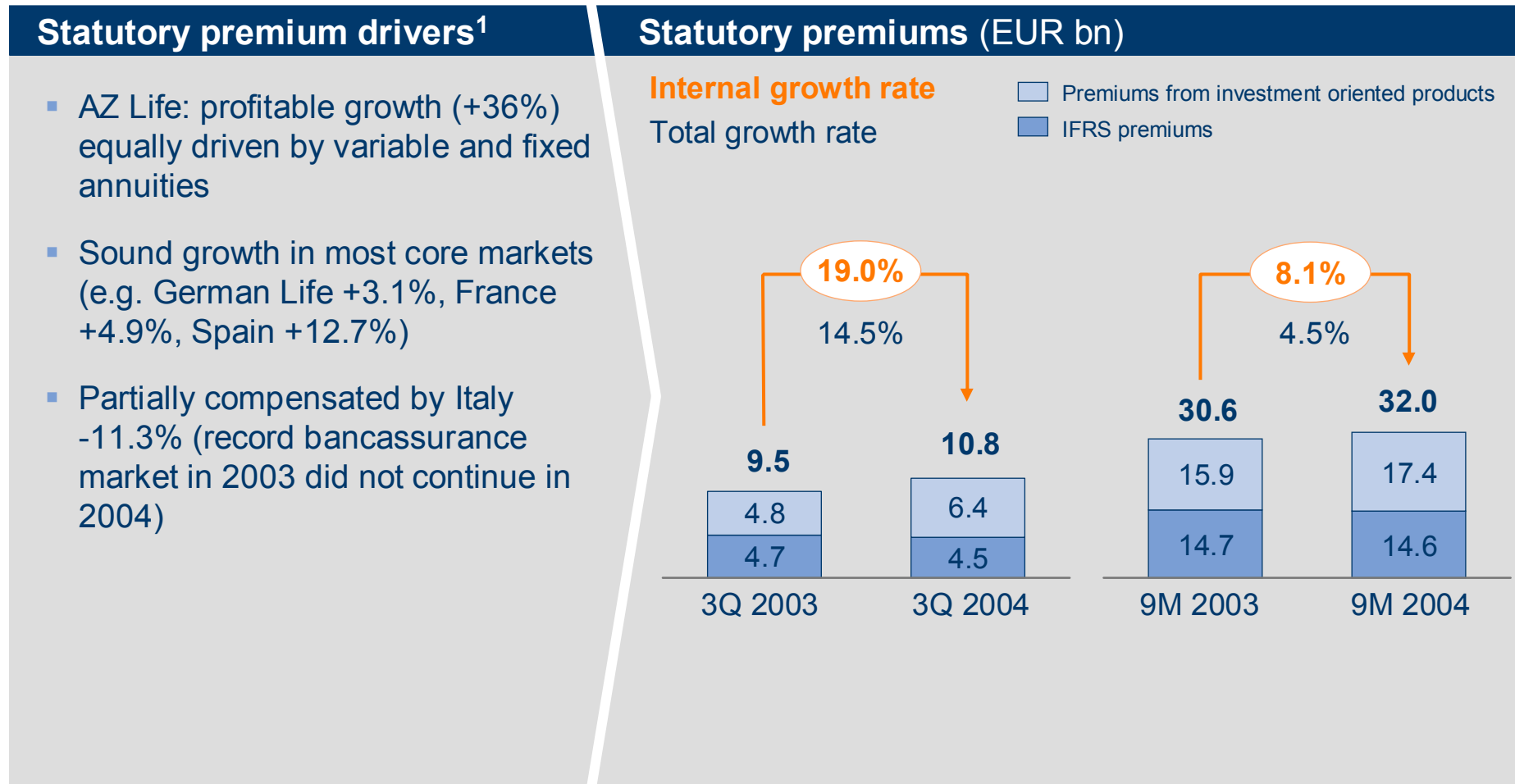


Net income (EUR m)



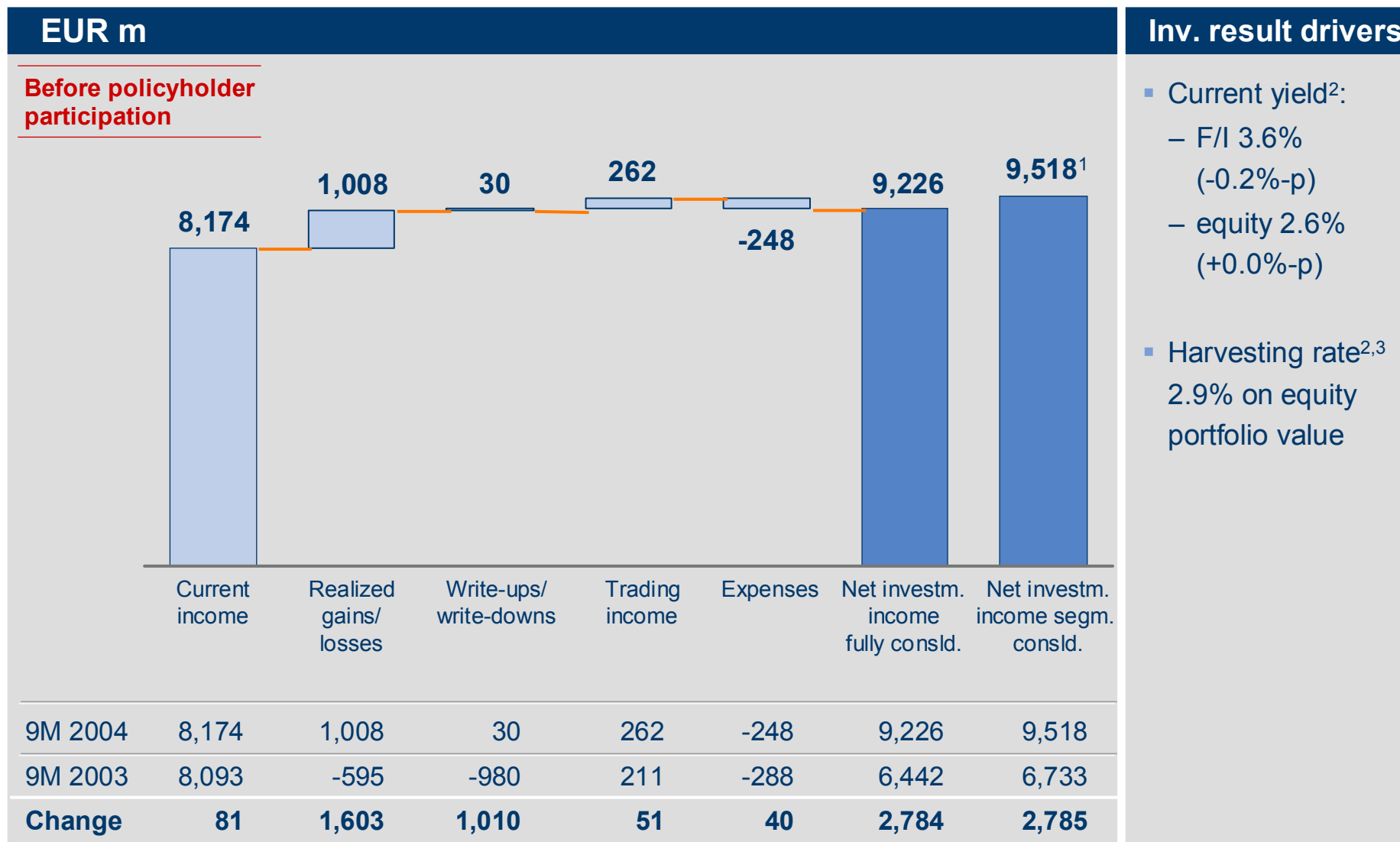
1) Definition Operating CIR: (premiums earned + current income ex. dividends/trading/write-downs) ÷ (benefits incurred + G&A expenses + others + interest expenses + investment expenses)

L/H: AZ Life drives growth



1) All growth figures refer to internal growth, i.e. adjusted for currency and consolidation effects

L/H: investment income improved



1) Reconciliation to fully consolidated net investment income: intra-group dividends EUR 0.2bn, intra-group interests 0.1bn 2) 9M 2004, not annualized

3) Definition harvesting rate: (realized gains + write-ups – realized losses – write-downs) ÷ average investments at book values (excluding trading)

