

Capital Markets Day

Allianz Insurance UK

Allianz Insurance Australia

Allianz Worldwide Partners

Allianz SE

London, July 4, 2014



Agenda

- A** Introduction Dieter Wemmer
 - B** Allianz UK Jon Dye
 - C** Allianz Australia Niran Peiris
 - D** Allianz Worldwide Partners Ida Luka-Lognoné
 - E** Allianz SE Dieter Wemmer
- Disclaimer
- Investor Relations contacts

Introduction

Dieter Wemmer
CFO Allianz SE

London, July 4, 2014



... complementing local presence with global coverage



Regions insurance

France
Italy
Benelux
Greece
Turkey
Africa

Australia
UK
Ireland

Asia
CEE
Middle East

Germany
Austria
Suisse

Spain
Portugal
Latin America

USA

Global lines

Allianz Global Corporate & Specialty

Allianz Asset Management

Euler Hermes Credit Insurance

Allianz Worldwide Partners (B2B2C)

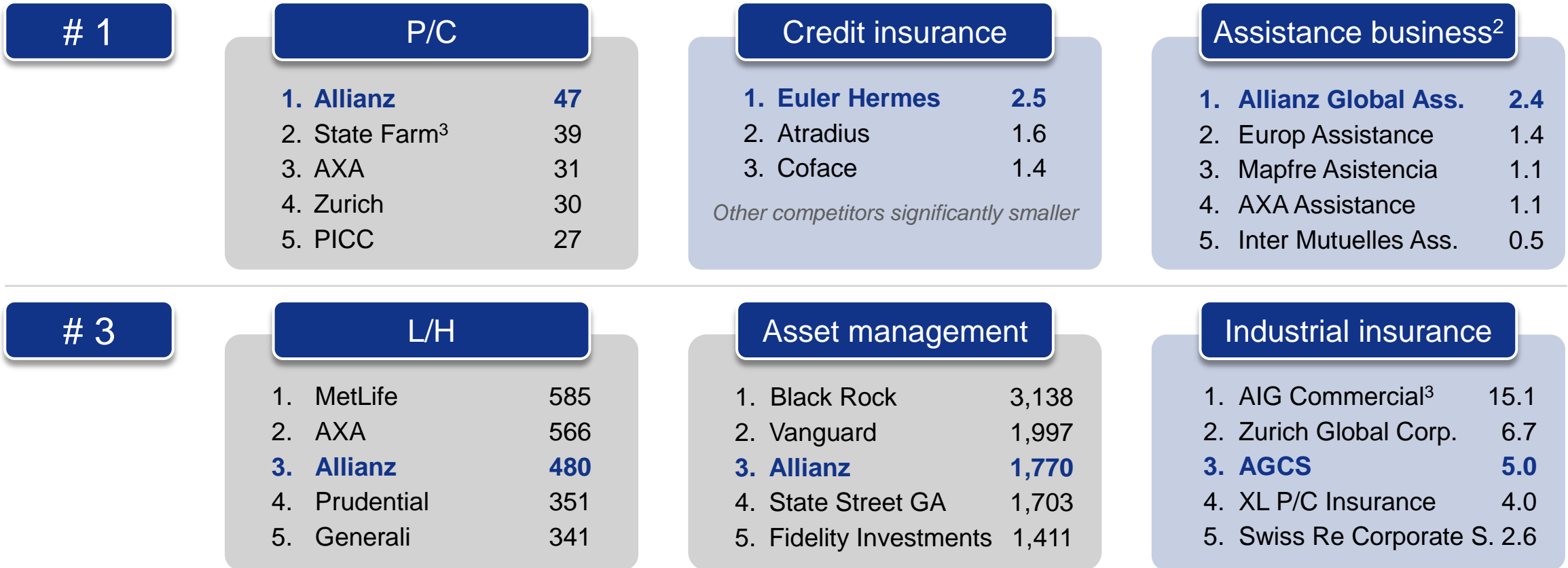
Our mission

Integrity and superior performance for all stakeholders

Strong position in all business segments and global business units ... (EUR bn)

World market position¹

■ Business segment
■ Global business unit

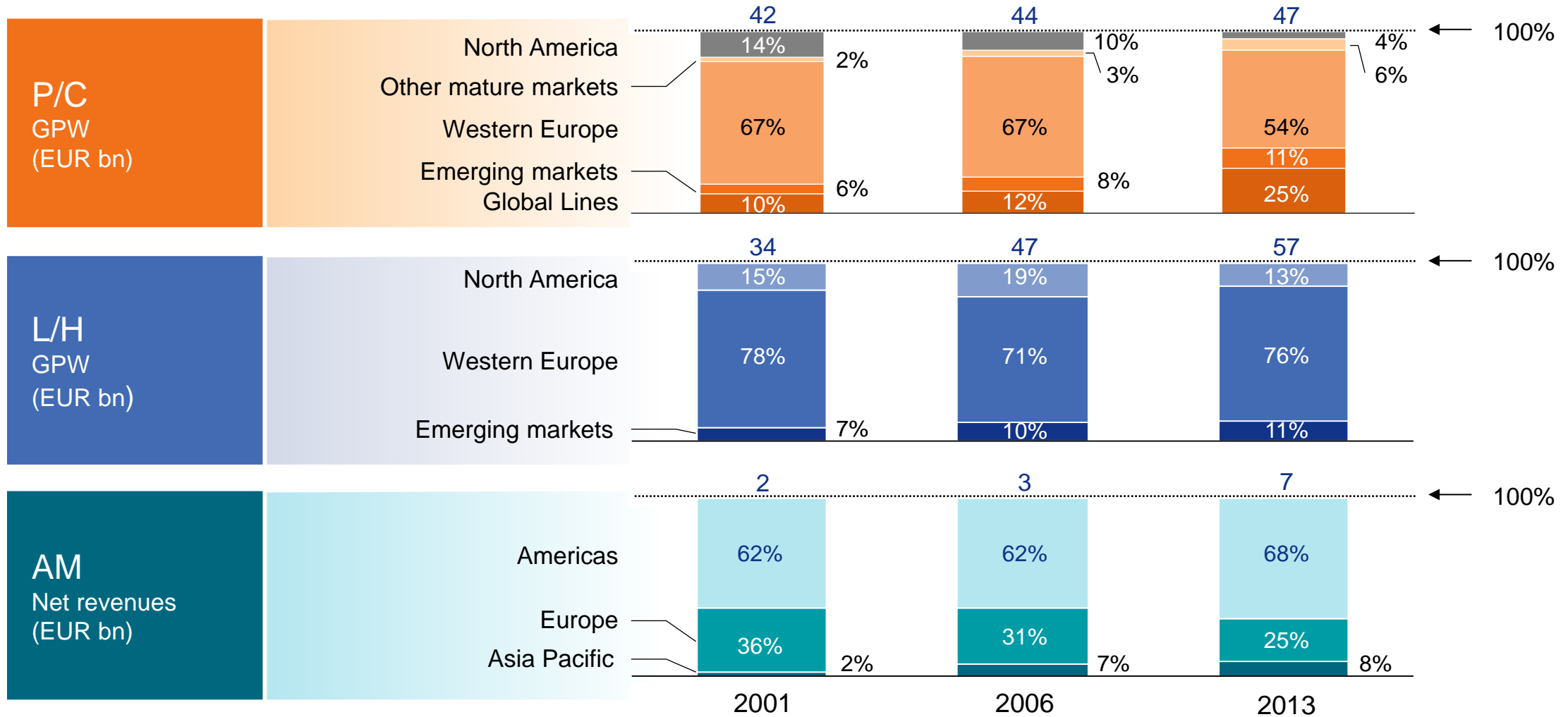


1) Basis: fiscal year 2013; calculation based on GPW, revenues or AuM (Life/Health including loans and advances to banks and customers)

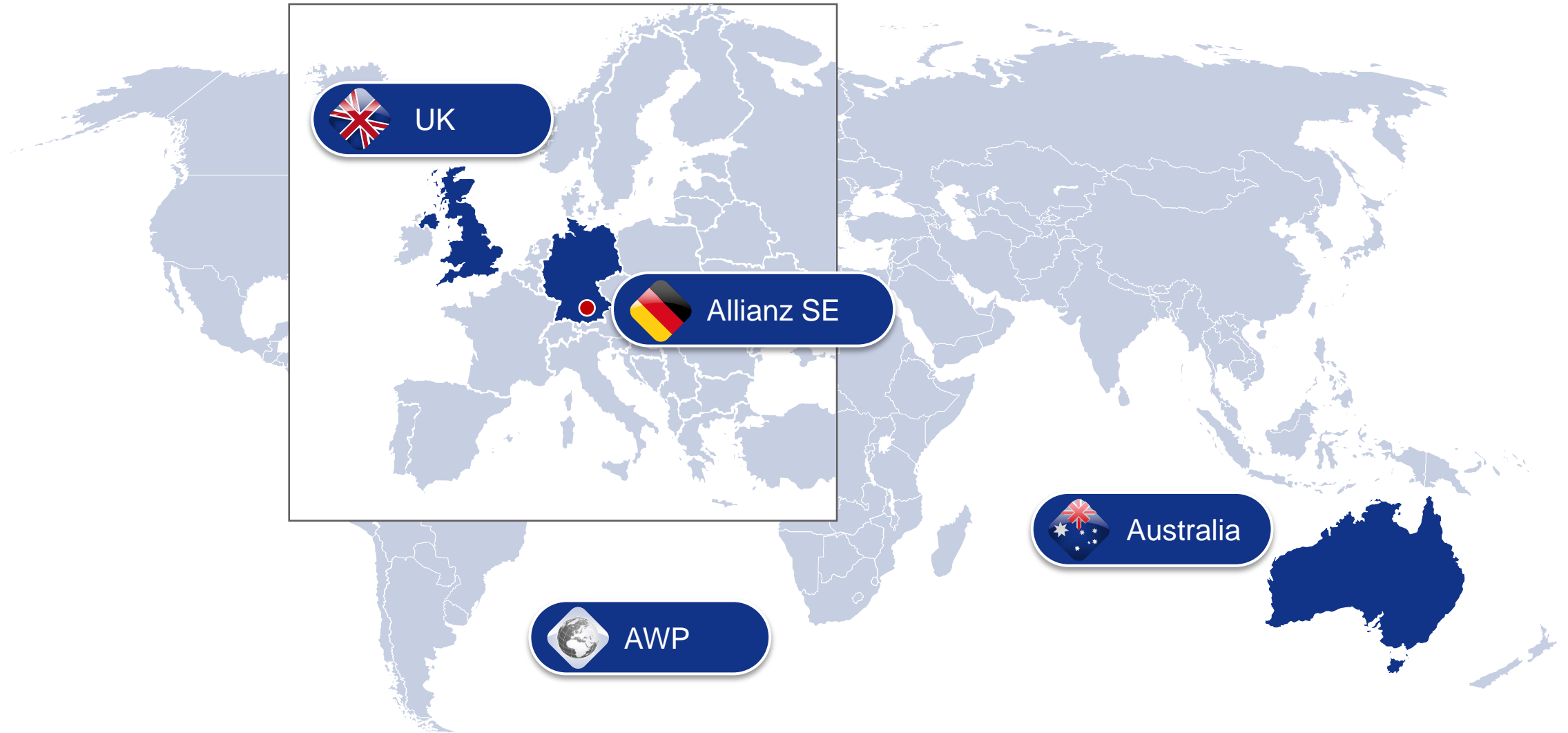
2) Estimate for Europ Assistance, 2012 values for Inter Mutuelles Assistance

3) Net premiums

... and an increasing geographic diversification



Capital Markets Day London: today's universe



Allianz Insurance UK

Jon Dye
CEO Allianz Insurance UK

London, July 4, 2014

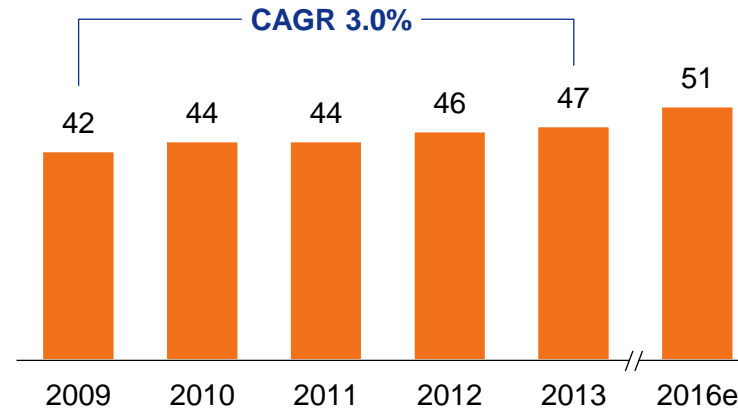
B

UK at a glance

Key data 2013

- Population: 64mn
- GDP (EUR): 1,900bn
- GDP growth: 1.9%
- GDP/capita (EUR): 30,180
- Inflation: 2.5%
- Insurance penetration³: 2.5%
- Country rating (S&P): AAA

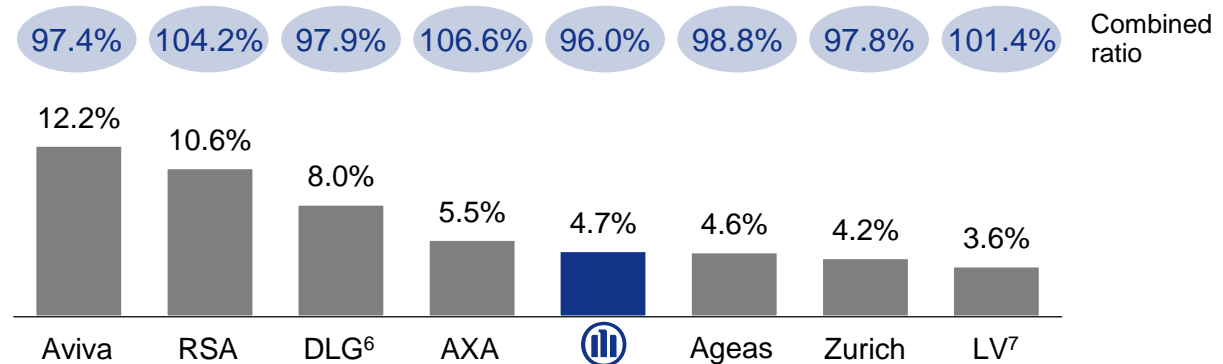
P/C market size¹ (GPW, EUR bn²) and growth (GBP)



Market specifics

- Increasing regulatory pressure from both PRA⁴ and FCA⁵
- Overcapacity making rate increases difficult despite poor market results

Market shares (GPW) and combined ratio (2013)

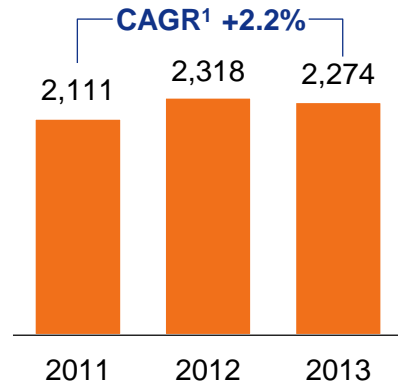


1) Excluding accident & health insurance
 2) Converted from GBP at constant 2013 FX rate
 3) GPW as % of GDP
 4) Prudential Regulation Authority
 5) Financial Conduct Authority
 6) Direct Line Group
 7) Liverpool Victoria

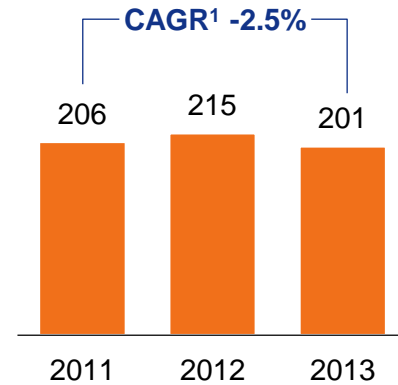
Sources: SynThesys PRA Returns, peers' company reports, Association of British Insurers (ABI), S&P sovereigns rating list

Allianz Insurance in UK (1)

Revenues (EUR mn)



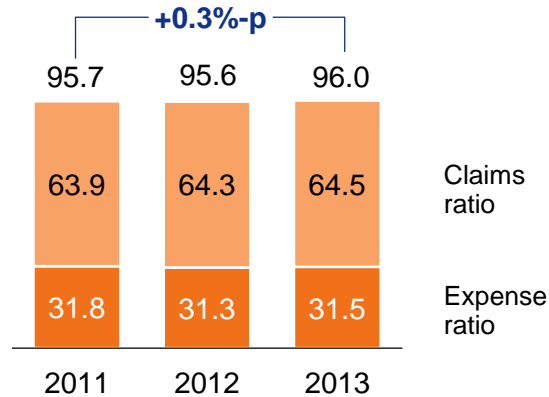
Operating profit (EUR mn)



Highlights

- Fifth largest P/C insurer in the UK
- Customer count of 4.2mn by YE 2013
- Strong player growing its market share in a competitive market
- Highest GPW growth compared to peers over past 3 years
- Best combined ratio among 8 largest UK insurers

Combined ratio (%)



RoRC (%)



Legal setup

- 1905 Establishment of Cornhill Insurance plc
- 1986 Acquired by Allianz Group
- 2003 Renamed Allianz Cornhill Insurance plc
- 2007 Renamed Allianz Insurance plc

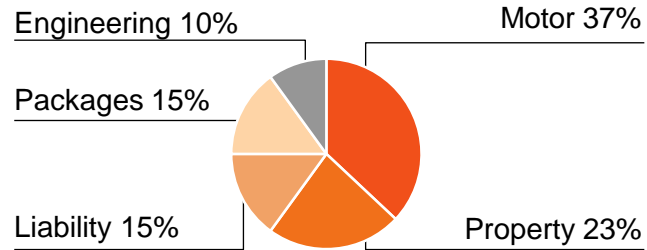
1) Based on local currency

Allianz Insurance in UK (2)

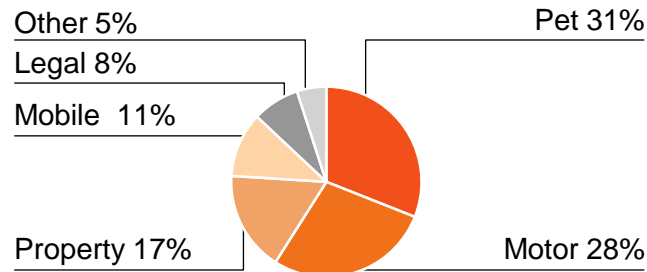
2013

Commercial
GPW
EUR 1,179mn

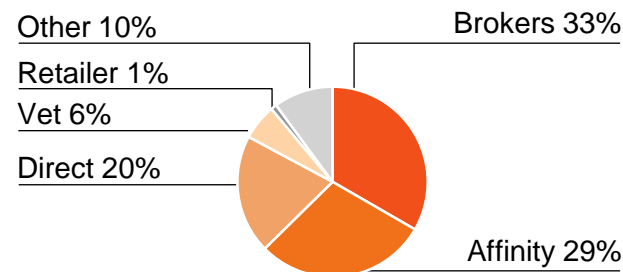
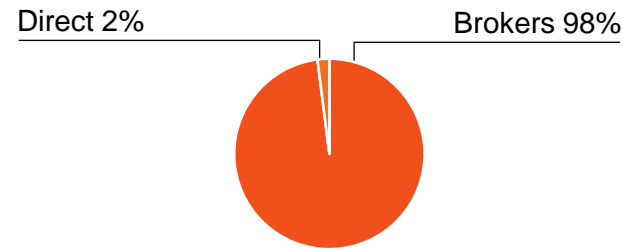
Product mix (GPW)



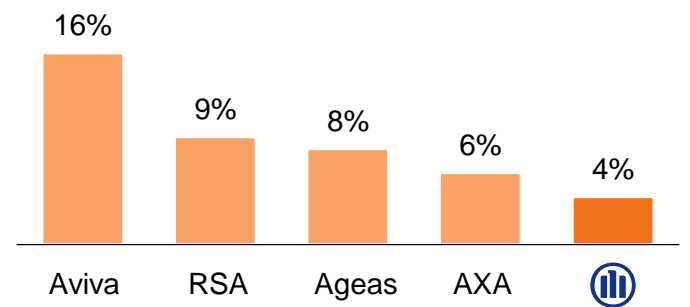
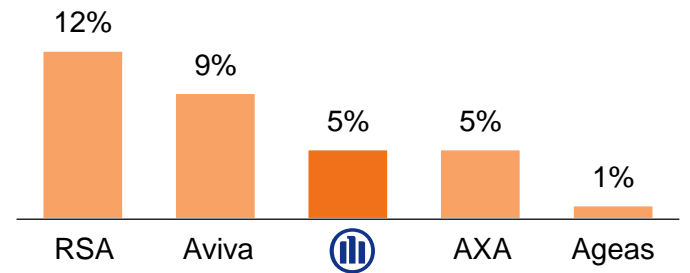
Retail
GPW
EUR 1,096mn



Distribution mix (GPW)

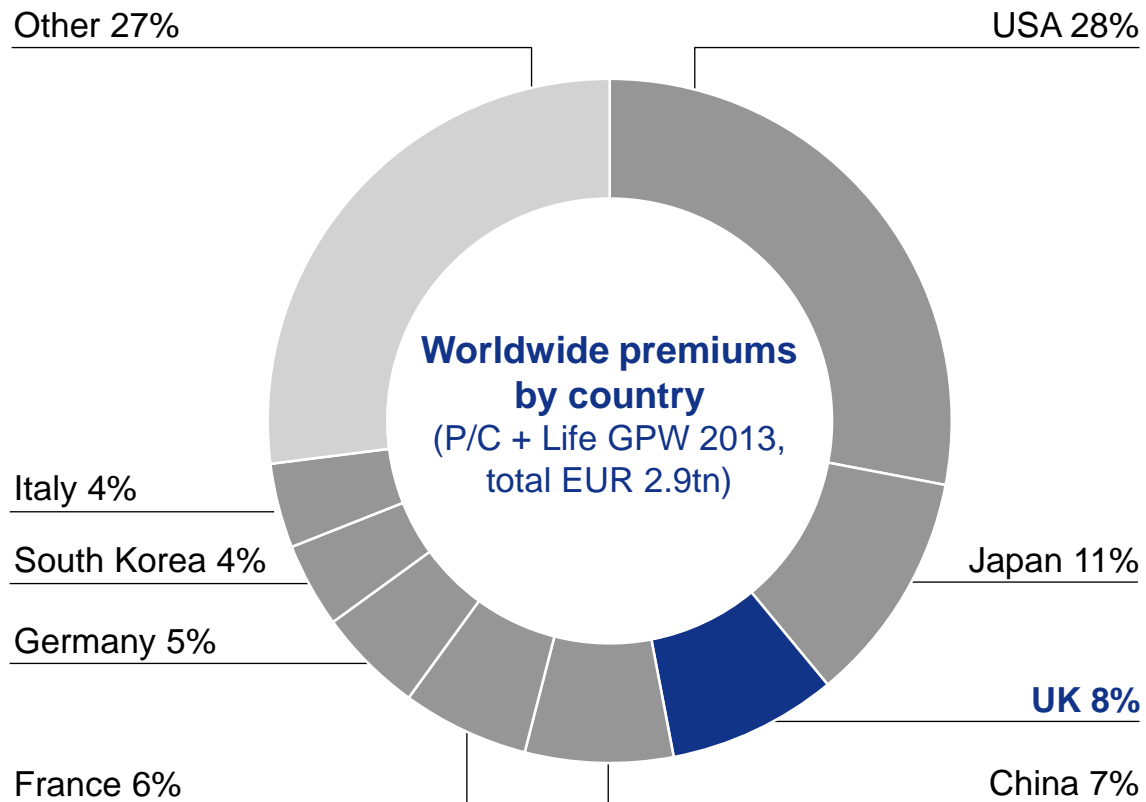


Market shares (GPW)

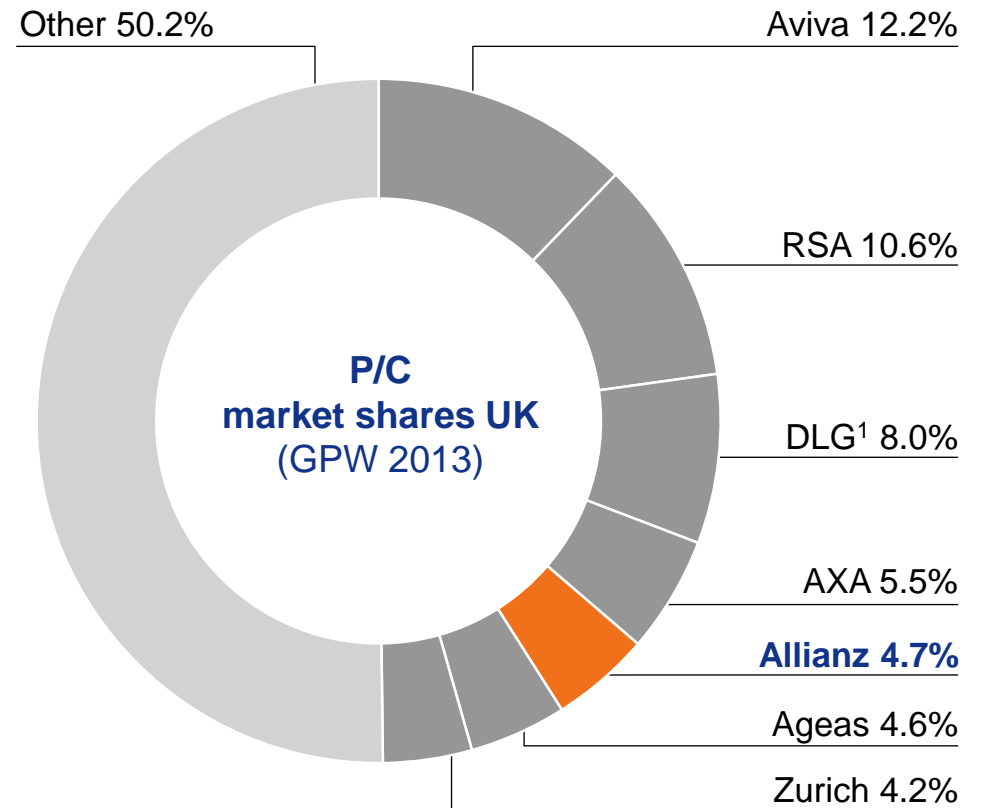


UK insurance market

UK is the largest insurance market in Europe ...

