
Based on
Preliminary Figures

Paul Achleitner, Member of the Board of Management

FIT for the New Normal

Financial Press Conference
February 25, 2010

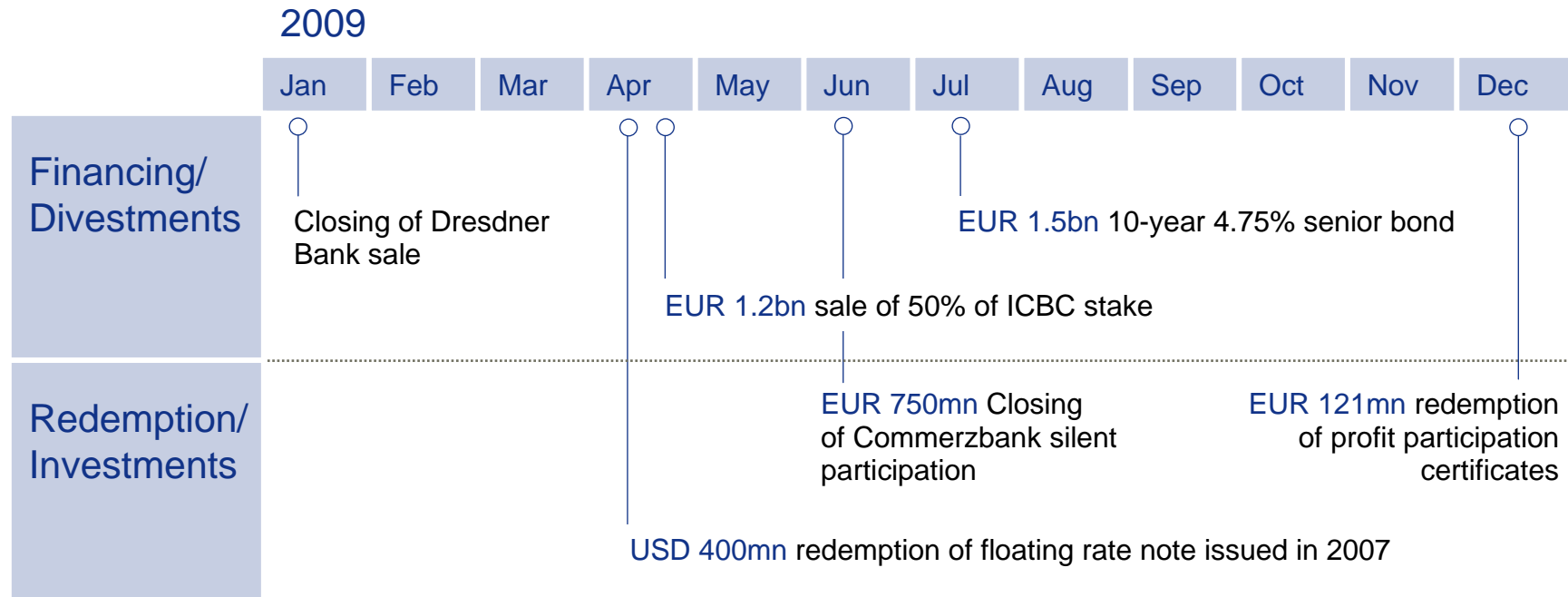
Allianz 

Financing

Investments

Transactions

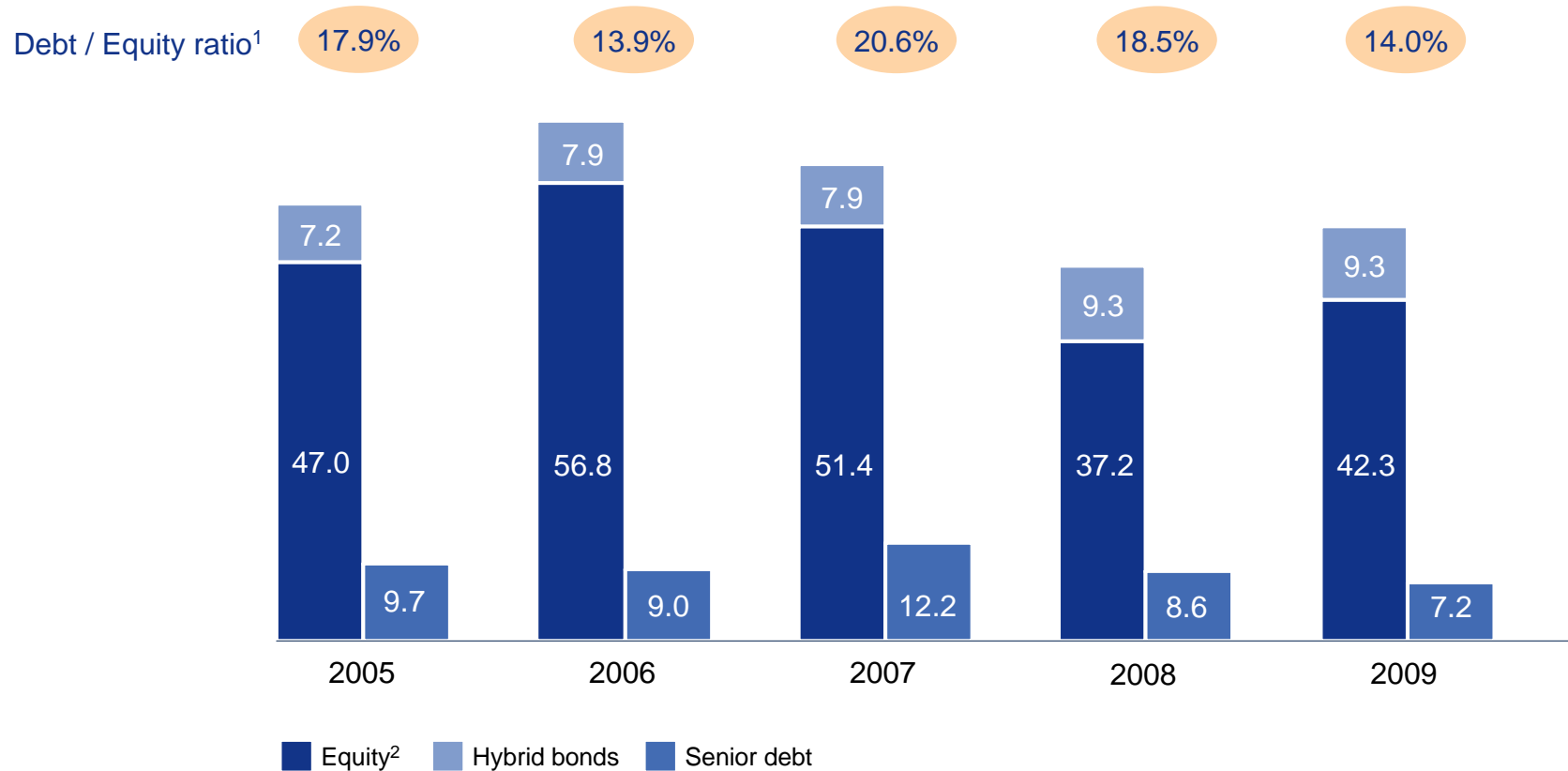
Financing and investment highlights 2009



Delisting