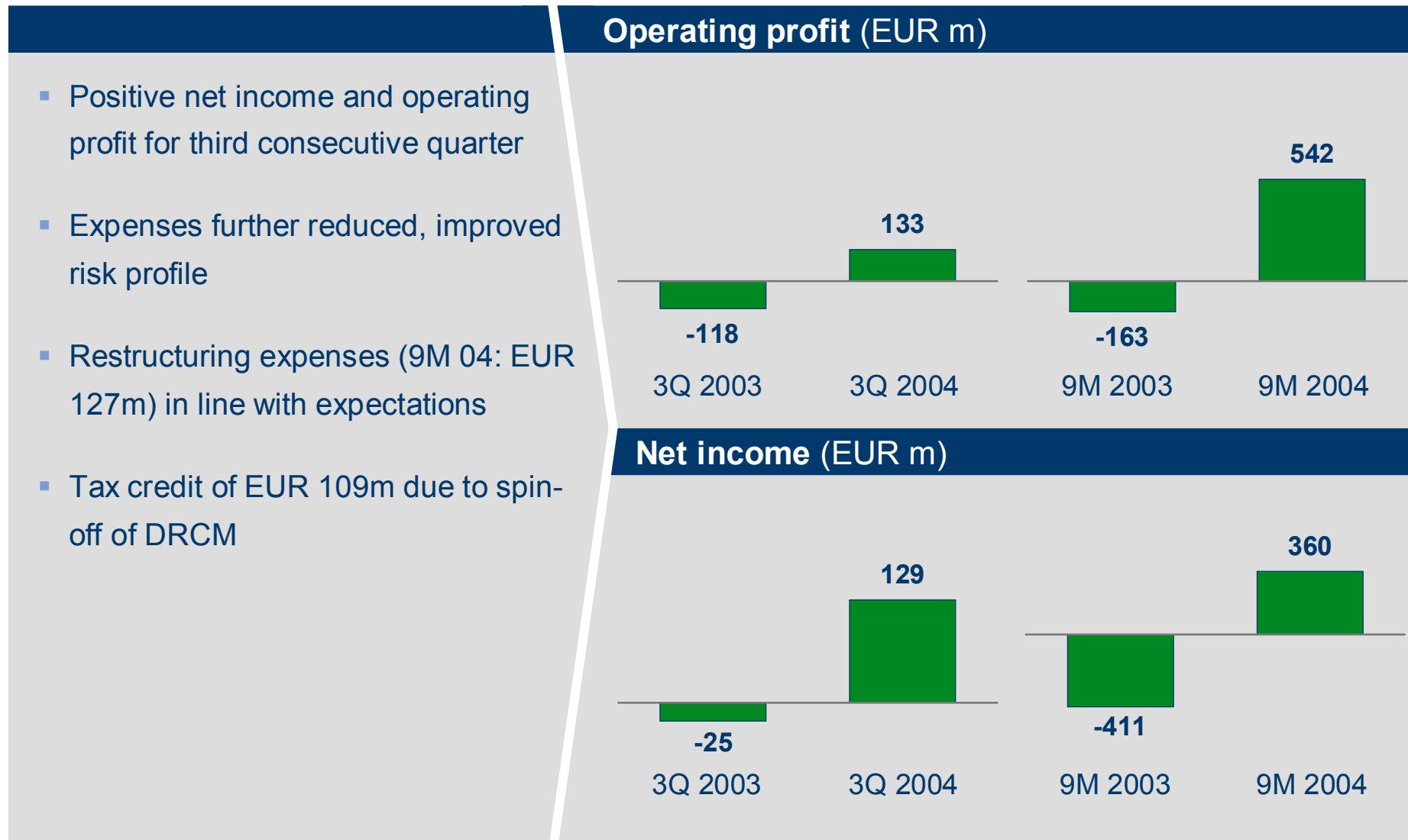
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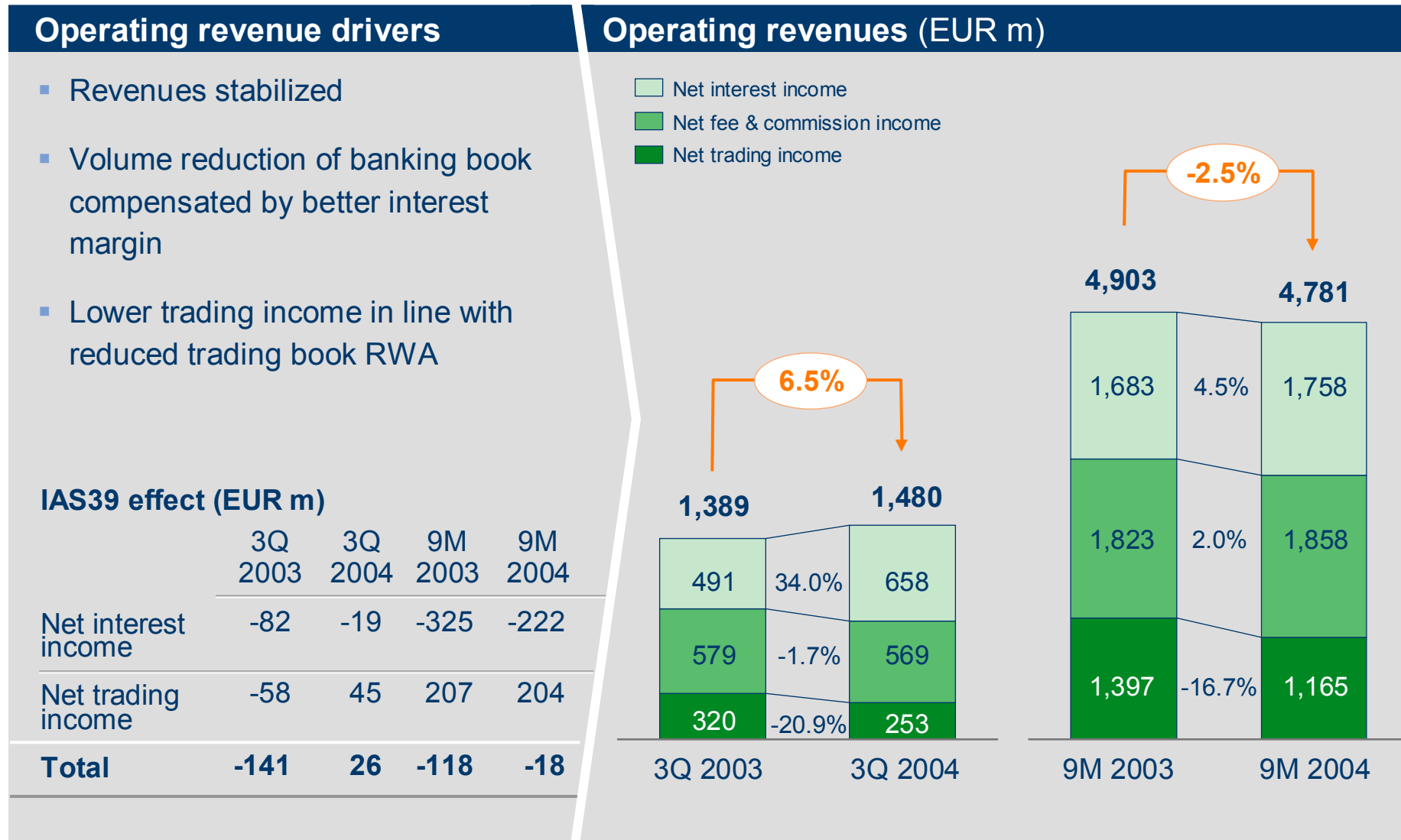
Protect and enhance capital base

