

Allianz Capital Markets Day

Global Business Lines

Munich, July 1, 2010



Agenda

Global business lines	Clement Booth	A
Global Automotive	Karsten Crede	B
Mondial Assistance	Rémi Grenier	C
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Allianz Global Corporate & Specialty	Axel Theis	E
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Clement Booth, Member of the Board of Management Allianz SE

Global Business Lines

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1 Overview

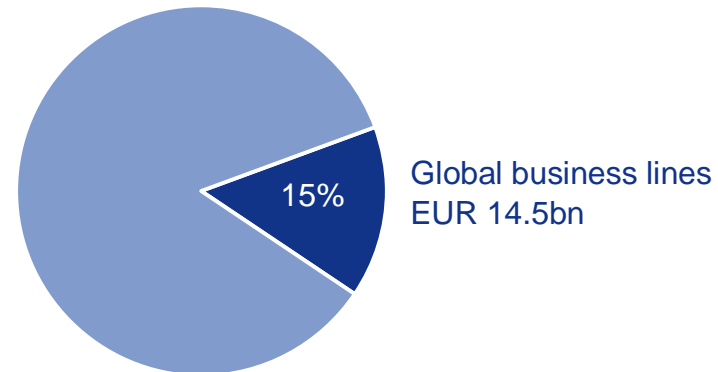
2 Selected global business lines

3 A case in point

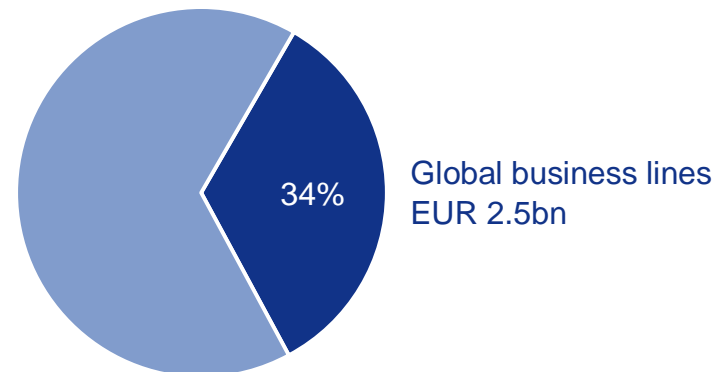
Global business lines – overview (1)

- § Centrally steered and managed operations, locally executed, profit center view
- § Serve our customers globally with global common standards, products, services and guidelines
- § 15% of Allianz Group revenues¹
- § 34% of Allianz Group¹ operating profit
- § Operating profit growth of 30% (2005 - 2009)
- § Average RAC^{2,4} 2009 of EUR 8.3bn
- § RoRAC³ 21.7%^{3,4}

Allianz revenues EUR 97.4bn¹



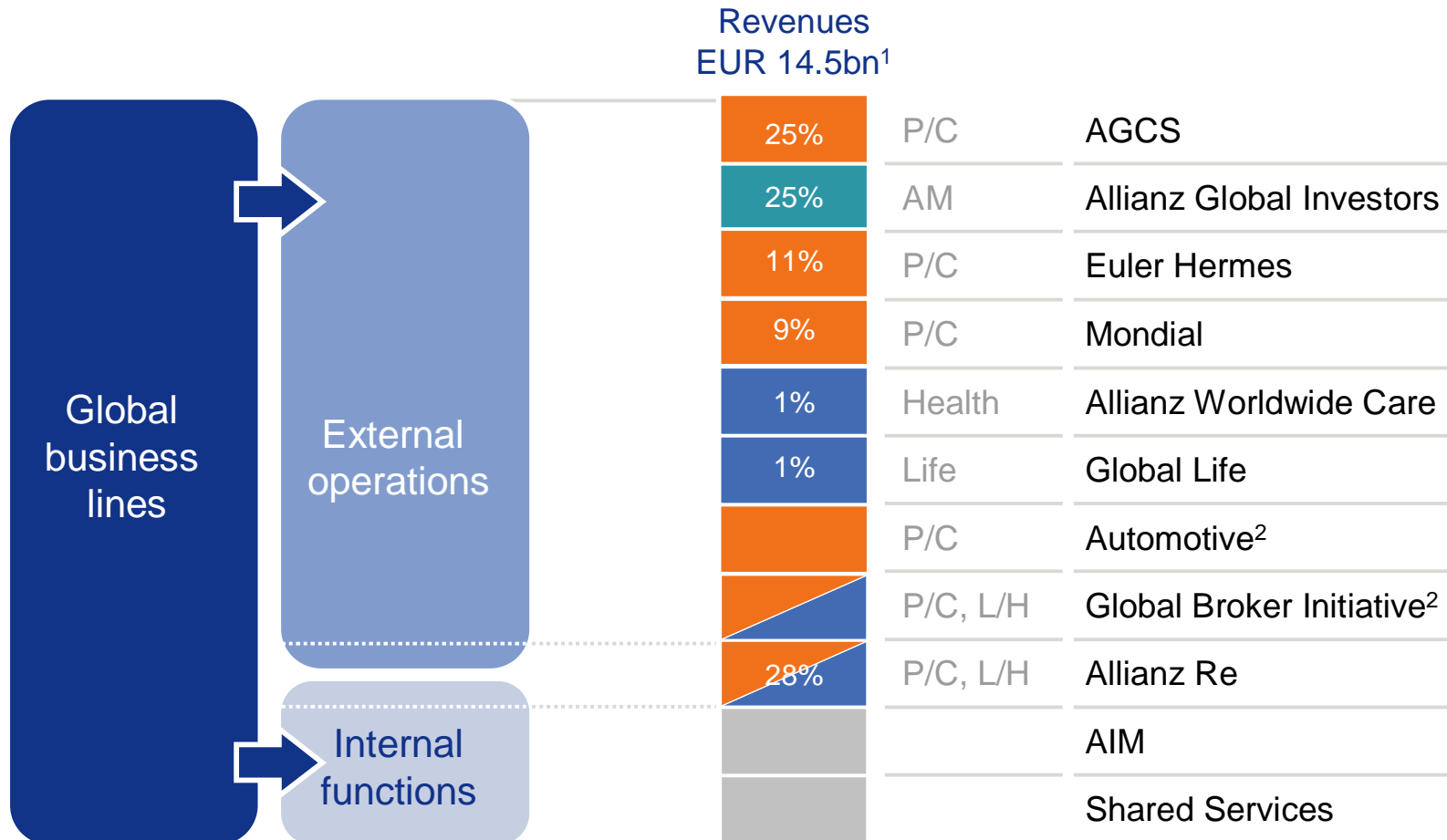
Allianz operating profit EUR 7.2bn¹



1) 2009
 2) RAC = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements

3) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital
 4) Excluding Automotive and Global Broker Initiative; excluding AGI, RAC is EUR 6.7bn and RoRAC 13.6%

Global business lines – overview (2)

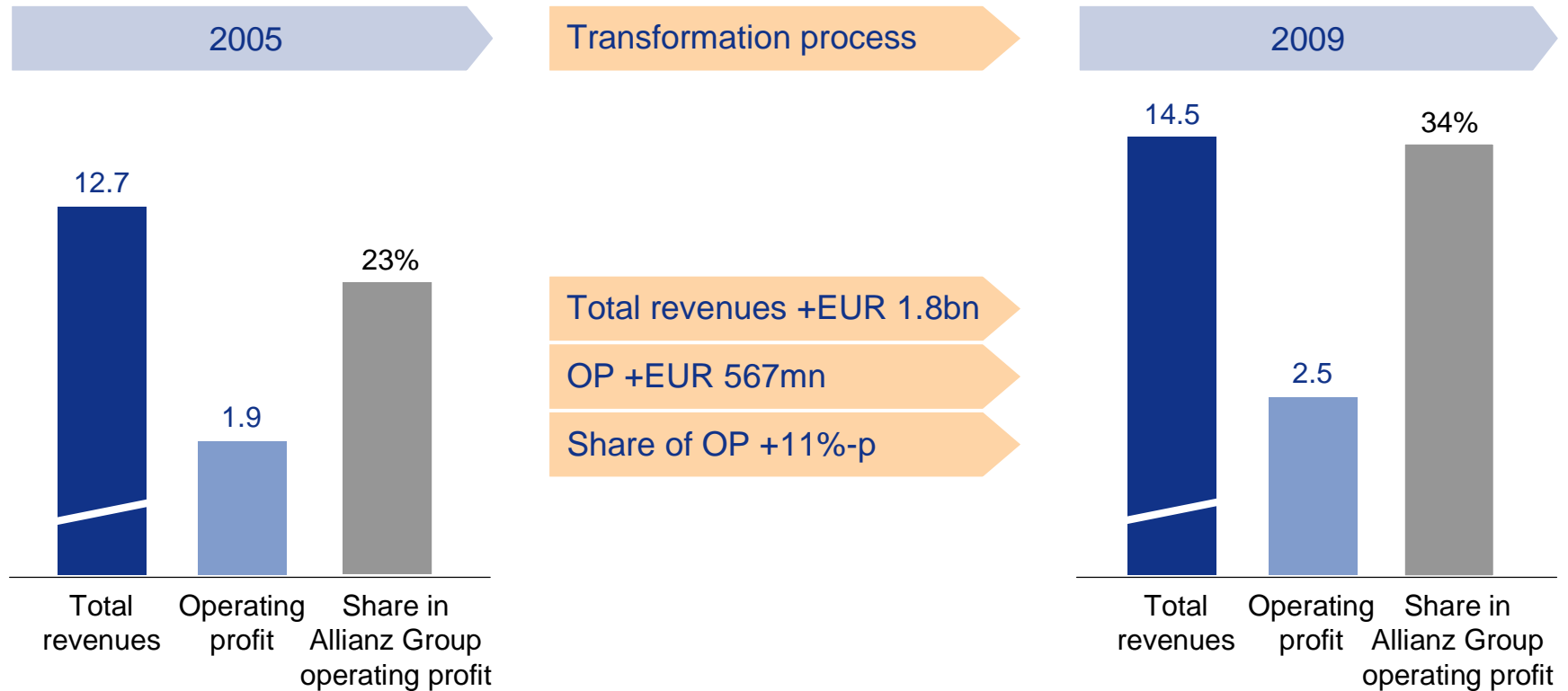


1) Fully consolidated; Global Broker Initiative and Automotive not included

2) Virtual companies; estimated revenues: EUR 3.3bn Global Broker Initiative and EUR 1.5bn Automotive

Global business lines – the transformation process

EUR bn



▶ Mid-term aspiration: continue to increase contribution to Allianz results

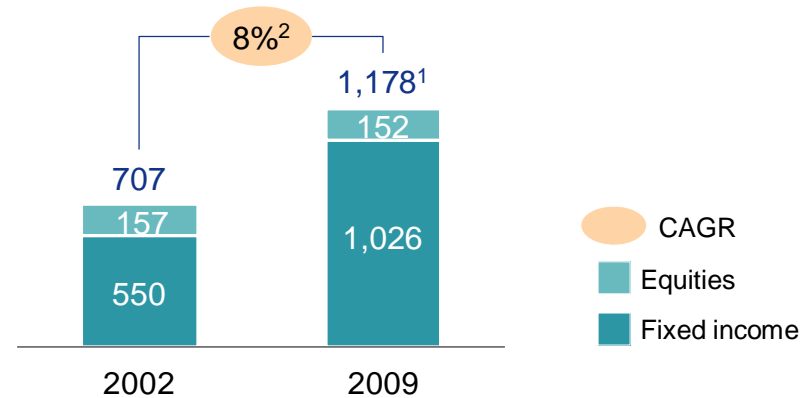
Agenda

- 1 Overview
- 2 Selected global business lines**
- 3 A case in point

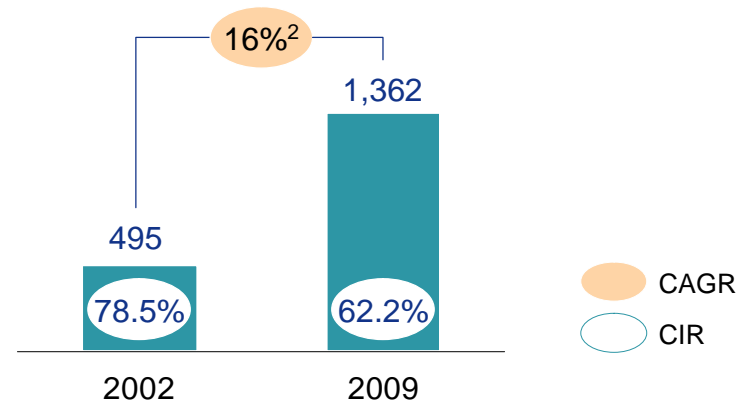
Allianz Global Investors (AGI)

- § One of the world's largest asset managers with EUR 1.2tn AuM¹
- § Almost 30 operating entities located in the key financial markets all over the world
- § Global network ensures utilization of shared sales and infrastructure synergies
- § Excellent fixed income and competitive equity investment performance (83% / 63% share of outperforming AuM)³
- § PIMCO with outstanding success over last decade
- § 3rd party net inflows of EUR 293bn during 2002 - 2009
- § Operating profit growth 16% p.a. 2002 - 2009, supporting strong operating profit growth of Allianz Group
- § Mid-term aspiration: CIR <65%

AuM (in EUR bn)



Operating profit (in EUR mn)



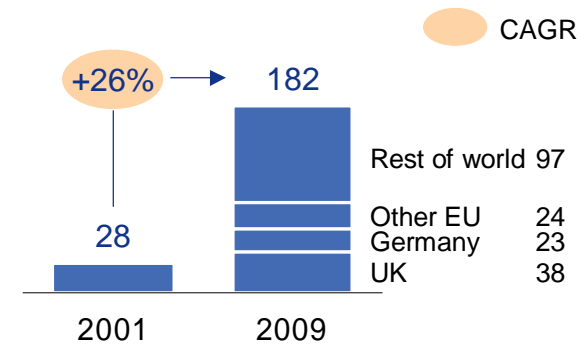
1) Total AuM including 3rd party and Allianz Group assets, end of 2009
 2) Currency adjusted: 10% p.a. AuM growth and 21% p.a. operating profit growth
 3) End of 2009



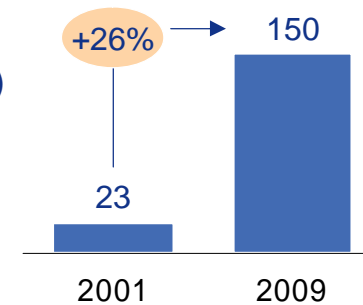
Allianz Worldwide Care (AWC)

- § Specialist insurer offering health products to expatriates worldwide and to high net-worth individuals in emerging markets
- § One center of competence which can access many markets via the worldwide reach of Allianz OEs (allows economies of scale)
- § Attractive market: expatriate health GPW of ~EUR 3bn expected to grow to EUR 6bn by 2014
- § AWC expects to grow above market to GPW ~EUR 240mn in 2010 due to some large business wins
- § Mitigation of medical inflation risk – in-house medical professionals contain costs and protect customers
- § Despite rapid growth steady CR of ~96% in recent years
- § Continues to expand into new markets

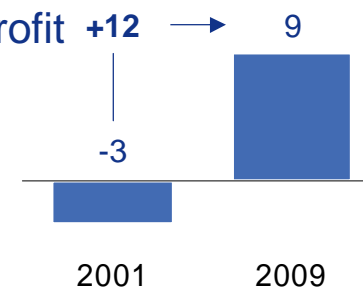
Revenues
(in EUR mn)



Customers
(in thousands)



Operating profit
(in EUR mn)



Global Life

§ Company: Allianz Global Life Ltd. (Ireland)

§ Product: Variable Annuity (VA) business sold in three European countries, on freedom of establishment basis¹:

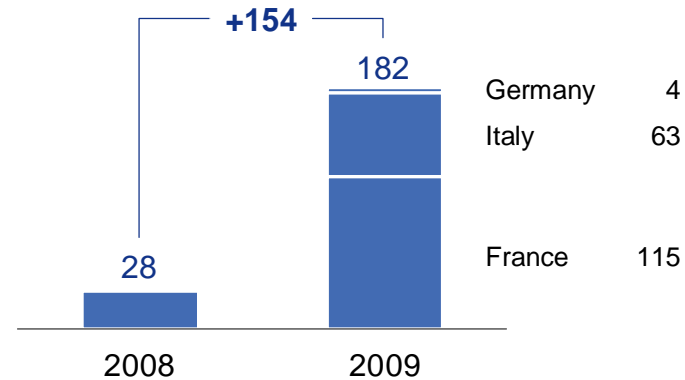
- France (since 2008)
 - Germany (since 2008 / 2009)
 - Italy (since 2009)
- New business margin 2009: 2.6%

§ Set-up: central back-office functions (product development, hedging, accounting, risk management), but decentralized sales and administration via local Allianz OEs

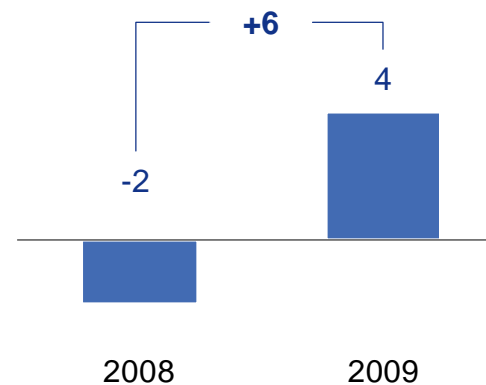
§ Trends: other than in the U.S. and Asia, European VA business never really gained market share. Nonetheless, the value proposition is attractive, and ultimately the product should succeed in Europe too

§ Mid-term outlook: Allianz expects GPW to at least double within 3 years

GPW (in EUR mn)



Operating profit (in EUR mn)

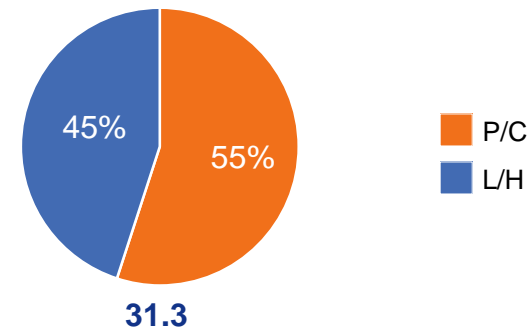


1) Freedom of establishment in the EU member states, as specified in the European Directive concerning Life Assurance

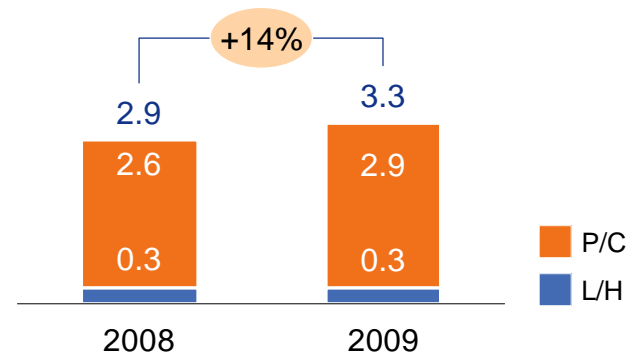
Allianz Global Broker Initiative

- § Broker channel contributes ~1/3 of Allianz revenues, of which global brokers represent 11% ...
- § ... with growth of 4% (CAGR 2007 - 2009)
- § Global brokers have business with all Allianz broker distribution units
- § Global brokers consisting of Aon, Marsh, Willis and JLT¹
- § Global Broker Initiative achievements
 - Centralized team at Allianz SE coordinates global relationship and supports operating entities
 - Appointment of global account coordinators for each of the global brokers
 - Comprehensive view on broker relationship avoids above market commissions and ensures profitability
 - Institutionalizing best practice
- § Global Broker Initiative: 14% growth in 2009

Allianz broker business 2009
(GPW in EUR bn)



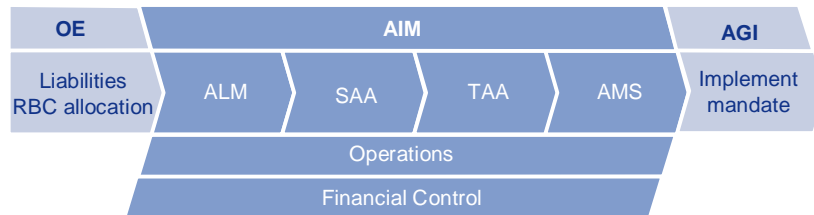
Allianz global brokers
(GPW in EUR bn)



1) Aon Corporation, Marsh & McLennan Companies, Willis Group, Jardine Lloyd Thompson

Allianz Investment Management (AIM)

- § Global investment management function of Allianz
- § Maximizes risk-adjusted investment return
- § Responsible for >EUR 400bn of Allianz insurance assets
- § Cost efficient state-of-the-art investment processes¹ across the entire Group



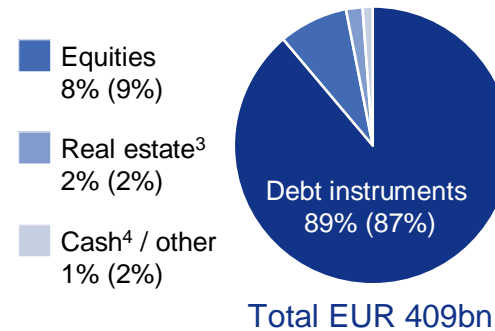
Benefits

- § Group wide leverage of investment best practice
- § Proactive investment capabilities on a global scale
- § Risk management and controlling support for Group/OEs

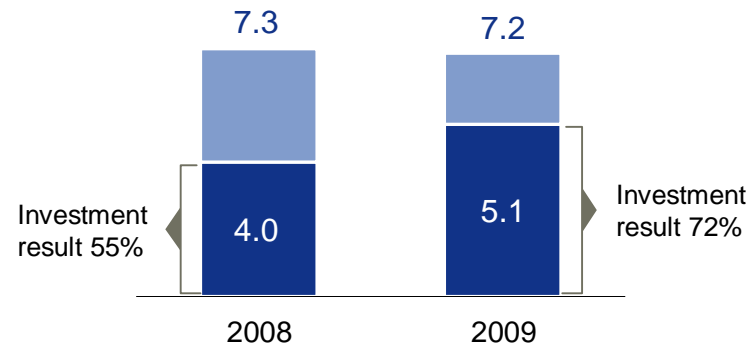
1) ALM = Asset Liability Management; SAA = Strategic Asset Allocation; TAA = Tactical Asset Allocation; AMS = Asset Manager Selection; RBC = Risk based capital
 2) Insurance portfolios (P/C, L/H) and Corporate excluding Banking

Asset allocation²

Group investments as of 31.12.09 (previous year)



Contribution of investment result to operating profit (EUR bn)⁵



3) Excluding real estate own use and real estate held for sale
 4) Cash and cash pool assets net of securities lending account for EUR 4.6bn
 5) Insurance business (P/C, L/H) only

Shared Services exploit the regional and global potential – supported by global IT platforms

Shared Services consolidate activities used by multiple divisions into a shared operation

Scope of shared services	Benefits
<p>1 IT</p> <ul style="list-style-type: none"> § Hardware, software and workplace services (ASIC) § IT products initially focusing on SAP (ACAS) 	<ul style="list-style-type: none"> § Reduction of costs through bundling and consolidation of processes, systems and services § Discounts due to higher volumes § Better services thanks to specialization § Ease of management due to harmonization
<p>2 Operations</p> <ul style="list-style-type: none"> § Process standardization § Operational processes § Greenfield IT platform 	
<p>3 Services</p> <ul style="list-style-type: none"> § Purchasing § Corporate real estate management § HR services § Others 	

Cost savings in IT

ASIC

- § Achieved **EUR 221mn** savings from 2007 - 2009
- § Further savings of **EUR 97mn** expected until 2012

ACAS

- § Cost avoidance of SAP maintenance fees of **EUR 7mn** for 2010 - 2016
- § Additional expected efficiency savings of **EUR 10mn** in 2010¹

Next steps

- § Consolidation of additional applications
- § Further consolidation of centers
- § Expansion to additional Allianz entities
- § Extension of offered services

1) More favorable external rates, maintenance savings, cost reduction in infrastructure, reduced international helpline costs, cost savings data archiving system replacement

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AGCS¹ – restructuring of former industrial corporate business

Starting point in 2005

- § Decentralized corporate business carriers
 - AGR (Allianz Global Risks)
In-house organization of Allianz responsible for the international corporate business (ICB)
 - AMA
Specialty carrier for Aviation and Marine
- § Fragmented infrastructure
- § Critical results after the 2005 hurricanes (combined ratio)
 - AGR: 99.9%
 - AMA: 148.5%
- § Collection of several balance sheets and a decentralized business model
- § Transparency and management control on the Allianz corporate business to be improved

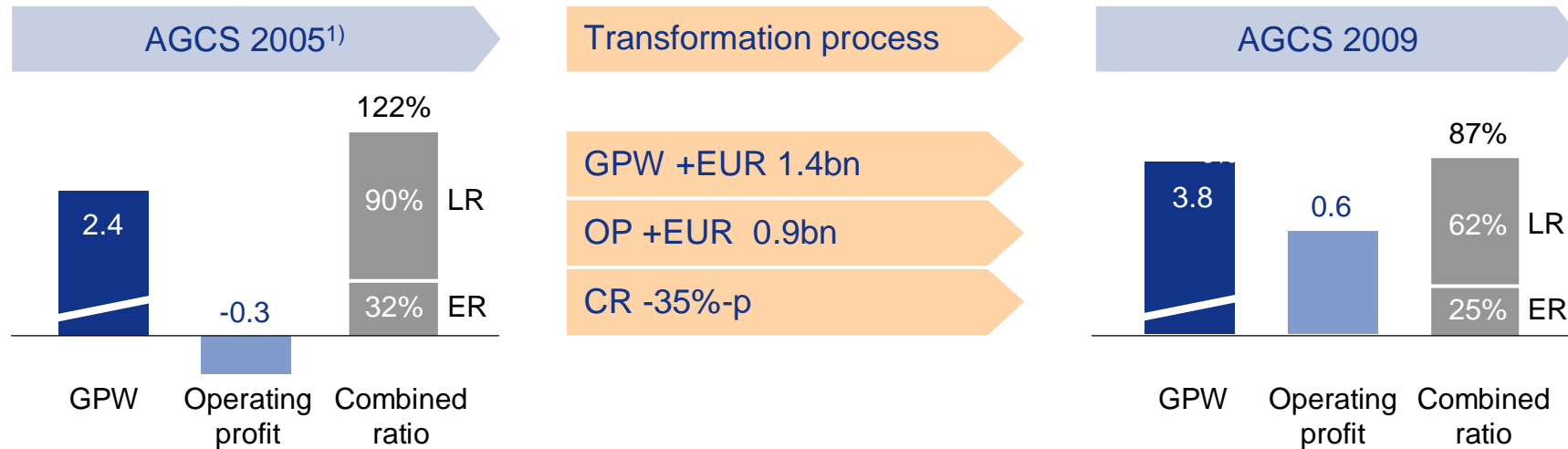
Objectives for restructuring



1) Allianz Global Corporate & Specialty business

AGCS – a successful transformation (1)

EUR bn



Challenges

- § Build global platform above the traditional regional organization of Allianz
- § Reduce historical volatility and cyclical; produce sustainable profit and above average returns
- § Build confidence with investors, brokers and internally
- § Attract and retain the best talent

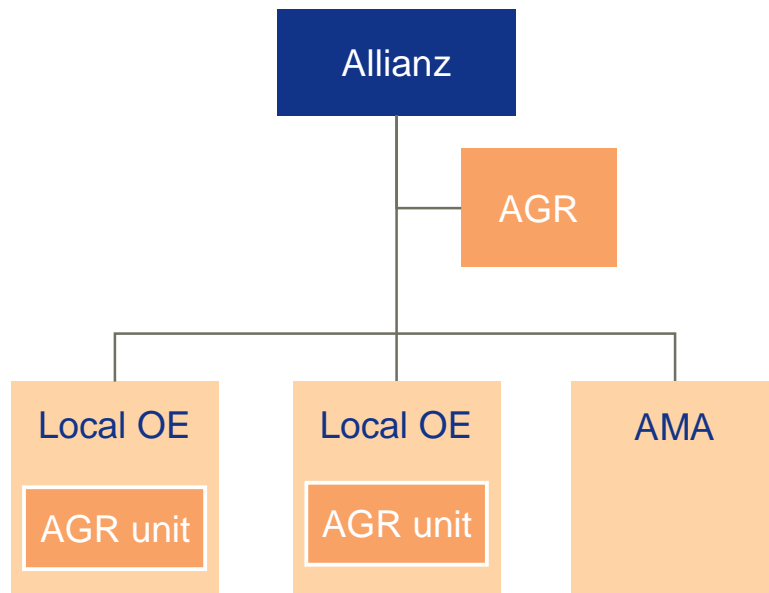
Actions / achievements

- § Started in 2006 to move all Group corporate and specialty business onto AGCS platform. Process now close to completion.
- § EUR 1.8bn of cumulative operating profit since 2006 and generated dividend payments of ~EUR 1bn²⁾
- § De-emphasize growth and regional objectives and replace with an underwriting (margin) culture with no focus on top-line
- § Customer and broker focus initiatives. No surprise culture internally and externally. Strongly service orientated.
- § Today, AGCS is a magnet for top talent