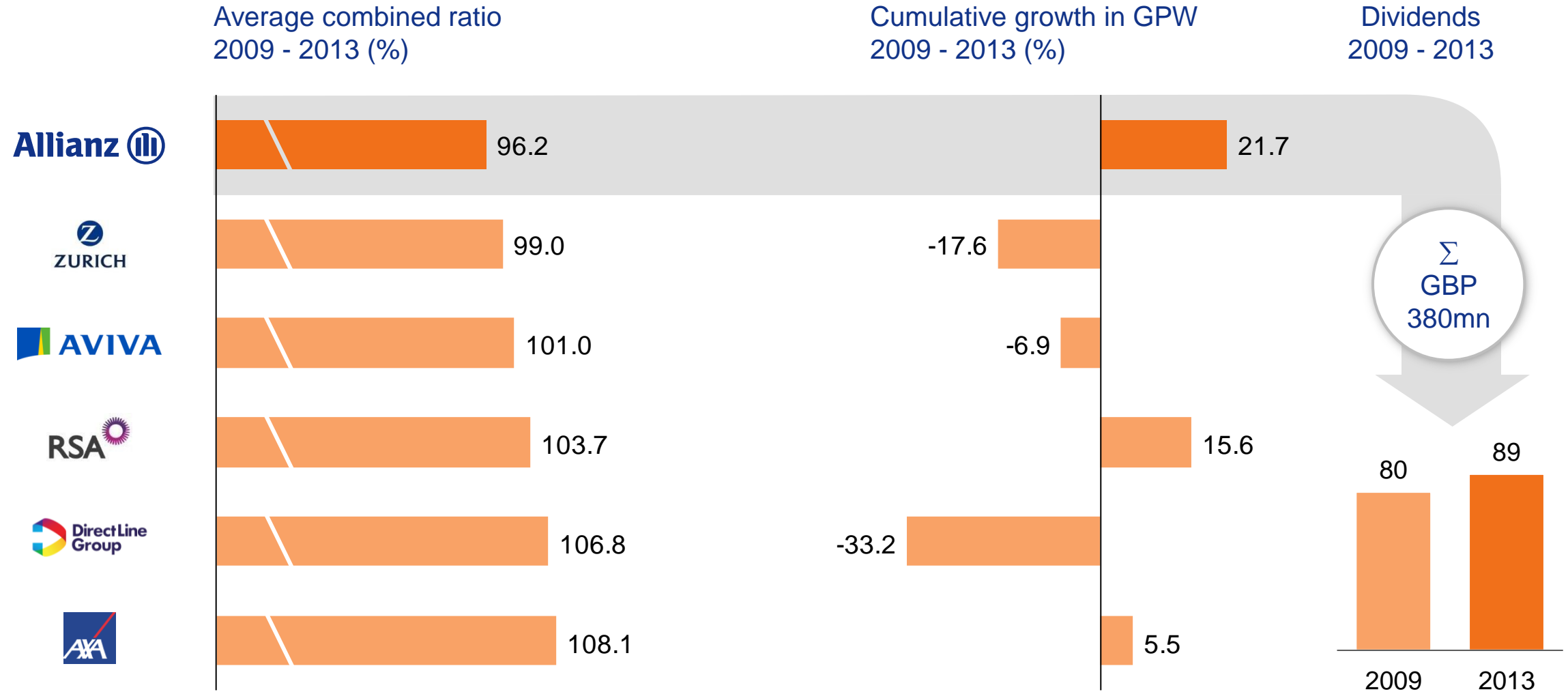


... but highly competitive in P/C



1) Direct Line Group
Sources: Local insurance regulators, AXCO insurance market reports

A consistent track record of performance



Sources: SynThesys PRA Returns, peers' company reports, Association of British Insurers (ABI)

Strategy going forward

Commercial

- Underwriting capabilities and distribution optimization underpin growth
- Customer segmentation and differentiated offerings are key
- Leverage opportunities from “One Allianz”¹
- Outstanding broker relationships - maintain loyalty leadership as in the last 5 years

Retail

- Maintain leadership in pet insurance
- Build further successful corporate distribution partnerships
- Further improve broker channel and maintain loyalty leadership
- Growth in direct car and home via aggregators and customized products



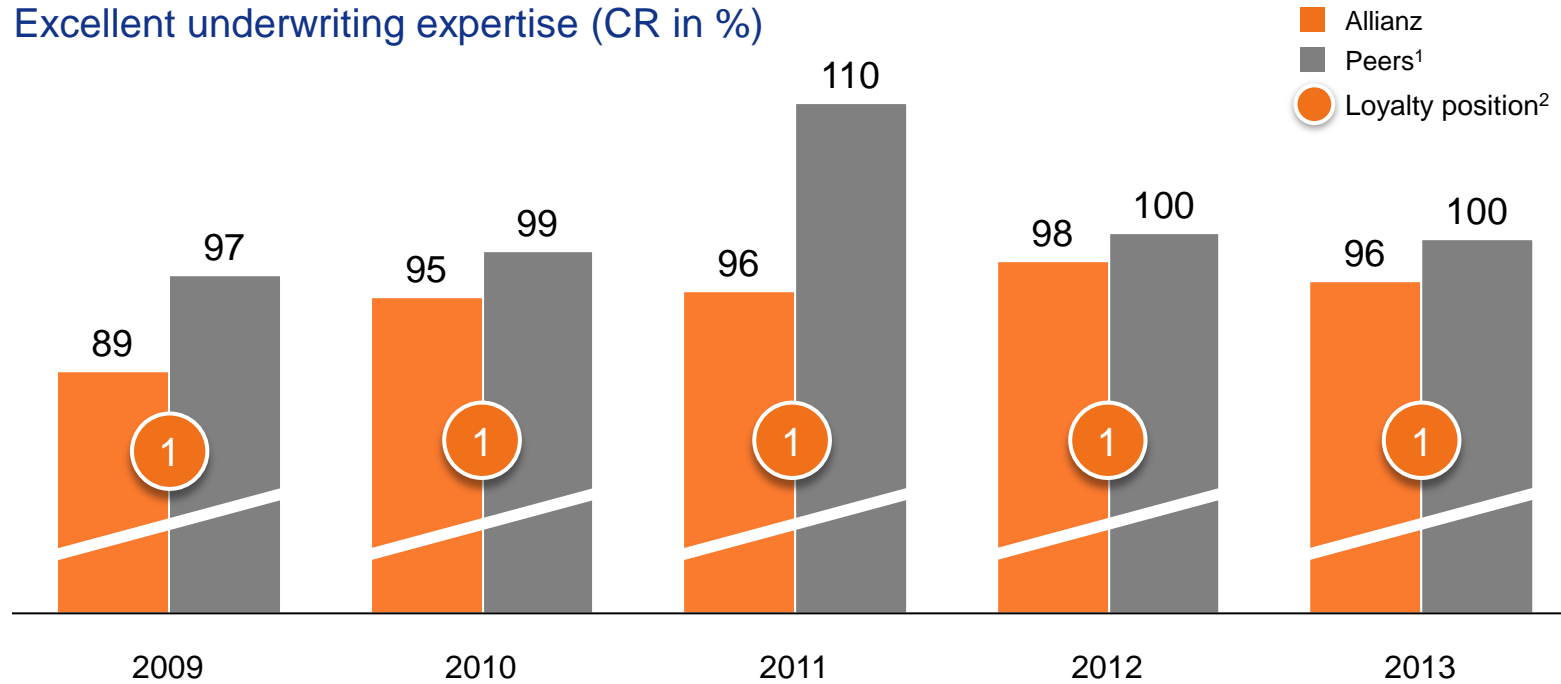
1) “One Allianz” is the term used for close cooperation between different Allianz entities, in this case Allianz UK’s cooperation with Allianz Global Corporate & Specialty, Euler Hermes and Allianz Worldwide Partners



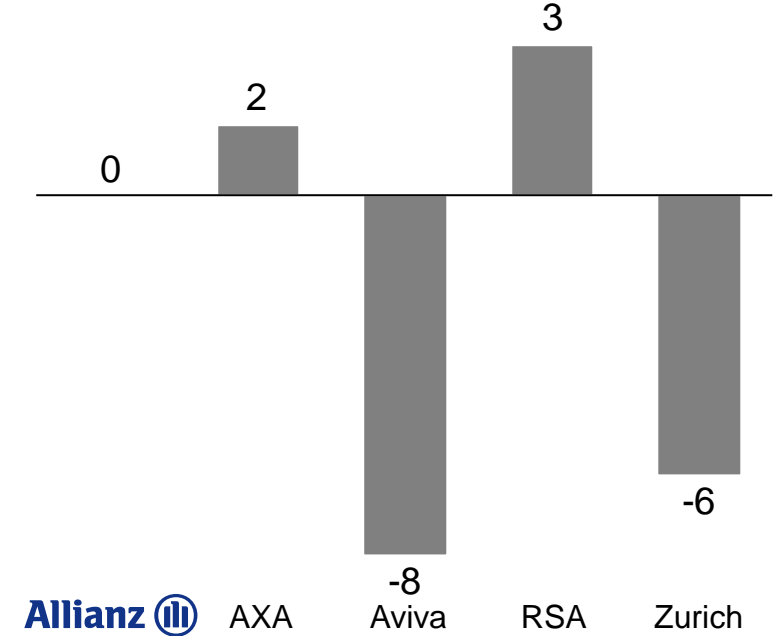
Commercial

Commercial: strong underwriting expertise ...

Excellent underwriting expertise (CR in %)



GPW CAGR 2009 - 2013 (in %)



- Consistent outperformance in profitability
- Maintaining volume even in tough market phases
- Proposition to brokers based upon
 - local branch network in 18 locations
 - superior underwriting and pricing skills, developed over a decade through the Allianz Underwriting Academy

1) Peers: AXA, Aviva, RSA, Zurich

2) Loyalty position with brokers



Commercial

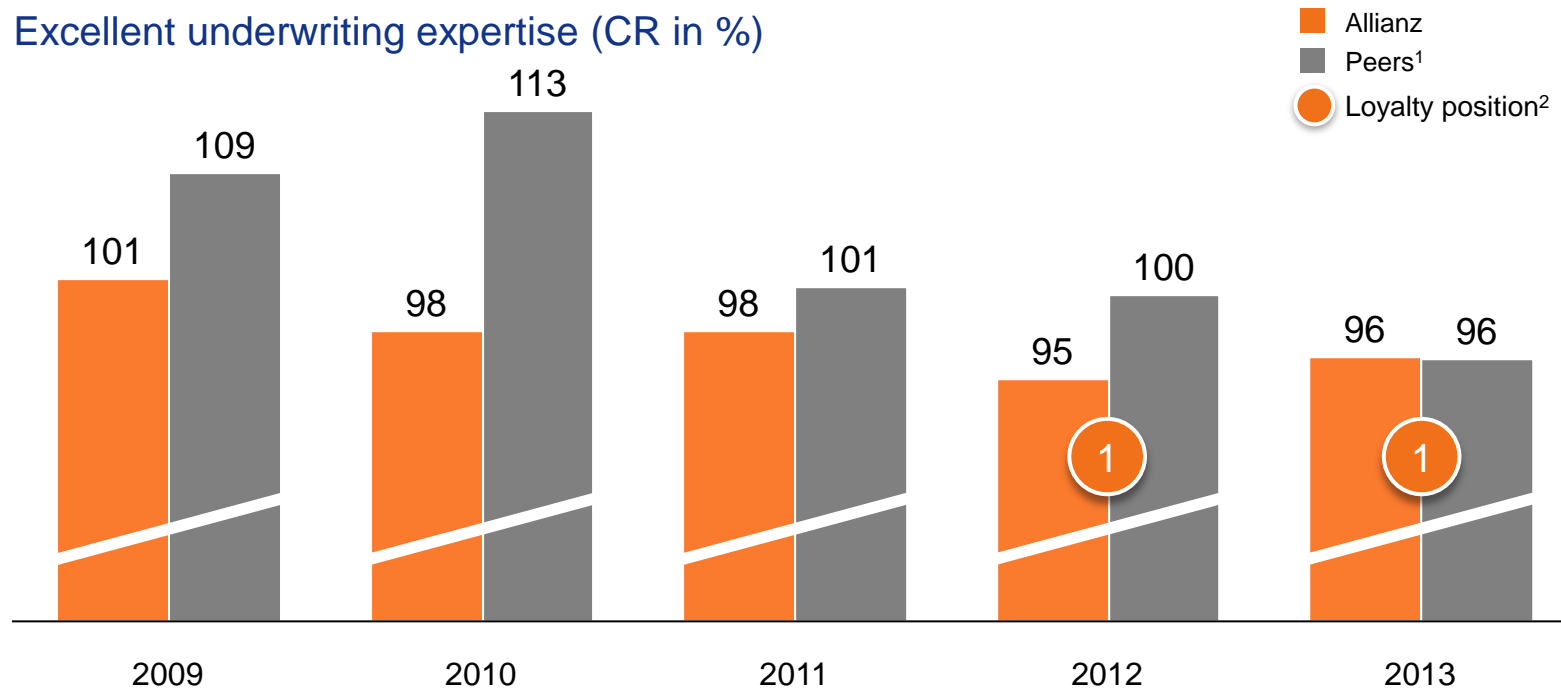
... with further growth potential in well diversified portfolio

Commercial 2013	Share of business	Market share	Combined ratio	Business description and future focus	Additional focal points
Motor	37%	10%	99%	A large market share in a profitable line of business	Current and future performance driven by: <ul style="list-style-type: none"> strong technical knowledge focus on profitable business segments development of small fleet offerings investment in electronic underwriting platform
Property	23%	7%	90%	Ongoing investment in electronic underwriting platform, providing technical excellence in a soft market	
Liability	15%	6%	107%	Release new products to market through Allianz Group collaboration	<ul style="list-style-type: none"> Engineering insurance is complemented by engineering inspection Insurance: new product launches for construction Inspection: modernization will increase the quality and quantity of data and expense efficiency
Packages	15%	8%	99%	Recent investment in electronic underwriting platform leaves us well placed for future growth	
Engineering	10%	14%	80%	A large and well diversified share of a profitable line of business	

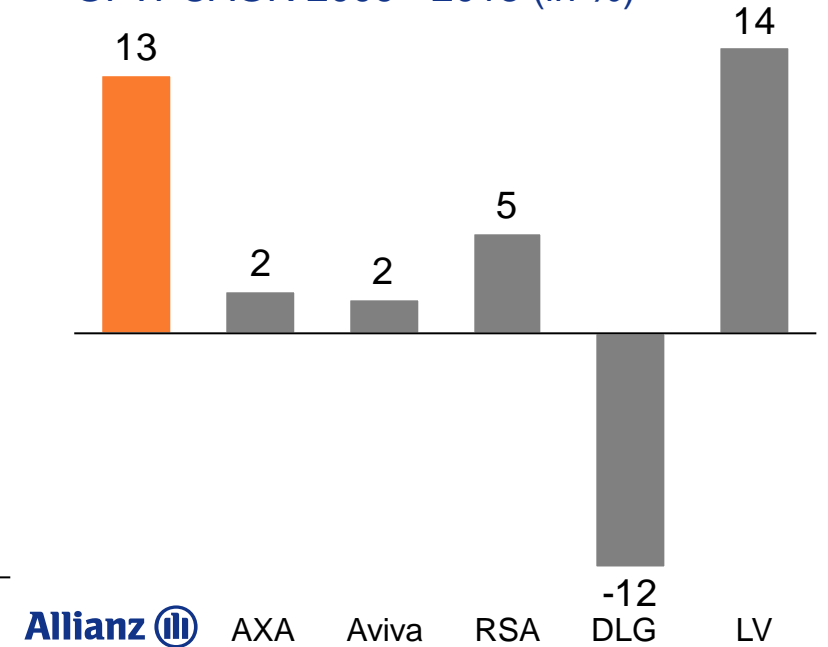


Retail: optimizing growth and profit

Excellent underwriting expertise (CR in %)



GPW CAGR 2009 - 2013 (in %)



- Consistently outperforming the market whilst rapidly growing
- Loyalty leadership attained in 2012 and maintained in 2013 for retail broker
- CR in 2013 in line with peers despite additional investments (e.g. in direct sales)

1) Peers: AXA, Aviva, RSA, Direct Line Group, Liverpool Victoria
 2) Loyalty position with brokers



Retail: strong player with diversified business

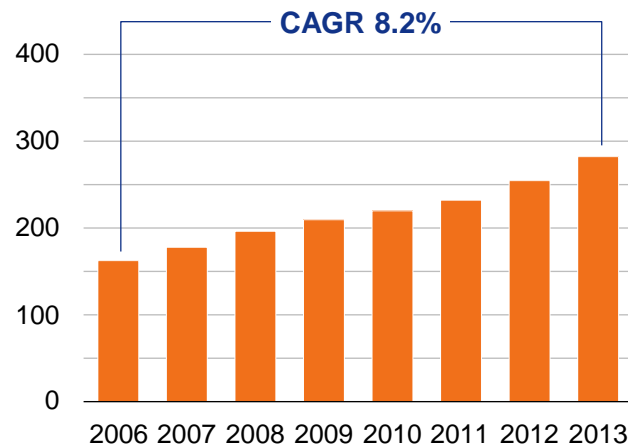
Retail 2013	Share of business ¹	Market share	Combined ratio	Business description
Pet ²	31%	40%	92%	Market leading products with strong distribution and excellent customer satisfaction, with renewal rates of 95%
Motor	28%	2%	101%	Aim of growing our profitable market share in a very competitive line of business
Property	17%	2%	96%	Distribution predominantly through brokers; strong growth in recent years
Mobile	11%	16%	99%	A large share of a small, profitable market through strong partnerships. Ongoing discussions with potential partners will drive future growth
Legal	8%	12%	87%	Adapting to a changing market through innovation, partnerships and technical expertise

1) Excluding other business lines
 2) Petplan and corporate partner pet insurance

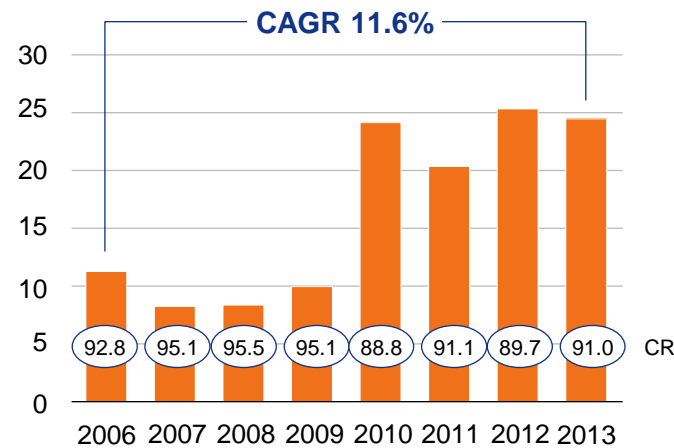


Retail: Petplan will continue to be an outstanding market leader

GPW (GBP mn)



Underwriting profit (GBP mn)



Net Promoter Score¹

	+77%
	+72%
	+69%

- Business acquired by Allianz in 1996 for GBP 32mn
- Number one brand in pet insurance for 30 years
- Longstanding relationships with major vet groups will secure long term distribution deals as they look to consolidate
- Also supplemented by strong direct to consumer offering
- Marketing investment to increase pet market penetration (55% of pets are estimated to be uninsured)
- Increase market share profitably by growing +30% to 1.2mn insured animals by end 2015

1) Source: Satmetrix; promoters as percentage of total number surveyed minus detractors as percentage of total number surveyed



Retail: Allianz UK Petplan TV advert





Retail: grow in motor and property insurance via direct sales



New direct approach

Customers

Mass affluent 35-54 year olds

Product

Modular products adaptable to customer preferences

Price

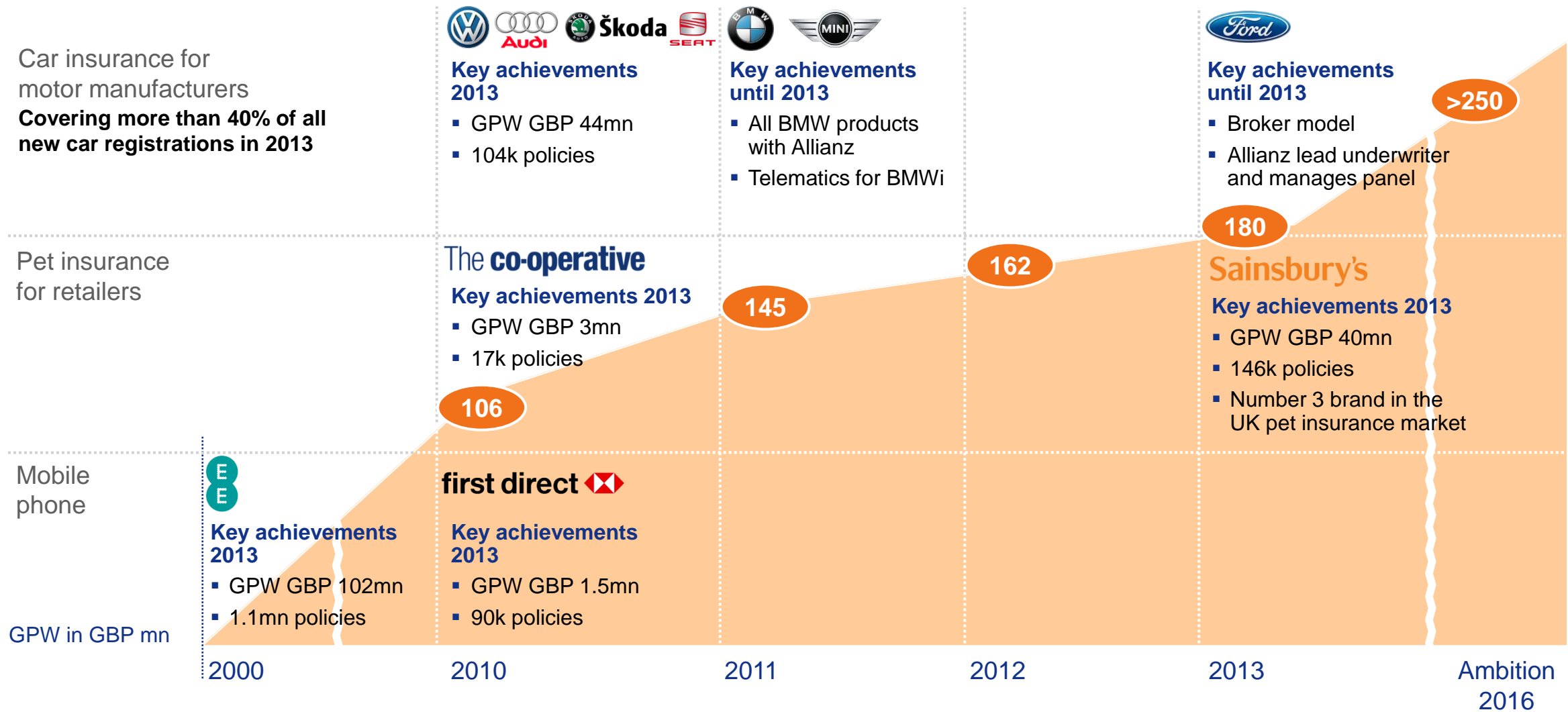
Competitive pricing due to superior underwriting capability

Distribution

Mainly via the four major aggregators and direct



Retail: building successful corporate partnerships

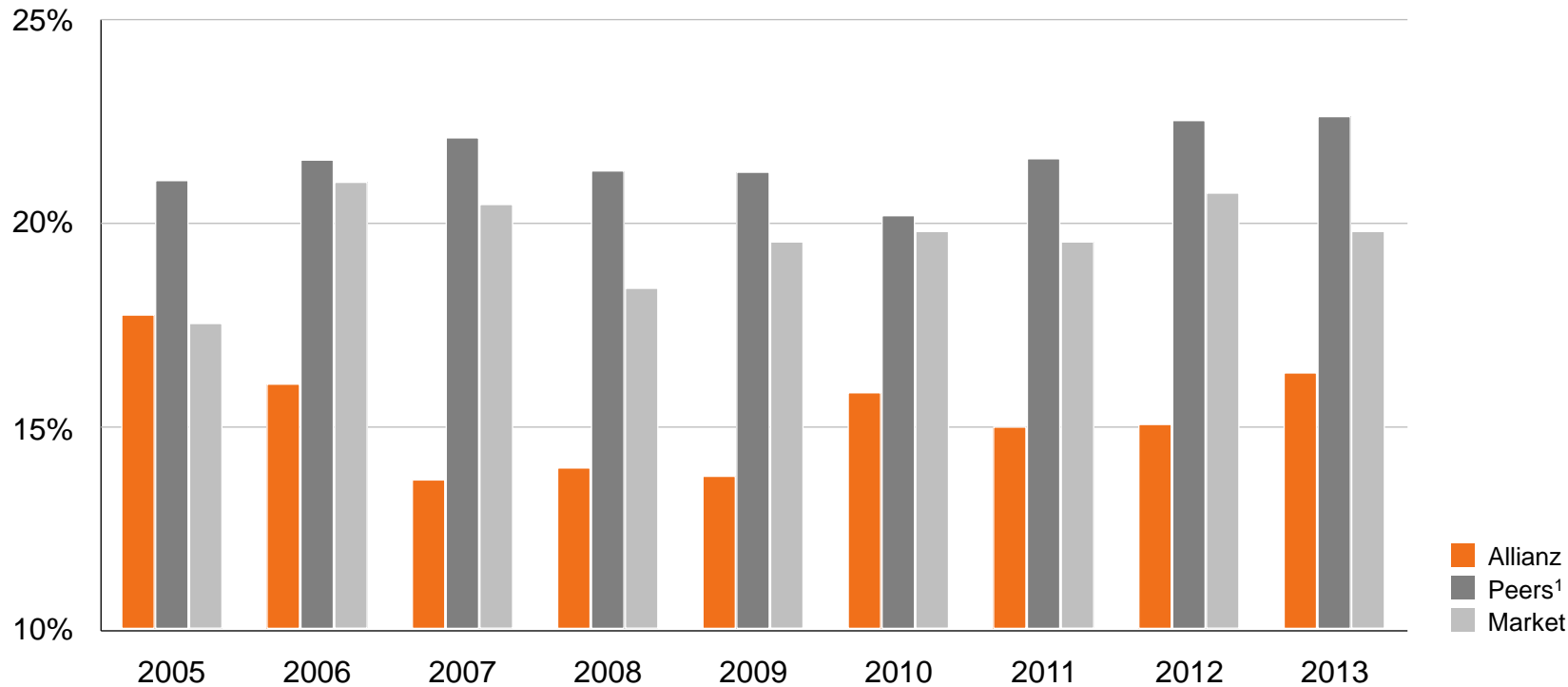




Cost efficiency

Cost efficiency: consistent outperformance

Expense ratio (excluding commission in %)



- Offshore captive provides significant cost advantage
- Commercial branch network and retail contact centers deliver efficient platforms for our business models

1) Peers: Aviva, DLG, RSA, Zurich (est.) and AXA (excl. PPP healthcare)
 Sources: SynThesys PRA Returns, peers' company reports, Association of British Insurers (ABI)



Cost efficiency

Cost efficiency: offshore captive in India provides competitive advantage

Benefits to UK business of GBP 40mn p.a. (total cost base GBP 280mn)

Offshoring activities started in 2003 in Trivandrum, India

Wholly owned subsidiary, delivering systems development, financial & business processing for the UK; 10 other Group entities also now supported

High employee engagement & low attrition by Indian standards (12%) providing an alternative and lower cost source for temporary & specialist roles

Growth from 23 FTEs in 2003 to 1,836 FTEs in 2013, being an alternative to FTE growth in the UK

How does this help Petplan, as an example?

