Allianz – a strong community

Analyst conference call
February 26, 2015

Please note: presentations based on 2014 preliminary figures

Allianz

Agenda

Group financial results 2014

Dieter Wemmer
Chief Financial Officer

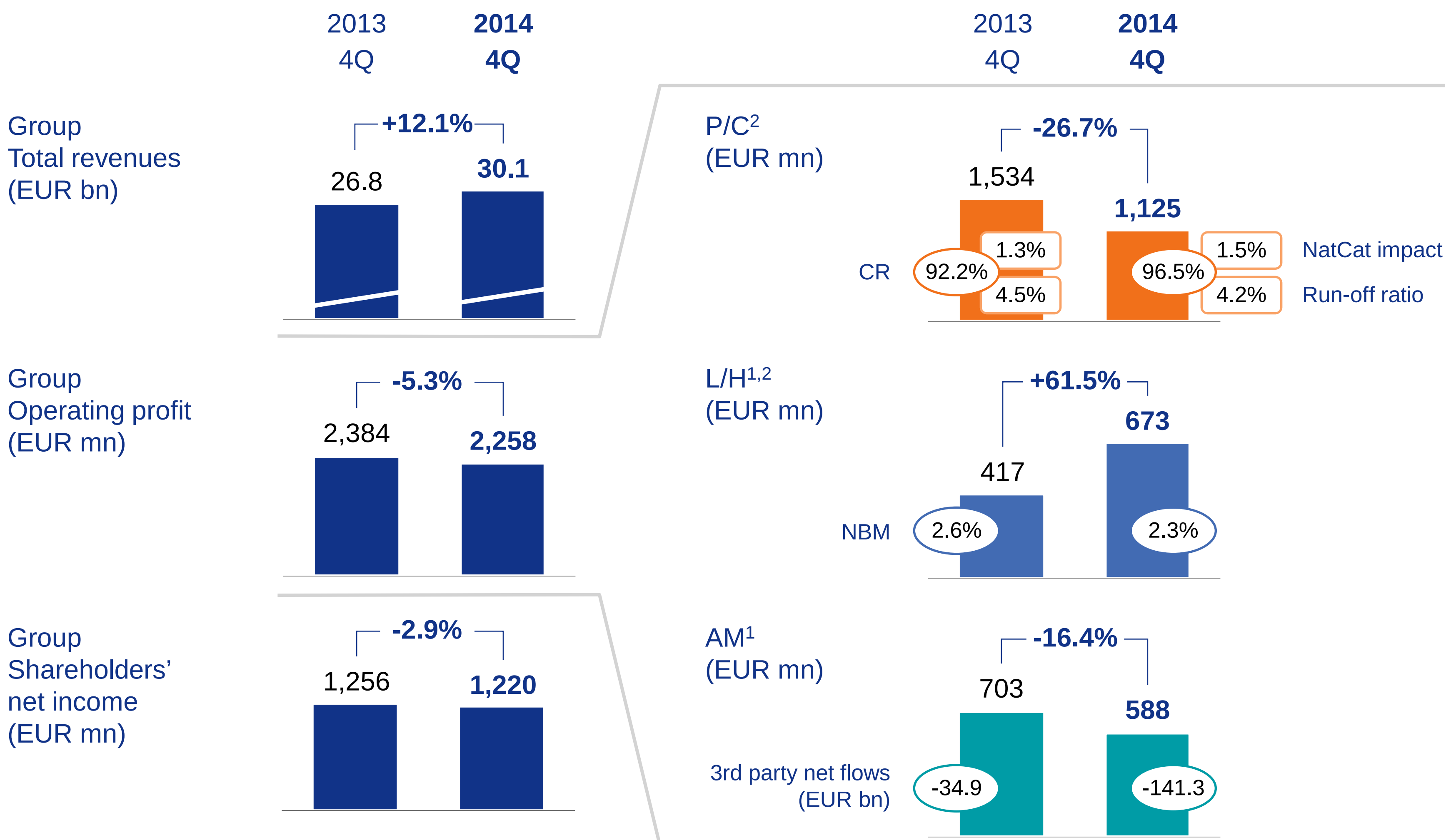
Analyst conference call
February 26, 2015

Allianz

A

Group financial results 2014

Financial highlights 4Q 2014



1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking

2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014

Financial highlights 4Q 2014

Comments

- **Revenues**
  Strong growth of 12.1% driven by L/H (14.7%) and P/C (10.3%). Internal growth of Allianz Group was 10.2%.

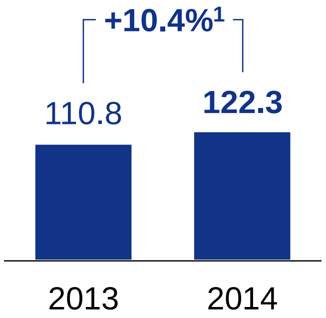
- **Operating profit**
  Good underlying performance of all three business segments, burdened in P/C by operating loss in Brazil (EUR -149mn) and Russia (EUR -39mn), in L/H by fine in France (EUR -50mn of which EUR -30mn in 4Q) and an increased premium deficiency reserve in Korea (EUR -63mn), and in AM by a lower AuM driven margin and higher marketing costs; partially compensated by improved result in CO (EUR 130mn better).

- **Shareholders' net income**
  Almost stable, lower operating profit mitigated by positive tax effect.

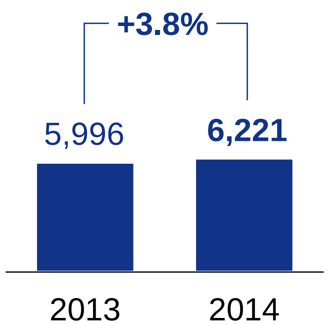
Allianz

Group: revenues and profits continue to grow

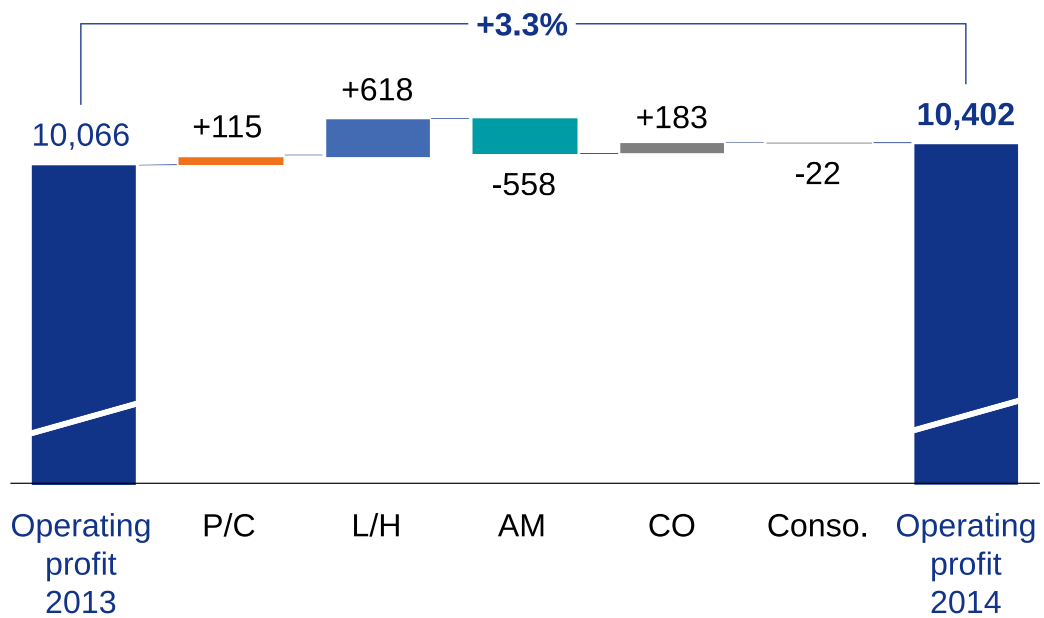
Total revenues (EUR bn)



Net income[3] (EUR mn)



Operating profit drivers[2] (EUR mn)



2014	5,382	3,327	2,603	-820	-91
2013	5,267	2,709	3,161	-1,004	-68

1) Internal growth of 10.6%, adjusted for F/X and consolidation effects
2) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking. In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
3) Net income attributable to shareholders