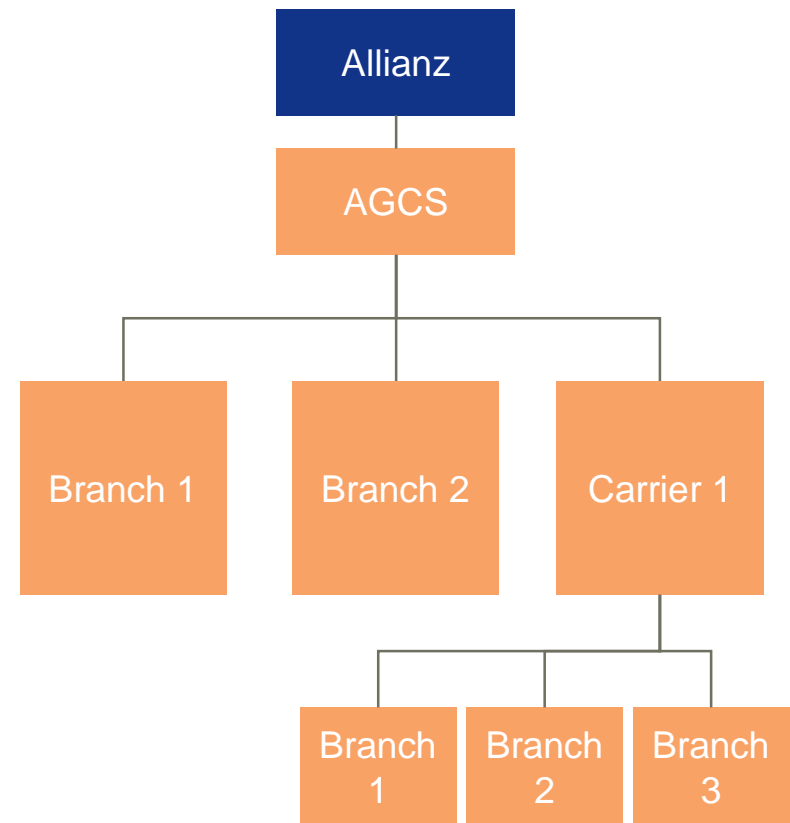
1) AGR + AMA, excluding net of German corporate business and AGR U.S.
 2) Includes subsidy repayment of EUR 88mn from AGCS France (2006 - 2008)

AGCS – a successful transformation (2)

Status quo before AGCS set-up



New AGCS structure



Allianz Re: mandated to optimize Group reinsurance activities

Starting point in 2005

Challenges

Reinsurance purchase

- § Standalone OE purchasing without consideration of Group risk appetite
- § Full benefit of Group diversification not taken
- § Lack of transparency of exposures and reinsurance protections
- § Lack of data standardization and quality

Allianz Re

- § Unclear mandate for Group internal and external business
- § Organizational inefficiencies
- § Process inefficiencies
- § System inconsistency across locations

Objectives for restructuring

Improve Group profit through reinsurance optimization

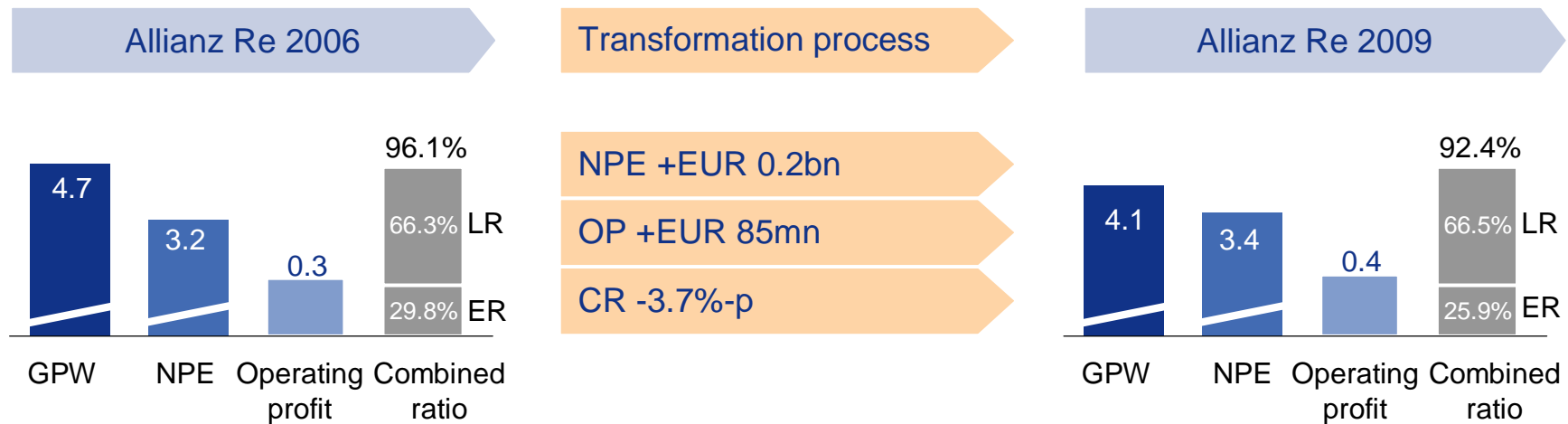
Develop global processes and harmonization of systems

Develop alternative retro mechanisms like securitization

Pursue profitable growth opportunities in external business

Allianz Re – a successful transformation

EUR bn



Challenges / actions

- § Coordinate OE reinsurance placements from central point of view, based on Group risk appetite
- § Enhance transparency about exposure and transactions
- § Increase retention of profitable business
- § Reduce complexity by integrating processes and systems globally
- § Reduce number of broker relations
- § Intensify market management and client relationships through central CMO¹ function

Achievements

- § Lower GPW mainly driven by reduced shares under the internal Allianz German P/C quota-share treaty
- § Coordinated Group reinsurance placements, definition of lead reinsurance markets to work with for external placements
- § Increased OE retentions and expanded participations of Allianz Re
- § Global organization and global system infrastructure
- § Expanded scope of Group programs, securitization established as alternative to traditional reinsurance
- § Implementation of global broker panel
- § Introduction of CMO¹ function
- § Dedicated strategy for 3rd party business²

1) Chief market officer

2) Planned to be at 15 - 20% of entire portfolio, currently at 21%

Key take-aways

- ➔ From local to global
- ➔ Significant efficiency gains achieved and further potential exists
- ➔ Global lines account for a third of overall operating profit
- ➔ Growth initiatives begin to unfold
- ➔ Right incentive system in place
- ➔ Magnet for top talent
- ➔ Mid-term aspiration: continue to increase contribution to Allianz results

Karsten Crede, CUO Global Automotive

Global Automotive

Capital Markets Day
Munich, July 1, 2010

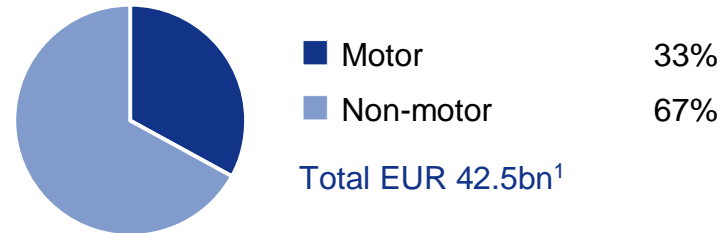
Allianz 

Overview – Automotive

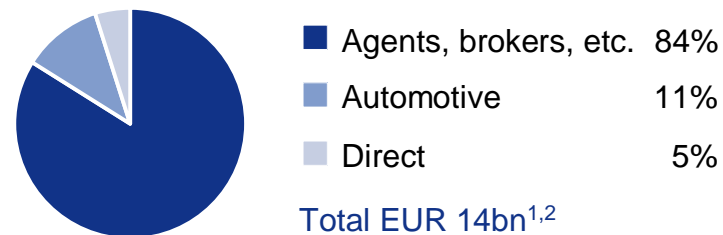
Highlights

- § Motor insurance is by far the biggest single line of business at Allianz
- § Allianz has successfully leveraged car manufacturer and dealer cooperations and developed a unique business model accounting for ~11% of Allianz total motor premiums
- § Allianz car manufacturer and dealer business still heavily focused on Europe with strong opportunities arising outside Europe

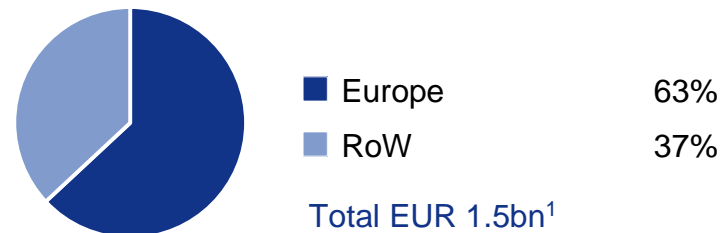
Allianz P/C business mix



Allianz Group – channel mix motor



Allianz Automotive by region



1) GPW as per end of 2009

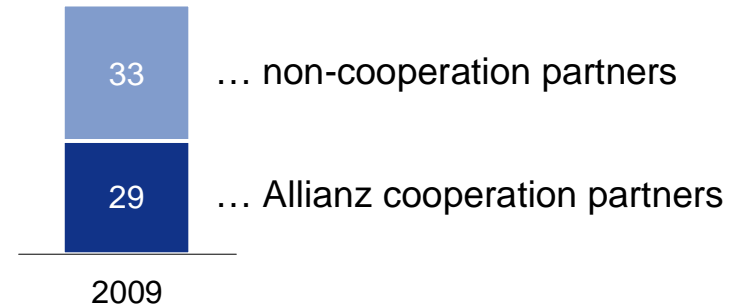
2) Estimate

Current footprint of cooperations capturing almost 50% of worldwide car sales

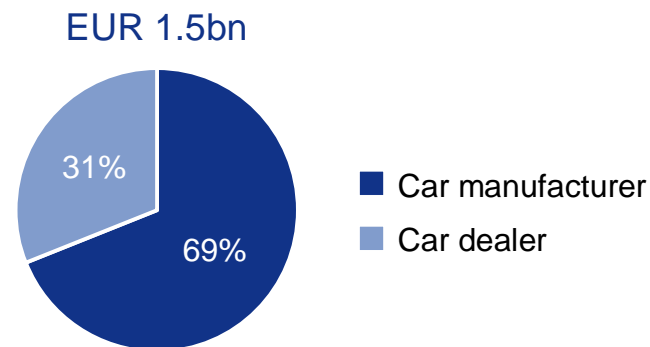
Highlights

- § Allianz has had cooperations with car manufacturers since the 1940s with whom it has developed a fully customized business model
- § Allianz has successful cooperations
 - Æ with 25 major international car brands
 - Æ in 27 countries
 - Æ representing over 29mn cars sold annually as business opportunity
- § Allianz cooperates with both car manufacturers and also dealers directly

New cars sold by ... (mn vehicles)



Structure of cooperations¹



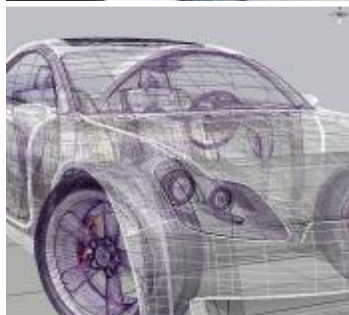
1) Based on 2008 revenues (GPW)
Source: Global Automotive, Global Insight

Car manufacturer and dealer cooperations are an opportunity for which Allianz is uniquely positioned



The opportunity

- § Car manufacturer and dealer cooperations are a growth driver of Allianz
- § Huge opportunity for POS¹ insurance created by estimated worldwide car sales growth of 6% p.a.



- § Global excellence in car manufacturer and dealer cooperations with EUR ~1.5 billion portfolio
- § Unique mastery of the business model through tight relations to car manufacturers

Allianz unique position

Global
Automotive
=
a new strategy
=
a new global line

to capture the
opportunity

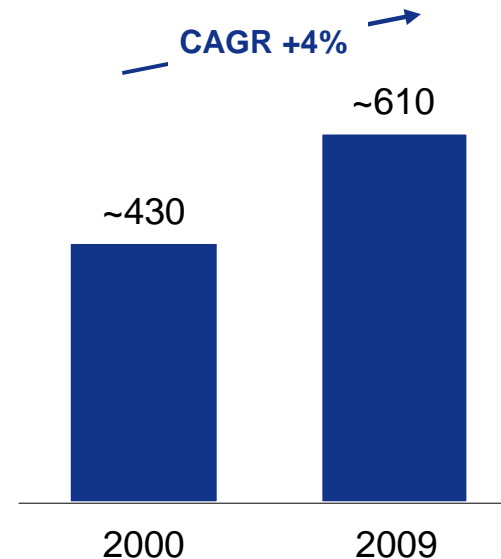
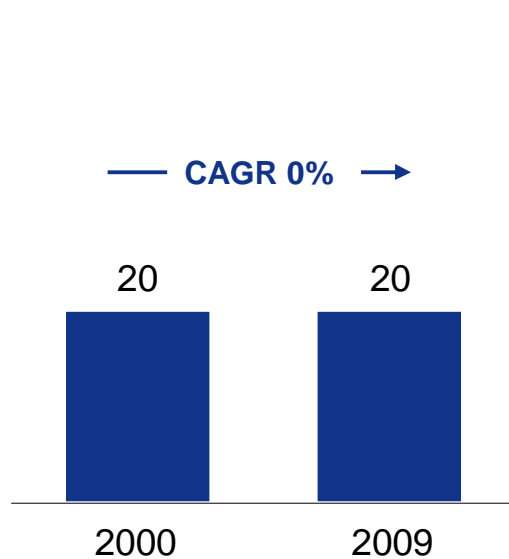
1) Point of sale

Car manufacturer and dealer cooperations are a growth driver for Allianz in a stagnant German motor market

Example Germany

German motor insurance market
GPW (EUR bn)

Allianz car manufacturer and dealer
cooperations GPW (EUR mn)



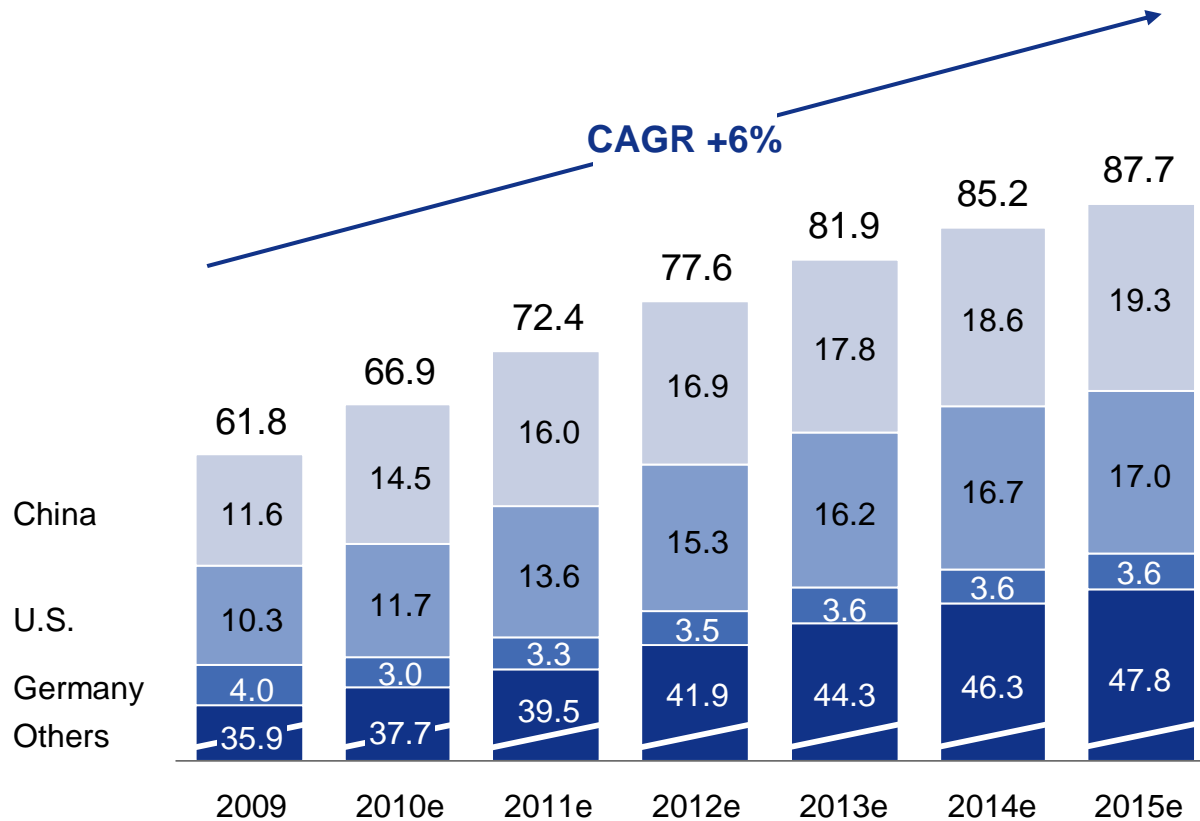
Share of total Allianz motor book Germany



Source: Global Automotive, Global Insight, Allianz Vers. AG annual reports, BVA

Worldwide growth of car sales of 6% p.a. is creating a huge opportunity for Allianz

Worldwide car market – new cars sold (mn)



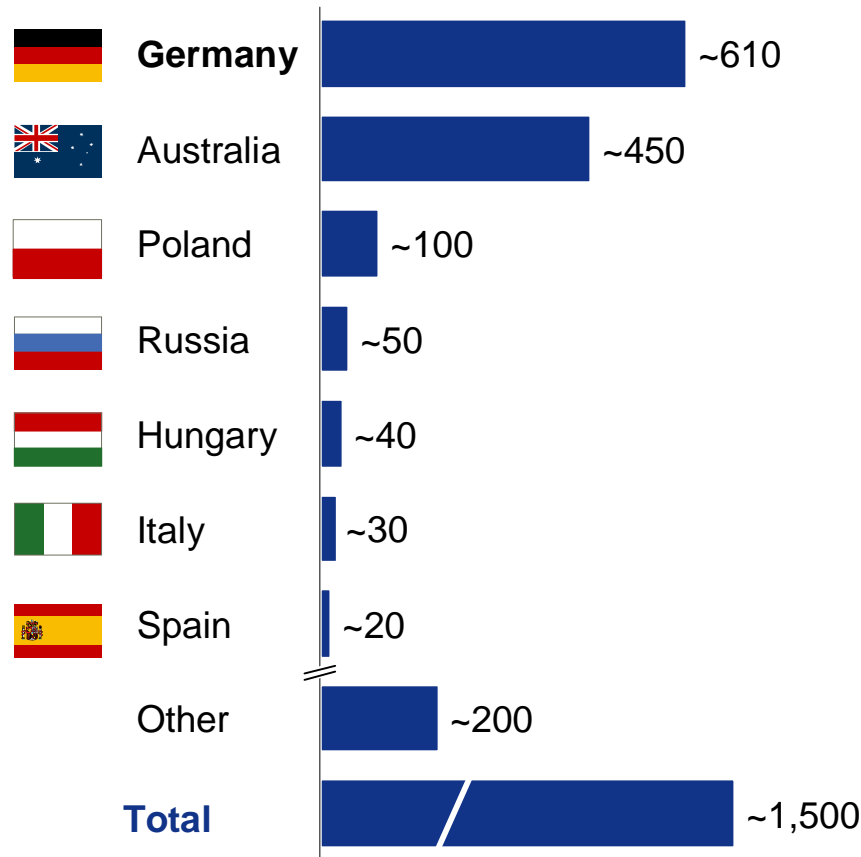
Huge opportunity globally driven by

- § Worldwide growth of new car sales of 6% p.a.
- § Stronger growth in key markets, e.g. U.S. and China at 9% p.a.

Source: Global Automotive, Global Insight

Global excellence in insurance through car manufacturers and dealers

Allianz Automotive motor GPW EUR mn, 2009



Significant potential

§ Grow further in countries with existing cooperations

Æ increased penetration of car sales at dealerships

§ Develop car manufacturer and dealer cooperations business in countries with large car markets

Æ growth in conjunction with car manufacturers

Overview – automotive agreements worldwide

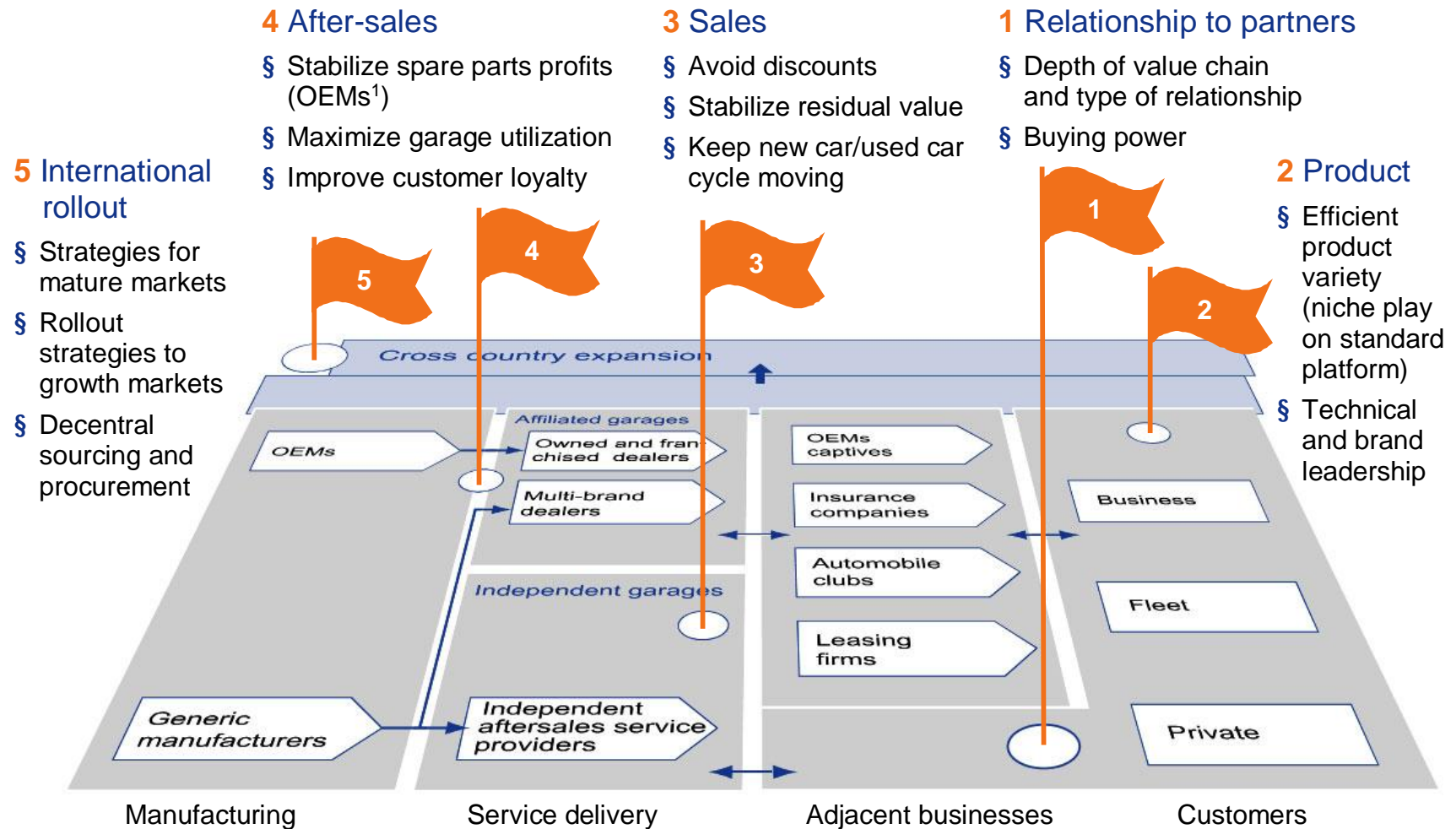
Brands	Scope	Agreement	Branding	Products		
	Number countries	Umbrella	White Label	Motor	Warranty	Assistance
1 Volkswagen	17		X	X	X	X
2 Audi	17		X	X	X	X
3 Skoda	17		X	X	X	X
4 Seat	17		X	X	X	X
5 Bugatti	1		X	X	X	-
6 Lamborghini	1		X	X	X	X
7 Bentley	1		X	X	X	X
8 Mercedes	15	X	X	X	X	X
9 BMW	16	X	X	X	X	X
10 Mini	16	X	X	X	X	X
11 Opel	4		X	X	X	X
12 Saab	1		X	X	X	X
13 Chevrolet	1		X	X	X	X
14 Peugeot	3		X	X	-	X
15 Renault	4			X	-	X
16 Citroen	3		X	X	-	X
17 Fiat	2		X	X	X	X
18 Alfa Romeo	1		X	X	X	X
19 Lancia	1		X	X	X	X
20 Ferrari	1		X	X	X	-
21 Jaguar	1		X	X	-	X
22 Land Rover	1		X	X	-	X
23 Ford	1			X	-	X
24 Proton	1			X	X	-
25 Mitsubishi	1			X	-	X
26 Ssang Yong	1			X	-	X
27 Toyota	2			X	-	X
28 Honda	3		X	X	X	X
29 Suzuki	2		X	X	X	X
30 Subaru	1			X	-	X
31 Hyundai	2		X	X	X	X
32 Kia	2		X	X	-	X
33 Lada	1		X	X	-	X
34 Harley Davidson	1			X	-	-



Mastery of business model key to capture opportunity

Key success factors	Allianz strengths	Barriers to entry
<p>1</p> <p>Fully understand and support car manufacturers' "key battles"</p>	<p>§ Longstanding relationships with car manufacturers since the 1940s</p> <p>§ Today, successful cooperations with 25 major car brands in 27 countries with clear added value from Allianz</p>	<p>§ Time and effort required to establish and maintain cooperations and relationships</p>
<p>2</p> <p>Integrate end-to-end in car manufacturers' value chains</p>	<p>§ Allianz with a distinct end-to-end business model for car manufacturer cooperations</p> <p>§ Allianz with proprietary IT systems (esp. front-end) to run cooperations</p> <p>§ Strong expertise and understanding of all automotive processes</p>	<p>§ Deep-insight into distinctive end-to-end business model necessary, e.g.</p> <ul style="list-style-type: none"> - Operations and IT - Automotive and insurance expertise
<p>3</p> <p>Offer innovative products fully tailored to the car</p>	<p>§ Strong technical expertise at the crossing of cars and insurance at Allianz, e.g. Allianz Center for Technology</p> <p>§ Close link to the car manufacturers' R&D units</p>	<p>§ Strong automotive DNA hard to replicate, e.g.</p> <ul style="list-style-type: none"> - Proprietary research capabilities - Longstanding links to car manufacturers' R&D units

1 Fully understand and support the car manufacturers' "key battles"



1) Original equipment manufacturer

2 Integrate end-to-end in car manufacturers' value chains and proactively provide solutions

Allianz end-to-end business model for car manufacturer cooperations insurance

	Product development	Pricing/UW	Sales	Ops/IT	Claims
OEM¹ 	Modular insurance products closely linked to OEM product range	Differentiated scheme accommodating new and used cars, fleet, commercial	Improved customer loyalty; flexible support of OEM action plans	Integration with dealer management system and OEM spare part ordering; reduced complexity of information exchange	Optimization of claims management - Spare parts - Repair-shop utilization
Dealer 	Products fitting dealer's system	Superior price-benefit relation	Profit-driven incentives and integrated sales process		
Captive 	Match of database information	Expertise in all relevant lines (global presence)	Joint sales support approach	Efficient operations (scale)	Claims expertise (volume, quality, global presence)
Customer 	Extensive full mobility solutions (e.g. warranty, PPI ²)	Competitive price	Convenience to buy insurance as part of car purchase	Insurance integrated in configurator	Superior service level