70 fully qualified vets examining claims



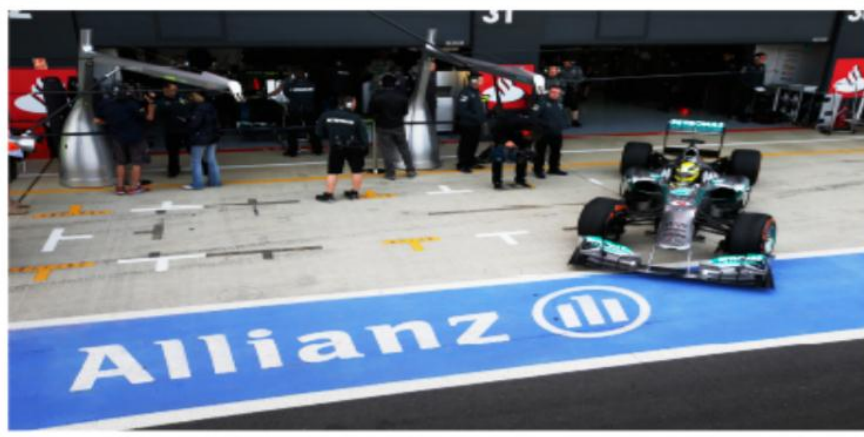
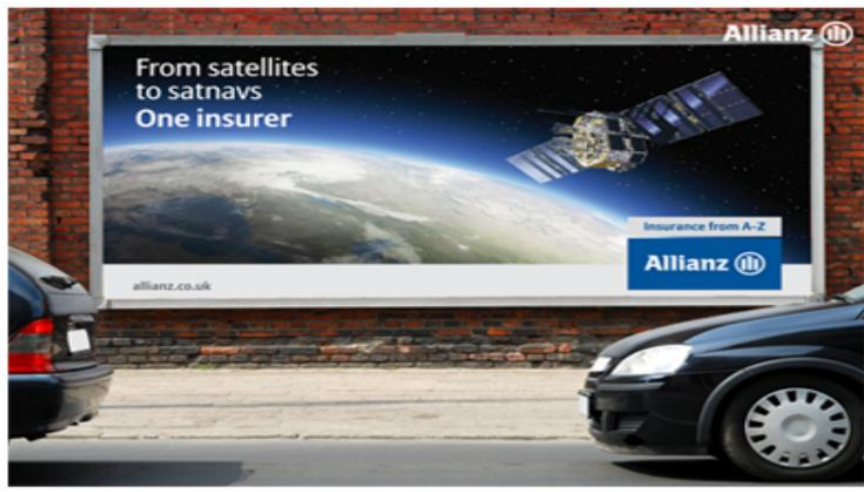
90% claims paid within 7 days; 3% claims cost reduction



50% inbound and 100% outbound sales calls handled for Petplan



Brand strategy – Allianz presented as a consumer brand in the UK for the first time



 Key takeaways

-  Outperforming peers in CR and GPW growth
-  Market leading underwriting capability in commercial allows further gain in market share
-  Strong growth aspiration in retail, including investment in direct sales
-  Branding activities deliver greater name awareness
-  Profitable growth of 8.5% p.a. to EUR 2.9bn GPW in 2016

Allianz Insurance Australia

Niran Peiris
CEO Allianz Australia

London, July 4, 2014



Australia at a glance

Key data 2013

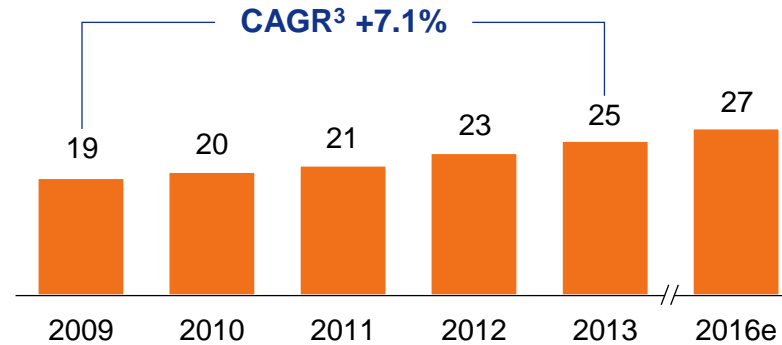
- Population: 23mn
- GDP (EUR): 1,129bn
- GDP growth: 2.4%
- GDP/capita (EUR): 48,687
- Inflation: 2.8%
- Insurance penetration¹: 2.2%
- Country rating (S&P): AAA

Market specifics

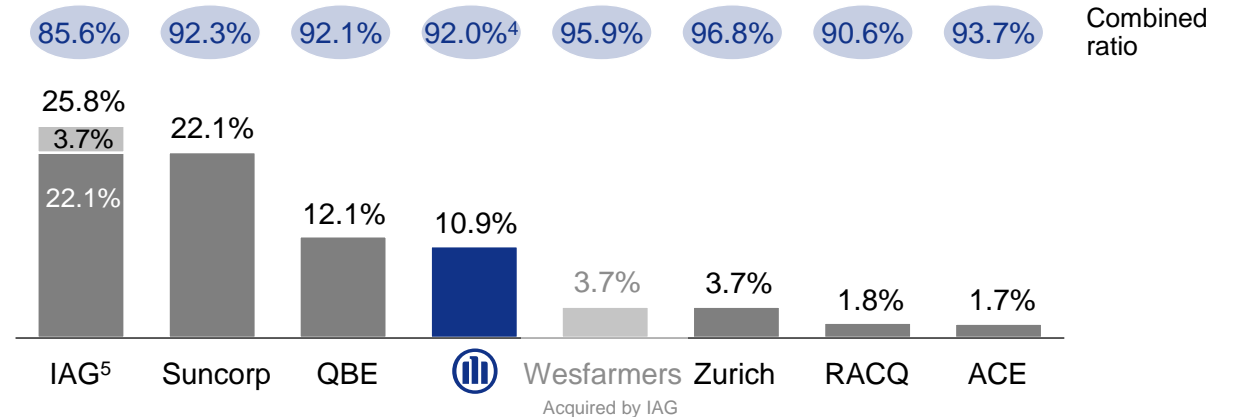
- Sound economic environment with low interest rates and stable employment
- High market concentration: top 4 insurance companies control 70% of the market
- Soft cycle in commercial lines and benign rate environment in personal lines
- Intensifying competition in personal lines due to aggressive growth of challengers and banks

1) GPW as % of GDP
 2) Converted from AUD at constant 2013 FX rate
 3) Excluding fire service tax
 4) In accordance with AGAAP, excluding New Zealand
 5) Market share adjusted for acquisition of Wesfarmers

P/C market size (GPW, EUR bn²) and growth (AUD)

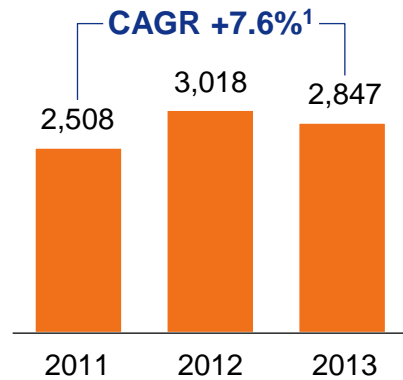


Market shares (GPW) and combined ratio (2013)

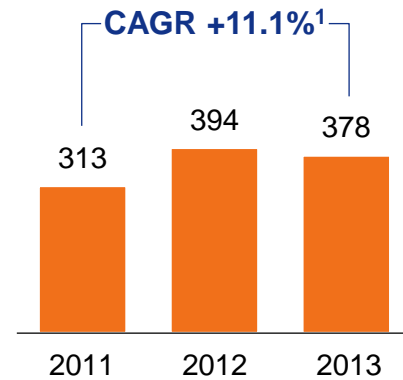


Allianz insurance in Australia (1)

Revenues (EUR mn)



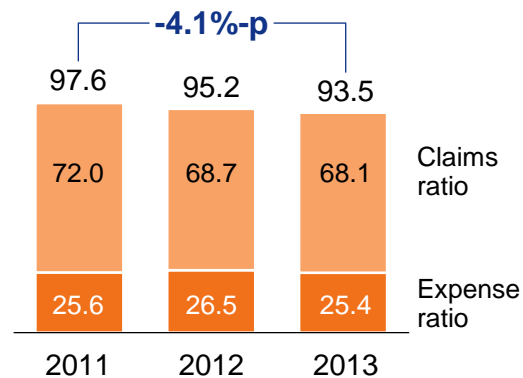
Operating profit (EUR mn)



Highlights

- Fourth largest insurer in the Australian market
- The only truly integrated multi-channel, multi-line insurer
- Sustainable cost leadership among Australian insurers
- Strong partnerships in broker, automotive and financial services business
- Seamless “One Allianz” model, integrating capabilities of AAL, AGCS, AGA and EH³
- Integrated diversified businesses (workers’ compensation fee for service, underwriting agencies⁴ and term life business)

Combined ratio² (%)



RoRC (%)



Legal setup

- 1914 Formation of “The Manufacturers’ Mutual Accident Insurance Association Limited” (MMI)
- 1986 MMI acquires the Australian operation of Allianz
- 1998 MMI becomes a wholly owned subsidiary of Allianz AG
- 2000 Name change to Allianz Australia

1) Based on local currency
2) In accordance with IFRS, incl. New Zealand

3) “One Allianz” is the term used for close cooperation between different Allianz entities, in this case Allianz Australia’s (AAL) cooperation with Allianz Global Corporate & Specialty (AGCS), Allianz Global Assistance (AGA) and Euler Hermes (EH)

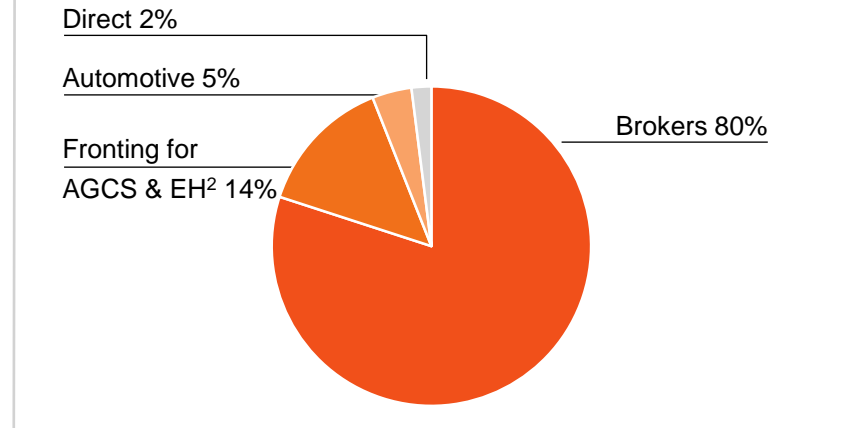
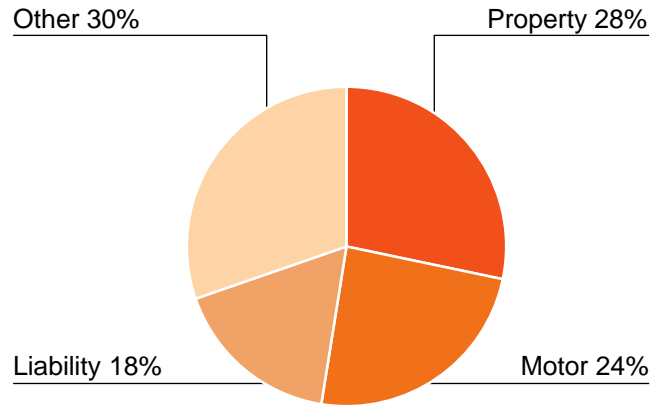
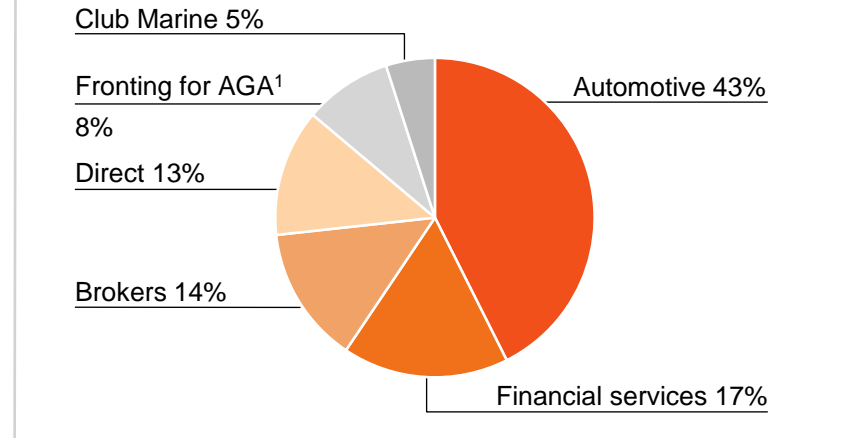
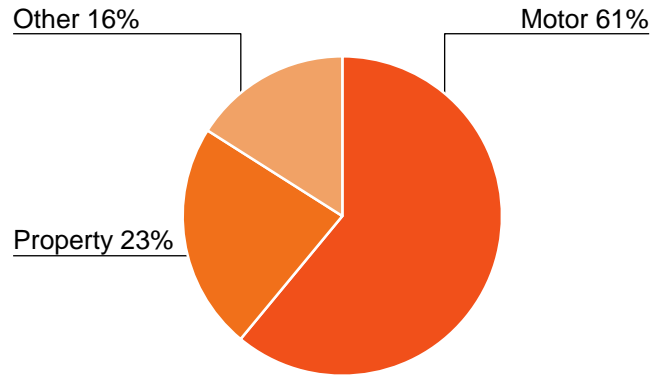
4) Underwriting agencies = specialists in business lines like crop, global transport, caravan

Allianz insurance in Australia (2)

2013

Product mix (GPW)

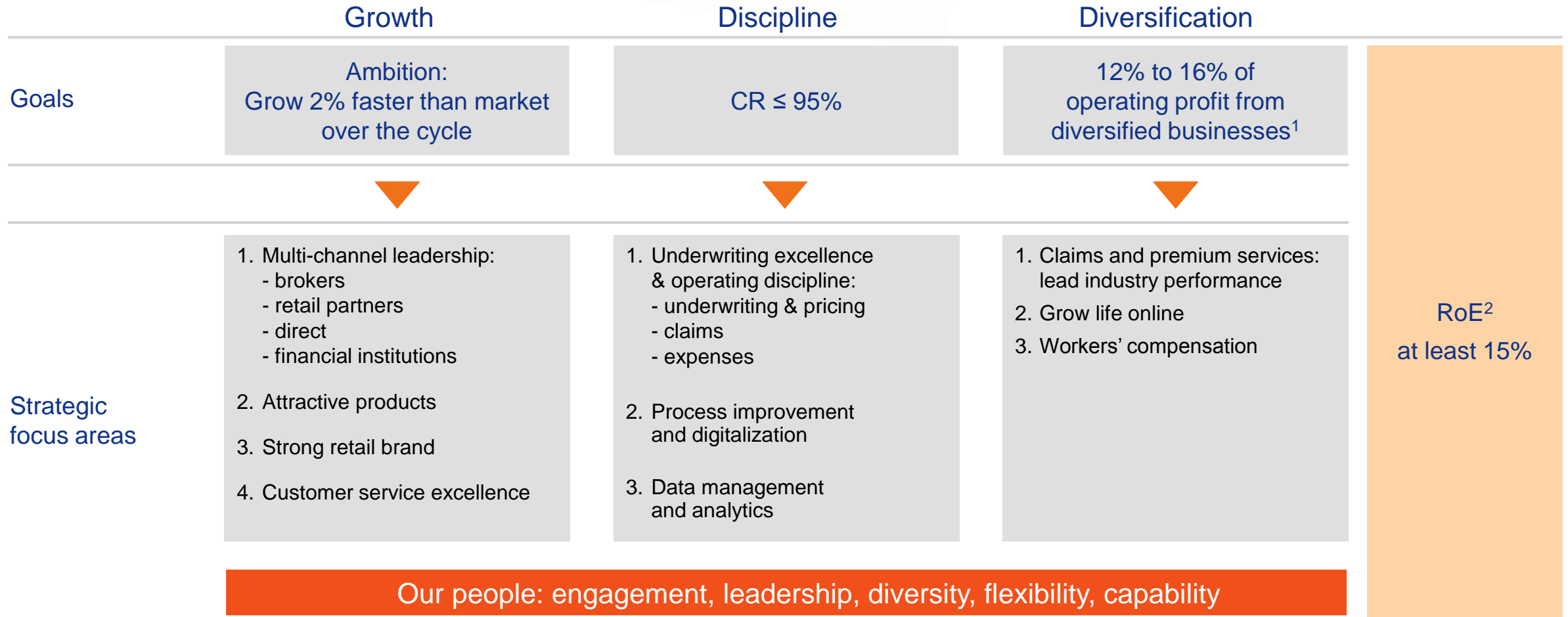
Distribution mix (GPW)



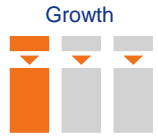
1) AGA = Allianz Global Assistance
2) AGCS = Allianz Global Corporate & Specialty; EH = Euler Hermes

Strategy on a page

Be Better

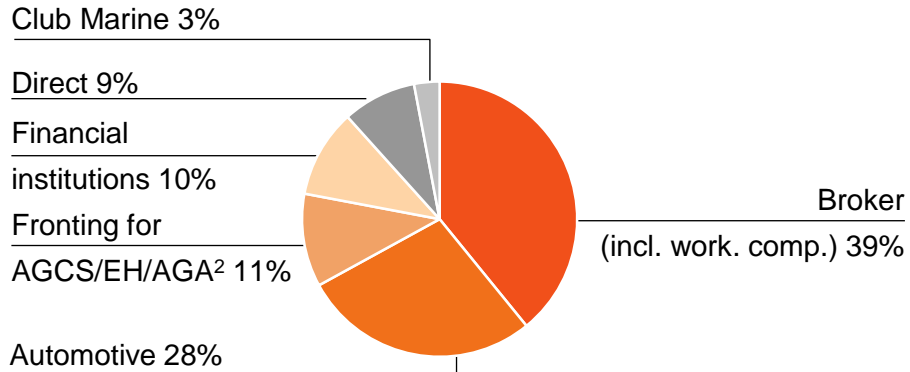


1) Diversified business = predominantly fee business / workers' compensation business
 2) RoE calculated using Group capital measure of average assigned capital



Distribution: an integrated multi-channel, multi-line insurer that can choose where and how it competes

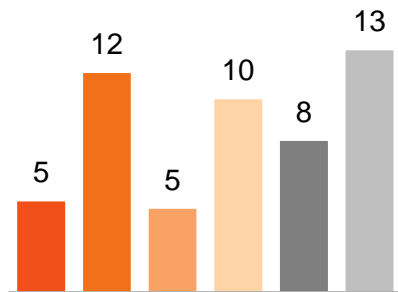
Distribution mix (GPW)¹



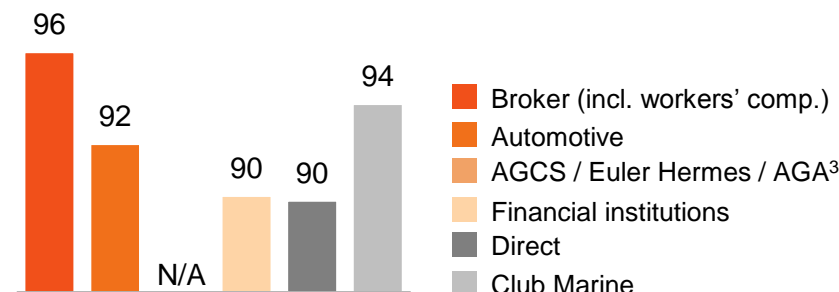
Distribution highlights

Broker and agency	<ul style="list-style-type: none"> Number 1 NPS⁴ position Leading loyalty program (Blue Eagle) “One Allianz” positioning, leveraging commercial lines, workers’ comp. and global capacity
Automotive	<ul style="list-style-type: none"> Leading market share of ~65% Number 1 NPS⁴ position High partner engagement (based on product set and relationship strength)
Financial institutions	<ul style="list-style-type: none"> Leading market share of ~45%⁵ Sales enablement and training programs Mortgage broker channel
Direct distribution	<ul style="list-style-type: none"> High brand awareness: 94% aided, 52% unaided Award winning marketing campaigns Mobile channel enabled
Diversified businesses	<ul style="list-style-type: none"> New South Wales: leading market share in fee for service business model in workers’ comp. business Strong market positions for underwriting agencies⁶

3 yr CAGR³ (% , GPW)



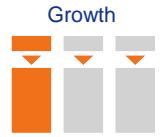
CR¹ (%)



1) 2013
2) AZ Global Corporate & Specialty, Euler Hermes, AZ Global Assistance

3) CAGR 2010 - 2013
4) Net Promoter Score = promoters as percentage of total number surveyed minus detractors as percentage of total number surveyed

5) Excludes captive bank licenses
6) Underwriting agencies = specialists in business lines like crop, global transport, caravan



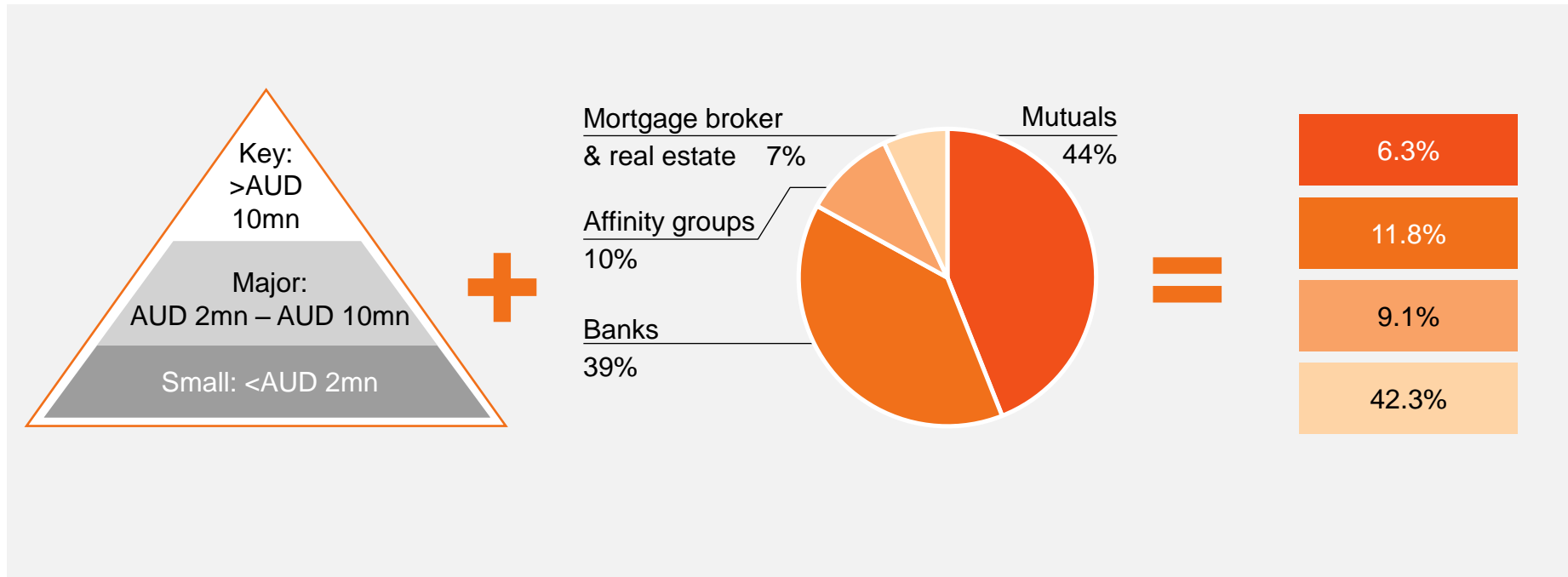
Example financial institutions: focused approach within distribution channels

Sophisticated segmentation of distribution partners¹ ...

... combined with focused distribution model² ...

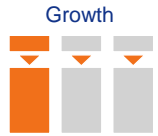
... leads to superior growth² (CAGR 2009 - 2013)

Segmentation approach



- Understand and segment partners by size, value and channel
- Identify and attach to the growth opportunities
- Develop tailored sales and service models for high-potential partners and channels
- Align talent and resources to deliver growth and value

1) Revenue contribution
2) Based on revenues



Automotive business

A value proposition built on deep understanding and experience ...

Understanding customers needs



“A convenient and easy way to cover/secure all my new car needs. Provides customer service value above and beyond the insurance policy.”

Understanding distributor needs (dealers, financiers, manufactures)



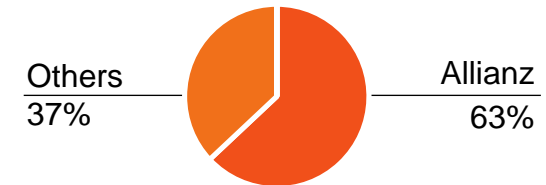
Allianz will ensure you maximize your dealership’s finance and insurance profitability through our proven sales discipline and processes, our finance & insurance training academy, our manufacturer and financier partners together with our genuine parts guarantee.

... supported by a business model with aligned people, products and systems ...