- Delisting of Allianz American Depositary Receipts (ADRs) from the New York Stock Exchange and Allianz's ordinary shares from stock exchanges in London, Paris, Milan and the Swiss Exchange
- Allianz ADRs are now quoted on OTCQX, the premium sector of the U.S. over-the-counter (OTC) market

Capital structure with prudent use of leverage (EUR bn)



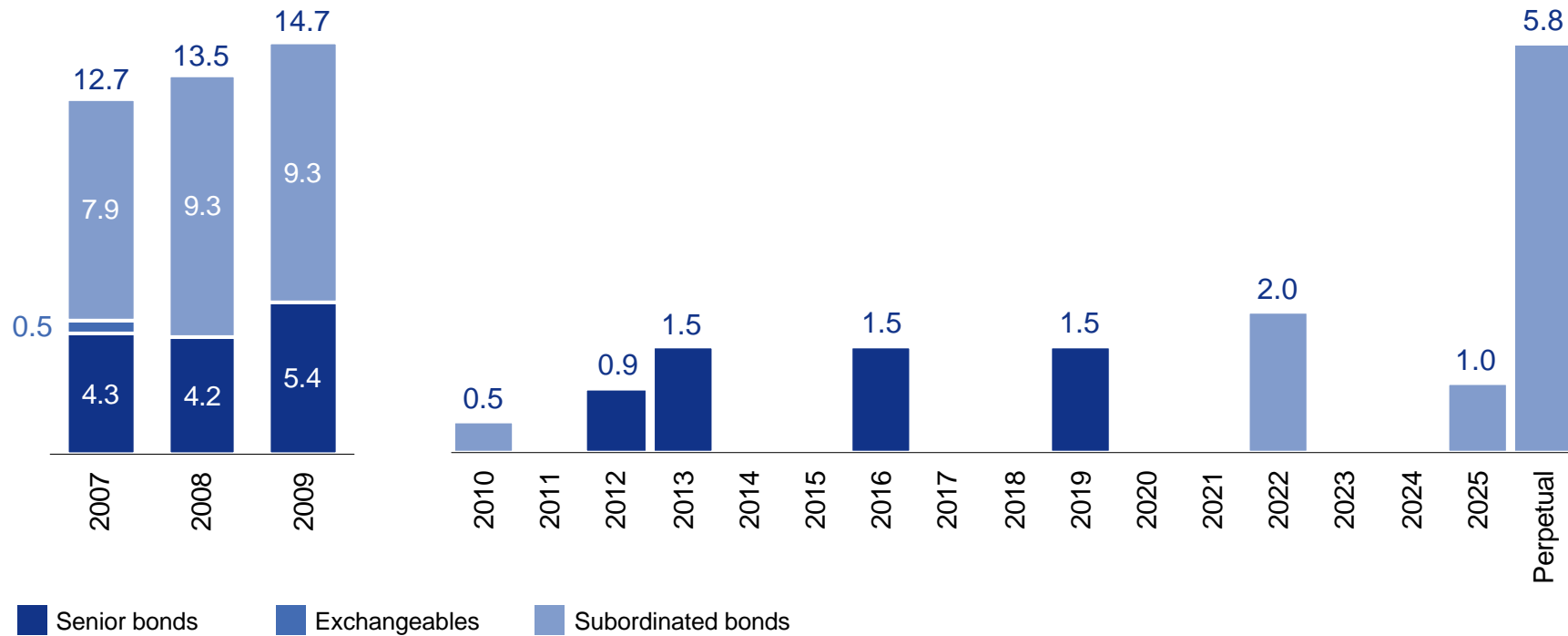
1) Group excluding bank subsidiaries; nominal value