Strong automotive expertise and understanding of all automotive processes

1) Original equipment manufacturer
 2) Payment protection insurance

3 Offer innovative products fully tailored to the car

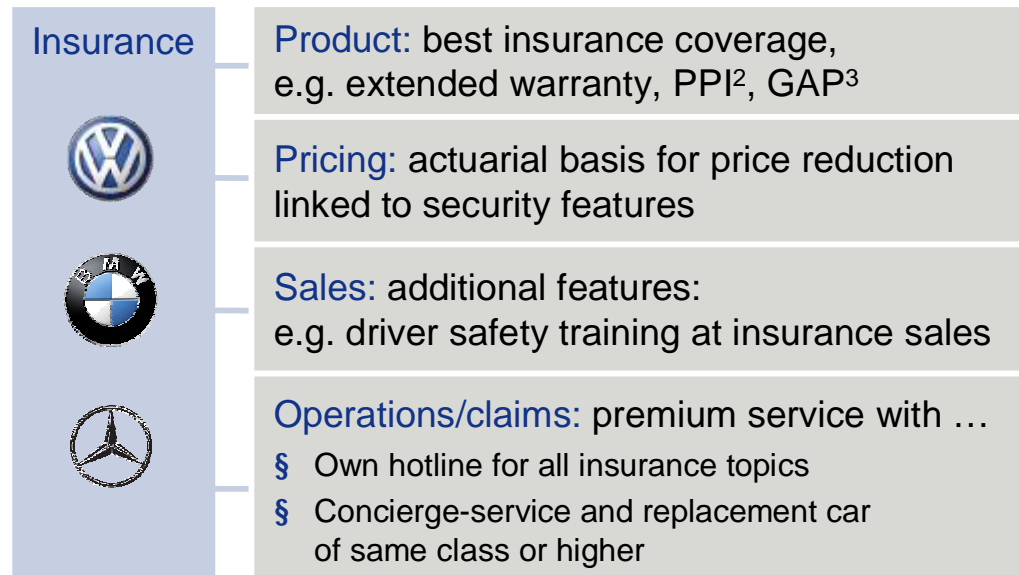
ILLUSTRATIVE

Premium models
BMW 5 / Audi A6 / Mercedes E



- § Upscale offering
- § Strong focus on sportiness and dynamic
- § Large set of safety technologies
- § Strong results in tests vs. competitors¹

Holistic approach
along the value chain

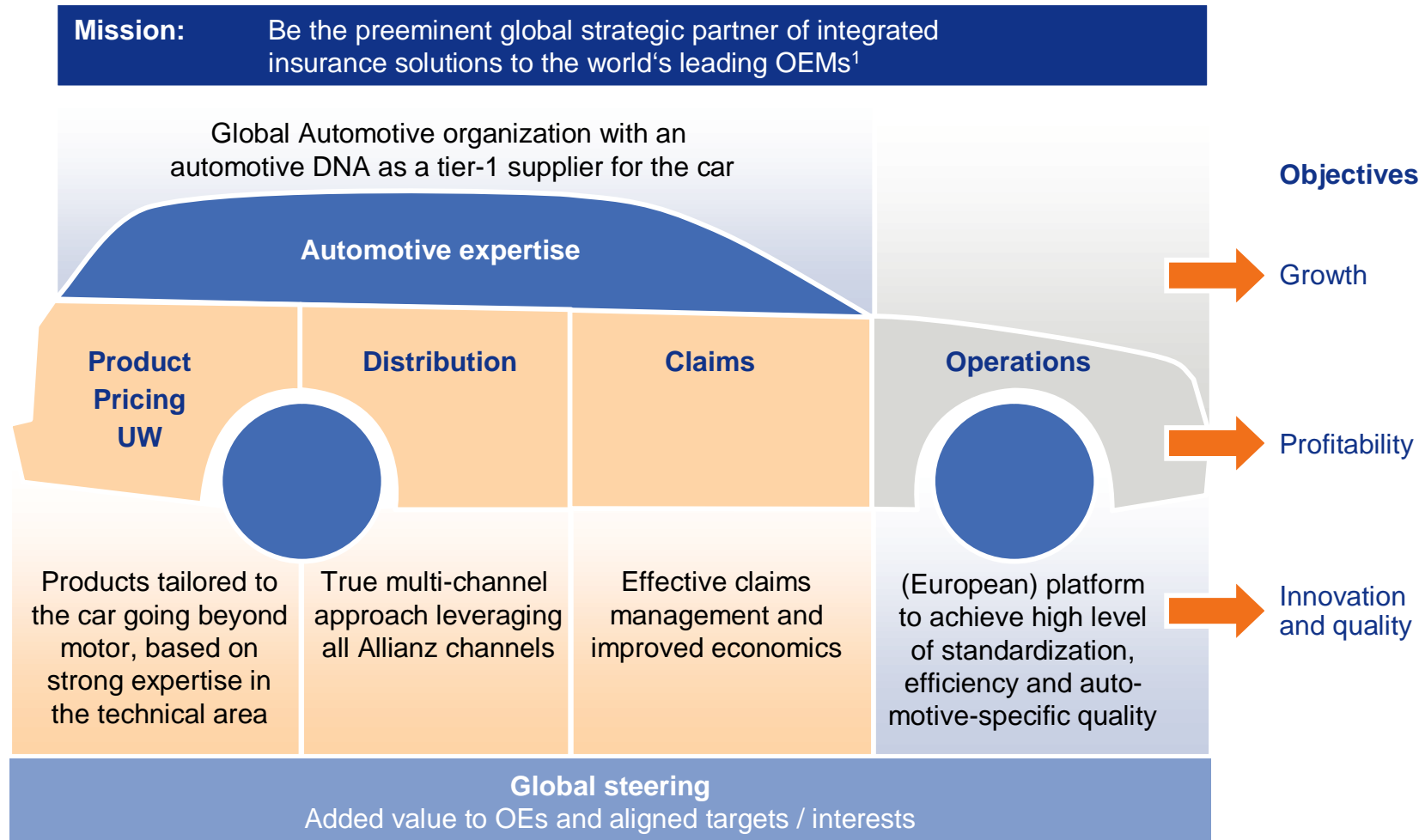


? How can insurance support a car premium strategy

Leveraging Allianz' technical expertise at the crossing of cars and insurance at Allianz, e.g. "Allianz Center for Technology" and the close link to the car manufacturers research and development units

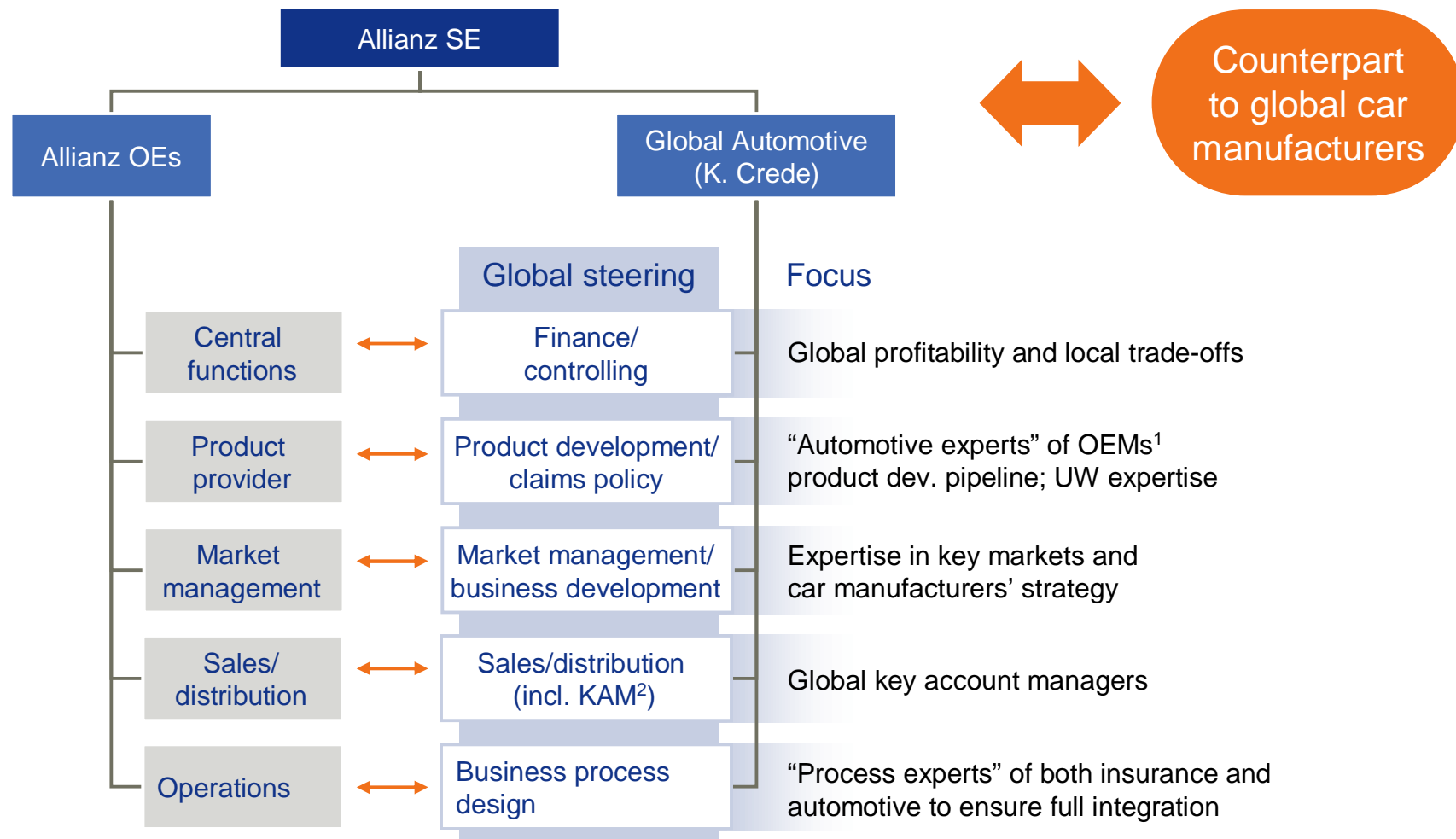
1) Auto Motor Sport – April 2010
2) Payment protection insurance
3) Gap insurance covers the difference between what the car is worth and what you owe on the car

Global Automotive strategy



1) Original equipment manufacturer

Global Automotive created as a global line in 2010 to steer the car manufacturer and dealer business



1) Original equipment manufacturer
2) Key account management

Outlook – medium-term aspirations

EUR
2bn

EUR 2 billion of GPW in existing markets

1 out
of 2

Significant presence at least in one of the key growth markets (U.S. and China)

4 out
of 5

Cooperations with 4 out of the “Top 5” world's largest car manufacturers

<98%

Target combined ratio below 98%

Key take-aways

- ➔ Automotive is a significant channel in European motor insurance for Allianz
- ➔ Current footprint of cooperations capturing almost 50% of worldwide car sales
- ➔ Automotive is a growth driver for Allianz in mature and emerging markets
- ➔ Allianz as global market leader in the automotive channel is uniquely positioned to capture the opportunity
- ➔ Automotive has high entry barriers – experience, relationships and global infrastructure play out for Allianz
- ➔ Allianz has strong growth and profitability aspirations in this business model

Rémi Grenier, CEO Mondial Assistance

Mondial Assistance

Capital Markets Day
Munich, July 1, 2010

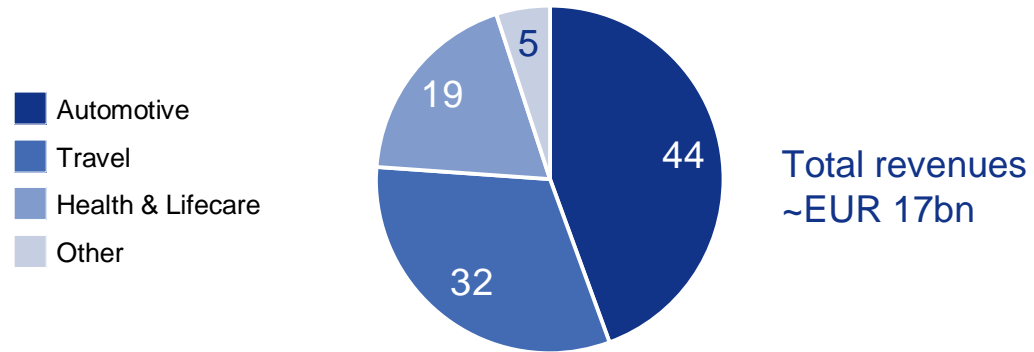
Allianz 

Overview – assistance market in 2009

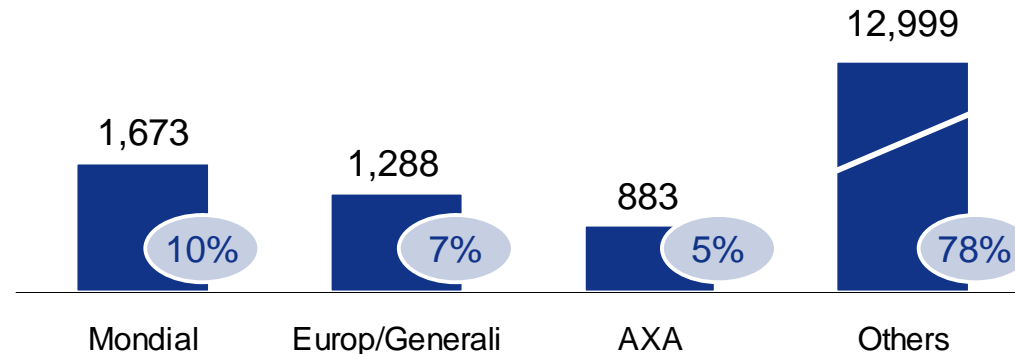
Highlights

- § EUR 17bn market (insurance bound assistance and clubs)
- § 3-year CAGR ~7%¹
- § Mondial as a global leader on the assistance market is >50% more profitable² than 2nd largest peer
- § Strong price competition – buying of market share
- § Opportunities: Health & Lifecare, Consumer Specialty Insurance, Americas/Asia Pacific
- § Challenges: Automotive, travel offline, Europe
- § Trends: Technology, online, B2C

Market structure (%)



Revenues (EUR mn) and market shares (%)



1) 3-year CAGR 2006-2009

2) Net income/revenues: Mondial 3.3%, Europ Assistance 1.6% – Mondial Assistance continuously with higher profitability than its peers since 2006

Sources: Annual reports; internal and external research

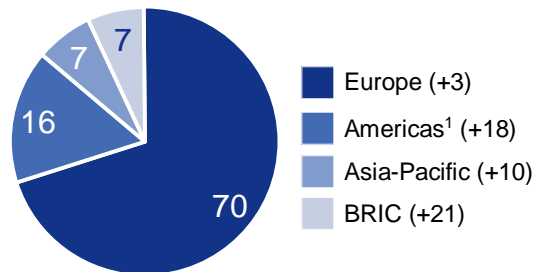
Overview – Mondial Assistance (1)

Highlights

- § Market leader in assistance
- § Mission: helping people, anytime, anywhere
- § Founded in 1950, merger of insurance and service entities in 2000
- § Ratings: AM Best “A”, Standard & Poors “AA-”
- § 250 business clients, 250mn end customers
- § Further move from a B2B to a B2B2C and B2C oriented organization
- § Further integration into Allianz Group
- § Global accounts and cutting edge technologies / services as competitive advantages

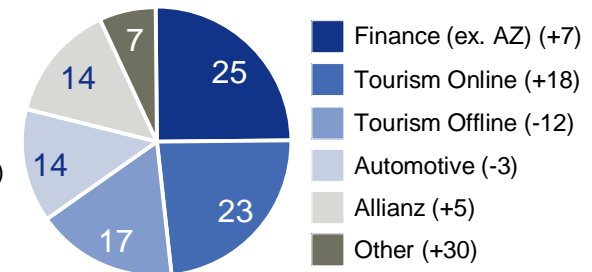
2009 revenue split (2007 - 2009 growth p.a. in %)

By region (%)

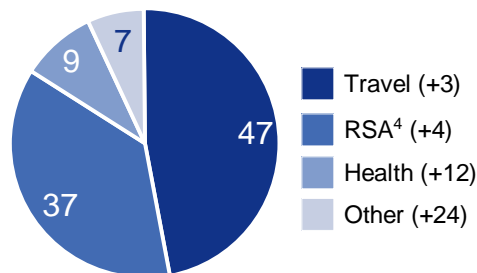


Total EUR 1.7bn

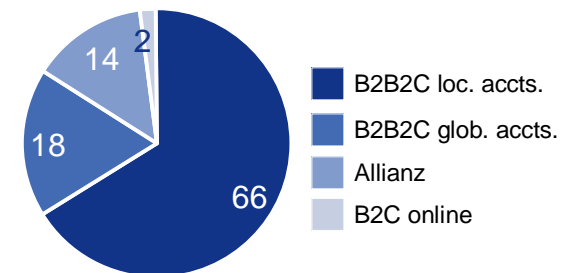
By market³ (%)



By line of business² (%)



By customer/client type (%)

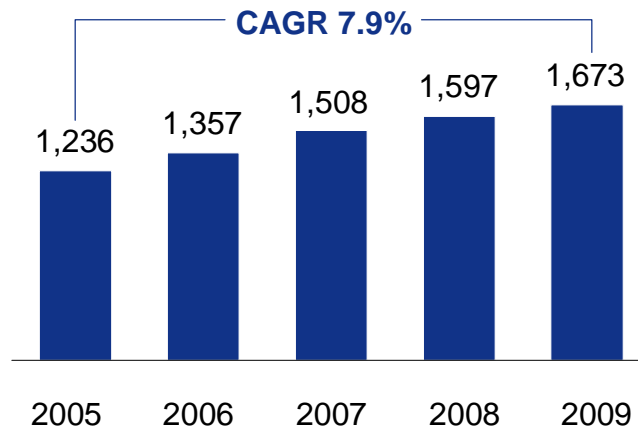


1) Excluding Brazil
2) See page 6 for details

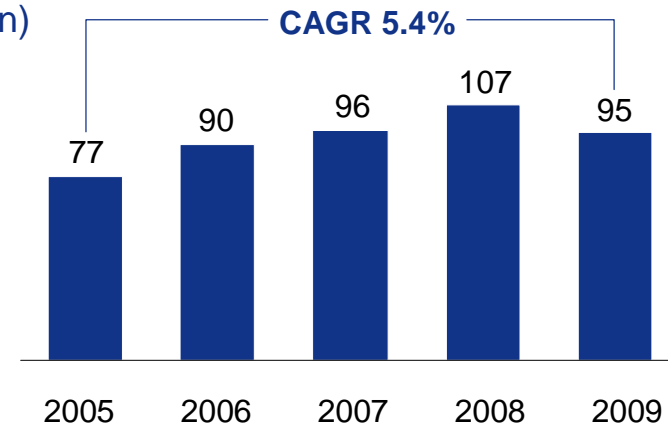
3) Examples: Finance market (e.g. insurance, banks), tourism (e.g. airlines, tour operators), automotive (e.g. manufacturers, dealers)
4) Road side assistance

Overview – Mondial Assistance (2)

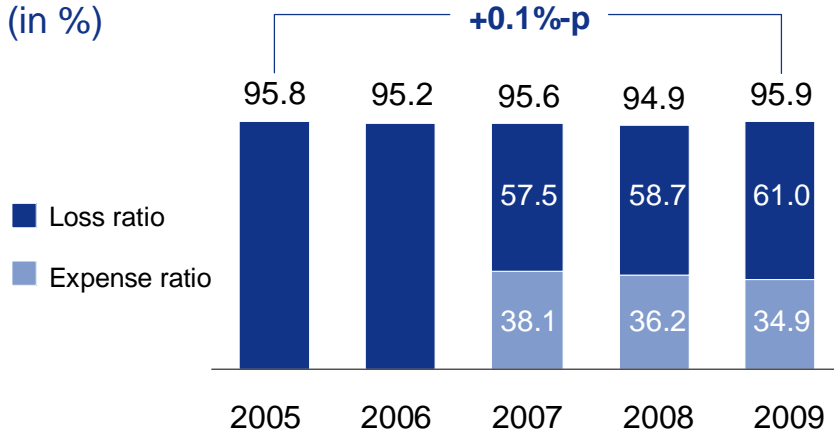
Revenues
(EUR mn)



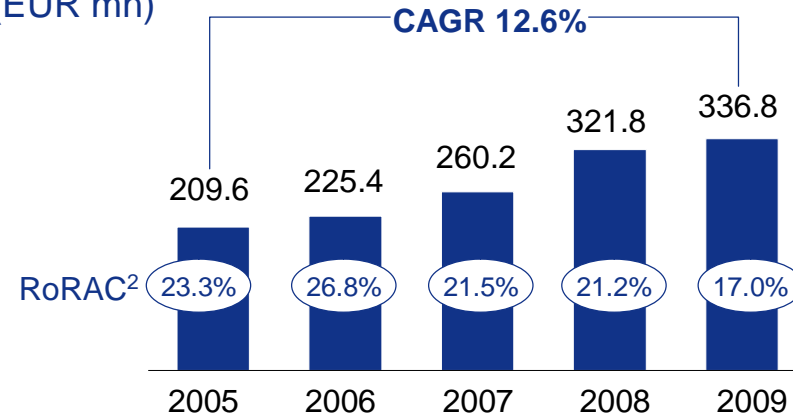
Operating profit
(EUR mn)



Combined ratio
(in %)



Risk-adjusted capital¹
(EUR mn)

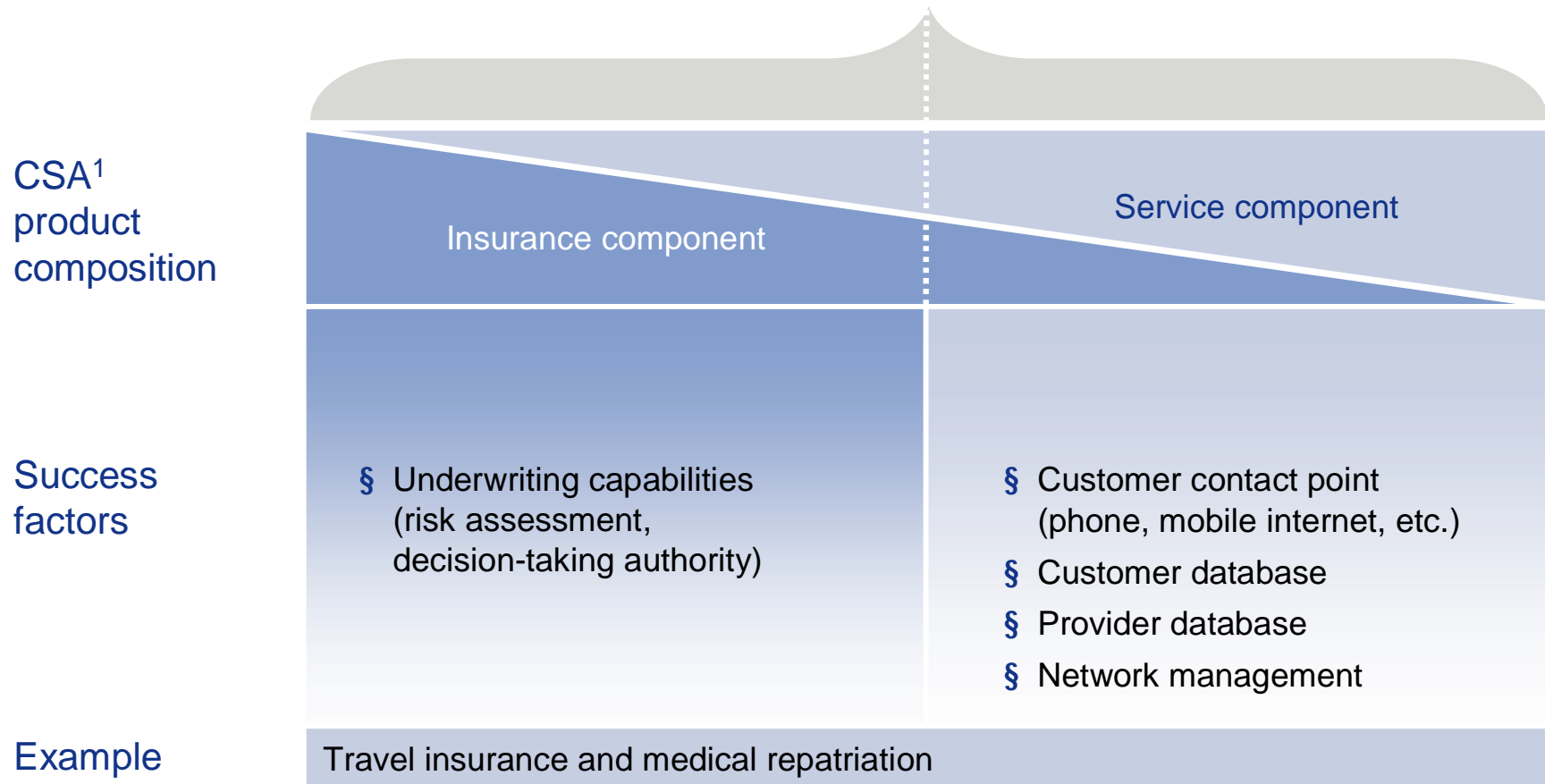


1) Risk-adjusted capital = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements

2) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital





Assistance is about combining insurance and services together

> 90% of quotations contain both insurance and service elements



1) Consumer specialty assistance

Mondial has a wide range of offering, with a strong funnel of new products

Lines of business	Automobile	Travel	Health & Life	
			Health	Lifecare
				
Offerings (= components for tailored products / contracts)	Roadside assistance	Trip cancellation	Rehabilitation management	Daily life services
	Accident management	Lost luggage insurance	Long term care	Employment assistance
	Telematic services	Medical cost abroad	Medical info/ demand mgmt.	Funeral assistance
	CRM ¹	Crisis management	Prevention	Retirement assistance
	Car extended warranty	Repatriation	Student travelers	Concierge services
		Expatriates	Home assistance	
			Teleassistance	
			Sport equipment insurance	

1) Customer relationship management

Global trends will further increase demand for consumer specialty assistance

Selected global trends are offering new opportunities ...

