

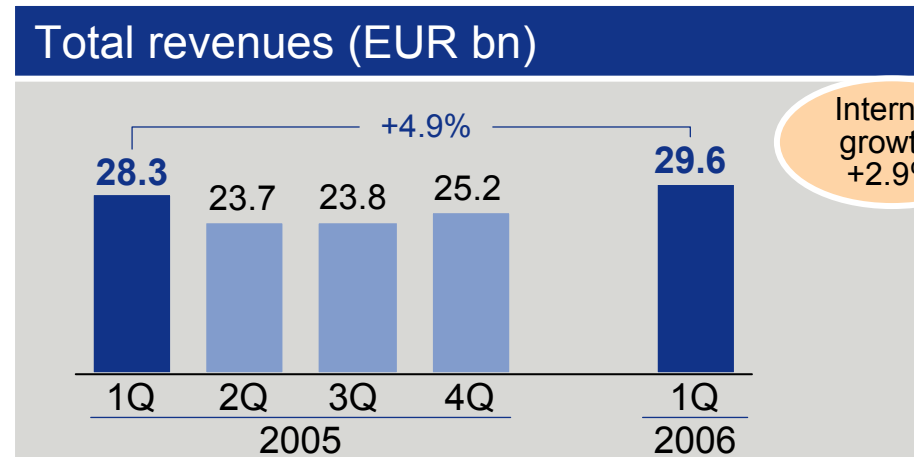
Helmut Perlet, Member of the Board of Management

# Group financial results for the first quarter 2006

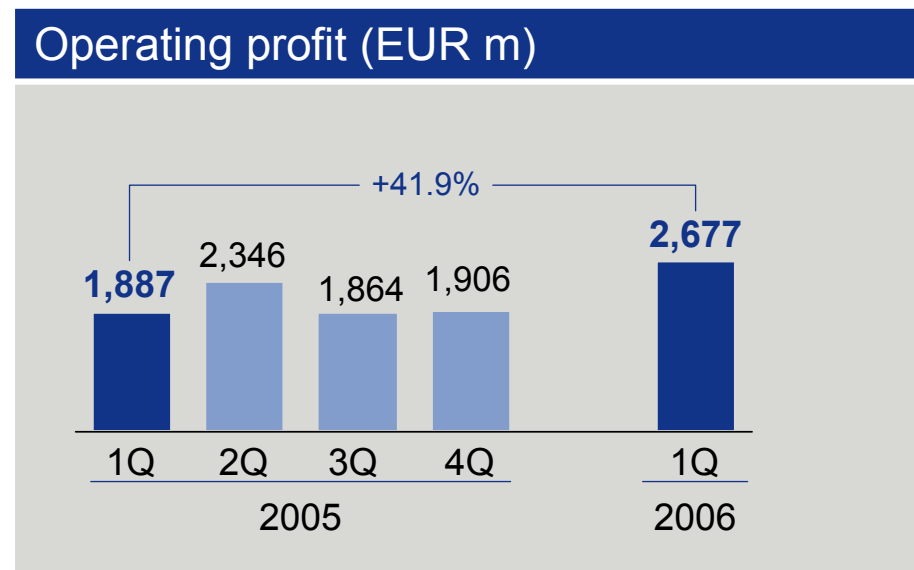
Analysts' Conference Call  
May 12, 2006

**Allianz** 

## Group overview (1/2): very good start into 2006

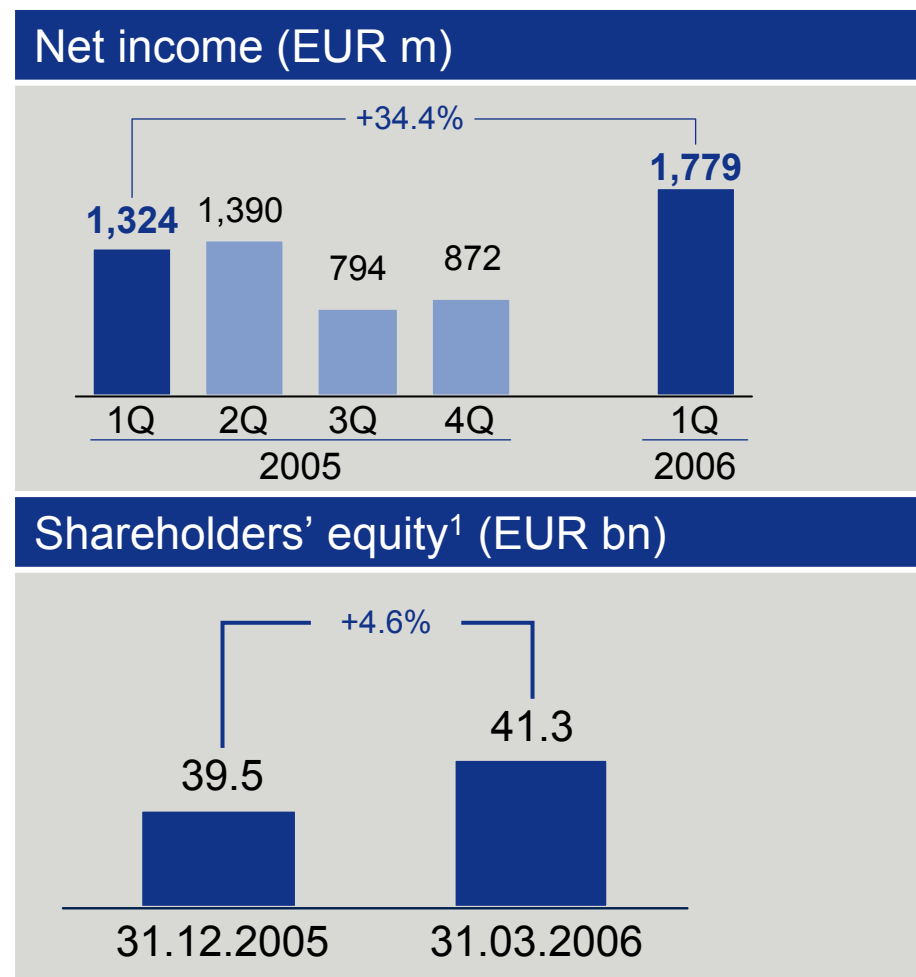


- Development in line with expectations
- Strong growth particularly in New Europe and Asia-Pacific



- All segments contribute significantly to improvement, thereof Dresdner Bank EUR 320m

## Group overview (2/2): very good start into 2006



- High quality of result: net income improvement entirely driven by operating profit

- Profit further strengthens capital base

1) Before minority interests

## Reporting changes: transparency significantly improved...

Reporting changes effective 1Q 2006		Improvements
<b>New P&amp;L<sup>1</sup> structure</b>	<ul style="list-style-type: none"> <li>▪ P&amp;L structure reworked</li> <li>▪ Individual P&amp;L positions newly defined</li> </ul>	<ul style="list-style-type: none"> <li>- Consistent labels across all reporting formats</li> <li>- Ratios can be directly derived from P&amp;L position</li> </ul>
<b>Introduction of „corporate segment“</b>	<ul style="list-style-type: none"> <li>▪ Holding activities reported separately</li> </ul>	<ul style="list-style-type: none"> <li>- Better representation of operating performance of business segments</li> </ul>
<b>New consolidation method</b>	<ul style="list-style-type: none"> <li>▪ Intragroup dividends eliminated at receiving segment (except L/H)</li> </ul>	<ul style="list-style-type: none"> <li>- Consolidation adjustments vastly reduced</li> </ul>
<b>New definition of „operating profit“</b>	<ul style="list-style-type: none"> <li>▪ Definition of „operating profit“ reworked</li> <li>▪ L/H: now including net realized gains and impairments for with-profits business</li> </ul>	<ul style="list-style-type: none"> <li>- Better representation of operating performance</li> <li>- Increased consistency across segments</li> </ul>
<b>Adjustments to „combined ratio“</b>	<ul style="list-style-type: none"> <li>▪ Previous definition of combined ratio amended by „full combined ratio“ elements and parts of „other income/ expenses“</li> </ul>	<ul style="list-style-type: none"> <li>- P&amp;L position „other income/ expenses“ reduced</li> </ul>

1) Profit and loss statement

## Reporting changes: ...no change in net income (EUR m)

Old reporting format								New reporting format							
	2005					2006			2005					2006	
	1Q	2Q	3Q	4Q	12M	1Q	Δ1Q 06/05		1Q	2Q	3Q	4Q	12M	1Q	Δ1Q 06/05
Op. profit	1,820	2,374	1,723	1,826	7,743	2,450	+630	Op. profit <sup>2</sup>	1,887	2,346	1,864	1,906	8,003	2,677	+790
- P/C	1,004	1,390	696	1,072	4,162	1,114	+110	- P/C	1,214	1,650	992	1,286	5,142	1,386	+172
- L/H	357	448	478	320	1,603	507	+150	- L/H	517	472	556	549	2,094	723	+206
- Banking	228	281	250	86	845	523	+295	- Banking	229	213	253	10	705	547	+318
- AM	231	255	299	348	1,133	306	+75	- AM	231	254	300	349	1,134	304	+73
								Corporate	-267	-190	-223	-201	-881	-180	+87
Non-op. result	446	-229	-65	-15	137	592	+146	Non-op. result	368	-212	-218	-112	-174	354	-14
Income b/tax, minorities	2,266	2,145	1,658	1,811	7,880	3,042	+776	Income b/tax, minorities	2,255	2,134	1,646	1,794	7,829	3,031	+776
Income taxes <sup>1</sup>	-596	-415	-530	-573	-2,114	-910	-314	Income taxes	-585	-404	-517	-557	-2,063	-899	-314
Minority interest	-346	-340	-334	-366	-1,386	-353	-7	Minority interest	-346	-340	-335	-365	-1,386	-353	-7
Net income	1,324	1,390	794	872	4,380	1,779	+455	Net income	1,324	1,390	794	872	4,380	1,779	+455
P/C comb. Ratio (in %)	92.1	89.8	97.0	90.1	92.3	n.a.	n.a.	P/C comb. Ratio (in %)	94.0	92.1	98.6	92.5	94.3	94.7	+0.7%-p

1) Formerly "Taxes"

2) Including effect from consolidation of intra-group dividends paid to the Life segment

# Reporting changes: reconciliation of published merger plan figures (EUR m)

■ Impacted 2006 published targets

Old reporting format			
	Plan 2006	Plan 2007	Plan 2008
Operating profit	8,359	9,239	10,362
- P/C	4,267	4,454	4,988
- L/H	1,728	2,102	2,271
- Banking	1,285	1,473	1,713
- Asset Mgmt.	1,079	1,209	1,390
Non-operating result	-140	6	23
Income b/tax, minorities	8,499	9,245	10,385
Income taxes <sup>1</sup>	-2,571	-2,854	-3,386
Minority interest	-1,009	-1,025	-1,088
Net income	4,919	5,366	5,911
Combined ratio (in %)	93.2	93.3	92.8
AuM growth (in %) <sup>3</sup>	12	12	10



New reporting format			
	Plan 2006	Plan 2007	Plan 2008
Operating profit <sup>2</sup>	8,729	9,387	10,564
- P/C	5,026	5,108	5,569
- L/H	2,101	2,366	2,580
- Banking	1,234	1,406	1,650
- Asset Mgmt.	1,076	1,206	1,386
- Corporate	-582	-582	-501
Non-operating result	-265	-178	-211
Income b/tax, minorities	8,464	9,209	10,353
Income taxes	-2,536	-2,818	-3,354
Minority interest	-1,009	-1,025	-1,088
Net income	4,919	5,366	5,911
Comb. Rat. (in %)	95.2	94.7	94.3
AuM gro. (in %) <sup>3</sup>	12	12	10

CAGR 2005-2008  
9.7%

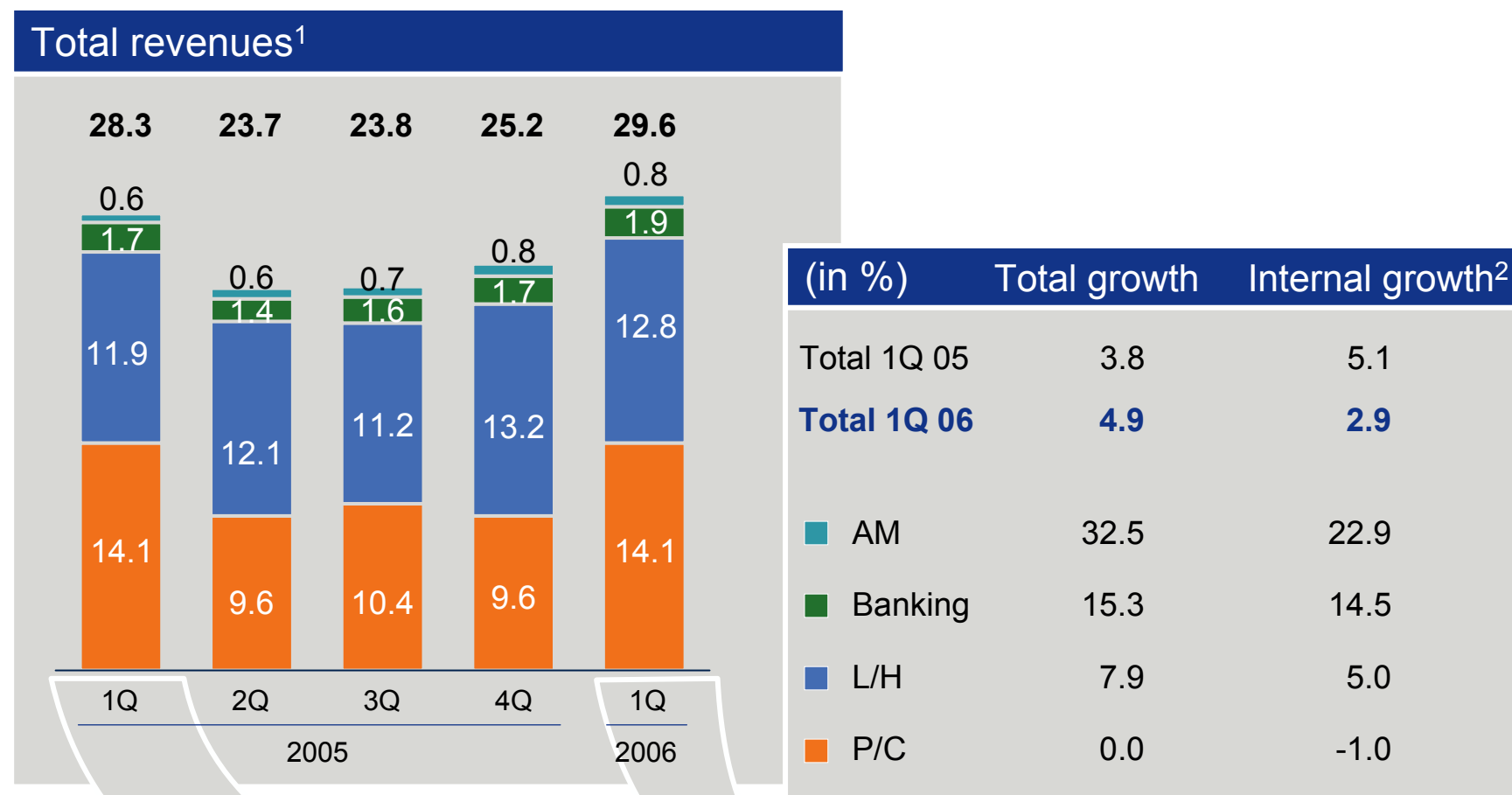
CAGR 2005-2008  
10.5%

1) Formerly "Taxes"  
 2) Including effect from consolidation of intra-group dividends paid to the Life segment  
 3) Before F/X effects

## Agenda

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# Life drives growth (EUR bn)