Dresdner Bank¹ overview: turnaround on track



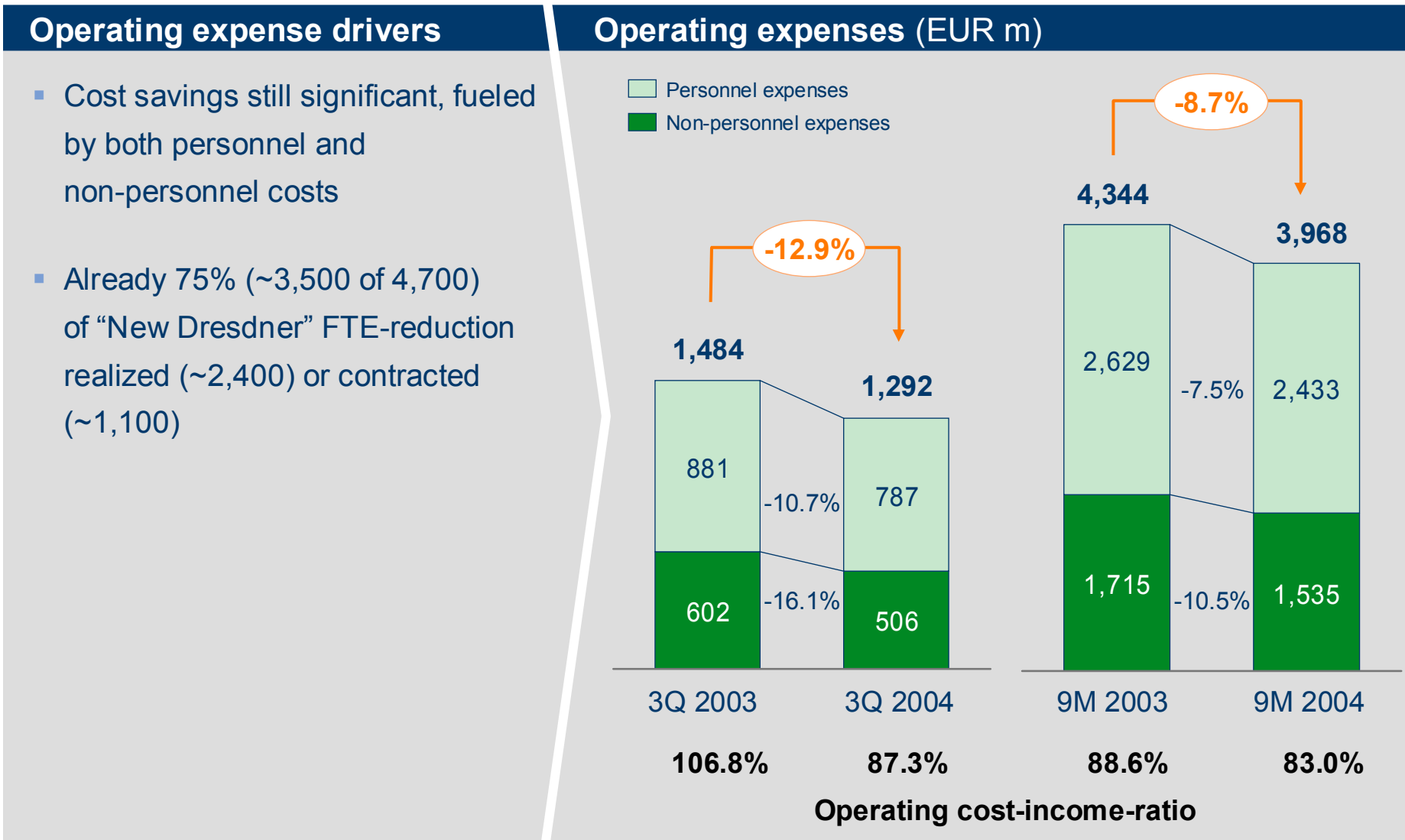
1) Dresdner Bank contribution to Allianz' banking segment

Dresdner Bank¹: revenue base secured



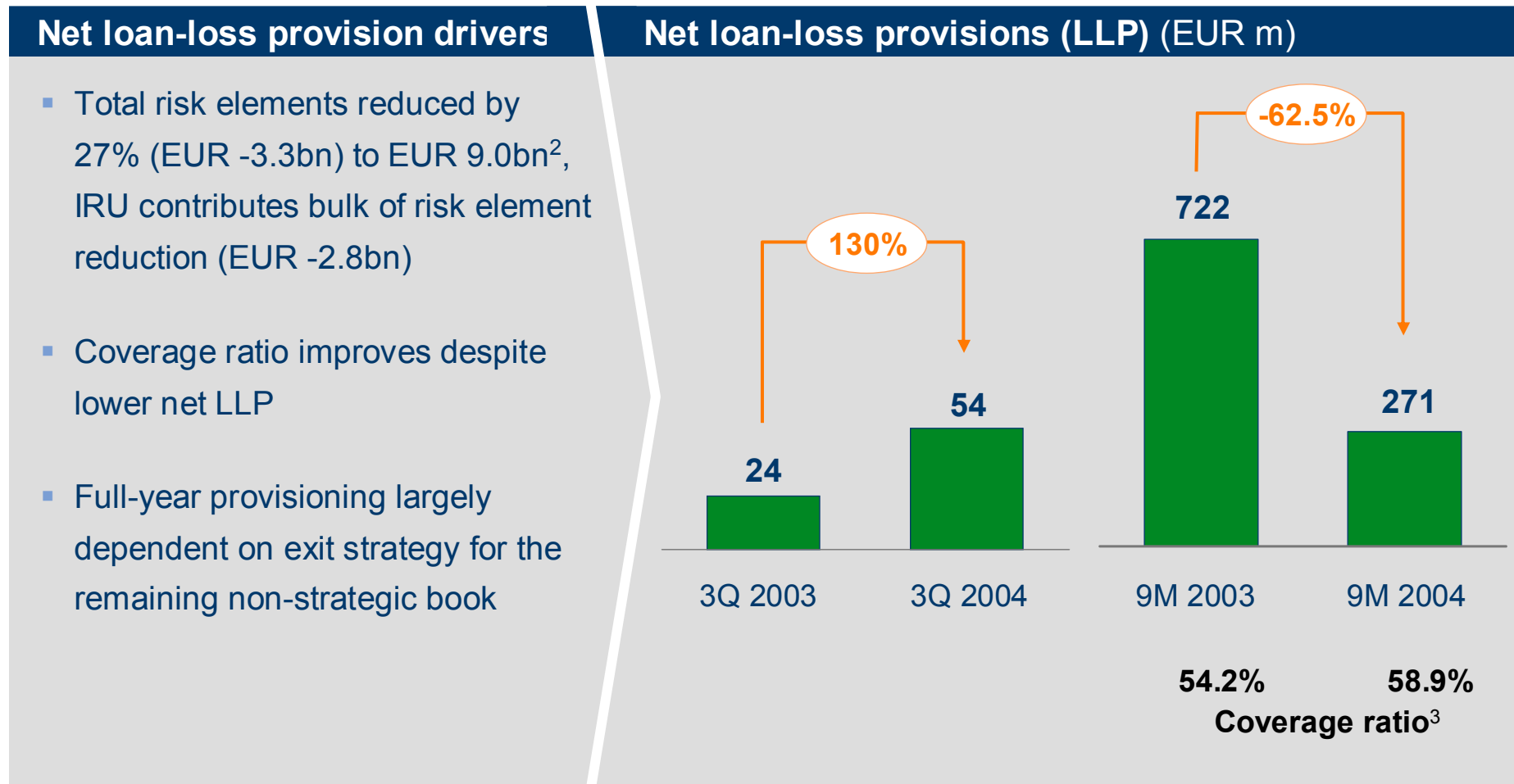
1) Dresdner Bank contribution to Allianz' banking segment

Dresdner Bank¹: ongoing cost reduction due to “New Dresdner”



1) Dresdner Bank contribution to Allianz' banking segment

Dresdner Bank¹: risk profile improved



1) Dresdner Bank contribution to Allianz' banking segment

2) Total risk elements according to SEC Guide 3 (non-performing loans + potential problem loans); 9/2004 vs. 9/2003

3) Coverage ratio = total LLP / total risk elements; as coverage ratio is based on eop-values, the ratio is identical for the 9M- and 3Q-period