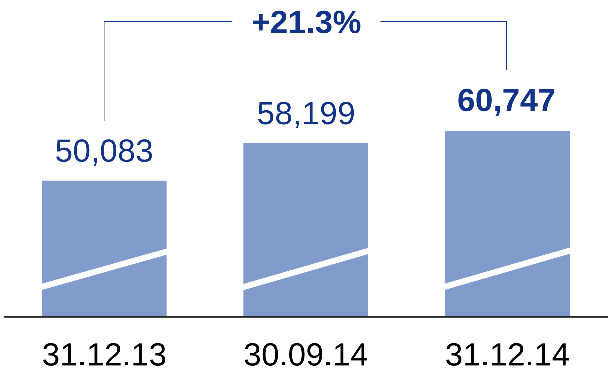
Group: revenues and profits continue to grow

Comments

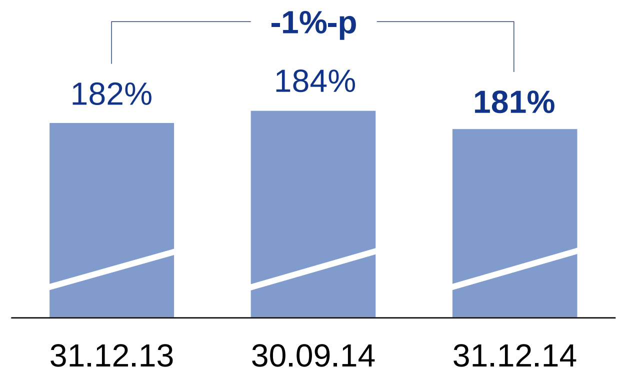
- **Growth**
  Strong internal growth of 10.6%, driven by L/H and P/C.
- **Operating profit**
  In the upper end of our target range.
- **P/C**
  Operating profit up 2.2%. Underwriting result increases while investment result is holding up.
- **L/H**
  Operating profit up 22.8%, at upper end of target range. Increase predominantly driven by investment margin, benefiting from strong net inflows of EUR 16.9bn.
- **Asset Management**
  Operating profit decline of 14.9% primarily caused by lower average 3rd party AuM and high non-recurring performance fees in 2013.
- **Corporate and Other**
  Strong reduction of operating loss predominantly driven by Banking Germany with lower restructuring costs and decreasing loan loss provisions.
- **Net income**
  Increase due to improved operating result and a lower tax ratio – see page 36.

Group: shareholders' equity at new high

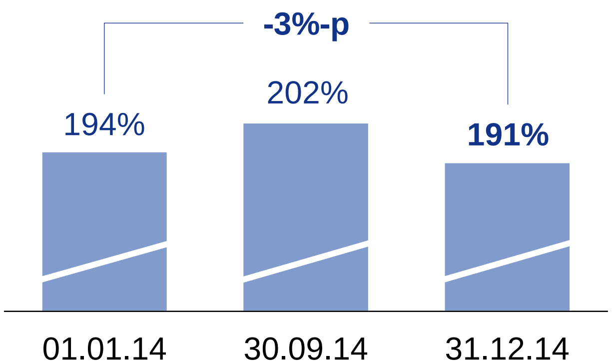
Shareholders' equity (EUR mn)



Conglomerate solvency[1,2] (%)



Solvency II capitalization[2,3] (%)



S&P capital adequacy

Allianz' rating at "AA" with "stable" outlook

1) Includes off-balance sheet reserves. For details, please refer to the "Additional information" section
2) Hybrid capital has been adjusted by EUR 1.4bn as of 30 September 2014 and 0.4bn as of 31 December 2014 due to potential calls in 2015. Excluding this adjustment, the conglomerate solvency ratio would be 182% and the solvency II capitalization 192% as of 31 December 2014
3) Figures as of 01.01.14 and 30.09.14 shown as published in analysts' presentation since 1Q 14, reflecting the best estimate of SII rules based on the understanding as of beginning of 2014. Published figure as of 31.12.13 was 222%.

Group: shareholders’ equity at new high

Comments

- **Shareholders’ equity**
  Higher actuarial losses for defined benefit pension plans (EUR -1.6bn) and dividend payment (EUR -2.4bn) more than com-pensated by net income (EUR +6.2bn), positive F/X effects (EUR +1.3bn) and higher unrealized gains net (EUR +7.2bn). Total gross unrealized gains on equities and bonds now at EUR 60.0bn. RoE for 2014 at 11.2%, excluding unrealized gains/losses on bonds at 13.0%.

- **Conglomerate solvency**
  Slight decrease. Higher available funds (after reduction of hybrid debt leverage to normal level) more than offset by increased required funds mainly due to the strong growth in the L/H segment.

- **Solvency II capitalization**
  Decrease driven by lower interest rates leading to higher risk capital requirements, only partially compensated by net income and positive F/X effect.

  Model update to include 3rd country equivalence for AZ Life increases ratio by 15%-p.

  Significant uncertainties remain until Solvency II go-live in 2016, in particular with respect to volatility adjuster and related spread risk offset.

- **Dividend**
  Proposed dividend of EUR 6.85 per share, 29.2% above last year’s level of EUR 5.30, reflecting our new dividend policy to pay out 50% of shareholders’ net income. Treasury shares (2.7mn) deducted from total share count.

Allianz

P/C: strong internal growth
(EUR mn)

2014		Revenues	Total growth Δ p.y.	Internal growth Δ p.y.	Price effect	Volume effect
Total P/C segment		**48,322**	**+3.7%**	**+3.0%**	**0.0%**	**+3.0%**
Large OEs	Germany	9,532	+2.9%	+2.6%		
	France	4,248	+1.8%	+0.7%		
	Italy	4,196	+4.1%	-1.2%		
Global lines	AGCS	5,389	+7.8%	+8.1%		
	Allianz Worldwide Partners	3,341	+33.3%	+9.9%		
	Credit Insurance	2,158	+3.2%	+2.7%		
Selected OEs	United Kingdom	2,684	+18.0%	+12.0%		
	Central and Eastern Europe	2,227	-10.1%	-5.2%		
	Latin America[1]	2,101	-10.6%	+2.3%		
	USA	1,958	-4.9%	-4.6%		

1) South America and Mexico

P/C: strong internal growth

Comments

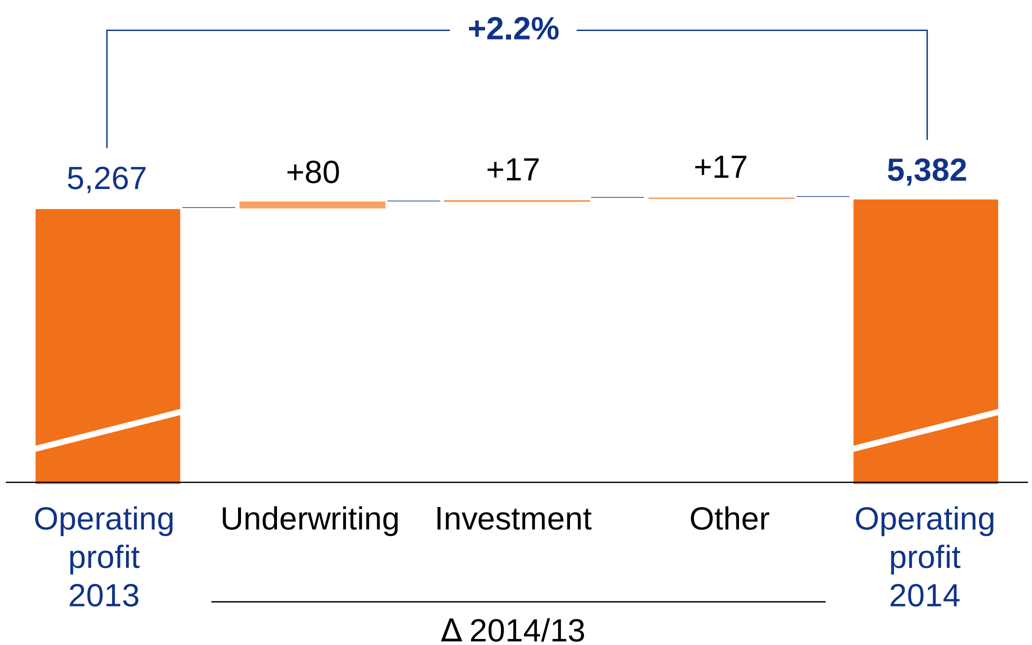
- **P/C growth**
  Strong, driven by Global Lines and UK. M&A adds +0.9%-p to total growth, transfer of French International Health +1.1%-p, F/X is -1.4%-p. Retention +0.4%-p to 91.8%, leading to 4.1% NPE increase.

