

# Group financial results 1Q 2011

Oliver Bäte,  
Chief Financial Officer

Journalists' conference call  
May 12, 2011

Allianz 

# 1

Group financial  
results 1Q 2011

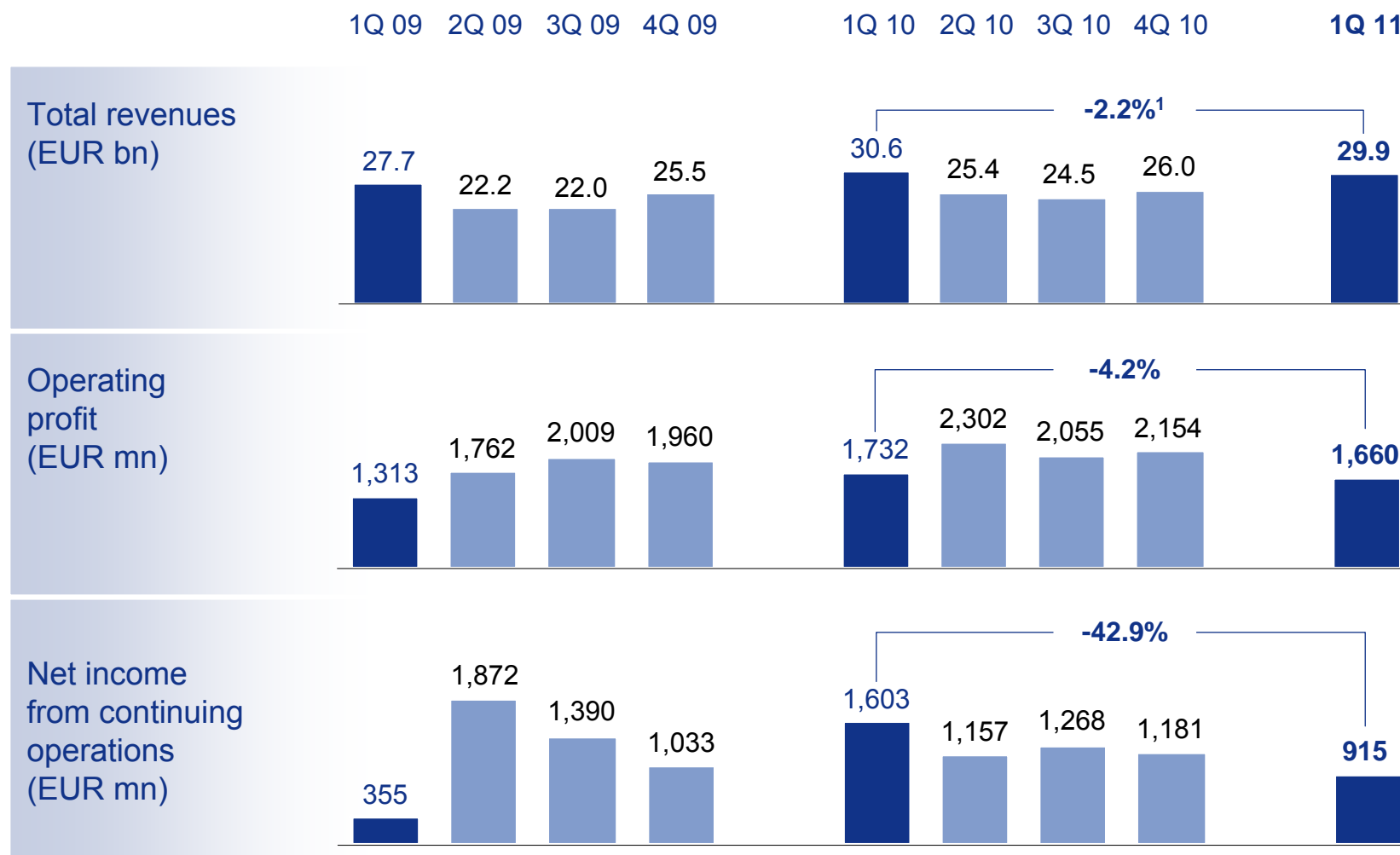
- 1** Highlights
- 2** Group
- 3** P/C
- 4** L/H
- 5** Asset Management
- 6** Summary
- 7** Additional information
- 8** Glossary

## Allianz 1Q 2011



- Total revenues on a high level at EUR 29.9bn
- Operating profit at EUR 1.7bn, despite severe NatCat losses
- Net income at EUR 915mn, due to lower non-operating result and temporarily higher tax rate
- Capital position continues to be strong

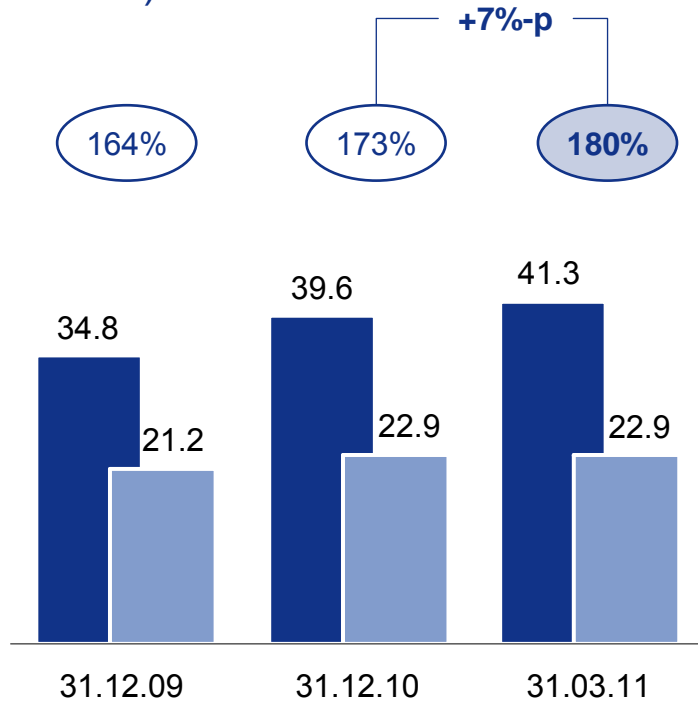
## Quarterly results overview



1) Internal growth -3.6%, adjusted for F/X effects and consolidation effects

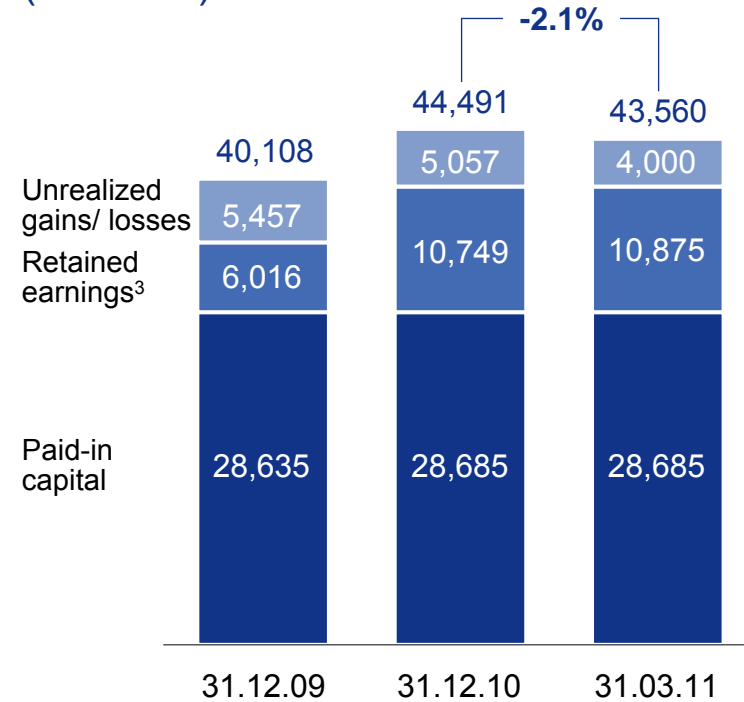
## Sound capitalization

Conglomerate solvency<sup>1</sup>  
(EUR bn)



■ Available funds    ○ Solvency ratio  
■ Requirement

Shareholders' equity<sup>2</sup>  
(EUR mn)



1) Including off-balance sheet reserves (31.12.09: EUR 2.0bn, 31.12.10: EUR 2.1bn, 31.03.11: EUR 2.1bn) pro forma  
The solvency ratio excluding off-balance sheet reserves would be 155% as of 31.12.09, 164% as of 31.12.10 and 171% as of 31.03.11  
2) Excluding non-controlling interests (31.12.09: EUR 2,121mn, 31.12.10: EUR 2,071mn, 31.03.11: EUR 2,055mn)  
3) Including F/X

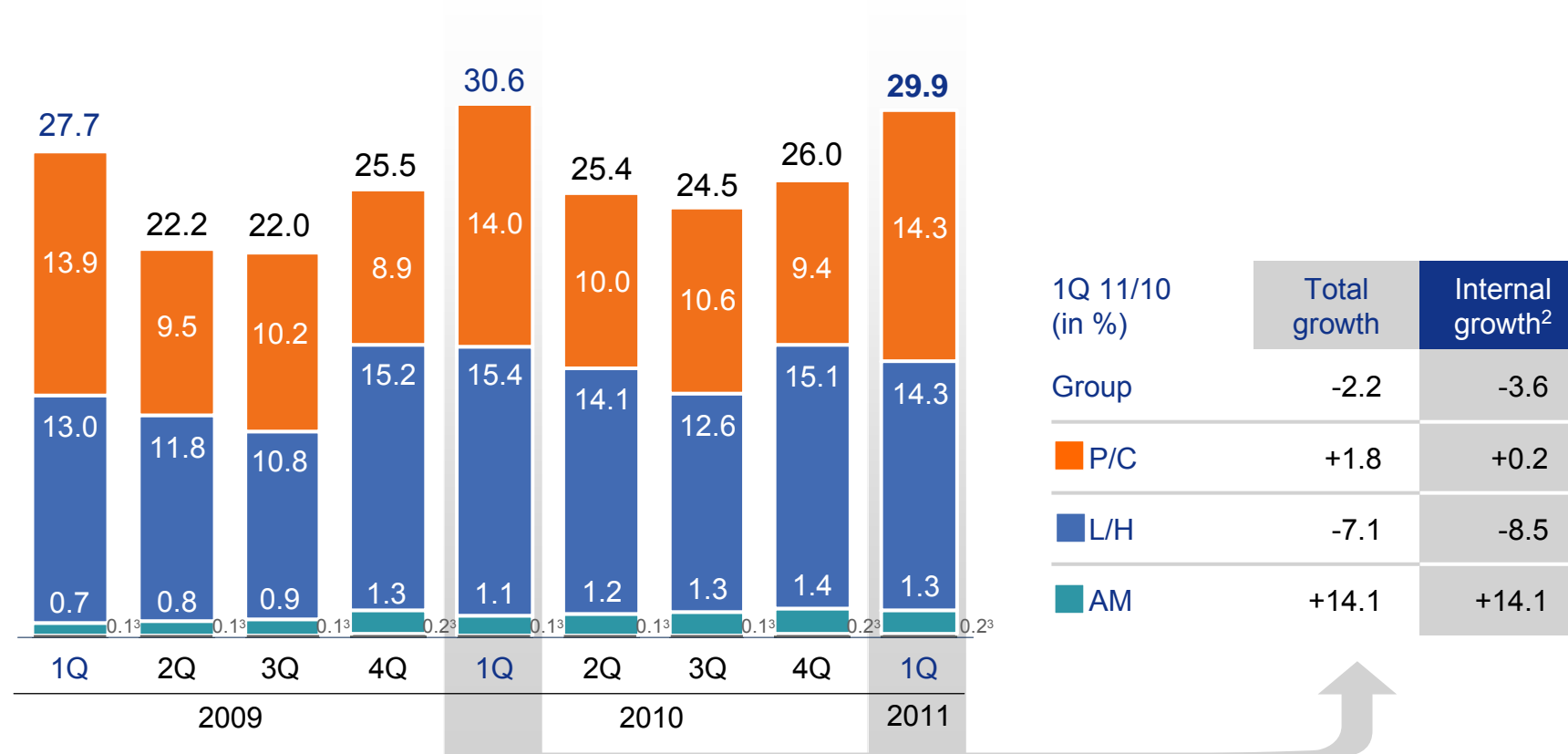
# 2

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group**
- 3 P/C
- 4 L/H
- 5 Asset Management
- 6 Summary
- 7 Additional information
- 8 Glossary

# Total revenues at EUR 29.9bn

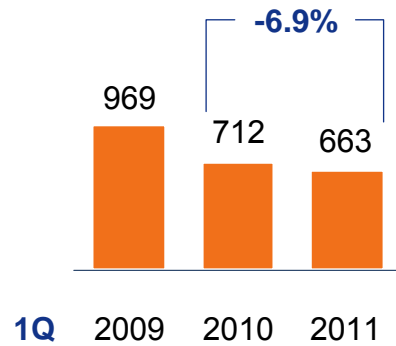
## Total revenues<sup>1</sup> (EUR bn)



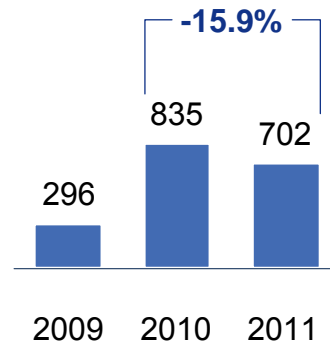
1) Total revenues comprise statutory gross premiums written in P/C and L/H, operating revenues in AM and total revenues in Corporate and Other (Banking). All segment figures are based on segment consolidated numbers; figures for the Group as a whole are based on fully consolidated numbers.  
 2) Adjusted for F/X and consolidation effects. Total and internal growth on segment level is based on segment consolidated data. Total and internal growth for total revenues are based on fully consolidated figures.  
 3) Represents Banking total revenues (for every quarter), internal growth is +20.8% in 1Q 2011