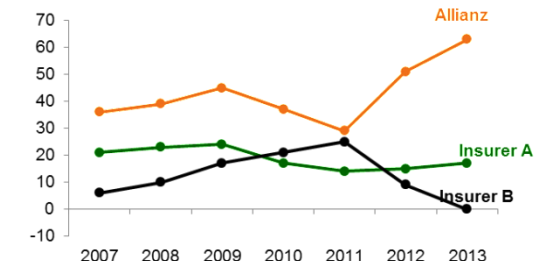


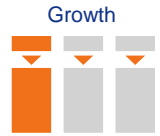
... winning a market leading position

Dealer market share (AUD 1.1bn revenues)



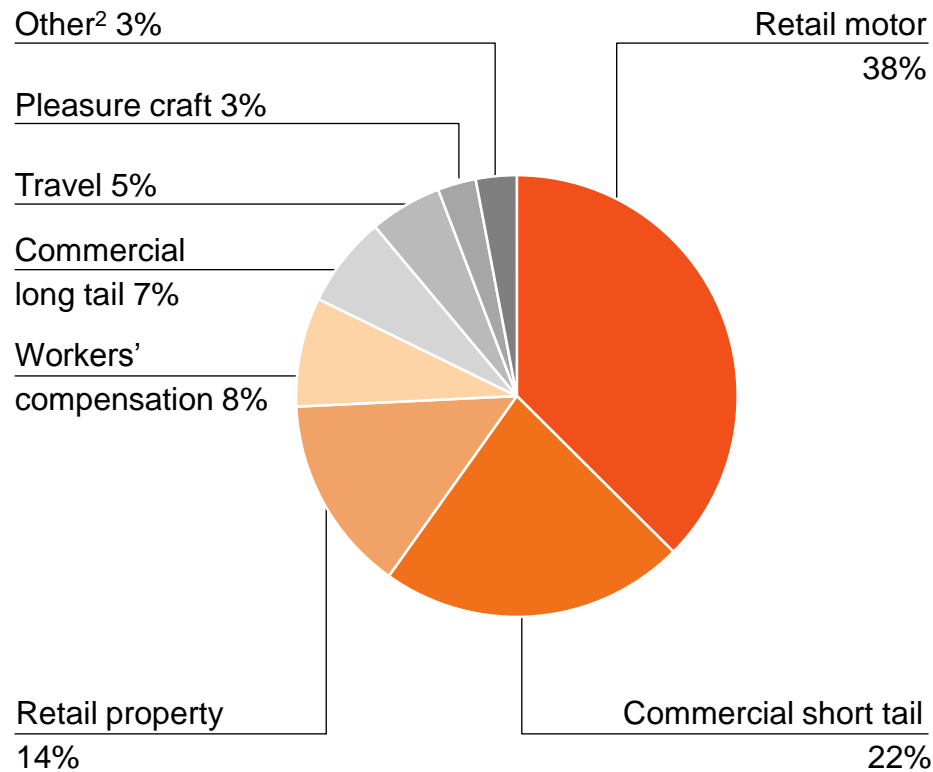
Dealer Net Promoter Score





Products: attractive solutions for retail and small business customers

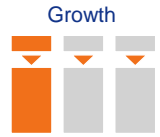
Product mix (GPW excl. fronting)¹



Product group	GPW ¹ (AUD mn)	Mkt. share ¹ (%)	3 yr CAGR ³	CR ⁴ (%)
Retail motor	1,470	12.5%	7.9%	94.4%
Commercial lines short tail ⁵	879	11.5%	3.7%	97.7%
Retail property	565	7.2%	15.6%	91.3%
Workers' compensation	314	18.0%	14.8%	89.4%
Commercial lines long tail	262	7.2%	8.6%	93.6%
Travel	208	25.6%	1.7%	N/A
Pleasure craft (Club Marine)	110	~60%	12.9%	93.3%
Other	107	15.0%	14.9%	N/A
Total	3,915	10.9%	8.0%	93.0%

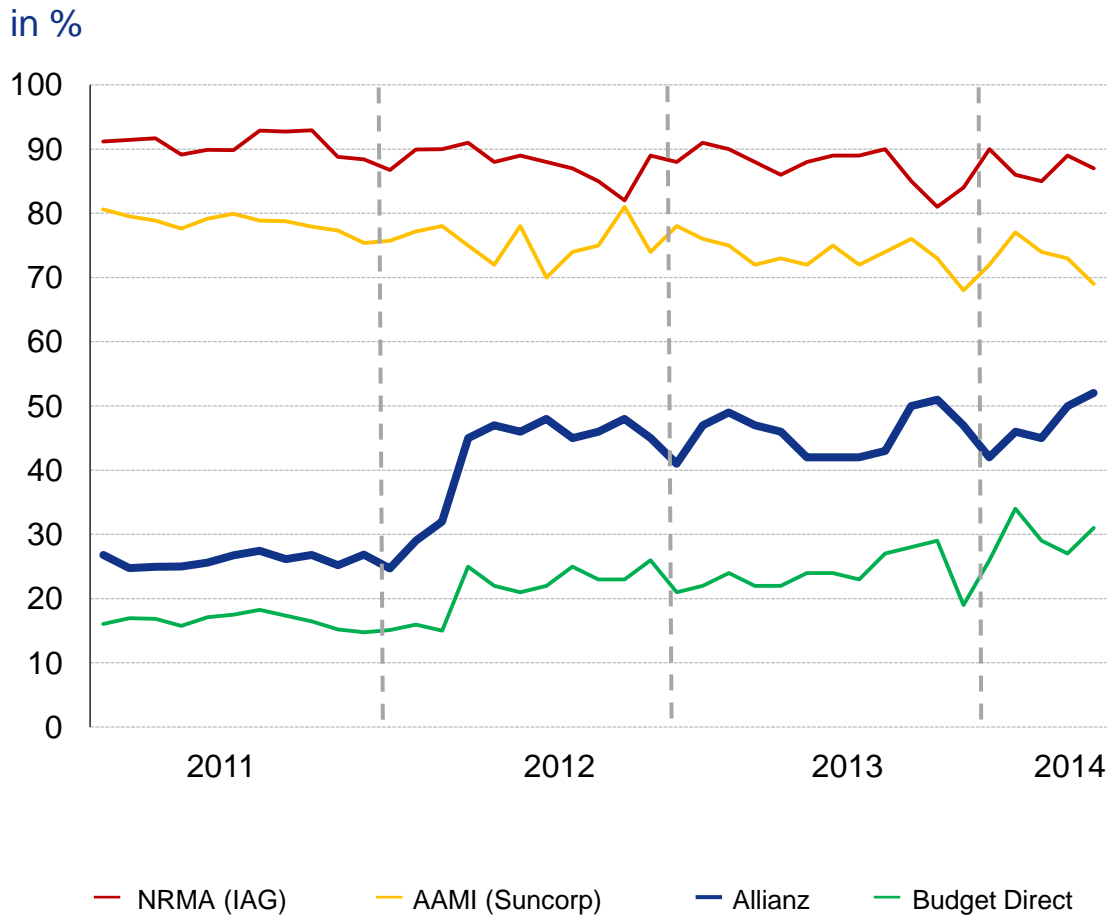
1) 2013
 2) Other includes consumer credit insurance, trade credit and pet plan
 3) CAGR 2010 - 2013

4) IFRS average CR for 24 months to April 2014
 5) SME business (auto rated packages business excluding commercial motor) ~AUD 155mn



Rising brand awareness supports direct and intermediated growth

Unaided/spontaneous brand awareness



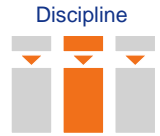
Brand journey

- Development of brand to support multi-channel distribution
- Focused advertising on driving consumer awareness and consideration of Allianz brand (“Aaah campaign”)
- Using research to increase understanding of consumers and develop media that cuts through and delivers brand connections
- Integrated multi-media approach spanning TV, digital, radio, outdoor and sponsorship opportunities



Aaah moments

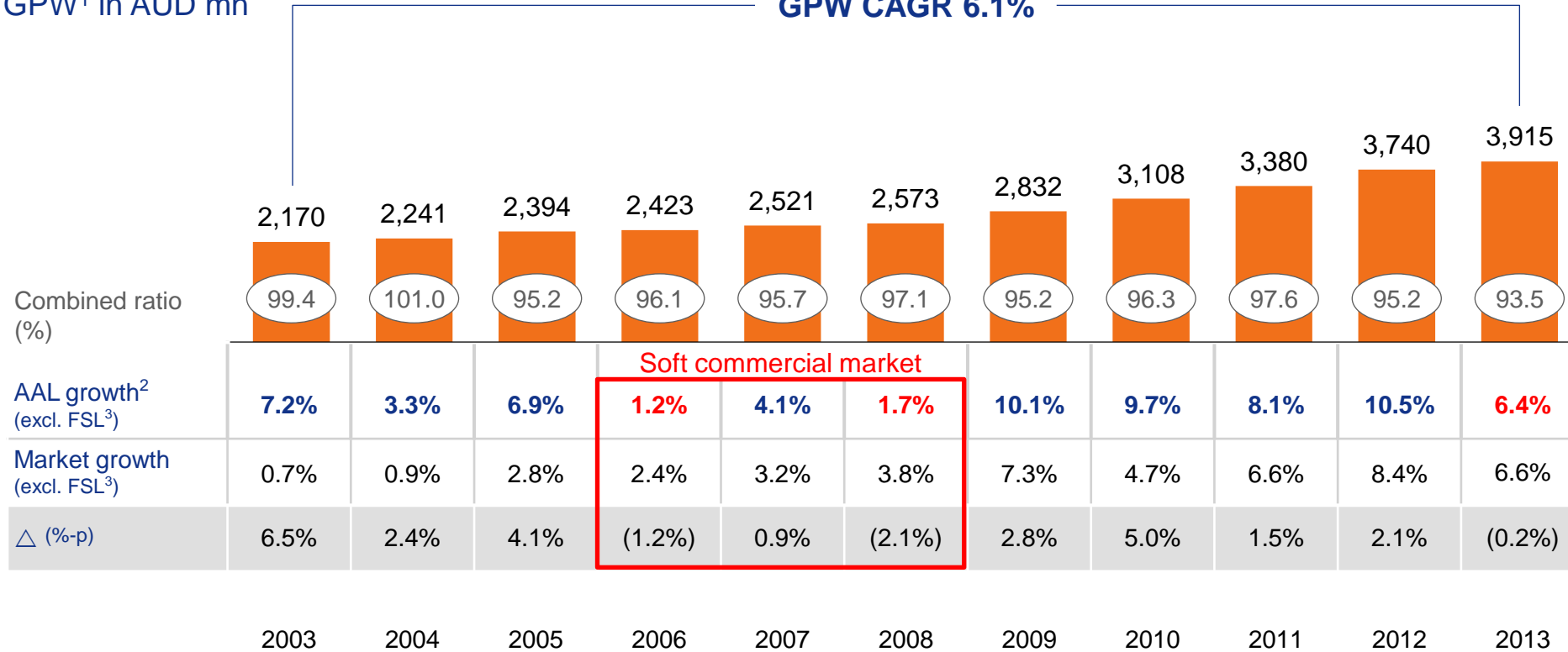




Disciplined underwriting facilitates profitable growth ...

GPW¹ in AUD mn

GPW CAGR 6.1%



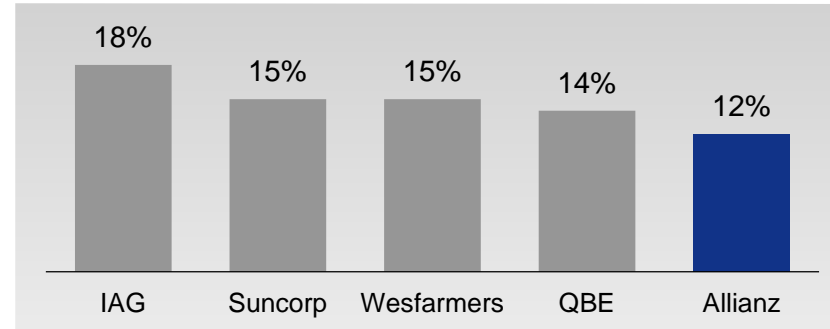
Ambition
Grow 2% faster than market over the cycle

1) Including fire service levy (= fire service tax) and New Zealand
 2) AAL = Allianz Australia; excluding New Zealand
 3) FSL = fire service levy

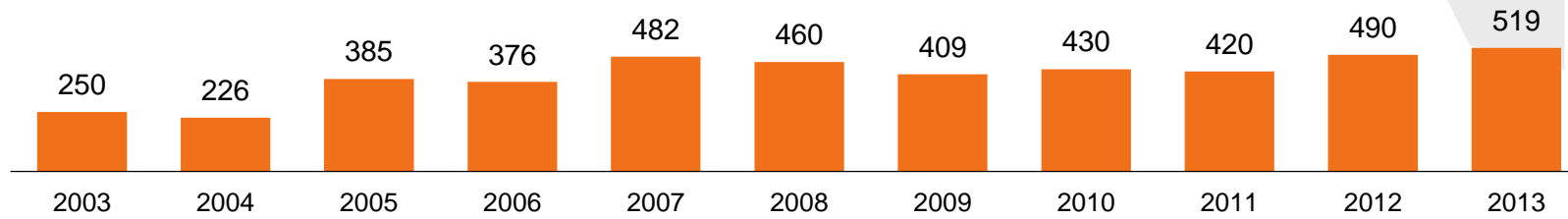


... and supports superior operating profits / RoEs

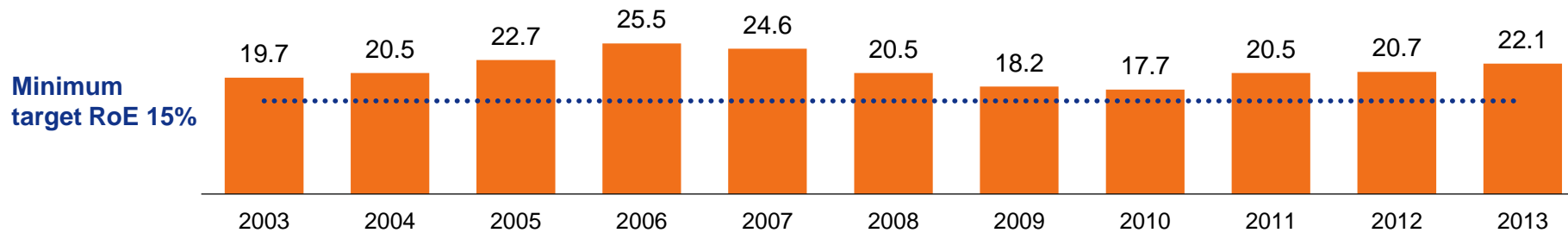
Discipline leads to lowest admin. expense ratio¹ ... (2013)



... a favorable operating profit ... (AUD mn)



... and a superior return on equity²



Ambition

Generate at least 15% RoE²

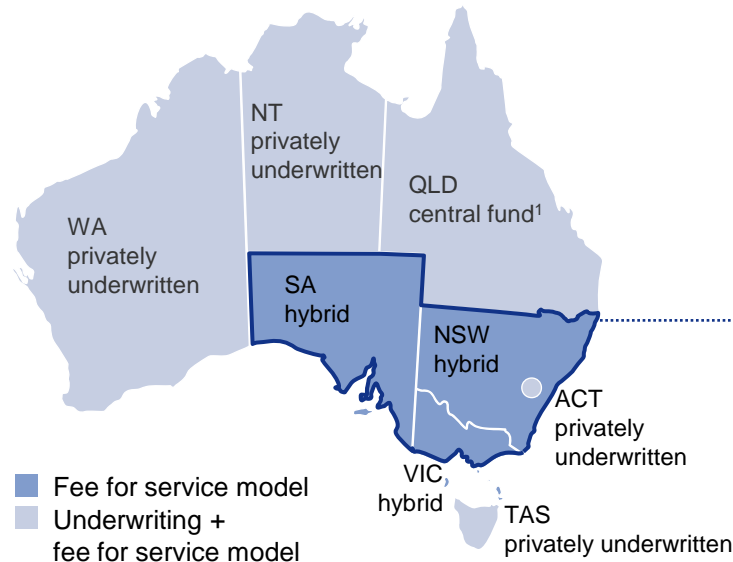
1) In accordance with AGAAP, including fire service tax and excluding commissions
 2) RoE calculated using Group capital measure of average assigned capital

Diversification



Diversified businesses stabilize earnings

Fee for service model



Allianz fee for service accounts

- New South Wales managed fund²
- Victorian managed fund²
- Treasury managed fund²
- South Australia CTP business³

Basic structure of fee for service model

- All risk is underwritten by the regulators
- While we collect premiums and pay claims it is not our money
- Operate under fixed term contracts (typically 5 years)
- Must re-tender for business at each contract expiry

How we are remunerated

- Base fee based on market share intended to cover a proportion of our costs (typically 80%)
- Service fee component based on achieving specific KPIs (another ~20%)
- Incentive fees tied to improving return to work and improved scheme valuations (another 20-30%+)
 - ➔ Closely aligns claims management performance to reduction in scheme liability



Providing stability of earnings by contributing 12% to 16% of operating profit

1) Fee for service model in QLD not offered by Allianz Australia
 2) Workers' compensation business
 3) CTP business = motor compulsory third party business

 Key takeaways

-  Flexible, integrated multi-line, multi-channel set-up
-  High market shares in attractive product segments
-  Fast growing brand awareness
-  Proven underwriting and cost discipline
-  Diversified businesses stabilize earnings
-  Target: 2% more organic growth than market with at least 15% RoE

Allianz Worldwide Partners

Ida Luka-Lognoné

Member of the
Board of Management
Allianz Worldwide Partners

London, July 4, 2014

D



- 1** AWP to set market standard in B2B2C
- 2** AWP International Health business

The Allianz Worldwide Partners market (Automotive, Assistance, International Health)

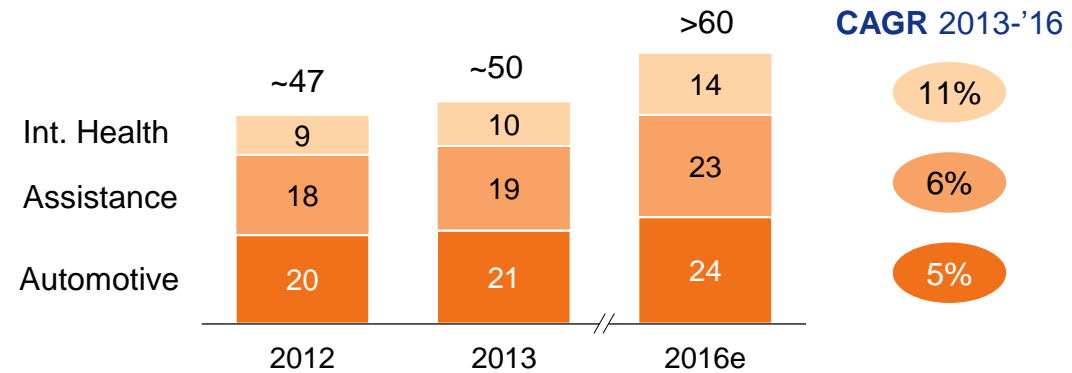
Key data 2013

- Global expatriate population is supposed to grow by 3% p.a. from 2013 to 2017²
- Global travel market is estimated to grow with a CAGR of around 6%² until 2016
- Automotive: in 2013, global volumes have grown by 4%, growth is expected to continue in 2014, mostly driven by China and India^{3,4}

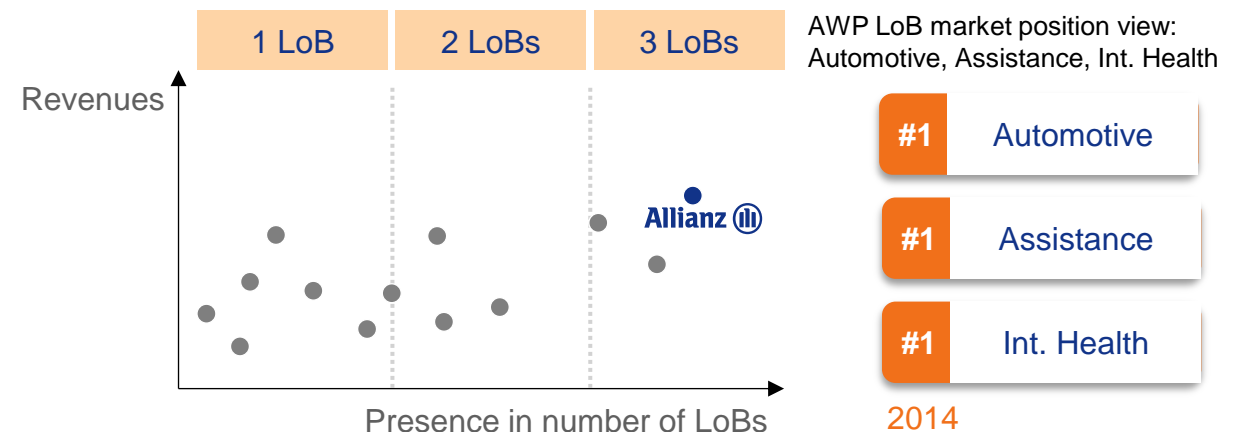
Market specifics

- Continuing increase in the number of organizations seeking a global healthcare solution for their staff
- Increasing reliance on private sector healthcare funding and assistance services
- Increasingly mobile global population
- Growing travel market with increasing importance of online sales
- Automotive still strongly growing. Trend towards individual mobility replacing car ownership is reshaping automotive market

Modelled market size and growth (CAGR, EUR bn)¹



AWP unique in size and presence



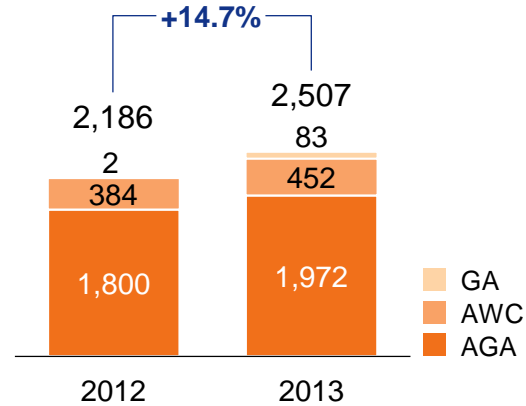
1) Own estimates, B2B2C market
2) Source: Finaccord

3) IHS Automotive April 2014
4) Deutsche Bank Research report, 6 June 2014

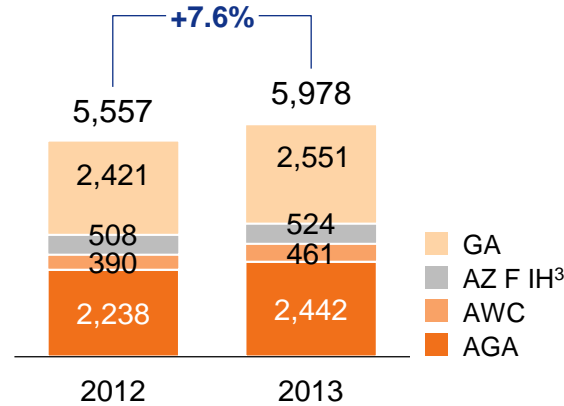
● Competitors

AWP at a glance (1)

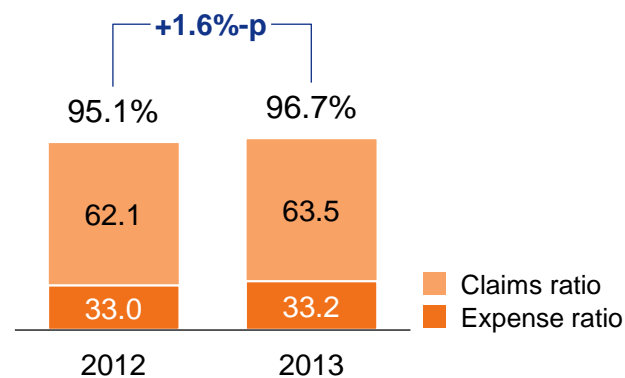
GPW (EUR mn)¹



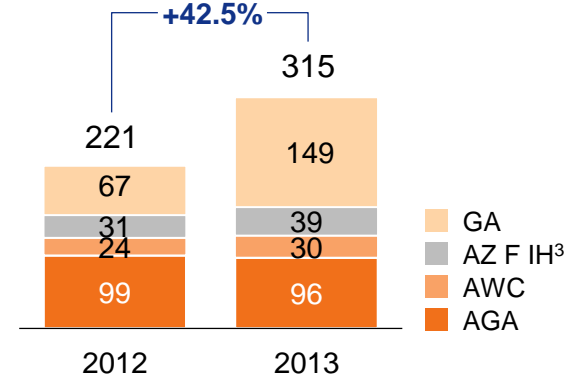
Revenues (EUR mn)²



Combined ratio (%)¹



Operating profit (EUR mn)^{2,4}



Highlights

- Target legal set-up for AWP finalized
- Implementation of common operations & IT platform started with fast scale-up of Global Competence Centers (GCCs)
- All LOBs consistently meeting ambitious growth plans
- First revenue synergies from successful cross-LoB cooperation materializing