  Outstanding internal growth of 4.5% in main markets (ex FFIC, Russia, Brazil).
- **Germany**
  Price and volume effects positive. Motor retail and non-motor commercial drive growth.
- **France**
  Solid growth in personal lines offsetting decline in commercial. Continued positive rate change on renewals of 1.5%.
- **Italy**
  Good performance in a softening market. Internal growth in non-motor business more than offset by a decline in motor average premiums. EUR 211mn GPW from Unipol transaction. Genialloyd +10.5% – market leadership maintained.
- **AGCS**
  Liability, engineering and financial lines drive top-line growth.
- **AWP**
  Continued strong internal growth driven by AGA and AWC. Transfer of French International Health business from life added EUR 585mn to total growth.
- **UK**
  Growth mainly in direct, motor and pet. Price and volume effects positive.
- **CEE**
  Top-line decline dominated by downscaling of Russian operations. Internal growth CEE ex Russia +3.4%.
- **Latin America**
  Strong decline in Brazil (IG: -14.5%) more than offset by Argentina and Colombia.
- **USA**
  Further portfolio cleaning in commercial and lower commodity prices in crop impact top-line. Rate change on renewals continues to be positive at 2.9%.

Allianz

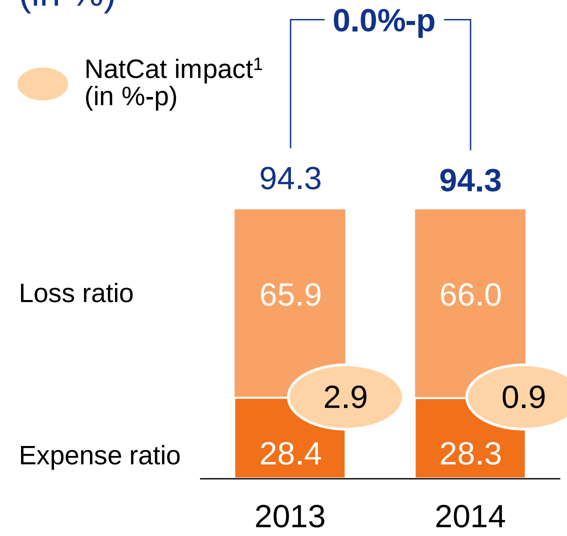
P/C: underwriting result up, investment result stable

Operating profit drivers (EUR mn)

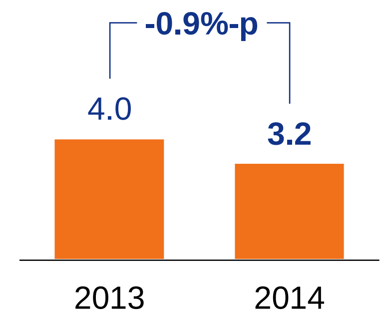


2014	2,251	3,066	66
2013	2,170	3,049	48

Combined ratio (in %)



Run-off ratio[2] (in %)



1) NatCat costs (without reinstatement premiums and run-off): EUR 1,218mn (2013) and EUR 400mn (2014)
2) Positive run-off, run-off ratio calculated as run-off result in percent of net premiums earned

P/C: underwriting result up, investment result stable

Comments

- **Operating profit**
  Underwriting result increases in line with NPE growth while investment result holds up.
  FFIC, Brazil and Russia added 1.6%-p to the segment CY CR.
- **Claims environment**
  NatCat losses low at EUR 400mn (0.9%-p) compared to EUR 1.2bn (2.9%-p) last year.
- **Run-off**
  Run-off on last year's level when adjusted for reserve strengthening in the US, Brazil and Russia with a combined impact of 0.7%-p.
- **Accident year loss ratio**
  Improves -0.8%-p to 69.2% due to lower NatCat. Attritional LR deteriorates by +1.2%-p, of which +0.4%-p can be explained by higher single large losses and +0.5%-p by the combined impact of the three underperforming operations (ex large losses).
- **Expense ratio**
  Overall flat run-rate with offsetting one-off effects.

Allianz

P/C: Germany and AGCS drive operating profit growth

2014		Operating profit	Δ p.y.	Combined ratio	Δ p.y.	NatCat impact in CR[1]	Δ p.y.[1]
Total P/C segment		**5,382**	+2.2%	**94.3%**	0.0%-p	**0.9%-p**	-2.0%-p
Large OEs	Germany	1,303	+97.2%	91.5%	-8.0%-p	1.0%-p	-7.6%-p
	France	428	+6.6%	96.3%	-1.3%-p	2.1%-p	+0.9%-p
	Italy	932	-17.3%	82.5%	+4.3%-p	0.0%-p	0.0%-p
Global lines	AGCS	560	+30.8%	93.1%	-1.9%-p	0.4%-p	-2.1%-p
	Allianz Worldwide Partners[2]	105	+3.0%	96.6%	-0.1%-p	0.0%-p	0.0%-p
	Credit Insurance	401	-1.4%	78.6%	-0.8%-p	–	–
Selected OEs	United Kingdom	178	-11.1%	97.6%	+1.6%-p	1.0%-p	+1.0%-p
	Central and Eastern Europe	-27	n.m.[4]	106.8%	+7.3%-p	0.0%-p	-0.2%-p
	Latin America[3]	-147	n.m.[5]	116.1%	+17.9%-p	0.0%-p	0.0%-p
	USA	-151	n.m.[6]	120.0%	+16.4%-p	1.6%-p	+1.6%-p

1) Excluding reinstatement premiums and run-off
2) In 4Q 14 an operating profit for the French International Health business of EUR 24mn was transferred from L/H France to Allianz Worldwide Partners effective 1 January 2014
3) South America and Mexico
4) Operating profit decreased by EUR 153mn from EUR 127mn in 2013
5) Operating profit decreased by EUR 280mn from EUR 133mn in 2013
6) Operating profit decreased by EUR 305mn from EUR 154mn in 2013

P/C: Germany and AGCS drive operating profit growth

Comments

- **Germany**
  CR (95%) and ER (26%) targets over-achieved. AY LR improves thanks to lower NatCat losses, better attritional loss ratio and continued positive price effect.
- **France**
  Improvement in attritional LR (-4.0%-p) main driver of CR reduction. Expense ratio unchanged. Business mix change offsets lower internal cost ratio.
- **Italy**
  Loss and expense ratio increase. Material improvement in Mid-corp CR due to selective portfolio underwriting actions and still low overall claims frequency is offset by declining average motor premiums and strong growth at Genialloyd with a 91% CR. Expense ratio negatively impacted by Unipol transaction.
- **AGCS**
  AY loss ratio increases 2.3%-p as lower NatCat is overcompensated by higher large losses. Run-off higher than last year.
- **Credit Insurance**
  Accumulation of mid-sized claims leads to slight increase in the AY LR. CR improves due to higher run-off.
- **UK**
  Strong profitable top-line growth offset by higher NatCat and large losses.
- **CEE**
  Development predominantly related to motor portfolio in Russia. CR ex Russia 93.5% (-0.6%-p), as the AY LR improves.
- **Latin America**
  OP negatively impacted by EUR -149mn operating loss in Brazil booked in 4Q and EUR -179mn for FY. Please see page 16 for details.
- **USA**
  Negative run-off and adverse AY LR developments drive deterioration, worsening the Group’s CR by 0.7%-p.