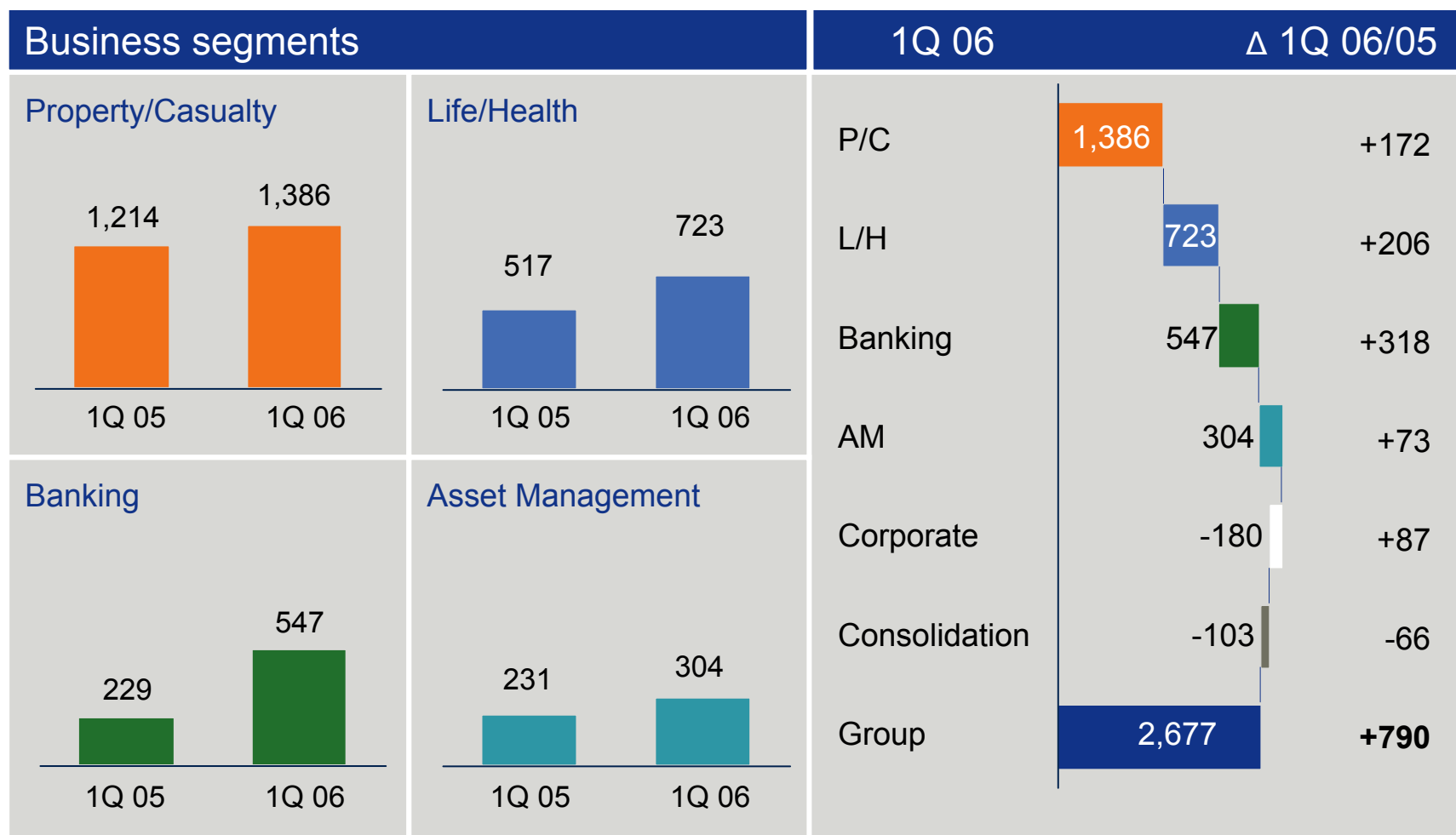


1) Revenues comprise gross premiums written in P/C, statutory premiums in L/H and operating revenues in Banking and Asset Management. All segment figures are based on segment consolidated numbers; figures for the Group as a whole are based on fully consolidated figures

2) Adjusted for F/X effects and consolidation effects. Internal growth on segment level is based on segment consolidated data. Total and internal growth for total revenues are based on fully consolidated figures



# Operating profit<sup>1</sup>: all segments improve (EUR m)



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1) Operating profit is a measure which we believe highlights the underlying profitability of our operation. For a description of how we measure operating profit and a reconciliation to profit before taxes and minorities, see section "Additional information" (page 35)

## Non-operating items unchanged (EUR m)

Breakdown of non-operating items			
	1Q 05	1Q 06	Δ1Q 06/05
Realized gains/losses and impairments of investments (net)	742	778	+36
Interest expense from external debt	-193	-198	-5
Restructuring charges	-5	-4	+1
Acquisition-related expenses	-136	-138	-2
Other non-operating	-40	-84	-44
<b>Total non-operating items</b>	<b>368</b>	<b>354</b>	<b>-14</b>

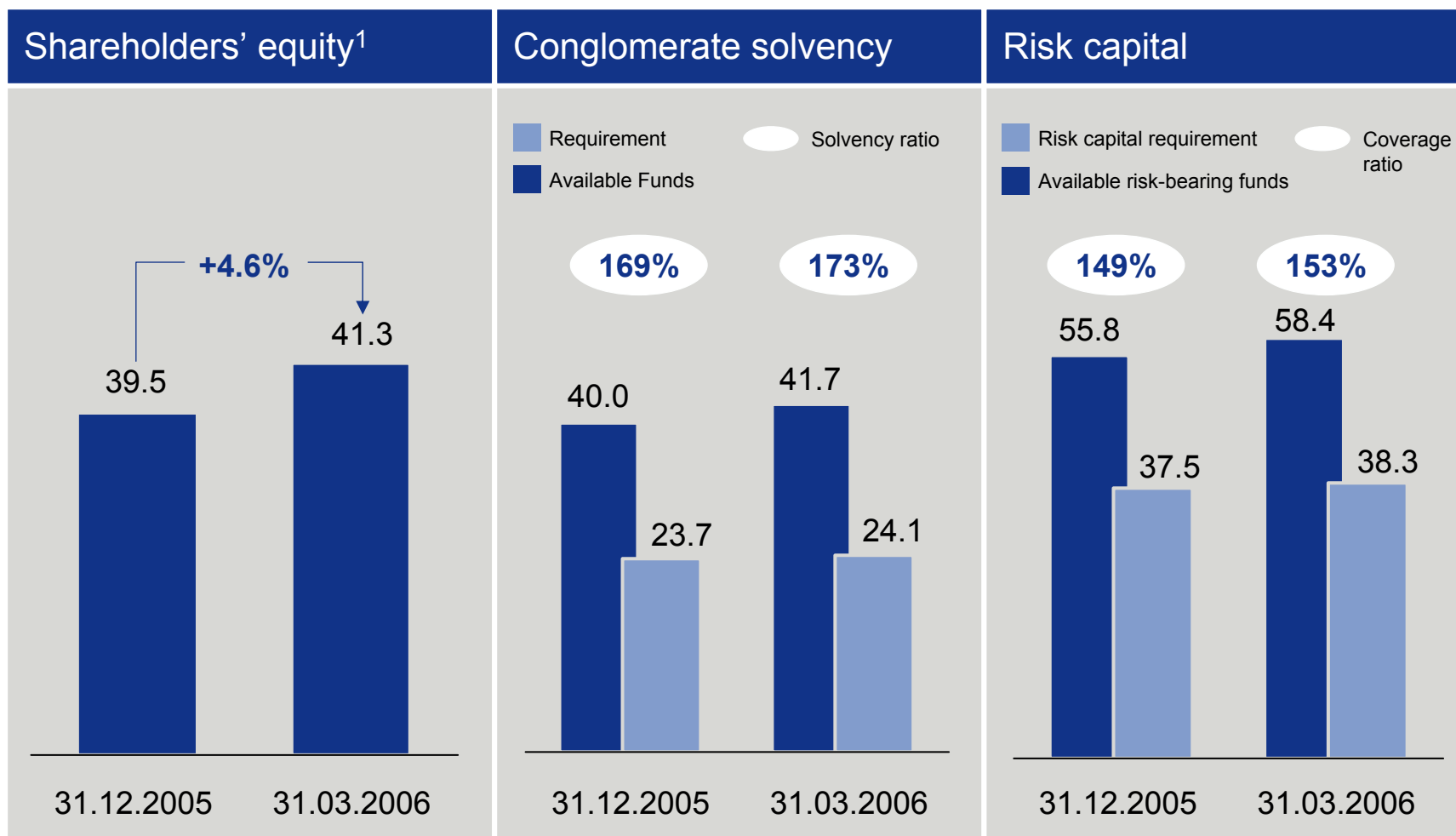
- Harvesting rate (non-operating)  
1Q 06: 2.7% (1Q 05: 2.6%)

## Net income: solely driven by further improved operating profit (EUR m)

	1Q 05	1Q 06	Δ 1Q 06/05
<b>Operating profit</b>	<b>1,887</b>	<b>2,677</b>	<b>+790</b>
Non-operating items	368	354	-14
<b>Income before income taxes, minority interests</b>	<b>2,255</b>	<b>3,031</b>	<b>+776</b>
Income taxes	-585	-899	-314
Minority interests	-346	-353	-7
<b>Net income</b>	<b>1,324</b>	<b>1,779</b>	<b>+455</b>

**Successful start  
into 2006**

# Capital base further improved (EUR bn)



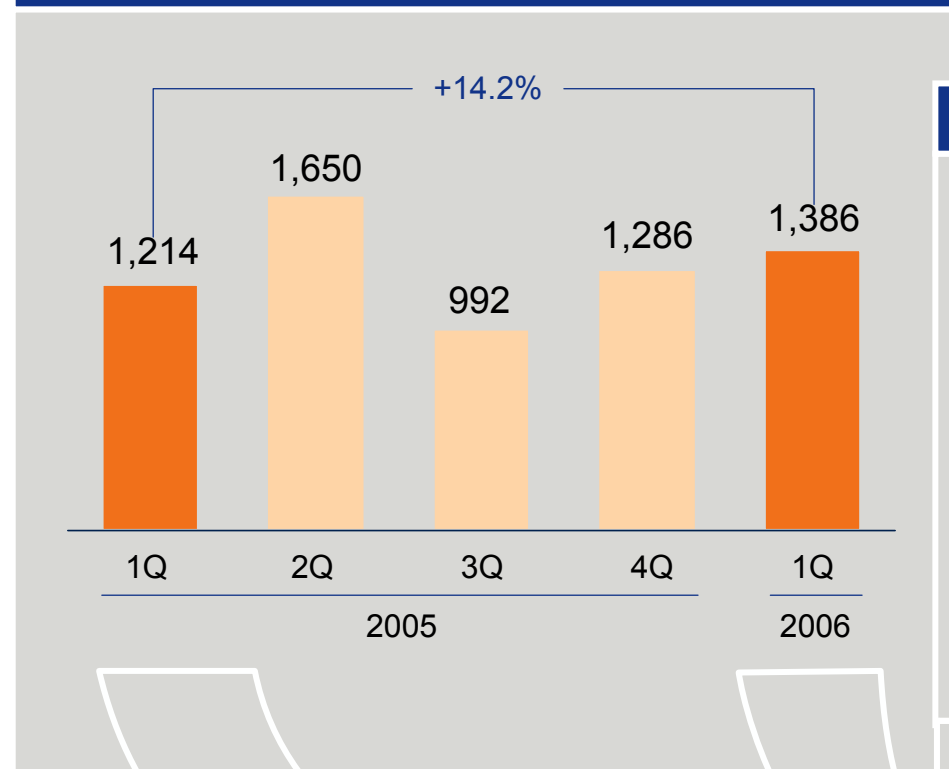
1) Before minority interests (1.1.2006: EUR 7,615m; 31.03.2006: EUR 7,705m)

## Agenda

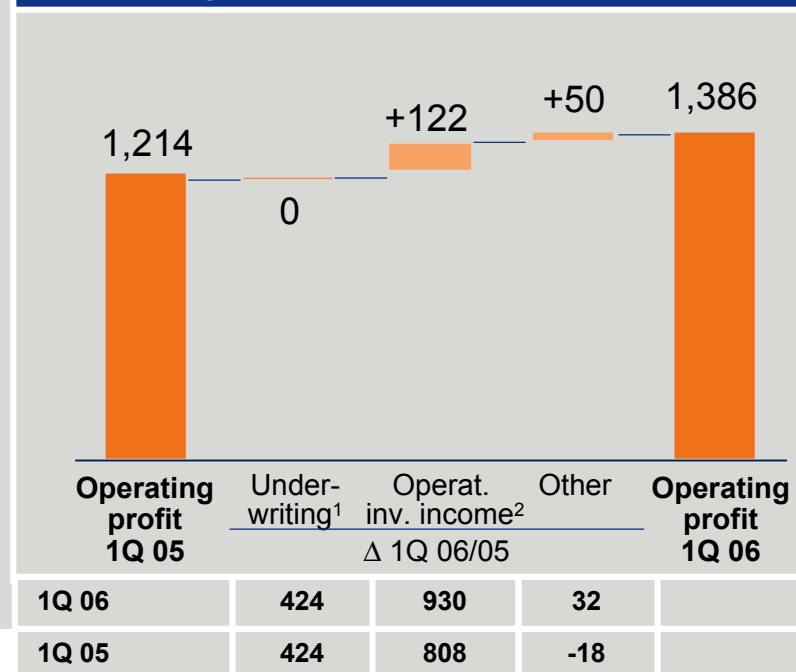
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# P/C overview: superior level of profitability maintained (EUR m)

## Operating profit



## Operating profit drivers



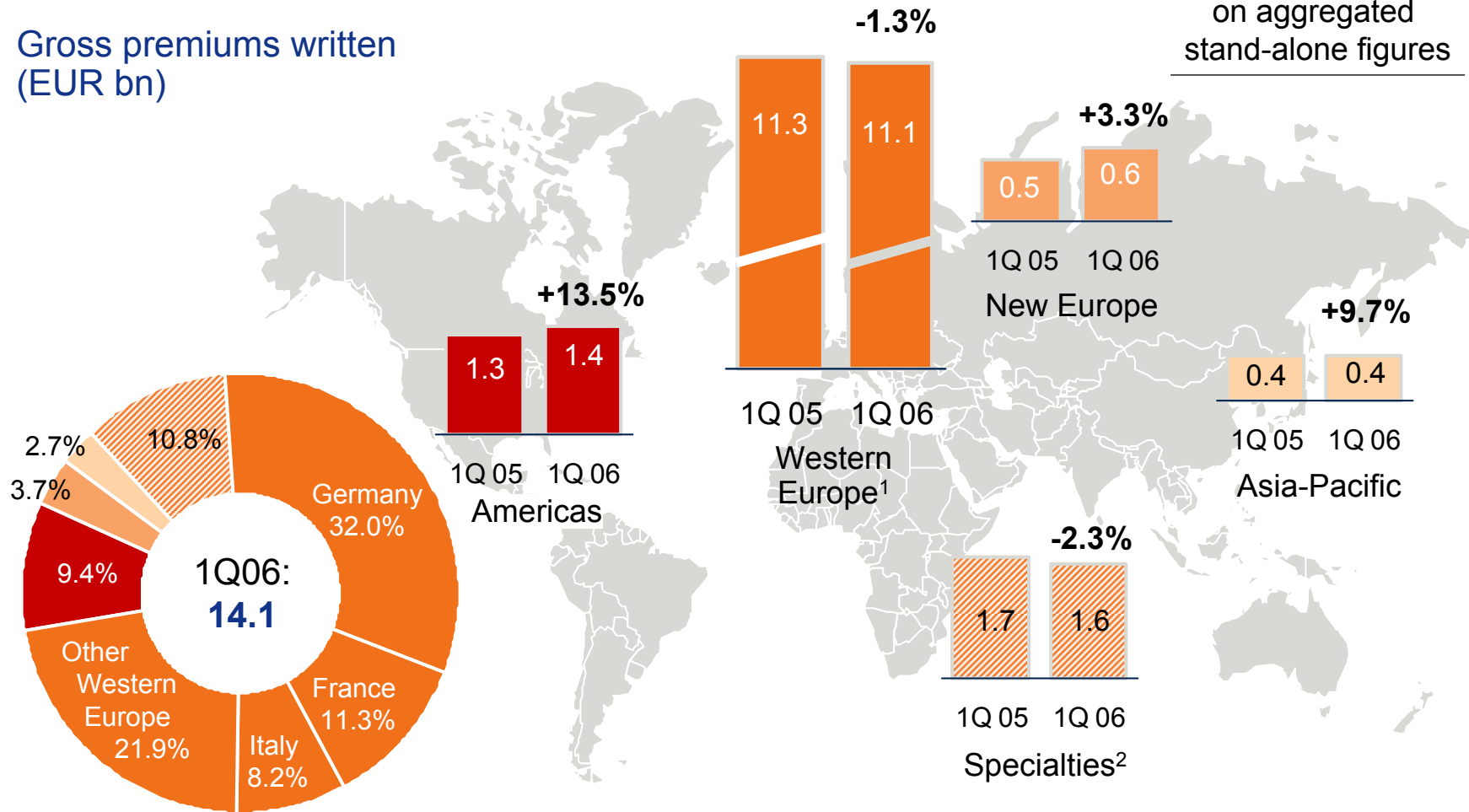
	Under-writing <sup>1</sup>	Operat. inv. income <sup>2</sup>	Other	
1Q 06	424	930	32	
1Q 05	424	808	-18	