2) Including minorities

Maturity profile of external bonds (EUR bn)

Outstanding bonds¹

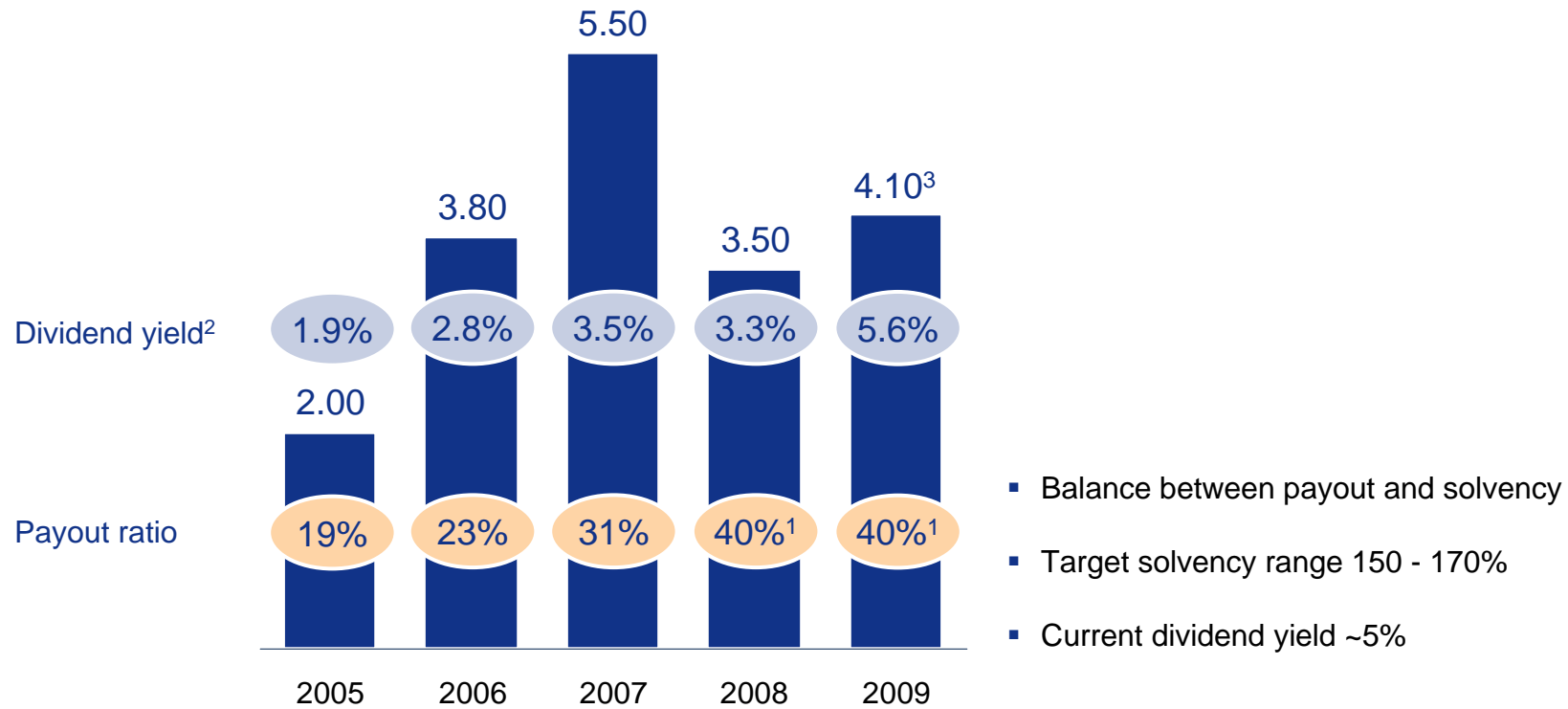
Maturity structure¹



1) Group excluding bank subsidiaries; nominal value

Attractive dividend policy

Dividend per share
(EUR)



