

Munich, May 9, 2008

oliver.schmidt@allianz.com
andrea.foerterer@allianz.com
peter.hardy@allianz.com
holger.klotz@allianz.com
christian.lamprecht@allianz.com

+49 89 3800-3963
+49 89 3800-6677
+49 89 3800-18180
+49 89 3800-18124
+49 89 3800-3892

investor.relations@allianz.com
www.allianz.com/investor-relations

Fax +49 89 3800-3899

Allianz Group in the first quarter 2008: Robust earnings despite difficult market environment

Operating profit of 1.86 billion euros achieved – Markdowns of 845 million euros in ABS trading book – Realized gains deliberately kept low; net harvesting 1.8 billion euros below first quarter 2007 – Perlet: "We remain optimistic about the medium term, as the fundamentals of our business are in very good shape."

Allianz Group weathered difficult market conditions in the first quarter of 2008, which were due to the continuing credit crisis and weak equity markets worldwide. Total revenues decreased by 5.7 percent to 27.7 billion euros, compared to 29.3 billion euros in the same period of 2007. Operating profit in the first quarter of 2008 amounted to 1.86 billion euros, or 1.0 billion euros less than in the first quarter of 2007. Thereof, 845 million euros are attributable to ABS markdowns in first quarter 2008. Quarterly net income amounted to 1.15 billion euros. This represents a 64.6 percent decrease, which is mainly a result of Allianz's decision to not realize gains from capital investments due to unfavorable stock markets. This is in strong contrast to the first quarter of 2007, when Allianz recorded net realized gains of 2.0 billion euros from investments. Net-harvesting was 1.8 billion euros lower than in first quarter 2007.

Allianz Group did register some spill-over effects from the financial markets turmoil into its operations, such as lower investment income in Life and Health, decreased fee and commission income in Banking, and lower revenues from third-party equities business in Asset Management. However, Allianz Group's fundamental business operations were robust with continued efficiency gains. Moreover, the Property and Casualty business recorded a very strong increase of operating profit and a combined ratio of 94.8 percent. The asset quality in insurance was strong. Also, the new business margin in Life and Health was at target level.

Allianz Group's capital base remains strong with shareholders' equity amounting to 45.0 billion euros, compared to 47.8 billion euros at December 31, 2007.

The **Property and Casualty** business posted strong performance in the first quarter of 2008 with an operating profit improvement of 16.7 percent to 1.48 billion euros, compared to 1.27 billion euros in the first quarter of 2007. Gross premiums written, at 13.7 billion euros, nearly reached the same level of the previous year's first quarter. At 94.8 percent, the combined ratio was in the target range and significantly lower than 96.8 percent in the first quarter of 2007. The expense ratio was 26.1 percent, 2.5 percentage points lower than in the previous year's first quarter.

"We have again achieved superior results in soft P&C markets, through selective underwriting, pricing discipline and improved efficiency. Therefore, we are in a position for strong growth when the cycle turns in our mature markets," said Helmut Perlet, CFO of Allianz SE.

In the **Life and Health** business, total premium income remained stable at 12.3 billion euros, compared with the first quarter of 2007. Strong top-line growth in most major markets was in contrast to a specific development in Italy, where the entire bancassurance market was down by more than 30 percent in the first months of 2008. Switzerland, France and Germany recorded

strong internal growth in Life through the acquisition of large group contracts. In Asia Pacific, Allianz maintained the growth momentum despite weaker bancassurance sales.

Operating profit decreased by 21.5 percent from 750 million euros in the first quarter of 2007 to 589 million euros, which was predominantly driven by a lower investment income.

"The underlying fundamentals in our Life and Health business are on track, demonstrated by a new business margin of 3 percent and positive net inflows," said Helmut Perlet.