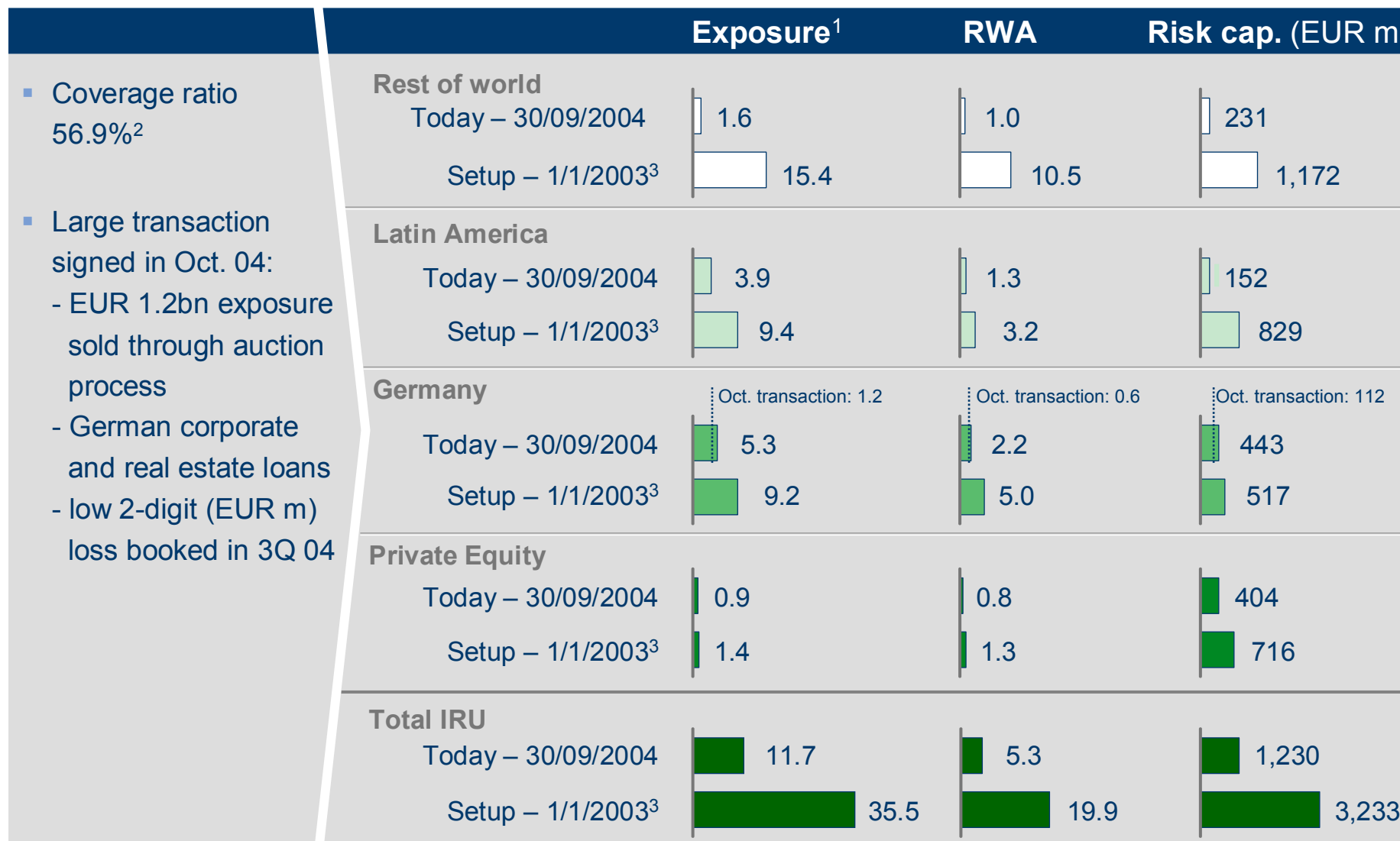
Dresdner Bank¹: continued improvement in PBC (EUR m)

Operating profit drivers	3Q 2004	Δ 04/03 ³	9M 2004	Δ 04/03 ³
<ul style="list-style-type: none"> PBC: 8.9% growth in net fee & com. overcompensates reduction in NII (9M 04) 	76	24	371	214
<ul style="list-style-type: none"> CB: margins improved 	154	22	366	72
<ul style="list-style-type: none"> DrKW: 8th consecutive quarter w/ positive operating profit 	55	-13	217	-118
<ul style="list-style-type: none"> Corp. Other²: improvement due to lack of significant IAS39 effect 	-113	248	-341	215
Dresdner Bank ex IRU	172	281	613	383
<ul style="list-style-type: none"> IRU: substantially lower net LLP 	-39	-30	-71	323
Total	133	251	542	705

1) Dresdner Bank contribution to Allianz' banking segment
3) Previous year's figures adjusted for structural changes

2) Incl. corporate items, corporate functions, corporate investments and consolidations

Dresdner Bank - IRU: substantial progress achieved (EUR bn, eop)



1) Exposure is the sum of all credit lines and Private Equity commitments within the IRU

3) According to final scope of the IRU

2) EUR 2,304m balance specific loan loss provision ÷ (EUR 3,802m non-performing + EUR 246m potential problem loans)

Agenda: where do we stand

Substantially strengthen operating profitability

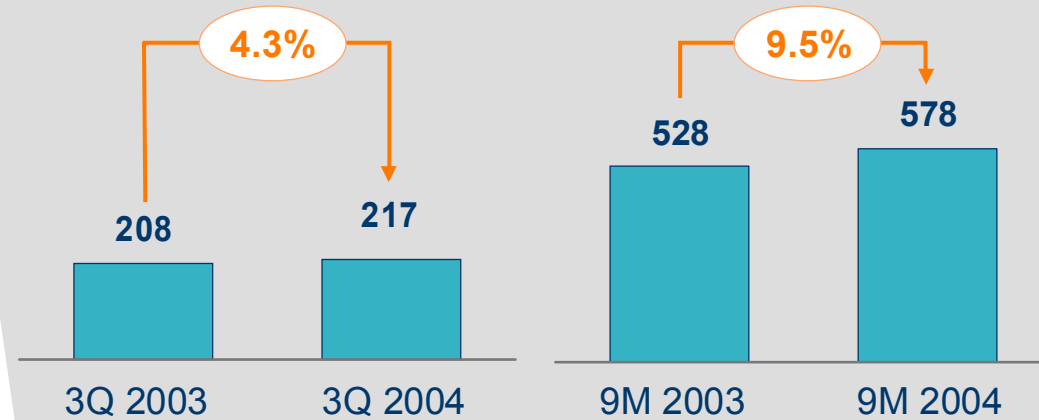
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Protect and enhance capital base

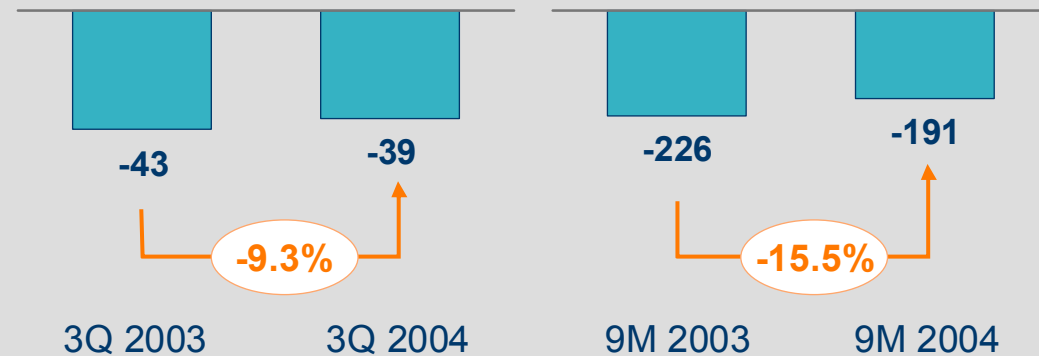
Asset Management overview: profitable growth continues

- 9M-results improved for 3th consecutive year
- Strong net inflows due to superior performance in fixed income products
- Continued efficiency gains
- Acquisition related costs will largely expire in 2005

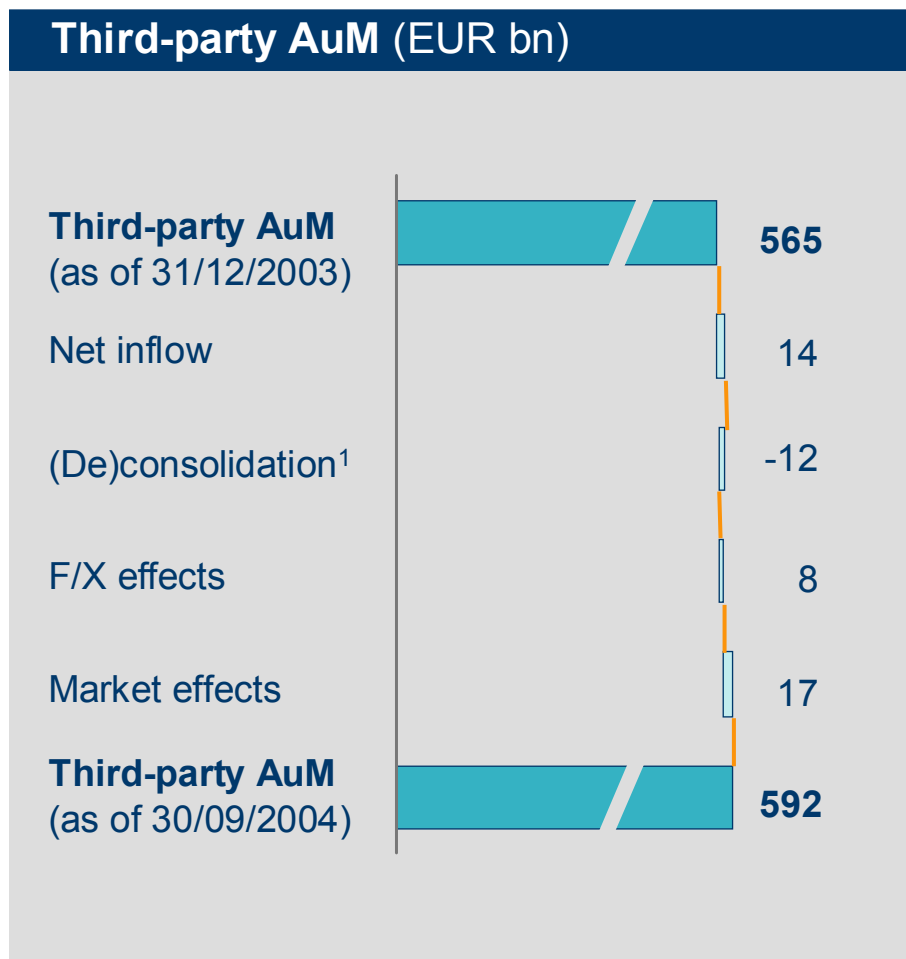
Operating profit (EUR m)