1) Based on net income from continued operations, net of minorities

2) Based on average share price

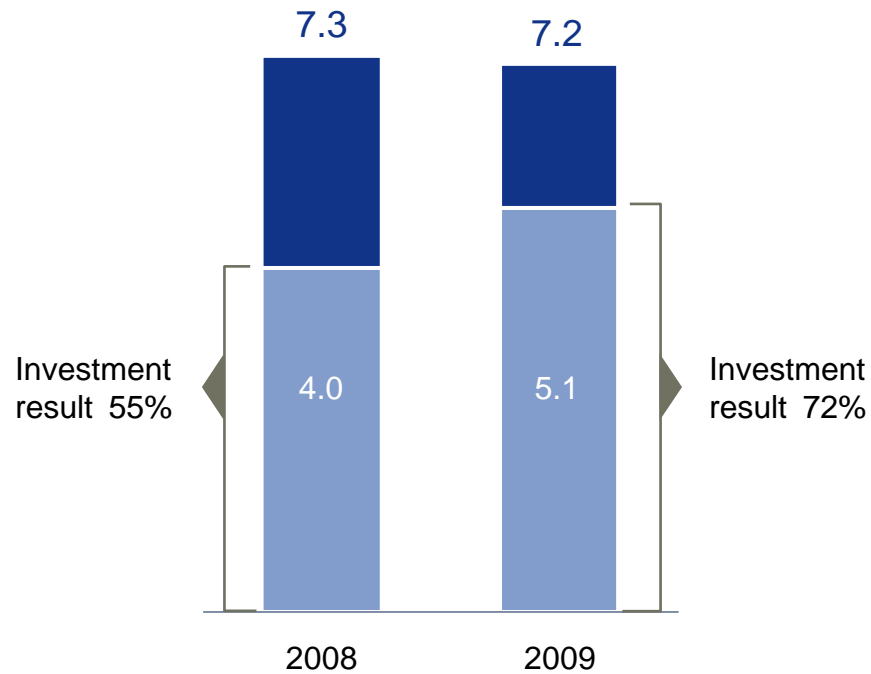
3) Proposal

Financing

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Strong contribution of investment result to operating profit (EUR bn)¹

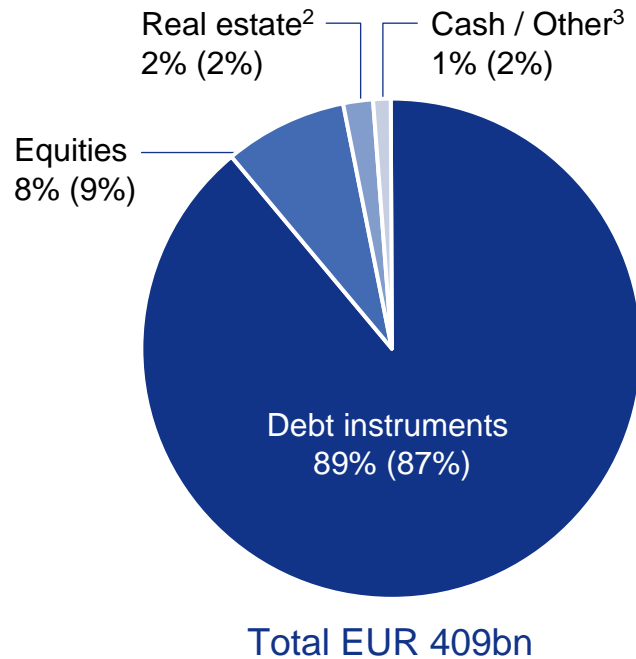


- Overall increased asset base compensated for lower current yield
- Lower equity impairments compared to 2008, however also lower dividend yield
- Narrowing credit spreads (U.S.) and higher interest rates (U.S.) bolstered L/H investment income

1) Insurance business only (P/C + L/H)

Conservative asset allocation¹

Group investments and loans
as of 31.12.2009 (previous year)



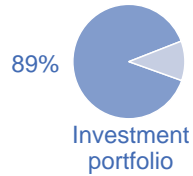
Focus of portfolio discussion

- Management of duration
- Investment performance
- Quality of fixed income portfolio
- Management of equity gearing

1) Portfolio discussion is based on consolidated insurance portfolios (P/C, L/H, Corporate excl. Banking) unless otherwise stated

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

3) Cash and cash pool assets net of securities lending liabilities account for EUR 4.6bn

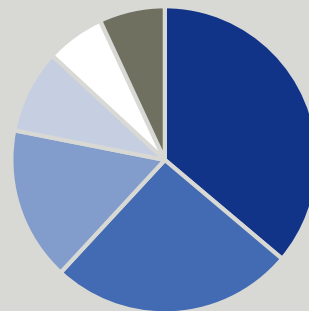


High quality fixed income portfolio

By type of issuer

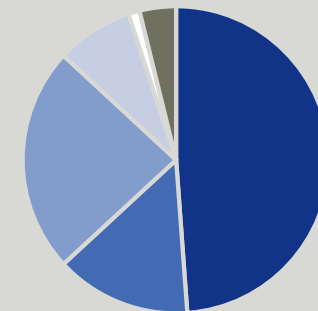
Government	36%
Pfandbrief & Covered bonds	26%
Corporate	16%
Banks	9%
ABS/MBS ¹	6%
Other ²	7%