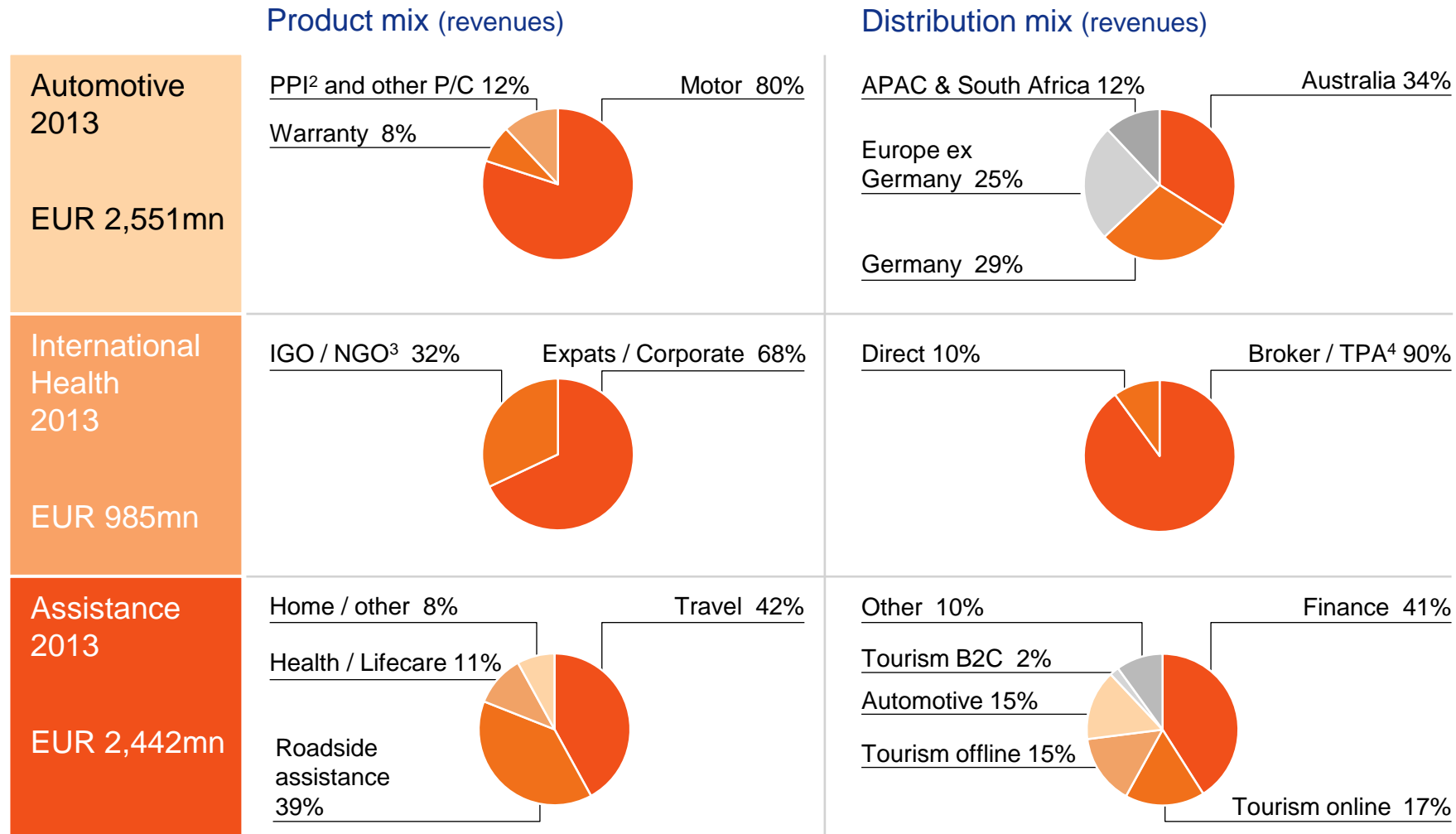
Setup

- Created in January 2014, Allianz Worldwide Partners is Allianz Group's new entity specializing on B2B2C business
- AWP entities: international market leaders Allianz Global Assistance and Global Automotive, Allianz Worldwide Care and Allianz France International Health
- Aim: approach clients together, develop a wider range of products, jointly invest in new markets, innovation and technology
- AWP business is partially written and booked in other Allianz OEs

1) External view showing IFRS insurance revenues. For Global Automotive only Singapore and China revenues are shown
 2) Management view including service income, International Health France and all Global Automotive business

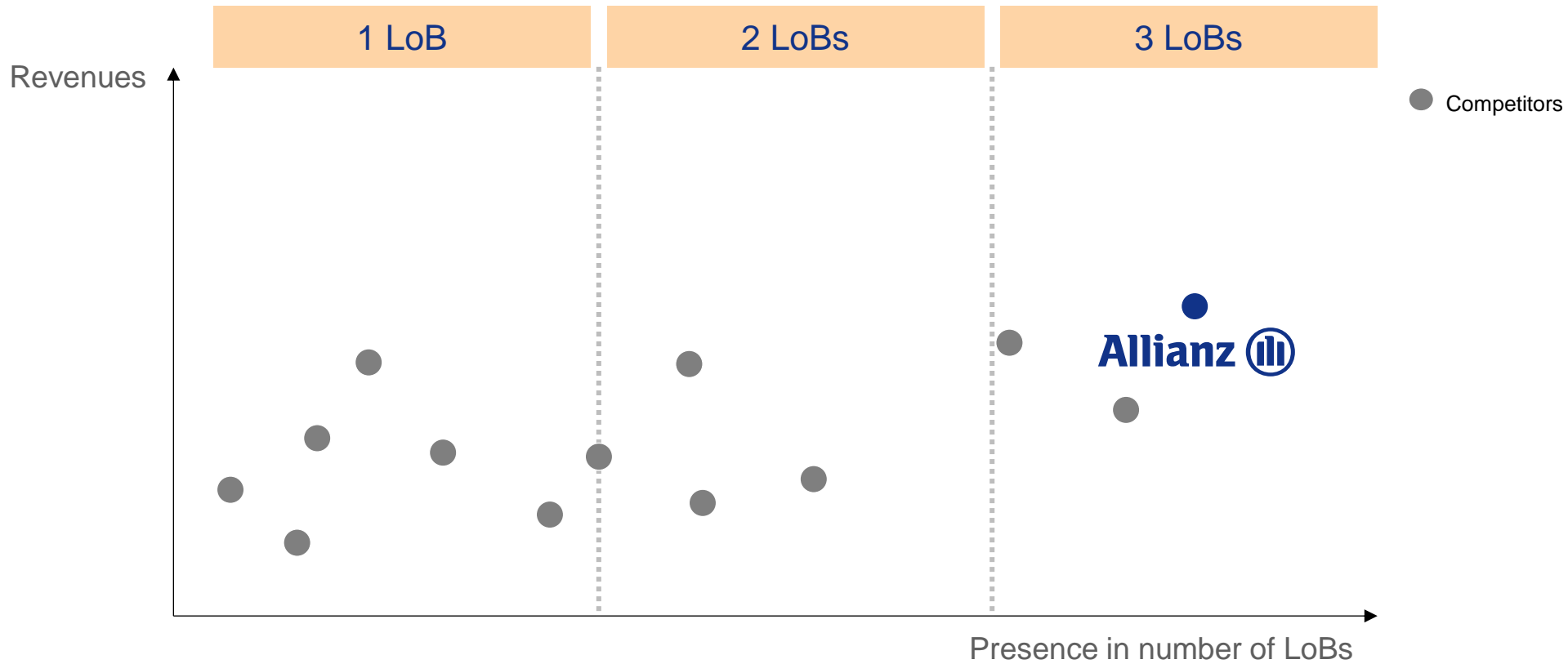
3) AZ F IH = AZ France International Health
 4) External view (EUR mn): 2012 OP 122 (AGA 99, AWC 24, GA -1); 2013 OP 102 (AGA 96, AWC 30, GA -24)

AWP at a glance (2)¹



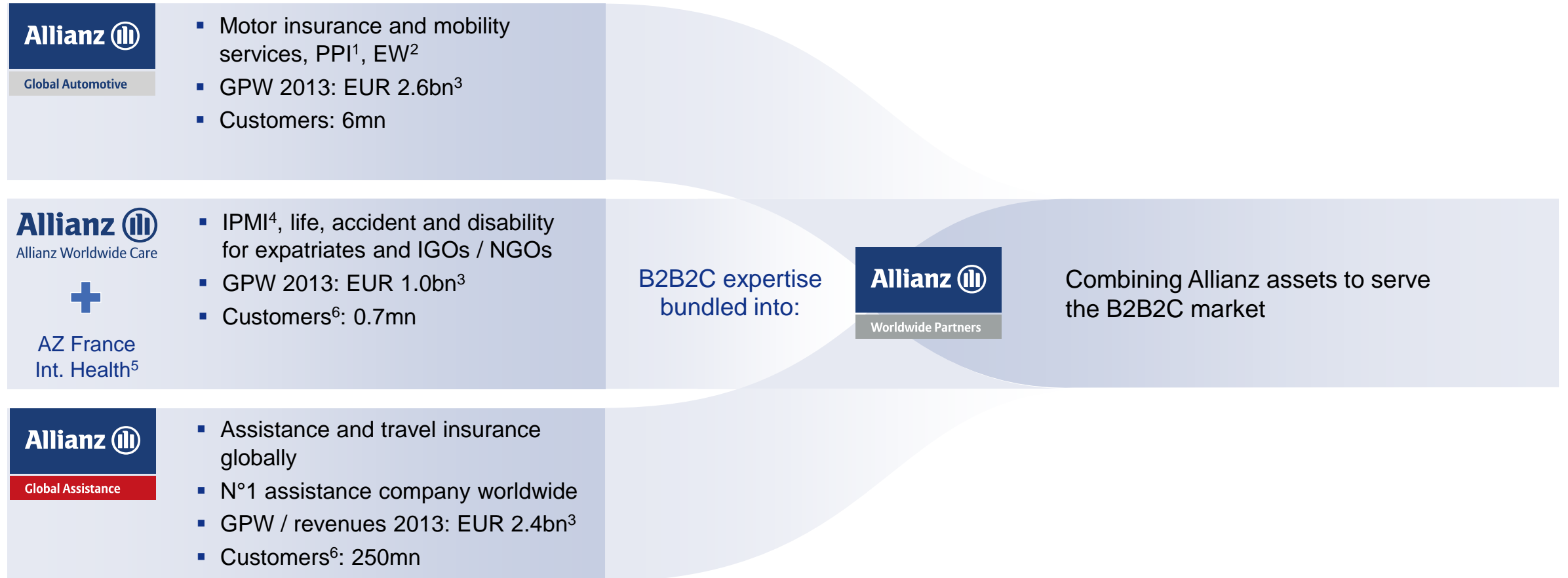
1) Management view
 2) PPI = payment protection insurance
 3) IGO = inter-governmental organization / NGO = non-governmental organization
 4) TPA = third party administrator

AWP is the only company with leading positions in International Health, Global Automotive *and* Assistance



Each segment achieved double-digit growth rates on its own in the past.
We expect growth to accelerate further under 'One AWP'

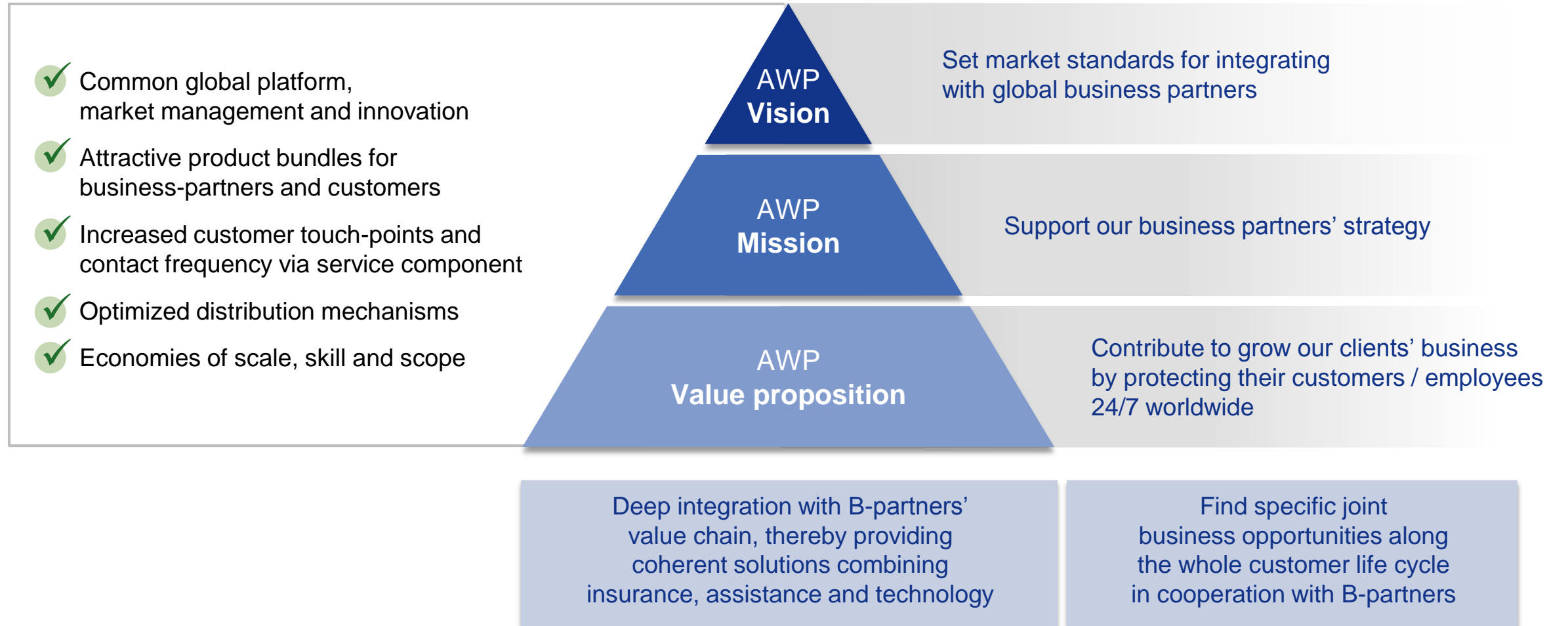
AWP is more than the sum of its parts



1) PPI = payment protection insurance
 2) EW = extended warranty
 3) Management view

4) IPMI = international private medical insurance
 5) Carved-out portfolio AZ France International Health
 6) B2B2C market

'One AWP' value proposition



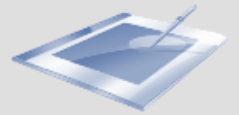
AWP as innovation driver

- **Operating similarities** between LoBs, which all have leading market positions on their own
- **Growth & expertise:** LoBs have deep knowledge of global B & C market trends
- **Leveraging of our global footprint** with a deep understanding of our global B-partners' value chain
- Creation of **client eco systems** with bundled product offerings generates loyalty and profitability
- **Increase in technology-driven delivery**, requiring a high level of investment
- Addresses the **globalization of retail business**
- **AWP drives innovation** for Allianz Group (for example **Smart Home**¹)

- **Freeing up of resources for innovation**
- Ability to **scale up local innovations** across countries
- Ability to **leverage innovations for other Allianz OEs**

Digital capability

Ensure digital readiness of product offering



Provide **multi-access** customer experience



Use **Big Data** and advanced analytics to drive decisions



Automate operations and processes



1) New product offering in cooperation with Deutsche Telekom. Various services relating to remote house protection

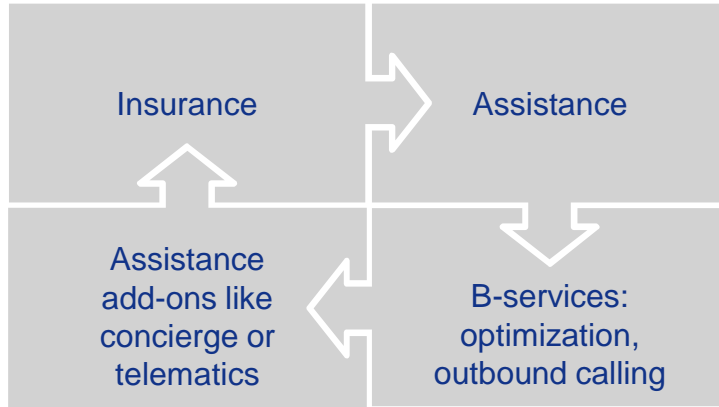
The combination of digital access technologies, services and insurances leads to unique offers

Connected Life = Digital Access + Assistance + Insurance



This allows us to create a client eco system, generating substantial value for B- & C-customers

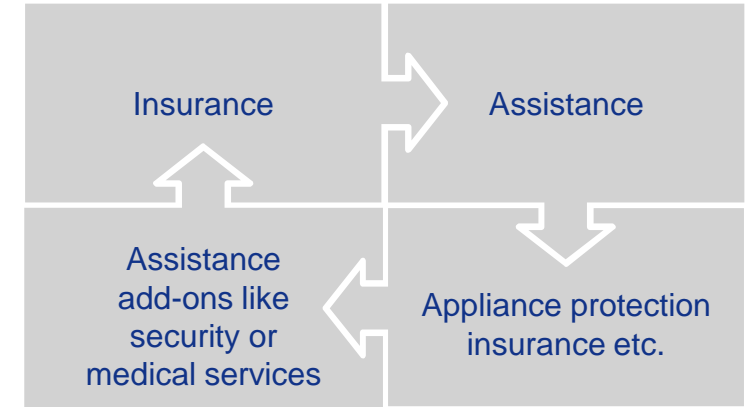
Travel / Assistance



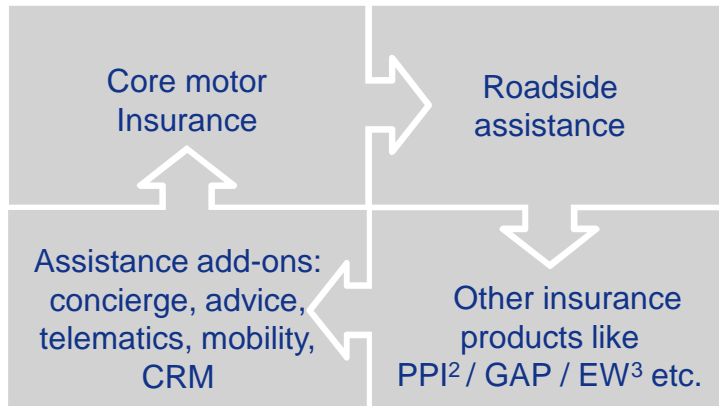
Allianz Worldwide Partners



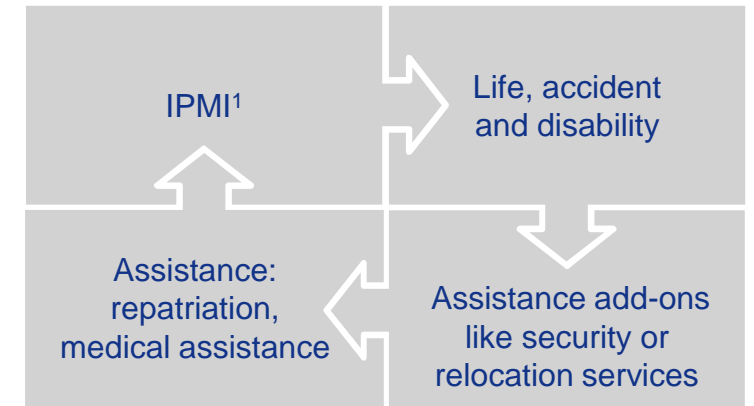
Home / Assistance



Automotive



International Health



Revenue potential 2015 EUR 7.6bn⁴
12.6% CAGR 2013/2015

1) IPMI = International Private Medical Insurance
2) PPI = Payment Protection Insurance
3) EW = Extended Warranty
4) Management view

Key takeaways



Growth engine responding to the globalization of retail business



Innovation driver for digitally driven delivery and services



Deep integration with global B-partners and 24h customer service worldwide



- 1 AWP to set market standard in B2B2C
- 2 AWP International Health business

Allianz Worldwide Care: the start-up success story



Staff

61% Female

39% Male

60 Nationalities

880 Staff
(including vacancies)

Helpline calls answered within

7secs

213,754
helpline calls answered (2013)

1.2mn

claims processed in 2013

99%

of fully completed claims processed within 48hrs

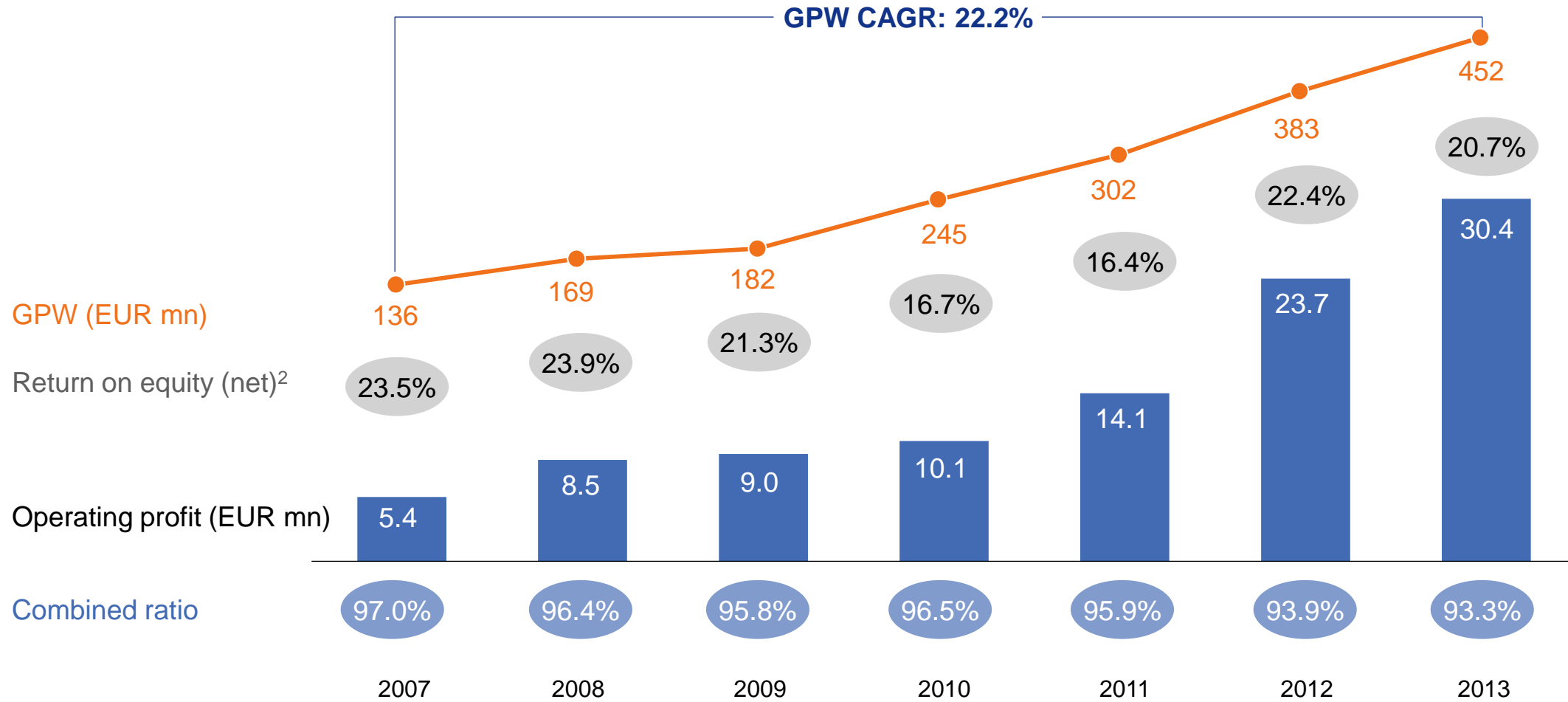
Client retention rate (Apr 2013 – Mar 2014)

96.6%

Our awards



Financial results AWC Dublin¹



1) "Old" AWC without Allianz France International Health business

2) RoE = profit after tax / (share capital + capital reserves + ((opening accumulated profit after tax + closing accumulated profit after tax) / 2))

Success factors

AWC

Success factors

Allianz brand

Service-oriented company culture

24 / 7 accessibility in 6 languages

Efficient IT system

Highly effective cost containment

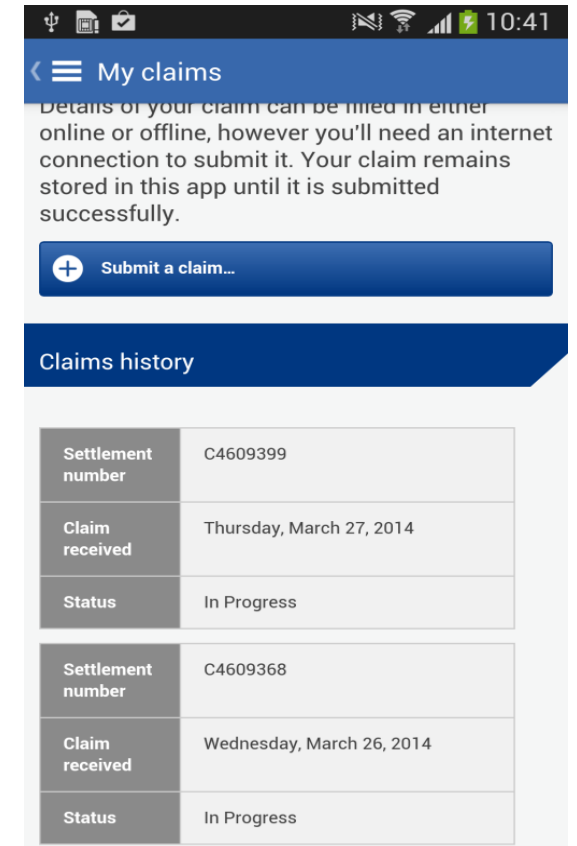
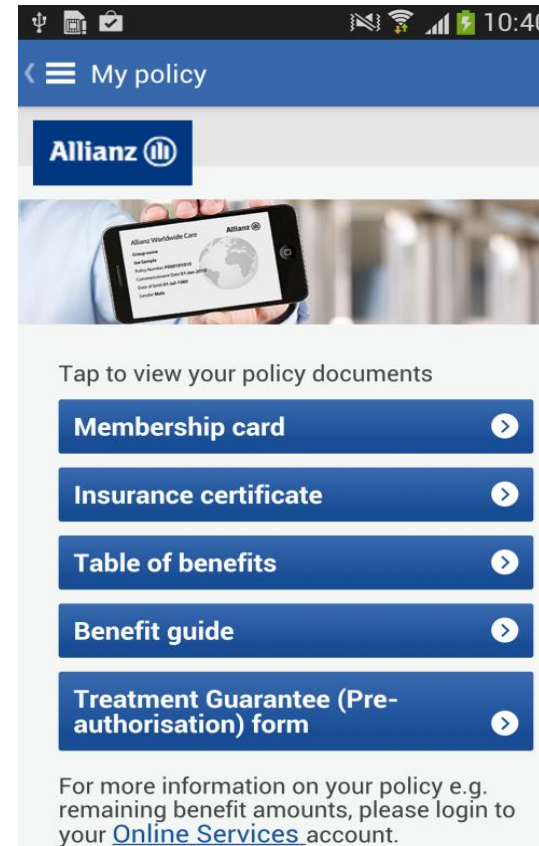
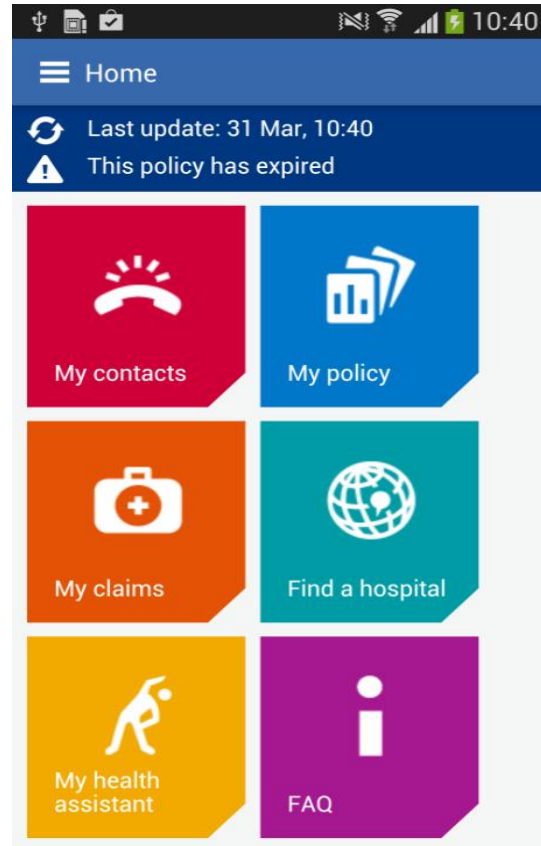
Partnerships for locally compliant solutions