Net income (EUR m)



Asset Management: resilient AuM base



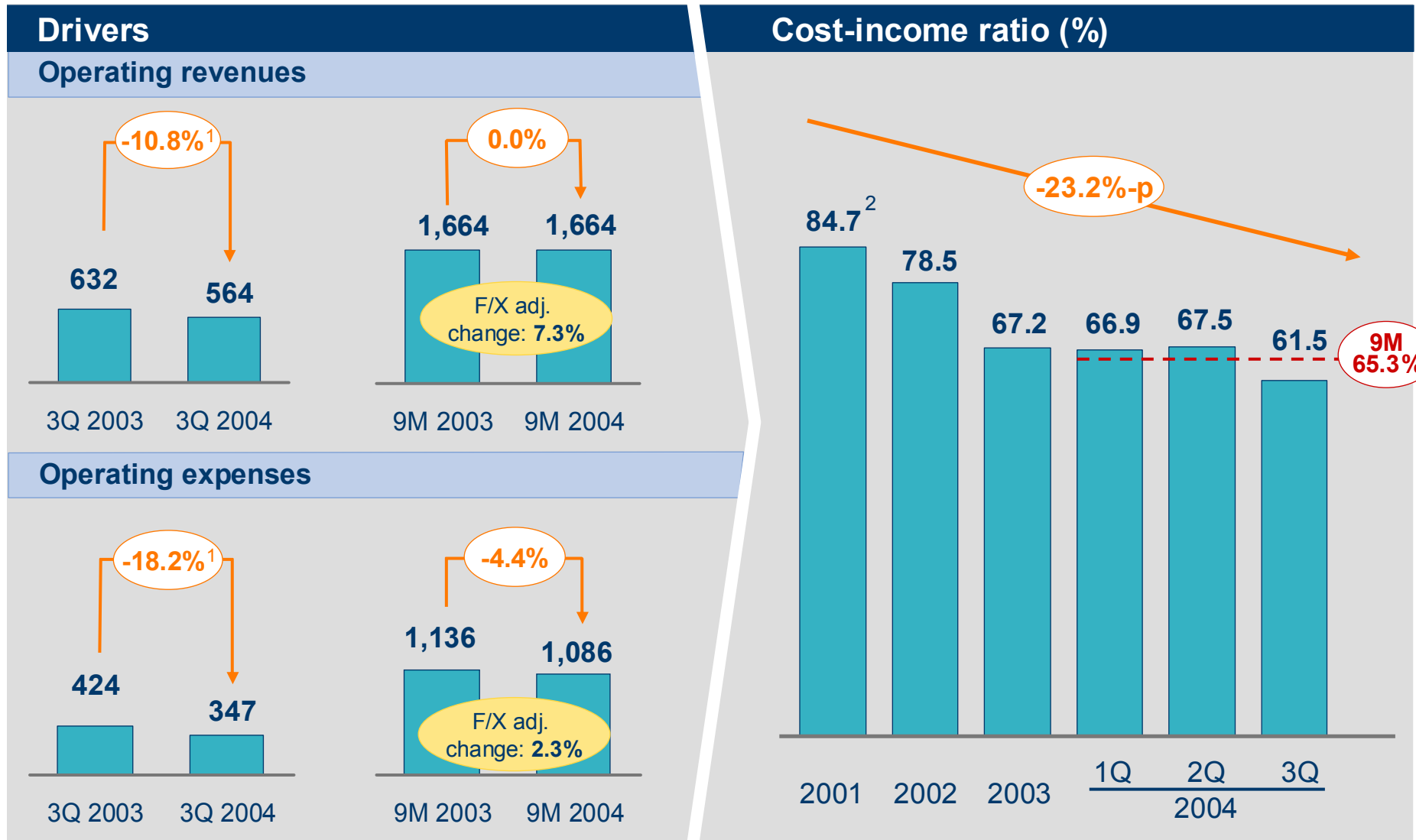
Asset allocation

Third-party AuM (as of 30/09/2004 = EUR 592bn)

	Retail	Institutional	Σ
Equity	12%	11%	23%
Fixed income	27%	48%	75%
Other	2%	0%	2%
Σ	41%	59%	100%

1) Retreat from joint venture with Meiji Life in Japan, effective in 3Q 2004

Asset Management: CIR further decreases



1) Currency adjusted growth 3Q 04 vs. 3Q 03: operating revenues -5.3%, operating expenses -13.5%