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1) Comprises "premiums earned (net)", "claims and insurance benefits incurred (net)", "acquisition and administrative expenses (net)" and "Changes in reserves for insurance and investment contracts"  
 2) Includes "interest & similar income", "inc. fr. fin. ass./liab. carried at fair value through income", "Realized gains/losses on participating policies" and "Investment expenses"

# P/C: disciplined underwriting

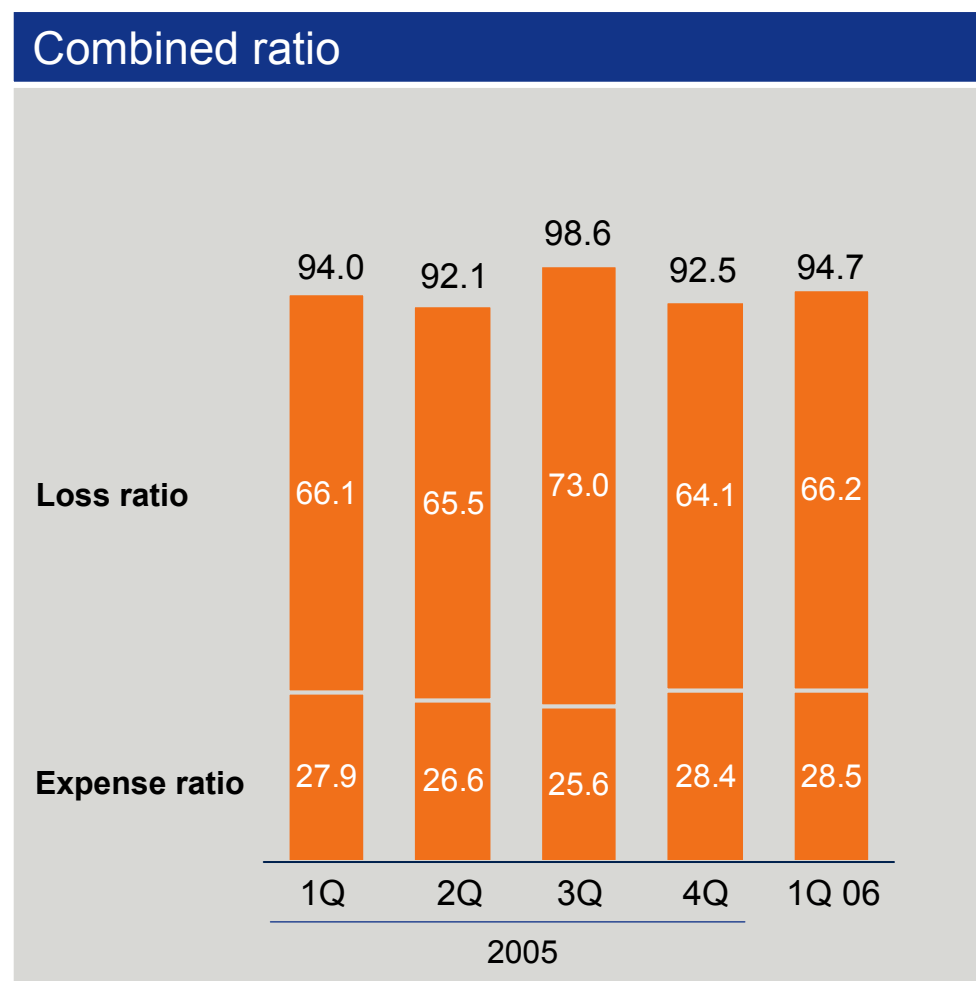
Gross premiums written (EUR bn)



1) Including Egypt, Ivory Coast and Lebanon  
 2) Including AMA, AGR, Credit Insurance and Travel Insurance

## P/C: loss ratio unchanged (in %)

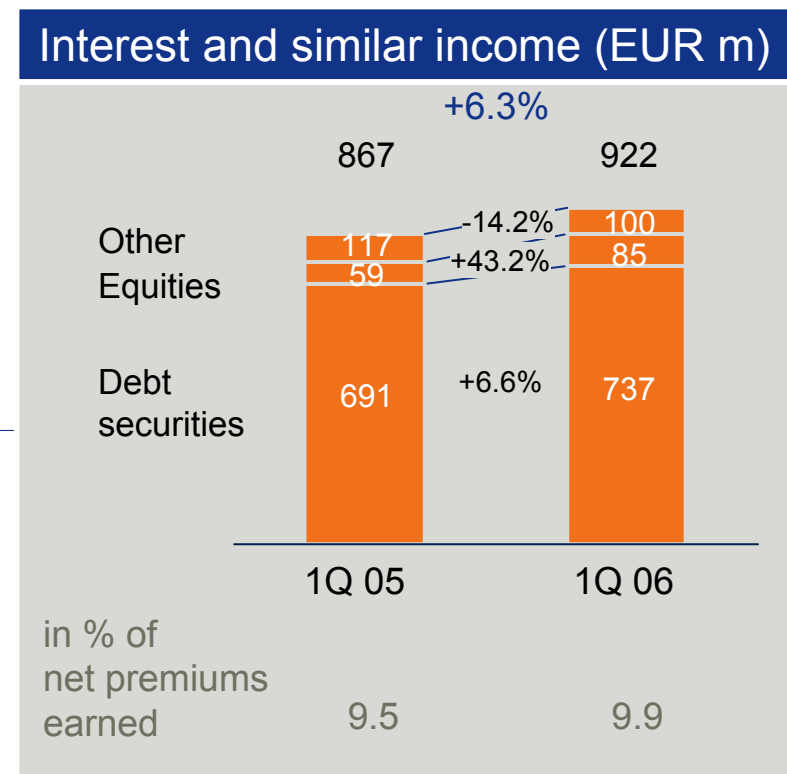
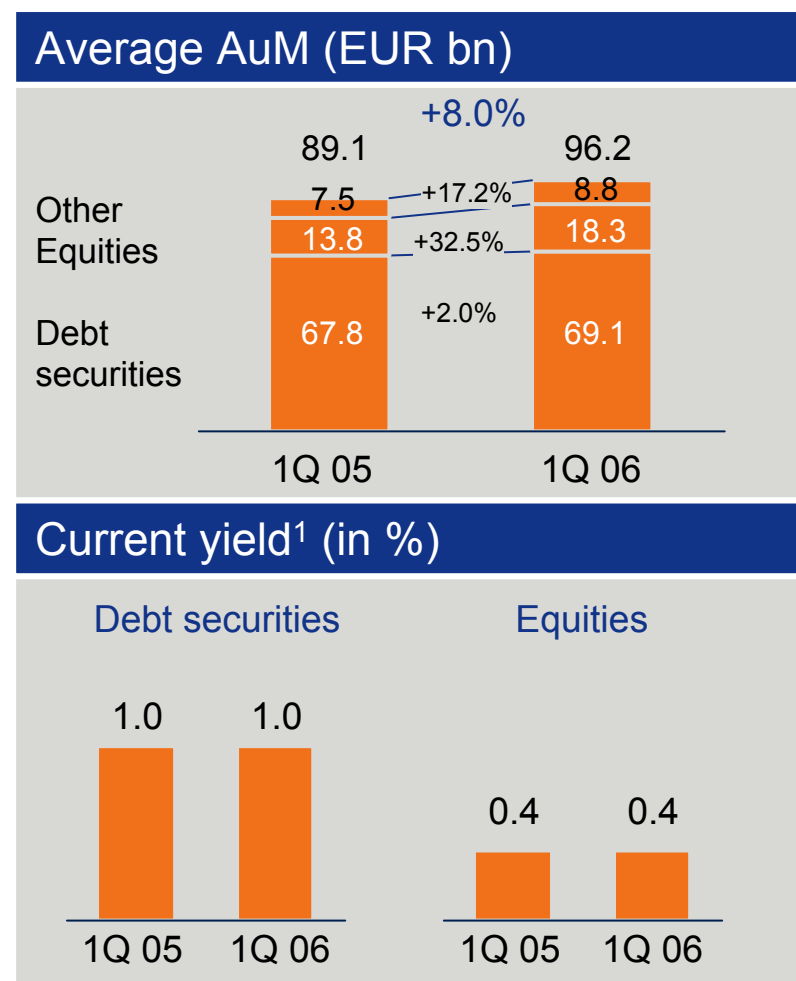
Combined ratio	1Q 05	1Q 06
SGD (German P/C Group)	89.4	90.8
AGF	104.7	101.0
RAS Group Italy	98.4	96.5
Lloyd Adriatico	97.5	97.6
Allianz Cornhill	95.5	97.0
Allianz Spain	92.8	91.4
Allianz Suisse ex. ART	98.2	94.2
New Europe	86.3	89.2
Asia-Pacific <sup>1</sup>	94.9	93.8
Allianz Australia	98.6	102.5
Fireman's Fund	91.7	90.5
Credit insurance	70.5	81.1
AGR & AMA	96.7	85.0
Allianz Re <sup>2</sup>	91.3	94.9



1) Excluding Australia  
2) Comprises P/C reinsurance business



# P/C: interest and similar income 9.9% of net premiums earned

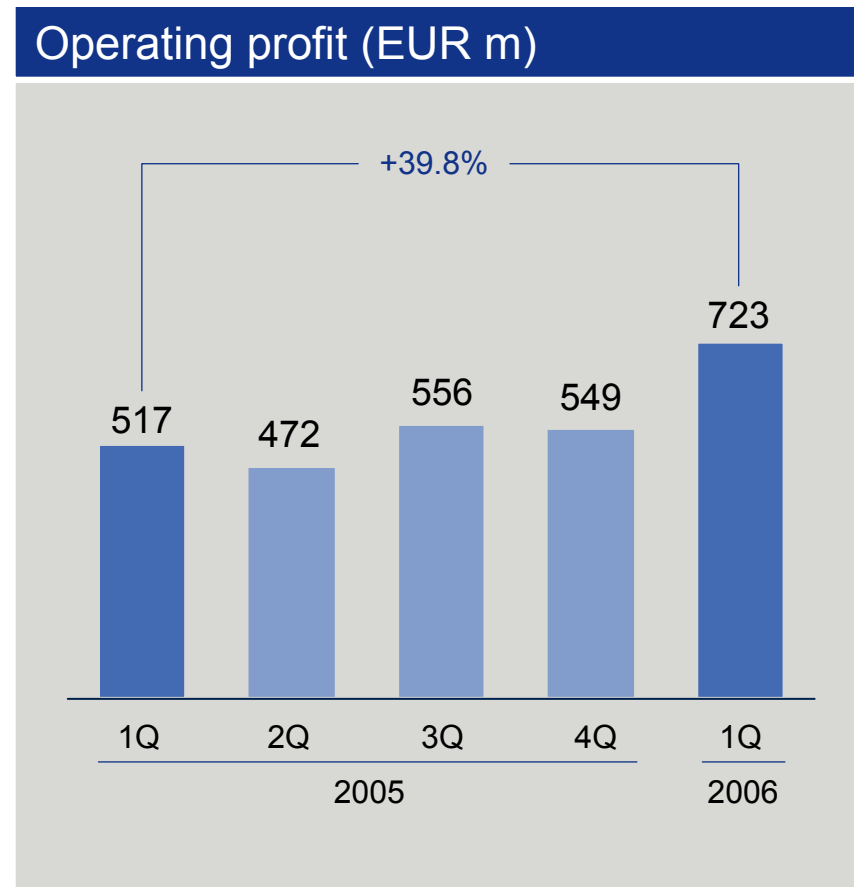


1) Definition: Current yield = interest and similar income / average investments at book value (excl. inc. fr. fin. ass./liab. carried at fair value)

## Agenda

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## L/H overview: profitable growth



- 28% of revenue growth<sup>1</sup> from emerging markets
- Increase in operating profit across all regions. Reserve margin<sup>2</sup> increases 4bp to 22bp. Main drivers:
  - **Higher margins** for shareholders
  - Increased **asset and premium base** due to growth in recent years
  - Further improved **efficiency** (stat. expense ratio down 0.2%-p if adjusting for true-ups)
- **Harvesting**<sup>3</sup>, though high in absolute terms (EUR 1.1bn), **lower than 1Q 2005** (EUR 1.3bn)

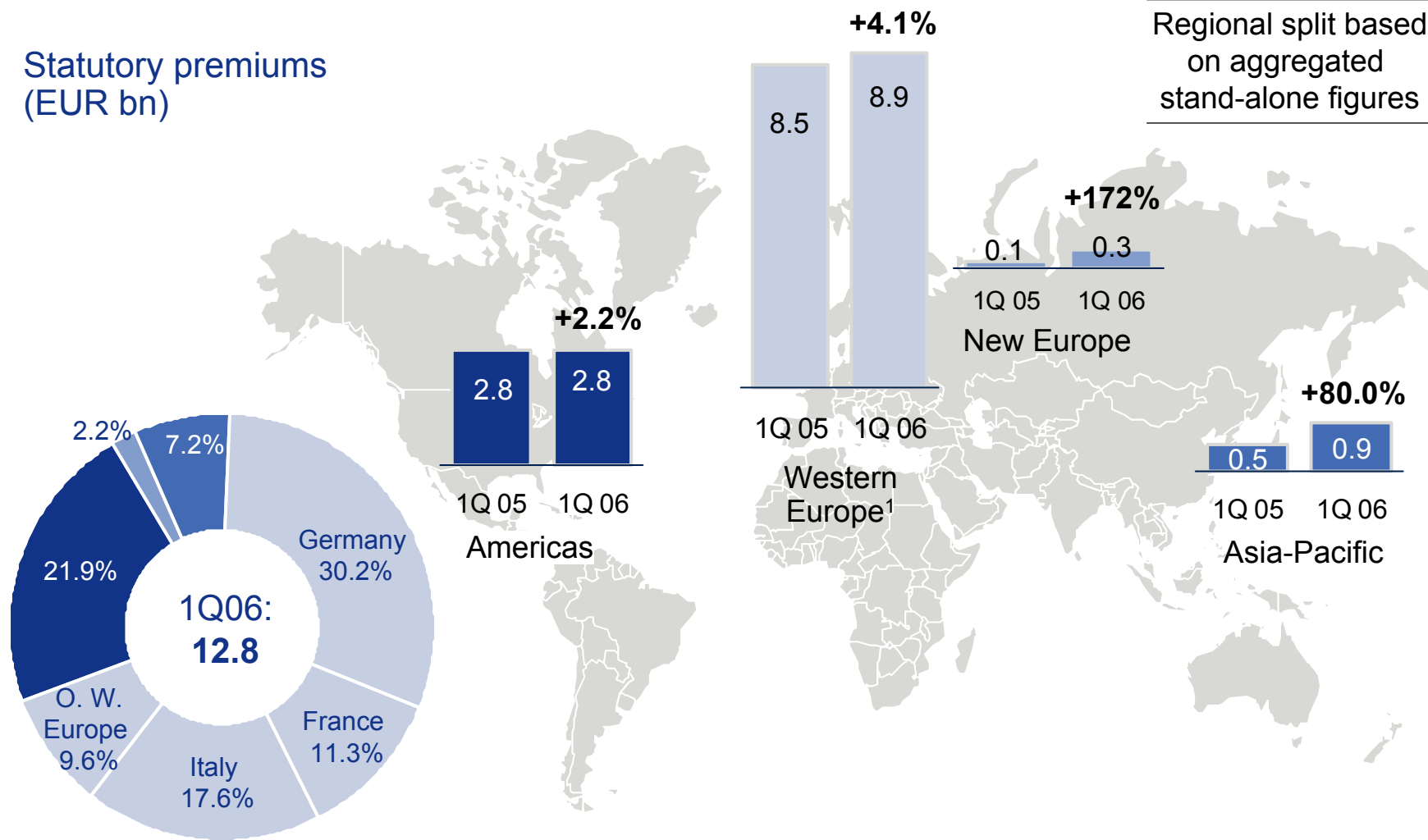
1) Refers to internal growth

2) Operating profit in % of the sum of technical reserves (end of period) and financial liabilities for unit linked contracts