MyHealth app as an example for taking service to the next level

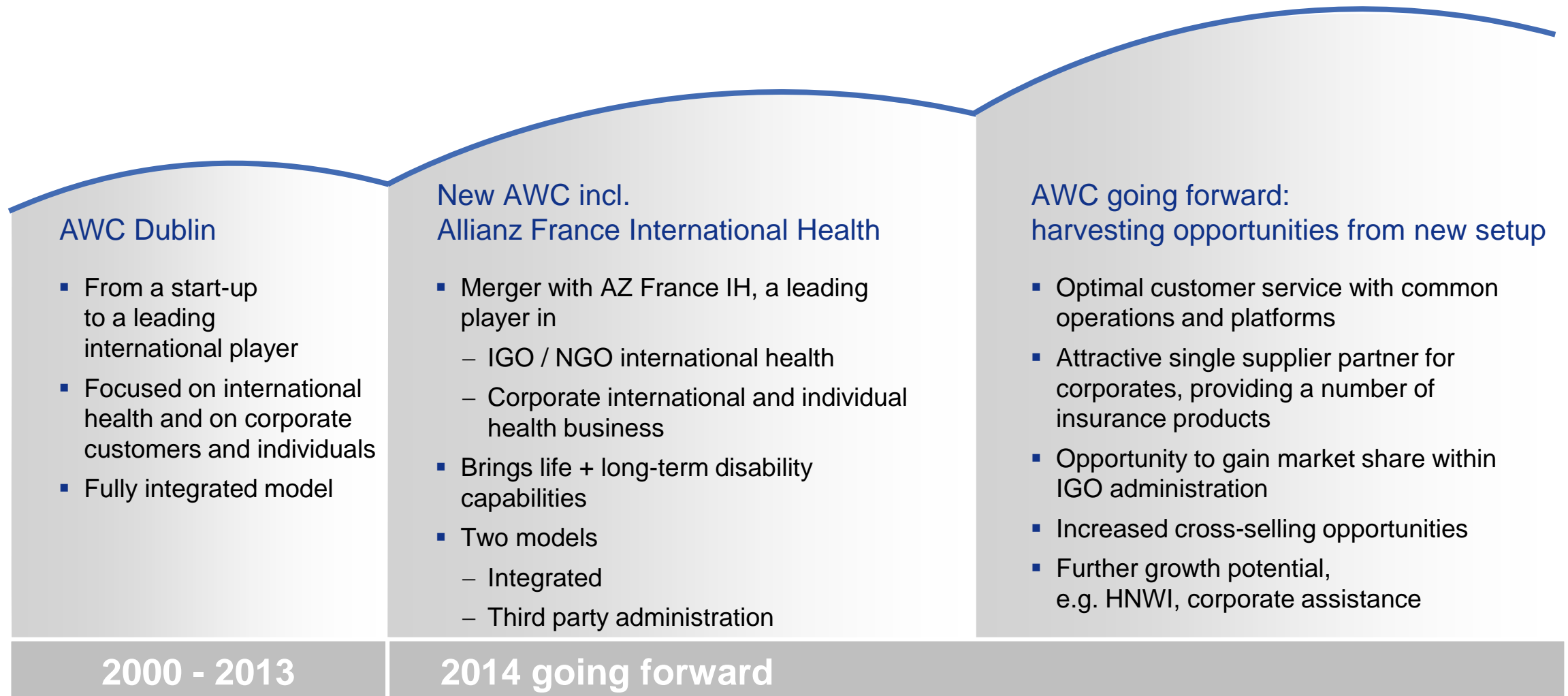
Mobile health management / mobile commerce

Mobile health app scheduled for roll-out in July 2014

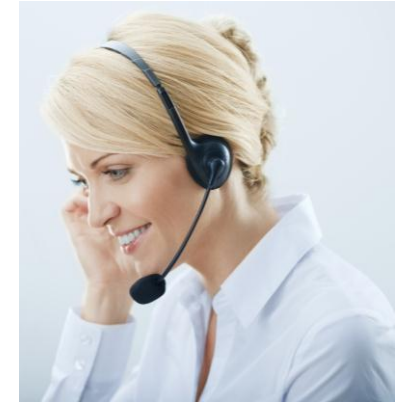
- First app in the IPMI market to deliver quick and easy claims submission
- Use app to photograph medical receipts
- Access policy documents, even offline
- Locate nearest hospitals and use GPS to get directions
- Medical term translator



Leveraging existing capabilities to maximize future opportunities



Product range



International private medical insurance (IPMI)

Life cover

Accidental death and dismemberment

Disability

Third party administration

Corporate assistance

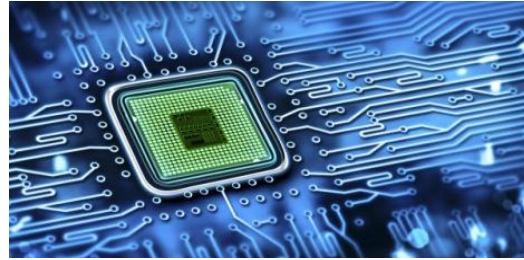
Major client groups



Oil, gas



Food and beverage



Manufacturing, technology and retail



Transportation



Legal and financial services



Construction



IGO, governmental, NGO



Private individuals/families

Distribution channels

AWC

Distribution

AZ OEs

Local specialist brokers

Employee benefit specialists

Online

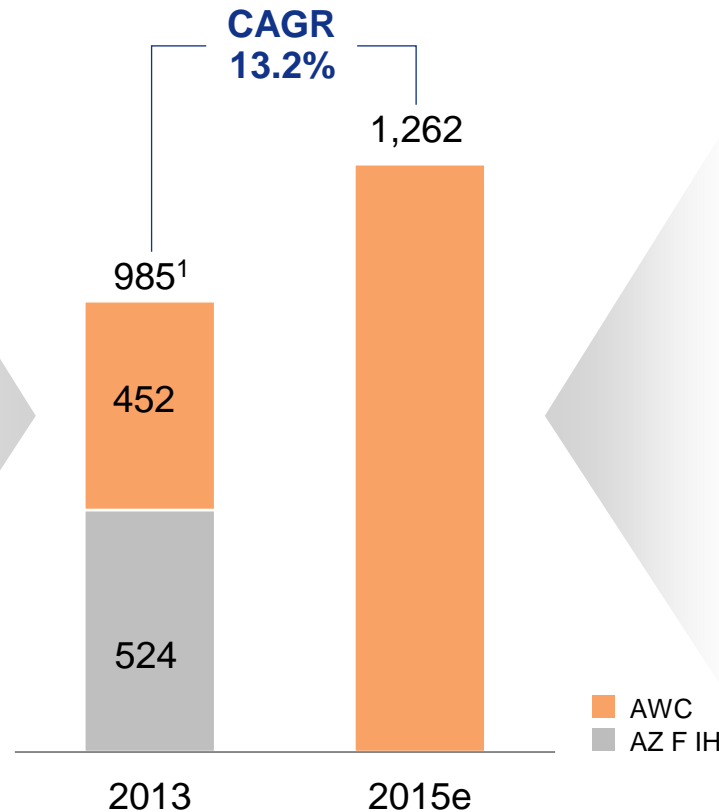
International brokers

Significant growth potential to be tapped

International private medical insurance (IPMI) market trends

- Continuing increase in the number of organizations seeking a global healthcare solution for staff
- Distinction between domestic and international health insurance is blurring
- Increasing reliance on private sector funding – governments cannot afford to fund healthcare for an aging population

AWC with strong growth prospects (revenues, EUR mn)²



AWC opportunities

- Continue multinational corporate market
- Dedicated HNWI sales and product initiative (leveraging on increasing international mobility)
- Cross selling life, accident and disability coverage to current international health clients
- Opportunistic play in student health segment and in third party administration (TPA) services

1) Pro-forma for 2013. Including EUR 9mn service fees
 2) Management view

1

2014: Confident prediction that AWC will become the largest player in terms of GPW

Allianz SE

Dieter Wemmer
CFO Allianz SE

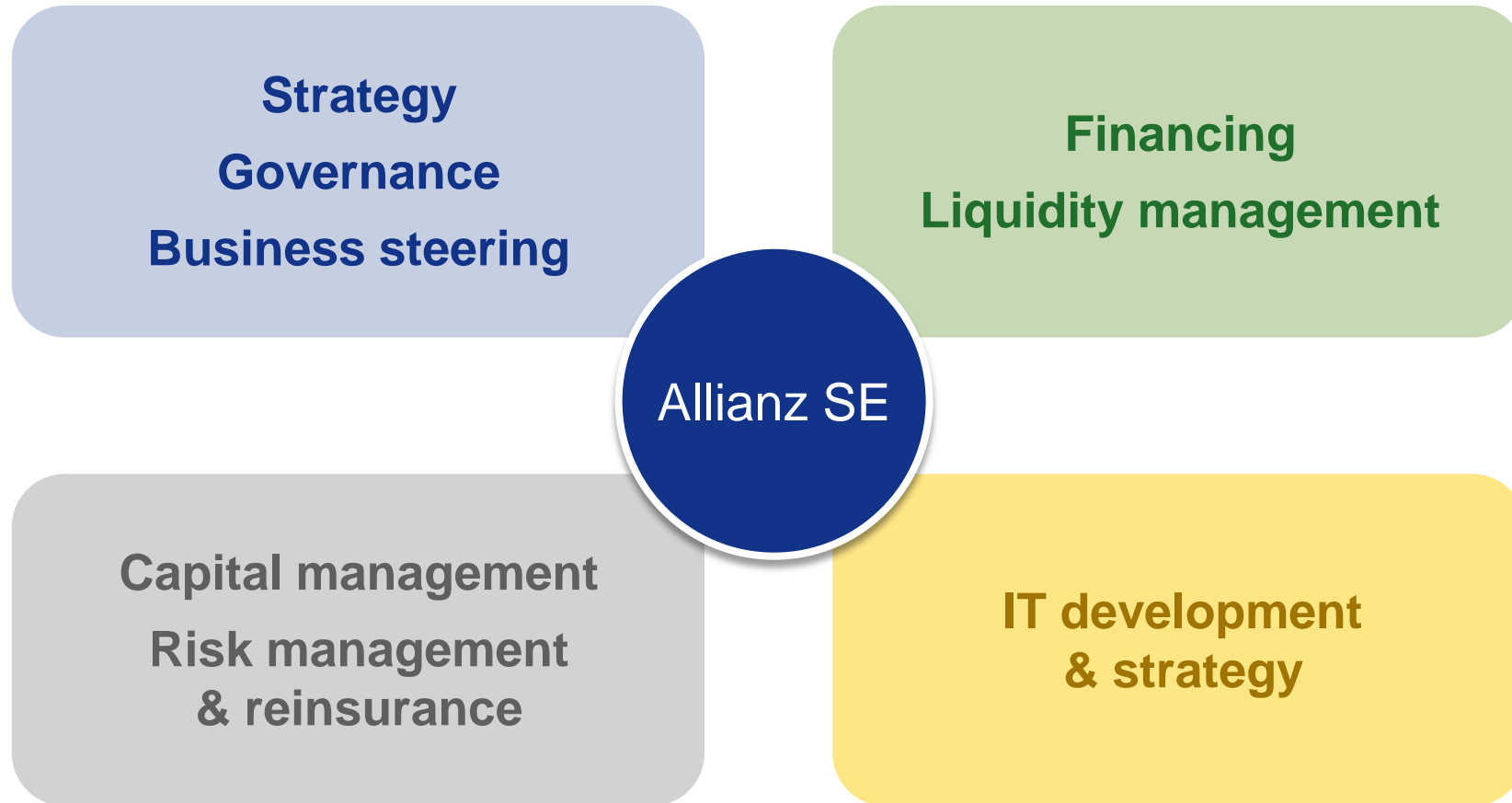
London, July 4, 2014

E



- 1** Functions of Allianz SE
- 2** Financing and liquidity management
- 3** Capital and risk management
- 4** IT development and strategy
- 5** Summary

Key functions of holding company





- 1 Functions of Allianz SE
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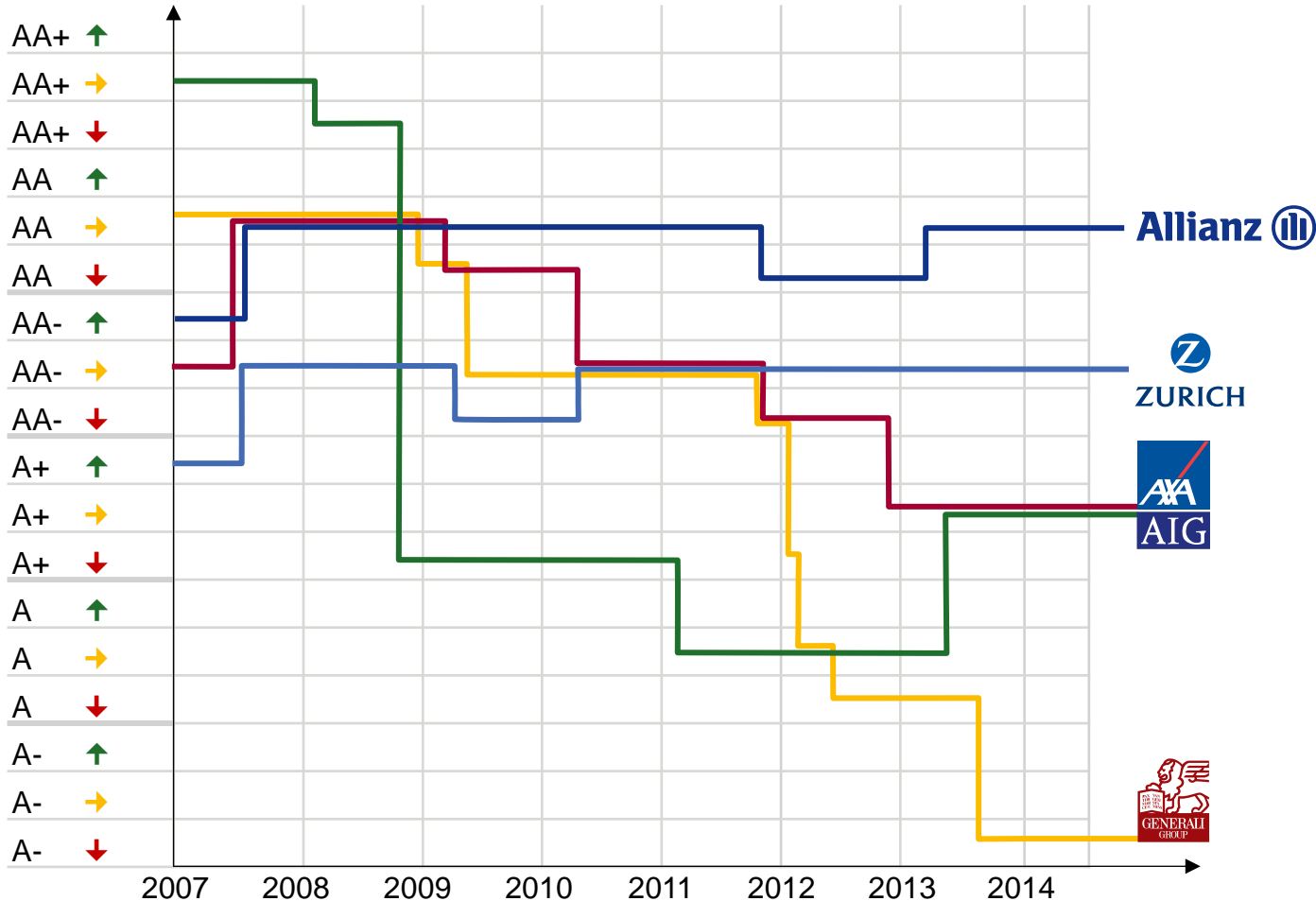
Prudent balance sheet management: participations fully covered by equity and long-term debt

Assets		Allianz SE 2013 (IFRS ¹ , EUR bn)	Liabilities	
67.2	OE stakes / participations	Shareholders' equity	48.6	
		Subordinated debt	10.9	
		Pension liabilities	6.4	
		External senior debt	5.5	Including senior bonds, commercial paper and bank debt
		Internal debt	18.1	Including EUR 7bn from OEs
		Reinsurance liabilities	8.2	
		OE cash-pool deposits	8.0	Short-term OE cash placed with Allianz SE's cash pool reducing local bank exposure
		Other liabilities	2.9	
16.6	Financial investments			
10.8	Reinsurance assets			
8.0	OE cash-pool assets			
6.0	Other assets			

Central cash-pool for the Group provides efficient liquidity access, optimized investment yield

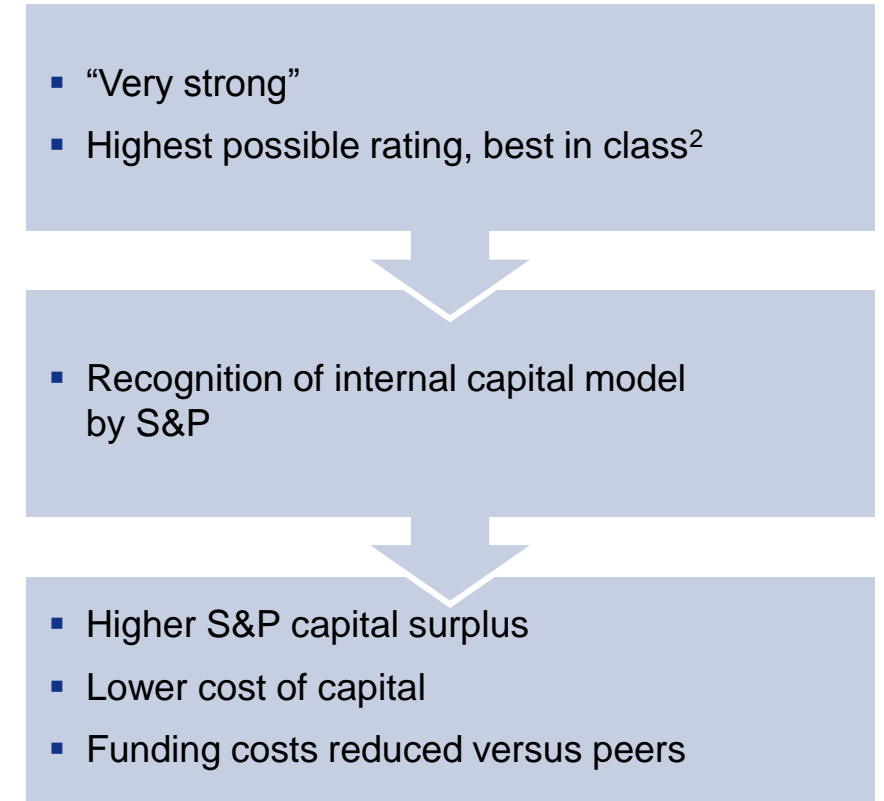
Best-in-class rating and risk management

S&P financial strength rating / outlook¹

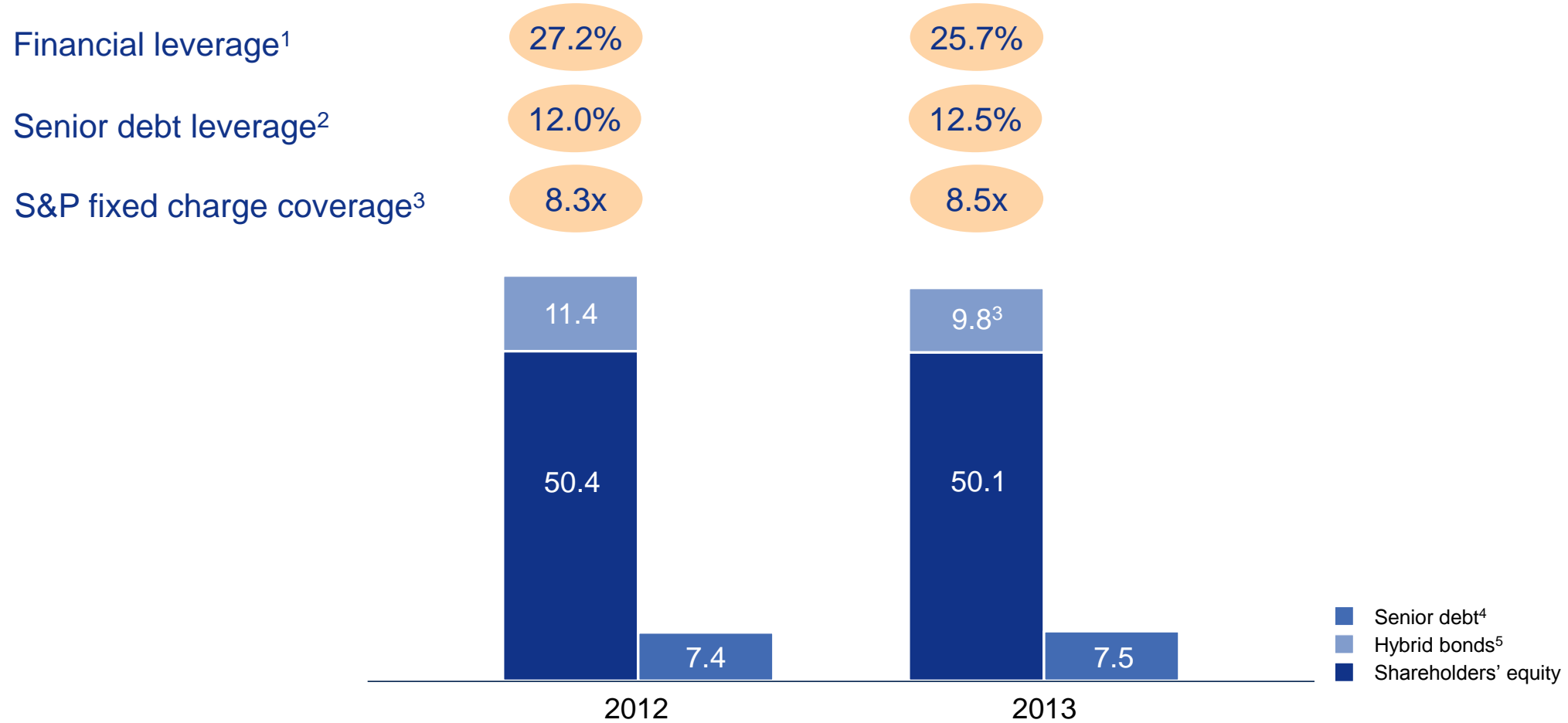


1) Insurer Financial Strength Ratings of holding companies or operating entities; positive/stable/negative outlooks indicated by green/yellow/red arrows; "credit watch" categorized in the same way as "outlook"
 2) AXA, Zurich: "strong"; AIG, Generali: "adequate"

S&P enterprise risk management (ERM)



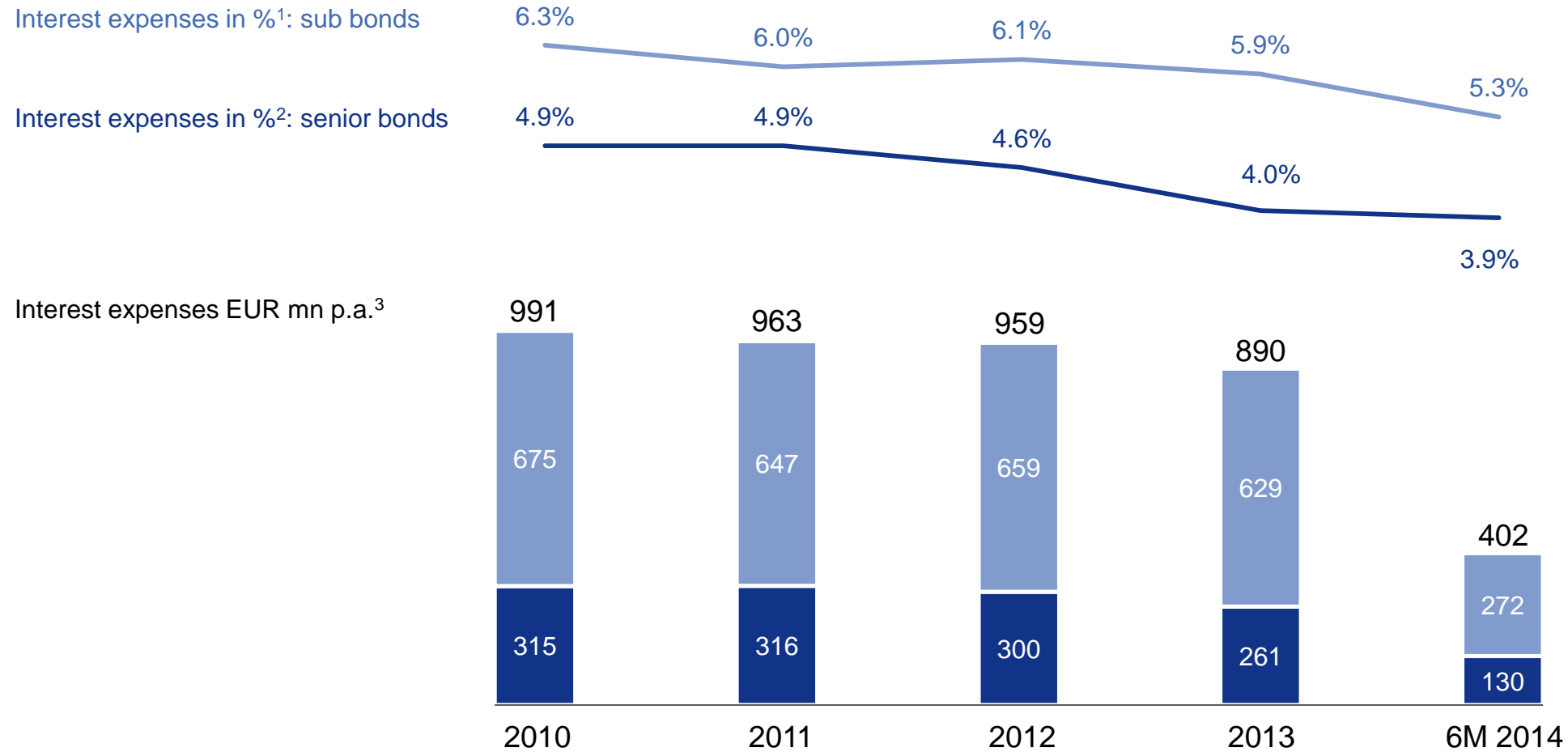
Allianz Group: modest financial leverage, well in AA range (EUR bn)



1) Calculated as senior debt and hybrid bonds divided by the sum of senior debt, hybrid bonds and shareholders' equity
 2) Calculated as senior debt divided by the sum of hybrid bonds and shareholders' equity
 3) S&P fixed charge coverage: EBIT divided by sum of interest expenses and interest on operating leases (per S&P definition)

4) Certificated liabilities excluding bank subsidiaries; nominal value
 5) Excludes a EUR 1.5bn subordinated bond that has been called for redemption effective January 15, 2014. Subordinated liabilities excluding bank subsidiaries; nominal value

Declining financing costs for existing debt ...