... to increase customer specialty assistance sales

Roadside



New motorization
Green vehicle



New usage
New ownership



Mobility
services



- § Electric vehicle assistance
- § Extended warranty
- § Integrated customer contact management
- § Automotive mobile application
- § Collision damage waiver

Travel



Travel industry
revolution



Global risks
Private security



Leisure
entertainment



- § Online travel customized offers
- § Ancillary revenues platform
- § Event ticket cancellation
- § Concierge services

Health & Property



Aging
population



Healthcare
spending

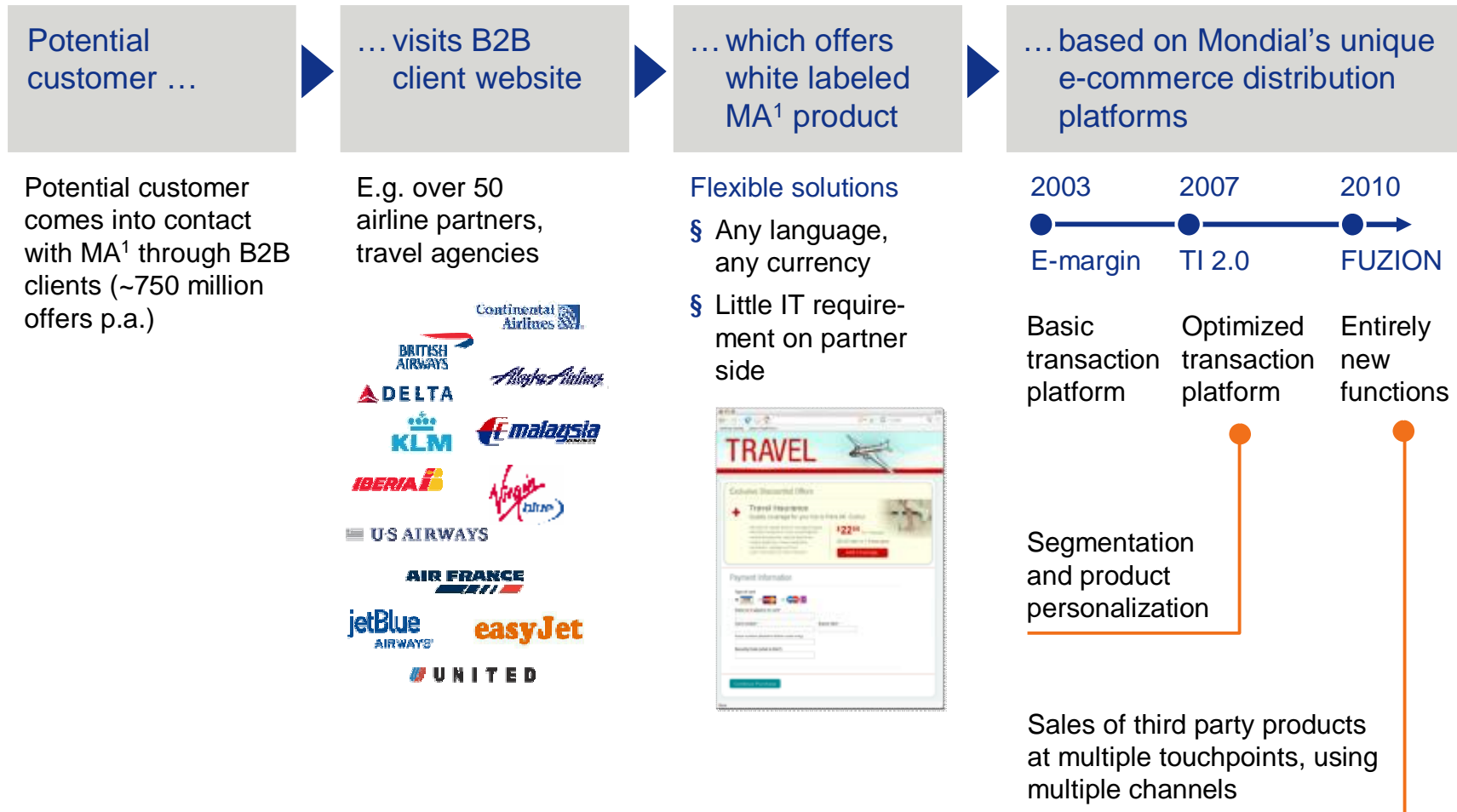


Smart homes
and devices



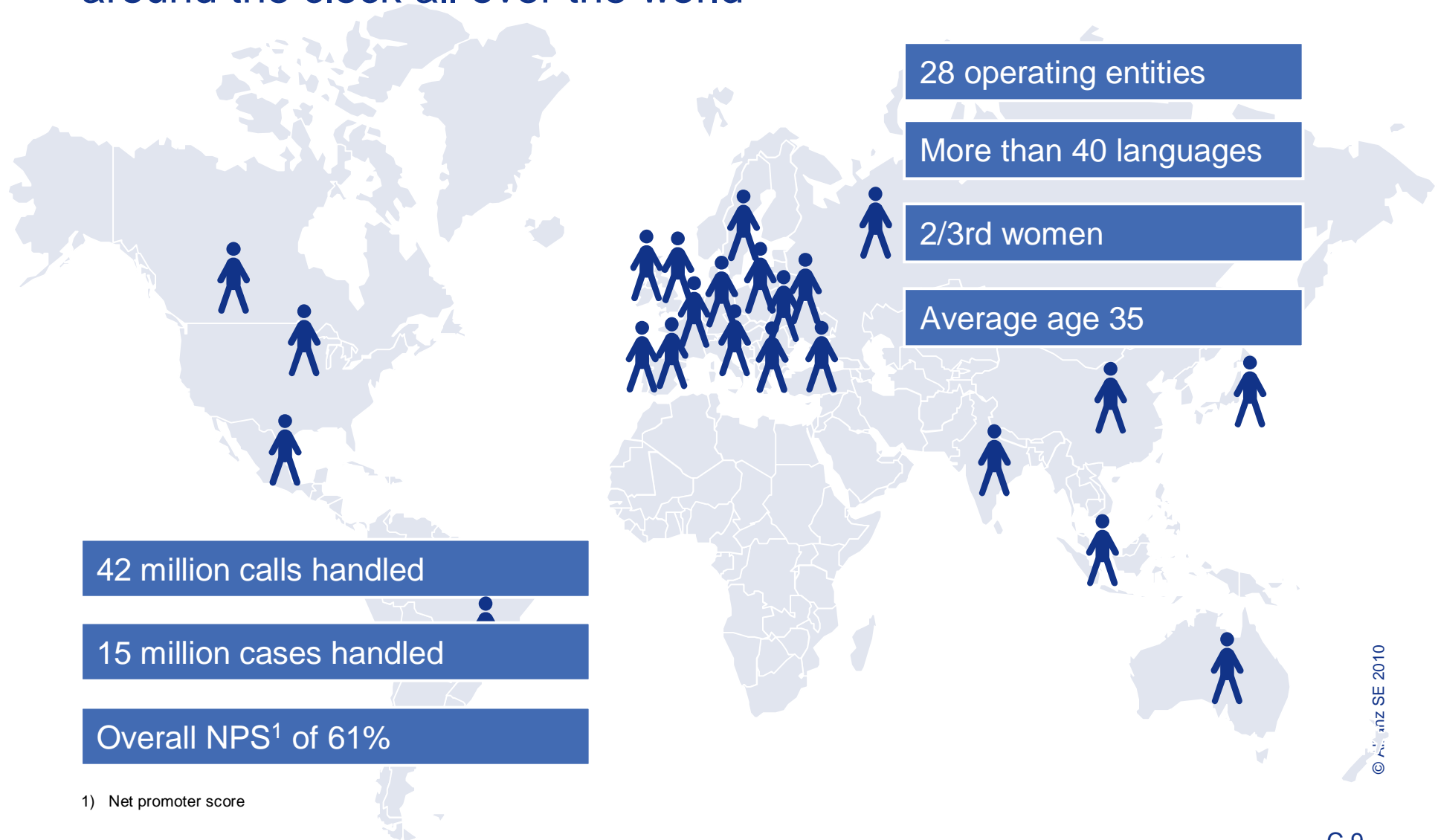
- § Dependency assistance
- § Rehabilitation management
- § Prevention (chronic diseases)
- § Medical info, nurse triage
- § Daily life services
- § Mobile phone insurance
- § Home utility services

Innovation: Mondial's unique e-commerce solutions to leverage business clients' customer base



1) Mondial Assistance

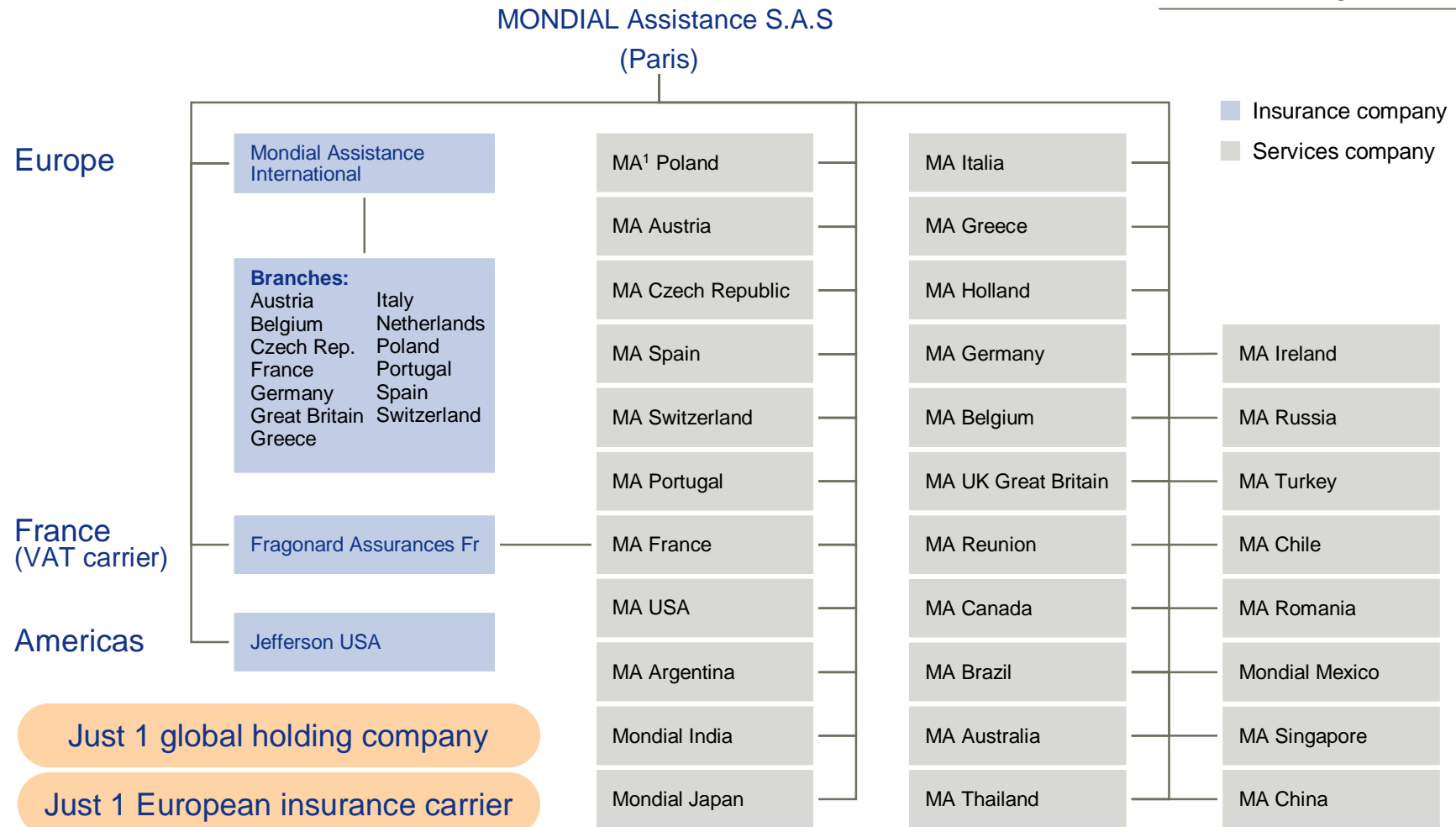
10,000 employees servicing customers around the clock all over the world



1) Net promoter score

Target structure allows more efficient capital management and a simplification of governance

Illustrative / Management View



1) Mondial Assistance

Unfall 60 Aktiv – a success story for Mondial, Allianz and our customers (NPS >85%)

Starting position

60+ market segment viewed non-profitable (high claims ratio)

Hardly any new business due to underwriting restrictions

Market segment was however viewed as attractive in terms of relative wealth ...

... with need for protection (decreasing state aid level especially for temporary and/or less severe detriment)

Introduction of AZ-MA¹ bundled product in 2004

New bundled product developed, offering integrated assistance services in addition to mere indemnity, to meet customers' actual needs in case of accidents:

- § Medical home care
- § Home help (catering, cleaning, laundry, garden care, ...)
- § Help for family members

Leveraging strength of individual Allianz Group companies by attractive bundling approach

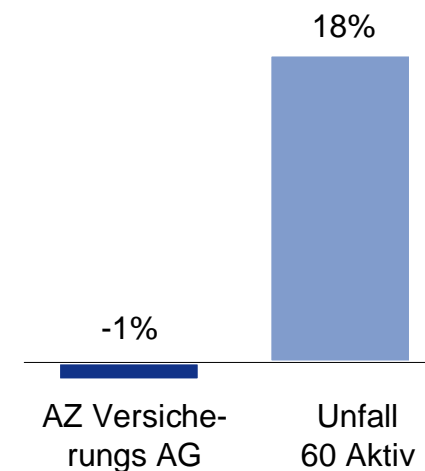
Impact

500,000 contracts sold in 5 years

Product meets needs that weren't answered before

Win-win: high customer satisfaction AND attractive product margins

Revenue-CAGR 2005 - 2009



1) Allianz – Mondial Assistance

Six reasons to grow, leading to one aspiration

Growth driven by ...

- 1 ... strong market position
 - ▶ Global number one on the market for assistance services
- 2 ... trends supporting the business
 - ▶ Aging society, travel industry revolution, new travel behavior
- 3 ... unique products/services
 - ▶ Bundled products, offered at highly attractive prices
- 4 ... reliable customers
 - ▶ Solid customer relationships; Allianz as a client increasingly important
- 5 ... enlarged regional set-up
 - ▶ Strengthen business in emerging markets
- 6 ... efficient operations
 - ▶ Creating a fully global business model



▶ Resulting aspiration: revenue and operating profit CAGR +10% until 2015

Clemens von Weichs, CEO Allianz Re

Allianz Re

Capital Markets Day
Munich, July 1, 2010

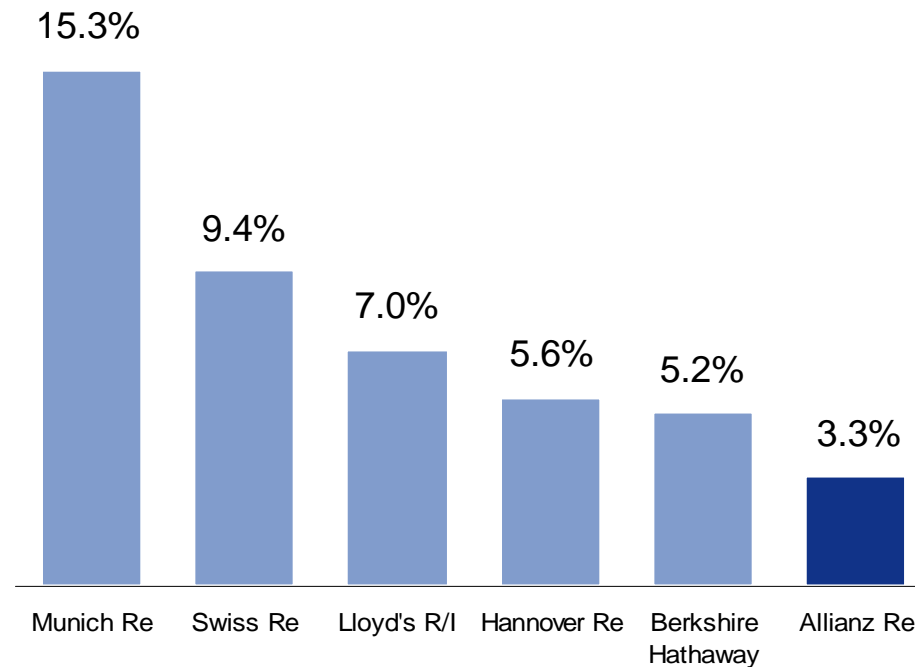


Overview – reinsurance market

Highlights

- § Continuing soft market
- § Capital levels almost back to 2007
- § Demand of primary insurers driven by capital shortage
- § Insured losses 2009 ~USD 26bn (USD 22bn Cat losses, USD 4bn man-made)
- § Largest NatCat event 2009 was wind-storm Klaus (economic loss USD 3.4bn), followed by major U.S. thunderstorms
- § Total insured loss due to NatCat events was below the long-term average

Market share P/C¹



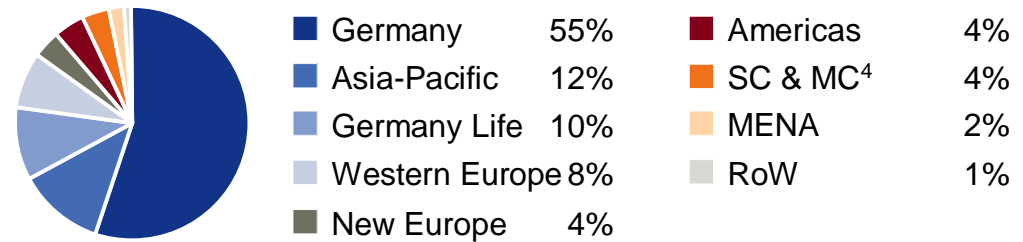
1) Based on net premiums written as per end of 2009

Overview – Allianz Re¹ (1)

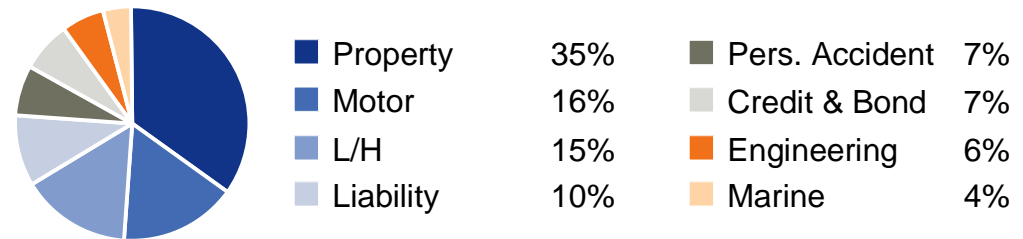
Highlights

- § Profit center and Group reinsurance coordinator in one organization
- § Financial strength and international experience in underwriting and fields of special expertise
- § Group centre of competence for NatCat risk management
- § ~700 customers worldwide
- § AA Rating (S&P) as part of Allianz SE³

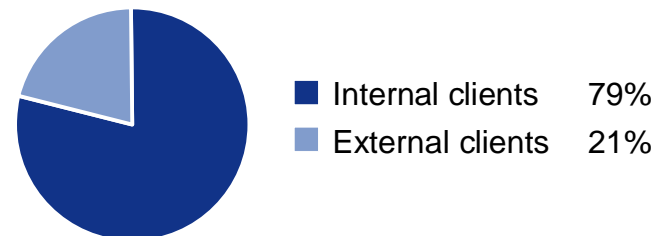
GPW by region (Total EUR 4.1bn)



GPW by product (Total EUR 4.1bn)



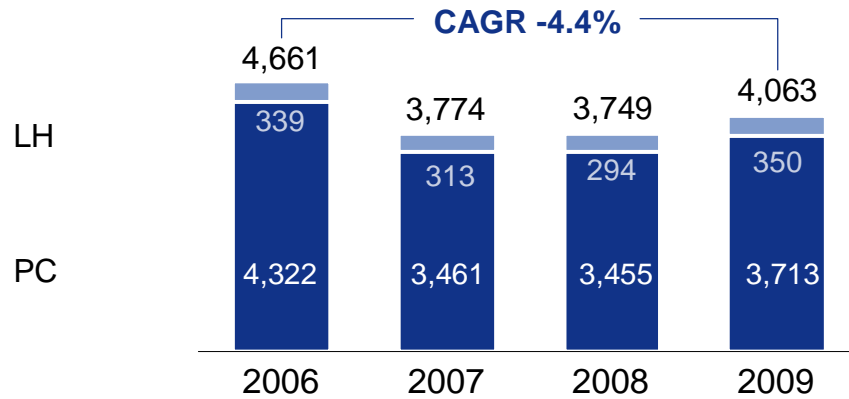
Customers²



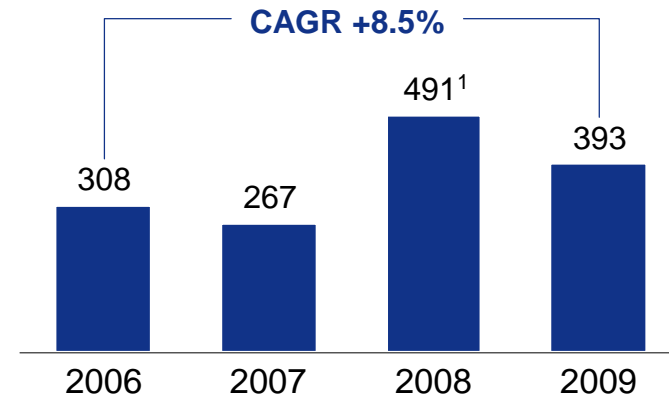
1) If not otherwise stated: gross premiums written as per end of 2009
 2) Based on net earned premiums as per end of 2009
 3) Excluding Allianz Re Dublin Ltd.
 4) SC = SuperCat MC = MegaCat

Overview – Allianz Re (2)

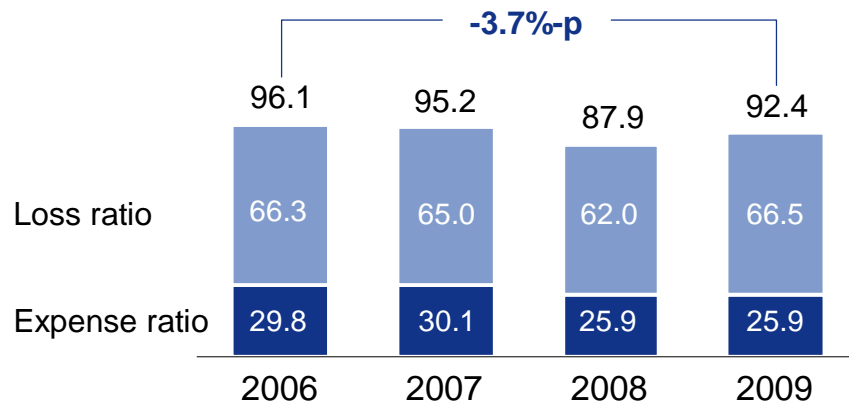
Revenues¹ (EUR mn)



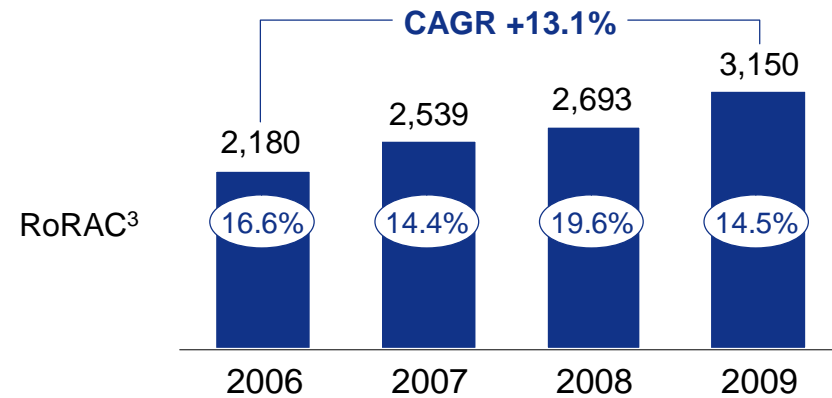
Operating profit (EUR mn)



Combined ratio (in %)



Risk-adjusted capital² (EUR mn)

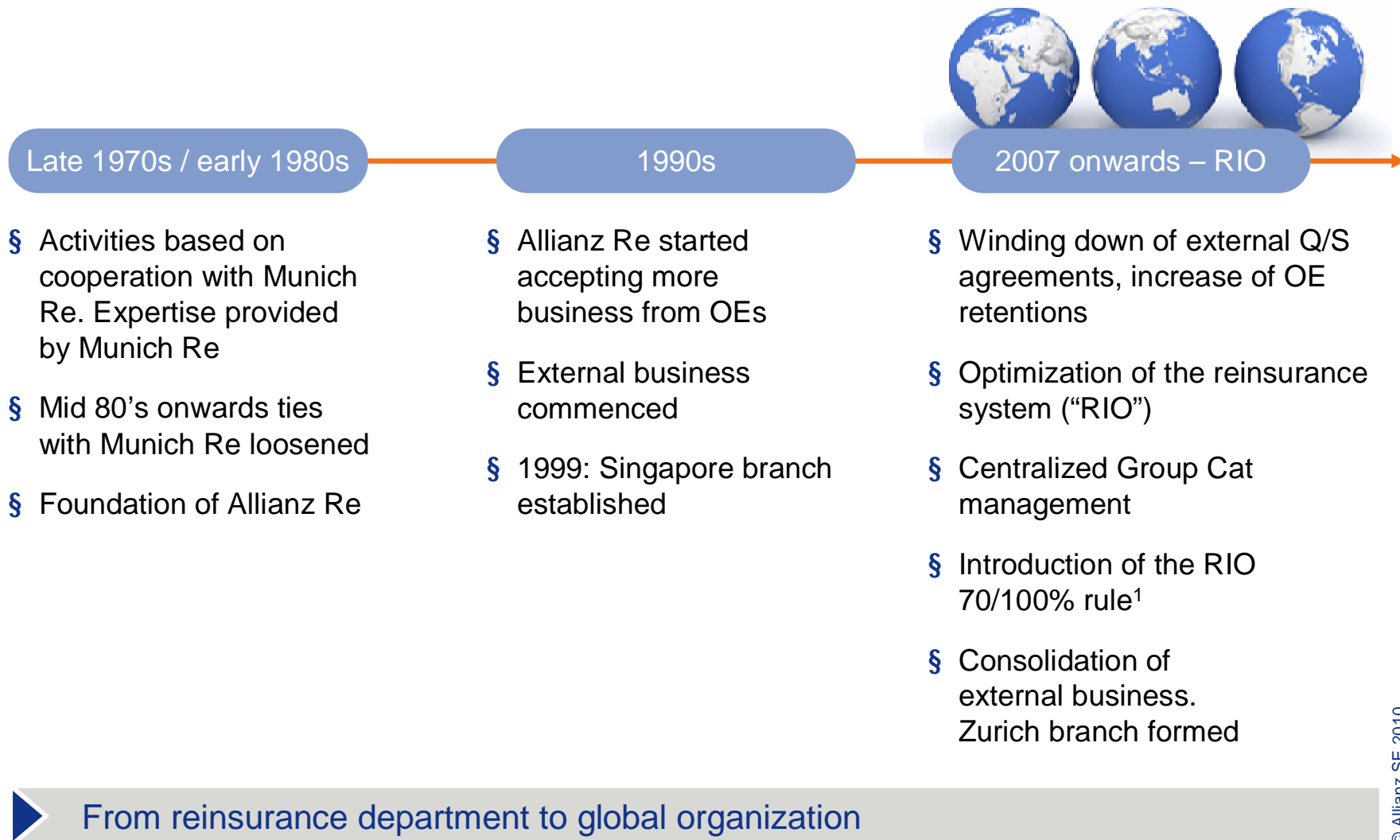


1) Including EUR-16mn investment income from VA business booked in Holding segment

2) RAC = risk-adjusted capital

3) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital

Evolution and role of Allianz Re



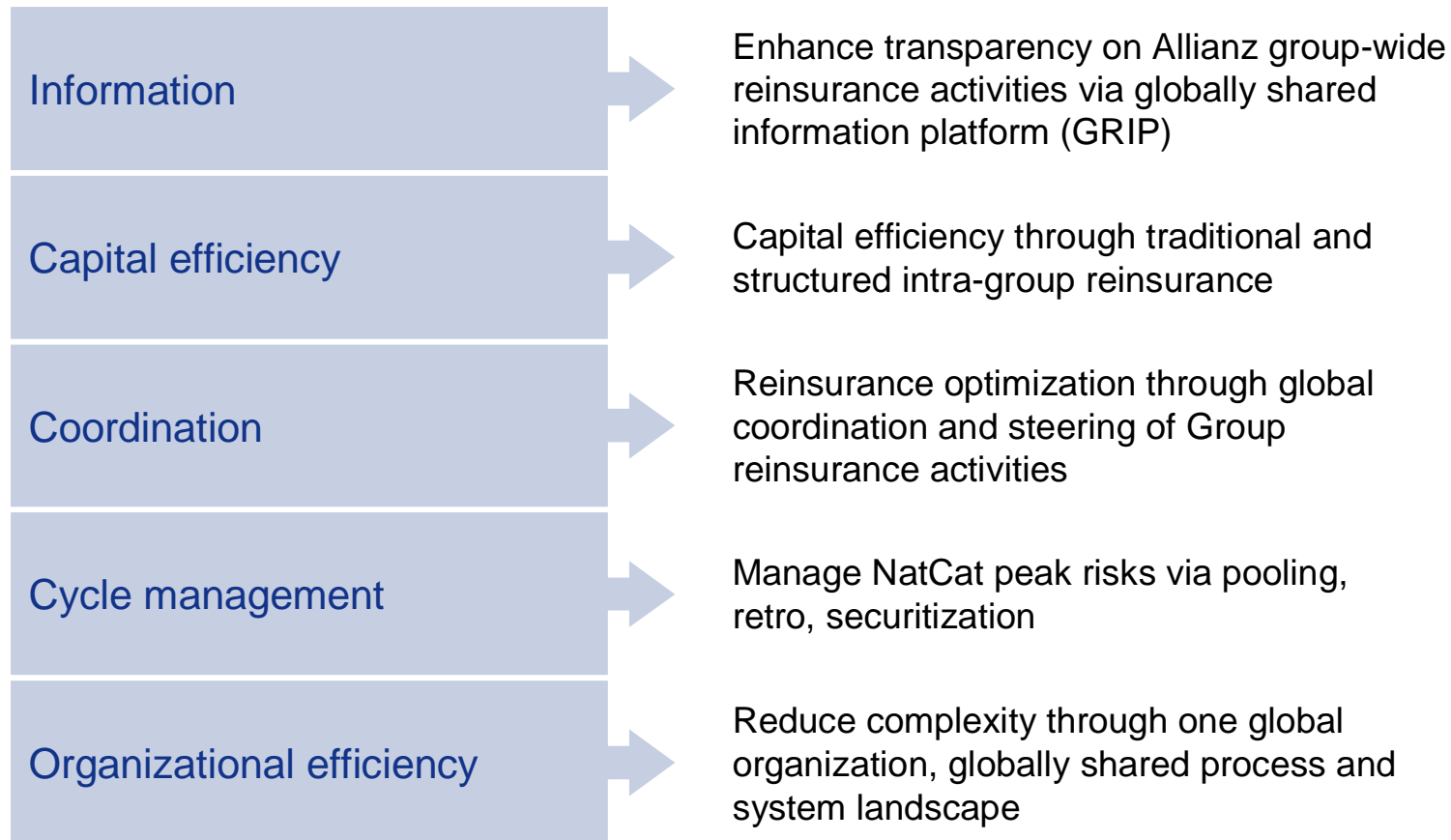
1) Objective: 70% of OE's non-Cat / 100% of OE's CAT reinsurance to be ceded to Allianz Re