Total
EUR 364.8bn



By rating⁴

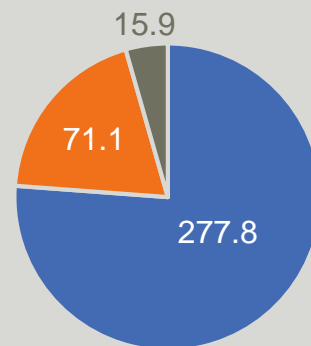
AAA	49%
AA	14%
A	24%
BBB	8%
Non-investment grade	1%
Not rated	4%*



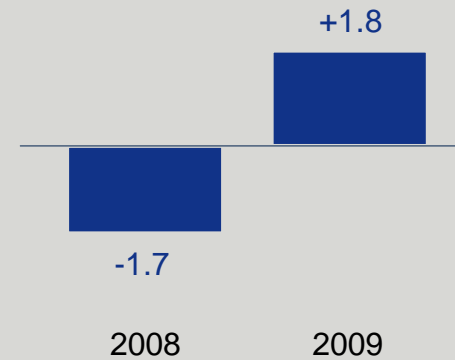
*) mostly mortgage loans, policyholder loans, registered debentures all of investment grade quality

By segment (EUR bn)

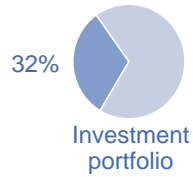
L/H	76%
P/C	20%
Corporate	4%



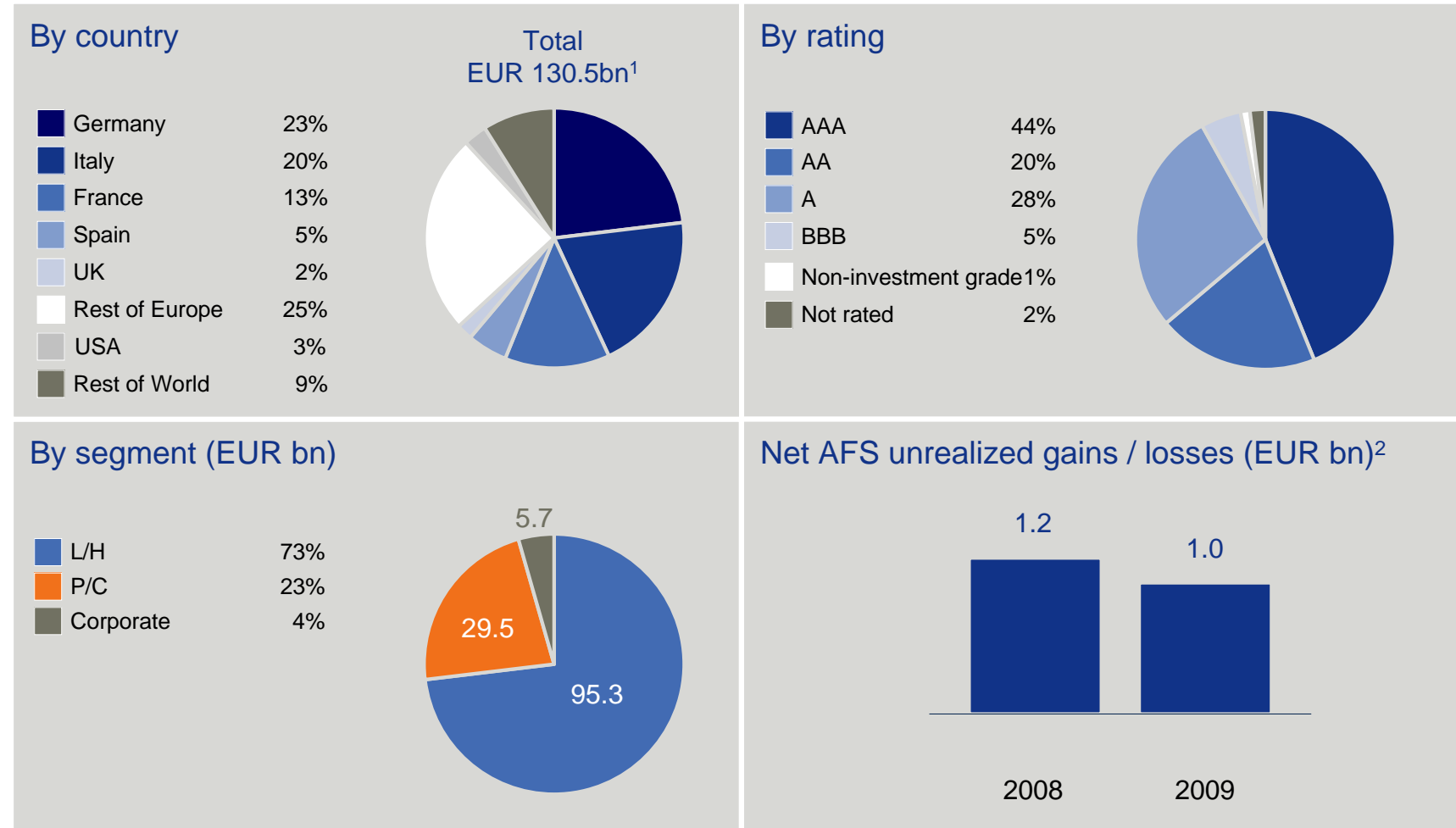
Net AFS unrealized gains / losses (EUR bn)³