# Operating profit at EUR 1.7bn (EUR mn)

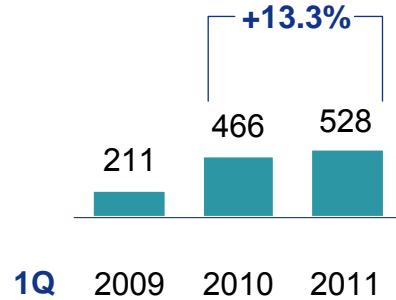
Property/Casualty



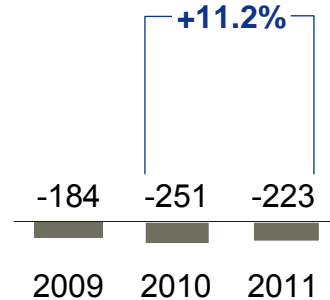
Life/Health



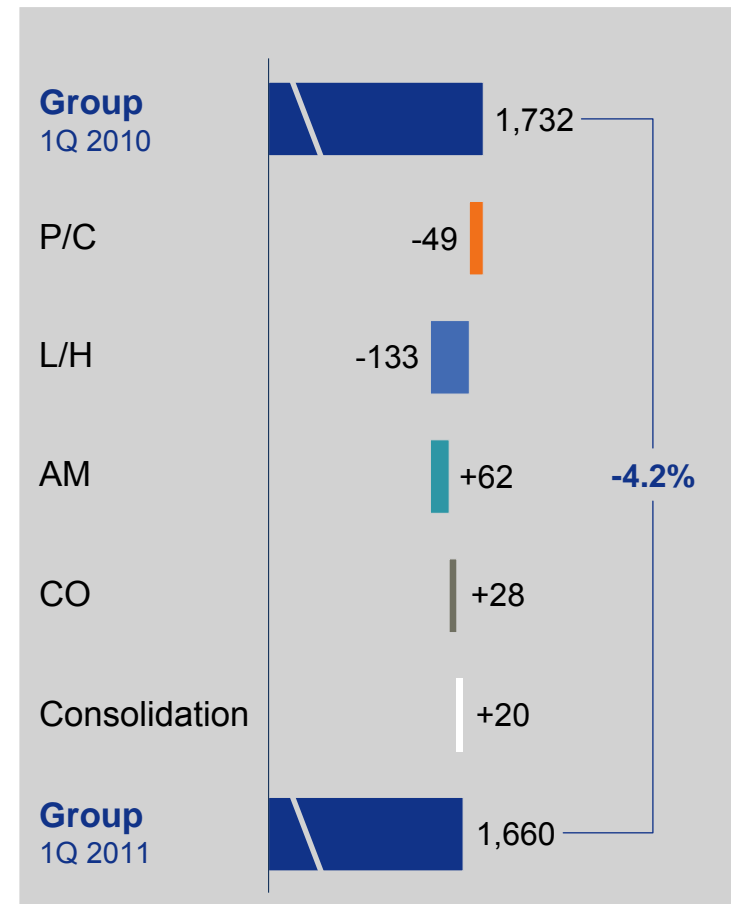
Asset Management



Corporate and Other



Δ 1Q 11/10





## Non-operating items (EUR mn)

	1Q 09	1Q 10	1Q 11	Δ 11/10		1Q 10	1Q 11
Realized gains/ losses and impairments of investments (net)	-498	711	<b>303</b>	-408	<b>Realized gains/ losses</b>	<b>763</b>	<b>386</b>
Interest expense from external debt	-238	-222	<b>-225</b>	-3	- Equities	653	216
Fully consolidated private equity inv. (net)	-56	-37	<b>-19</b>	+18	- Debt securities	79	112
Restructuring charges	-63	-47	<b>-2</b>	+45	- Real estate	31	58
Acquisition-related expenses	-9	-198	<b>-101</b>	+97	<b>Impairments (net)</b>	<b>-52</b>	<b>-83</b>
Other non-operating	-104	66	<b>-118</b>	-184	- Equities	3	-66
Thereof: Amortization of intangible assets	-4	-17	<b>-22</b>	-5	- Debt securities	-54	-6
Income from fin. assets and liab. carried at FV	-100	83	<b>-96</b>	-179	- Real estate and other	-1	-11
Reclassification of tax benefits	-6	-14	<b>-12</b>	+2	<b>Total</b>	<b>711</b>	<b>303</b>
<b>Non-operating items</b>	<b>-974</b>	<b>259</b>	<b>-174</b>	<b>-433</b>	Balance of unrealized gains/ losses in equities <sup>1</sup>	3.6bn	3.2bn
					Balance of unrealized gains/ losses in fixed income <sup>1</sup>	3.2bn	1.5bn

1) On-balance sheet unrealized gains and losses, after taxes, non-controlling interests and policyholder participation without shadow DAC

## Net income

(EUR mn)

	1Q 09	1Q 10	<b>1Q 11</b>	Δ 11/10
Operating profit	1,313	1,732	<b>1,660</b>	-72
Non-operating items	-974	259	<b>-174</b>	-433
Income before taxes	339	1,991	<b>1,486</b>	-505
Income taxes	16	-388	<b>-571</b>	-183
Net income from continuing operations	355	1,603	<b>915</b>	-688
Discontinued operations	-395	0	<b>0</b>	+0
Net income	-40	1,603	<b>915</b>	-688
Non-controlling interests	0	38	<b>58</b>	+20
Net income attributable to shareholders	-40	1,565	<b>857</b>	-708

# 3

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C**
- 4 L/H
- 5 Asset Management
- 6 Summary
- 7 Additional information
- 8 Glossary

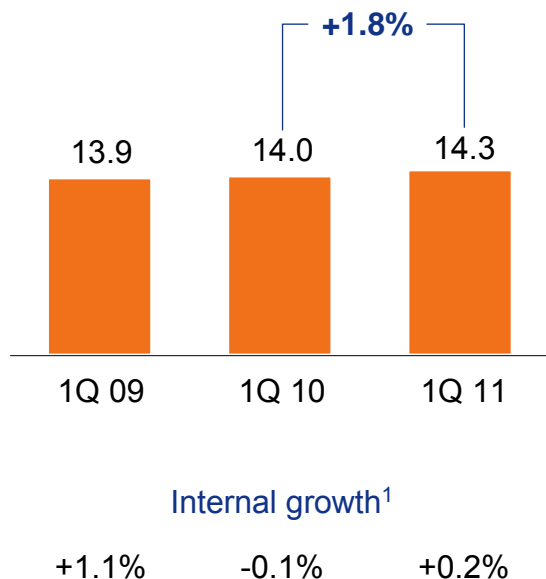
## Performance impacted by severe NatCat losses



- Revenues at EUR 14.3bn, up 1.8 percent
- Operating profit at EUR 663mn, down 6.9 percent
- Combined ratio at 101.3 percent
- EUR 737mn NatCat losses equal to 7.6 percentage points combined ratio

## Revenues at EUR 14.3bn

### Revenues (EUR bn)



Growth in 1Q 11 due to the net effect of higher prices (+0.8%) and lower volume (-0.6%)

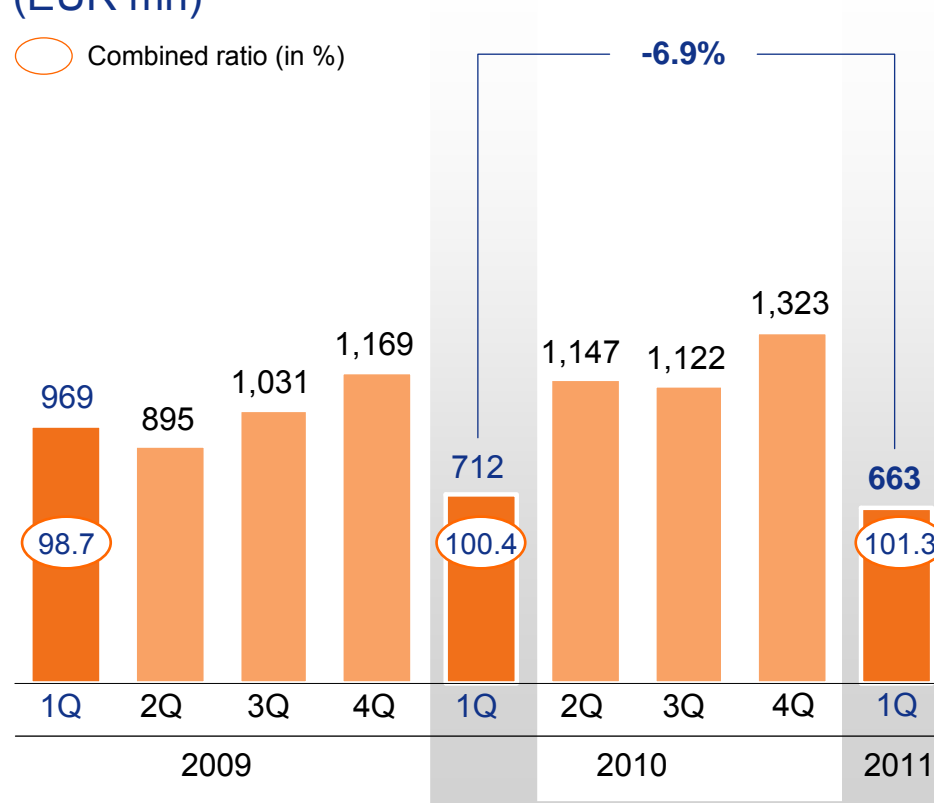
Revenues of sel. OEs (EUR mn)		1Q 09	1Q 10	1Q 11	Δ11/10 <sup>1</sup>
German Speaking Countries	Germany	4,034	3,900	3,864	-0.8%
	Switzerland	833	864	913	+0.5%
Europe incl. South America	France	1,170	1,146	1,138	-0.7%
	Italy	1,003	945	939	-0.6%
	Spain	658	637	632	+0.2%
	South America	258	333	497	+38.7%
Global Insurance Lines & Anglo Markets	Reinsurance	1,484	1,648	1,450	-12.0%
	AGCS	1,271	1,381	1,431	+1.5%
	UK	433	463	519	+8.0%
	Credit Insurance	531	512	535	+4.5%
	Australia	327	440	542	+6.8%
	CEE	728	782	774	-1.8%
Growth Markets	Asia-Pacific	126	122	132	+17.5%
NAFTA Markets	USA	788	638	605	-2.9%

1) Changes refer to internal growth (adjusted for F/X and consolidation effects)

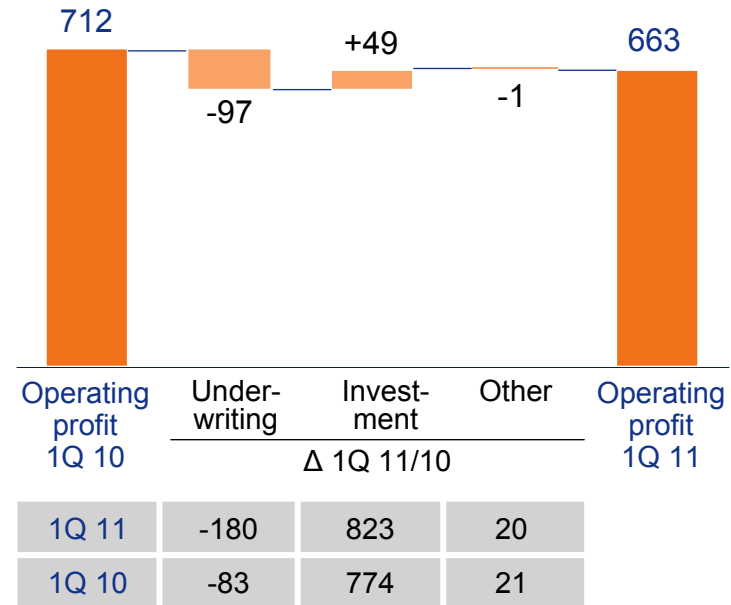
## Operating profit at EUR 663mn

### Operating profit (EUR mn)

○ Combined ratio (in %)