Group reinsurance operations – our mission

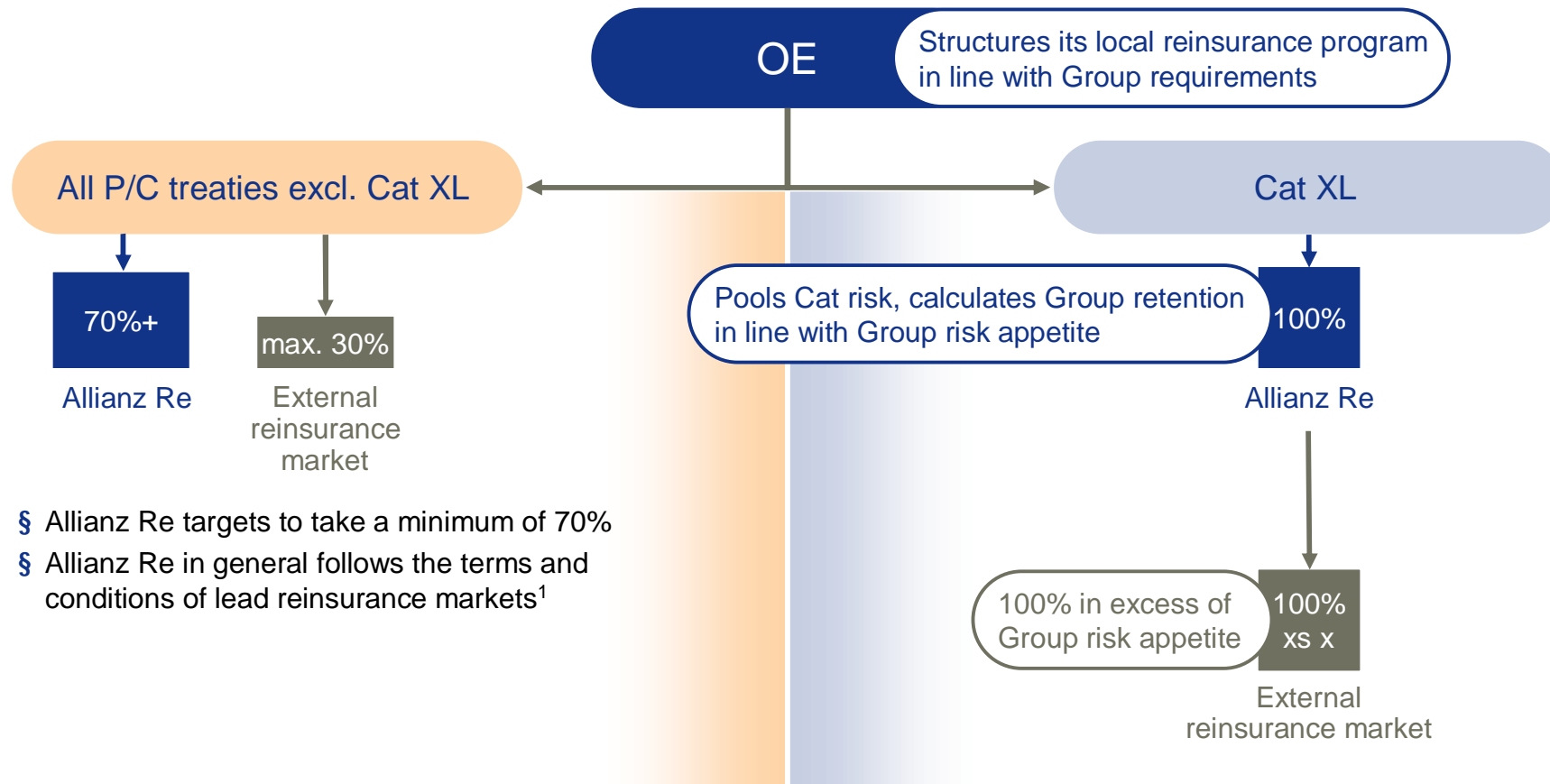
- 1**
Group steering instrument
 - § Maximize benefit of the Group's EUR 4bn external reinsurance spend
 - § Manage earnings volatility to acceptable level
 - § Protect capital base against extreme events
 - § Provide competitive advantage for OEs by pooling reinsurance cessions to benefit from diversification and using Group risk appetite
- 2**
Capital optimization
 - § Through traditional and structured intra-group reinsurance
 - § Limit risk retained on local OE balance sheets
 - § Mitigate local capital requirements, unlocking capital for the Group
- 3**
Operating profit
 - § Retain reinsurance margins priced in OE cessions
 - § Complement internal reinsurance portfolio with selective external business

▶ Reinsurance operations have proved to be profitable and can be exploited further under Solvency II to unlock capital from local balance sheets for the Group

Rationale for Group internal business approach – RIO



The Allianz reinsurance system – reinsurance optimization



- § Allianz Re targets to take a minimum of 70%
- § Allianz Re in general follows the terms and conditions of lead reinsurance markets¹

Holistic reinsurance system to the benefit of Allianz Group

1) Lead reinsurance markets: list of reinsurers officially appointed by Allianz Re, based upon different criteria such as technical capabilities or overall relationship with Allianz Group

Group internal business – the power of pooling

Benefits to Group and OEs

- § Aligns external protection to risk appetite at Group level
- § Leverages Group's buying power
- § Improves profit potential and earnings volatility for the Group

Allianz Re P/C results (EUR mn)	2006	2007	2008	2009	Total
Gross premiums	3,761	3,067	2,920	3,214	12,865
Net earned premiums	2,346	1,980	2,379	2,507	9,212
Net loss ratio	66.8%	64.6%	62.9%	69.8%	66.0%
Expense ratio	30.6%	31.1%	24.8%	25.9%	28.1%
Combined ratio	97.4%	95.7%	87.7%	95.7%	94.1%
Operating profit	178	197	417	212	1,004

Reinsurance operations provide support and competitive advantage for the OEs

- § Product development:
 - Crop insurance – Brazil, Germany, Australia
 - Environmental liability
 - Variable annuities – Japan, Taiwan
- § Capacity / capital support:
 - Stable Cat capacity
 - Euler Hermes – support over the cycle

▶ If the primary business is profitable, pooling local reinsurance brings long-term benefit

Maximizing the value of external reinsurance spend

Allianz Group P/C results (EUR mn)	2005	2006	2007	2008	2009
Gross premiums ¹	49,466	49,096	49,611	48,747	47,875
Ceded premiums	5,529	5,415	5,319	4,972	4,574
Gross combined ratio ²	92%	87%	89%	88%	91%
Net combined ratio ³	93%	92%	93%	95%	97%

- 1) Unconsolidated premium basis
 2) Unconsolidated written premium basis
 3) Consolidated written premium basis

§ RIO has reduced volume of external cessions since 2005 by EUR 1bn

Key objectives for reinsurance purchases:

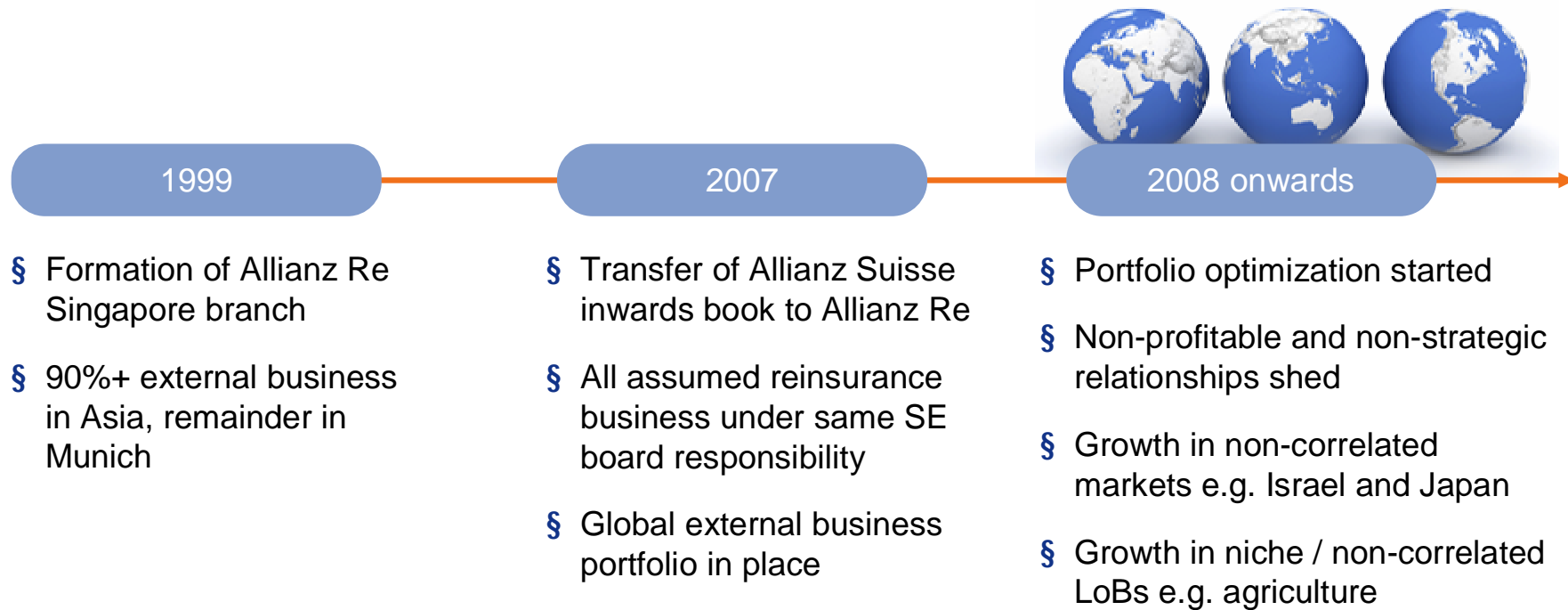
- § Protection against extreme events
- § Limiting earnings volatility
- § Reducing risk capital requirements
- § Ensuring liquidity



Allianz Re supports OEs to optimize external spend – if benefit only at OE level, placement should be within the Group

▶ Benefit from remaining spend to be maximized

Evolution of external business at Allianz Re



External business – profitable and capital efficient

Allianz Re P/C results (EUR mn)	2006	2007	2008	2009	Total
Gross premiums	562	396	565	565	2,088
Net earned premiums	514	315	444	567	1,840
Net loss ratio	63.7%	67.8%	56.9%	51.7%	60.0%
Expense ratio	26.1%	24.4%	31.7%	25.9%	27.0%
Combined ratio	89.8%	92.2%	88.5%	77.5%	87.1%
Operating profit	89	40	82	153	364

Diversification	Access to diversifying and non-correlated exposures
Market knowledge	Insight into competitive trends and market developments
New market entry	Growth Markets, support new product initiatives (e.g. Agro)
Reputation	Leverage Allianz brand name and rating (AA from S&P)
Profit potential	Apply systems, expertise and processes developed for internal business to provide additional profit potential

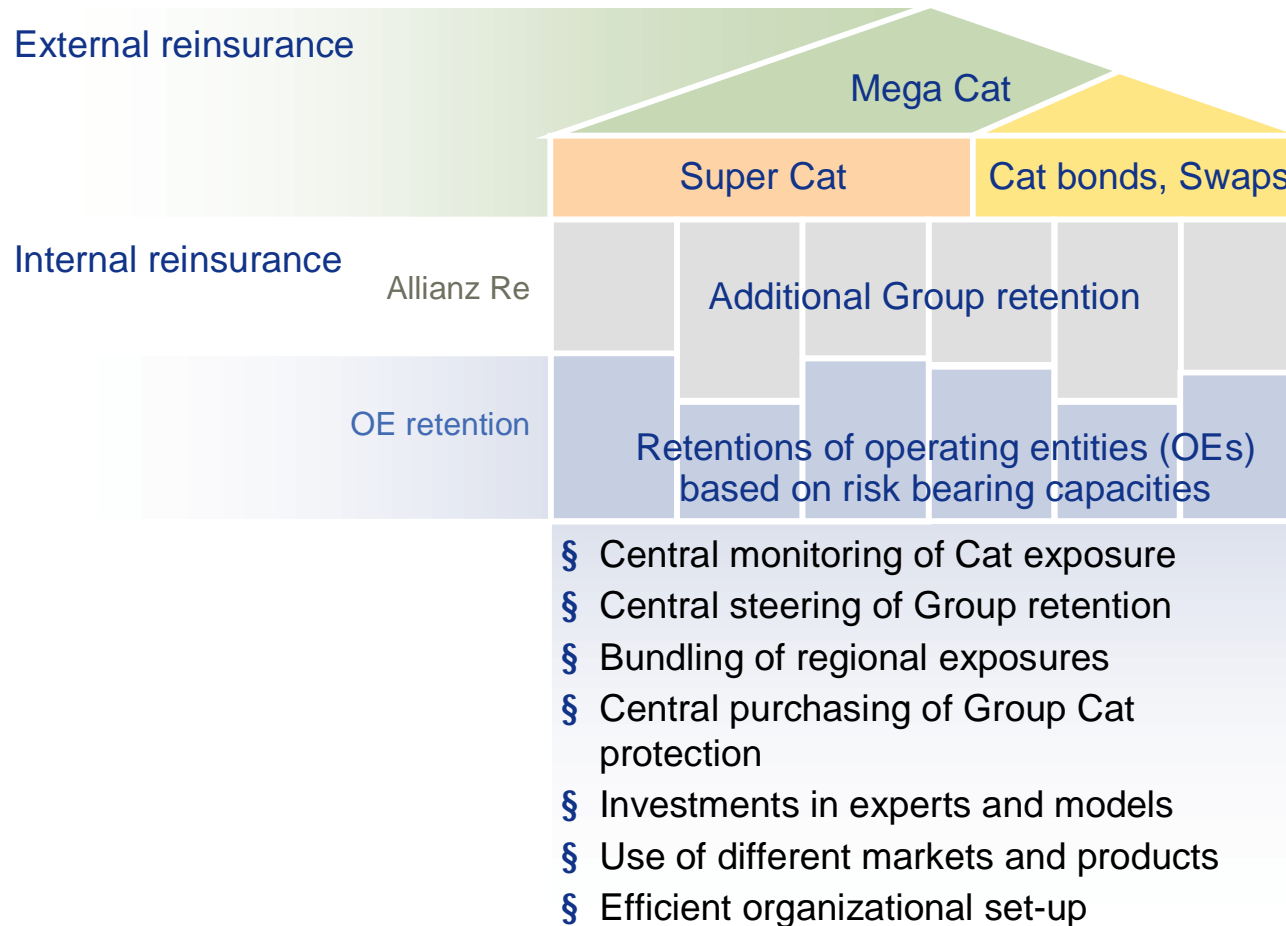

External business is a proven profit contributor
 Opportunity to enhance returns from reinsurance operations

External business – client and market strategy

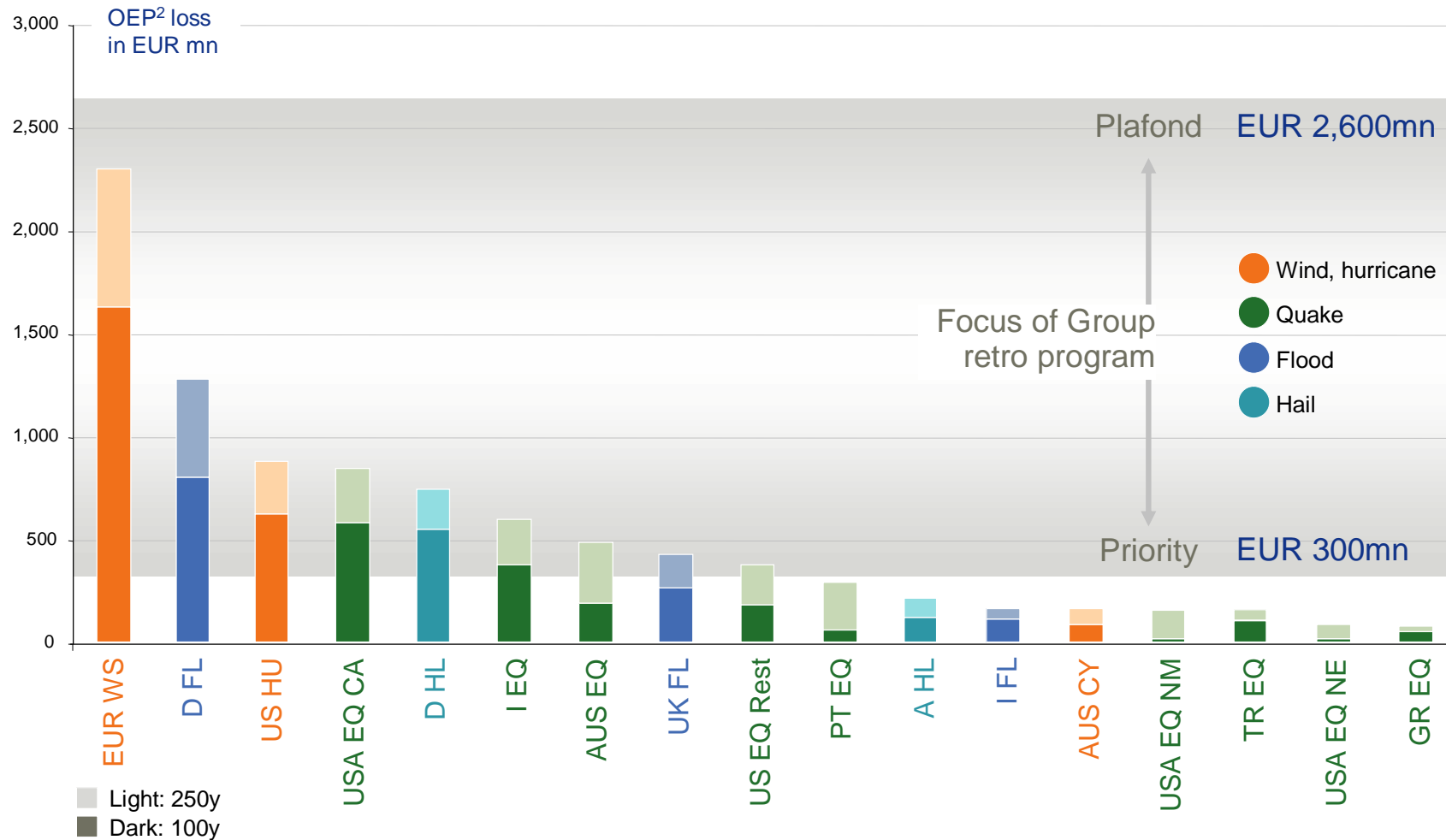


Building blocks of NatCat protection strategy

Current protection landscape



Group NatCat landscape¹



1) Net pre-Cat for internal business protected by Group Cat programs, based on 1.1.2009 portfolio data
 2) Occurrence exceedance probability

Key take-aways

- ➔ Allianz Re is a well established international player
- ➔ Allianz Re key to capital management within Allianz Group
- ➔ Optimization of internal reinsurance to support Group earnings power
- ➔ Support competitive position and profitable growth at OE level
- ➔ Attractive profit potential from external reinsurance
- ➔ Efficient risk management and centre of competence

Axel Theis, CEO Allianz Global Corporate & Specialty

Allianz Global Corporate & Specialty

Capital Markets Day
Munich, July 1, 2010



Overview – Corporate & Specialty market

- § 8 global peers dominate the market with GPW¹ EUR 39bn
- § Local competitors complement the landscape
- § UW discipline key driver for operating profit in 2009
- § Economic slowdown with limited impact on profitability of carriers
- § Increasing impact on 2010 premium levels (e.g., due to turnover-based premiums, lower construction activities)
- § Competitive pricing pressure persist in 1H 2010

Despite 2009 market downturn, AGCS improved ranking and GPW significantly

2008 GPW ¹ (EUR mn)			2009 GPW ¹ (EUR mn)		
1	AIG Commercial	15,264	1	AIG Commercial	12,806
2	ACE P/C Insurance	7,881	2	ACE P/C Insurance	7,518
3	Zurich Global Corp.	5,668	3	Zurich Global Corp.	5,298
4	XL P/C Insurance	3,815	4	AGCS Global	3,806
5	FM Global	3,205	5	FM Global	3,282
6	AGCS Global	2,859	6	XL P/C Insurance	2,964
7	AXA Corp. Solutions	1,970	7	AXA Corp. Solutions	1,945
8	Mapfre Global Risks	777	8	Mapfre Global Risks	838

AGCS with consistent strong ratings²

Company	S&P (outlook)	AM Best (outlook)
AGCS	AA (stable)	A+ (stable)
Mapfre	AA (stable)	A+ (negative)
AXA	AA (negative)	n/a
Zurich	AA- (negative)	A (stable)
ACE	A+ (positive)	A+ (stable)
Chartis	A+ (negative)	A (negative)
XL	A (negative)	A (stable)

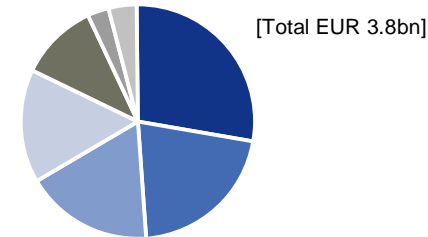
1) Gross premiums written
 2) As of April 2010
 Source: AGCS internal research

Overview – AGCS¹ (1)

Highlights

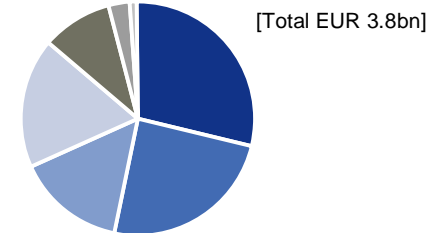
- § Global diversified portfolio allowing largest net capacity in all markets
- § Excellent underwriting and risk management
- § Conservative investment approach
- § Highly liquid asset portfolio
- § Strong capital and solvency position (>200%)

GPW by LoB



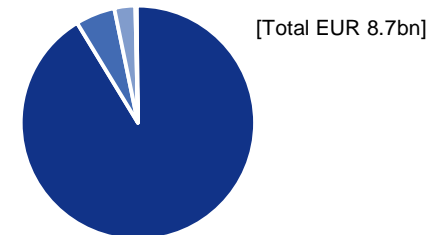
Property	28%
Marine	21%
Liability	18%
Aviation	16%
Engineering	11%
Energy	3%
Financial Lines	4%

GPW by region



North America	29%
Germany	24%
UK	15%
France	18%
Rest of Europe	10%
Asia-Pacific	3%
Rest of World	1%

Asset allocation Q1 2010

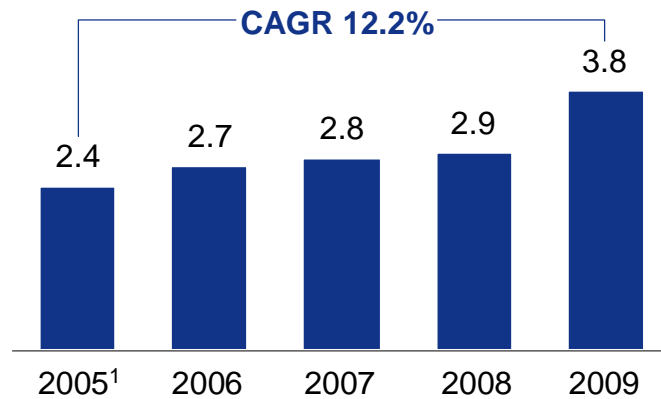


Bonds	91.4%
Cash	5.5%
Equities	2.8%
Real estate	0.3%

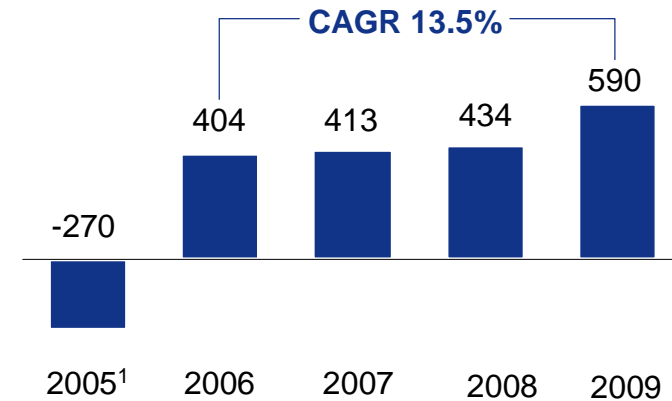
1) If not otherwise stated: all figures as per end of 2009

Overview – AGCS (2)

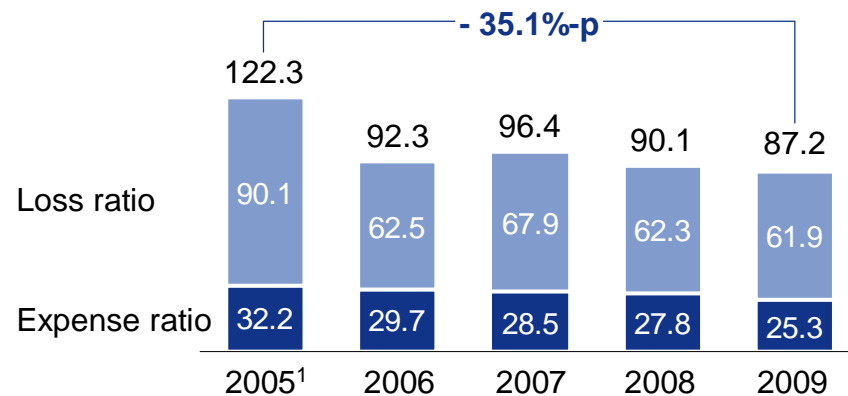
GPW (EUR bn)



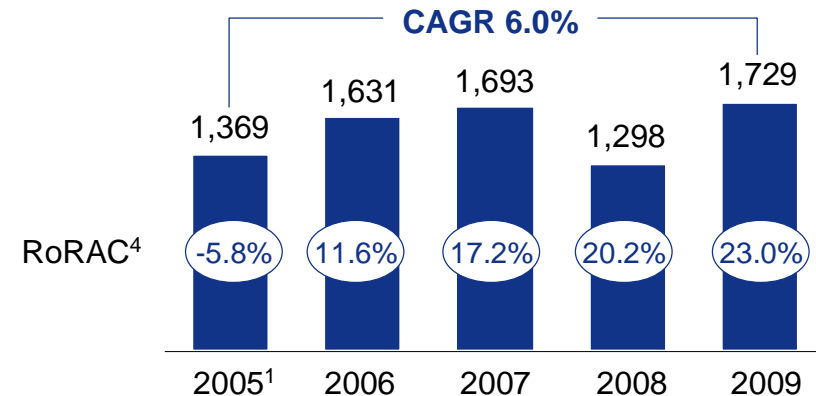
Operating profit² (EUR mn)



Combined ratio (in %)



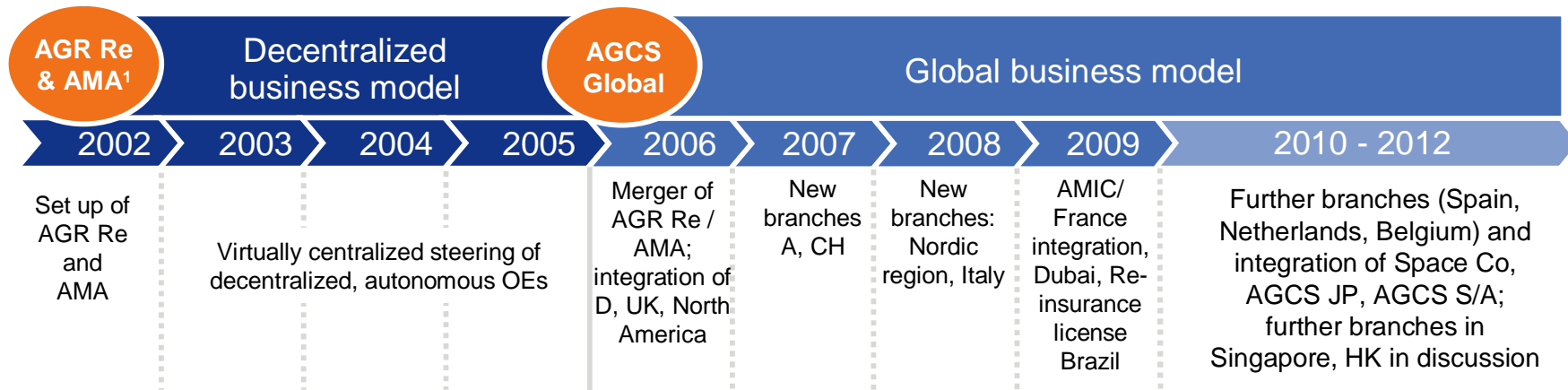
Risk-adjusted capital³ (EUR mn)