Allianz

P/C: high-quality portfolio; FFIC, Russia and Brazil being addressed[1]

Combined ratio	< 95%	> 95% <100%	> 100%
Key contributors (12M 2014)	**Germany** ▪ CR of 91.5% well ahead of 95% FY 2014 target. Attritional loss ratio significantly reduced. Price increases ongoing. **Italy** ▪ CR 82.5%. Continued outstanding performance. Declining average motor premium and strong 'Direct' growth lead to modest AY LR increase. ER negatively impacted by Unipol transaction. **Spain** ▪ CR 89.9% while we continue to gain market share. Strong top-line growth in motor and non-motor.	**UK** ▪ CR 97.6%. Strong internal growth of 12.0%. Motor pricing bottoming out. **France** ▪ CR of 96.3%. Strong improvement in the AY LR as price increases feed through and attritional frequency improves. **AWP** ▪ CR 96.6%. Strong internal growth of 9.9%. Global Assistance and Worldwide Care are the main drivers.	**FFIC** ▪ CR 120.0%. Sale of personal lines business announced. USD 1.5bn of premiums to be transferred to AGCS US as of 1/1/2015. **Russia** ▪ CR 141.6%. Downscaling of retail operations well advanced. Future focus on corporate business. **Brazil** ▪ CR 125.5%. Combination of IT platform issues, negative reserve run-off and other balance sheet clean-up drive result. Comprehensive turn-around program initiated.
Share of GPW	64%	27%	9%
Ø internal growth	3.9%	7.3%	-7.8%

1) Analysis based on OEs as reported. Exception LatAm where analysis is based on individual country performances. Excludes consolidation effects

P/C: high-quality portfolio; FFIC, Russia and Brazil being addressed

Comments

- **Significant negative OP impact**
  The combined operating loss of FFIC, Russia and Brazil amounts to EUR -524mn in 2014 and to EUR -180mn in 4Q. We expect a substantial improvement in 2015.

- **FFIC**
  Sale of personal insurance business to ACE by renewal rights arrangement for a total consideration of USD 365mn announced on 18 Dec 2014 with closing expected in 2Q 2015.

  USD 1.5bn of commercial premiums to be transferred to AGCS US.

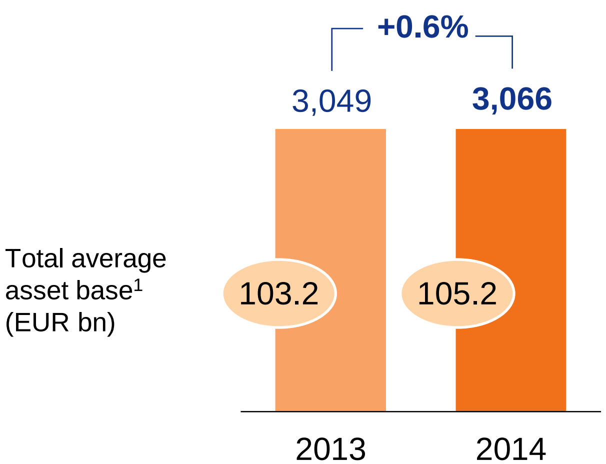
  Restructuring-related expenses related to US P/C repositioning expected to be around USD 0.2bn.

- **Russia**
  On track to exit the retail P/C business and to focus on corporate business going forward.
  We anticipate P/C retail GPW to reduce by more than 50% in 2015 from around EUR 0.2bn in 2014 with negligible GPW volumes for retail motor.

- **Brazil**
  Our view on the underlying performance of the Brazilian business changed to negative in 4Q.
  Repricing and re-underwriting ongoing.
  A significantly improved, albeit still negative OP is expected for 2015.

P/C: interest & similar income holding up well

Operating investment result (EUR mn)

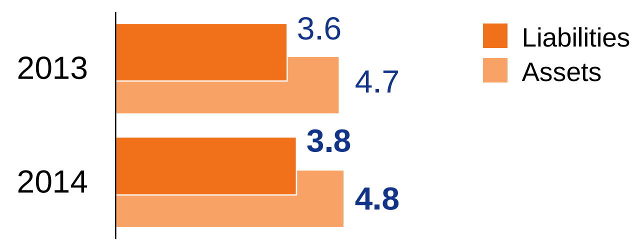


	2013	2014
Interest & similar income[2]	3,542	3,525
Net harvesting and other[3]	-178	-136
Investment expenses	-315	-323

Current yield (debt securities; in %)

Reinvestment yield[4] (debt securities; in %)

Duration[5]



1) Asset base includes health business France, fair value option and trading
2) Net of interest expenses
3) Comprises real. gains/losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation
4) On an annual basis
5) For the duration calculation a non-parallel shift in line with Solvency II yield curves is used from 1Q 14 onwards. Data excludes internal pensions residing in the P/C segment

P/C: interest & similar income holding up well

Comments

- **Operating investment result**
  Slightly up due to higher F/X result net of hedging. Negatively impacted last year due to emerging markets exposure.
- **Interest & similar income**
  Slightly down. Lower interest income from fixed income investments mitigated by higher income from equities. The latter is in line with an increased equity ratio of 5.8% at end of 12M 2014 vs. 5.0% at end of 12M 2013.
- **Yield environment 4Q (debt securities)**
  The reinvestment yield in 4Q 2014 remained relatively stable at 2.3% (4Q 2013: 2.5%).

  The non-annualized current yield stood at 0.78% in 4Q, 3bps lower than in the same quarter last year.

Allianz

L/H: strong growth with improved business mix
(EUR mn)

2014		Revenues	Total growth Δ p.y.	Internal growth Δ p.y.	PVNBP[2]	Δ p.y.
Total L/H segment[1]		**67,331**	**+18.6%**	**+19.5%**	**57,272**	**+26.3%**
Large OEs	Germany Life	19,014	+11.8%	+11.8%	14,850	+18.8%
	USA	11,840	+61.8%	+61.6%	11,981	+64.6%
	Italy	11,332	+34.4%	+34.4%	10,038	+66.6%
	France[1]	8,241	-3.2%	+3.2%	7,914	-5.4%
Selected OEs	Asia-Pacific	5,732	+12.6%	+15.0%	5,145	+14.9%
	Germany Health	3,245	-0.6%	-0.6%	969	-5.4%
	Benelux[3]	2,518	+8.3%	+8.3%	1,576	+14.7%
	Switzerland	1,655	+3.3%	+2.3%	1,173	+7.3%
	Spain	1,259	+2.9%	+2.0%	1,195	+4.7%
	Central and Eastern Europe	909	-0.5%	+2.2%	735	-9.8%

1) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
2) After non-controlling interests
3) Revenues from investment-oriented products in Luxembourg of EUR 842mn in 2014 (EUR 789mn in 2013) are reinsured by France. For 2014, the PVNBP of Luxembourg business reinsured with France is included in France (EUR 850mn) and not included in Benelux

L/H: strong growth with improved business mix

Comments

- **Revenues**
  Strong growth in core markets including USA (EUR +4.5bn), Italy (EUR +2.9bn) and Germany (EUR +2.0bn) which in total account for 90% of segment growth. Net flows of EUR 16.9bn (including EUR 1.9bn from AM entities) equal 3.9% of BoY reserves.

  Active product management is paying off. Share of hybrid products is growing: in Germany up from 10% to 19% and in USA from 64% to 83%. In Italy UL w/o guarantee at 60% of GPW.

- **New business**
  PVNBP up due to strong growth in broker and bank channels (+35%) whose shares of new business reaches 56%. NBM stands at 2.4% and would be 1.9% if calculated with end-of-year interest rates.

- **USA**
  FIA drives new business growth despite continuous re-pricing efforts. Total NBM at a healthy level of 3.4%. More product actions planned in 2015 to counter dropping yield.

- **Germany**
  Growth driven by higher single premiums with alternative guarantees, i.e. Perspektive and IndexSelect. In new savings business share of alternative guarantees more than doubles to 39%. Average guarantee of products with alternative guarantees at 0.8%.