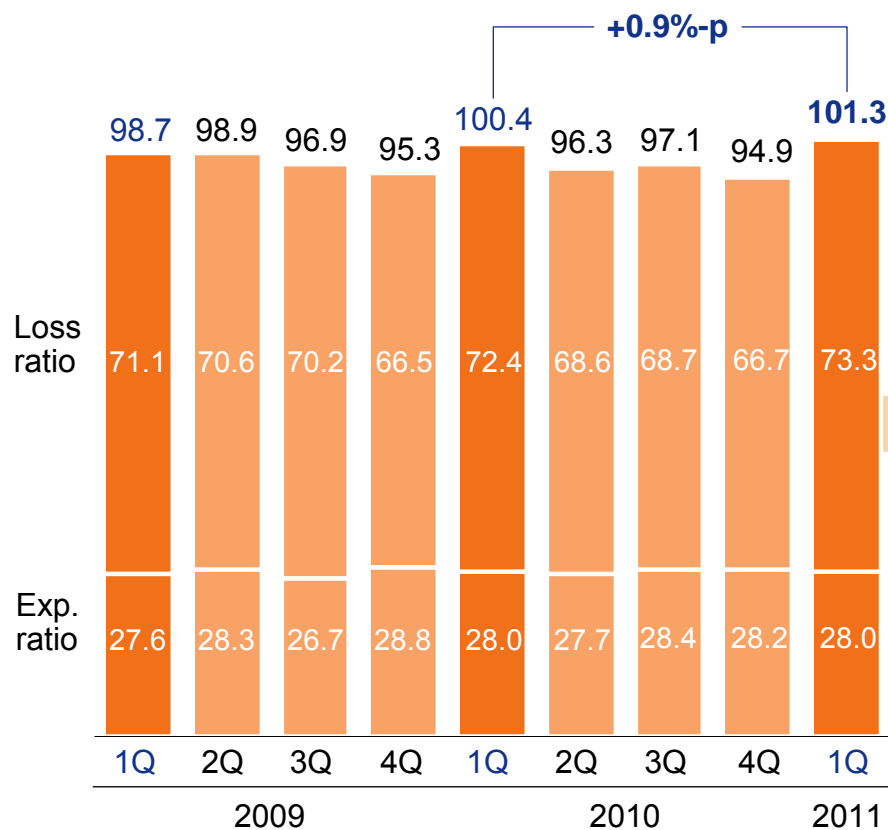


### Operating profit drivers (EUR mn)



# Combined ratio at 101.3%

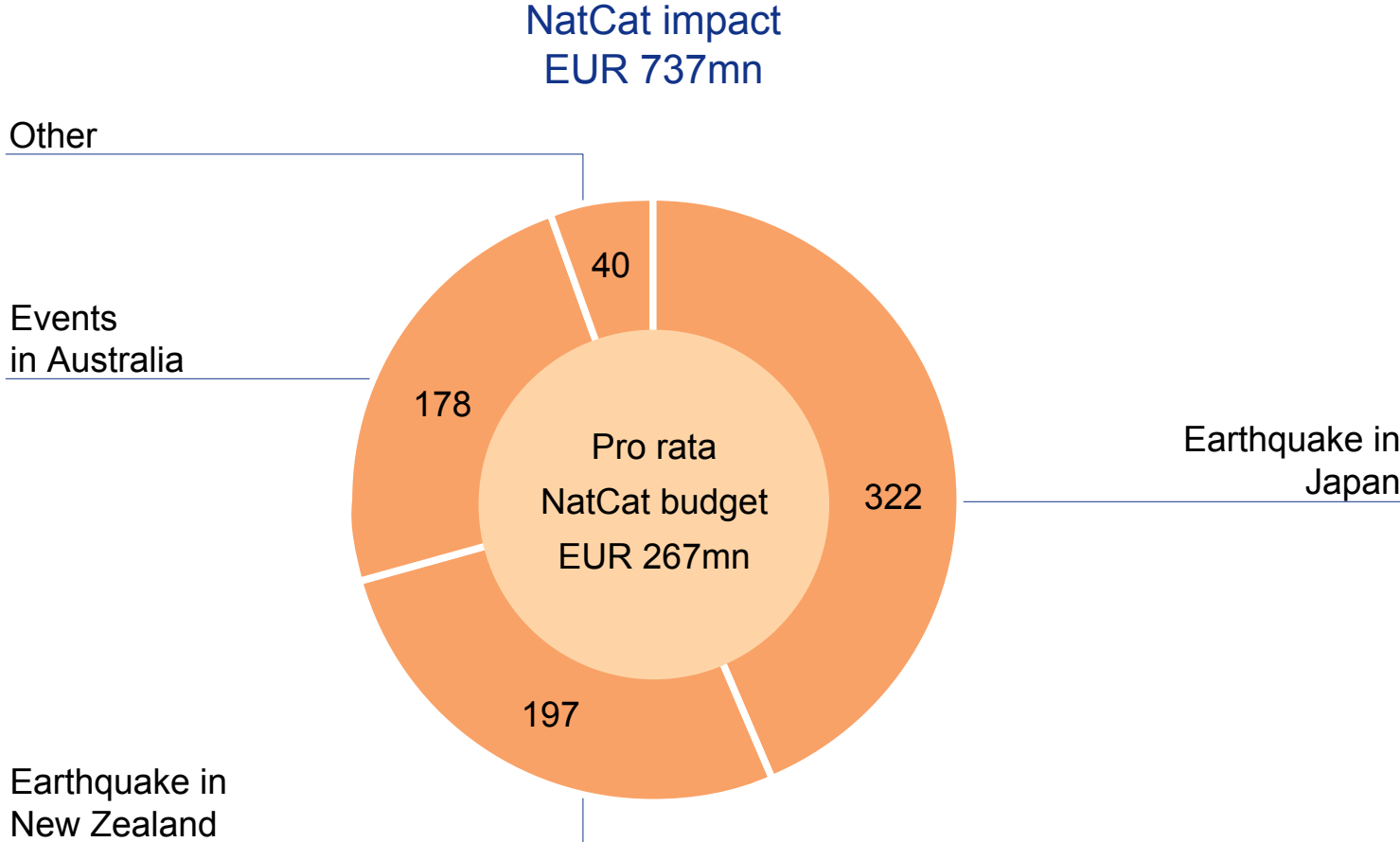
(in %)



Combined ratio (sel. OEs)		1Q 09	1Q 10	1Q 11	NatCat impact in 1Q 11
German Speaking Countries	Germany <sup>1</sup>	94.8	99.8	98.5	1.2%-p
	Switzerland	93.6	95.8	93.6	
Europe incl. South America	France	114.0	106.8	97.7	
	Italy	99.0	101.2	97.9	
	Spain	89.7	89.3	88.7	
	South America	100.3	98.0	96.5	
	Reinsurance	105.8	108.8	142.5	66.8%-p
Global Insurance Lines & Anglo Markets	AGCS	83.9	92.3	103.2	19.5%-p
	UK	96.0	96.5	97.1	
	Credit Insurance	114.6	91.7	77.6	
	Australia	106.3	110.3	109.5	13.2%-p
Growth Markets	CEE	94.7	96.0	95.6	
	Asia-Pacific	99.5	91.3	88.2	
NAFTA Markets	USA	98.4	106.7	102.4	1.1%-p

1) Net change of reserves related to savings component of UBR business since 3Q 2009 included in claims. Prior periods have not been retrospectively adjusted

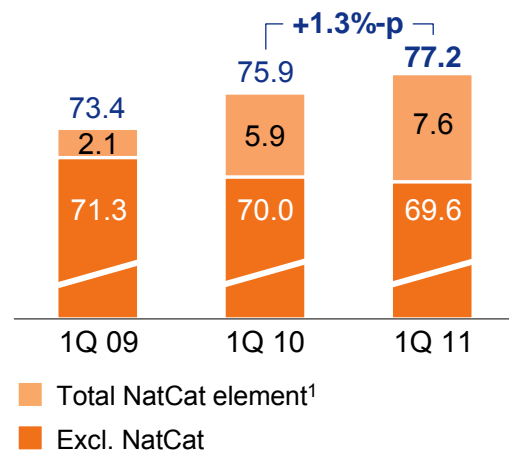
# Severe NatCat losses in 1Q 2011 (EUR mn)



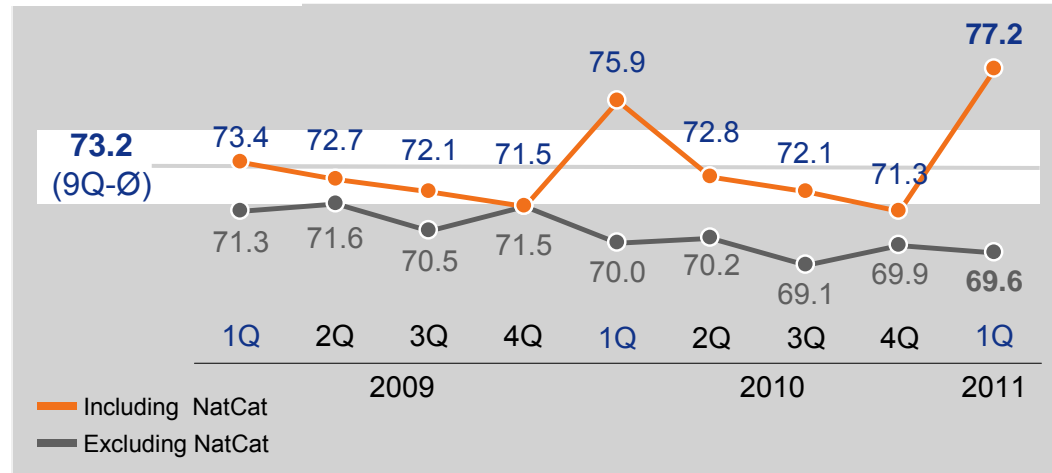


# Accident year loss ratio excl. NatCat at 69.6 percent (in %)

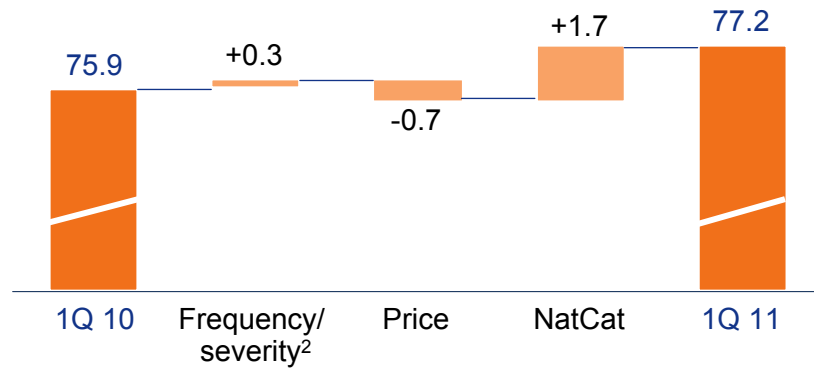
Accident year loss ratio



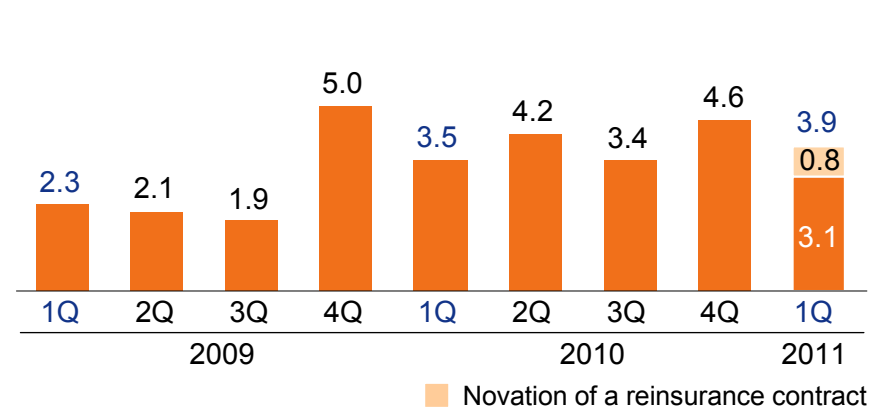
9-quarter overview accident year loss ratio



Development 1Q 2011/2010



Run-off ratio<sup>3</sup>



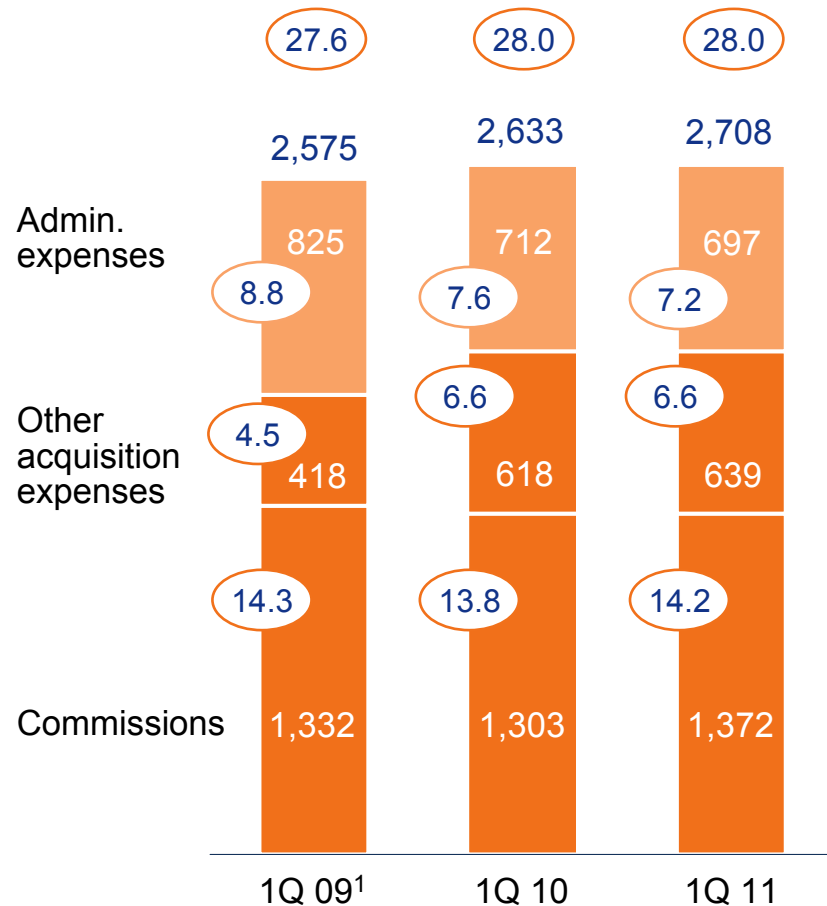
1) NatCat costs: EUR 0.2bn (1Q 09), EUR 0.6bn (1Q 10) and EUR 0.7bn (1Q 11)

2) Including large claims, reinsurance, Credit Insurance

3) Positive values indicate positive run-off; run-off ratio is calculated as run-off result in percent of net premiums earned

## Expense ratio stable (EUR mn)

○ in % of NPE

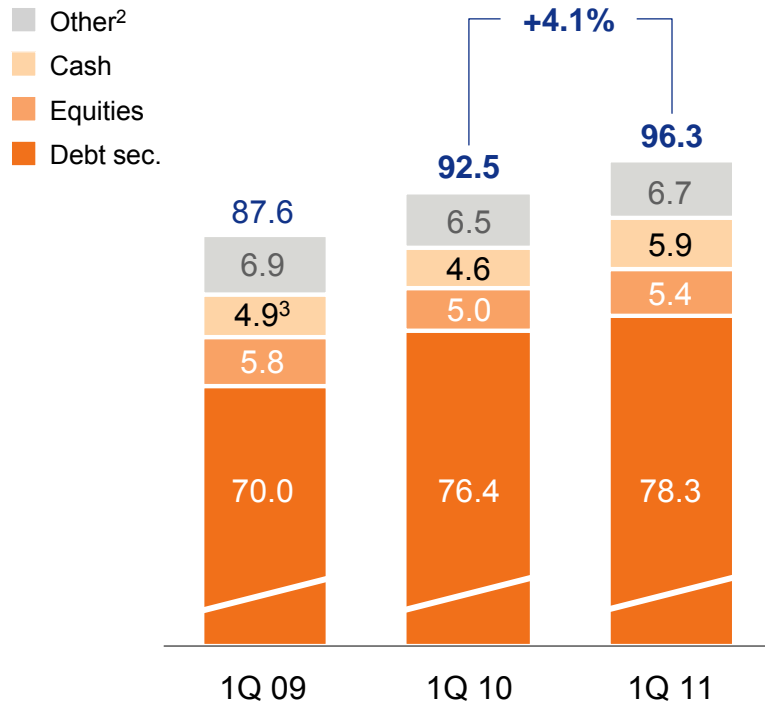


- Underlying development overall flat
- Total expenses up EUR +75mn, thereof:
  - F/X effect EUR +47mn
  - One-offs EUR +13mn, e.g.
    - Modified reinsurance structure in 2010 (EUR +43mn)
    - Switzerland: centralization of back-offices in 2010 (EUR -22mn)
- Recurring item: Hungary financial tax (EUR +7mn)

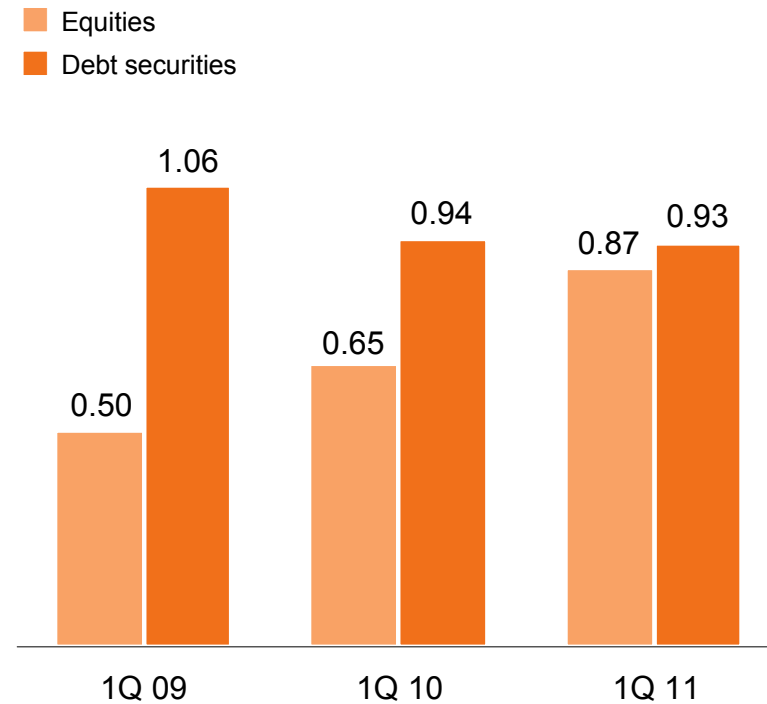
1) Allocation of expenses has been refined in 2010. Prior years have not been adjusted.