3) Excluding realized gains/ losses on strategic investments

# L/H: dynamic growth in New Europe and Asia-Pacific

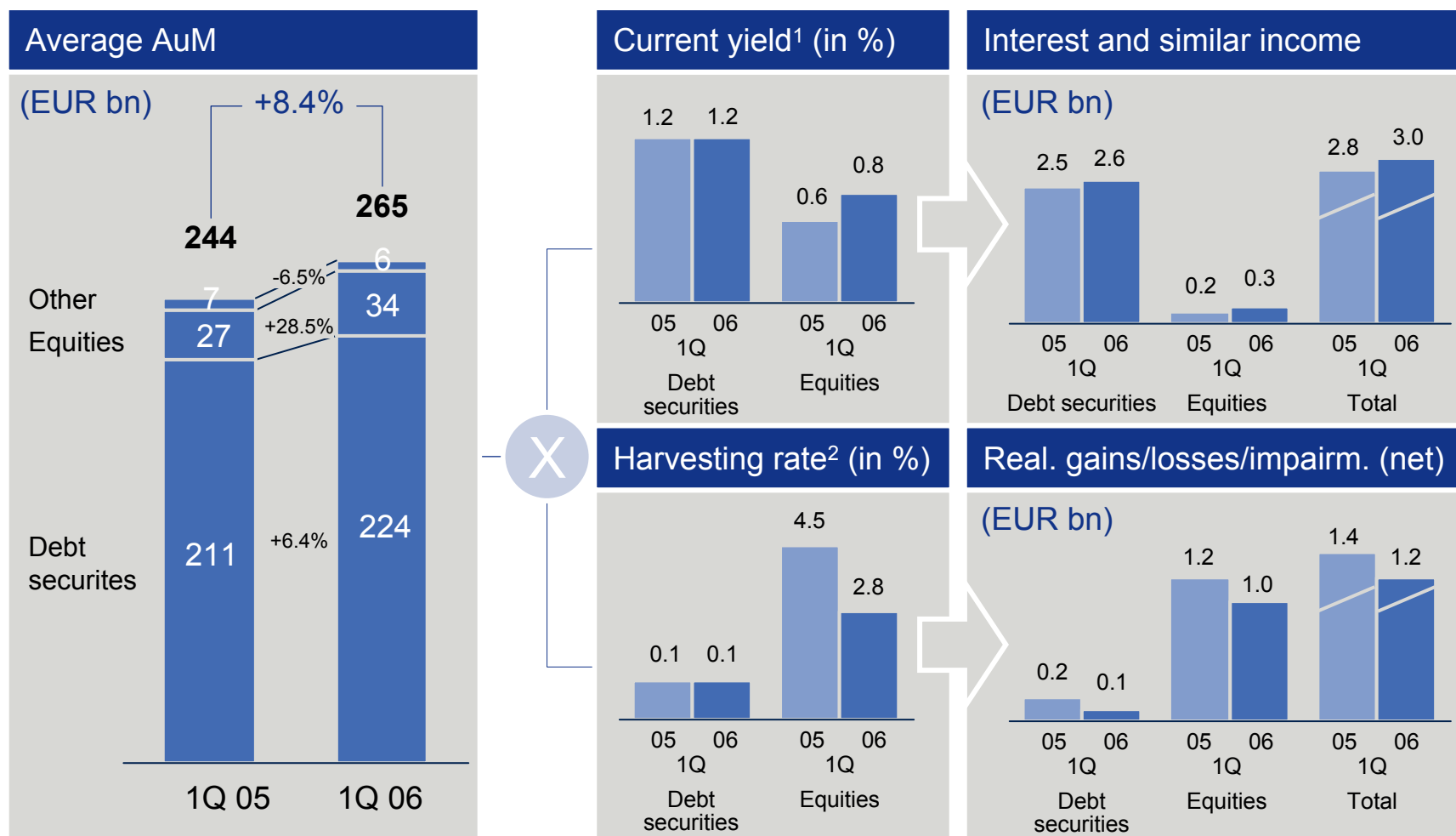
Statutory premiums  
(EUR bn)



Regional split based on aggregated stand-alone figures

1) Includes Ivory Coast, Egypt and Lebanon

# L/H investment income: volume growth balances lower harvesting



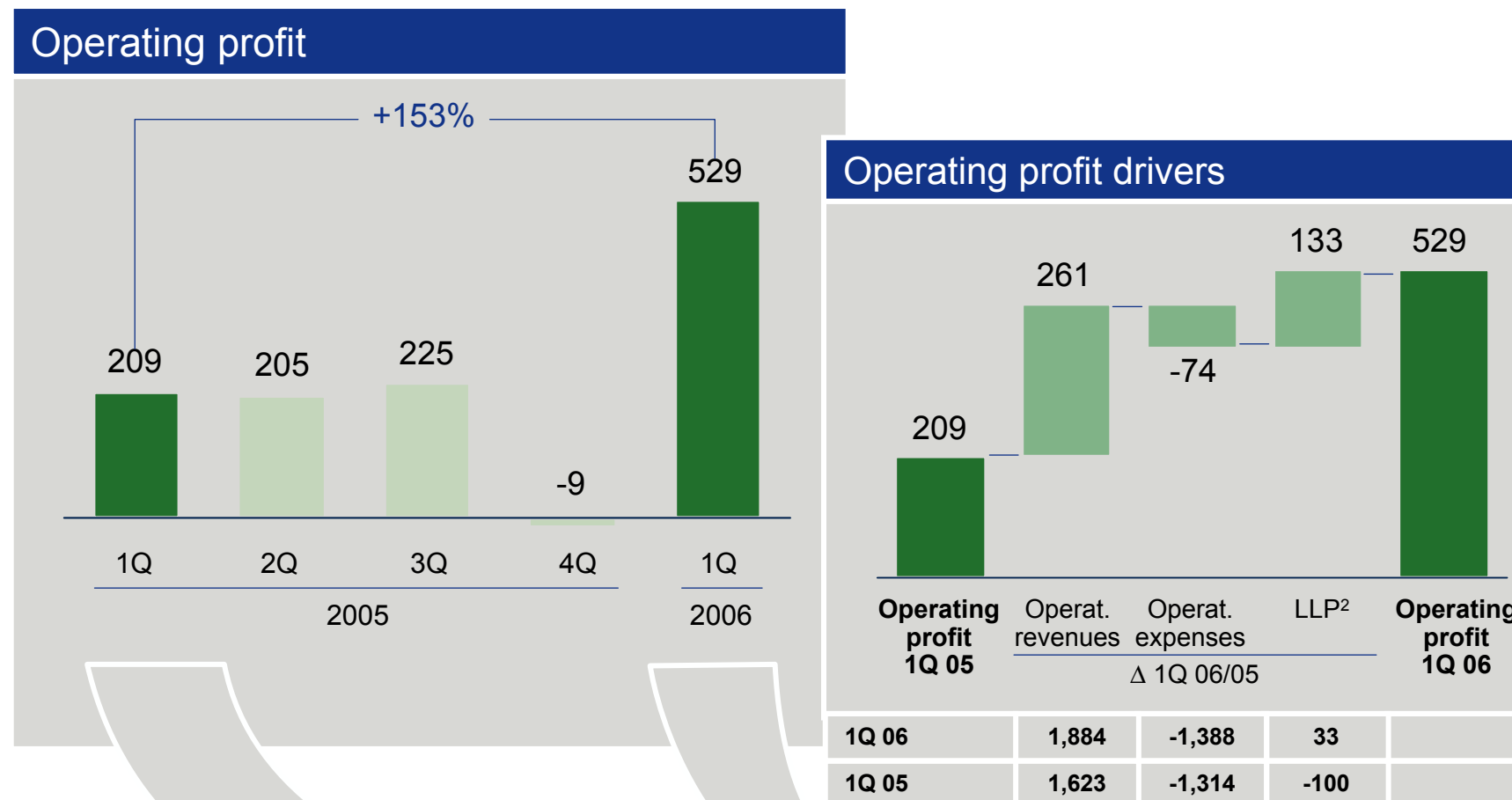
1) Definition: Current yield = interest and similar income / average investments at book value (excl. inc. fr. fin. ass./liab. carried at fair value)

2) Definition: Harvesting rate = (realized gains and losses (net) + impairments on investments (net)) / average investments at book value (excl. inc. fr. fin. ass./liab. carried at fair value)

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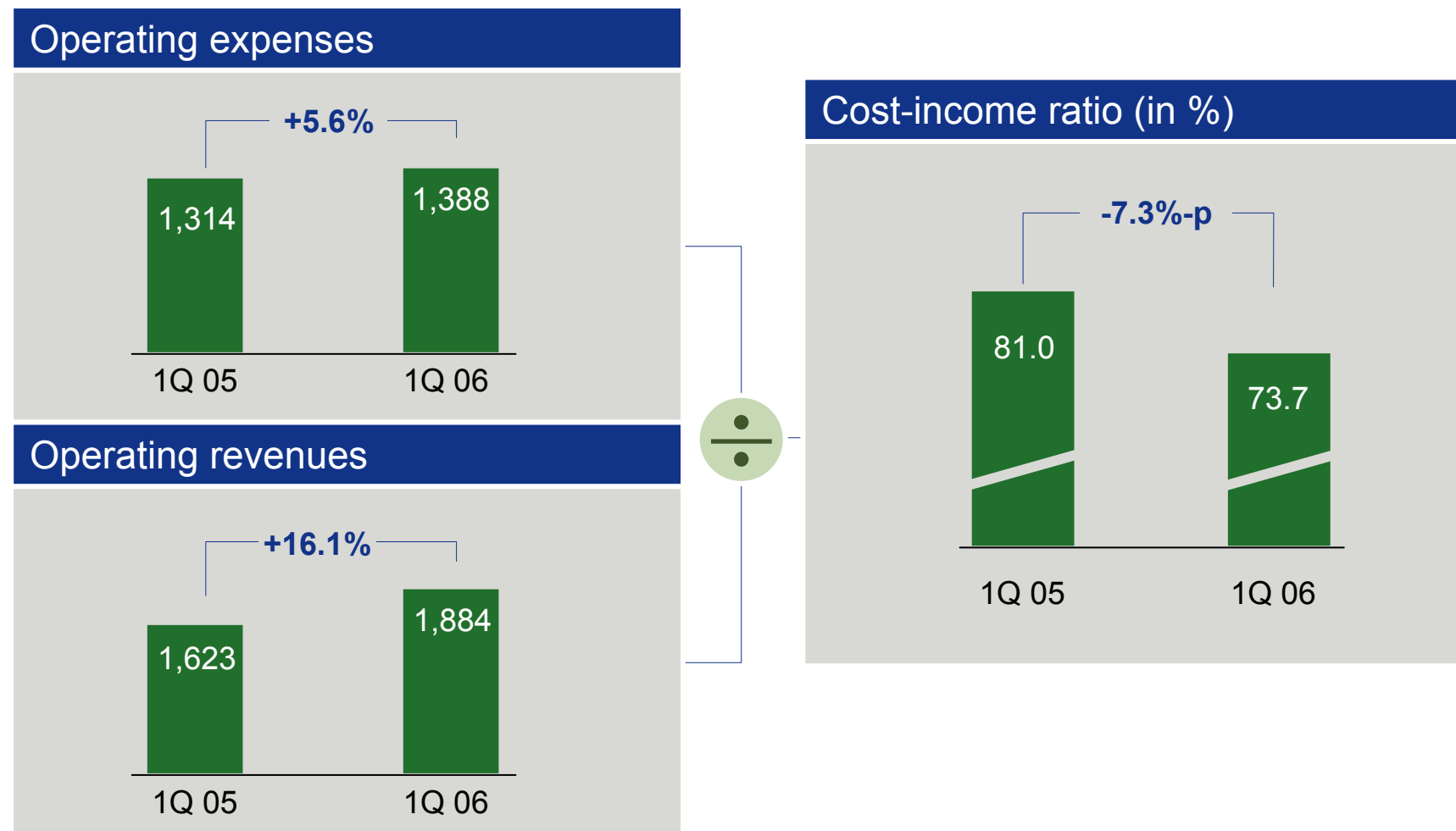
# Dresdner Bank overview<sup>1</sup>: strong 1<sup>st</sup> quarter (EUR m)



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1) Dresdner Bank contribution to Allianz' Banking segment  
2) Loan loss provisions