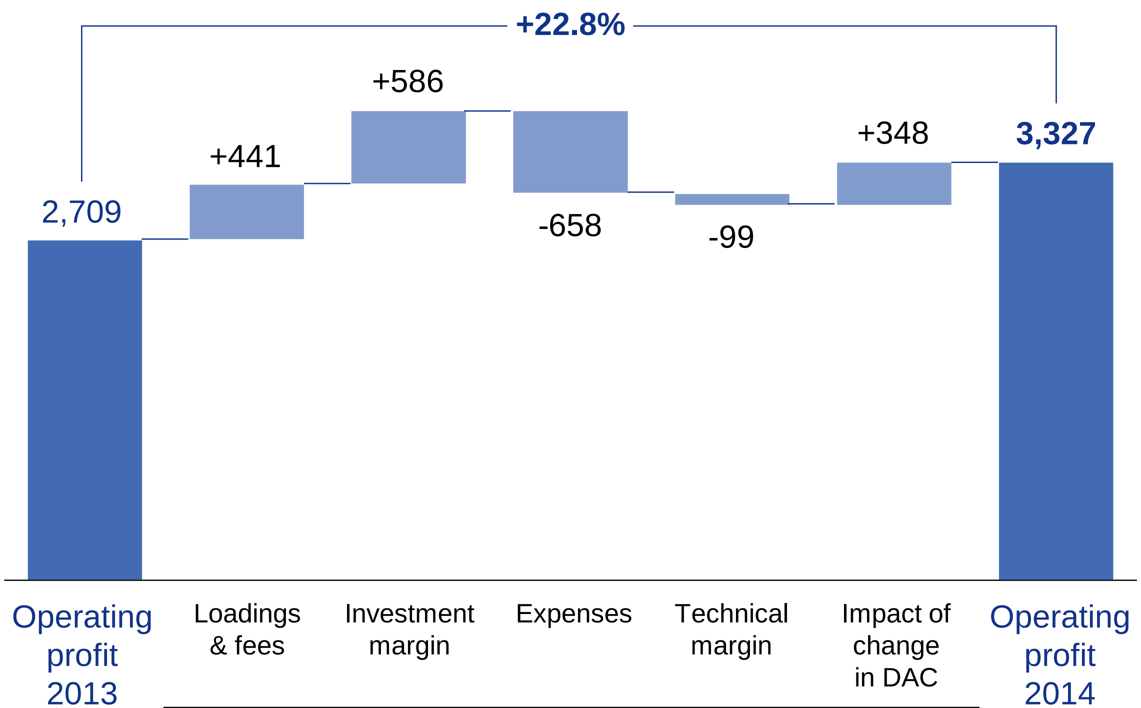
- **Italy**
  Jump in revenues mainly due to bancassurance (+58%). Good development of both unit-linked (+28%) as well as traditional products (+46%). Average guarantee in new traditional business at 0.4%.

- **Asia-Pacific**
  Strong internal growth in Korea (+17%) and Taiwan (+19%).

- **Transfer of portfolio from L/H to P/C**
  In 4Q 2014 portfolio transfer of Allianz France International Health (annual premiums of EUR 585mn) to AWP.

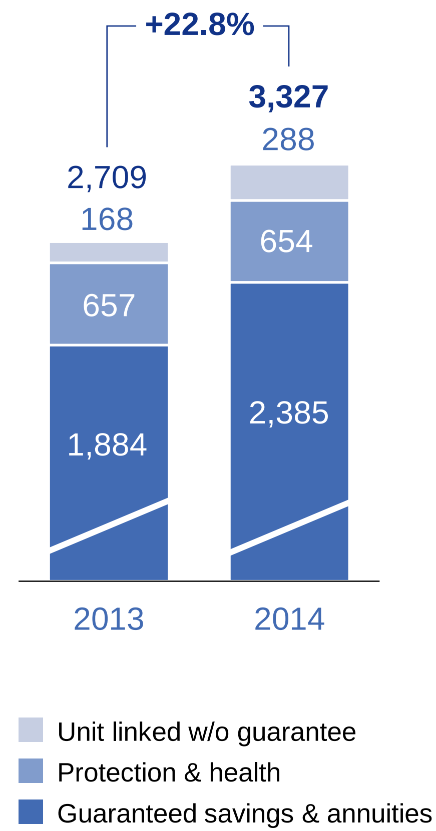
L/H: operating profit at upper end of target range
(EUR mn)

Operating profit by sources[1,2]



	Loadings & fees	Investment margin	Expenses	Technical margin	Impact of change in DAC
2014	5,151	2,972	-6,410	1,190	425
2013	4,709	2,386	-5,752	1,289	77

Operating profit by line[2]



1) For a description of the L/H operating profit sources please refer to the glossary
2) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking with impact on operating profit 2014 of EUR 113mn for L/H (part of unit linked w/o guarantee). In 4Q 14 an operating profit for the French International Health business of EUR 24mn was transferred from L/H France to Allianz Worldwide Partners effective 1 January 2014. In addition, prior year figures changed in order to reflect the roll-out of profit source reporting to some Asian companies and the lines of business split in Germany

L/H: operating profit at upper end of target range

Comments

- **Operating profit**
  Up mainly due to better investment margin and higher asset base. Consolidation of AM entities attributed EUR 113mn.
- **Loadings & fees**
  Increase mainly due to consolidation of AM entities (EUR +140mn) and strong sales of single premium business in Germany (EUR +127mn).
- **Investment margin (EUR mn)**
  Increase of 24.6% due to improvement of investment margin by 12bps and a 6.5% higher average reserve base.
- **Expenses**
  Acquisition expense increase in line with higher production, largely offset by DAC capitalization and higher loadings of single premium business. Admin expense ratio (in % of reserves) slightly improves by 1bp to 0.34%.
- **Technical margin**
  Drop mainly driven by German life insurance reform Act. The increase in mandatory PHP from 75% to 90% triggered a EUR 87mn lower technical margin. Negative impact is offset by lower PHP in investment margin.
- **Impact of change in DAC**
  Increase due to higher capitalization in US Life (EUR 415mn) following strong new business in FIA.

Allianz

L/H: value of new business up by 45 percent
(EUR mn)

2014		VNB[1]	Δ p.y.	NBM[1]	Δ p.y.	Operating profit	Δ p.y.
Total L/H segment[2,3]		**1,378**	+44.7%	**2.4%**	+0.3%-p	**3,327**	+22.8%
Large OEs	Germany Life	371	+4.8%	2.5%	-0.3%-p	1,079	+25.3%
	USA	406	+85.6%	3.4%	+0.4%-p	656	+34.7%
	Italy	176	+75.9%	1.7%	+0.1%-p	173	-19.9%
	France[3]	88	+70.7%	1.1%	+0.5%-p	455	+8.2%
Selected OEs	Asia-Pacific	164	+54.3%	3.2%	+0.8%-p	104	+189.5%
	Germany Health	32	+13.0%	3.3%	+0.5%-p	209	+3.5%
	Benelux[2]	49	+31.9%	3.1%	+0.4%-p	132	+48.7%
	Switzerland	34	+65.3%	2.9%	+1.0%-p	83	+7.1%
	Spain[2]	46	+38.7%	3.9%	+0.9%-p	191	+48.2%
	Central and Eastern Europe[2]	44	-15.9%	6.0%	-0.4%-p	119	+52.6%

1) After non-controlling interests
2) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking. Impact on operating profit L/H segment in 2014 is EUR 113mn. Thereof: Spain EUR 61mn and CEE EUR 45mn
3) In 4Q 14 an operating profit for the French International Health business of EUR 24mn was transferred from L/H France to Allianz Worldwide Partners effective 1 January 2014

L/H: value of new business up by 45 percent

Comments

New Business

- **VNB**
  Growth in VNB supported by both higher PVNBP and NBM as new product generations allow good NBM despite difficult market environment. NBM improves as negative impact from lower rates (-0.3%-p) is compensated by business mix change (+0.2%-p), assumptions changes and other (+0.2%-p). NBM 4Q 2014 at 2.3%.

  NBM 2014 recalculated with year-end interest rates still solid at 1.9%.
- **USA**
  Largest contributor to VNB. Increase due to high volumes of FIA with improved profitability.
- **Asia-Pacific**
  Significant improvement of NBM and VNB in all countries with Taiwan VNB almost doubling.

Operating profit

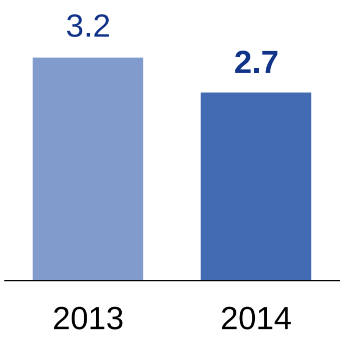
- **Germany Life**
  Increase driven by investment margin (EUR +346mn) - mainly due to recovery of result from net trading (i.e. duration management) and F/X (EUR +196mn). Reduction in technical result by EUR 80mn; for details see comments on slide 22.
- **USA**
  Increase driven by higher investment margin (EUR +112mn) due to an increased asset base of FIA.
- **Italy**
  Decrease mainly due to lower investment margin (EUR -43mn).
- **Asia-Pacific**
  Improvement mainly due to less establishment of premium deficiency reserve and DAC-write down in Korea of EUR -77mn after EUR -111mn in 2013.