## Average investment portfolio growth to EUR 96bn

Average asset base<sup>1</sup>  
(EUR bn)



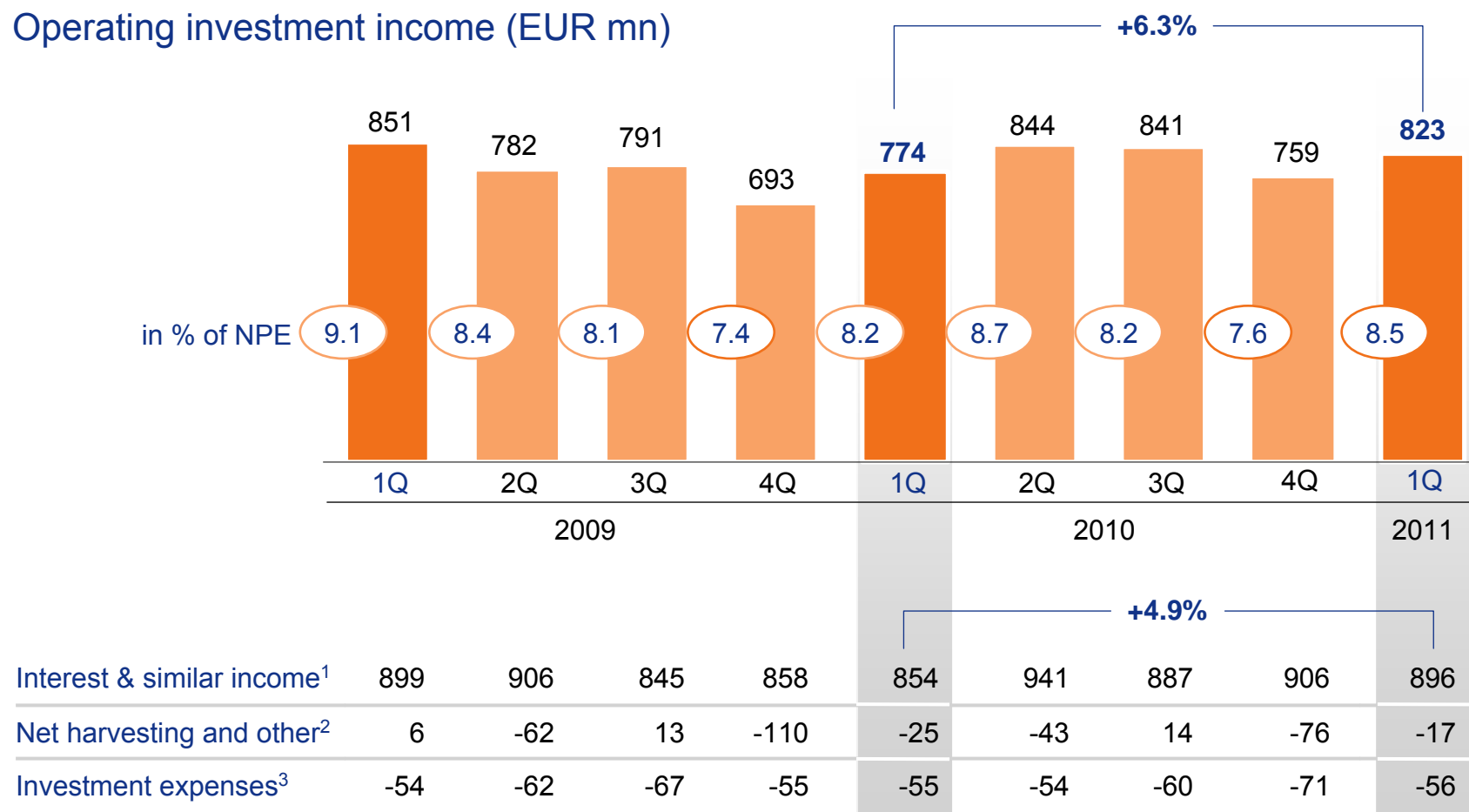
Current yield  
(in %)



1) Asset base excludes FVO and trading  
 2) Real estate investments and funds held by others under reinsurance contracts assumed  
 3) Cash restated due to cash pool merger in France (1Q 09: EUR 3.0bn)

## Operating investment income on a high level

Operating investment income (EUR mn)



1) Net of interest expenses

2) Comprises real. gains/ losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation. Thereof related to UBR: 1Q 2011: EUR -25mn, 1Q 2010: EUR 15mn, 1Q 2009: EUR 3mn

3) Comprises management expenses and expenses for real estate

# 4

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H**
- 5 Asset Management
- 6 Summary
- 7 Additional information
- 8 Glossary

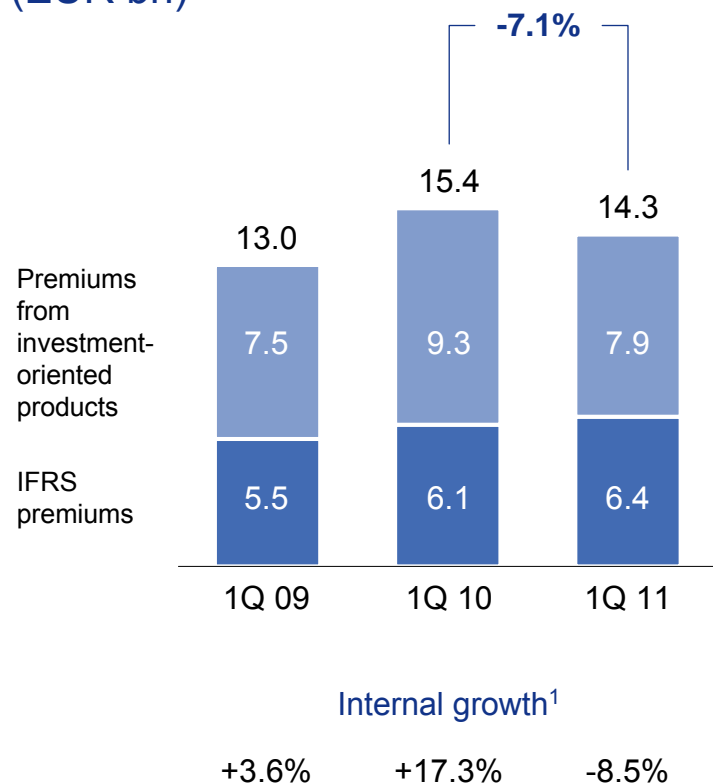
## Results on track



- Revenues at EUR 14.3bn, lower by 7.1 percent
- Operating asset base at EUR 419bn with EUR 1.7bn net inflows
- Operating profit at EUR 702mn, down 15.9 percent
- Value of new business at EUR 240mn, and new business margin at 2.2 percent

## Revenues at EUR 14.3bn

### Revenues (EUR bn)

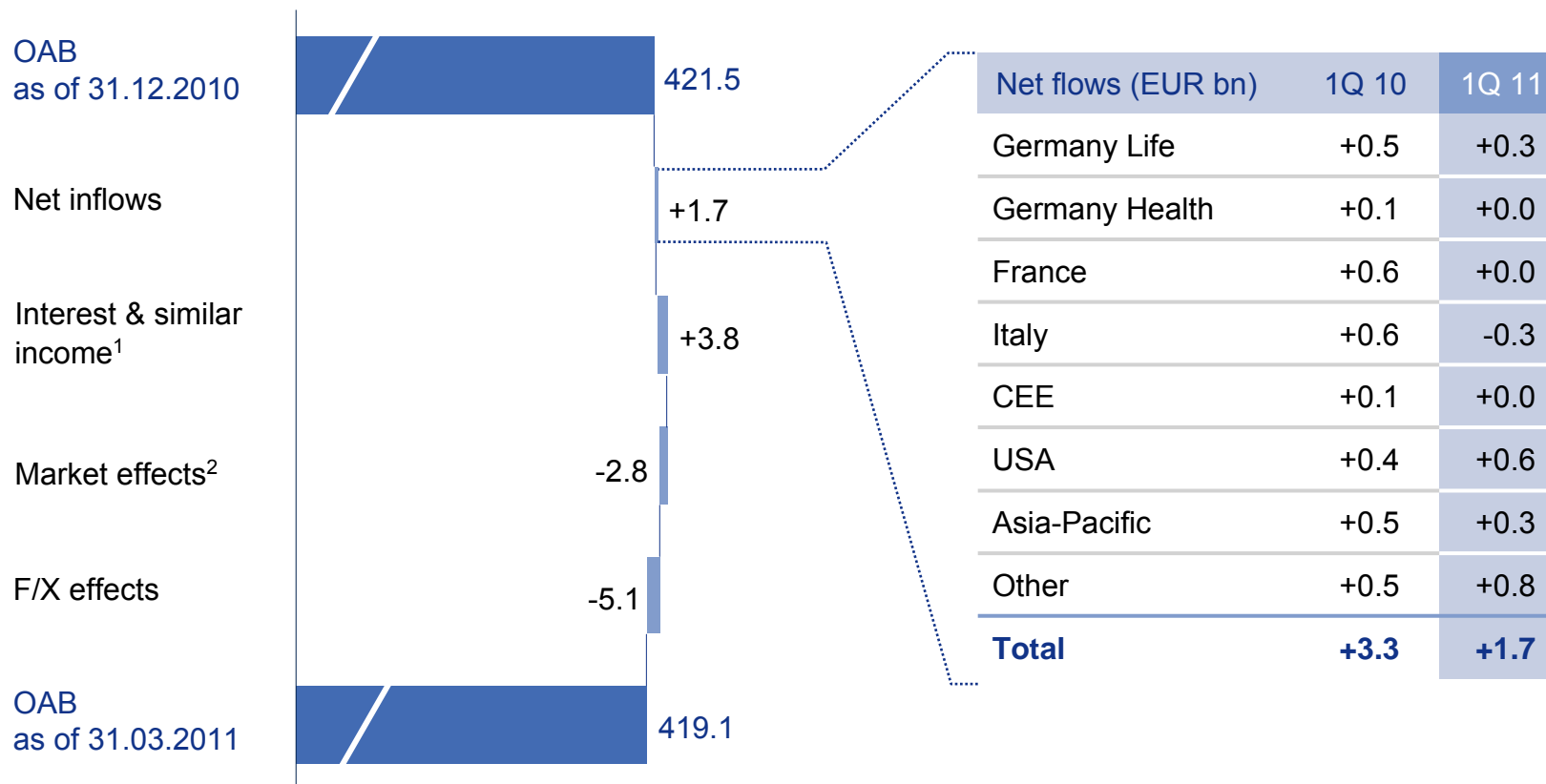


Revenues of sel. OEs (EUR mn)		1Q 09	1Q 10	1Q 11	Δ11/10 <sup>1</sup>
German Speaking Countries	Germany Life	3,479	3,919	3,919	+0.0%
	Germany Health	791	803	798	-0.6%
	Switzerland	693	806	927	+2.5%
Europe incl. South America	France	1,784	2,471	1,958	-21.9%
	Italy	2,254	2,840	1,998	-30.2%
	Benelux	272	339	421	+24.2%
	Spain	245	198	256	+29.3%
Growth Markets	Asia-Pacific	745	1,625	1,412	-18.9%
	CEE	306	333	283	-15.9%
NAFTA Markets	USA	2,130	1,651	1,939	+16.3%

1) Changes refer to internal growth (adjusted for F/X and consolidation effects)

## Net inflows of EUR 1.7bn

### Operating asset base (EUR bn)



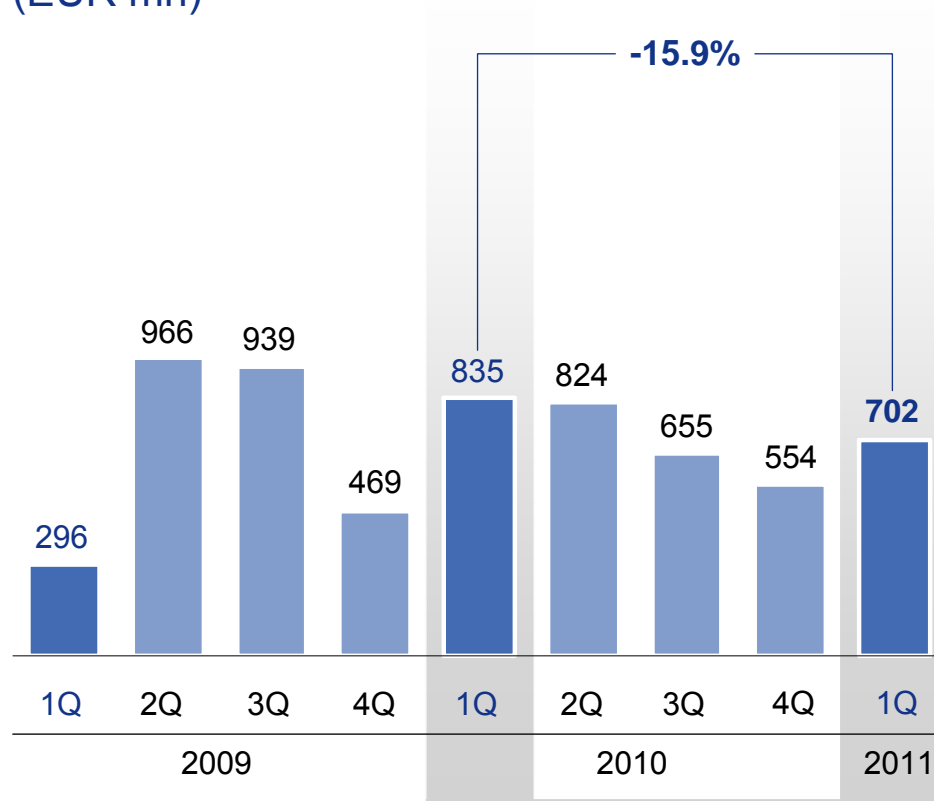
1) Net of interest expenses

2) Includes internal dividends, changes in other assets and liabilities of EUR 1.4bn