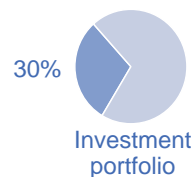
- 1) Including U.S. Agency backed investments
- 2) Including 4% seasoned self-originated German private retail mortgage loans; 3% short-term deposits at banks
- 3) On-balance unrealized gains / losses after tax, minorities and policyholders
- 4) Excluding seasoned self-originated German private mortgage loans



Government bond allocation concentrated in G7 countries



1) Government and government related (excl. U.S. Agency MBS)
 2) On-balance unrealized gains / losses after tax, minorities and policyholders



Net exposure to sovereign risk (EUR bn)

	Net ¹	in % of F/I (Net)
Italy	7.6	6.7
Germany	7.2	6.3
France	4.1	3.6
U.S.	2.8	2.4
Korea	2.2	1.9
Spain	1.8	1.6
Netherlands	1.4	1.2
UK	1.3	1.2
Switzerland	1.2	1.0
Belgium	1.1	1.0
Australia	1.1	1.0
Luxemburg	1.0	0.9
Austria	0.9	0.8
Greece	0.9	0.8
Portugal	0.5	0.4
Ireland	0.5	0.4
Hungary	0.5	0.4
Finland	0.3	0.3
Poland	0.3	0.3
Thailand	0.1	0.1

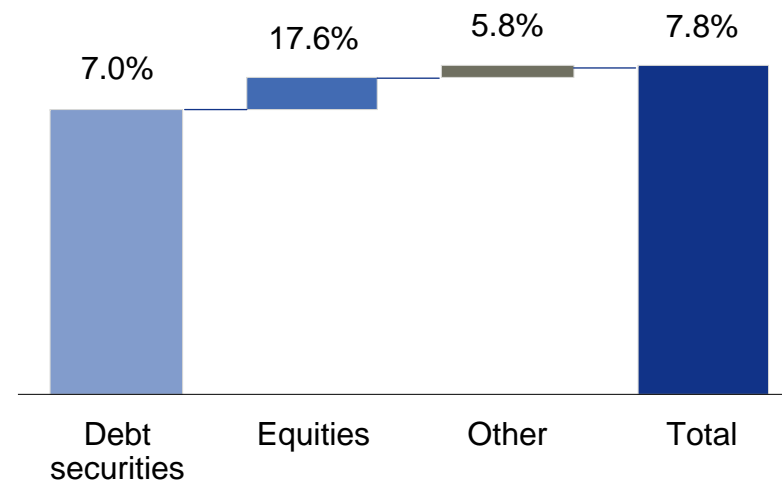
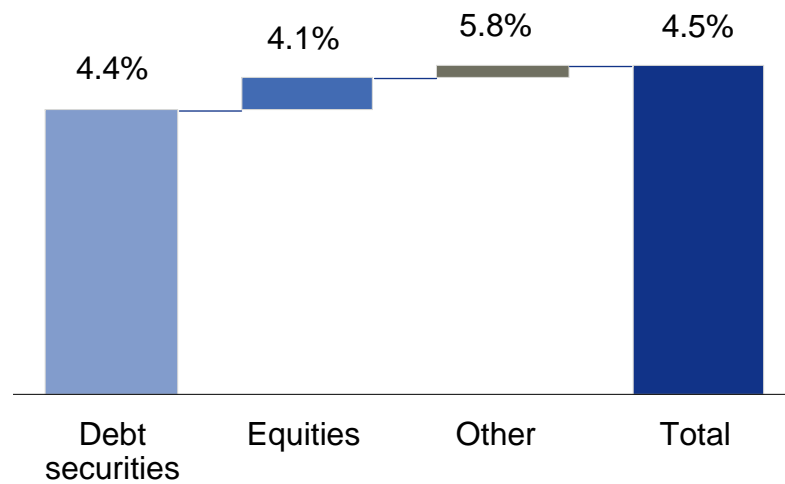
Well diversified long-term holding

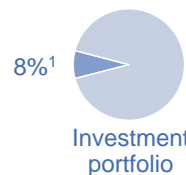
1) After tax, minorities and policyholders

Investment performance 2009 – Overview

IFRS excluding change in unrealized gains

IFRS including change in unrealized gains



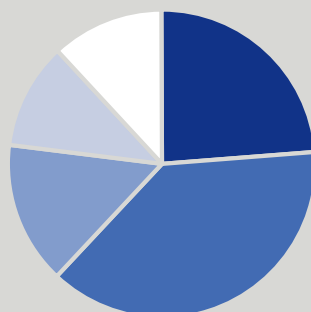


Equity portfolio

By regions

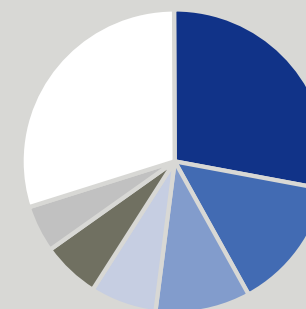
Germany	24%
Eurozone ex. Germany	38%
Europe ex. Eurozone	15%
NAFTA	11%
Rest of World	12%