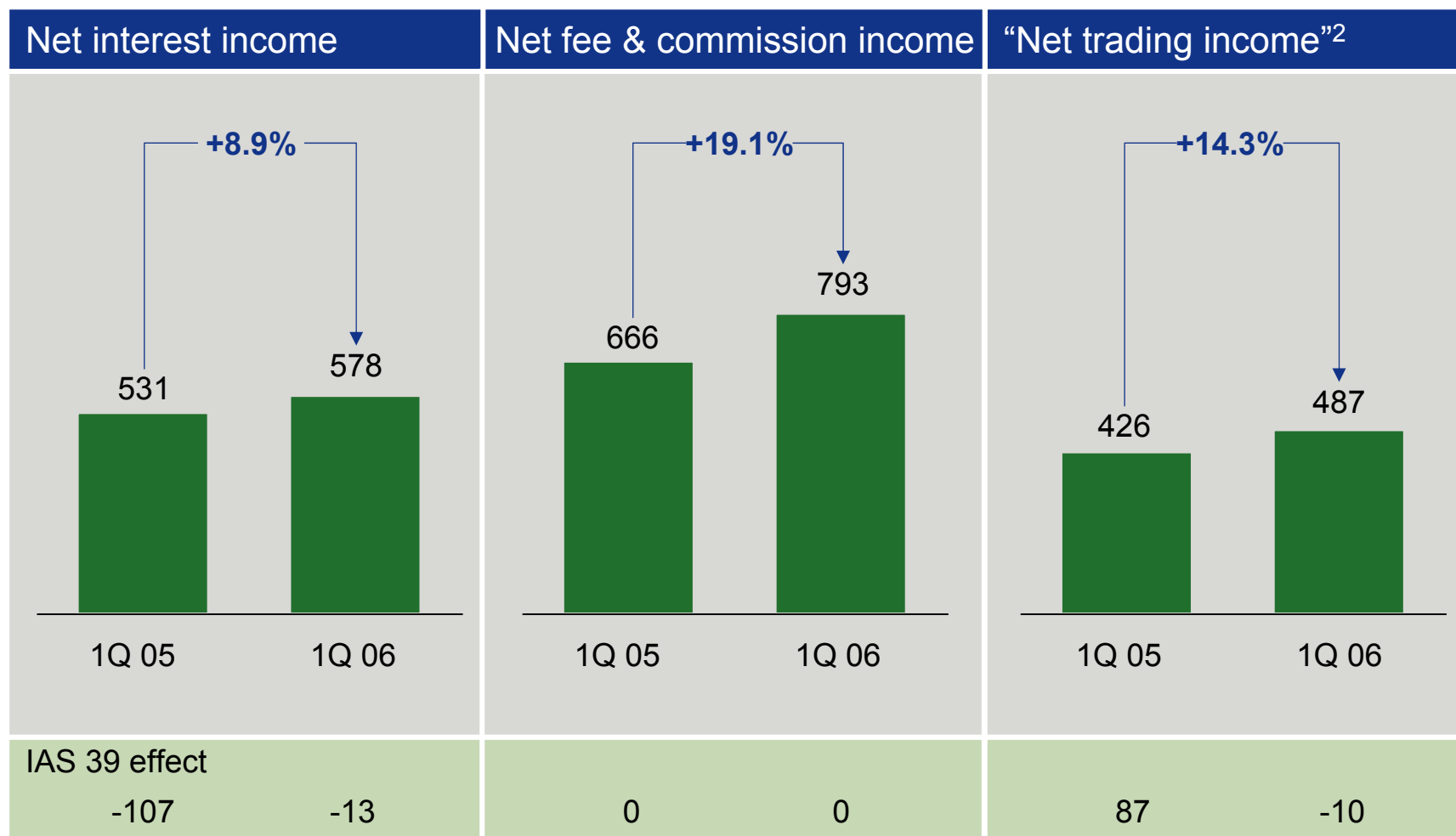
# Dresdner Bank<sup>1</sup>: cost-income ratio considerably improved due to strong revenues (EUR m)



1) Dresdner Bank contribution to Allianz' Banking segment



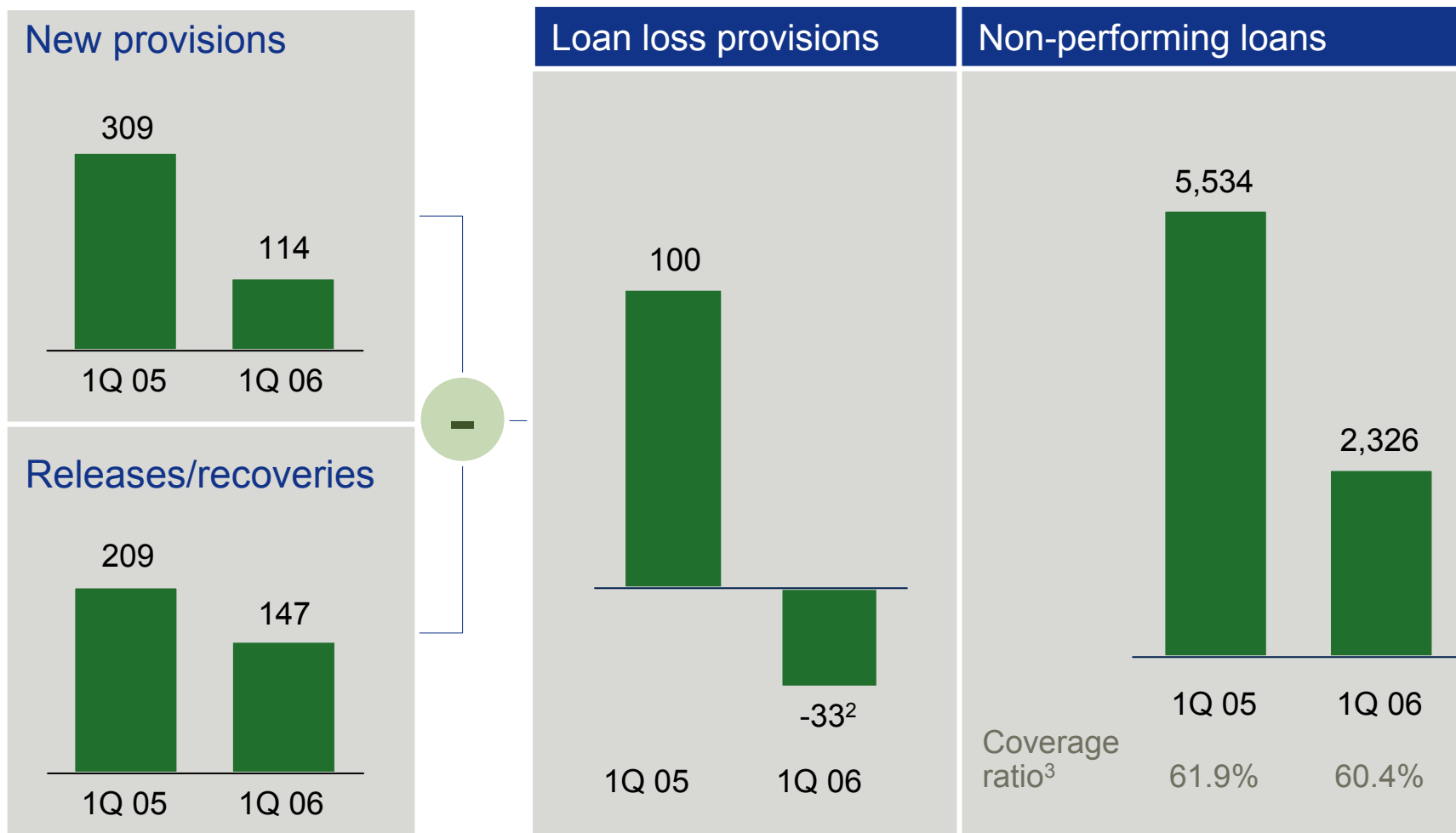
## Dresdner Bank<sup>1</sup>: net fee and commission income drives revenues (EUR m)



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1) Dresdner Bank contribution to Allianz' Banking segment  
 2) Income from assets and liabilities carried at fair value through income

## Dresdner Bank<sup>1</sup>: improved portfolio quality, positive economic environment (EUR m)



1) Dresdner Bank contribution to Allianz' Banking segment  
 2) Release of loan loss provisions  
 3) Coverage ratio = total loan loss allowances / total risk elements

## Dresdner Bank<sup>1</sup>: new divisional reporting (EUR m)

	Private & Business Clients		Corporate & Investment Banking		Corporate Other	
	1Q 05	1Q 06	1Q 05	1Q 06	1Q 05	1Q 06
Operating revenues	799	892	751	967	73	25
Operating expenses	-610	-610	-603	-738	-101	-40
Cost-inc. ratio (in %)	76.3	68.4	80.3	76.3	-	-
Loan loss provisions	-47	-12	-41	34	-12	11
Operating profit	142	270	107	263	-40	-4
Risk capital (EUR bn)	1.6	1.5	3.7	3.7	2.7	2.3

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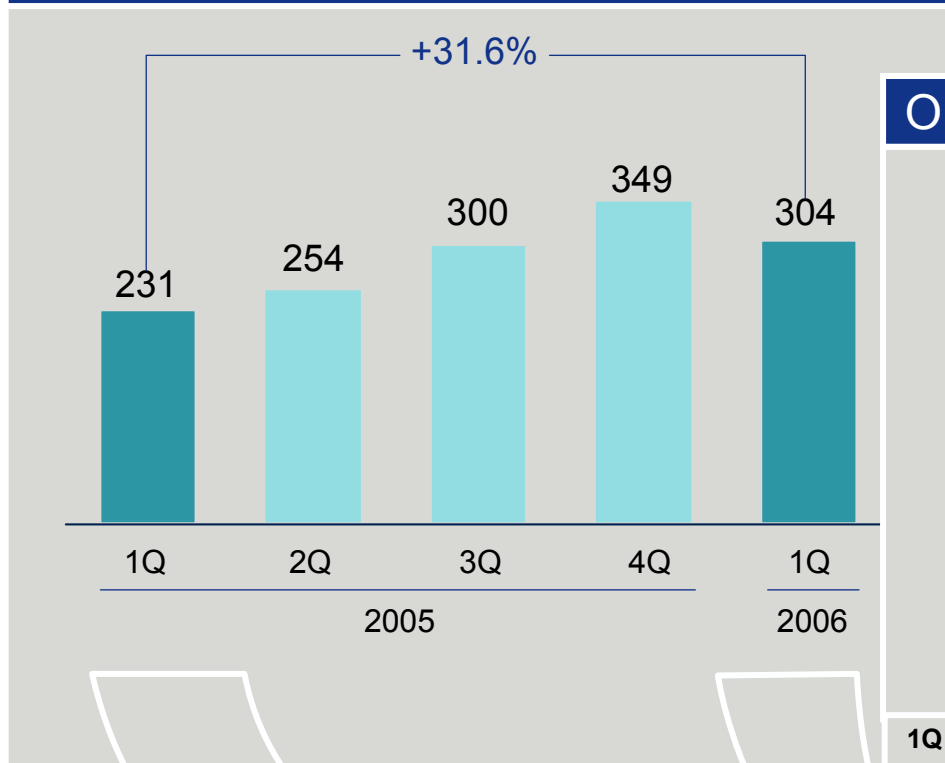
1) Dresdner Bank contribution to Allianz' Banking segment

## Agenda

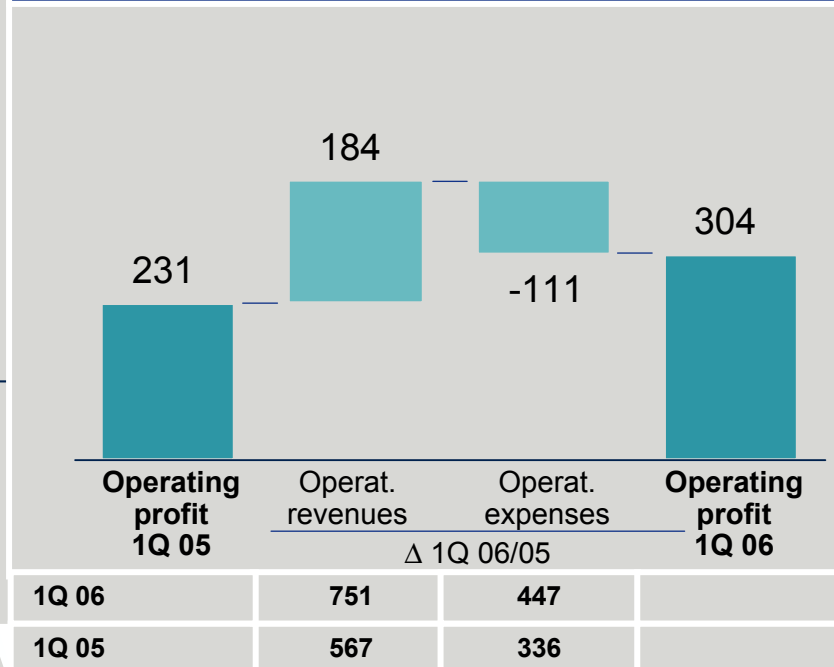
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# Asset Management overview: asset growth and performance (EUR m)

## Operating profit



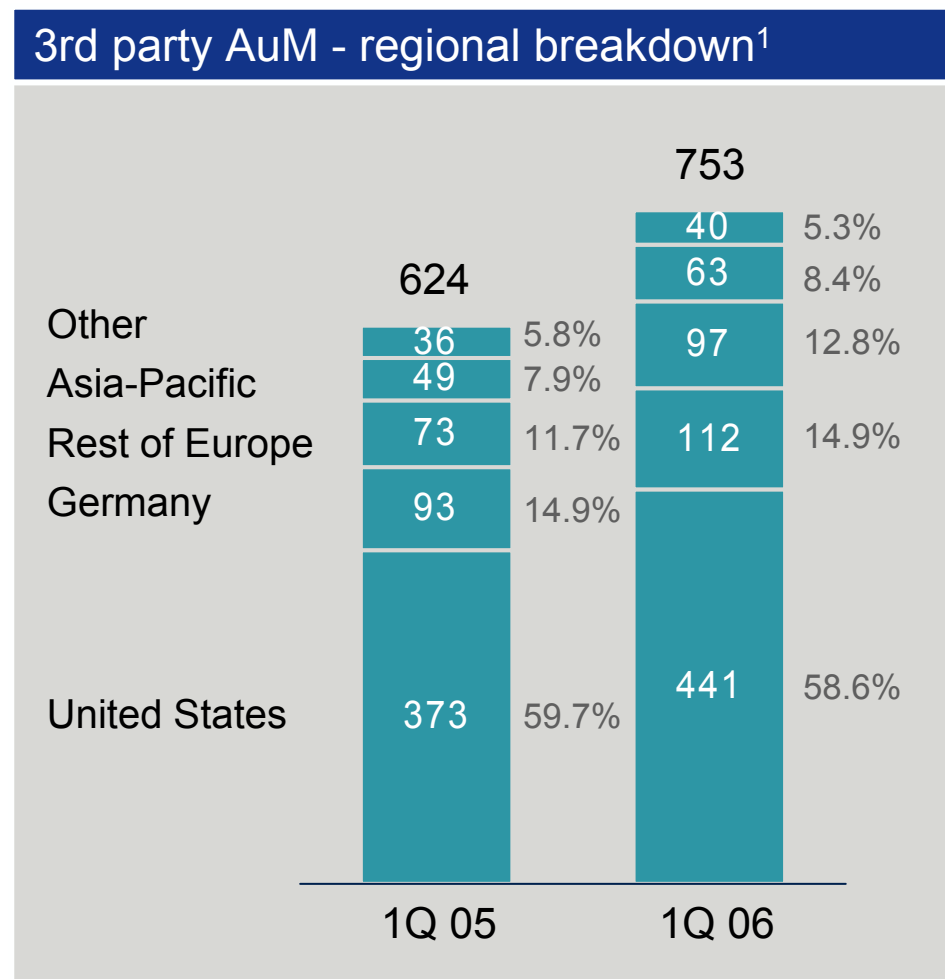
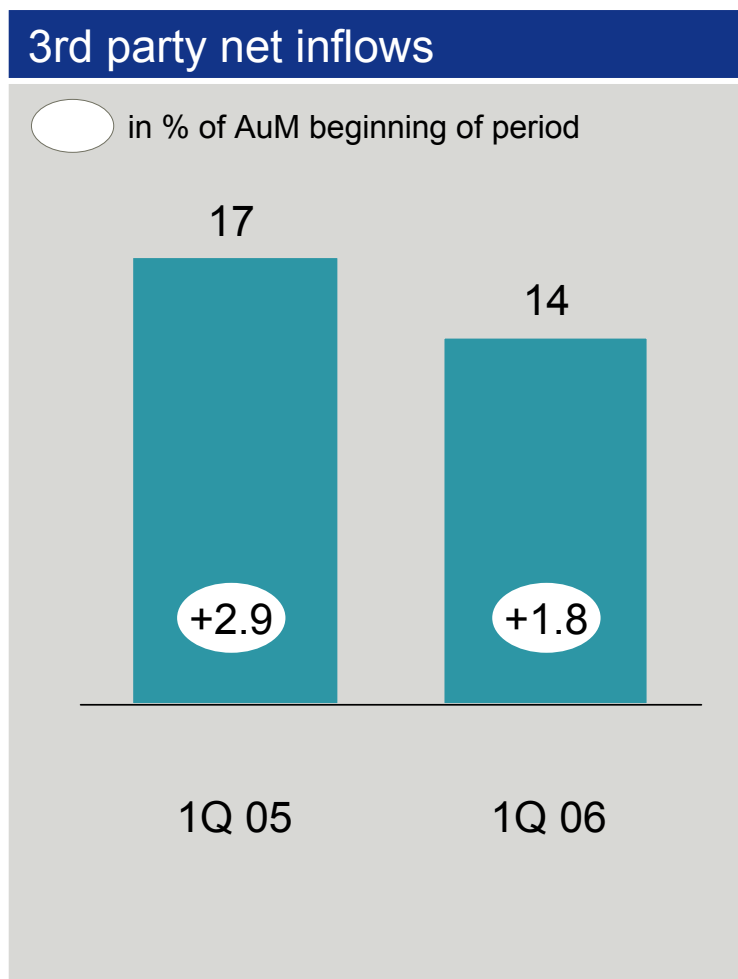
## Operating profit drivers