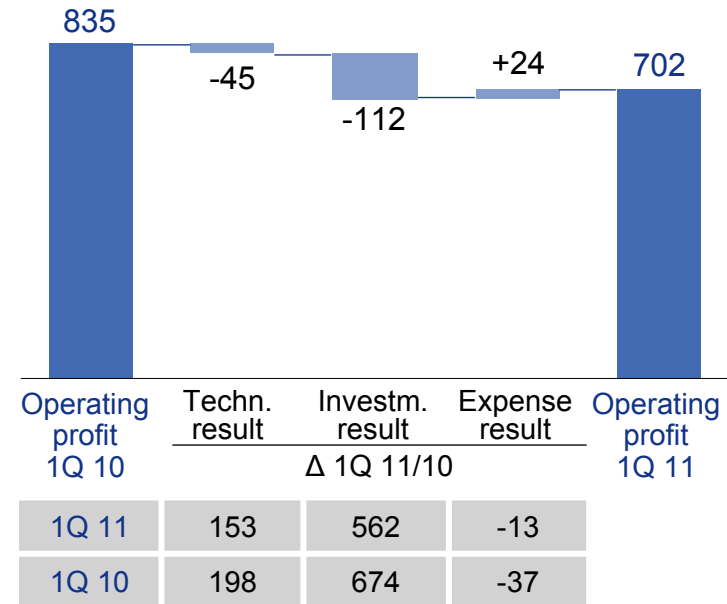


## Operating profit at EUR 702mn

Operating profit (EUR mn)

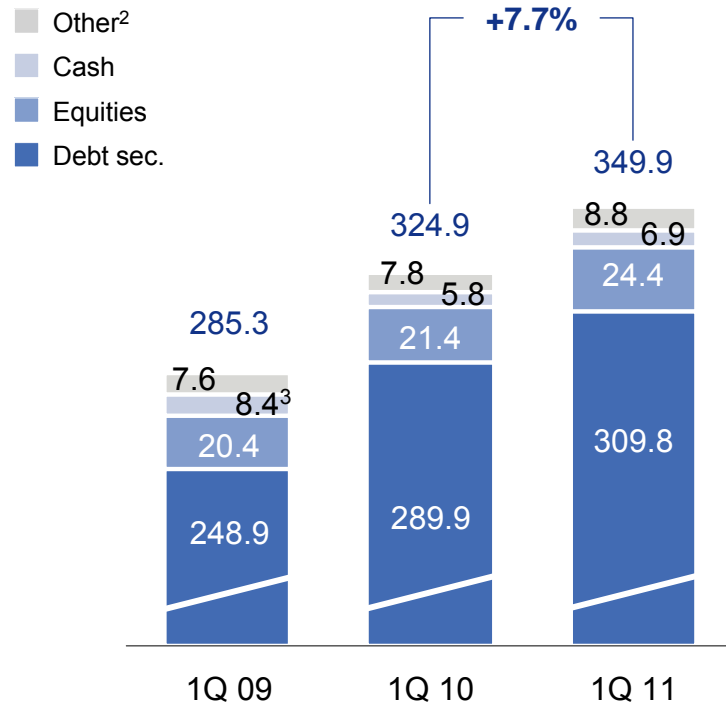


Operating profit drivers (EUR mn)

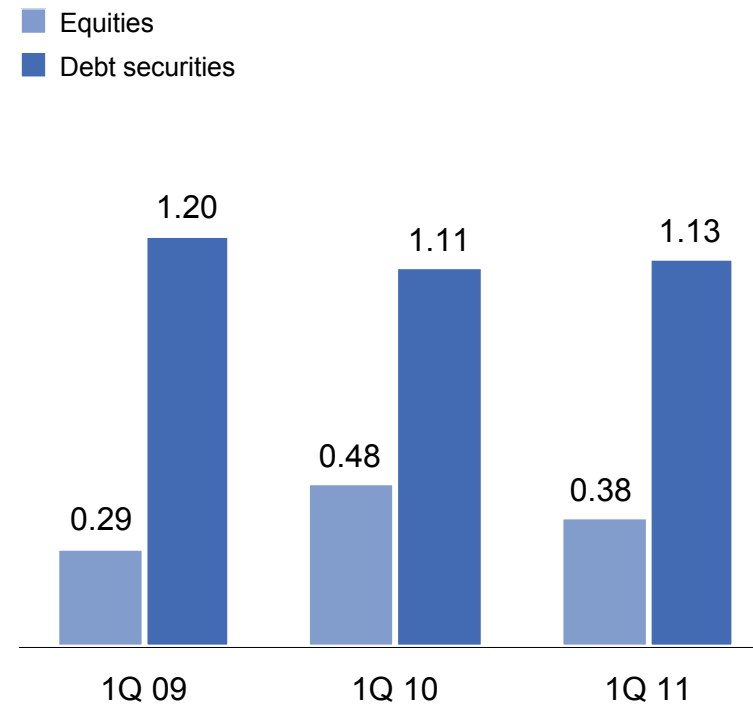


## Average asset base increases by 7.7 percent

Average asset base (EUR bn)<sup>1</sup>



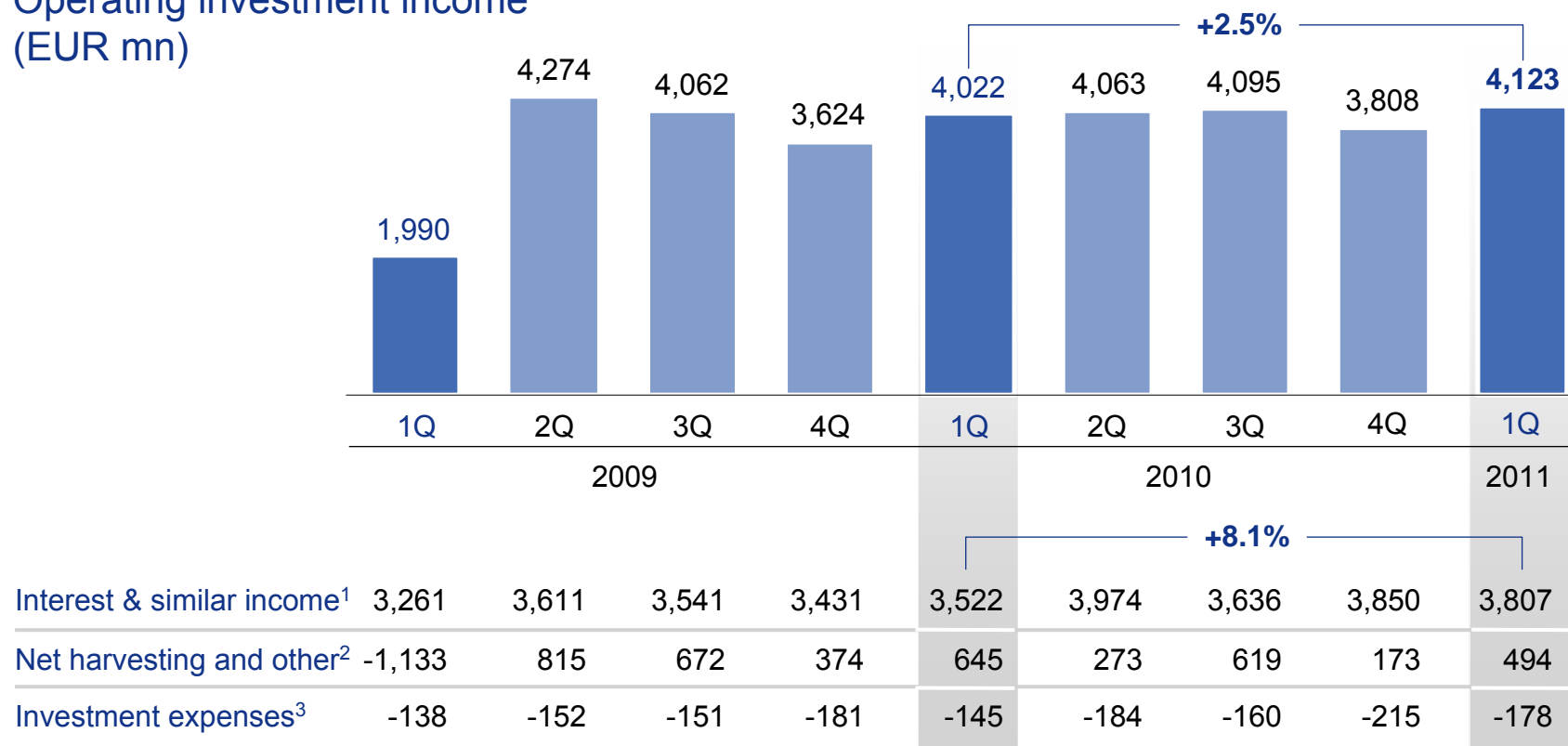
Current yield (in %)



1) Asset base excludes unit linked, FVO and trading. Operating asset base shown on previous slide includes FVO, trading, unit linked (excludes derivatives MVLO)  
 2) Real estate investments and funds held by others under reinsurance contracts assumed  
 3) Cash restated due to cash pool merger in France (1Q 09: EUR 3.0bn)

## High level of operating investment income

### Operating investment income (EUR mn)



1) Net of interest expenses

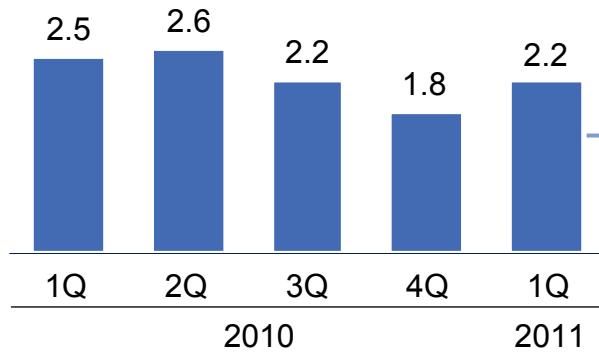
2) Comprises realized gains/ losses, impairments (net), fair value option, trading and F/X gains and losses

3) Comprises management expenses and expenses for real estate

## Profitable new business

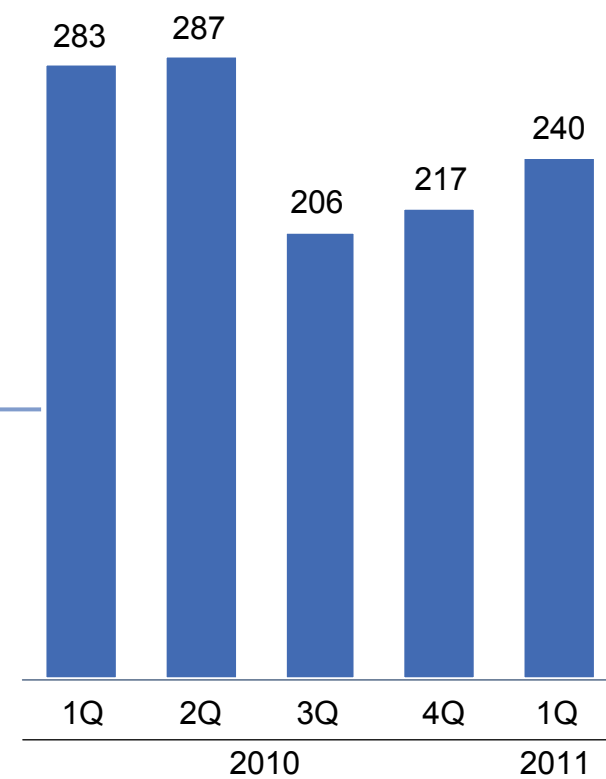
### New business margin<sup>1</sup>

(VNB in % of PV of NB premiums)



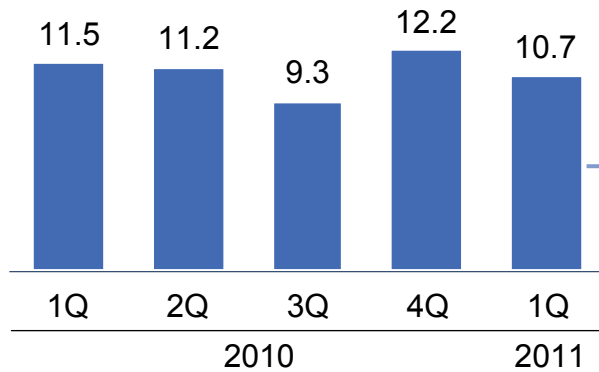
### Value of new business<sup>1</sup>

(EUR mn)



### PV of NB premiums<sup>1</sup>

(EUR bn)



1) After non-controlling interests, including holding expenses and internal reinsurance. VNB and NBM include illiquidity premium, EIOPA yield curve extrapolation and updated cost of capital charge for all periods. All values using F/X rates as of valuation date

# 5

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H
- 5 Asset Management**
- 6 Summary
- 7 Additional information
- 8 Glossary

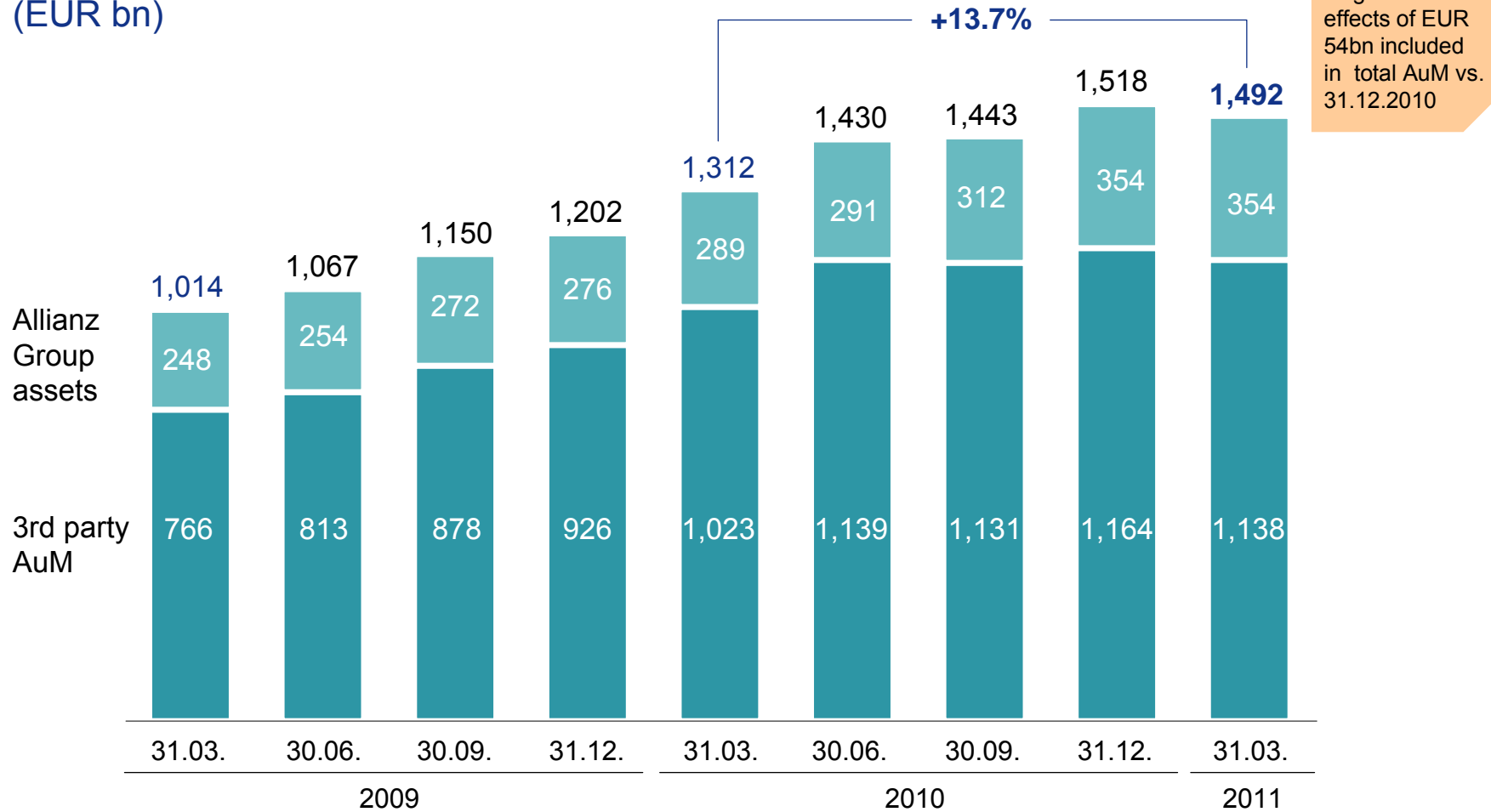
## Strong contribution to Group performance