1) AGR + AMA, excluding German corporate business and AGR U.S.
2) AMIC and French integration included in 2009

3) RAC = risk-adjusted capital
4) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital

Transformation from stand-alone businesses into a global integrated leader of Corporate & Specialty business

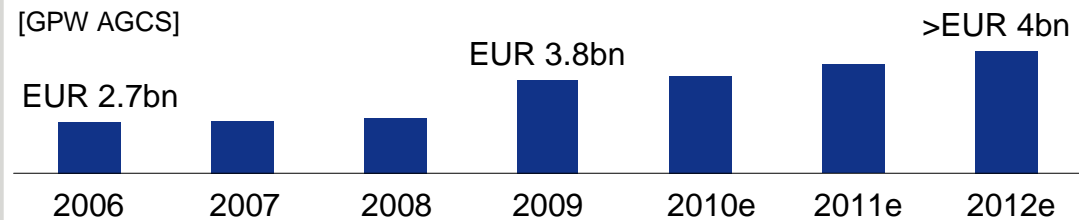


Challenges & issues

- § Various local balance sheets
- § Fragmented infrastructure
- § Different risk appetite
- § Lack of global UW rules & principles
- § Lack of customer solutions
- § Lack of transparency (financial and operational)
- § Different operational processes and performance

AGCS – Global steering, local Market Management

- § Central business control & steering
- § Consistent pricing & risk appetite
- § Global underwriting alignment
- § Global balance sheet & risk mgmt.
- § Sophisticated reinsurance
- § Global processes & systems
- § Cost synergies
- § Knowledge transfer & talent



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1) AGR Re and AMA still part of AZ Vers. in 2002. Therefore, not fully separable and excl. special funds

From heterogeneous systems to an integrated global platform

§ Inherited AGCS IT architecture too complex

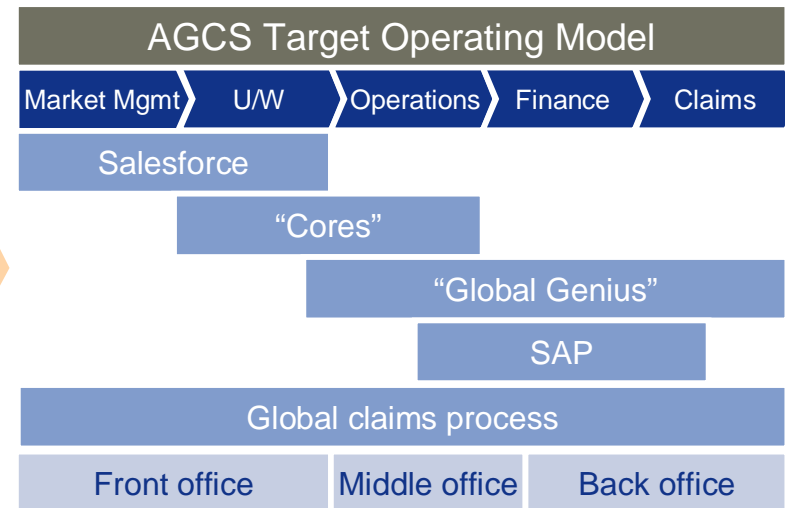
§ 200+ applications to support 4 major OEs alone

Æ Fragmented

Æ Not scaleable

Æ Cost intensive

Primary **objective**:
Create a **high-performance** AGCS that uses the **same systems & processes globally**



§ Faster and more responsive service to clients and brokers

§ Accurate, timely and globally consistent management information

§ Automation and standardization of processes

§ Replicable operating model

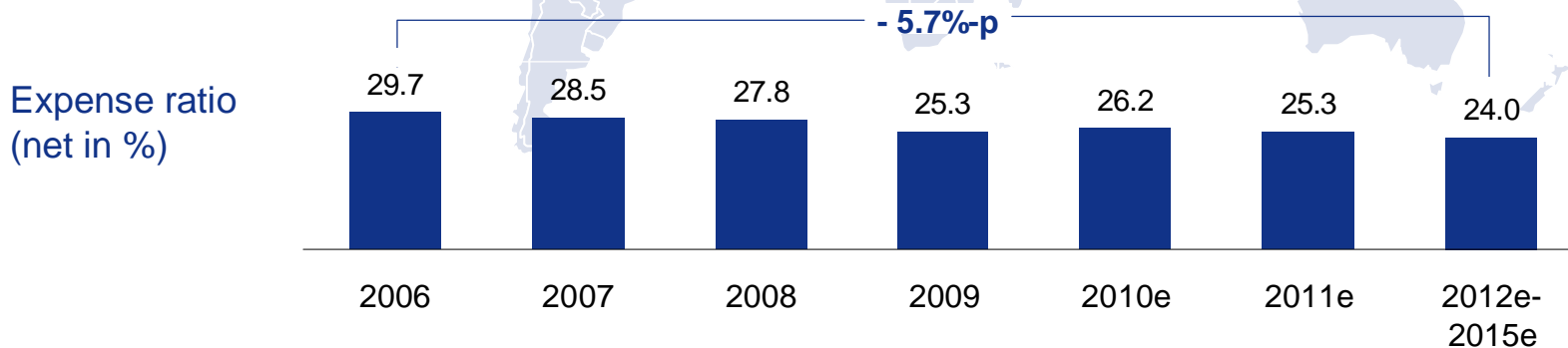
§ Cost-efficient centralized functions and pooled capabilities

§ Expected efficiency gains >EUR 70mn by 2011

Our Global Change Program ensures global processes and structure and increases cost efficiency

Transforming regional silo structure ...

... into a global / functional model



Global Change Program (GCP) initiated in 2007

Global AGCS business model fits best with our market and client segments

Clients across various industries are served by dedicated client teams and key account managers



Need for global business model



Over half of the Global Fortune 500 companies are our clients

Core focus is on global corporate and specialty clients

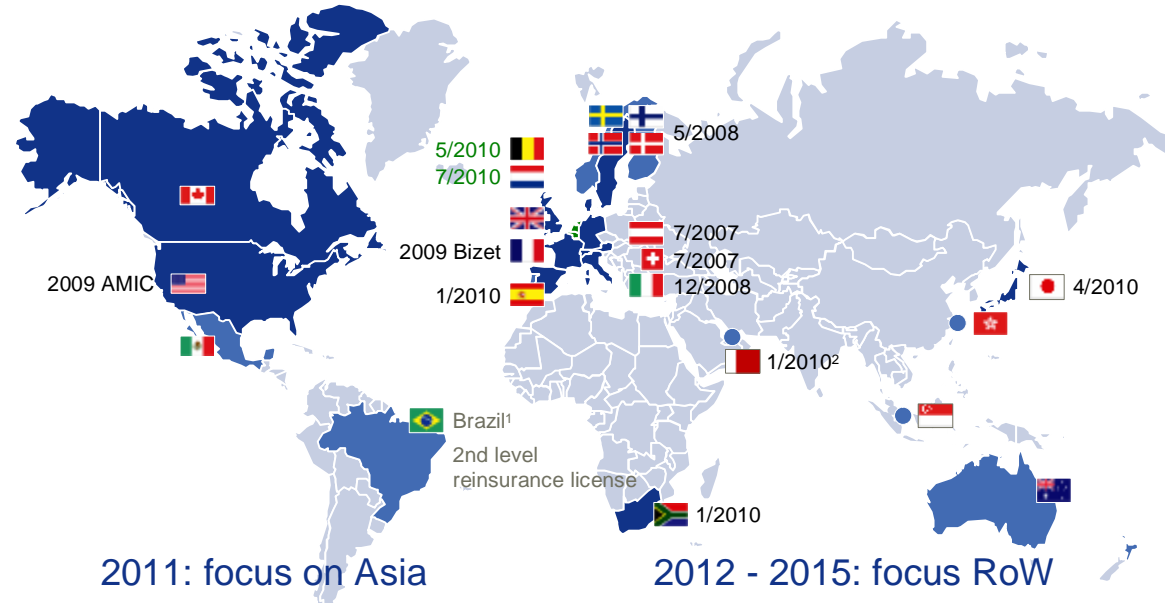
Corporates (>EUR 500mn)	Property and Casualty
MidCorps (>EUR 150mn)	MidCorp IIS & all specialty lines outside D, F
SME	Specialties: aviation, marine, financial lines, energy, engineering

- § Globally operating clients with need for global insurance network and products
- § One face to the customer with global service, products and quality
- § Global steering with local execution, market know-how, client / broker contact
- § International Insurance Solutions (IIS) around the globe
- § Globally consistent pricing and UW
- § Diversified regional set-up to level out and better manage NatCat Risks
- § Most efficient capital usage across various entities

Global presence – lead insurer with consistent service in International Insurance Solutions

- § Direct market access
- § Local market know-how
- § Local underwriting
- § Global processes & standards
- § Cooperation with Allianz OEs

- AGCS legal entity
- Current integration projects
- AGCS presence/ desk



2010: complete Europe

2011: focus on Asia

2012 - 2015: focus RoW

- § **Spain:** branch office after portfolio transfer (regulatory approval pending, retroactive to 1.1.2010)
- § **Belgium:** branch office after acquisition of renewal rights (go-live expected for 1.7.2010)
- § **Netherlands:** branch office after acquisition of renewal rights (go-live expected for 1.7.2010)

- § **Japan:** planned to be subsidiary of AGCS AG already in Q2 2010
- § **Singapore and Hong Kong:** announced strengthening of management control

- § **Eastern Europe**
- § **South America**

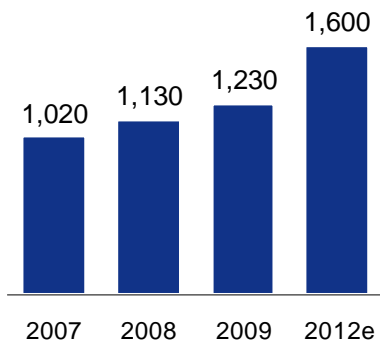
1) Regulatory approval pending
2) Facultative reinsurance carrier

Excellent position in International Insurance Solutions

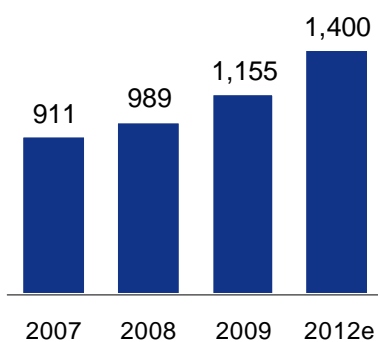
Today, the Allianz Group is represented in more than 70 countries



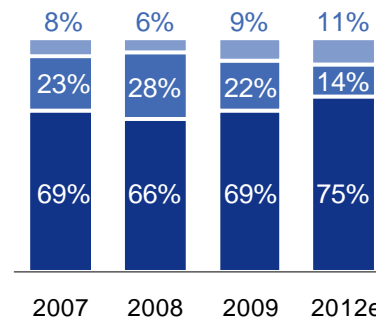
Number of IIS¹



GPW

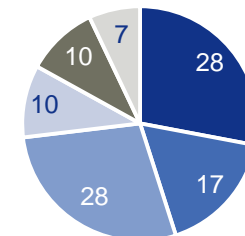


SOE GPW by network partner¹



- AGCS
- Allianz
- External partner

SOE business 2009¹ (in %)

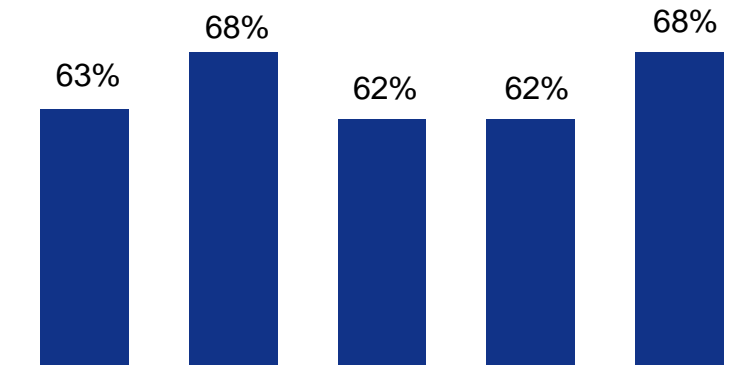


- North America
- F, UK, D
- Rest Europe
- Asia-Pacific
- Latin America
- Rest of World

1) International Insurance Solutions; property and liability business only

Diversified portfolio + underwriting discipline = sustainable profit

AGCS Global: loss ratio¹



- § Diversified portfolio levels out specific LoB development
- § Appropriate actions taken to tackle loss leaders e.g., in property, marine and general aviation
- § Financial lines result driven by financial crisis related IBNR. Exposure is kept under strict control

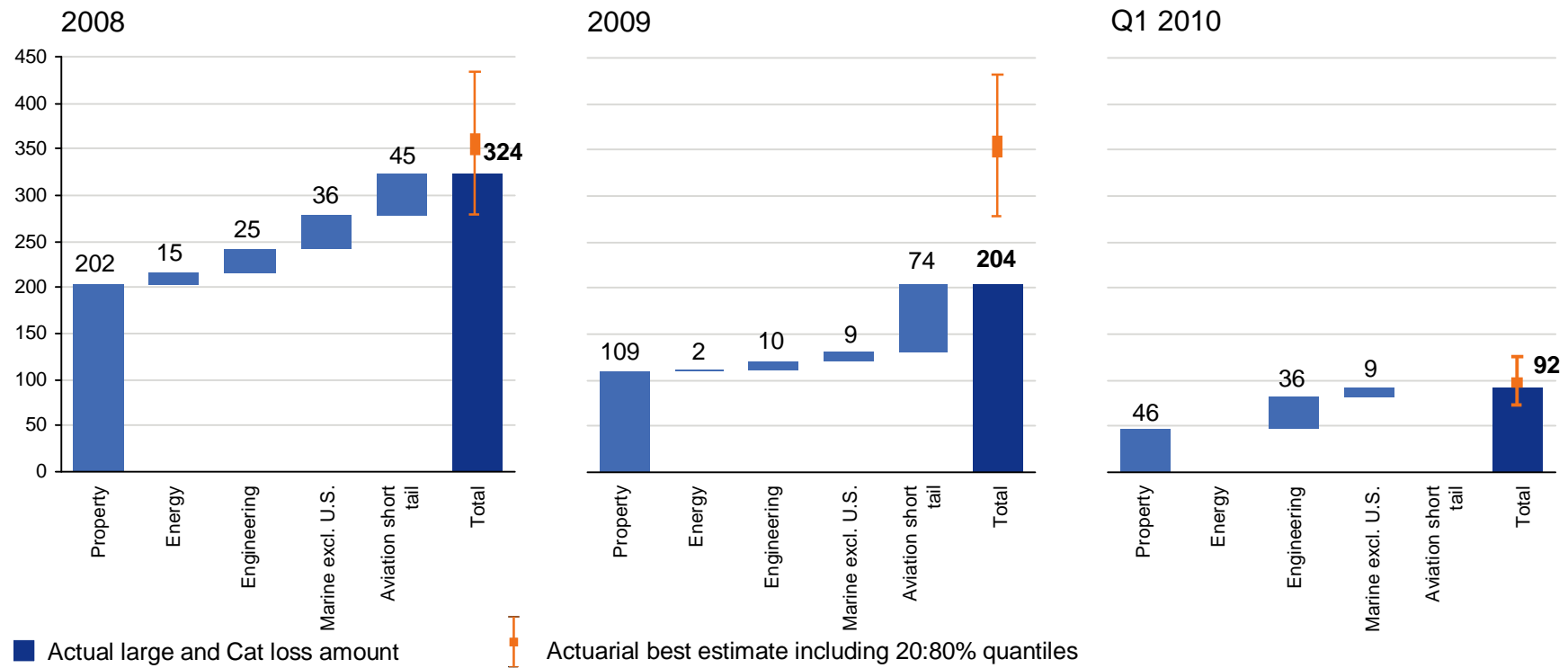
AGCS Global	Loss ratio heat map				
LoB	2006	2007	2008	2009	2010e
Aviation	67%	63%	65%	88%	72%
Energy	51%	8%	63%	2%	67%
Engineering	50%	64%	62%	50%	65%
Financial lines	182%	97%	110%	175%	63%
Liability	69%	68%	59%	58%	72%
Marine	102%	78%	75%	71%	66%
Property	32%	68%	52%	28%	70%
Total	63%	68%	62%	62%	68%

Color coding: Green = below AGCS Global total loss ratio c.y. ; Red = above AGCS Global total loss ratio c.y.

1) Calendar year, net, incl. ULAE

Specific line of business large / CAT loss leveled out and kept within expectations

Large and CAT losses: actual vs. expected¹ (in EUR mn)



§ Diversified portfolio helps to keep large and CAT losses within expectation
§ Large losses are inherent to AGCS business model and thus reflected in planning assumptions

1) ULAE and IBNR excluded. Losses shown include known NatCat losses from ground up plus individual losses from ground up if they exceed
 (a) for 2008: EUR 7.5mn for property, EUR 5mn for energy and engineering, EUR 1mn for marine, EUR 2mn for aviation;
 (b) for 2009: EUR 7.5mn for property, EUR 5mn for all other LoBs

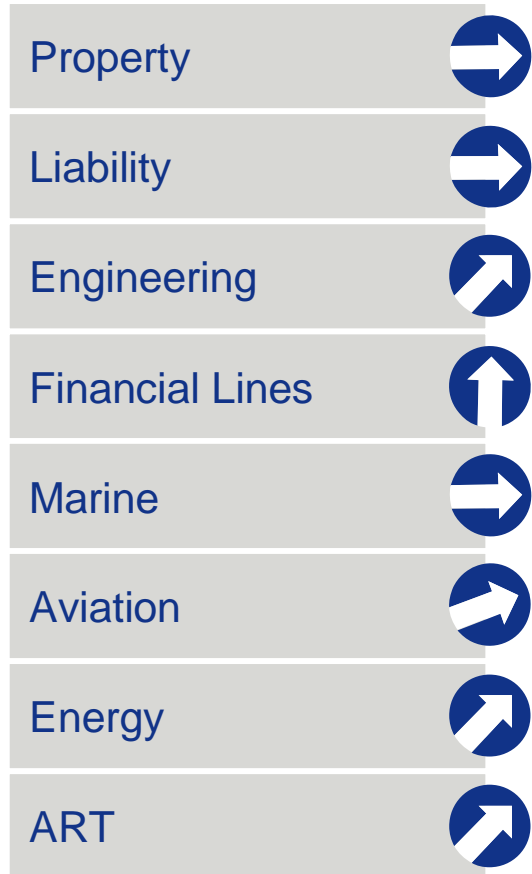
Management attention focused on core drivers

AGCS KPI and early warning systems for pro-active management

KPI		Focus	Management action
Underwriting (e.g. CR, LR, Loss leaders)	○ ○ ●	§ UW discipline	§ Regular performance monitoring and reporting § Immediate actions in case of deviations of financial and operational performance § Disciplined and consequent result-oriented execution
Investment income	○ ○ ●	§ Conservative investment strategy	
Expenses	○ ○ ●	§ Cost consciousness	
Projects (e.g. branch integration)	○ ● ○	§ Project delivery	

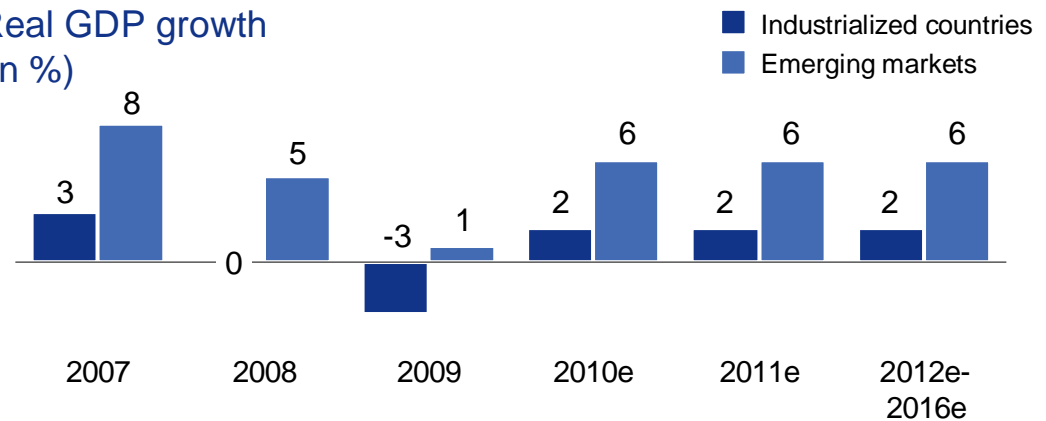
Positive mid-term outlook – despite challenging market conditions 2010/11

Mid-term price trend by LoB (market)

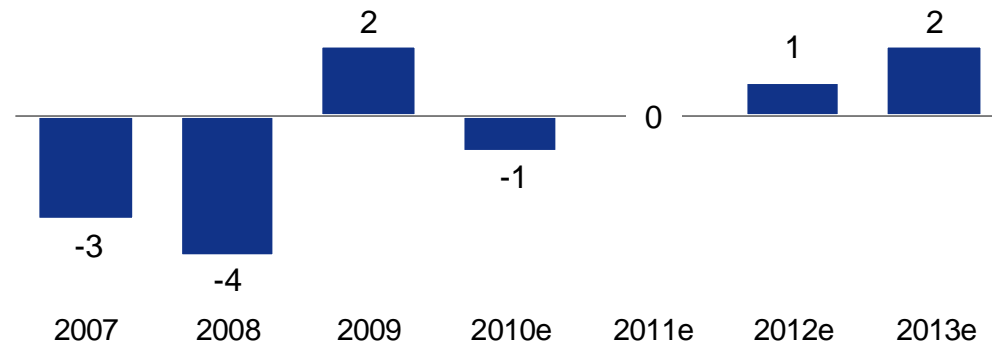


Key indicators

Real GDP growth (in %)



AGCS Global: Price change (in %)¹



Sources: AZ Economic Research & Corporate Development (May 11, 2010), AGCS internal research

1) Historical and assumed price changes for AGCS globally across all LoBs

Consequent execution of global strategy continues



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Key take-aways

- ➔ AGCS is a top global player in Corporate & Specialty business
- ➔ Successful transformation into a truly global carrier
- ➔ Business model guarantees consistency and efficient coordination
- ➔ Strong value proposition for global clients
- ➔ Competitive edge in commercial lines over local players
- ➔ Excellent cycle management
- ➔ Attractive prospects for profitable growth

Wilfried Verstraete, Chairman of the Board of Management Euler Hermes

Euler Hermes

Capital Markets Day
Munich, July 1, 2010

Allianz 

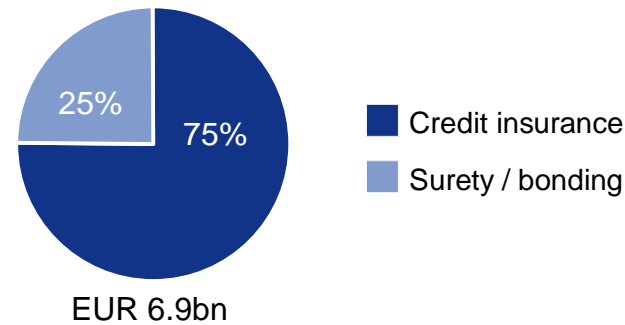
Overview – credit insurance market¹

Highlights 2009 (Credit insurance & surety/bonding)

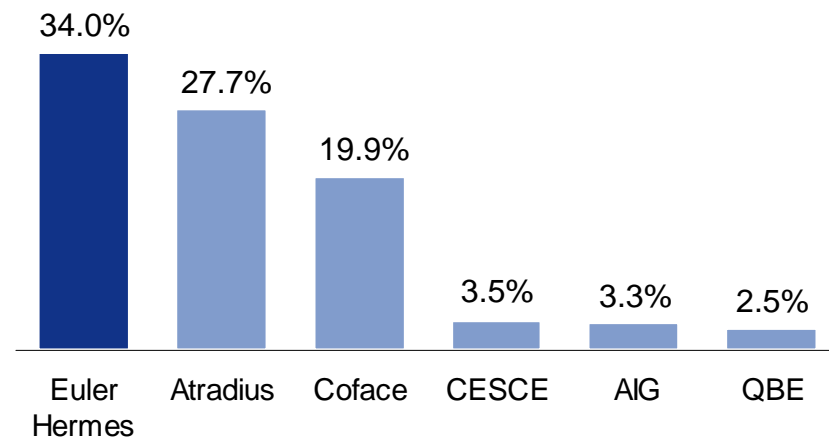
- § Total direct gross premiums: EUR 6.9bn
- § Total net claims: EUR 5.8bn
- § Overall net claims ratio: 84.6%
- § Total insured exposure: EUR 2,788bn
- § Total insured exposure decrease vs. 2008: 15.4%
- § Overall rising insolvencies (EH insolvencies index 2009 : +28% after +26% in 2008)
- § 20% drop in world trade value and -13% in volume

▶ The credit insurance business was strongly impacted by the deteriorating economic environment

Structure



Market share²



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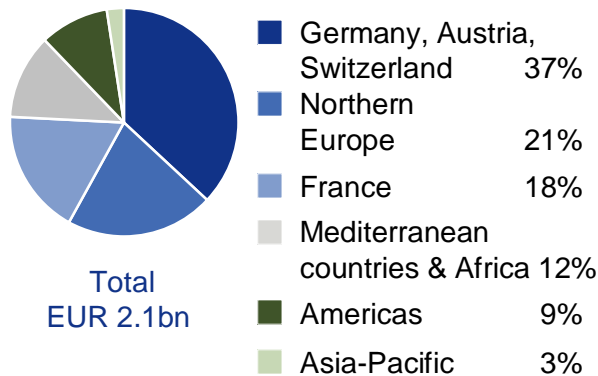
1) If not otherwise stated: all figures as per end of 2009
 2) Source: 2009 ICISA

Overview – Euler Hermes¹ (1)

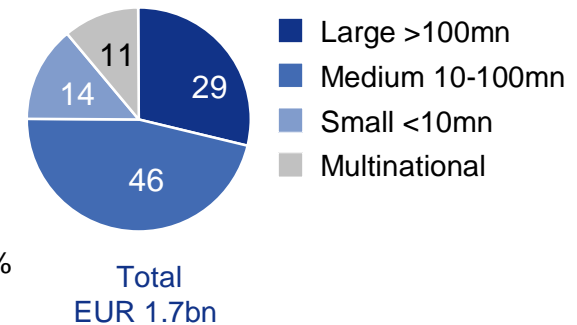
Highlights

- § Euler Hermes is the world's premier credit insurer, offering solutions for the management of trade receivables, from credit insurance and financing of trade receivables to bonding and guarantees
- § 57,000 clients worldwide
- § Presence in over 50 countries
- § 3,500 claims indemnified per week
- § 200,000 debt collections handled in 130 countries
- § 40mn companies monitored in our database
- § AA- financial rating by Standard & Poor's (July 2009)

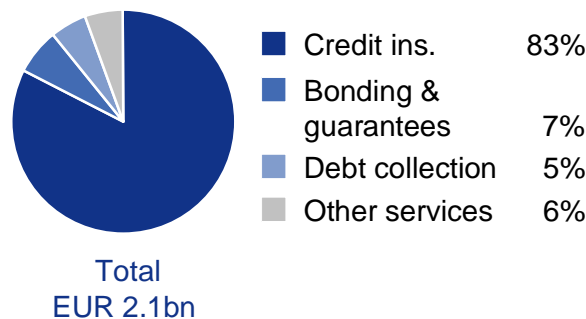
Turnover by region



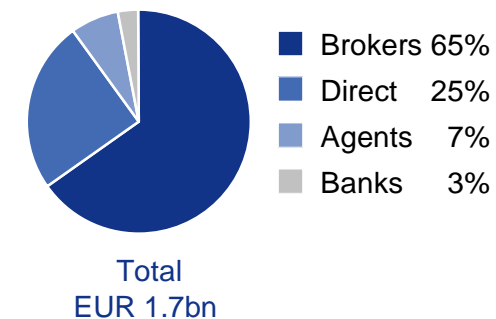
Customer breakdown² (by size in % of GEP³)



Business lines (turnover in %)