Allianz

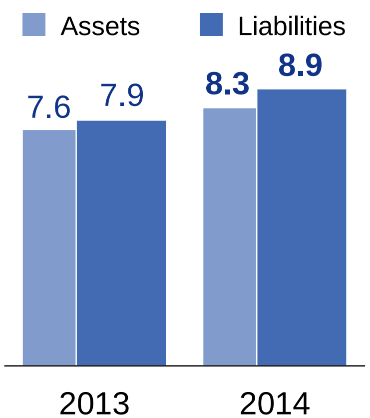
L/H: strong investment margin of 80bps

Based on Ø book value of assets[1]	2013	2014
Current yield[2]	4.1%	3.9%
Based on Ø aggregate policy reserves		
Current yield[2]	4.8%	4.6%
Net harvesting and other	0.1%	0.1%
Total yield	**4.9%**	**4.7%**
- Ø min. guarantee	2.5%	2.4%
Gross investment margin (in %)	**2.4%**	**2.3%**
- Profit sharing under IFRS[3]	1.7%	1.5%
Investment margin[4] (in %)	**0.7%**	**0.8%**
Investment margin (EUR mn)	2,386	2,972
Ø book value of assets[1] (EUR bn)	403	440
Ø aggregate policy reserves (EUR bn)	348	370

Reinvestment yield
(debt securities; in %)



Duration[5]



1) Asset base under IFRS which excludes unit-linked, FVO and trading
2) Based on interest and similar income (net of interest expenses)
3) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
4) Investment margin divided by the average of the current year-end and previous year-end aggregate policy reserves
5) For the duration calculation a non-parallel shift in line with Solvency II yield curves is used from 1Q 14 onwards. Data excludes internal pensions residing in the L/H segment

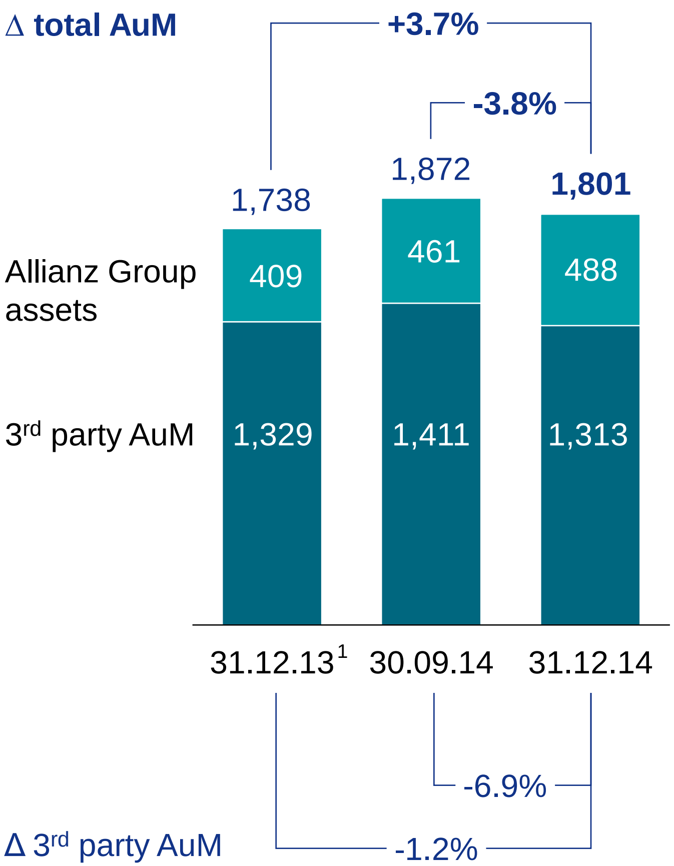
L/H: strong investment margin of 80bps

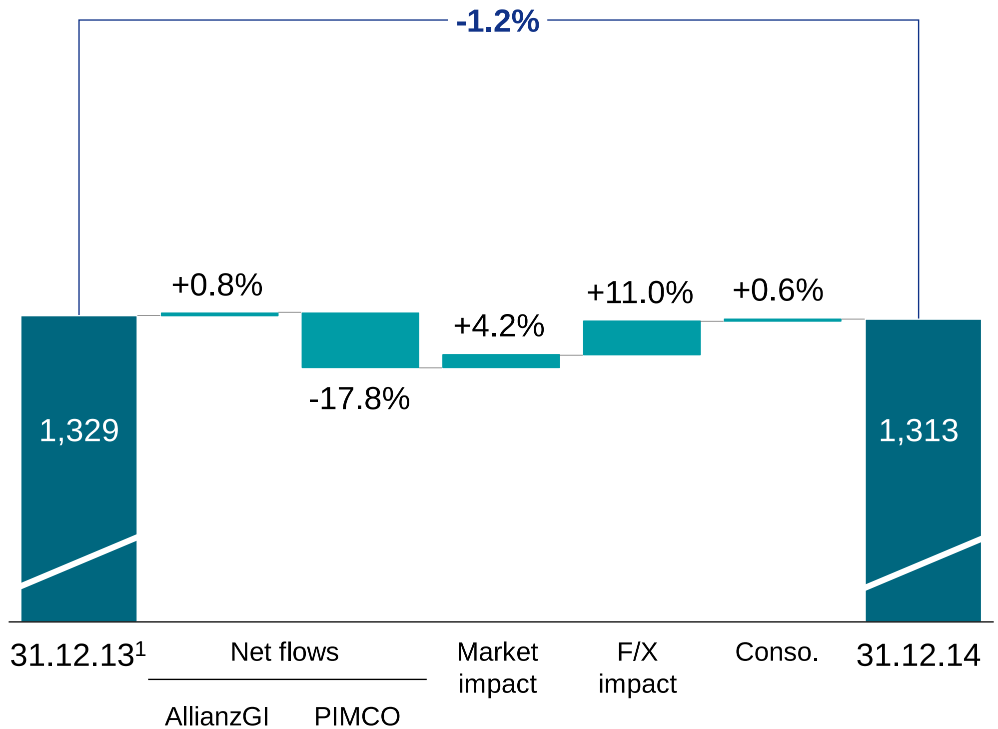
Comments

- **Investment margin (EUR mn)**
  Improvement of 24.6% due to better investment margin (+12bps) and higher average aggregate policy reserves (+6.5%).
- **Investment margin (in %)**
  Significantly higher (80bps) than 2013 (69bps). Increase driven by Germany and France via lower PHP.

  Normal level of 75bps.
- **Current yield on reserves**
  Current yield decreases by 16bps. Negative impact largely offset by lower average minimum guarantee (-12bps).
- **Net harvesting and other**
  In line with normal range.
- **Policyholder participation**
  Reduced PHP (-3%-p) reflecting lower yield environment.
- **Average aggregate policy reserves**
  Increase mainly due to strong new business.
- **Reinvestment yield**
  4Q 2014 reinvestment yield at 2.3%.
- **Duration**
  Increase in duration gap mostly driven by lower interest rate environment.

AM: 3rd party net outflows offset by market effects and F/X
(EUR bn)





EUR bn	+10.4	-236.1	+55.5	+146.1	+8.1

1) Adjusted for certain entities allocated from Asset Management to Life/Health and Banking effective 2014