- Total Assets under Management at EUR 1,492bn
- 3rd party net inflows of EUR 14bn
- Operating profit up by 13.3 percent in line with asset growth
- Cost-income ratio at 58.5 percent

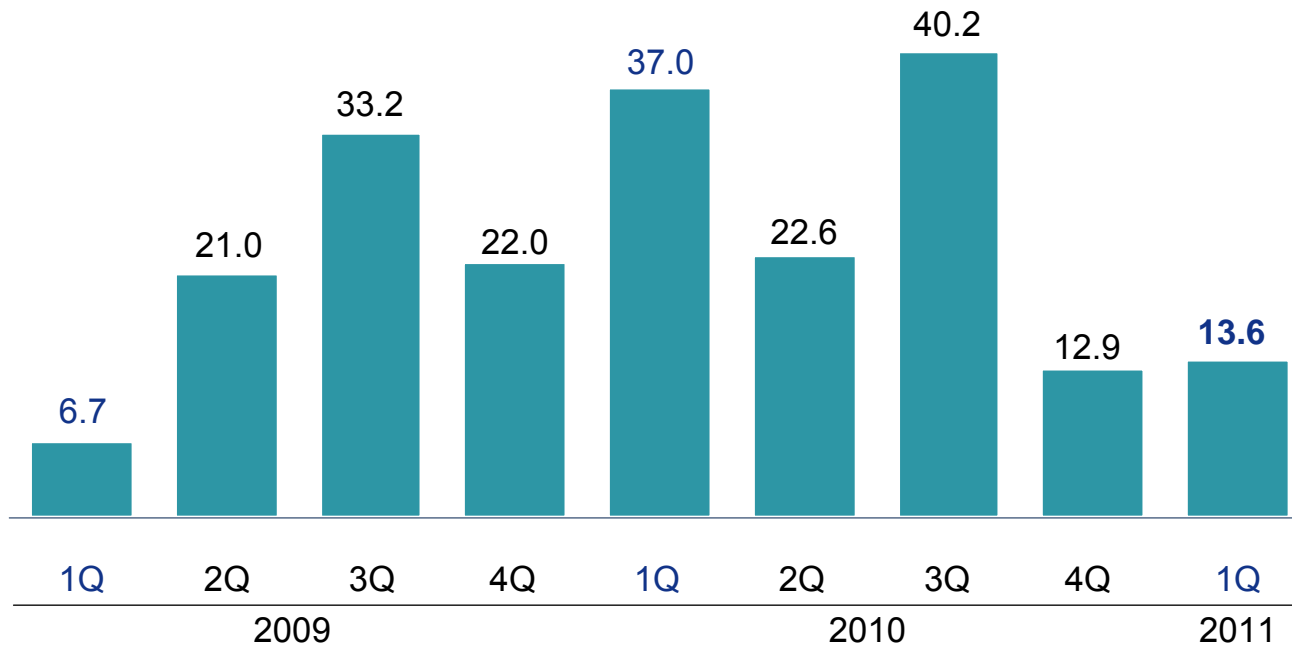
## Total AuM up by 13.7 percent

### Assets under Management (EUR bn)



## 3rd party net inflows<sup>1</sup> of EUR 14bn

3rd party net flow development (EUR bn)



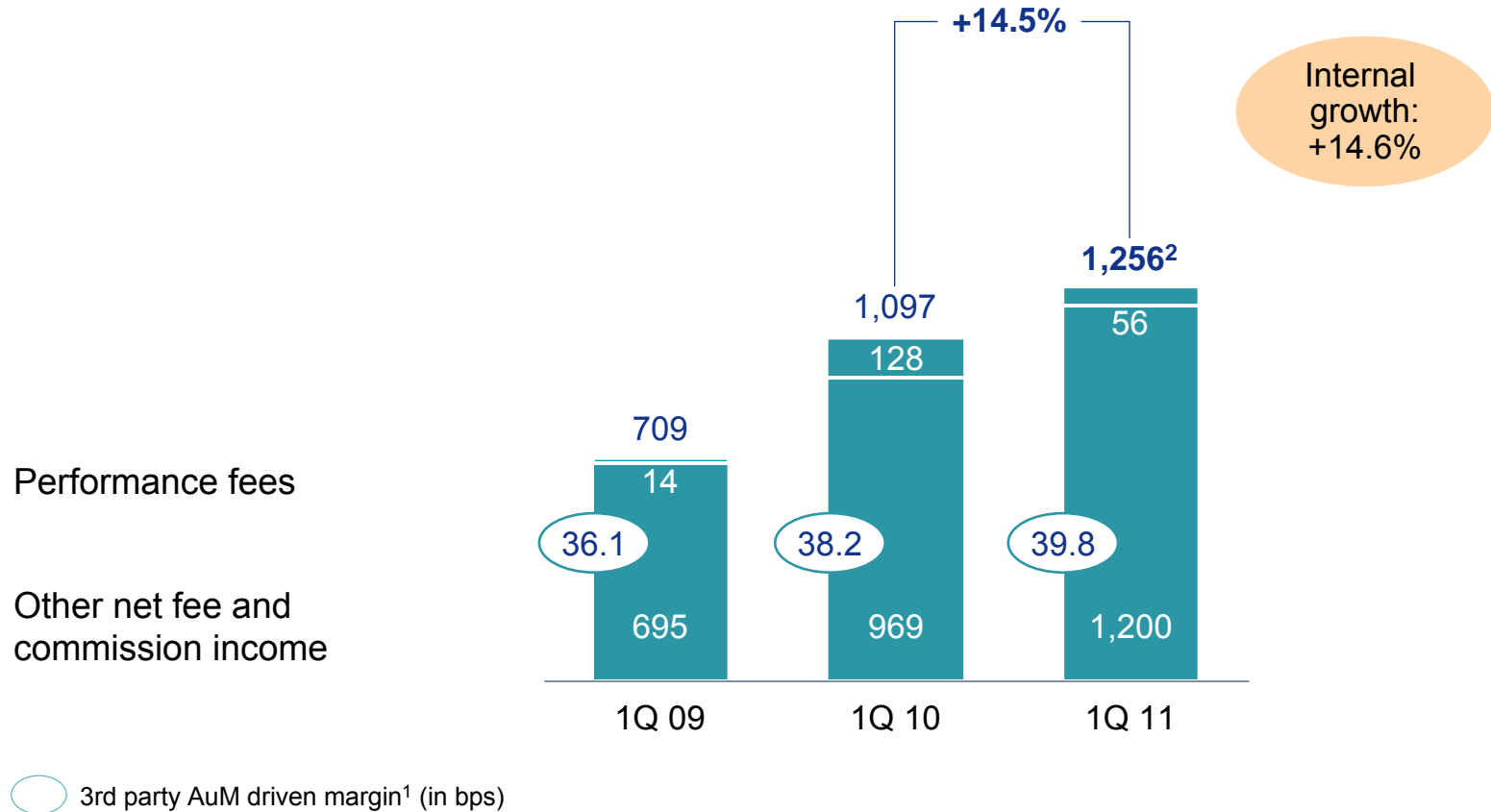
Net flows  
in % of 3rd  
party AuM bop



1) AGI only



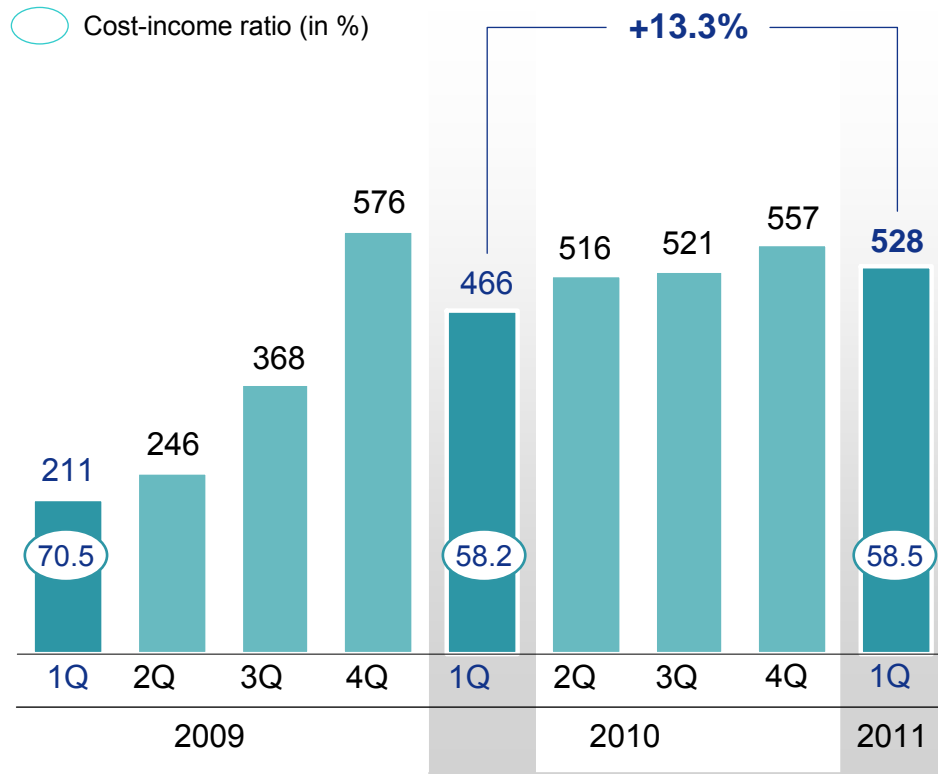
## Net fee and commission income up 14.5 percent (EUR mn)



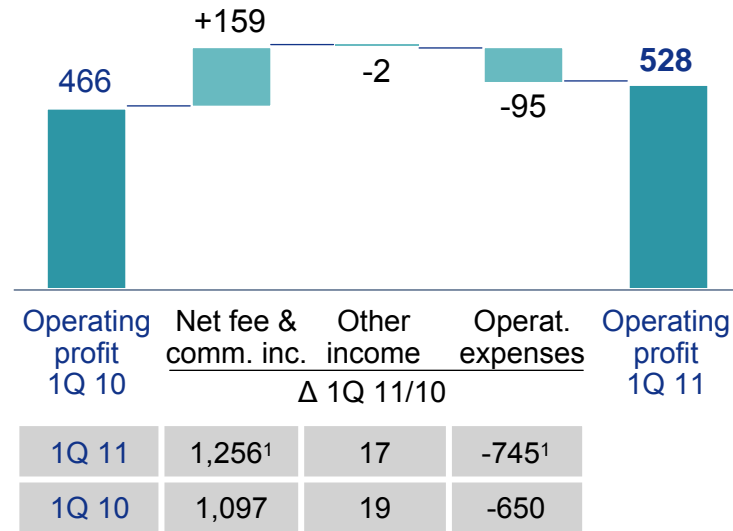
1) Excluding performance fees, 12-month rolling  
2) Net fee and commission income includes F/X effect of EUR +12mn

# Operating profit up 13.3 percent

Operating profit (EUR mn)



Operating profit drivers (EUR mn)

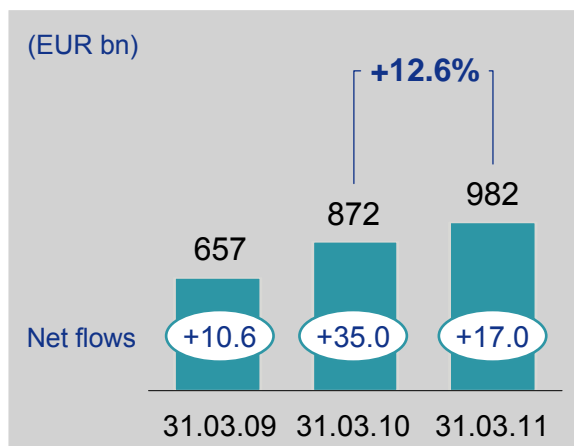


1) Net fee and commission income includes F/X effect of EUR +12mn; operating expenses include F/X effect of EUR -7mn

# Exceptional performance of fixed income

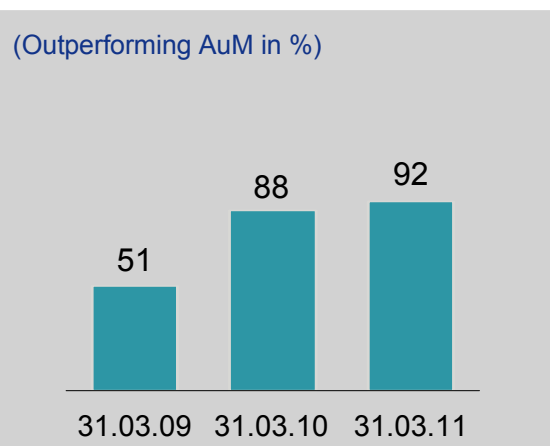
## Fixed income

### 3rd party AuM



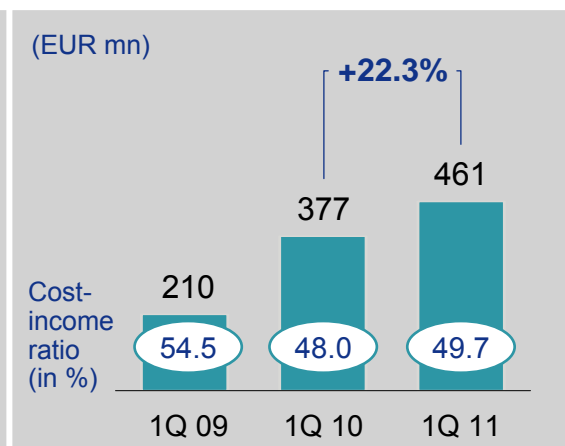
- Internal growth of 3rd party AuM vs. March 2010 of 17%
- Compared to March 2010, 3rd party AuM are burdened by EUR -35bn negative F/X effect
- Market return vs. March 2010 amounts to EUR +52bn
- Strong institutional and retail net inflows