1Q 06	751	447	
1Q 05	567	336	

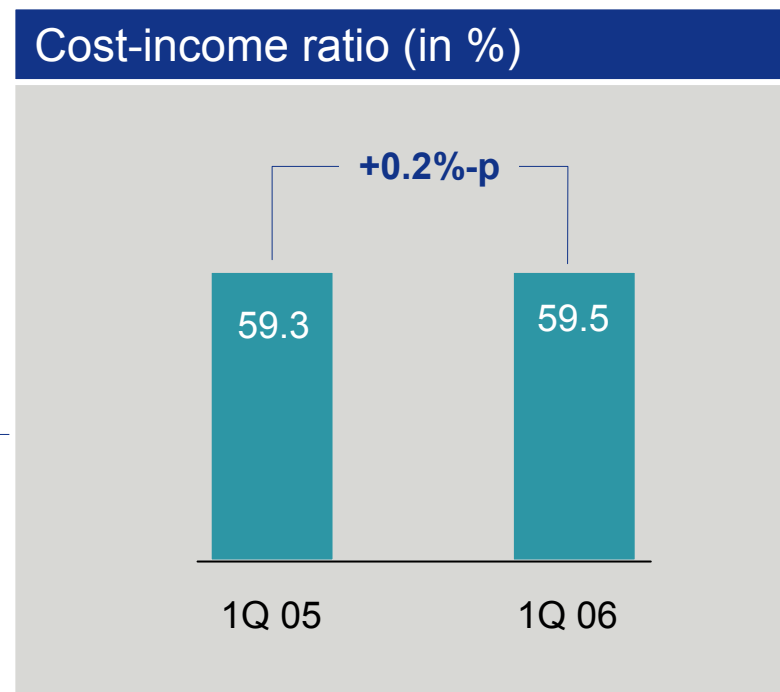
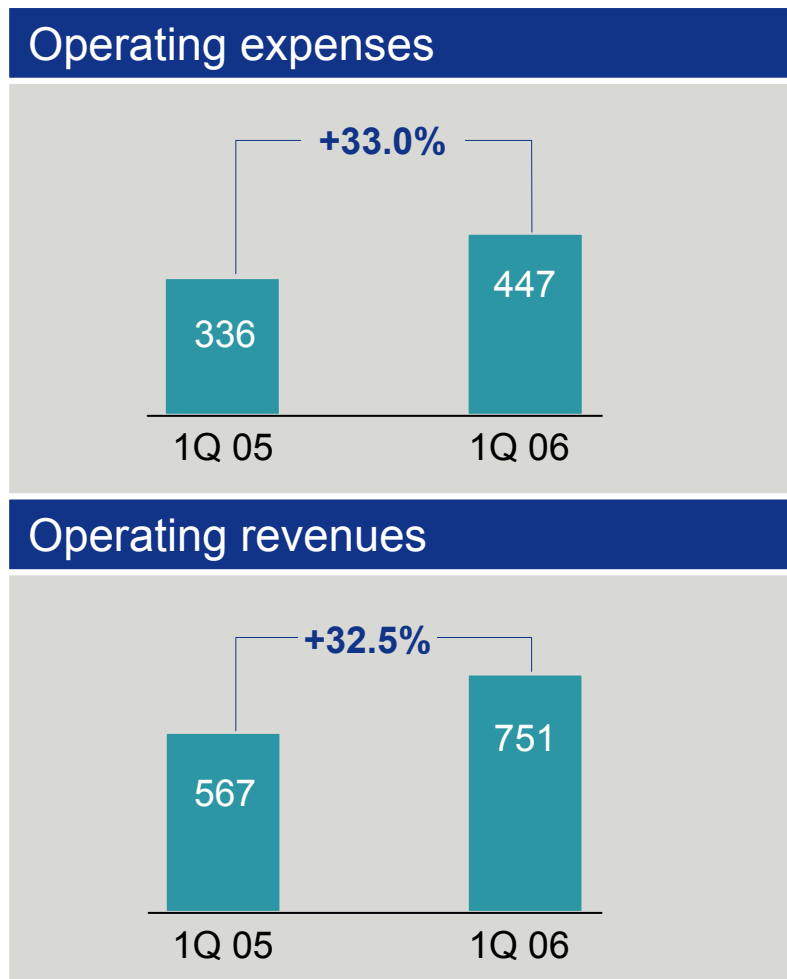
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# Asset Management: ongoing high net inflows (EUR bn)



1) Based on the origination of the assets

# Asset Management: strong AuM-driven revenues (EUR m)



## Agenda

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## Summary

- Net income up 34%
- Improvement solely driven by operating profit
- All segments contribute:
  - Competitive combined ratio maintained
  - Dresdner Bank more than doubled operating profit
  - Strong revenue and profit growth in Life and Asset Mgmt.

# Outlook 2006: well on track for achieving our targets

Targets as presented in analyst meeting March 2006

		Recalculation	Status
Group	- Operat. profit EUR 8.4bn - Net income EUR 4.9bn	- Operat. profit EUR 8.7bn - Net income EUR 4.9bn	
P/C	Combined ratio approx. 93%	Combined ratio approx. 95%	
L/H	Operating profit EUR 1.7bn	Operating profit EUR 2.1bn	
Banking	Operating profit EUR 1.3bn	Operating profit EUR 1.2bn	
Asset Mgmt.	3rd party AuM growth of more than 10%	3rd party AuM growth of more than 10%	

Old reporting format → New reporting format

## Agenda

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## Group: result by segments overview (EUR m)

	P/C		L/H <sup>1</sup>		Banking		AM		Corporate		Consolidation		Total	
	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06
<b>Total revenues</b> (EUR bn)	<b>14.1</b>	<b>14.1</b>	<b>11.9</b>	<b>12.8</b>	<b>1.7</b>	<b>1.9</b>	<b>0.6</b>	<b>0.8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28.3</b>	<b>29.6</b>
<b>Operating profit</b>	<b>1,214</b>	<b>1,386</b>	<b>517</b>	<b>723</b>	<b>229</b>	<b>547</b>	<b>231</b>	<b>304</b>	<b>-267</b>	<b>-180</b>	<b>-37</b>	<b>-103</b>	<b>1,887</b>	<b>2,677</b>
Non-operating items	516	428	88	158	450	392	-164	-136	-123	-211	-399	-277	368	354
<b>Income b/ tax, min.</b>	<b>1,730</b>	<b>1,814</b>	<b>605</b>	<b>881</b>	<b>679</b>	<b>939</b>	<b>67</b>	<b>168</b>	<b>-390</b>	<b>-391</b>	<b>-436</b>	<b>-380</b>	<b>2,255</b>	<b>3,031</b>
Income taxes	-543	-524	-104	-219	-74	-245	-24	-65	153	154	7	0	-585	-899
Minority interests	-191	-190	-122	-128	-26	-28	-13	-13	-1	-2	7	8	-346	-353
<b>Net income</b>	<b>996</b>	<b>1,100</b>	<b>379</b>	<b>534</b>	<b>579</b>	<b>666</b>	<b>30</b>	<b>90</b>	<b>-238</b>	<b>-239</b>	<b>-422</b>	<b>-372</b>	<b>1,324</b>	<b>1,779</b>

1) After gains/losses attributable to policyholders

We evaluate the results of our Property-Casualty, Life/Health, Banking, Asset Management and Corporate segments using a financial performance measure we refer to herein as "operating profit". We define our segment operating profit as income before income taxes and minority interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: income from financial assets and liabilities held for trading (net), realized gains/losses (net), impairments of investments (net), amortization of intangible assets, acquisition-related expenses and restructuring charges. While these excluded items are significant components in understanding and assessing our consolidated financial performance, we believe that the presentation of operating results enhances the understanding and comparability of the performance of our segments by highlighting net income attributable to ongoing segment operations and the underlying profitability of our businesses. For example, we believe that trends in the underlying profitability of our segments can be more clearly identified without the fluctuating effects of the realized gains/losses or impairments of investments, as these are largely dependent on market cycles or issuer specific events over which we have little or no control, and can and do vary, sometimes materially, across periods. Further, the timing of sales that would result in such gains or losses is largely at our discretion. Operating profit is not a substitute for income before income taxes and minority interests in earnings or net income as determined in accordance with International Financial Reporting Standards (or "IFRS"). Our definition of operating profit may differ from similar measures used by other companies, and may change over time.

## Group: key figures per quarter (EUR m)

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Total revenues</b> (EUR bn)	<b>28.3</b>	<b>23.7</b>	<b>23.8</b>	<b>25.2</b>	<b>29.6</b>	<b>1.3</b>
<b>Operating profit</b>	<b>1,887</b>	<b>2,346</b>	<b>1,864</b>	<b>1,906</b>	<b>2,677</b>	<b>790</b>
Non-operating items	368	-212	-218	-112	354	-14
<b>Income b/ tax, min.</b>	<b>2,255</b>	<b>2,134</b>	<b>1,646</b>	<b>1,794</b>	<b>3,031</b>	<b>776</b>
Income taxes	-585	-404	-517	-557	-899	-314
Minority interests	-346	-340	-335	-365	-353	-7
<b>Net income</b>	<b>1,324</b>	<b>1,390</b>	<b>794</b>	<b>872</b>	<b>1,779</b>	<b>455</b>
AuM <sup>1</sup> (EUR bn)	461	471	468	467	463	2

1) Group own assets (incl. financial assets carried at fair value through income), excl. loan portfolio Banking segment

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

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Gross premiums written</b> (EUR bn)	14.1	9.6	10.4	9.6	14.1	0
<b>Operating profit</b>	1,214	1,650	992	1,286	1,386	172
Non-operating items	516	100	188	220	428	-88
<b>Income b/ tax, min.</b>	1,730	1,750	1,180	1,506	1,814	84
Income taxes	-543	-442	-513	-306	-524	19
Minority interest	-191	-205	-161	-270	-190	1
<b>Net income</b>	996	1,103	506	930	1,100	104
Combined ratio (in %)	94.0	92.1	98.6	92.5	94.7	-0.7%-p
AuM <sup>1</sup> (EUR bn)	93	94	96	98	100	7

1) Group own assets (incl. financial assets carried at fair value through income)

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

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Statutory premiums</b> (EUR bn)	<b>11.9</b>	<b>12.1</b>	<b>11.2</b>	<b>13.2</b>	<b>12.8</b>	<b>0.9</b>
<b>Operating profit</b>	<b>517</b>	<b>472</b>	<b>556</b>	<b>549</b>	<b>723</b>	<b>206</b>
Non-operating items	88	37	28	24	158	70
<b>Income b/ tax, min.</b>	<b>605</b>	<b>509</b>	<b>584</b>	<b>573</b>	<b>881</b>	<b>276</b>
Income taxes	-104	-46	-124	-214	-219	-115
Minority interest	-122	-106	-130	-67	-128	-6
<b>Net income</b>	<b>379</b>	<b>357</b>	<b>330</b>	<b>292</b>	<b>534</b>	<b>155</b>
Stat. expense ratio (in %)	7.0	9.0	9.0	9.6	8.3	-1.3%-p
AuM <sup>1</sup> (EUR bn)	251	263	265	271	272	21

1) Group own assets (incl. financial assets carried at fair value through income)

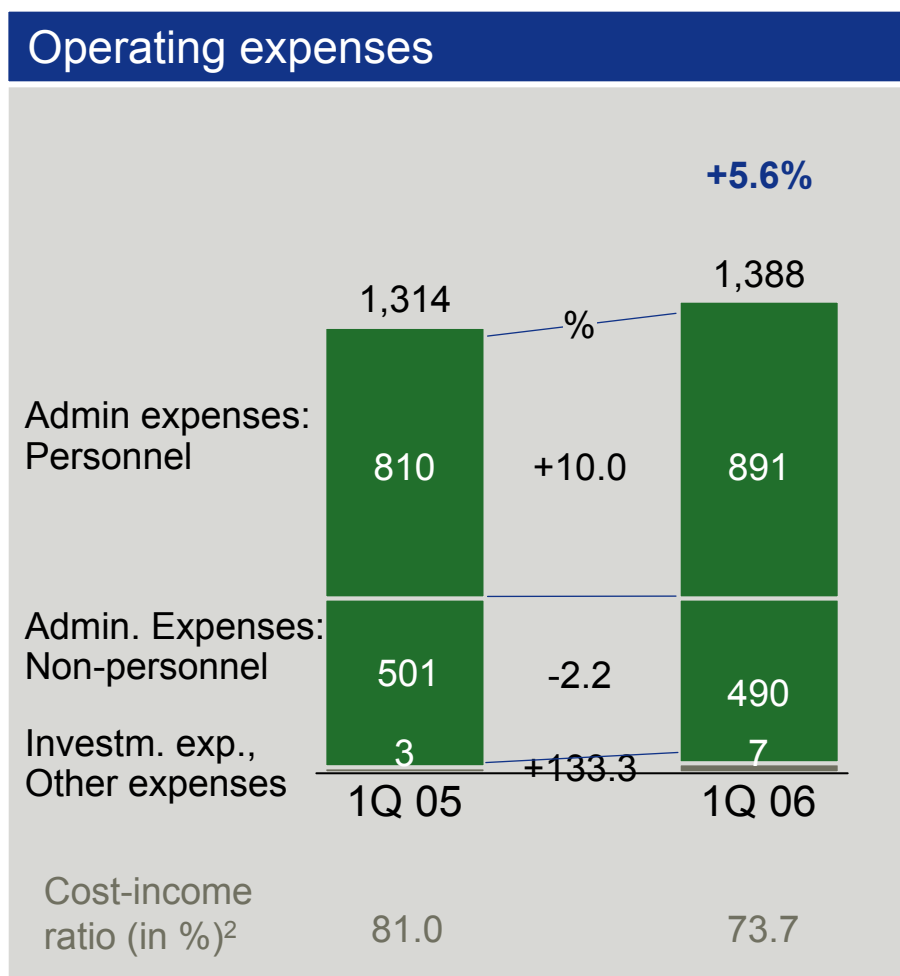
## Dresdner Bank<sup>1</sup>: key figures and ratios per quarter (EUR m)

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Operating revenues</b>	<b>1,623</b>	<b>1,330</b>	<b>1,510</b>	<b>1,576</b>	<b>1,884</b>	<b>261</b>
<b>Operating profit</b>	<b>209</b>	<b>205</b>	<b>225</b>	<b>-9</b>	<b>529</b>	<b>320</b>
Non-operating items	450	218	-29	186	392	-58
<b>Income b/ taxes, min.</b>	<b>659</b>	<b>423</b>	<b>196</b>	<b>177</b>	<b>921</b>	<b>262</b>
Taxes	-68	-156	-64	-85	-238	-170
Minority interests	-20	-21	-19	-22	-25	-5
<b>Net income</b>	<b>571</b>	<b>246</b>	<b>113</b>	<b>70</b>	<b>658</b>	<b>87</b>
RWA (EUR bn)	105.6	108.6	111.3	111.5	115.9	10.3
Cost-income ratio (in %)	81.0	88.6	93.7	102.4	73.7	-7.3%-p