Total
EUR 30.6bn²



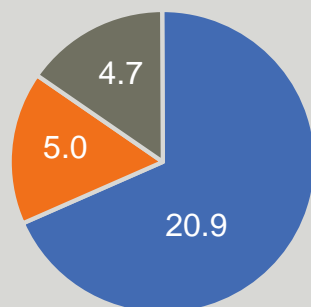
By industry

Financials	28%
Consumer	14%
Basic materials	10%
Utilities	7%
Industrial	6%
Energy	5%
Funds and Other	30% ³

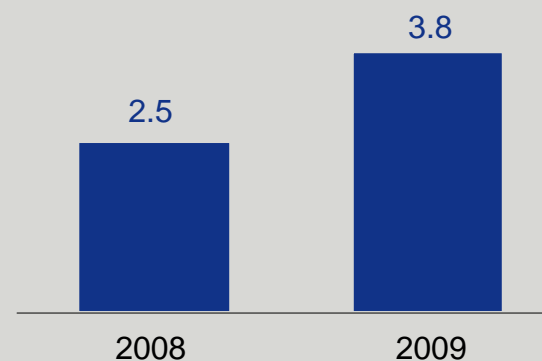


By segments

L/H	68%
P/C	16%
Corporate	16%



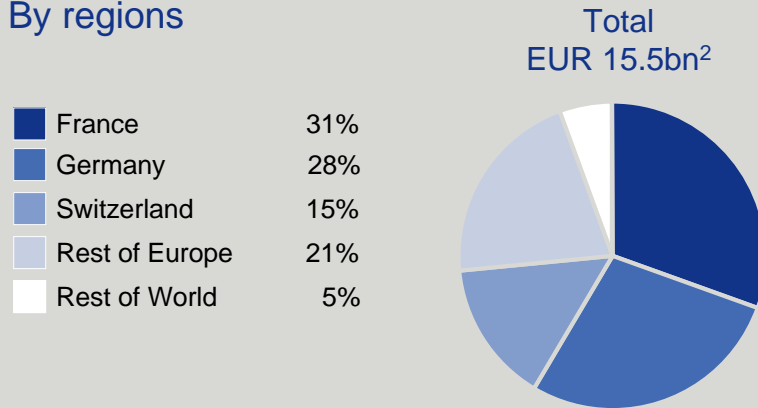
Net AFS unrealized gains / losses (EUR bn)⁴



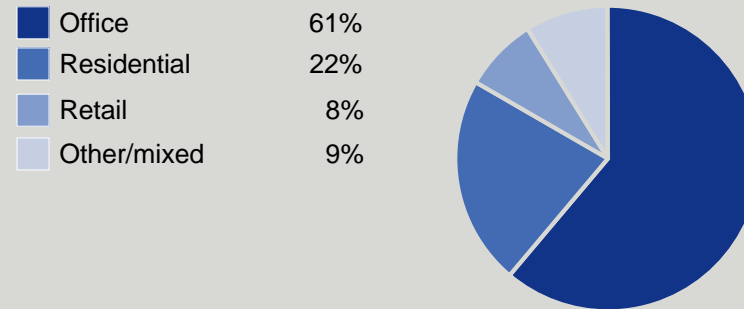
- 1) Before hedges; equity quota after hedges 7%
- 2) Incl. non-equity retail funds (EUR 1.2bn), excl. equities designated at fair value through income (EUR 2.8bn)
- 3) Diversified investment funds (EUR 2.5bn); private and unlisted equity (EUR 3.6bn)
- 4) On-balance unrealized gains / losses after tax, minorities and policyholders

2%¹ **Real estate**
Investment portfolio

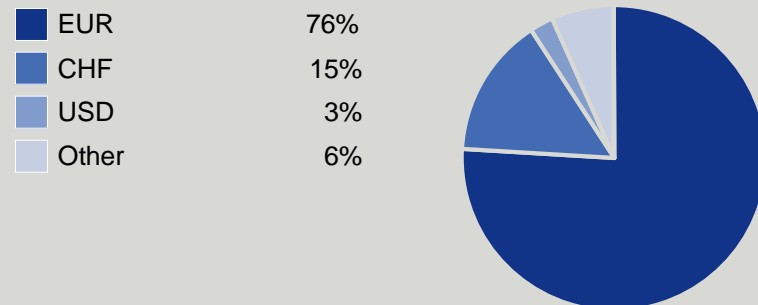
By regions



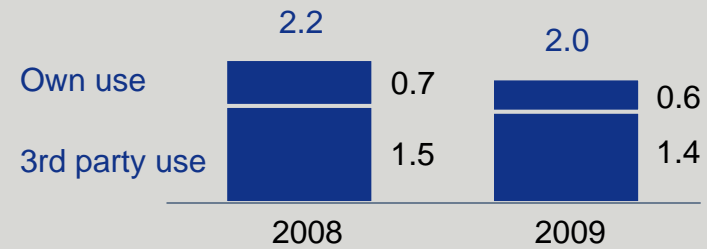
By sectors



By currency



Net AFS unrealized gains / losses³ (EUR bn)