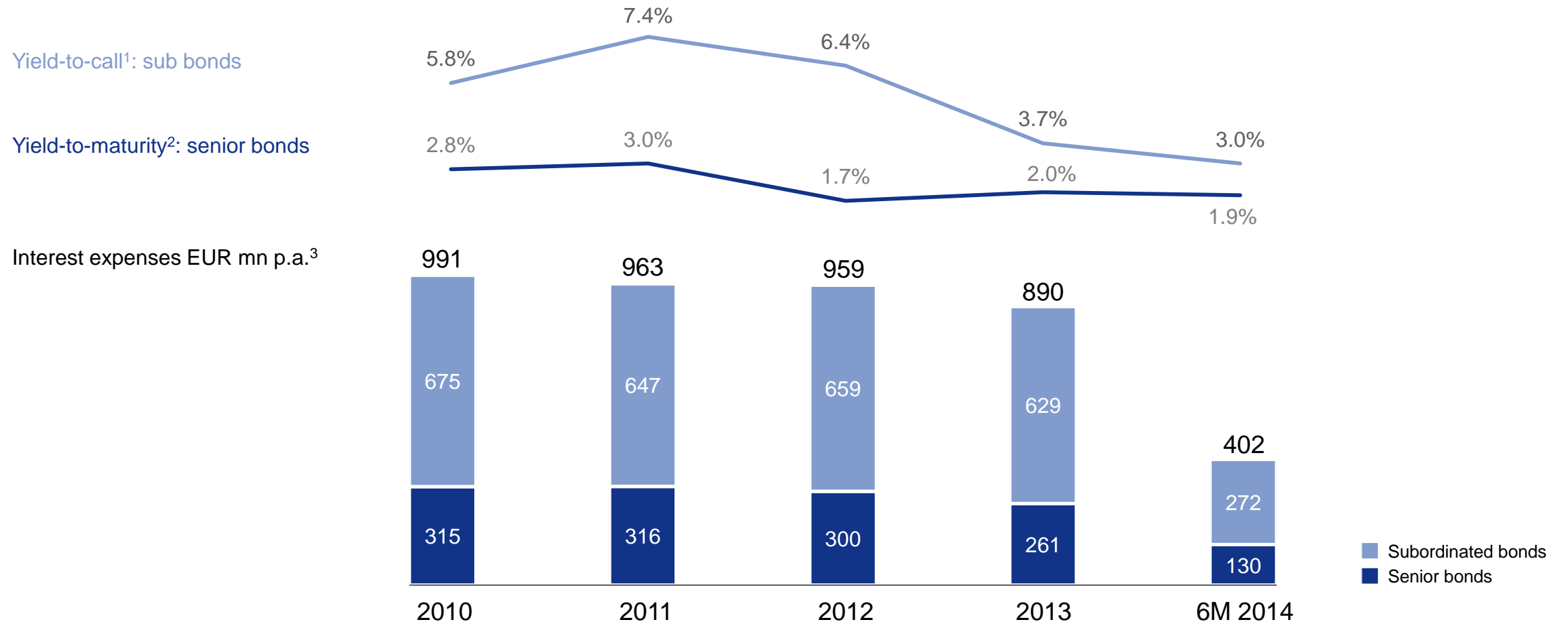


1) Weighted average interest rates p.a. on subordinated bonds outstanding

2) Weighted average interest rates p.a. on senior bonds outstanding

3) 2010-2013: assuming constant volumes as per end of 2013 outstanding; 6M 2014: current run rate based on 3M 2014

... and for future financing activities



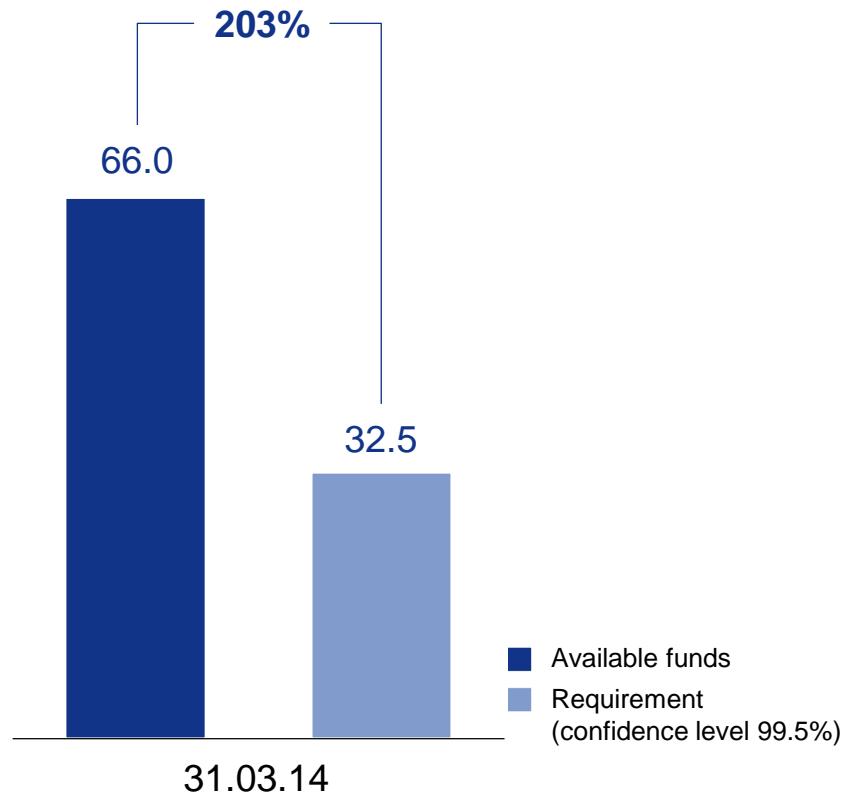
1) Weighted average yield-to-call p.a. of outstanding institutional subordinated bonds

2) Weighted average yield-to-maturity p.a. of outstanding senior bonds

3) 2010-2013: assuming constant volumes on average outstanding as per end of 2013; 6M 2014: current run rate based on 3M 2014

Solid economic solvency ratio

Economic solvency^{1,2} (EUR bn)



Solvency II model adoption³

- ✓ Transferability restrictions removed
- ✓ Correlation updated
- ✓ Sovereign credit and pension risk reflected
- ✓ Volatility adjusted for spread risk










Limited sensitivity

- ✓ 30% drop in equities and drop of 100bps in interest rates lead to economic solvency ratio of 174%

1) Including sovereign credit risk, including pension risk for 4Q 13 pro forma and for 1Q 14
 2) Available funds include anchoring in line with EIOPA approach
 3) Internal model changes reflect Allianz' current understanding of forthcoming Solvency II rules

Global systemically important insurers (G-SII) – status quo

Current G-SII

	Player	P/C	Life	AM/Banking
Europe		✓	✓	✓
		✓	✓	✓
		✓	✓	✓
		✓	✓	
				✓
US		✓	✓	
			✓	✓
		✓	✓	✓
Asia		✓	✓	✓

Further G-SII expected to be named in 2014

G-SII

- Identified by Financial Stability Board according to methodology of International Association of Insurance Supervisors
- Reviewed annually by Financial Stability Board

Components of regulatory requirements

1. Enhanced supervision

- More intensive supervision
- Development / implementation of a systemic risk management plan and a liquidity risk management plan

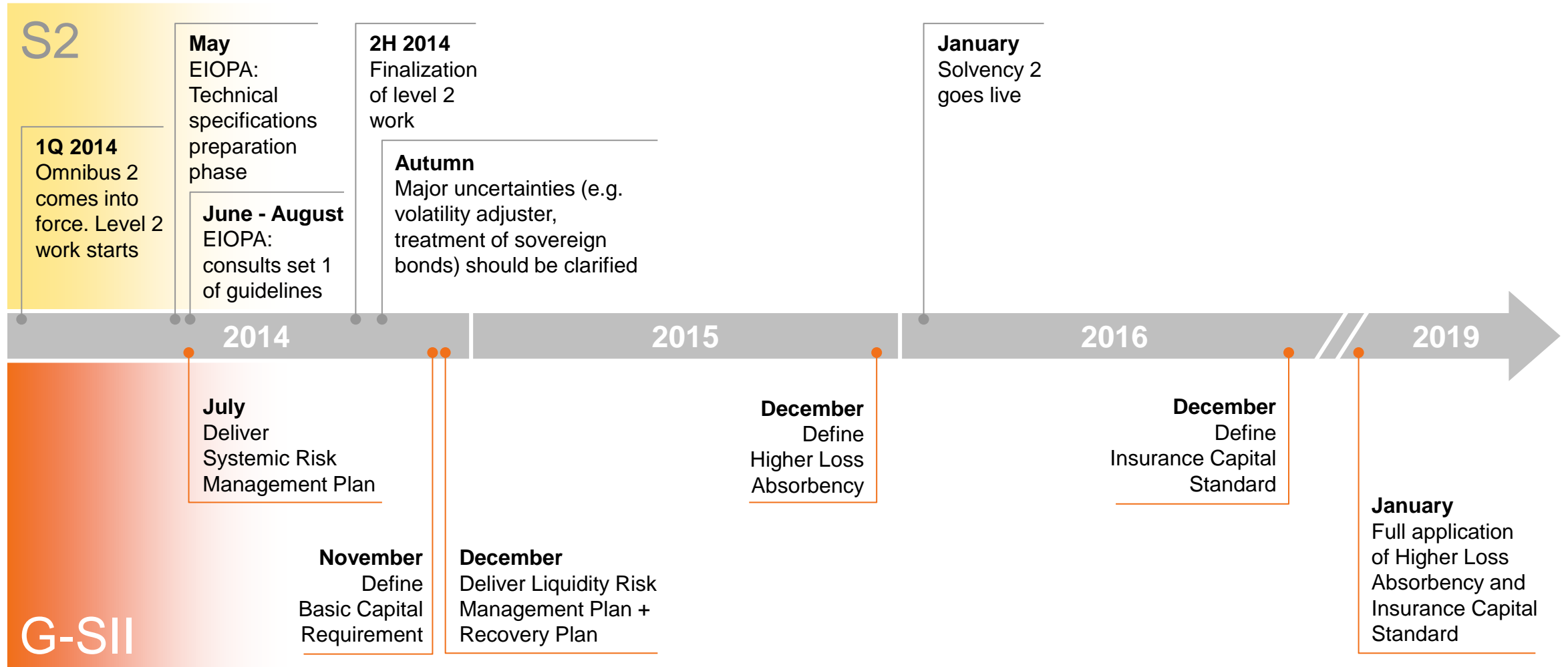
2. Effective resolution

- Establishment of a crisis management group
- Recovery plan (contingency plan for near default situations) and resolution plan (how to unwind a group without systemic disruptions)

3. Capital

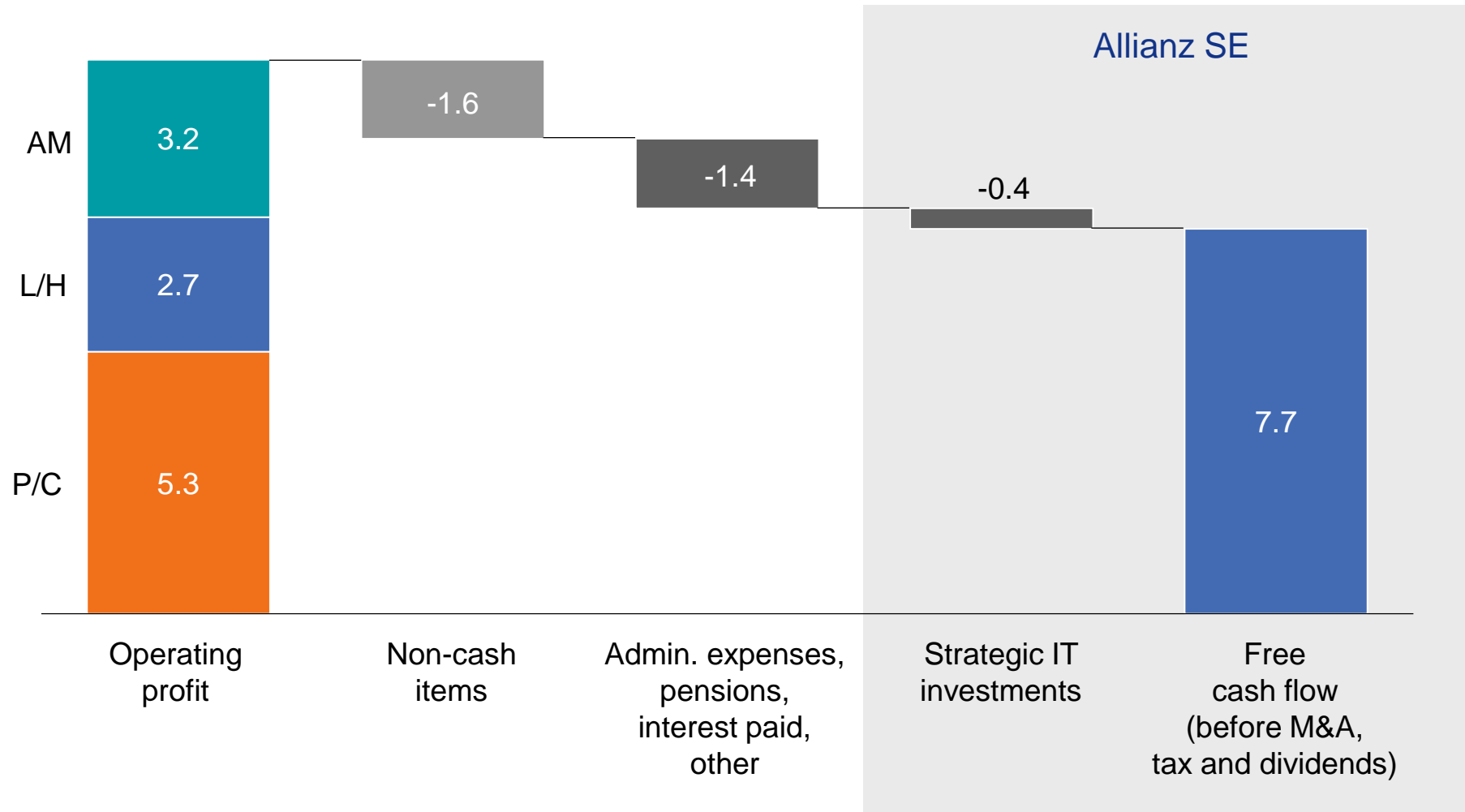
- Basic capital requirement as a minimum capital requirement
- Additional capital requirements (“Higher Loss Absorbency”) for non-traditional and non-insurance business

Timeline Solvency 2 and G-SII

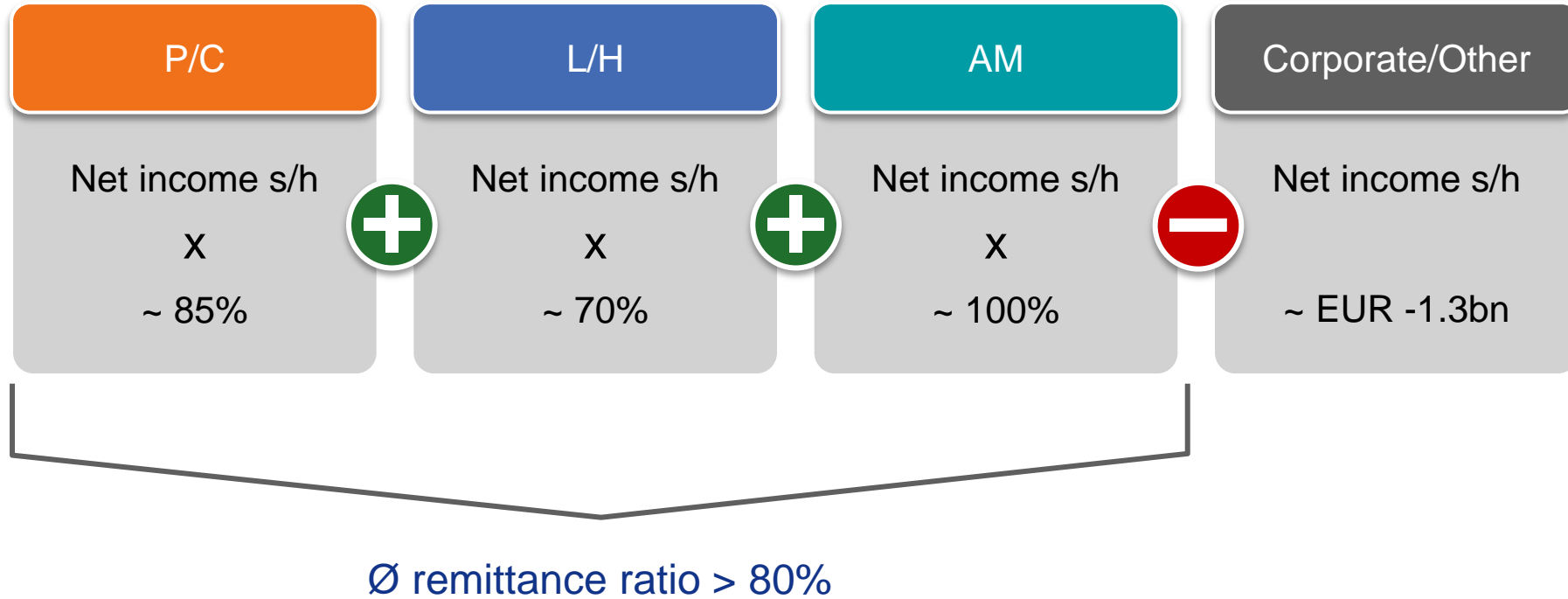


Strong free cash flows

2013 (EUR bn)



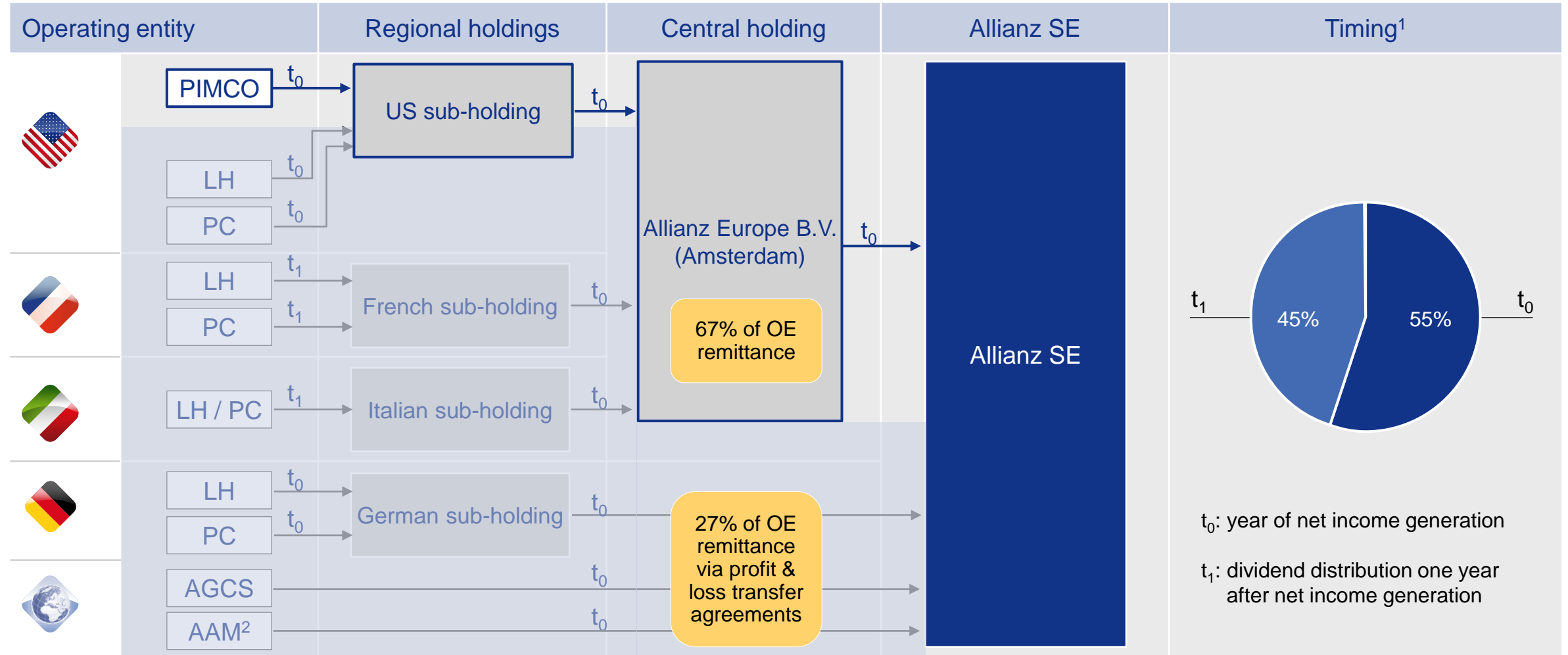
High remittance ratio



Additional measures to upstream capital from operating entities ~ EUR 3bn until end of 2016

Fast up-streaming of dividends to Allianz SE

Example: PIMCO

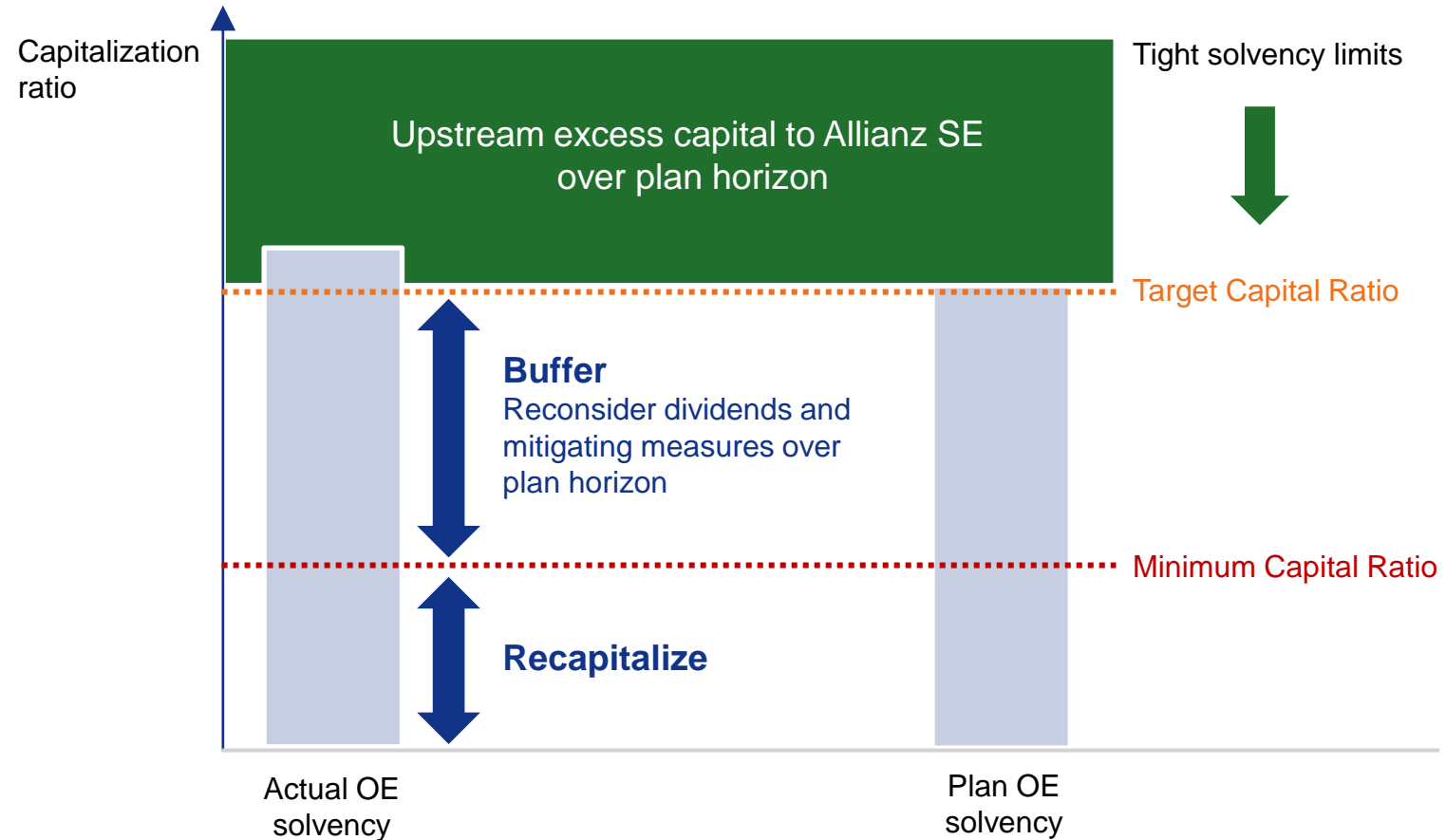


1) Look-through view from Allianz SE, referring to net income generation at OE level
 2) Mainly Allianz GI