1) Dresdner Bank contribution to Allianz Banking segment



## Dresdner Bank<sup>1</sup>: operating expenses (EUR m)



### Comments

- Increase in personnel expenses solely driven by higher performance-related compensation
- All other administrative expenses flat

1) Dresdner Bank contribution to Allianz' Banking segment

2) Definition: Cost-income ratio = Operating expenses / Operating revenues

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

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Operating revenues</b>	<b>567</b>	<b>642</b>	<b>710</b>	<b>804</b>	<b>751</b>	<b>184</b>
<b>Operating profit</b>	<b>231</b>	<b>254</b>	<b>300</b>	<b>349</b>	<b>304</b>	<b>73</b>
Non-operating items	-164	-175	-212	-158	-136	28
<b>Income b/taxes, min.</b>	<b>67</b>	<b>79</b>	<b>88</b>	<b>191</b>	<b>168</b>	<b>101</b>
Income taxes	-24	8	-33	-80	-65	-41
Minority interests	-13	-10	-13	-16	-13	0
<b>Net income</b>	<b>30</b>	<b>77</b>	<b>42</b>	<b>95</b>	<b>90</b>	<b>60</b>
Cost-income ratio (in %)	59.3%	60.4%	57.7%	56.6%	59.5%	0.2%-p
Third-party AuM (EUR bn)	624	688	711	743	753	129

## Corporate segment: key figures per quarter (EUR m)

	2005				2006	Delta
	1Q	2Q	3Q	4Q	1Q	1Q 06/05
<b>Operating profit</b>	<b>-267</b>	<b>-190</b>	<b>-223</b>	<b>-201</b>	<b>-180</b>	<b>87</b>
Non-operating items	-123	-381	-230	-384	-211	-88
<b>Income b/taxes, min.</b>	<b>-390</b>	<b>-571</b>	<b>-453</b>	<b>-585</b>	<b>-391</b>	<b>-1</b>
Income taxes	153	231	224	133	154	1
Minority interests	-1	-6	-2	-1	-2	-1
<b>Net income</b>	<b>-238</b>	<b>-346</b>	<b>-231</b>	<b>-453</b>	<b>-239</b>	<b>-1</b>

## Group asset allocation<sup>1</sup>: breakdown per segment (EUR bn)

		P/C		L/H		Banking		Asset Mgmt.		Corporate		Consolid.		Group	
Balancesheet items		3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06
Investments	Equities <sup>1</sup>	14.0	19.1	26.8	35.6	5.3	3.4	0.1	0.1	4.2	6.2	0.0	0.0	50.4	64.3
	Debt sec.	50.5	52.9	126.5	139.0	13.9	11.2	0.6	0.7	5.4	6.3	0.0	0.0	196.9	210.2
	Other <sup>2</sup>	7.4	8.9	7.0	6.2	1.4	0.9	0.0	0.0	0.7	0.1	-4.0	-5.2	12.3	11.0
	Sum	71.8	80.9	160.3	180.9	20.5	15.5	0.7	0.8	10.3	12.7	-4.0	-5.2	259.7	285.6
Loans and advances	Debt sec.	19.5	15.5	85.2	84.7	256.6	300.7	0.3	0.4	3.8	5.4	-18.1	-15.1	347.3	391.7
<b>SUBTOTAL</b>		<b>91.3</b>	<b>96.5</b>	<b>245.5</b>	<b>265.6</b>	<b>277.1</b>	<b>316.2</b>	<b>1.1</b>	<b>1.2</b>	<b>14.1</b>	<b>18.1</b>	<b>-22.1</b>	<b>-20.3</b>	<b>607.0</b>	<b>677.3</b>
Fin. assets and liab. designated at fair value <sup>3</sup>		1.1	2.6	6.6	8.8	1.2	1.3	0.1	1.1	0.0	0.0	0.0	0.0	9.1	13.7
Fin. assets and liab. held for trading <sup>3</sup>		0.2	1.0	-1.3	-2.7	101.5	73.4	0.1	0.0	0.3	-0.6	0.0	0.0	100.9	71.2
<b>TOTAL Investments</b>		<b>92.6</b>	<b>100.0</b>	<b>250.7</b>	<b>271.7</b>	<b>379.9</b>	<b>390.9</b>	<b>1.4</b>	<b>2.3</b>	<b>14.5</b>	<b>17.5</b>	<b>-22.1</b>	<b>-20.2</b>	<b>716.9</b>	<b>762.2</b>
<i>Equities AFS</i>		<i>13.5</i>	<i>18.6</i>	<i>25.7</i>	<i>34.6</i>	<i>2.4</i>	<i>2.8</i>	<i>0.1</i>	<i>0.1</i>	<i>4.0</i>	<i>5.7</i>	<i>0.0</i>	<i>0.0</i>	<i>45.7</i>	<i>61.7</i>
<i>Equities Assoc. Ent. / JV</i>		<i>0.5</i>	<i>0.5</i>	<i>1.1</i>	<i>1.0</i>	<i>2.9</i>	<i>0.6</i>	<i>0.0</i>	<i>0.0</i>	<i>0.3</i>	<i>0.5</i>	<i>0.0</i>	<i>0.0</i>	<i>4.7</i>	<i>2.6</i>
<i>Equities</i>		<i>14.0</i>	<i>19.1</i>	<i>26.8</i>	<i>35.6</i>	<i>5.3</i>	<i>3.4</i>	<i>0.1</i>	<i>0.1</i>	<i>4.2</i>	<i>6.2</i>	<i>0.0</i>	<i>0.0</i>	<i>50.4</i>	<i>64.3</i>
<i>Affiliated Ent.</i>		<i>8.0</i>	<i>9.1</i>	<i>3.8</i>	<i>3.4</i>	<i>0.1</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>	<i>69.1</i>	<i>70.9</i>	<i>-81.1</i>	<i>-83.5</i>	<i>0.0</i>	<i>0.0</i>
<i>Investments incl. Affiliated Ent.</i>		<i>79.8</i>	<i>90.0</i>	<i>164.1</i>	<i>184.3</i>	<i>20.6</i>	<i>15.6</i>	<i>0.7</i>	<i>0.8</i>	<i>79.5</i>	<i>83.6</i>	<i>-85.1</i>	<i>-88.7</i>	<i>259.7</i>	<i>285.6</i>
<i>Real Estate</i>		<i>2.9</i>	<i>2.9</i>	<i>5.8</i>	<i>5.6</i>	<i>1.4</i>	<i>0.9</i>	<i>0.0</i>	<i>0.0</i>	<i>0.6</i>	<i>0.1</i>	<i>0.0</i>	<i>0.0</i>	<i>10.7</i>	<i>9.5</i>
<i>Funds under reins. contr. assumed</i>		<i>4.5</i>	<i>6.0</i>	<i>1.1</i>	<i>0.6</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.1</i>	<i>0.0</i>	<i>-4.0</i>	<i>-5.2</i>	<i>1.6</i>	<i>1.5</i>
<i>Other</i>		<i>7.4</i>	<i>8.9</i>	<i>7.0</i>	<i>6.2</i>	<i>1.4</i>	<i>0.9</i>	<i>0.0</i>	<i>0.0</i>	<i>0.7</i>	<i>0.1</i>	<i>-4.0</i>	<i>-5.2</i>	<i>12.3</i>	<i>11.0</i>

1) Equities incl. associated enterprises/ joint ventures, excl. affiliated enterprises

2) Other incl. real estate held for investment and funds held by others under reinsurance contracts assumed

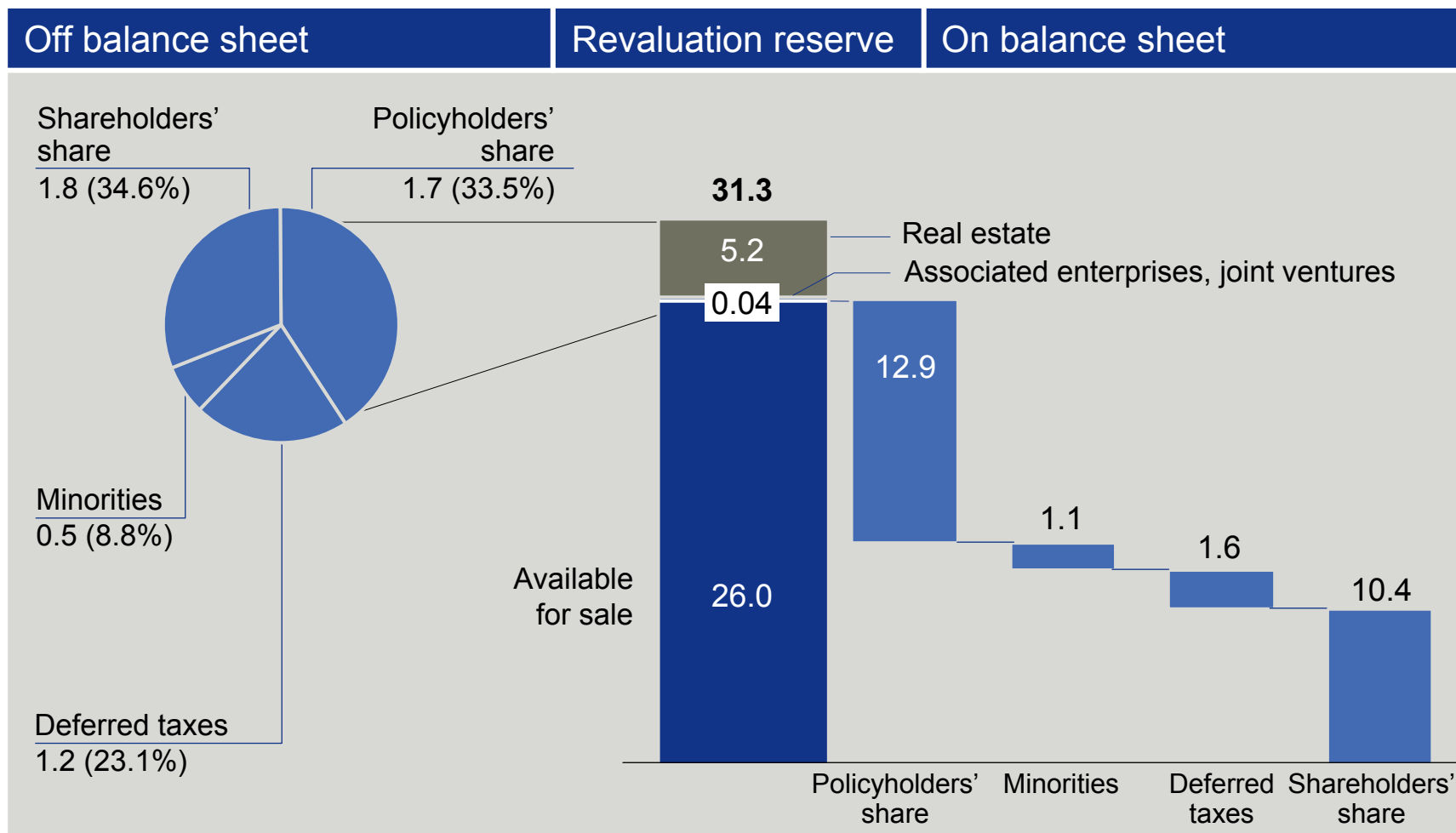
3) Net of liabilities

## Investment result<sup>1</sup>: breakdown per segment (EUR m)

	P/C		L/H		Banking		Asset Mgmt.		Corporate		Consolid.		Group	
	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06	3M 05	3M 06
Interest and similar Income <sup>1</sup>	867	922	2,812	3,047	1,601	1,880	17	25	98	94	-271	-277	5,124	5,691
Realized Gains, Losses (net)	539	464	1,458	1,262	492	414	2	2	106	70	-378	-317	2,219	1,895
Impairments of Investments (net)	-7	-13	-22	-35	-42	-20	0	0	-32	13	0	0	-103	-55
Investment expenses	-93	-47	-122	-157	-7	-6	-7	0	-114	-17	44	44	-299	-183
<b>Subtotal</b>	<b>1,306</b>	<b>1,326</b>	<b>4,126</b>	<b>4,117</b>	<b>2,044</b>	<b>2,268</b>	<b>12</b>	<b>27</b>	<b>58</b>	<b>160</b>	<b>-605</b>	<b>-550</b>	<b>6,941</b>	<b>7,348</b>
Inc fr fin ass and liab at FV	26	40	24	31	438	490	5	14	-4	-96	-2	21	487	500
<i>thereof: Fair Value Option</i>	22	36	77	49	-9	3	1	11	0	0	-1	0	90	99
<i>thereof: Trading</i>	5	4	-53	-18	447	487	4	3	-4	-96	-2	21	397	401
<b>Net investment income</b>	<b>1,332</b>	<b>1,366</b>	<b>4,150</b>	<b>4,148</b>	<b>2,482</b>	<b>2,758</b>	<b>17</b>	<b>41</b>	<b>54</b>	<b>64</b>	<b>-607</b>	<b>-529</b>	<b>7,428</b>	<b>7,848</b>

1) Contains Interest from loans to banks and customers from banking segment of EUR 1,700m (3M 05: EUR 1,373m)

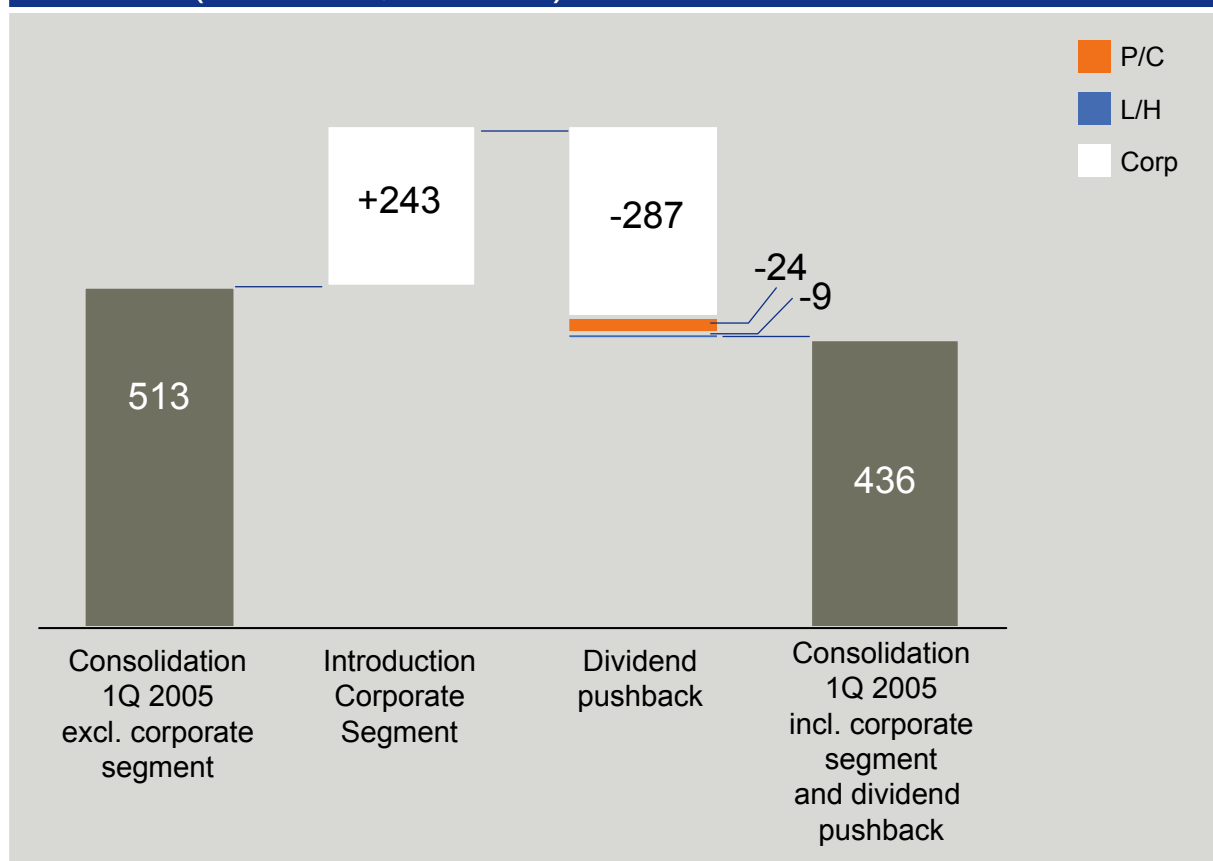
# Revaluation reserve of EUR 31.3bn (EUR bn)