2) Dresdner Bank Asset Management included since July 2001

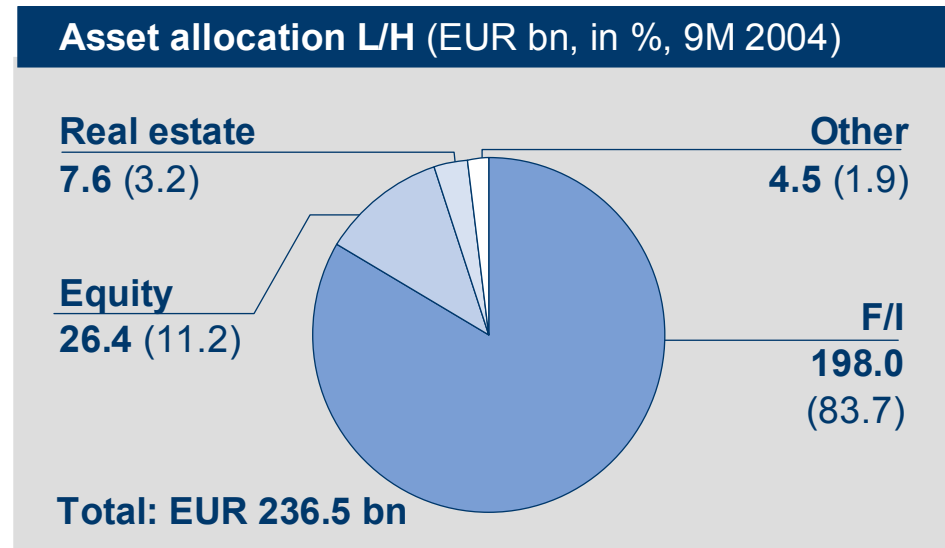
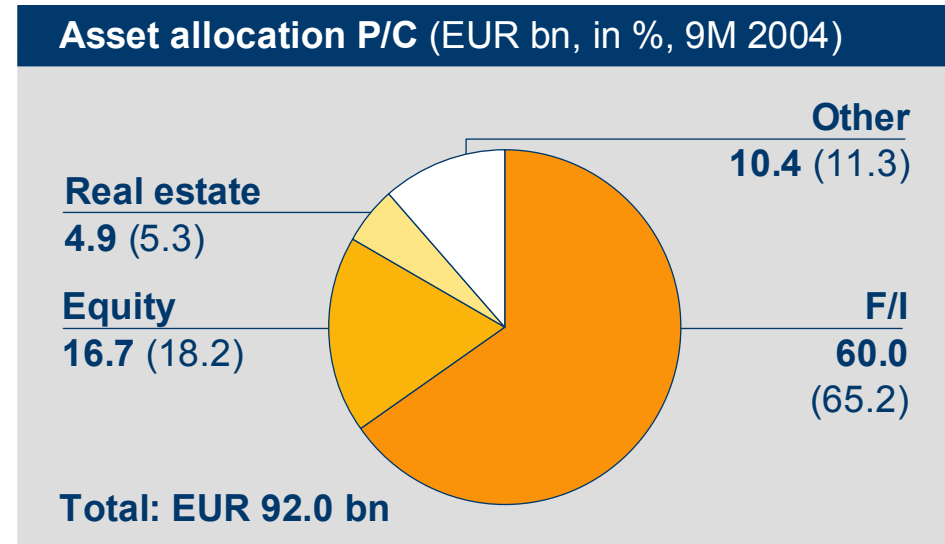
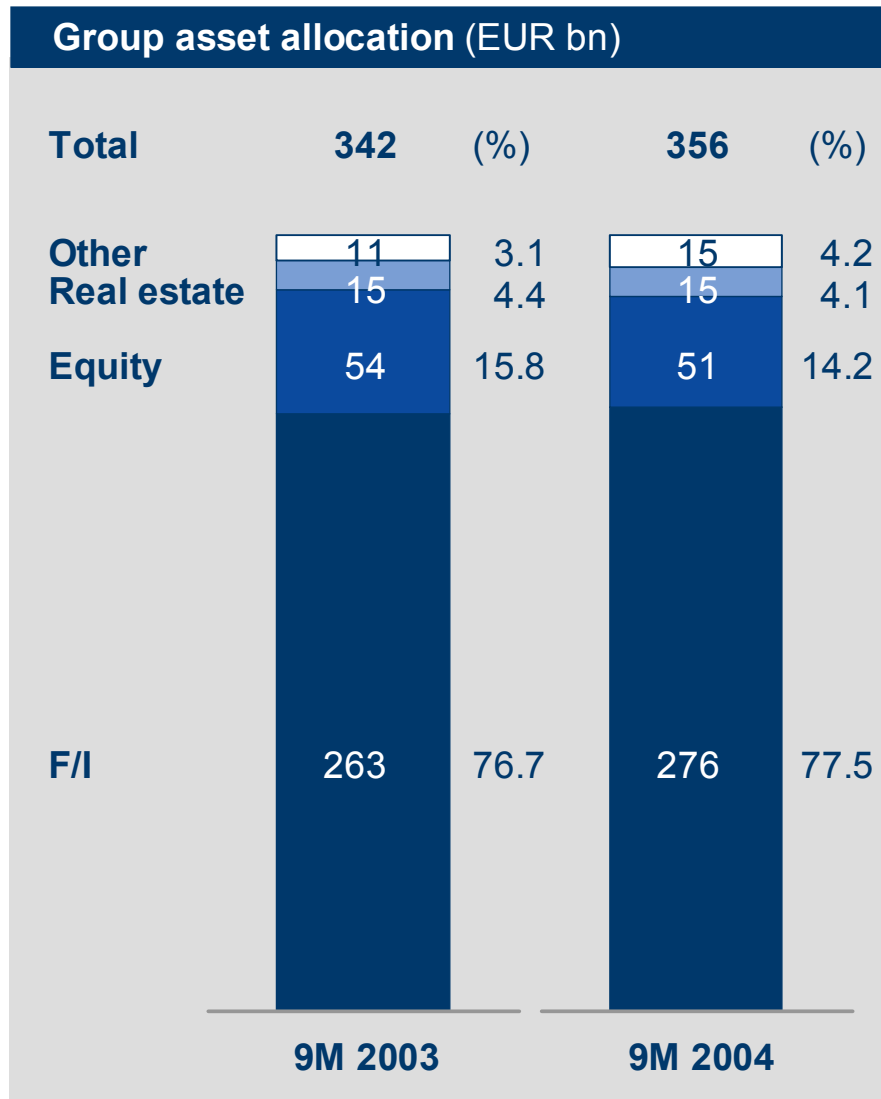
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Protect and enhance capital base

Asset allocation¹: breakdown



1) All figures fully consolidated; excluding trading

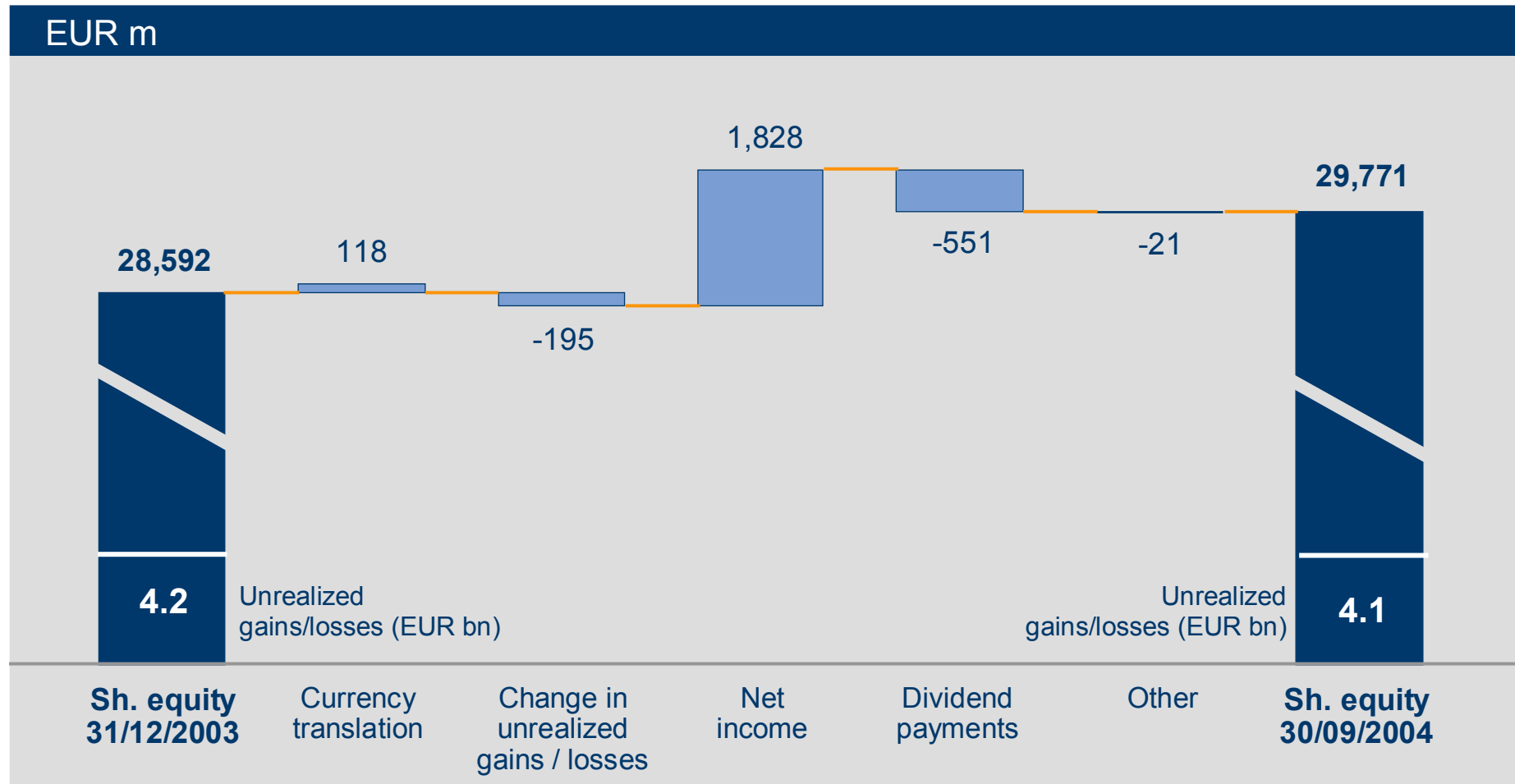
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Protect and enhance capital base

Positive result strengthens capitalization



Competitive AA-Rating confirmed¹

1) AA-rating range according to rating definition and "capital adequacy ratio" of rating agency "Standard&Poors"

Summary: quantity and quality of results clearly improved



Highlights 9M 2004

- **Managed growth:**
strong in Life and Asset Management, disciplined in P/C,
stabilized at Dresdner Bank
- **Operational discipline:**
reduction of costs, reduction of claims, reduction of net loan-loss
provisions – resulting in operating profit increase of EUR 1.9bn
- **Remarkable improvement in earnings:**
operating profit EUR 5.0bn, net income EUR 1.8bn



Implementation of “3+One” program paves the way towards attaining our targets¹

1) Disclaimer: Natural catastrophes, capital market volatility, terror risks and other imponderabilities may still lead to Allianz not attaining its 2004 targets