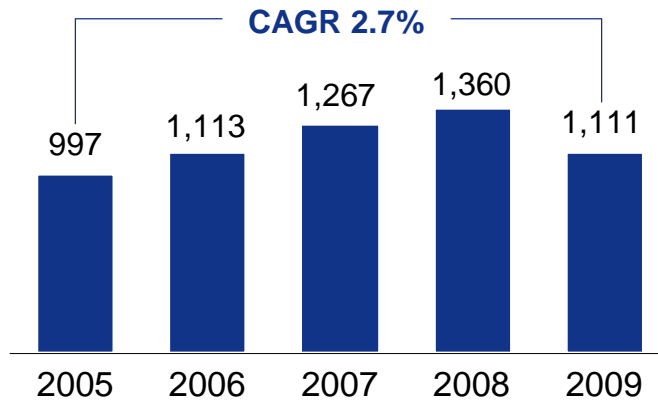
Distribution channels (% of GEP)



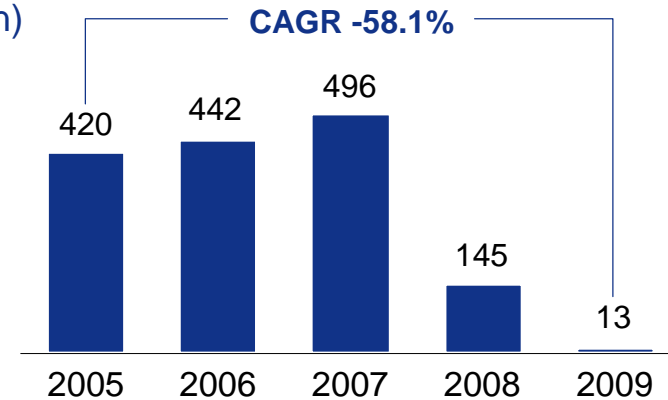
1) If not otherwise stated: all figures as per end of 2009
 2) Breakdown by customer turnover
 3) GEP: gross earned premiums

Overview – Euler Hermes (2)

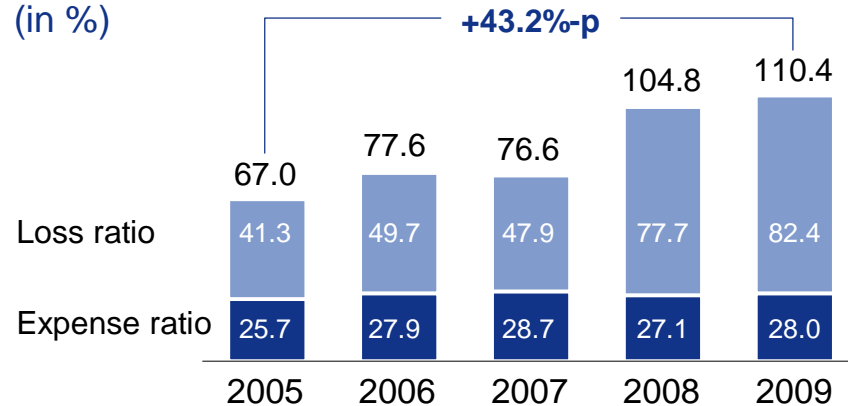
Net earned premiums
(EUR mn)



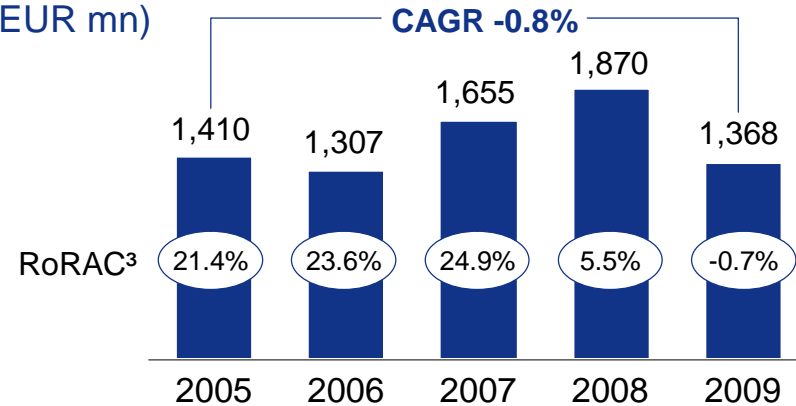
Operating profit
(EUR mn)



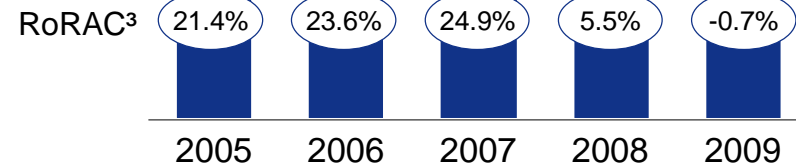
Combined ratio¹
(in %)



Risk-adjusted capital²
(EUR mn)



RoRAC³



1) Excluding service margins

2) RAC = total of standalone operating entities where risk-adjusted capital is maximum of risk capital (internal stochastic model) and local solvency requirements

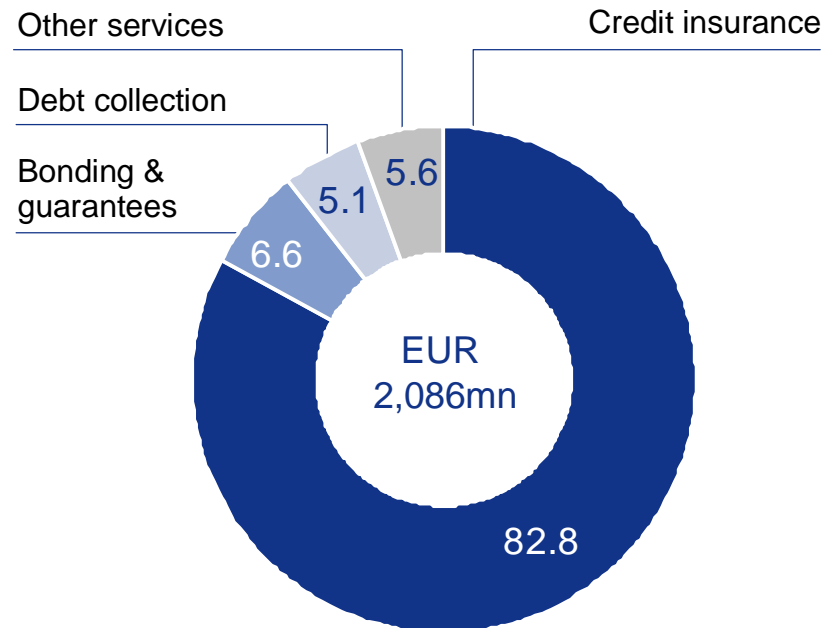
3) Return on risk-adjusted capital = normalized profit after tax / average risk-adjusted capital

What does Euler Hermes do?

The service offering of Euler Hermes to its customers include:

- § Credit insurance (risk transfer, risk prevention, debt collection, claims payment)
- § Bonding & guarantees (performance bonds, maintenance bonds, advanced payment bonds, custom bonds)
- § “Fidelity”: insurance against employee fraud
- § Export credit guarantees on behalf of German government in partnership with PwC

Business lines – turnover in %



▶ EH helps businesses select the right customers and move safely into new markets

Euler Hermes is number one in 18 countries¹



USA



GCC



Belgium



Mexico



France



Poland



Germany



Italy



Czech Republic



Austria



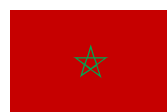
Portugal



Hungary



India



Morocco



Slovakia



Hong Kong



UK

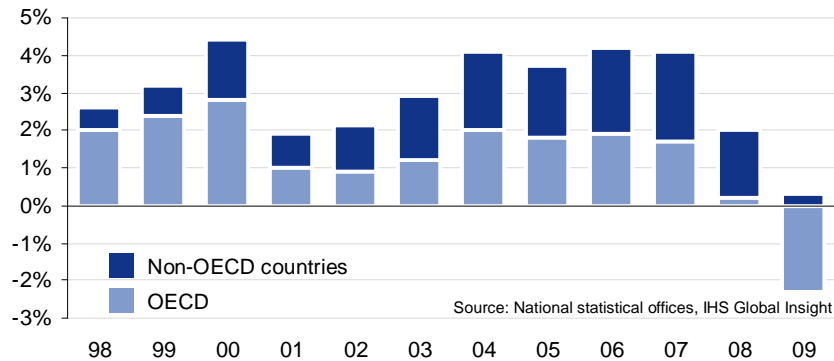


Romania
(50/50 with Coface)

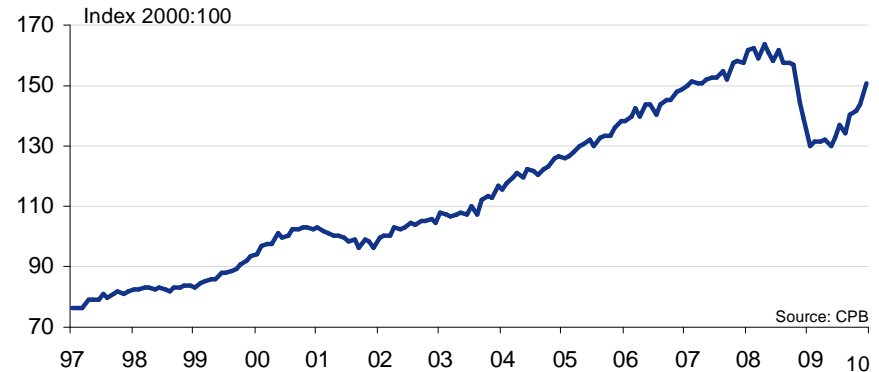
1) The figures relate to the private credit insurance market

The GFC¹ led to a deteriorating economic environment

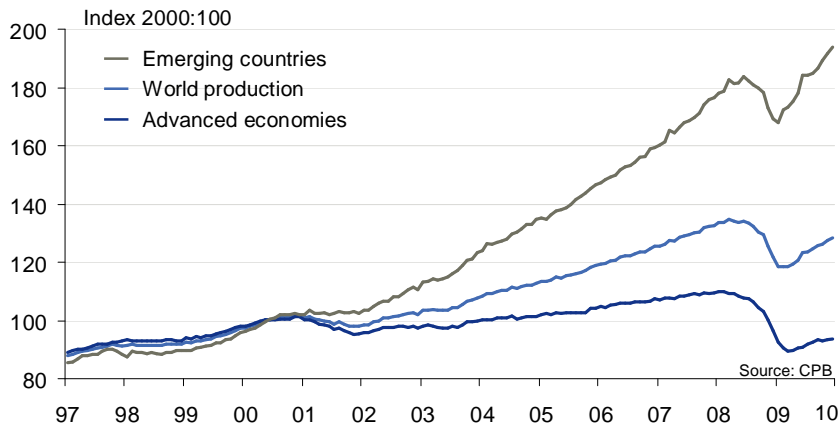
Change in GDP 2009: -2.1% (+2% in 2008)
 Historical recession in 2008-2009



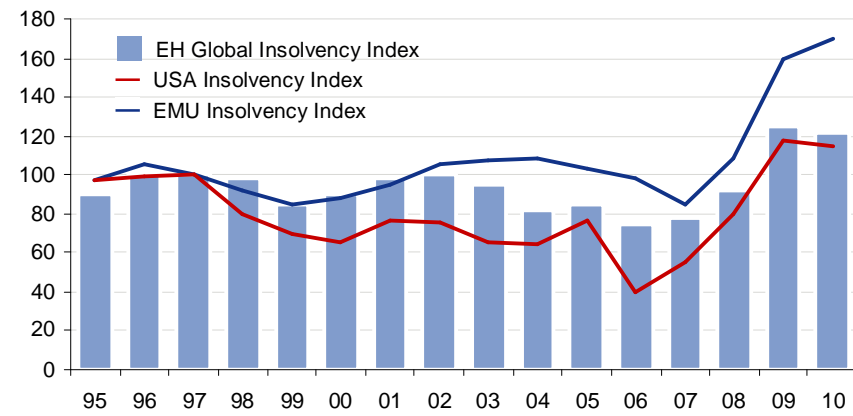
World trade 2009: -13% in volume / -20% in value (+2% in 2008)



Industrial production 2009: -6.4% (+1.6% in 2008)
 +1.5% emerging economies, -13.5% advanced



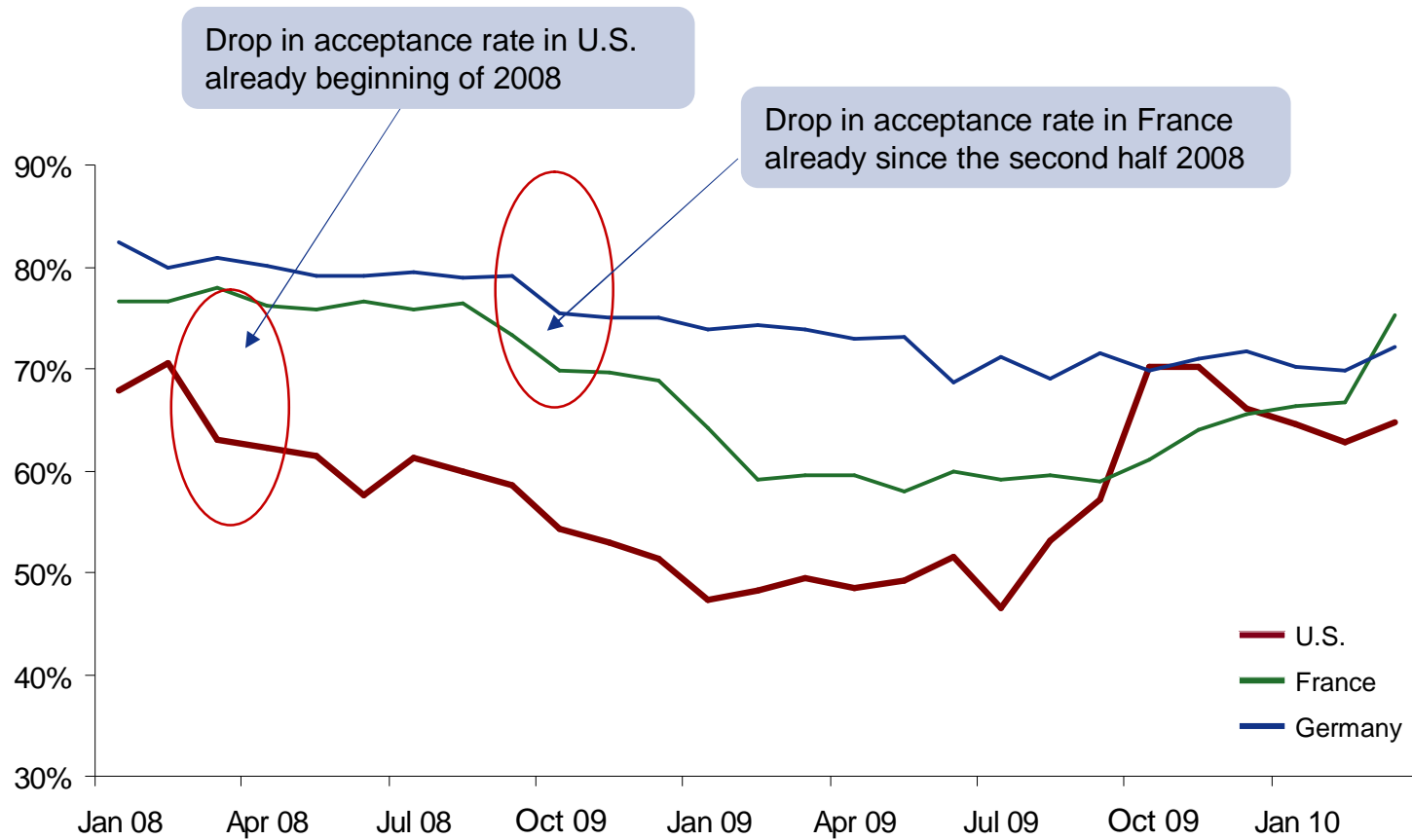
EH Global Insolvencies Index 2009: +28%
 Record high after already +26% in 2008



1) GFC: Global financial crisis

Did we see the crisis coming?

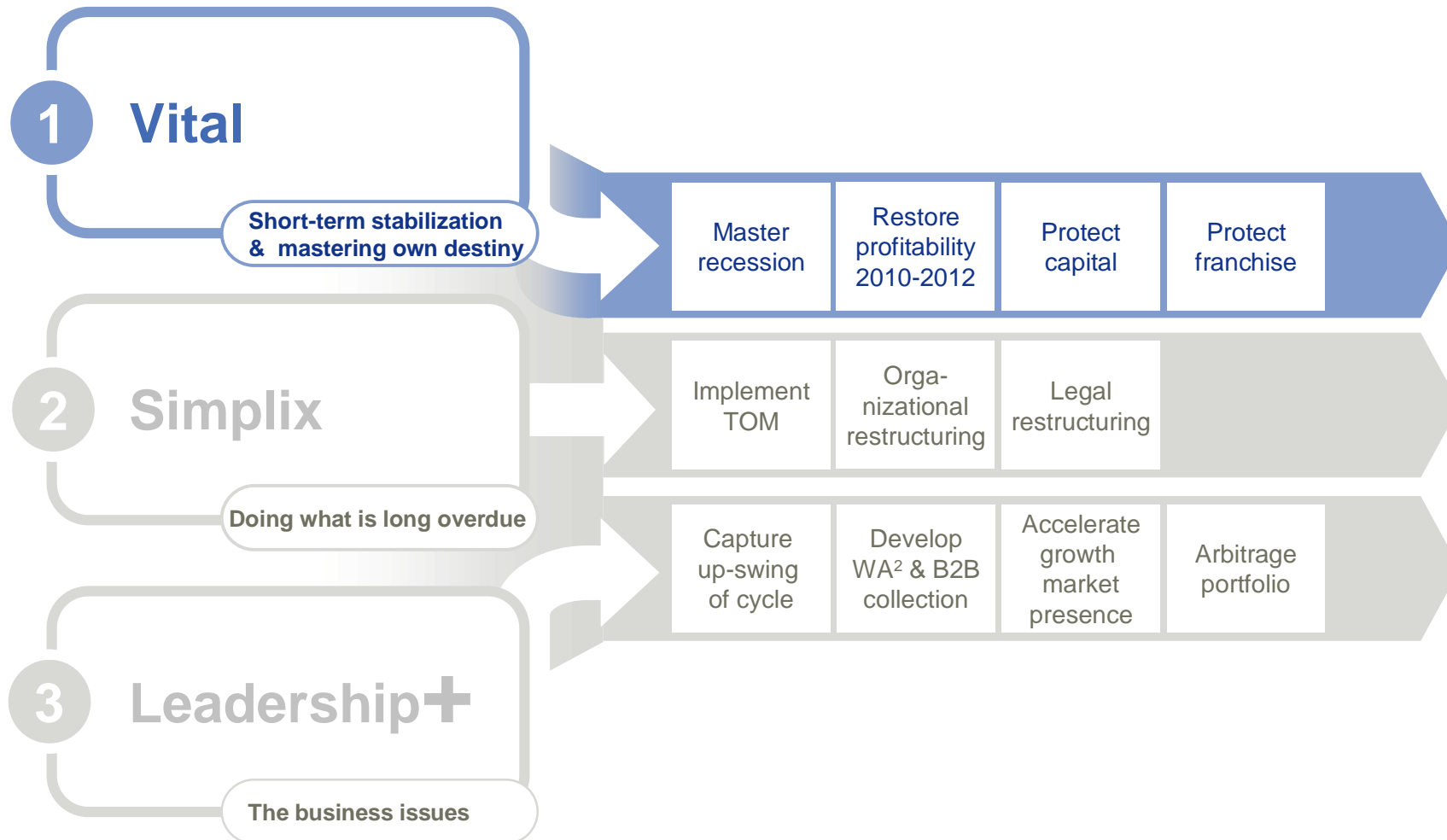
Acceptance rate¹



© Allianz SE 2010

1) Acceptance rate on grade 6. Acceptance rate: total amount granted to policyholders / total amount requested by policyholders. The EH grading is an internal grading system that is the result of the buyer creditworthiness assessment, it can be automatic or manual. The grade scale goes from 1 (very good risk) to 10 (bankrupt).

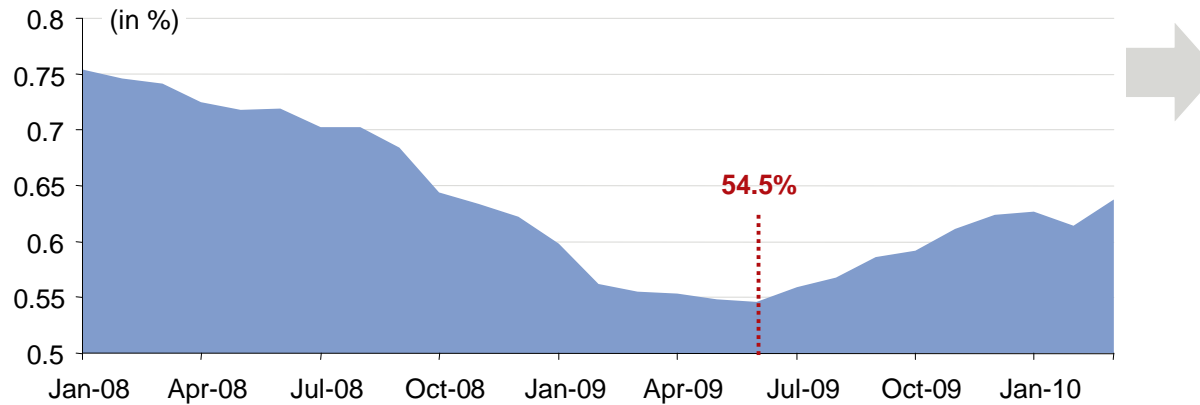
“One Euler Hermes¹” first objective was to master the recession and protect our capital



1) “One Euler Hermes” initiative was launched in Q3 2009
 2) Euler Hermes world agency

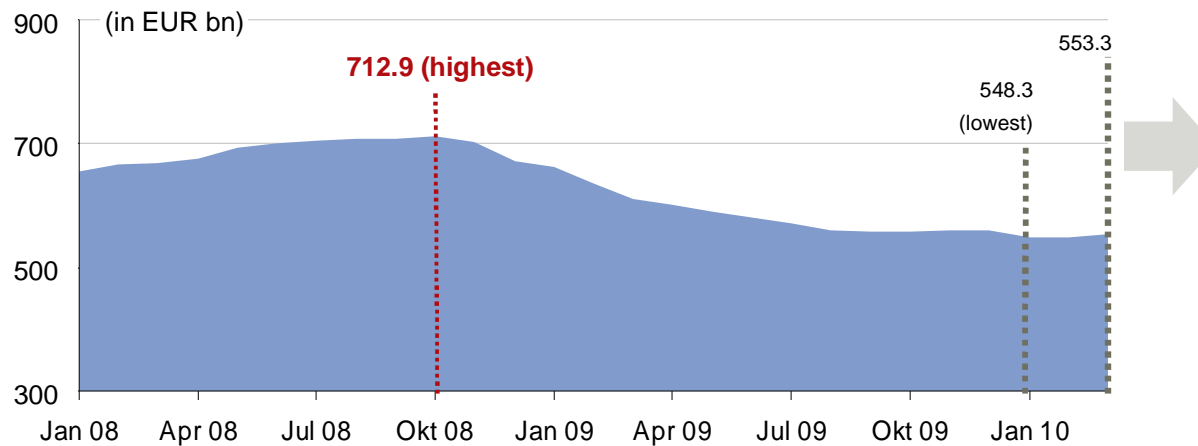
1 Euler Hermes first among peers to start adjusting its underwriting ...

Global acceptance rate



Drop in global acceptance rate until May 2009; increase in coverage from June 2009 onwards

Global exposure



Crisis measures have been effective until January 2010: exposure reduced by 23% between Oct. 2008 and Jan. 2010 (lowest point)

1 ... especially on high risk grades ...

Portfolio by risk grade

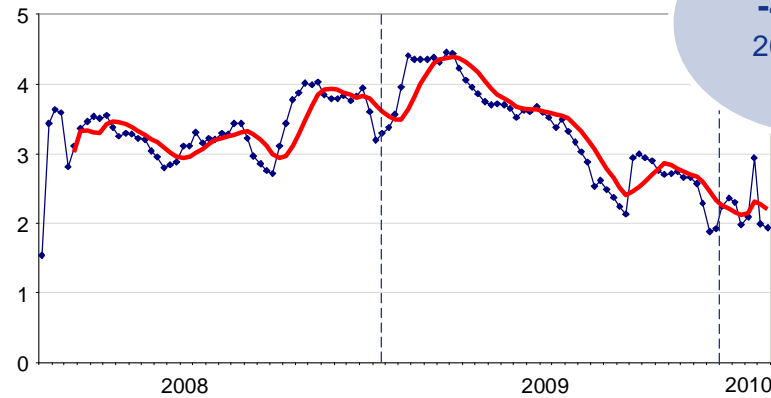
Grade	December 2008		December 2009		March 2010	
	Exposure (EUR bn)	%	Exposure (EUR bn)	%	Exposure (EUR bn)	%
Grade 1	18.291	2.74%	14.117	2.51%	13.541	2.45%
Grade 2	72.474	10.85%	47.784	8.51%	46.533	8.41%
Grade 3	123.258	18.46%	↓ 99.747	17.77%	→ 97.389	17.60%
Grade 4	153.879	23.04%	140.730	25.07%	138.683	25.07%
Grade 5	179.537	26.88%	173.126	30.84%	170.503	30.82%
Grade 6	102.534	15.35%	↓ 80.391	14.32%	→ 80.333	14.52%
Grade 7	15.933	2.39%	↓ 5.002	0.89%	↑ 5.741	1.04%
Grade 8	1.714	0.26%	↓ 439	0.08%	↑ 506	0.09%
Grade 9	175	0.03%	↓ 34	0.01%	→ 32	0.01%
Grade 10	26	0%	4	0%	3	0%
Total EH exposure	667.822	100%	↓ 561.374	100%	→ 553.263	100%

EUR -106bn

EUR -8bn

1 ... which translated into a decline in claims

Number of claims (thousands)

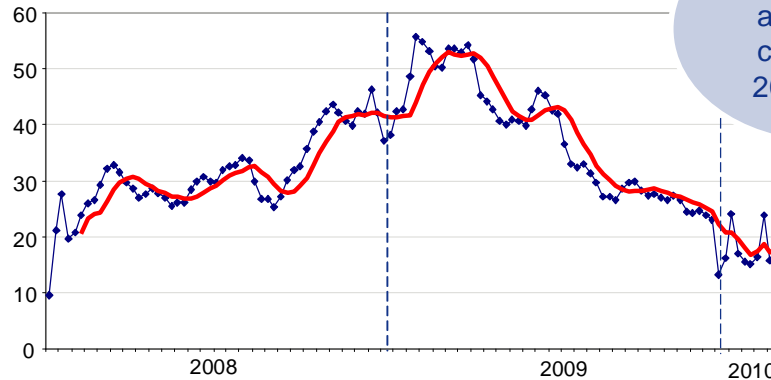


-45% ytd
2010/2009

- § Strong deceleration in number of claims since Q2 2009
- § Q1 2010 even 20% below Q4 2009
- § 10 claims >EUR 1mn in Q1 2010 vs 36 in Q1 2009

◆ Number of claims
— Rolling average 6 weeks (no. of claims)

Covered amount (EUR mn)