### 3-year-outperformance



- Outstanding investment performance since 2Q 2009

### Operating profit

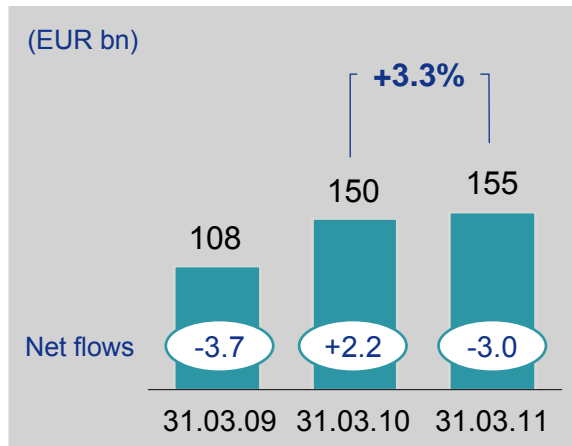


- Increase in average 3rd party AuM by 20% vs. 1Q 2010 drives AuM related fee income up
- Performance fees of EUR 33mn in 1Q 2011 still on a remarkable level, but EUR -52mn below 1Q 2010

# Cost-income ratio for equity improves to 73.5 percent

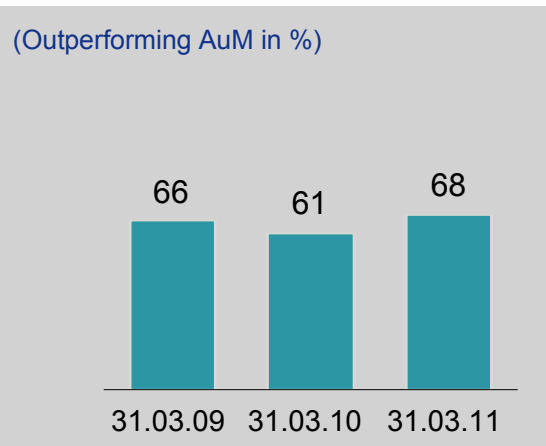
## Equity

### 3rd party AuM



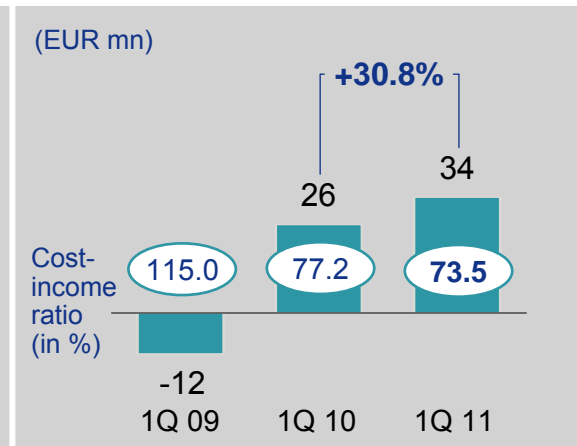
- Internal growth of 3rd party equity AuM vs. March 2010 amounts to 7% considering negative F/X effect of EUR -3bn
- Investors sentiment leads to equity net outflows of EUR -2.8bn in March 2011

### 3-year-outperformance



- Strongly improved investment performance of 68% in 1Q 2011 compared to 63% in 4Q 2010
- Outperformance in 1Q 2011 on a very competitive level and only slightly below target level

### Operating profit




- Increase in average 3rd party AuM by 12% drives AuM related fees up vs. 1Q 2010
- Further improved CIR to 73.5% in 1Q 2011

# 6

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H
- 5 Asset Management
- 6 Summary**
- 7 Additional information
- 8 Glossary

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- Total revenues on a high level at EUR 29.9bn
  - Operating profit at EUR 1.7bn, despite severe NatCat losses
  - Net income at EUR 915mn, due to lower non-operating result and temporarily higher tax rate
  - Capital position continues to be strong

**Outlook<sup>1</sup>:**  
on track

1) Impact from NatCat, financial markets and global economic development not predictable

# 7

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H
- 5 Asset Management
- 6 Summary
- 7 Additional information**
- 8 Glossary

## Result by segments overview (EUR mn)

	P/C		L/H		AM		CO		Consolidation		Total	
	1Q 10	1Q 11	1Q 10	1Q 11	1Q 10	1Q 11	1Q 10	1Q 11	1Q 10	1Q 11	1Q 10	1Q 11
<b>Total revenues (EUR bn)</b>	14.0	14.3	15.4	14.3	1.1	1.3	0.1	0.2	0.0	-0.2	30.6	29.9
<b>Operating profit</b>	712	663	835	702	466	528	-251	-223	-30	-10	1,732	1,660
Non-operating items	149	173	-35	-4	-207	-99	266	-261	86	17	259	-174
<b>Income b/ tax</b>	861	836	800	698	259	429	15	-484	56	7	1,991	1,486
Income taxes	-270	-279	-224	-216	-116	-120	209	32	13	12	-388	-571
<b>Net income from continuing operations</b>	591	557	576	482	143	309	224	-452	69	19	1,603	915
Net income from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net income</b>	591	557	576	482	143	309	224	-452	69	19	1,603	915
<i>Net income attributable to:</i>												
Non-controlling interests	31	38	21	21	-6	3	-8	-4	0	0	38	58
Shareholders	560	519	555	461	149	306	232	-448	69	19	1,565	857



## Group: key figures (EUR mn)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	Delta 1Q 11/10
<b>Total revenues (EUR bn)</b>	<b>27.7</b>	<b>22.2</b>	<b>22.0</b>	<b>25.5</b>	<b>30.6</b>	<b>25.4</b>	<b>24.5</b>	<b>26.0</b>	<b>29.9</b>	<b>-0.7</b>
<b>Operating profit</b>	<b>1,313</b>	<b>1,762</b>	<b>2,009</b>	<b>1,960</b>	<b>1,732</b>	<b>2,302</b>	<b>2,055</b>	<b>2,154</b>	<b>1,660</b>	<b>-72</b>
Non-operating items	-974	548	-92	-1,336	259	-597	-123	-609	-174	-433
Income b/ tax	339	2,310	1,917	624	1,991	1,705	1,932	1,545	1,486	-505
Income taxes	16	-438	-527	409	-388	-548	-664	-364	-571	-183
<b>Net inc. from cont. ops.</b>	<b>355</b>	<b>1,872</b>	<b>1,390</b>	<b>1,033</b>	<b>1,603</b>	<b>1,157</b>	<b>1,268</b>	<b>1,181</b>	<b>915</b>	<b>-688</b>
Net inc. from discount. ops.	-395	0	0	0	0	0	0	0	0	+0
<b>Net income</b>	<b>-40</b>	<b>1,872</b>	<b>1,390</b>	<b>1,033</b>	<b>1,603</b>	<b>1,157</b>	<b>1,268</b>	<b>1,181</b>	<b>915</b>	<b>-688</b>
<i>Net income attributable to:</i>										
Non-controlling interests	0	18	16	14	38	68	4	46	58	+20
Shareholders	-40	1,854	1,374	1,019	1,565	1,089	1,264	1,135	857	-708
<b>Group financial assets<sup>1</sup> (EUR bn)</b>	<b>400.8</b>	<b>413.7</b>	<b>431.6</b>	<b>438.8</b>	<b>456.4</b>	<b>467.8</b>	<b>471.4</b>	<b>470.3</b>	<b>470.4</b>	<b>+14.0</b>

1) Group own assets including financial assets carried at fair value through income, and cash and cash pool assets net of liabilities from securities lending and derivatives

## P/C: key figures (EUR mn)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	Delta 1Q 11/10
<b>Gross premiums written (EUR bn)</b>	<b>13.9</b>	<b>9.5</b>	<b>10.2</b>	<b>8.9</b>	<b>14.0</b>	<b>10.0</b>	<b>10.6</b>	<b>9.4</b>	<b>14.3</b>	<b>+0.3</b>
<b>Operating profit</b>	<b>969</b>	<b>895</b>	<b>1,031</b>	<b>1,169</b>	<b>712</b>	<b>1,147</b>	<b>1,122</b>	<b>1,323</b>	<b>663</b>	<b>-49</b>
Non-operating items	-193	196	43	32	149	-7	113	-239	173	+24
Income b/ tax	776	1,091	1,074	1,201	861	1,140	1,235	1,084	836	-25
Income taxes	-333	-333	-293	-404	-270	-303	-363	-280	-279	-9
<b>Net income</b>	<b>443</b>	<b>758</b>	<b>781</b>	<b>797</b>	<b>591</b>	<b>837</b>	<b>872</b>	<b>804</b>	<b>557</b>	<b>-34</b>
<i>Net income attributable to:</i>										
Non-controlling interests	12	9	17	17	31	51	51	28	38	+7
Shareholders	431	749	764	780	560	786	821	776	519	-41
<b>Combined ratio (in %)</b>	<b>98.7</b>	<b>98.9</b>	<b>96.9</b>	<b>95.3</b>	<b>100.4</b>	<b>96.3</b>	<b>97.1</b>	<b>94.9</b>	<b>101.3</b>	<b>0.9%-p</b>
Segment financial assets <sup>1</sup> (EUR bn)	89.9	90.3	92.7	92.2	96.5	96.7	96.3	97.3	99.0	+2.5

1) Segment own assets (incl. financial assets carried at fair value through income). Including cash and cash pool assets net of liabilities from securities lending and derivatives. Adjusted for cash pool merger France

## L/H: key figures (EUR mn)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	Delta 1Q 11/10
<b>Statutory premiums</b> (EUR bn)	<b>13.0</b>	<b>11.8</b>	<b>10.8</b>	<b>15.2</b>	<b>15.4</b>	<b>14.1</b>	<b>12.6</b>	<b>15.1</b>	<b>14.3</b>	<b>-1.1</b>
<b>Operating profit</b>	<b>296</b>	<b>966</b>	<b>939</b>	<b>469</b>	<b>835</b>	<b>824</b>	<b>655</b>	<b>554</b>	<b>702</b>	<b>-133</b>
Non-operating items	-67	21	12	-23	-35	23	-4	-69	-4	+31
Income b/ tax	229	987	951	446	800	847	651	485	698	-102
Income taxes	28	-323	-290	-71	-224	-287	-206	-217	-216	+8
<b>Net income</b>	<b>257</b>	<b>664</b>	<b>661</b>	<b>375</b>	<b>576</b>	<b>560</b>	<b>445</b>	<b>268</b>	<b>482</b>	<b>-94</b>
<i>Net income attributable to:</i>										
Non-controlling interests	5	18	9	16	21	19	9	23	21	+0
Shareholders	252	646	652	359	555	541	436	245	461	-94
<b>Margin on reserves<sup>1</sup></b> (in bps)	<b>34</b>	<b>111</b>	<b>104</b>	<b>51</b>	<b>87</b>	<b>83</b>	<b>65</b>	<b>54</b>	<b>69</b>	<b>-18</b>
Segment financial assets <sup>2,3</sup> (EUR bn)	293.3	305.1	317.5	324.2	339.1	349.3	352.9	352.8	350.5	+11.4
Unit-linked investments (EUR bn)	49.1	51.9	54.9	57.0	60.1	61.0	61.7	64.8	64.8	+4.7
Operating asset base <sup>3,4</sup> (EUR bn)	345.0	359.7	375.4	384.5	402.9	413.7	417.9	421.5	419.1	+16.2

1) Margin on reserves = IFRS operating profit (annualized) divided by average IFRS net reserves

2) Segment own assets (incl. financial assets carried at fair value through income). Including cash and cash pool assets net of liabilities from securities lending and derivatives

3) Adjusted for cash pool merger France

4) Grossed up for insurance liabilities which are netted within the trading book (market value liability option).  
Including cash and cash pool assets net of liabilities from securities lending and derivatives

## AM: key figures (EUR mn)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	Delta 1Q 11/10
<b>Operating revenues</b>	<b>716</b>	<b>780</b>	<b>899</b>	<b>1,294</b>	<b>1,116</b>	<b>1,188</b>	<b>1,256</b>	<b>1,426</b>	<b>1,273</b>	<b>+157</b>
<b>Operating profit</b>	<b>211</b>	<b>246</b>	<b>368</b>	<b>576</b>	<b>466</b>	<b>516</b>	<b>521</b>	<b>557</b>	<b>528</b>	<b>+62</b>
Non-operating items	-50	-47	-148	-254	-207	-128	-60	-60	-99	+108
Income b/ tax	161	199	220	322	259	388	461	497	429	+170
Income taxes	-69	-88	-74	-128	-116	-158	-180	-205	-120	-4
<b>Net income</b>	<b>92</b>	<b>111</b>	<b>146</b>	<b>194</b>	<b>143</b>	<b>230</b>	<b>281</b>	<b>292</b>	<b>309</b>	<b>+166</b>
<i>Net income attributable to:</i>										
Non-controlling interests	1	1	1	2	-6	3	2	1	3	9
Shareholders	91	110	145	192	149	227	279	291	306	+157
<b>Cost-income ratio (in %)</b>	<b>70.5</b>	<b>68.5</b>	<b>59.1</b>	<b>55.5</b>	<b>58.2</b>	<b>56.6</b>	<b>58.5</b>	<b>60.9</b>	<b>58.5</b>	<b>+0.3%-p</b>
<b>3rd party AuM<sup>1</sup> (EUR bn)</b>	<b>766.0</b>	<b>813.3</b>	<b>877.5</b>	<b>925.7</b>	<b>1,022.7</b>	<b>1,138.5</b>	<b>1,130.9</b>	<b>1,164.0</b>	<b>1,138.5</b>	<b>+115.8</b>

1) 3rd party Assets under Management are end of period values

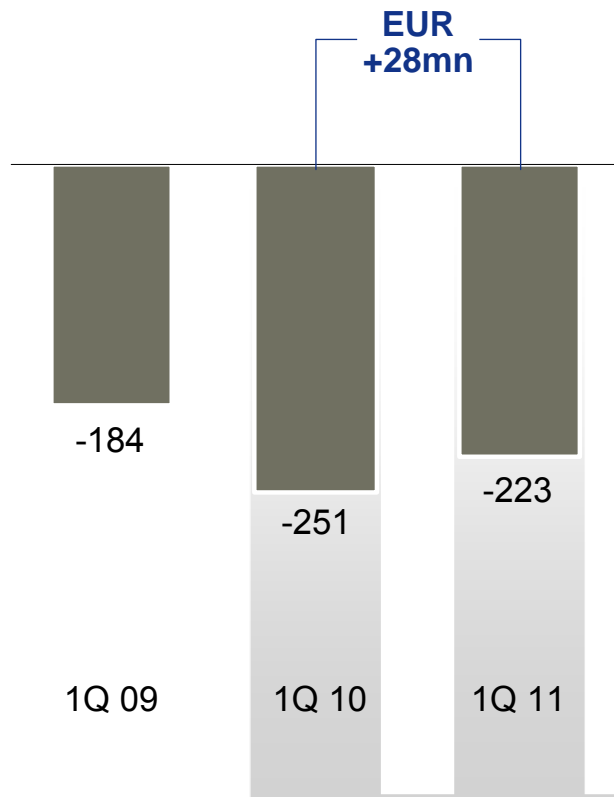
## CO: key figures (EUR mn)