AM: 3rd party net outflows offset by market effects and F/X

Comments

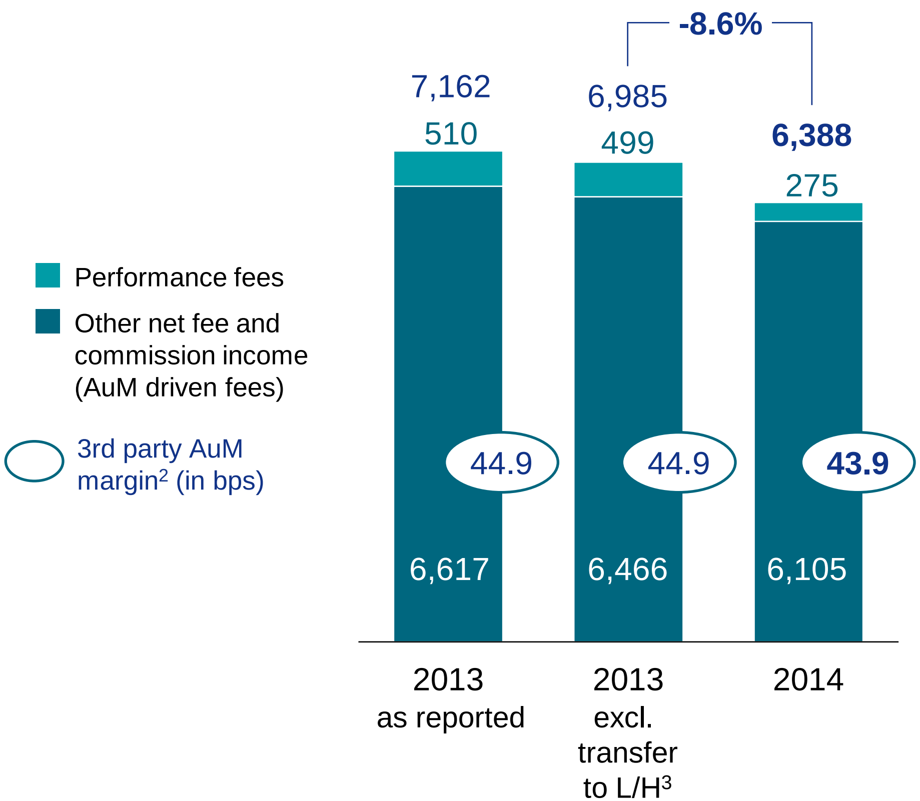
- **Segment AuM**
  Total AuM up by 4% in 2014 driven by Allianz assets. 3rd party AuM nearly stable compared with year end 2013. Net outflows at PIMCO offset by F/X impact, market effects and also by inflows at AllianzGI.
- **PIMCO AuM**
  3rd party AuM down by 5% to EUR 1,053bn in 12M 2014. Positive impact from USD strengthening (F/X +12%) and decreasing yields (market effects +4%) partially compensate for 3rd party net outflows (-21%). Share of non-traditional products further increases to 73% (66% end of 2013).
- **AllianzGI AuM**
  21% increase to EUR 260bn versus year end 2013 due to market performance (+8%), strong 3rd party net inflows (+5%), F/X (+5%) and consolidation effect (+3%, mainly caused by inclusion of fund of fund assets).
- **PIMCO investment performance**
  88% of 3rd party AuM outperformed their benchmark on a trailing 3-year basis (before fees).
  US Total Return Fund Institutional Class Shares: Net after fee return of +3.99% from September 30, 2014 through January 31, 2015, outperforming its benchmark and generating +1.11% above Morningstar Intermediate Term Bond Average. Morningstar rating raised back to five stars in February 2015.
- **PIMCO net flows**
  >70% of 3rd party net outflows occurred in the time period September 26 till year end. Average daily outflows declined significantly during that period. Outflows mainly in the US and from traditional products.
- **AllianzGI net flows**
  4Q 2014 as 8^{th} consecutive quarter with 3rd party net inflows, now at highest level since implementation of new structure in 2012. Inflows in 12M 2014 driven by multi-asset strategies.

Allianz

AM: revenues decline 8.6 percent

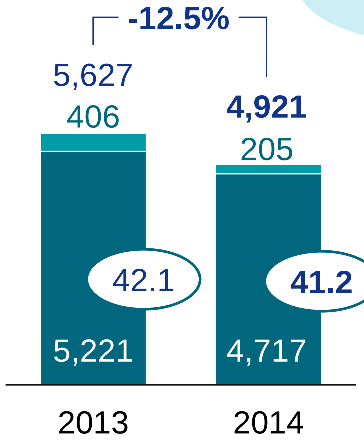
Revenues development[1] (EUR mn)

Internal growth
-8.5%

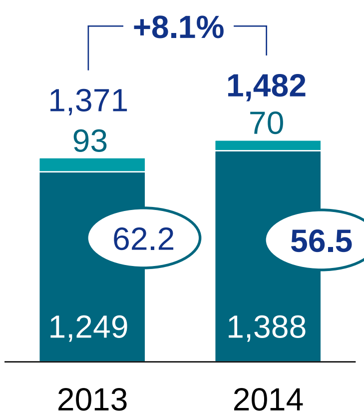


PIMCO

Internal growth
-12.5%



AllianzGI[4]



1) "Other" revenues of EUR 35mn (2013), excl. transfer to L/H EUR 20mn (2013) and EUR 8mn (2014) are not shown in the chart
2) Excluding performance fees and other income, 12 months
3) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking
4) "Other" AllianzGI revenues of EUR 29mn (2013) and EUR 24mn (2014) are not shown in the chart