Additional information

Group: result by segments overview

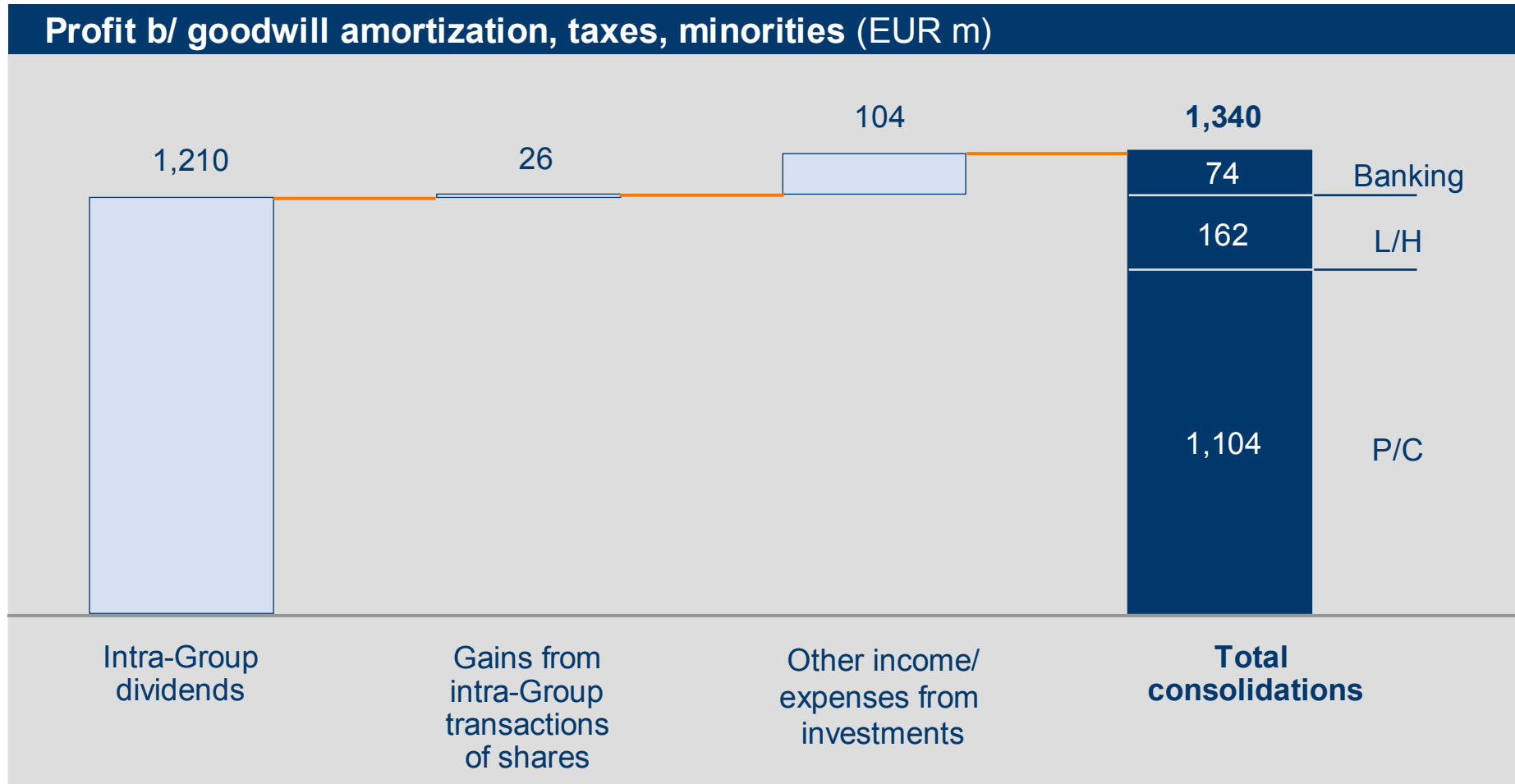
(EUR m)

	P/C		L/H ¹		Banking		Asset Mgmt.		Con-solidation		Total	
	9M 2003	9M 2004	9M 2003	9M 2004	9M 2003	9M 2004	9M 2003	9M 2004	9M 2003	9M 2004	9M 2003	9M 2004
Total revenues (EUR bn)	34.2	34.6	30.6	32.0	5.2	5.0	1.6	1.6	-0.6	-0.6	71.0	72.6
Operating profit²	1,943	2,910	715	946	-69	573	528	578	0	0	3,117	5,007
+ Net capital gains ³	915	1,060	87	260	176	416	-	-	-177	-130	1,001	1,606
- Net impairments	-694	-216	-123	16	-239	-286	-	-	14	-	-1,042	-486
± Other non-operating ⁴	-293	498	46	83	-642	-295	-353	-352	-275	-1,210	-1,517	-1,276
= Profit b/ tax, minor.,GW	1,871	4,252	725	1,305	-774	408	175	226	-438	-1,340	1,559	4,851
- Goodwill amortization	-290	-287	-132	-119	-193	-194	-280	-285	-	-	-895	-885
- Taxes	141	-1,032	-90	-427	580	222	22	-8	-	4	653	-1,241
- Minorities	-257	-686	-181	-251	-44	-104	-143	-124	40	268	-585	-897
= Net income	1,465	2,247	322	508	-431	332	-226	-191	-398	-1,068	732	1,828

- 1) After gains/losses attributable to policyholders 2) Operating profit: intra-group dividends received by L/H companies are consolidated 3) Including non-operating trading income
 4) E.g. intra-group dividends (EUR 1,210m) and interest for holding finance (EUR 647m); Asset Management: acquisition-related expenses, e.g. special compensation program (EUR 158m), retention payments (EUR 85m), restructuring costs Dresdner Bank (EUR 127m)

Note: In addition to measuring results based on our IFRS net profit, we evaluate the performance of our business segments using „operating profit“, a non-GAAP financial performance measure. As indicated in the reconciliation table above, operating profit excludes from our reported IFRS profit before taxes and minorities the following items, which we consider non-operating in nature: goodwill amortization, net capital gains from and net impairments on our invested assets, and other non-operating items. While these excluded items are important to an understanding of our consolidated IFRS financial performance, we exclude them in calculating our operating profit in order to highlight what we believe are the underlying trends in our segment operations. Operating profit is not a substitute for net profit and other IFRS measures, and our definition of operating profit may be different from similar measures used by other companies, and may change over time.

Breakdown of profit consolidations



Group: key figures per quarter (EUR m)

	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	Δ3Q 04/03
Total revenues¹ (EUR bn)	27.5	21.9	21.6	22.8	27.2	22.2	23.1	0.5
Operating profit	834	1,344	939	871	1,174	1,961	1,872	933
Net capital gains ²	912	-173	262	3,756	768	513	325	63
Net impairments	-1,135	-65	158	-685	31	-350	-167	-325
Other	-466	-774	-277	-1,227	-295	-526	-455	-178
Profit b/ goodwill amortization, taxes and minorities	145	332	1,082	2,715	1,678	1,598	1,575	493
Goodwill amortization	-305	-294	-296	-518	-294	-294	-297	-1
Taxes	-233	866	20	-799	-375	-368	-498	-518
Minorities	-123	-242	-220	-240	-334	-322	-241	-21
Net income	-516	662	586	1,158	675	614	539	-47

1) Fully consolidated across segments; total revenues = total premiums from insurance business + (net interest income + net fee and commission income+ trading income) from banking business and Asset Management

2) Including non-operating trading income

P/C: key figures and ratios per quarter (EUR m)

	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	Δ3Q 04/03
Total revenues (EUR bn)	14.6	9.5	10.1	9.2	14.4	9.8	10.4	0.3
Operating profit¹	364	952	627	558	459	1,283	1,168	541
Net capital gains ²	727	-212	400	4,056	628	297	135	-265
Net impairments	-713	-3	22	-528	33	-160	-89	-111
Other	-163	41	-171	155	-98	724	-128	43
Profit b/goodwill amortization, taxes and minorities	215	778	878	4,241	1,022	2,144	1,086	208
Goodwill amortization	-94	-99	-97	-93	-95	-96	-96	1
Taxes	-41	228	-46	-782	-192	-396	-444	-398
Minorities	-38	-125	-94	-150	-177	-378	-131	-37
Net income	42	782	641	3,216	558	1,274	415	-226
Combined ratio (%)	97.7	96.4	96.5	97.5	95.8	92.8	90.9	-5.6%-p
Assets under management ³ (EUR bn)	86	92	91	91	93	91	92	1