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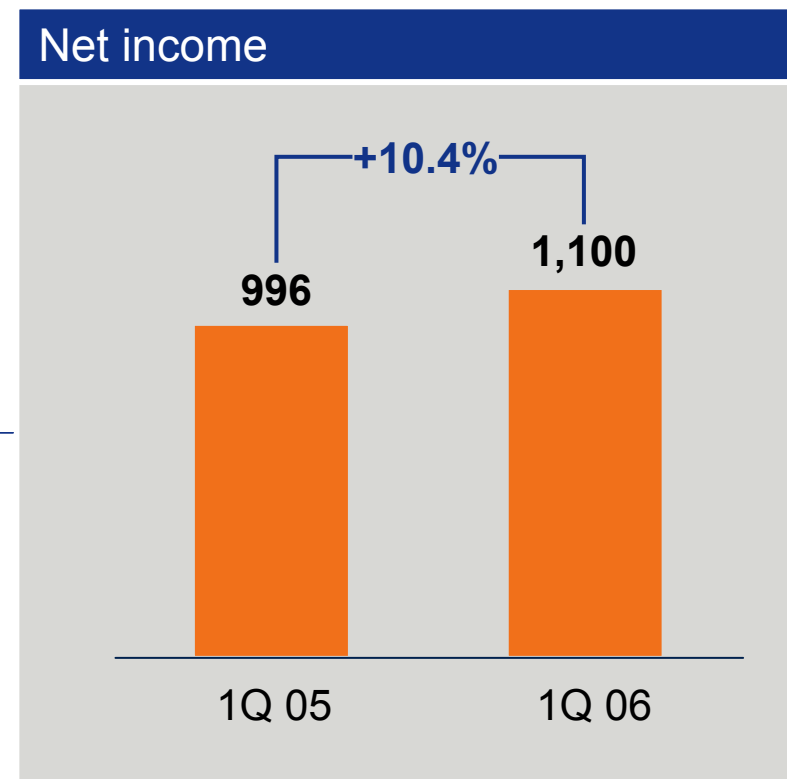
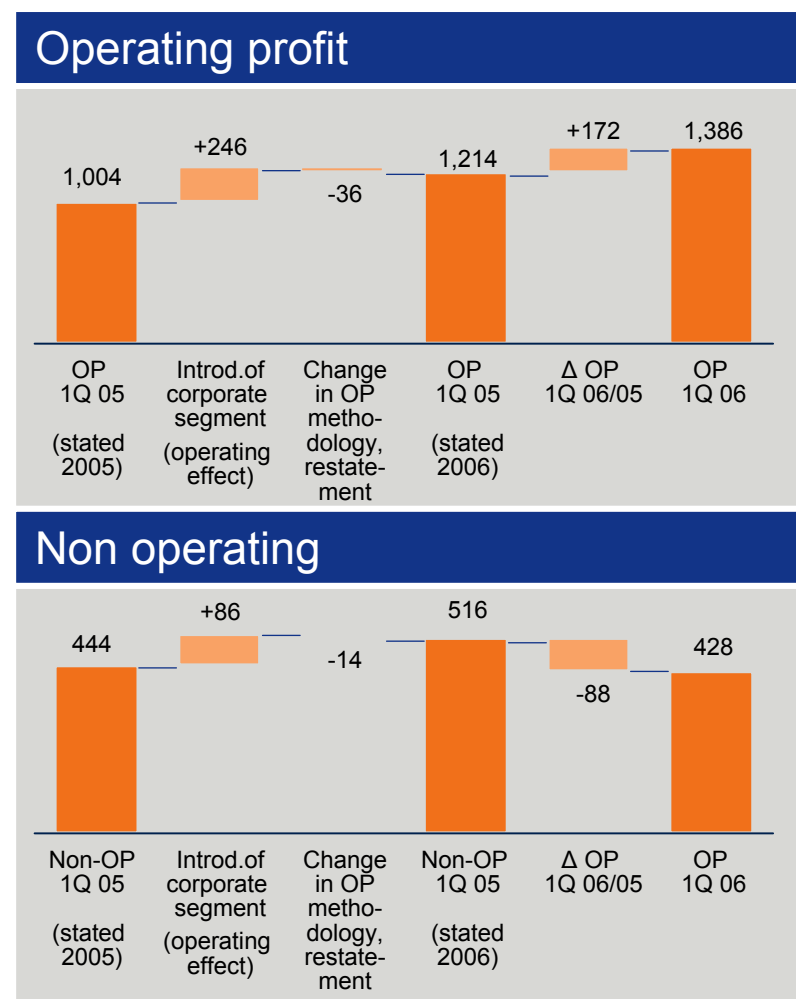
## Reconciliation 1Q 06 reporting changes: consolidations

### Consolidations on income before taxes and minority interest (1Q 2005, EUR m)



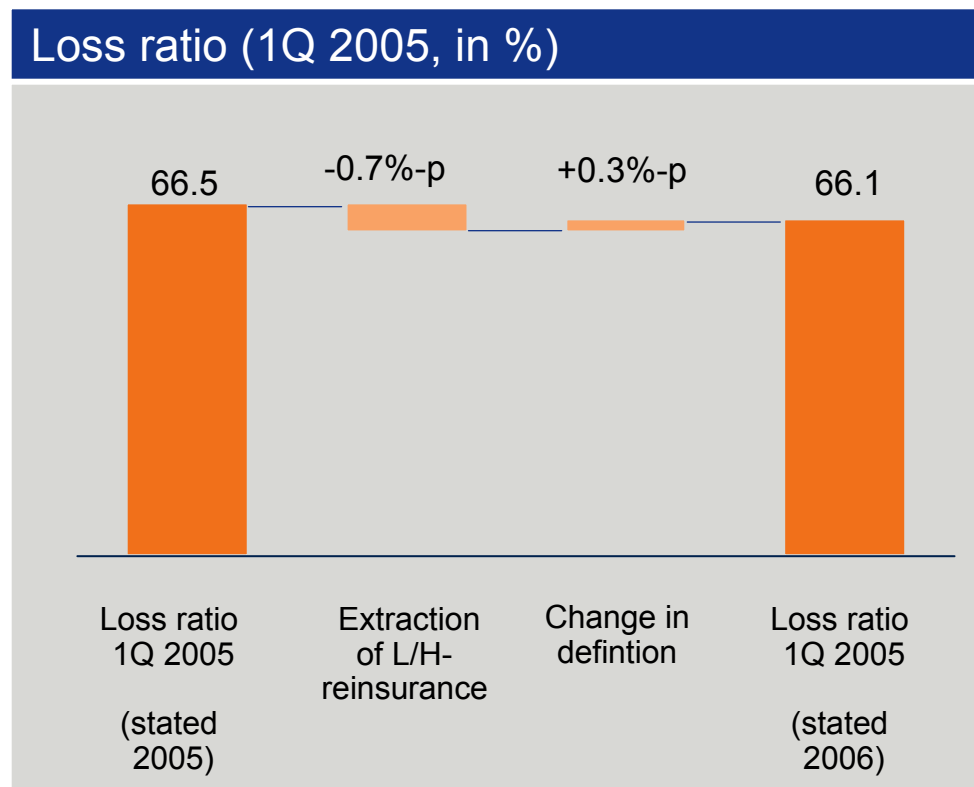
Internal dividends are eliminated at receiving segment

# Reconciliation 1Q 06 reporting changes – P/C (EUR m)



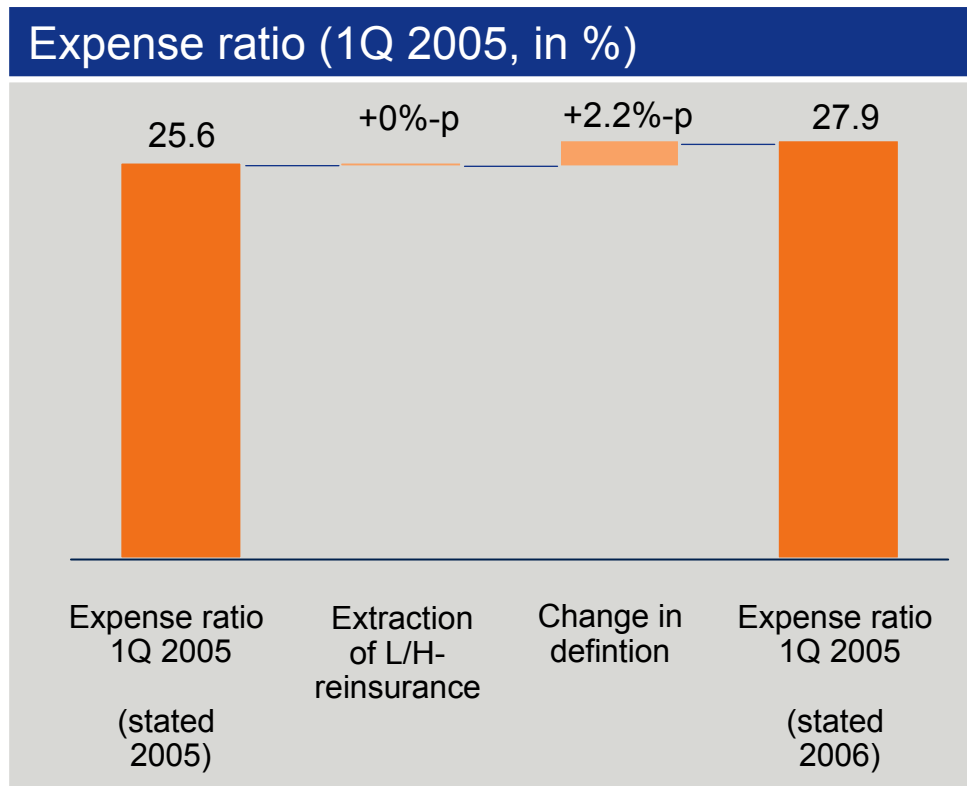


## Reconciliation reporting changes - P/C: loss ratio



- Extraction of L/H reinsurance activities leads to improved loss ratio
- Losses increase by expenditures for victim fund in car insurance

## Reconciliation reporting changes - P/C: expense ratio

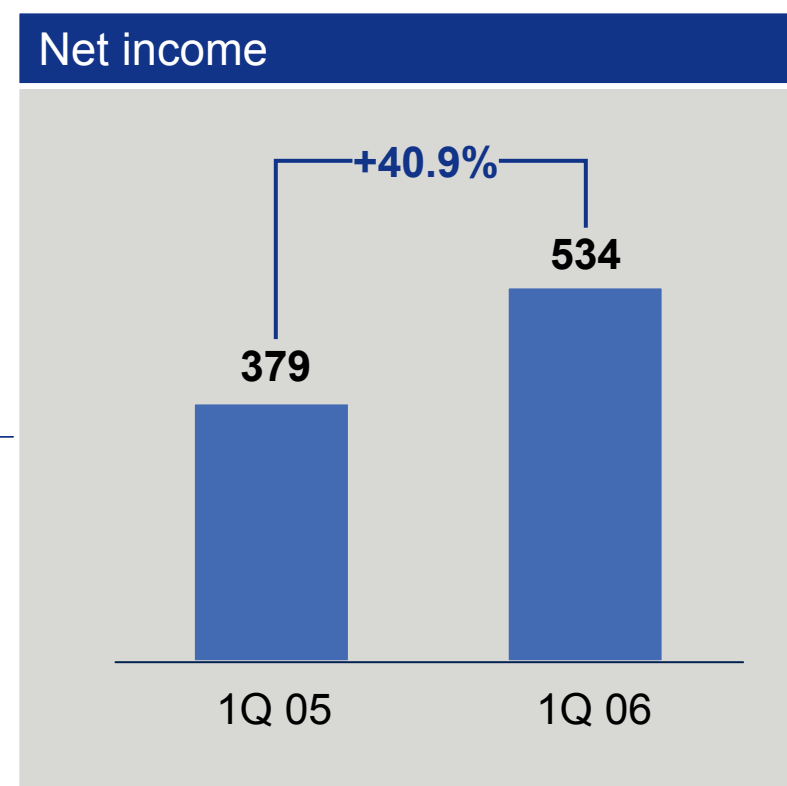
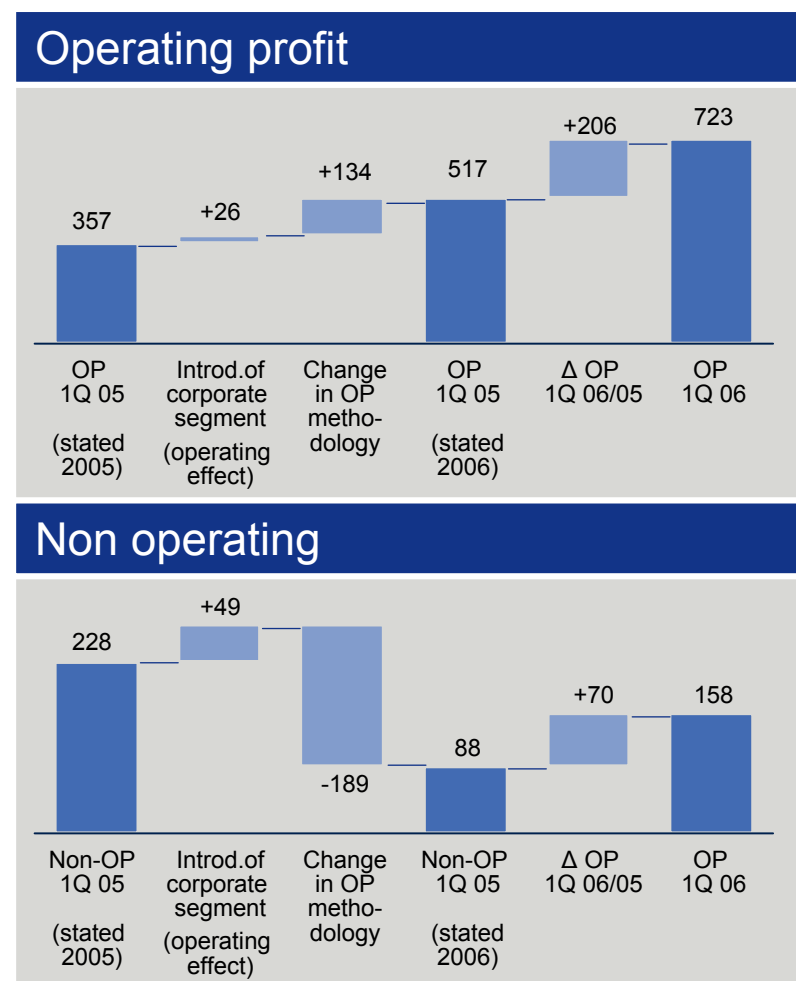


Enlargement of expense ratio.

Additional positions:

- Fire brigade
- Change in bad debt provisions
- Expenses for the company as a whole (e.g. auditing expenses)
- Parts of the former positions “other income/ expenses“

# Reconciliation 1Q 06 reporting changes – L/H (EUR m)



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## Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

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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**

The company assumes no obligation to update any information contained herein.