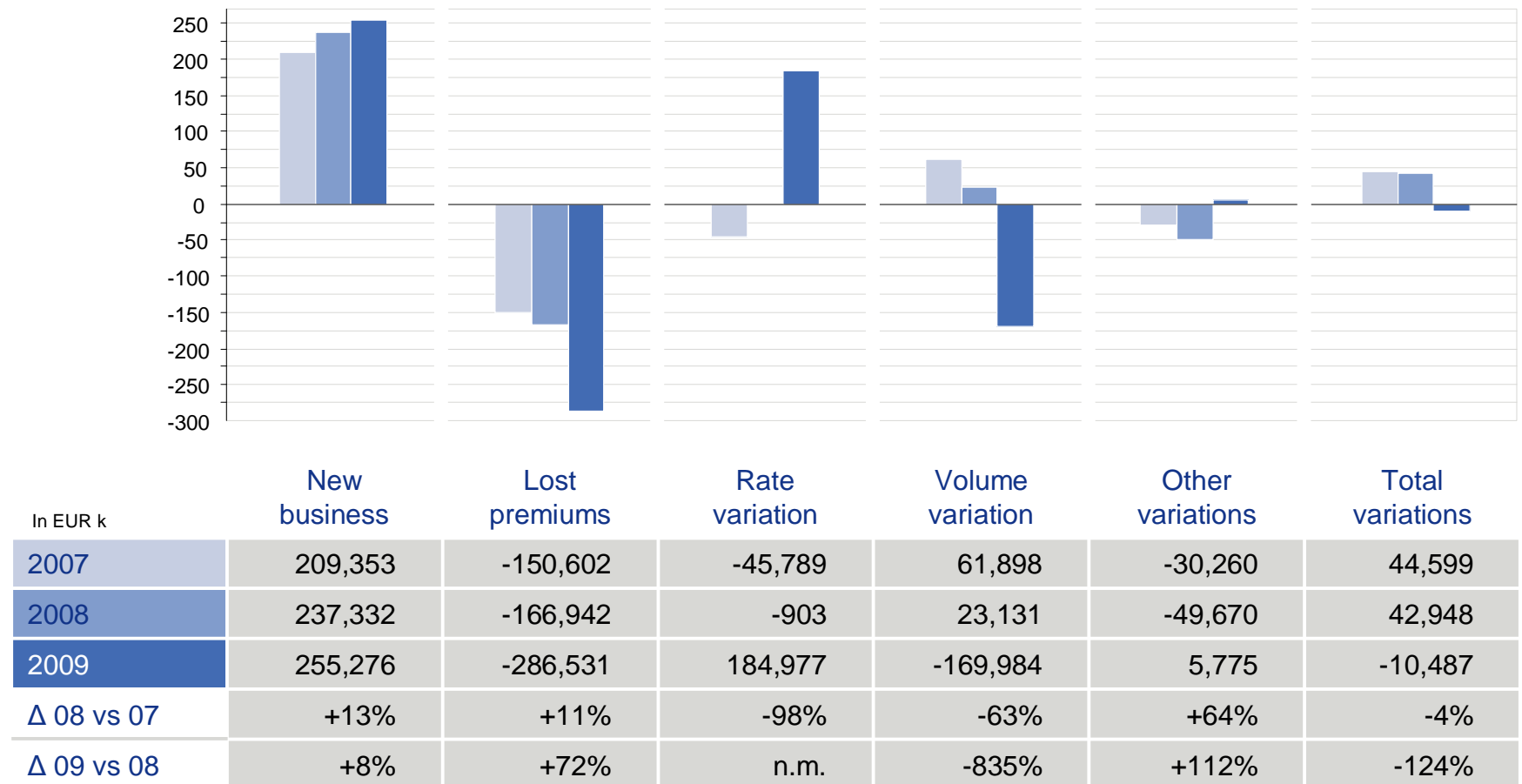
-63% total
amount of claims ytd
2010/2009

- § Covered claims amount +20% in 2009 on full year basis
- § Strong decrease in claims amount as of H2 2009

◆ Covered amounts
— Rolling average 6 weeks (covered amounts)

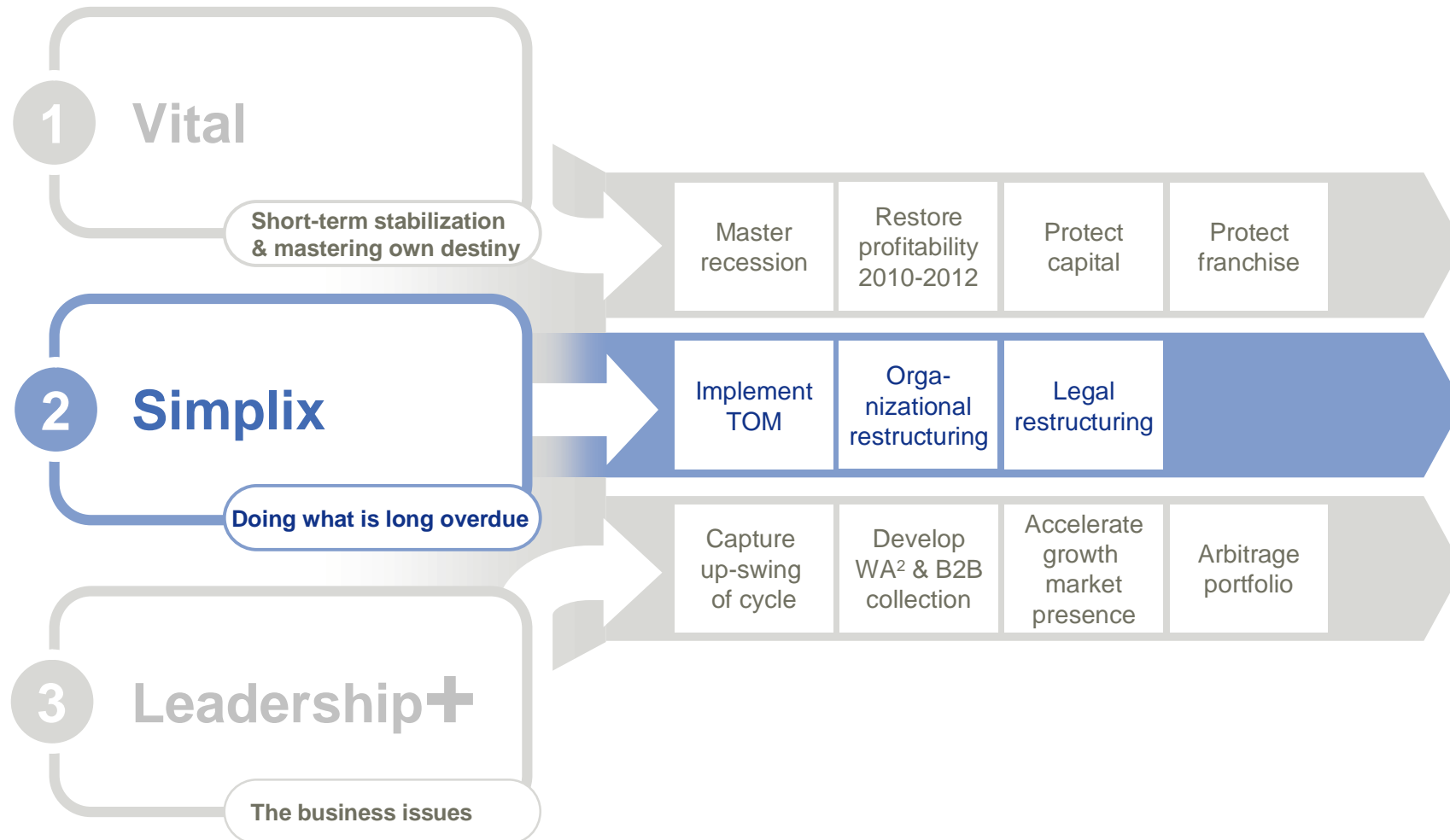
1 EH implemented commercial action plans to secure global portfolio value

Global overview of portfolio value evolution (in EUR mn)



© Allianz SE 2010

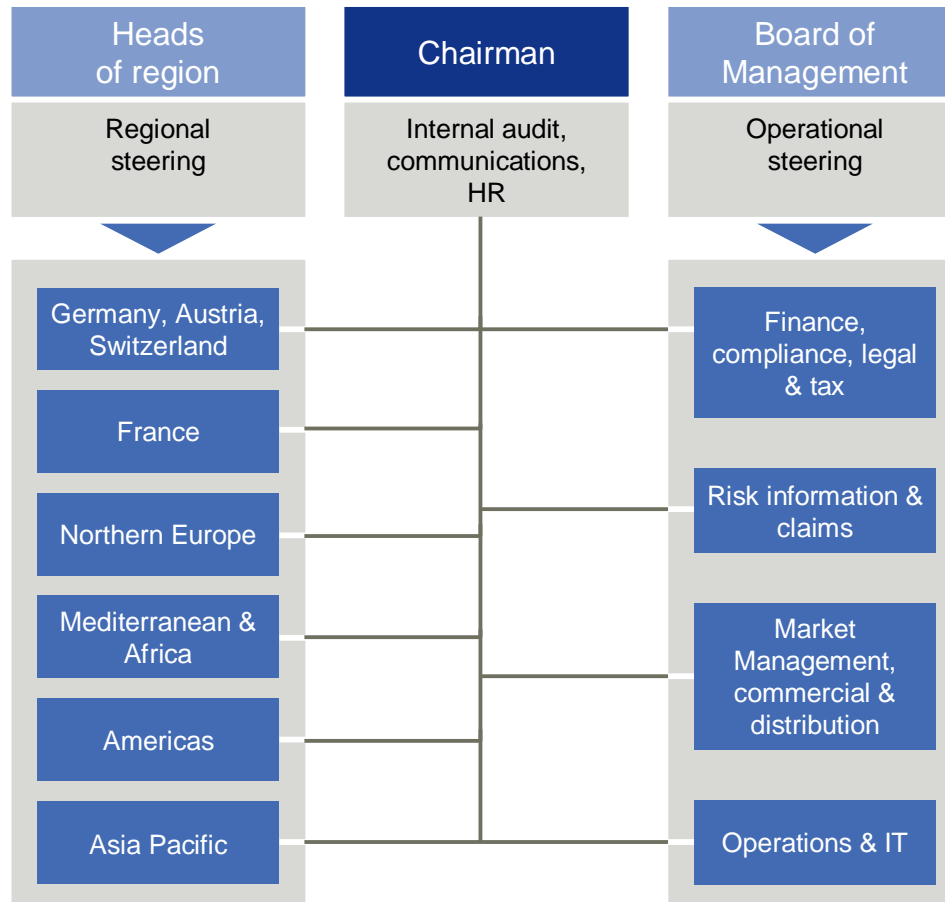
“One Euler Hermes¹” second objective was to move to an operational and transparent structure



1) “One Euler Hermes” initiative was launched in Q3 2009
 2) Euler Hermes world agency

2 ... including a new centralized organizational structure ...

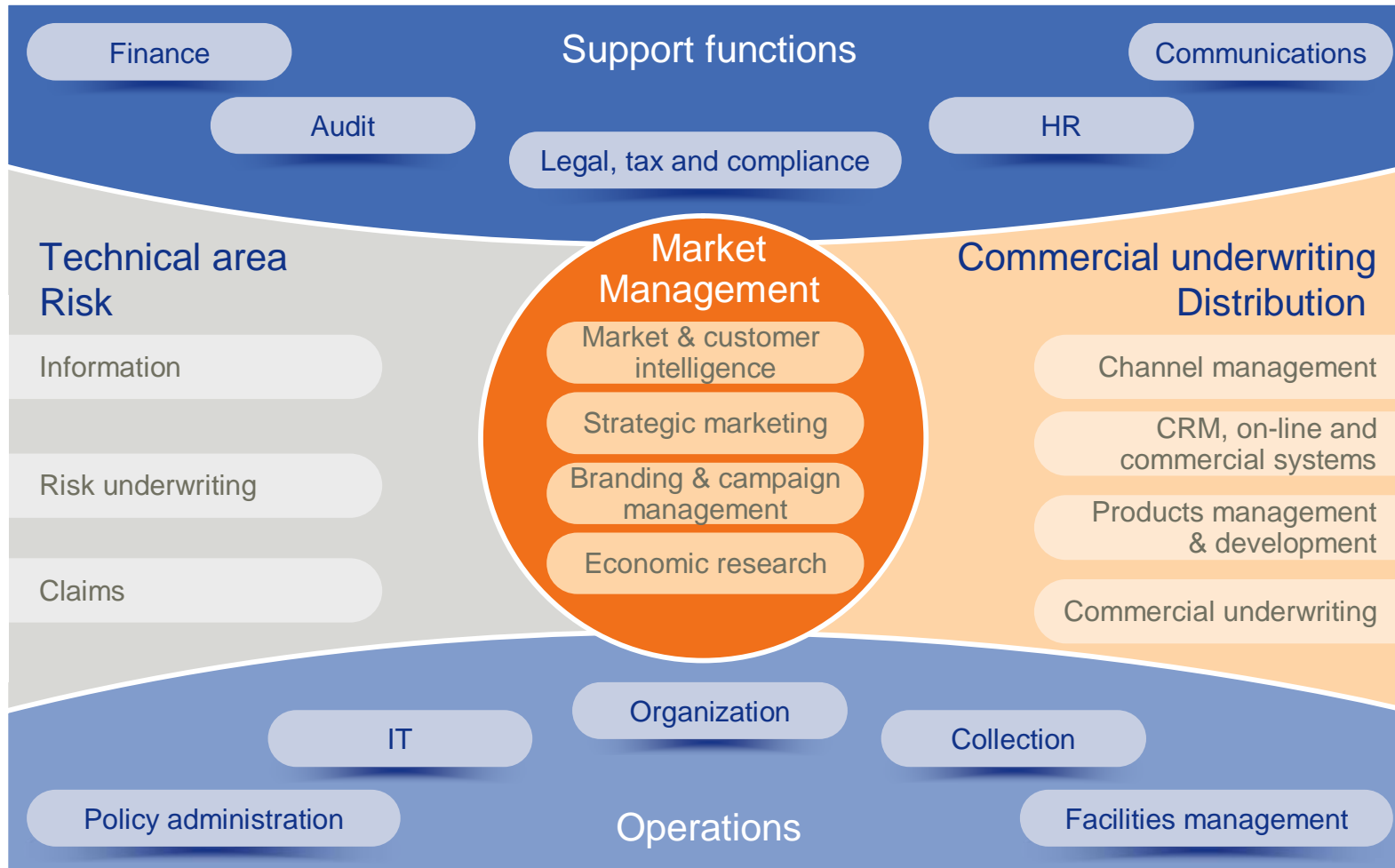
Today



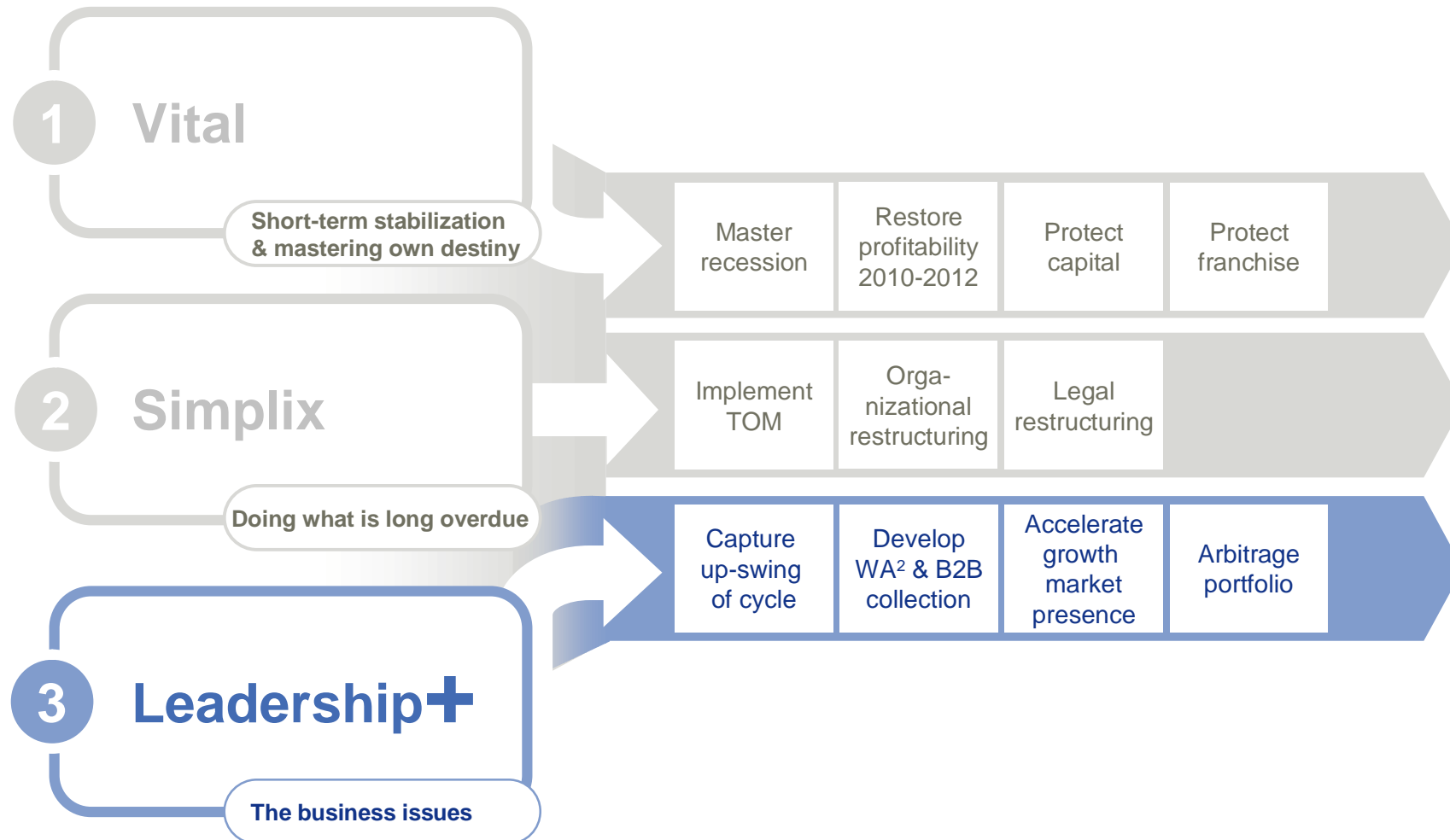
§ The Board of Management moved from controlling to operational steering with regions reporting to CEO

§ The new “One Euler Hermes” structure allows all Group entities to adapt quickly to new customer needs

2 ... and the implementation of a new Target Operating Model



Last but not least, “One Euler Hermes¹” objective was to capture the upswing of the cycle

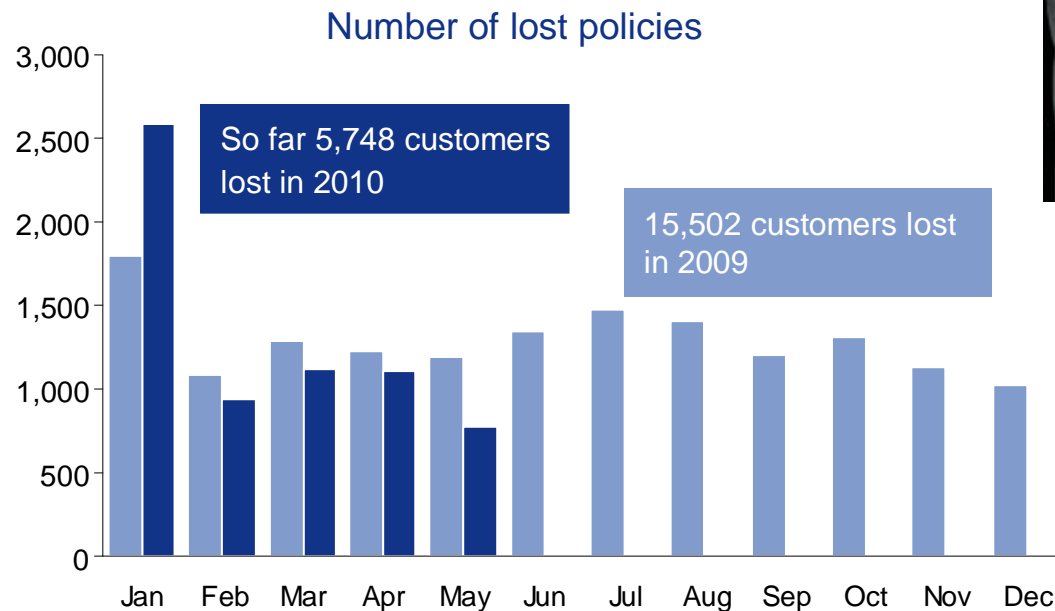


1) “One Euler Hermes” initiative was launched in Q3 2009
 2) Euler Hermes world agency

3 A new initiative “Renewal is my job” is launched

§ “Renewal is my job” launched in Q1 2010 to extend our market leadership in terms of customers’ satisfaction and loyalty

§ 15,010 customers were contacted since January 2010



▶ “Renewal is my job” remains of high priority and will become a recurring process

3 Actions 2010

2010

Increase retention

Increase customer centricity

Rate increases

Increase exposure

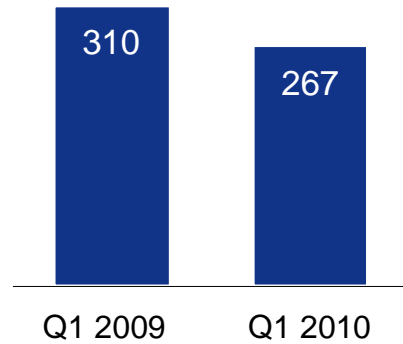
Increase productivity/ flexibility

Combined ratio <100%

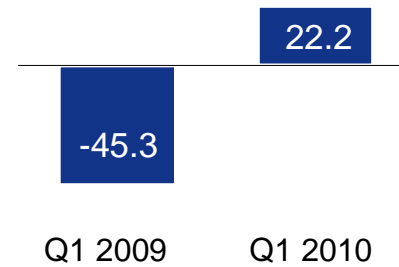
Operating profit >EUR 100mn

Improvement can already be seen in Q1 2010 results ...

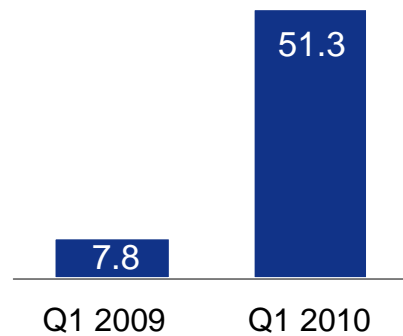
Net earned premiums (EUR mn)



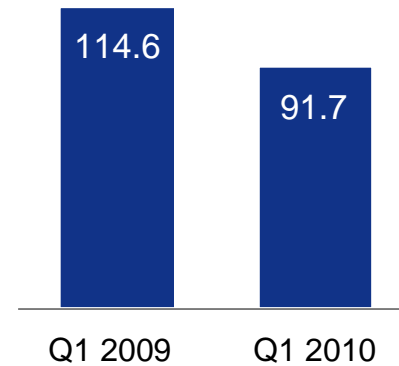
Underwriting result (EUR mn)



Operating profit (EUR mn)

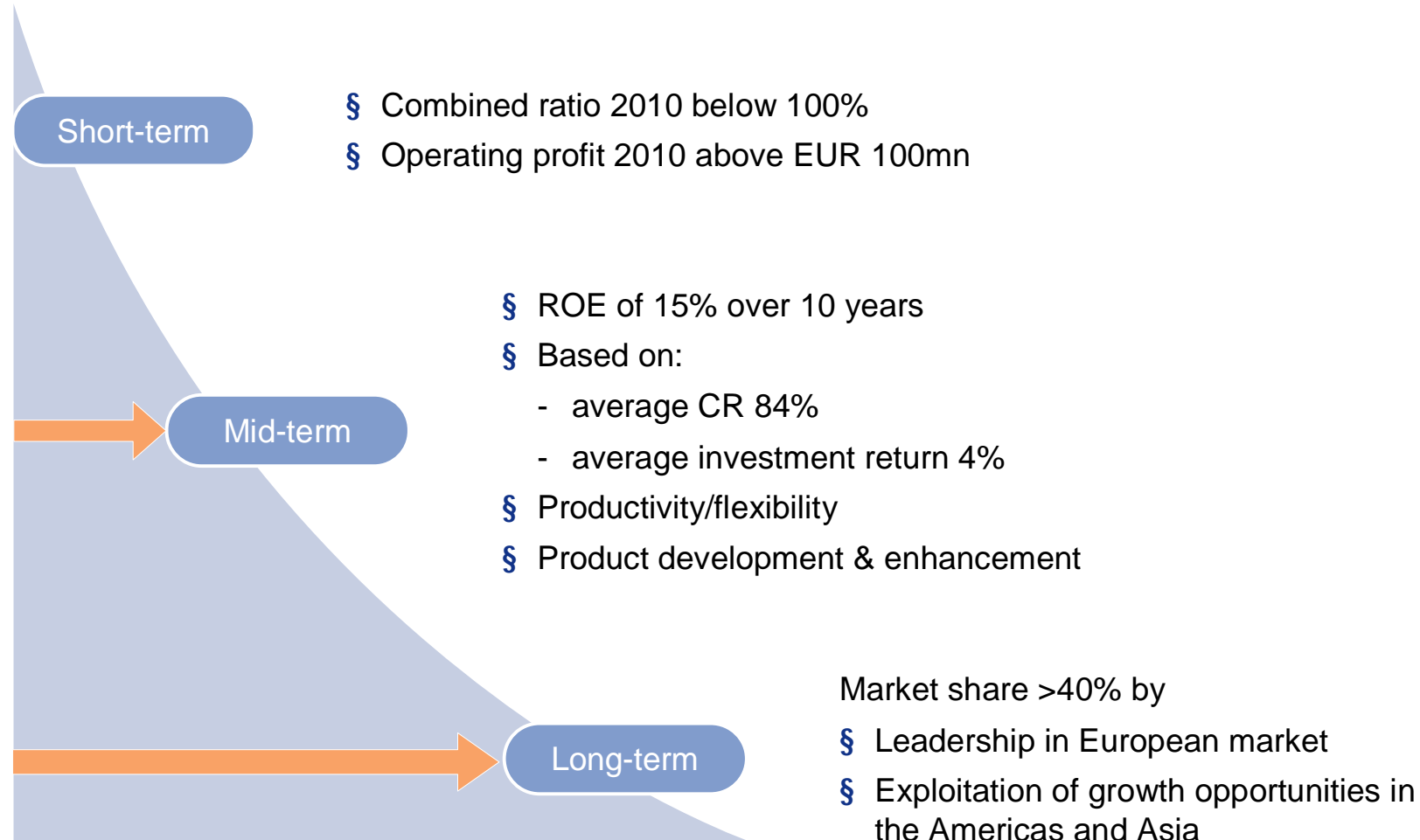


Net combined ratio¹ (%)



1) Service margins excluded

... and will continue in the coming years



Key take-aways

- ➔ Euler Hermes (EH) is the world leader in credit insurance
- ➔ EH developed the right tools to enable a faster adaptation to the market situation and manage the business cycles
- ➔ EH mastered the crisis and protected its capital
- ➔ EH is the only credit insurer with stable S&P AA- rating during the GFC
- ➔ EH moved to an integrated and centralised structure and steering allowing further improvements in costs and time to market
- ➔ Improvement can already be seen in Q1 2010
- ➔ EH aims at above average returns over the cycle

Glossary

Capital Markets Day
Munich, July 1, 2010

Allianz 

Glossary (1)

ACAS	Allianz Common Applications and Services
Advance payment bond	A guarantee for the repayment of advance payments or payments made on account
AGR	Allianz Global Risks
AMA	Allianz Marine & Aviation
AMIC	Allianz Marine Insurance Company
ASIC	Allianz Shared Infrastructure Services
CRM	Customer Relationship Management
CSA	Customer Specialty Assistance
GAP	Insurance that covers the difference (gap) between what a car is worth and what you owe for the car
HQ	Headquarters
IBNR	Reserve for I ncurred B ut N ot R eported claims
IIS	International Insurance Solution
KAM	Key account management
KPI	Key performance indicator
LOB	Line of business
MA	Mondial Assistance
Maintenance bond	A guarantee that defects discovered during the warranty period will be repaired. Defects also trigger the repayment of warranty retention money, thus providing immediate liquidity to the contractor.

Glossary (2)

MENA	Middle East and North Africa
NPS	Net Promoter Score
NPW	Net premiums written
OEM	Original Equipment Manufacturer
Performance bond	A guarantee to secure the supply of goods and the performance of services with or without a warranty period. It may also trigger the repayment of warranty retention money, thus providing immediate liquidity to the contractor.
PPI	Payment Protection Insurance
QS	Quota share
RAC	Risk Adjusted Capital
RoRAC	Return on Risk Adjusted Capital
SOE	Service Operational Entity
Surety	Insurance that guarantees debt or an obligation of one party to another
ULAE	Unallocated loss adjustment expenses
UOP	Underlying operating profit
UW	Underwriting
VA	Variable annuity
XL	Excess of loss

Appendix

Capital Markets Day
Munich, July 1, 2010

Allianz 

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Financial calendar

August 6, 2010	2nd quarter results 2010
November 10, 2010	3rd quarter results 2010
February 24, 2011	Financial press conference for the fiscal year 2010
February 25, 2011	Analysts' conference for the fiscal year 2010
March 18, 2011	Annual Report 2010
May 4, 2011	Annual General Meeting
May 12, 2011	1st quarter results 2011
August 9, 2011	2nd quarter results 2011
November 11, 2011	3rd quarter results 2011

The German Securities Trading Act ("Wertpapierhandelsgesetz") obliges issuers to announce immediately any information which may have a substantial price impact, irrespective of the communicated schedules. Therefore we cannot exclude that we have to announce key figures of quarterly and fiscal year results ahead of the dates mentioned above.

As we can never rule out changes of dates, we recommend checking them on the Internet at www.allianz.com/financialcalendar.

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.