1) Operating profit: intragroup dividends received by L/H companies are consolidated
3) Group own assets (incl. trading), fully consolidated across segments

2) Including non-operating trading income

L/H: key figures and ratios per quarter (EUR m)

	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	Δ3Q 04/03
Total revenues (EUR bn)	10.7	10.4	9.5	11.7	10.8	10.3	10.8	1.3
Operating profit	264	301	150	396	356	245	345	195
Net capital gains ¹	98	-6	-5	52	151	38	71	76
Net impairments	-184	29	32	41	21	15	-20	-52
Other	3	44	-1	40	17	60	6	7
Profit b/goodwill amortization, taxes and minorities	181	368	176	529	545	358	402	226
Goodwill amortization	-43	-44	-45	-266	-40	-39	-40	5
Taxes	-93	-11	14	-493	-178	-69	-180	-194
Minorities	-43	-82	-56	-54	-80	-111	-60	-4
Net income	2	231	89	-284	247	139	122	33
Statutory expense ratio (%)	9.7	5.5	6.9	8.2	9.2	9.2	10.2	3.3%-p
Assets under management ² (EUR bn)	212	222	223	221	229	237	242	19

1) Including non-operating trading income

2) Group own assets (incl. trading), fully consolidated across segments

Dresdner Bank¹: key figures and ratios per quarter (EUR m)

	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	Δ3Q 04/03
Net interest income ²	611	581	491	729	517	584	658	167
Net fee & commission income	671	573	579	564	708	582	569	-10
Net trading income	611	466	320	97	440	472	253	-67
Operating revenues	1,893	1,621	1,389	1,390	1,664	1,638	1,480	90
Operating expenses	-1,479	-1,382	-1,484	-1,394	-1,354	-1,321	-1,292	191
Net loan-loss provisions	-351	-348	-24	-293	-135	-82	-54	-31
Operating profit	63	-109	-118	-297	174	234	133	251
Net of other income/expenses	26	-296	-18	-325	14	-76	-120	-103
Investment result	-264	3	149	-81	3	59	83	-66
Restructuring expenses	-19	-204	-60	-558	-12	-104	-10	49
Profit b/taxes, b/min., b/GW am.	-194	-605	-46	-1,260	179	113	85	132
Amortization of goodwill	-79	-60	-58	-73	-67	-62	-65	-7
Taxes	-93	632	80	455	9	97	127	47
Minorities	13	-1	-2	-16	-20	-18	-18	-17
Net income	-353	-33	-25	-894	102	129	129	154
RWA EoP (BIS) (EUR bn)	134.1	132.5	121.9	111.7	108.1	106.8	104.9	-17.0
Operating cost-income ratio ³ (%)	78.1	85.2	106.8	100.3	81.4	80.7	87.3	-19.5%-p

1) Dresdner Bank contribution to Allianz' banking segment

3) Operating expenses as percentage of operating revenues

2) From 2004 onwards, the "Current result from associated enterprises" is shown within "Net interest income" (formerly: "Investment result")

Dresdner Bank¹: key figures by divisions (EUR m)

9M 2004	PBC	CB	DrKW	Corp. Other ²	DreBa ex IRU	IRU	Total
Operating profit	371	366	217		613		542
				-341 ⁴		-71	
Net interest income	1,091	503	225	-333	1,486	272	1,758
Net fee & commission income	1,203	223	404	10	1,840	19	1,858
Net trading income	25	41	934	160	1,160	5	1,165
Operating revenues	2,319	767	1,563	-163	4,486	295	4,781
Operating expenses	-1,795	-357	-1,347	-276	-3,775	-193	-3,968
Net loan-loss provisions	-154	-44	1	99	-98	-173	-271
Operating profit	371	366	217	-341	613	-71	542
RWA end of period (BIS) (EUR bn)	35.5	21.7	30.3	12.2	99.6	5.3	104.9
Operating cost-income ratio ³ (%)	77.4	46.5	86.2	n.m.	84.1	65.4	83.0

1) Dresdner Bank contribution to Allianz' banking segment

2) Incl. corporate items, corporate functions, corporate investments and consolidations

3) Operating expenses as percentage of operating revenues

4) Thereof IAS 39: EUR -18m

Asset Management: key figures and ratios per quarter (EUR m)

	1Q 03	2Q 03	3Q 03	4Q 03	1Q 04	2Q 04	3Q 04	Δ3Q 04/03
Operating revenues	488	544	632	574	544	556	564	-68
Operating expenses	-351	-361	-424	-369	-364	-375	-347	77
Operating profit	137	183	208	205	180	181	217	9
Goodwill amortization & other acquisition-related exp.	-212	-209	-212	-203	-212	-214	-211	1
Taxes	18	5	-1	-6	-1	-4	-3	-2
Minorities	-54	-51	-38	-40	-40	-42	-42	-4
Net income	-111	-72	-43	-44	-73	-79	-39	4
Cost-income ratio (%)	71.9	66.4	67.1	64.3	66.9	67.5	61.5	-5.6%-p
Third-party AuM (EUR bn)	553	571	571	565	598	599	592	21

Group asset allocation¹: breakdown per segment (EUR bn)

9M 2004	Total	in %	P/C	in %	L/H	in %	Bank	in %	AM	in %
Equity	50.6	14.2	16.7	18.2	26.4	11.2	7.5	27.2	0.1	9.3
Fixed income	276.3	77.5	60.0	65.2	198.0	83.7	17.8	65.0	0.5	90.0
Real estate	14.6	4.1	4.9	5.3	7.6	3.2	2.1	7.8	0.0	0.1
Others	14.9	4.2	10.4	11.3	4.5	1.9	0.0	0.0	0.0	0.6
Subtotal	356.4	100.0	92.0	100.0	236.5	100.0	27.3	100.0	0.6	100.0
Trading	89.5		0.3		5.1		84.0		0.1	
Group assets	445.9		92.3		241.6		111.3		0.7	

1) Group own assets, fully consolidated across segments

Investment result¹: breakdown per segment (EUR m)

	Total		P/C		L/H		Bank		AM	
	9M 03	9M 04	9M 03	9M 04	9M 03	9M 04	9M 03	9M 04	9M 03	9M 04
Current income	11,534	11,799	2,738	2,787	8,093	8,174	693	832	11	6
Realized gains/losses	1,816	2,645	2,237	1,341	-595	1,008	168	292	5	4
Write-ups/write-downs	-1,975	-536	-756	-268	-980	30	-239	-298	0	0
Expenses	-975	-754	-675	-500	-288	-248	0	0	-12	-6
Subtotal	10,400	13,155	3,544	3,360	6,230	8,965	622	826	4	4
Trading income	275	1,285	-1,379	-138	211	262	1,425	1,160	18	2
Contribution to group net investment income	10,675	14,440	2,165	3,222	6,442	9,226	2,047	1,986	22	6
Segment net investment income²			2,417	4,536	6,733	9,518	2,061	2,154	34	12

1) All figures fully consolidated across segments

2) Segment consolidated

Reconciliation of P/C and L/H ratios

P/C		L/H	
Loss ratio		Expense ratio	
8.1 Benefits payable to policy holders (EUR m) 20,453 20,623 - Change in aggregate policy and other reserves: 339 968 - Expenses for premium refund: 20,114 19,655 - Claims incurred: 20,114 19,655		12.1 Acquisition costs & administrative expenses (EUR m) 7,409 7,508 - Expenses for management of investments: 333 309 - Underwriting costs: 7,076 7,199	
÷ 1.1 Net premiums earned (EUR m): 28,068 28,827		÷ 1.1 Net premiums earned (EUR m): 28,068 28,827	
= Loss ratio: 71.7% 68.2%		= Expense ratio: 25.2% 25.0%	
		Expense ratio (statutory)	
		12.1 Acquisition costs & administrative expenses (EUR m) 2,610 3,242 - Expenses for management of investments: 376 342 - Underwriting costs: 2,234 2,900	
		÷ 1.1 Net premiums earned (EUR m): 13,358 13,002	
		+ Premiums from inv. oriented products (EUR m): 15,863 17,391	
		= Statutory exp. ratio: 7.6% 9.5%	

1) P/L line item

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Certain of the statements contained herein may be 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 that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words 'may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential, or continue' and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults (vii) interest rate levels, (viii) currency exchange rates including the Euro-U.S. dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, including monetary convergence and the European Monetary Union, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The matters discussed herein may also involve risks and uncertainties described from time to time in Allianz AG's filings with the U.S. Securities and Exchange Commission. The company assumes no obligation to update any forward-looking statement.

No duty to update

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