	1Q 2009	2Q 2009	3Q 2009	4Q 2009	1Q 2010	2Q 2010	3Q 2010	4Q 2010	1Q 2011	Delta 1Q 11/10
<b>Total revenues (Banking)</b>	<b>117</b>	<b>124</b>	<b>119</b>	<b>157</b>	<b>128</b>	<b>138</b>	<b>146</b>	<b>175</b>	<b>151</b>	<b>+23</b>
<b>Operating profit</b>										
Holding & Treasury	-170	-210	-252	-217	-226	-138	-237	-262	-221	+5
Banking	-9	-93	-37	-26	-23	-15	-24	-2	2	+25
Alternative Investments	-5	-9	-6	7	-2	-2	-9	-2	-4	-2
<i>Consolidation</i>	<i>0</i>	<i>-1</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>+0</i>
<b>Corporate and Other operating profit</b>	<b>-184</b>	<b>-313</b>	<b>-295</b>	<b>-236</b>	<b>-251</b>	<b>-155</b>	<b>-270</b>	<b>-266</b>	<b>-223</b>	<b>+28</b>
<b>Non-operating items</b>										
Holding & Treasury	-606	396	55	-235	245	-466	-55	-120	-245	-490
Banking	-3	3	-9	-78	6	-32	-8	-96	0	-6
Alternative Investments	-63	-220	-17	-83	-70	-31	-222	-5	-37	+33
<i>Consolidation</i>	<i>1</i>	<i>184</i>	<i>0</i>	<i>0</i>	<i>85</i>	<i>16</i>	<i>19</i>	<i>16</i>	<i>21</i>	<i>-64</i>
<b>Corporate and Other non-operating items</b>	<b>-671</b>	<b>363</b>	<b>29</b>	<b>-396</b>	<b>266</b>	<b>-513</b>	<b>-266</b>	<b>-205</b>	<b>-261</b>	<b>-527</b>
Income b/taxes	-855	50	-266	-632	15	-668	-536	-471	-484	-499
Income taxes	384	286	121	272	209	197	82	287	32	-177
<b>Net inc. from cont. ops.</b>	<b>-471</b>	<b>336</b>	<b>-145</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-454</b>	<b>-184</b>	<b>-452</b>	<b>-676</b>
Net inc. from discount. ops.	-395	0	0	0	0	0	0	0	0	+0
<b>Net income</b>	<b>-866</b>	<b>336</b>	<b>-145</b>	<b>-360</b>	<b>224</b>	<b>-471</b>	<b>-454</b>	<b>-184</b>	<b>-452</b>	<b>-676</b>
<i>Net income attributable to:</i>										
Non-controlling interests	-18	-18	-3	-21	-8	-5	-58	-6	-4	+4
Shareholders	-848	354	-142	-339	232	-466	-396	-178	-448	-680
<b>Cost-income ratio Banking (in %)</b>	<b>101.7</b>	<b>166.9</b>	<b>120.2</b>	<b>105.0</b>	<b>107.8</b>	<b>103.7</b>	<b>104.1</b>	<b>92.6</b>	<b>88.2</b>	<b>-19.6%-p</b>
<b>RWA<sup>1</sup> Banking (EUR bn)</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>+0</b>

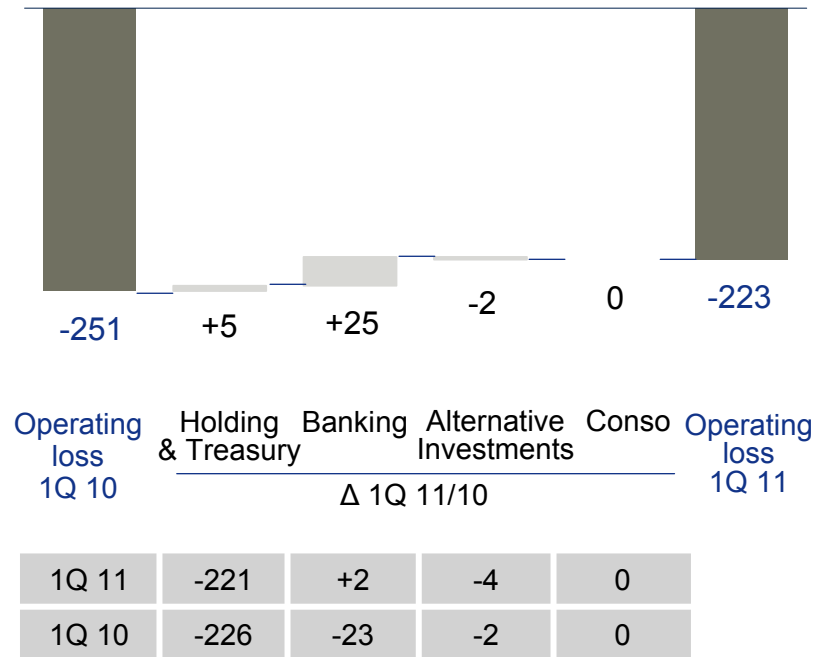
1) Risk weighted assets are end of period values. RWA based on Basel II approach from 3Q 08 onwards

# Corporate and Other (EUR mn)

## Operating loss



## Operating loss components



## Shareholders' equity (EUR mn)

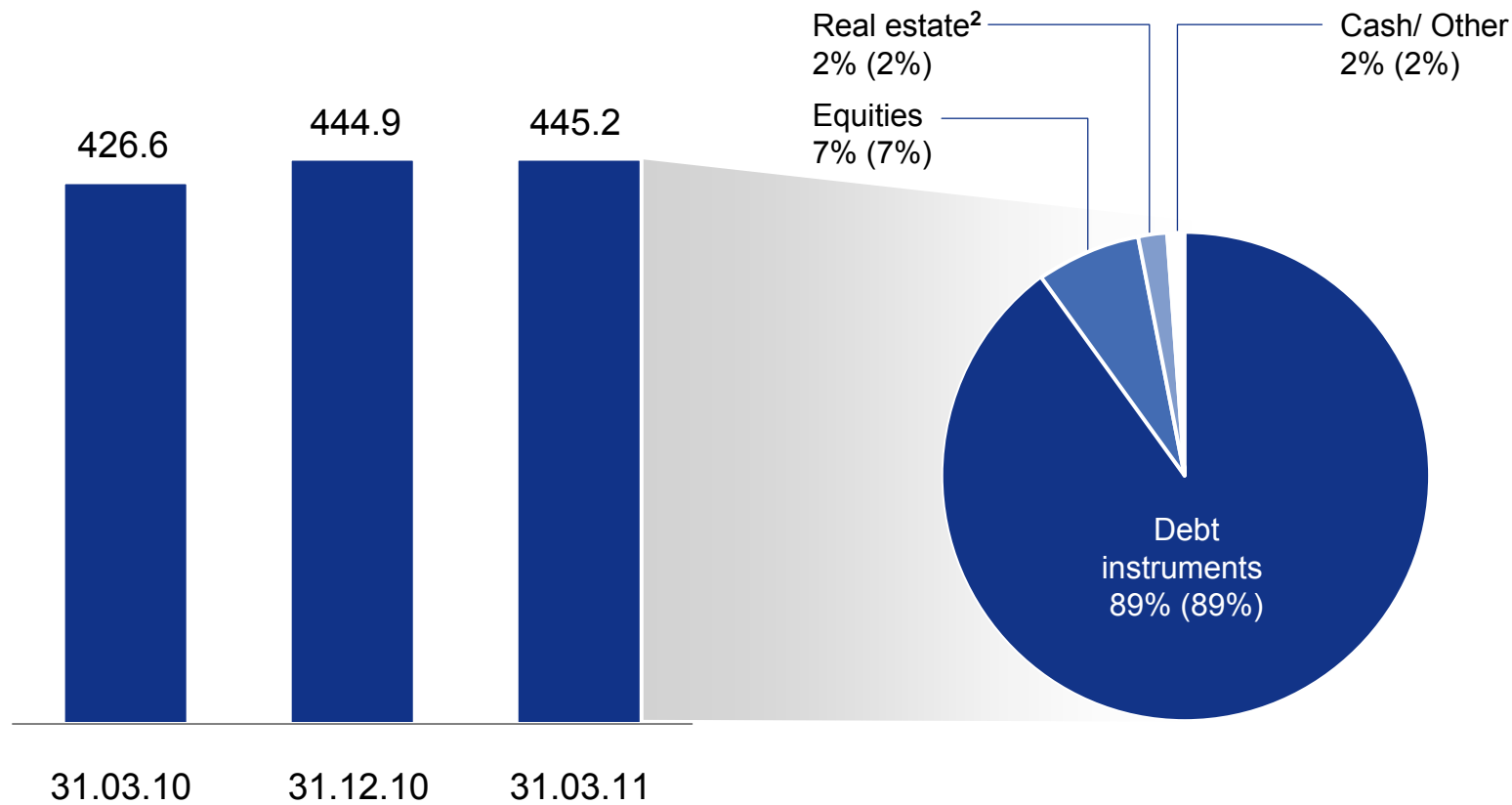
	Paid-in capital	Retained earnings	Foreign currency translation adjustments	Unrealized gains and losses (net)	Shareholders' equity	Non-controlling interests	Total equity
Balance as of 31.12.09, as previously reported	28,635	9,689	-3,615	5,457	40,166	2,121	42,287
Adjustments		-47	-11		-58		-58
Balance as of 31.12.09 (restated)	28,635	9,642	-3,626	5,457	40,108	2,121	42,229
Total comprehensive income		1,607	904	787	3,298	96	3,394
Paid-in capital							
Treasury shares		2			2		2
Transactions between equity holders		17	-10		7	-63	-56
Dividends paid						-30	-30
Balance as of 31.03.10	28,635	11,268	-2,732	6,244	43,415	2,124	45,539
Balance as of 31.12.10	28,685	13,088	-2,339	5,057	44,491	2,071	46,562
Total comprehensive income		900	-776	-1,057	-933	8	-925
Paid-in capital							
Treasury shares		7			7		7
Transactions between equity holders		-5			-5	4	-1
Dividends paid						-28	-28
<b>Balance as of 31.03.11</b>	<b>28,685</b>	<b>13,990</b>	<b>-3,115</b>	<b>4,000</b>	<b>43,560</b>	<b>2,055</b>	<b>45,615</b>

# Overview investment portfolio (EUR bn)

Group investments and loans<sup>1</sup>

as of 31.03.11 (31.12.10)

Total EUR 445.2bn (EUR 444.9bn)



1) Portfolio discussion is based on consolidated insurance portfolios (P/C, L/H, Corporate and Other)

2) Excluding real estate own use and real estate held for sale



# 8

Group financial  
results 1Q 2011

- 1 Highlights
- 2 Group
- 3 P/C
- 4 L/H
- 5 Asset Management
- 6 Summary
- 7 Additional information
- 8 Glossary**

## Glossary (1)

<b>AGCS</b>	Allianz Global Corporate & Specialty
<b>AGI</b>	Allianz Global Investors
<b>AM</b>	Asset Management
<b>AuM</b>	Assets under Management: The total of all investments, valued at current market value, which the Group has under management with responsibility for maintaining and improving their performance. In addition to the Group's own investments, they include investments managed on behalf of third parties
<b>Bp</b>	Basis point = 0.01%
<b>CEE</b>	Central and Eastern Europe
<b>Combined ratio</b>	Sum of loss ratio and expense ratio, represents the total of acquisition and administrative expenses (net) and claims and insurance benefits incurred (net) divided by premiums earned (net)
<b>Cost-income ratio (CIR)</b>	Represents operating expenses divided by operating revenues
<b>Current yield</b>	Interest and similar income / average asset base at book value (excluding income from financial assets and liabilities carried at fair value); current yield on debt securities adjusted for interest expenses from securities lending; yield on debt securities including cash components
<b>DAC</b>	Deferred acquisition costs: Commissions, underwriting expenses and policy issuance costs, which vary with and are primarily related to the acquisition and renewal of insurance contracts. These acquisition costs are deferred, to the extent that they are recoverable, and are subject to recoverability testing at the end of each accounting period
<b>Fair value</b>	The amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction
<b>FCD</b>	Financial conglomerates directive: European regulation for the supervision of financial conglomerates and financial groups involved in cross-sectoral business operations

## Glossary (2)

<b>Goodwill</b>	Difference between a subsidiary's purchase price and the relevant proportion of its net assets valued at the current value of all assets and liabilities at the time of acquisition
<b>Gross/Net</b>	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 (e.g. depreciations and losses on the disposal of assets) have already been deducted
<b>IFRS</b>	International Financial Reporting Standards. Since 2002, the designation of IFRS applies to the overall framework of all standards approved by the International Accounting Standards Board. Standards already approved before will continue to be cited as International Accounting Standards (IAS)
<b>Internal growth</b>	Enhances the understanding of our total revenue performance by excluding the effects of foreign currency translation as well as acquisitions and disposals
<b>L/H</b>	Life and health insurance
<b>Loss ratio</b>	Claims and insurance benefits incurred (net) divided by net premiums earned (net).
<b>NBM</b>	New business margin: Value of new business divided by present value of new business premiums
<b>Non-controlling interests</b>	Represent the proportion of equity of affiliated enterprises not owned by Group companies
<b>OAB</b>	Operating asset base: Operating asset base represents all operating investment assets within L/H segment. This includes investments & loans, financial assets and liabilities carried at fair value as well as unit linked investments. Market value liability option is excluded
<b>OE</b>	Operating entity

## Glossary (3)

### Operating profit

We evaluate the results of our Property-Casualty, Life/Health, Asset Management and Corporate and Other 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 non-controlling interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: Non-operating income from financial assets and liabilities carried at fair value through income (net), non-operating realized gains/losses (net), income from fully consolidated private equity investments (net), interest expenses from external debt, non-operating impairments of investments (net), acquisition-related expenses, amortization of intangible assets, non-operating restructuring charges and reclassification of tax benefits. 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 non-controlling 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.

### P/C

Property and casualty insurance

### VNB

Value of New Business: The additional value to shareholder created through the activity of writing new business. It is defined as Present value of future profits (PVFP) after acquisition expenses minus the cost of option and guarantees (O&G), minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital, all determined at issue date

# Disclaimer

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

## Cautionary Note Regarding Forward-Looking Statements

The statements contained herein may include 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, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (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 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.