1) Based on carrying value, 3rd party use only; 2.5% including real estate own use
 2) Market value including real estate own use
 3) Based on external and internal real estate valuations

Tactical asset allocation 2010

	Current share	Trend	Comment		Solvency II (current version)	Capital Charges Note
Debt securities	89%		<ul style="list-style-type: none"> Corporate bonds allocation rising in high quality segment Selective on government bonds Securitized and mortgages reduced after spreads narrowed Long duration stance 	Govern.		<ul style="list-style-type: none"> Exempt from charge
				Spread products		<ul style="list-style-type: none"> Penalty for high duration and low quality
Equities	8%		<ul style="list-style-type: none"> No change in strategic allocation Rising by marking to market Outlook remains cautious 			<ul style="list-style-type: none"> Market value (45-55%) and implied volatility shock Lower requirements for long-running liabilities
Real estate	2%		<ul style="list-style-type: none"> Selective and opportunistic investments Allows for inflation adjustment 			<ul style="list-style-type: none"> Slightly more punitive than S&P
Cash	1%		<ul style="list-style-type: none"> Yields provide no incentive to hold cash 			
Other	<1%		<ul style="list-style-type: none"> Continue strategic increase in alternative investments (infrastructure and private equity) 			<ul style="list-style-type: none"> Attractive due to illiquidity premium But significant charges for PE

Financing

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External: We stay disciplined

- Minority buy-out in Brazil:
Acquisition of 14% in Allianz Seguros from Itau Unibanco

Internal: Ongoing housekeeping

- Alignment governance and legal structure
 - AGCS Operations in 7 countries legally transferred to AGCS
 - AGI Operations in 3 countries legally transferred to AGI enabling set-up of AGI Europe
 - Mondial Implementation of European carrier instead of subsidiaries
- Optimization holding structures with focus on efficient capital usage
- Elimination of approx. 100 legal entities to streamline corporate structure (ongoing)

Excursus: Environmental, Social and Governance



Perspectives on sustainable development: Allianz4Good



- Sustainable development is an integral part of our business model as an insurer and investor
- Responsible business behavior is being specifically promoted
- Allianz4Good is our internal Center of Competence tasked to establish best practices in this area
- We aim to turn sustainable development into a competitive edge for Allianz
- Charitable donations are being done through our network of foundations

Allianz4Good contributions – Examples



Microinsurance

- Financial inclusion and education at the basis of the pyramid
- 3.5mn people insured in Africa, Asia, Latin America

Corporate volunteering

- “My Finance Coach”
- Social operational excellence program
- Disaster risk reduction initiatives
- Allianz Exchange program

Climate change

- Allianz Climate Solutions
- > 50 “green” products and services offering
- Internal management of CO₂ reduction
- Partnerships with WWF, UNEP, WBCSD, etc.

Well positioned to capture “green market opportunities”

Allianz 

 **MONDIAL**
ASSISTANCE

Allianz  **Bank**
Financial Advisors

Allianz 
Global Investors

Allianz 
Climate Solutions

Allianz 
Allianz Center for Technology

Allianz 
Capital Partners

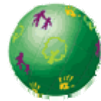
- Green auto insurance
“Prestige auto premiere” - free hybrid upgrade (USA), “Environmental reward car insurance” - reduced rates for hybrid cars or low emission vehicles, “Eco-Bonus” - discounts for holders of a public transport pass or for limited mileage (Australia, Austria, Belgium, France, Ireland)
- Insurance supplement for business interruption coverage of climate projects under the Clean Development Mechanism (AGCS)
- Energy savings package including energy consulting and advise on possible renovations for private home owners (France)
- Loans for photovoltaic roof-top installations for retail clients (Germany)
- Allianz RCM Global EcoTrends Fund (represents EUR 1.7bn of assets) and Global Water Fund (launched 2009)
- Risk advisory, project brokerage and insurance solutions for the renewable energy sector
- Technical analysis and loss prevention for clean technology and renewable energy components
- Direct investments of EUR 1.5bn into wind power and photovoltaic projects planned, of which 30% already invested

Continued external recognition for Allianz sustainability performance - Examples



Listed since 2000, excellent rating position since 6 years

Ranking 98% of best score and recognized as leader in several areas, e.g., “business risks and opportunities”, “access to insurance with social value added” and “stakeholder engagement”



FTSE4Good

Member since 2002; special recognition for Allianz’s code of ethics and excellent environmental policy



One of 10 financial services providers included in the newly launched index

CARBON DISCLOSURE PROJECT

Member of the carbon disclosure leadership index for the 4th time, scoring among the top 10%

One of the twelve best performers in responding to climate change



RCM and AllianzGI France are signatories

AGI France: Ranked 1st in French SRI market (Morningstar, Novetic)

RCM: 2nd leading SRI Fund Management Firm (Thomson Reuters Extel Survey)



Allianz Germany: Most Trusted Brand 2008 (Insurance Sector, Reader’s Digest)

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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

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