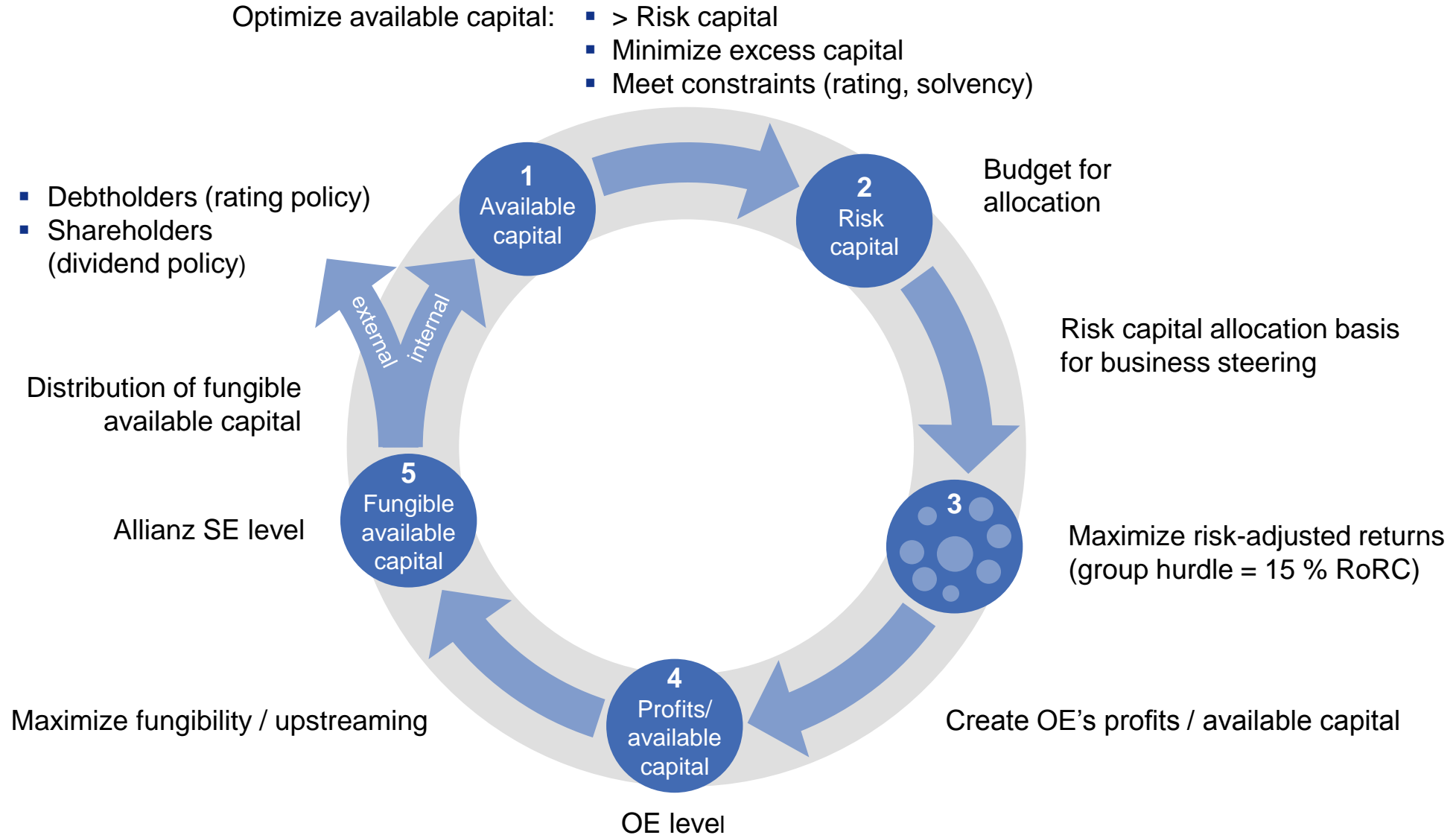
- 1 Functions of Allianz SE
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Adequate capital position at OE level, local excess capital up-streamed into central capital buffer at Allianz SE

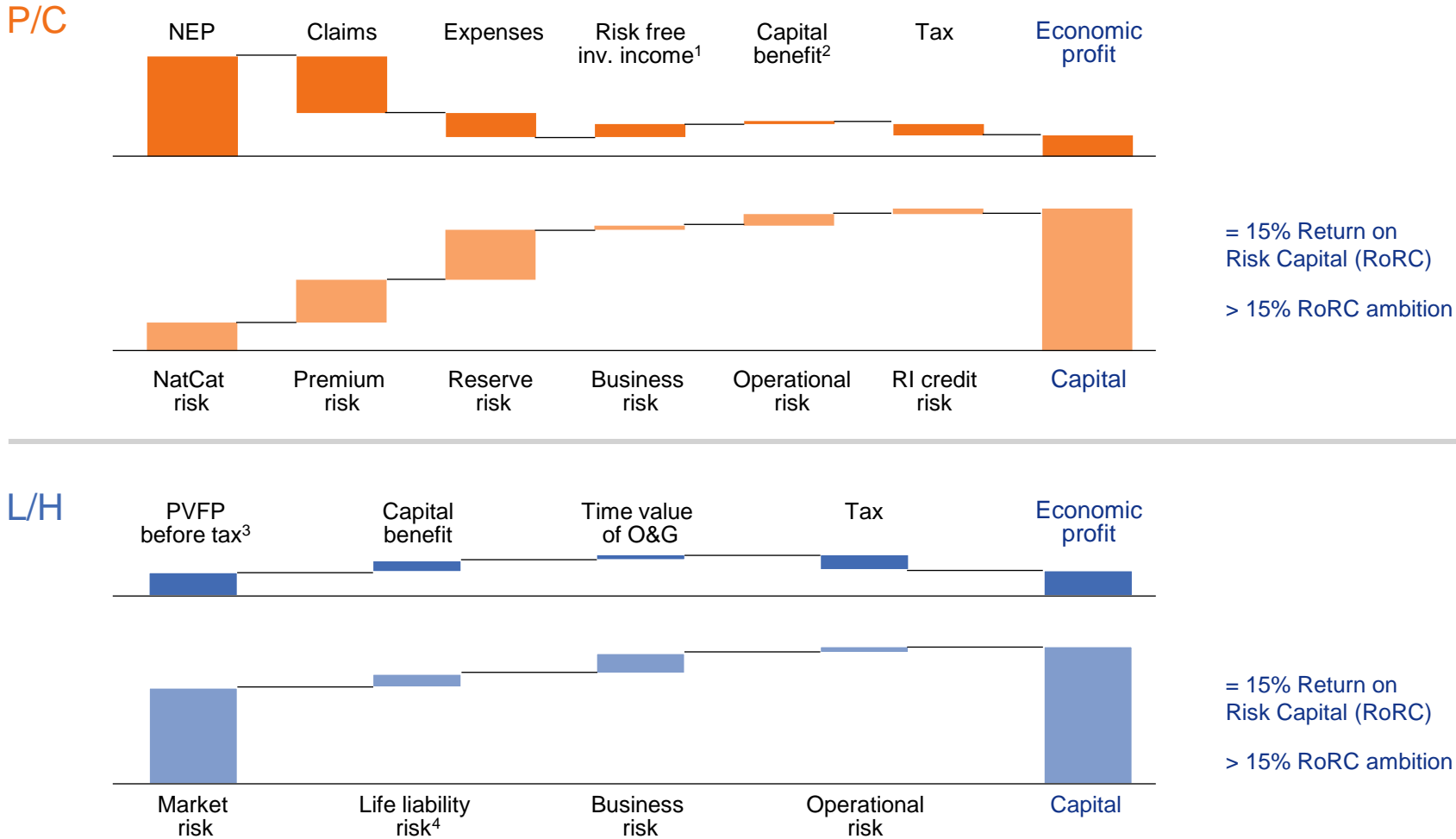


- Local entities to be capitalized at regulatory minimum plus adequate volatility buffer for short-term solvency volatility
- Local volatility buffers based on capital volatility under applicable capital regimes
- Capital pooled centrally at Allianz SE
- Capital buffer at Allianz SE large enough to respond to potential local entity cash calls without jeopardizing the AA rating according to our internal model / S&P

Consistent capital allocation process ...



... with risk-capital based business steering



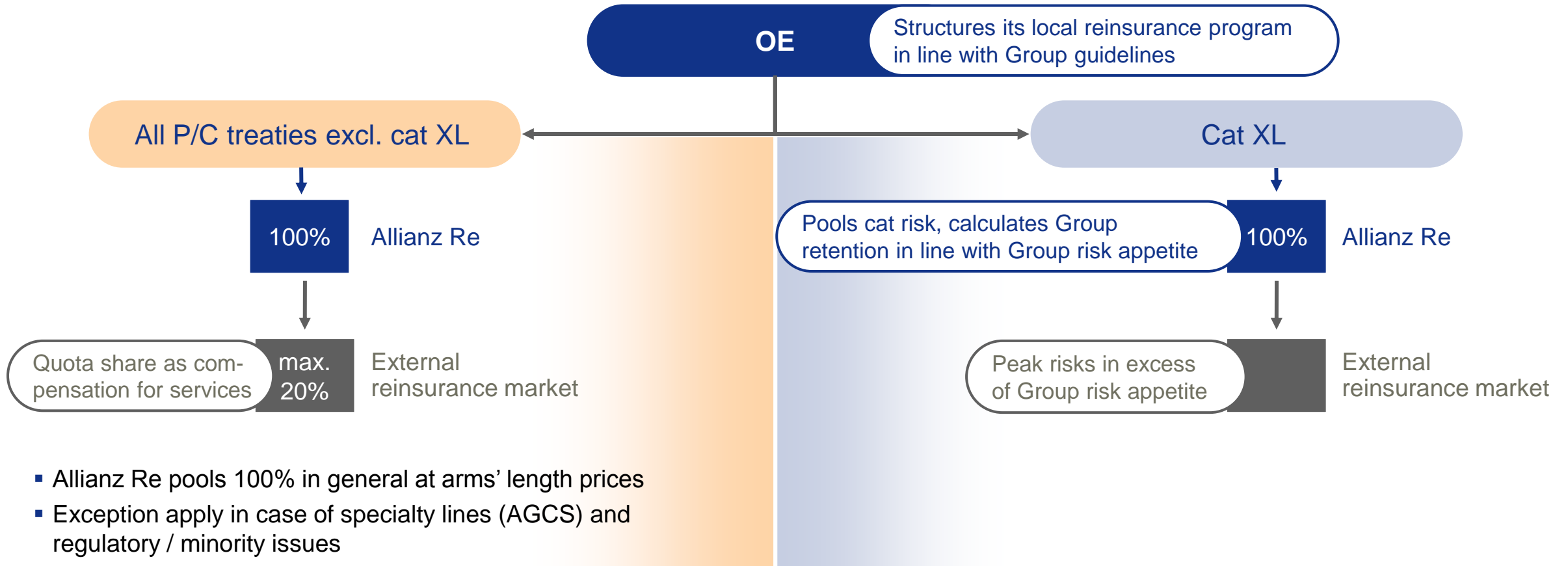
RoRC takes the following into account:

- Economic profit = numerator
- Risk capital = denominator
- Required capital based on S&P AA level
- Full Group diversification benefit allocated to segments / OEs
- P/C market risk allocated to Allianz Investment Management (AIM)

1) Risk free (swap rate) investment income earned on claims, expenses ("Discounts")
 2) Risk free (swap rate) investment income earned on required capital ("Capital benefit")

3) Incl. spread earnings (on risky assets)
 4) Life liability risks refer to mortality, morbidity and longevity risk

Efficient use of reinsurance ...

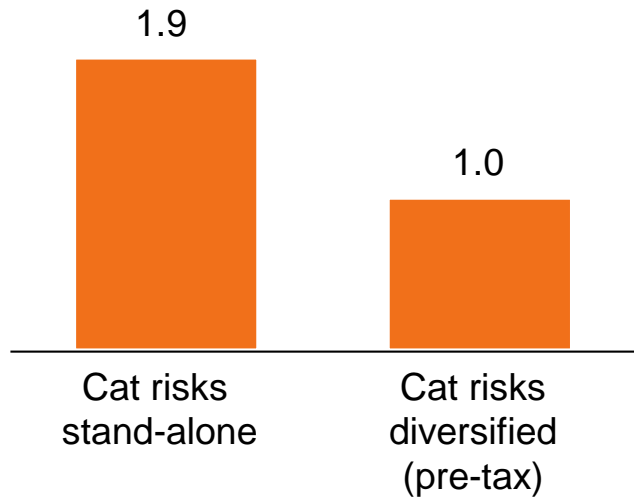


- Allianz Re pools 100% in general at arms' length prices
- Exception apply in case of specialty lines (AGCS) and regulatory / minority issues

▶ Holistic reinsurance system to the benefit of Allianz Group

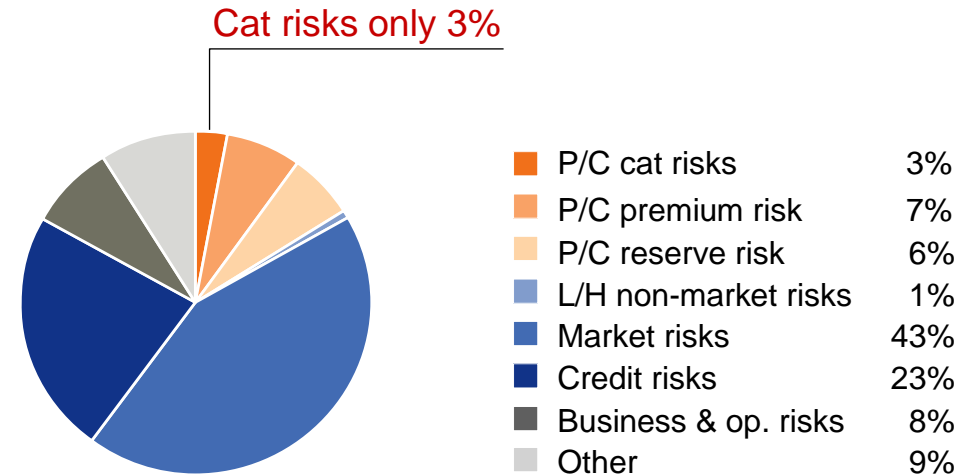
... allows usage of diversification potential ...

Cat risks as part of total capital requirements
(1Q 2014, EUR bn)



Diversification benefit of 50% on average and even more on marginal basis

Cat risks as part of total capital requirements
(1Q 2014)

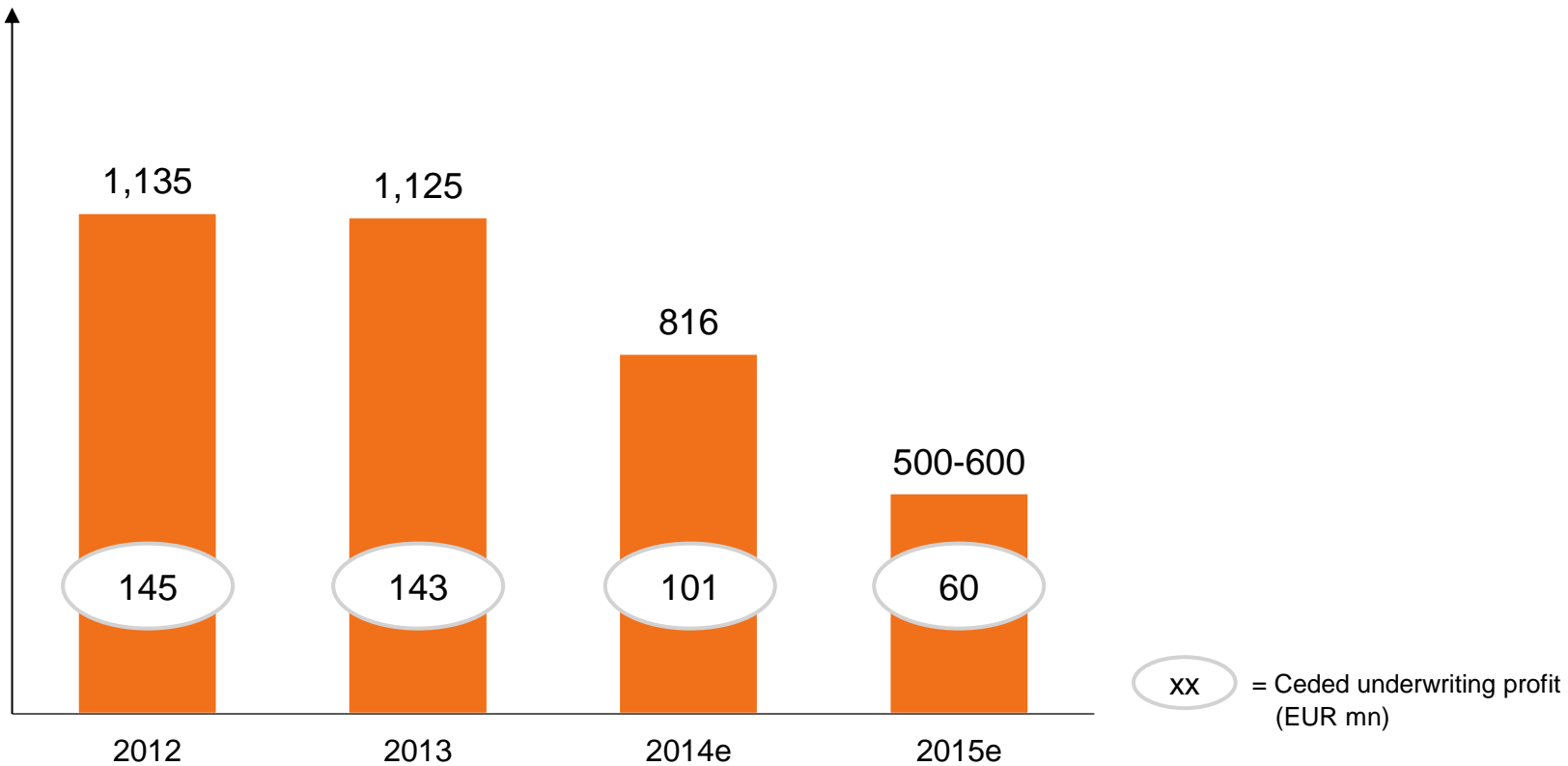


Allianz Group total risk capital:
EUR 32.5bn

▶ Pooling of internal business adds profits without significant risk increases for Allianz Group, due to diversifying nature of underwriting risks in overall Allianz portfolio

... and reduces externally ceded volume and profits

External treaty cessions of AZ Group¹ (EUR mn)



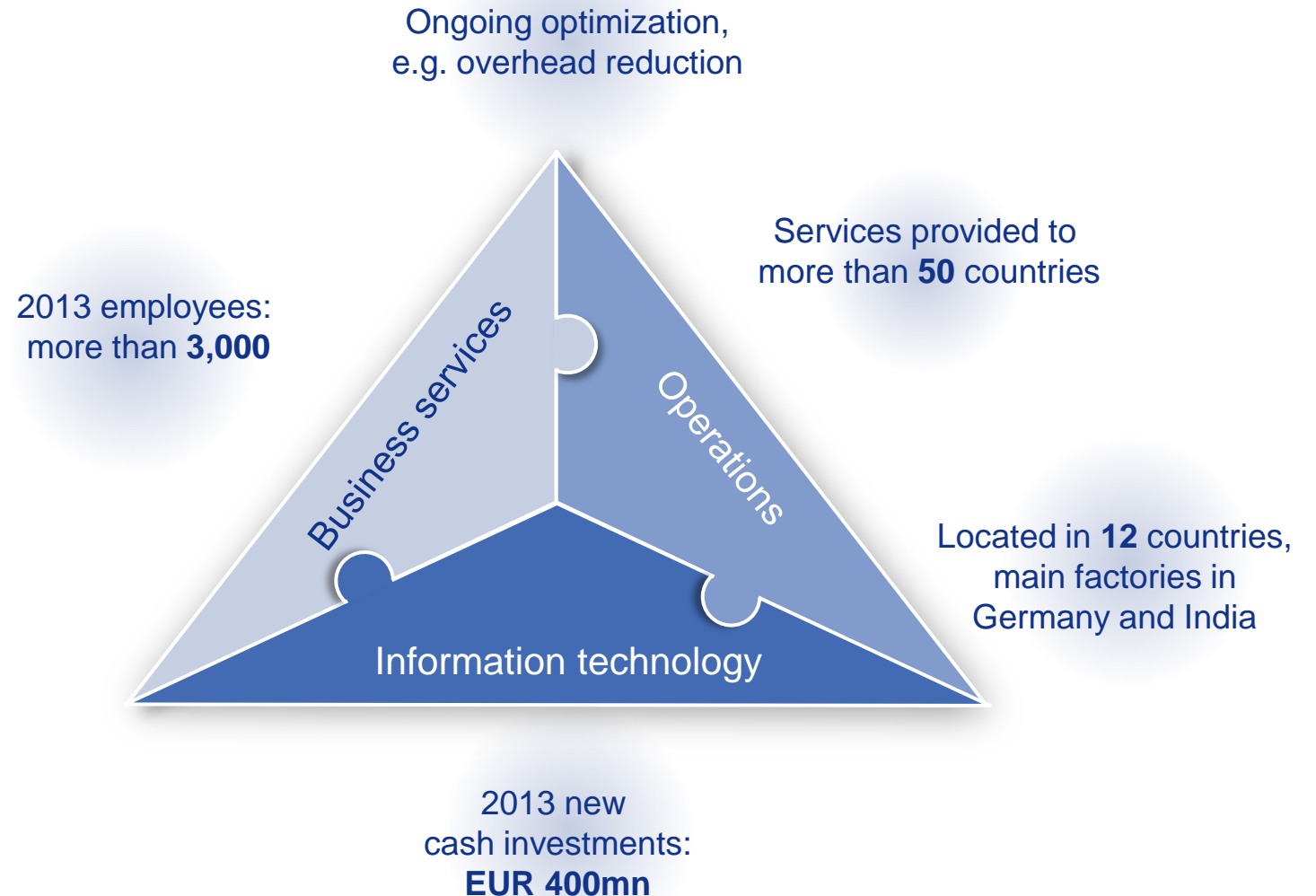
1) Based on underwriting year view and only for core treaty business. Includes estimates for remaining renewals within 2014. Ceded profit based on AZ Re technical pricing



- 1** Functions of Allianz SE
- 2** Financing and liquidity management
- 3** Capital and risk management
- 4** IT development and strategy
- 5** Summary

AMOS¹: transforming Allianz into a digital Group

- Founded in 2010
- Global shared services company for Allianz Group in the area of IT (infrastructure, application development and maintenance), operations, and business services
- All strategic IT investments done via AMOS to ensure economics of scale, skill and scope



1) Allianz Managed Operations and Services

Global rollout of major AMOS projects

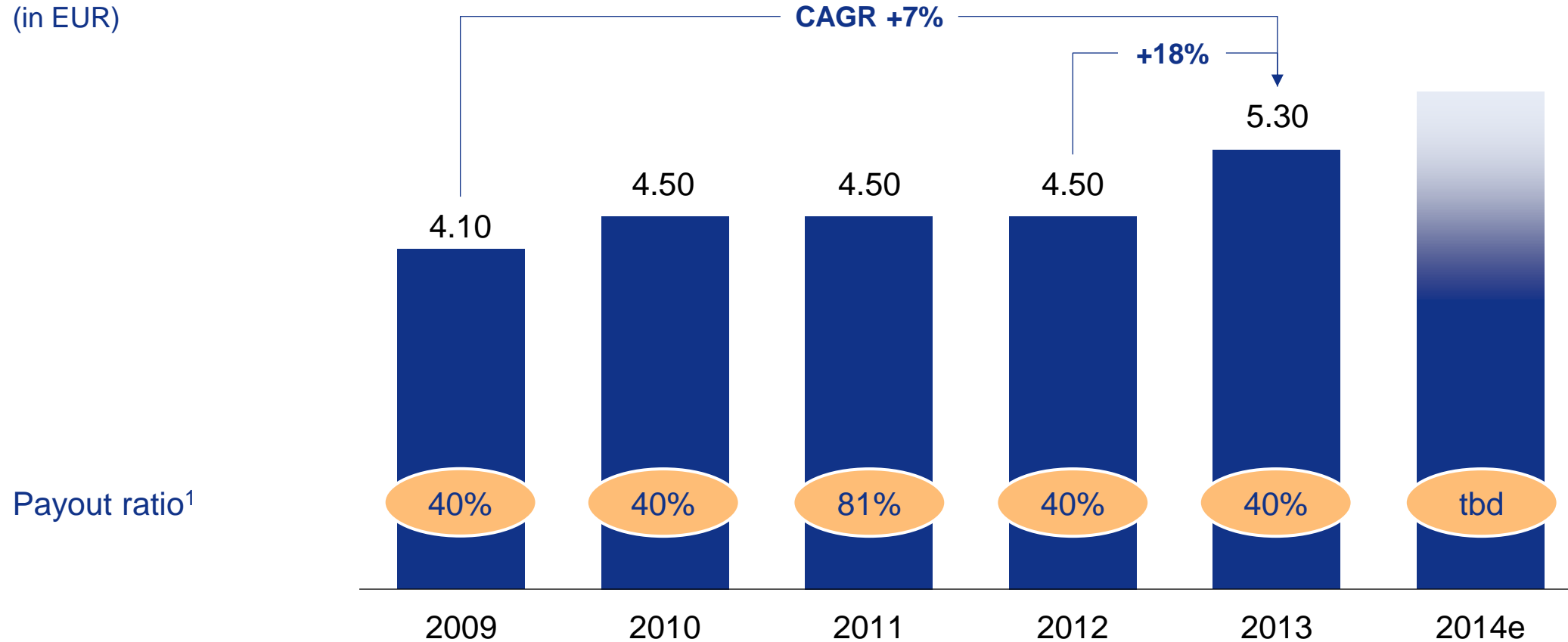
	Done	In progress	Planned
Data center consolidation		<p>AZ SE AWP AZ Re AAM</p> <p>CEEMA Benelux LatAm AGCS</p>	Asia
Allianz Global Network	<p>AZ SE AZ Re Benelux</p>	<p>AGCS</p>	<p>AWP LatAm Asia</p>
Core insurance platforms	<p>Asia</p>	<p>AWP Benelux</p>	



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To sum it up: healthy position for dividend payment

Dividend per share
(in EUR)



1) Based on net income attributable to shareholders, no adjustment for treasury shares

Capital Markets Day

Wrap-up

London, July 4, 2014



Allianz 

Allianz Group: skills, scale and brand provide unlimited access to business opportunities

- Leading P/C insurer globally
- Top 3 Life insurer globally
- Top 3 asset manager globally
- Largest global assistance provider
- Worldwide leader in credit insurance
- One of the leading industrial insurers globally
- Building the leading global automotive provider



▶ Based on increasing collaboration cross country and cross product

Investor Relations contacts

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Disclaimer

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

Forward-looking statements

The statements contained herein may include prospects, 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. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements.

Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events) (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the

extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) 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.

No duty to update

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