Dresdner Bank saw a significant decline in operating revenues by 64.5 percent to 719 million euros, compared to over 2.0 billion euros in the first quarter of 2007. This was predominantly driven by 845 million euros in markdowns on the ABS trading book. The interest income amounted to 669 million euros, compared to 900 million euros in the first quarter of 2007. Net fee and commission income decreased from 789 million euros to 604 million euros, which reflects the current market environment leading to a lower income from transaction-driven securities business.

The operating profit decreased to -453 million euros, from 677 million euros in the first quarter of 2007. However, expenses were further reduced across all expense categories and divisions. Overall, operating expenses decreased to 1.16 billion euros from 1.35 billion euros in the previous year's first quarter.

In **Asset Management**, third-party assets under management decreased to 736 billion euros from 765 billion euros at December 31, 2007. Third-party net inflows at 25.9 billion euros in the first quarter of 2008 were strong and supported by Allianz Global Investors' resilient fixed-income business in the difficult market conditions. Internal growth of third-party assets under management was 2.4 percent. Given the weak equity markets, operating profit decreased from 312 million euros in the previous year's quarter to 241 million euros. The cost-income ratio amounted to 66.9 percent.

"We believe our Asset Management business did very well, given the extremely difficult market environment. Taking into consideration strong net inflows and stable margins, the segment is poised for future growth as markets go back to normal," said Helmut Perlet.

Outlook

"Although we are seeing somewhat lesser tension in US residential mortgage prices as well as cautiously rebounding equity markets, it is hard to predict when the stormy weather will end. While 2008 will remain a challenging year, the longer this environment persists the harder it will also be to achieve our medium term outlook. Yet we remain optimistic, as the fundamentals of our business are in very good shape and we are very well positioned for the return to normal market conditions," said Helmut Perlet.

Allianz Group - Key figures 1st quarter 2008

		1Q 2007	1Q 2008	Δ	
Total revenues	€ bn	29.3	27.7	-5.7%	
Operating profit	€ mn	2,870	1,856	-35.3%	
- Property-Casualty	€ mn	1,267	1,479	16.7%	
- Life/Health	€ mn	750	589	-21.5%	
- Banking	€ mn	700	-456	-	
thereof Dresdner Bank	€ mn	677	-453	-	
- Asset Management	€ mn	312	241	-22.8%	
- Corporate	€ mn	-101	-76	-24.8%	
- Consolidation	€ mn	-58	79	-	
Income before income taxes & minority interests	€ mn	4,556	1,902	-58.3%	
Income taxes	€ mn	-967	-674	-30.3%	
Minority interests in earnings	€ mn	-349	-80	-77.1%	
Net income	€ mn	3,240	1,148	-64.6%	
- Property-Casualty	€ mn	1,180	1,057	-10.4%	
- Life/Health	€ mn	553	452	-18.3%	
- Banking	€ mn	625	-538	-	
thereof Dresdner Bank	€ mn	612	-513	-	
- Asset Management	€ mn	99	78	-21.2%	
- Corporate	€ mn	381	-99	-	
- Consolidation	€ mn	402	198	-50.7%	
Earnings per share (basic) (Euro)	€	7.51	2.55	-66.0%	
Ratios:					
- Property-Casualty	Combined ratio	%	96.8%	94.8%	-2.0% -p
- Life/Health	Statutory expense ratio	%	7.2%	9.1%	1.9% -p
- Dresdner Bank	Cost-income ratio	%	66.9%	161.6%	94.7% -p
- Asset Management	Cost-income ratio	%	60.0%	66.9%	6.9% -p
		31/12/2007	31/03/2008	Δ	
Shareholders' equity*	€ bn	47.8	45.0	-5.8%	
Third-party assets under management	€ bn	765	736	-3.8%	

* Excluding minority interests

We would like to remind you of our **conference call** which will take place today at 3.00 p.m. CET | 2.00 p.m. UK time.

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, (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 / US 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 be affected by risks and uncertainties described from time to time in Allianz SE's filings with the US 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.