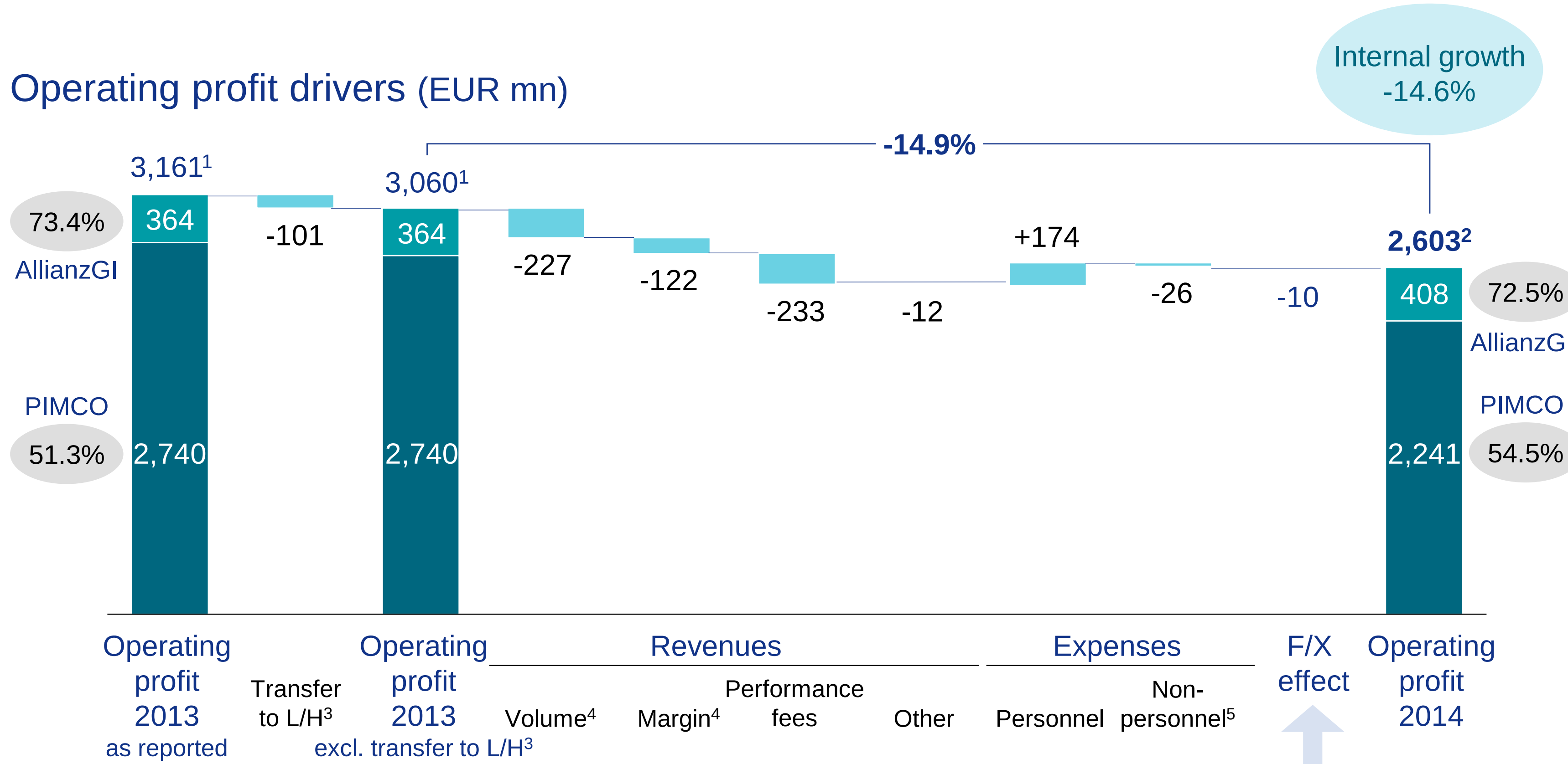
AM: revenues decline 8.6 percent

Comments

- **PIMCO AuM driven revenues**
  10% decrease driven by an 8% decrease of average 3rd party AuM and a slightly lower 3rd party AuM margin.
- **AllianzGI AuM driven revenues**
  11% increase due to a 22% increase of average 3rd party AuM, partially compensated by a decrease of 3rd party AuM margin.
- **PIMCO performance fees**
  Recurring performance fees slightly up. Overall decrease explained by high non-recurring performance fees from one private fund in 2013. Increase expected in 2015.
- **AllianzGI performance fees**
  Decrease due to new high-watermark regulation for AllianzGI.
- **F/X impact on revenues**
  No positive impact of stronger USD yet, as average annual USD exchange rate of 1.33 USD/EUR still at previous year's level.
- **PIMCO 3rd party AuM margin**
  Nearly unchanged versus 9M 2014 (-0.1bps). Decrease of 0.9bps versus 12M 2013 driven by client mix: share of retail business down to 32% from 34%.
- **AllianzGI 3rd party AuM margin**
  Decrease driven by inclusion of fund of fund products in the asset base (= revenues unchanged, AuM higher) and product mix.

AM: operating profit in line with expectations

Operating profit drivers (EUR mn)



	Volume[4] / Margin[4]	Performance fees	Other	Personnel	Non-personnel[5]		CIR
F/X impact	-12	9	-1	-1	-5		
2014	6,105[4]	275	8	-2,372	-1,412		59.2%
2013	6,466[4]	499	20	-2,544	-1,380		56.2%

1) Including operating profit/loss from other entities of EUR 57mn (as reported in 2013) and EUR -44mn (2013 considering transfer to L/H in 2014)
2) Including operating loss of EUR -46mn from other entities
3) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking
4) Calculation based on currency adjusted average Allianz AuM / Allianz AuM driven margins and based on currency adjusted average third party AuM / third party AuM driven margins
5) Including restructuring expenses

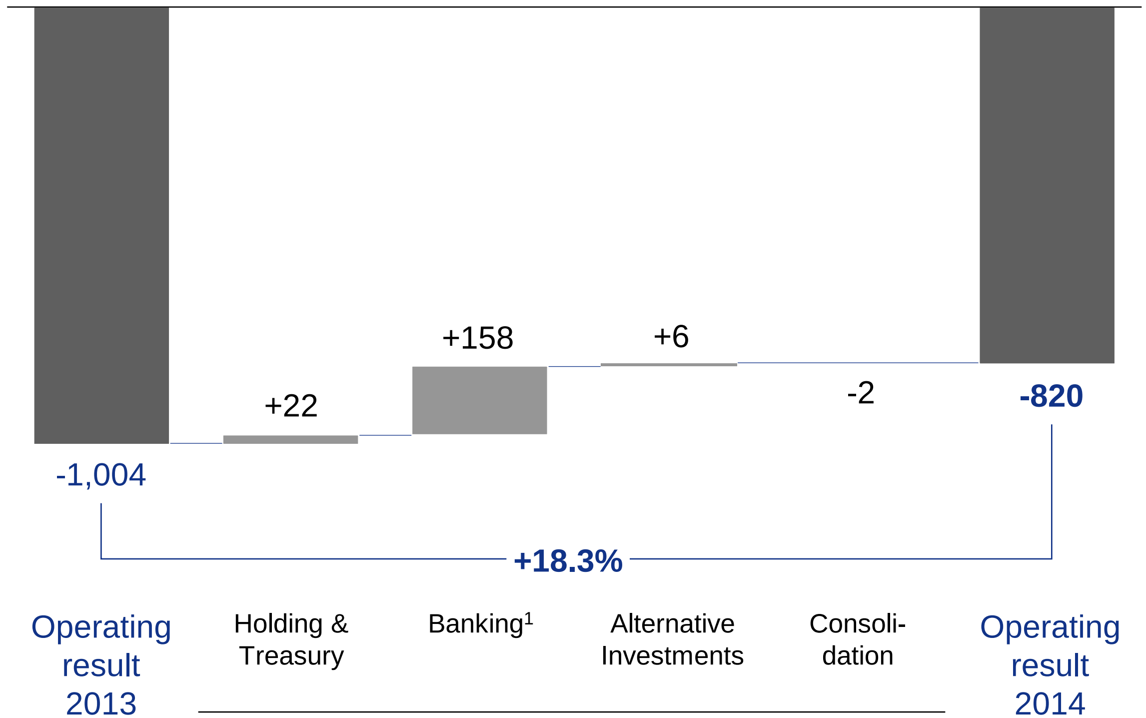
AM: operating profit in line with expectations

Comments

- **Segment operating profit**
  Well within target range of EUR 2.5 – 2.9bn and the 3rd best result of the business segment.
- **PIMCO operating profit**
  18% decrease caused mainly by lower average 3rd party AuM and performance fees which declined due to non-recurring carried interest received in 2013 (recurring performance fees slightly up in 2014). Expenses reduced by 7% despite new deferred cash retention program (net impact EUR 24mn in 4Q 2014) and higher marketing costs after the departure of the former CIO. Variable personnel expenses down by 16%.
- **AllianzGI operating profit**
  Up by 12%. Highest annual and quarterly level since implementation of new structure in January 2012. Further increase expected in 2015.
- **Segment CIR**
  Revenues down by 9%, expenses by 4%, resulting in 3%-p increase of CIR.
- **PIMCO CIR**
  Recently implemented deferred cash retention program contributes 1.9%-p to 4Q 2014 CIR of 61.2%.
- **AllianzGI CIR**
  Expenses increase less than revenues, improving CIR by 1.0%-p.
  CIR 4Q 2014: 70.9%.

CO: improved operating result
(EUR mn)

Operating loss development and components



	Holding & Treasury	Banking[1]	Alternative Investments	Consoli-dation
2014	-917	66	30	0
2013	-939	-91	24	3

1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking

CO: improved operating result

Comments

- **Operating profit**
  Result better than target
  (EUR -1.0 to -1.2bn).
- **Holding & Treasury**
  Almost stable.
- **Indian operations**
  The operating profit of Holding & Treasury includes the at equity result of our P/C and L/H entities in India (EUR 52mn), which will be allocated to our business segments beginning with 1Q 2015.

  Our current stakes stand at 26%. The Indian government initiated a process to allow foreign companies to increase their stakes to 49%.
- **Banking**
  Improvement of operating result due to last year's one-off restructuring costs for the discontinuation of Allianz Bank in Germany (EUR 88mn) and EUR 42mn less loan loss provisions.

Allianz

Group: shareholders' net income up 3.8 percent
(EUR mn)

	2013	2014	Change
Operating profit	10,066	**10,402**	+336
Non-operating items	-423	**-1,554**	-1,131
Realized gains/losses	952	**812**	-141
Impairments (net)	-313	**-197**	+116
Income from fin. assets and liabilities carried at fair value	23	**-303**	-326
Interest expenses from external debt	-901	**-846**	+55
Fully consolidated private equity inv. (net)	-15	**-23**	-8
Acquisition-related expenses	-34	**7**	+42
Amortization of intangible assets	-136	**-104**	+31
Reclassification of tax benefits	0	**-901**	-901
Income before taxes	9,643	**8,848**	-795
Income taxes	-3,300	**-2,245**	+1,055
Net income	6,343	**6,603**	+260
Non-controlling interests	-347	**-381**	-34
Shareholders' net income	5,996	**6,221**	+225
Shareholders' effective tax rate	34%	**32%**[1]	-2%-p

1) Calculated shareholders' effective tax rate based on income taxes w/o tax benefits for prior years allocated to policyholders resulting from favorable Federal Fiscal Court decision

Group: shareholders' net income up 3.8 percent

Comments

- **Non-operating items**
  Predominant driver for the decline was the loss from financial assets and liabilities carried at fair value, mainly driven by hedging activities of our US life subsidiary.

- **Interest expenses from external debt**
  Corporate Finance activities reduced average yield of external bonds to 4.8% from 5.2%.

- **Tax**
  The effective shareholders' tax rate is 32%. A favorable court decision initiated by Allianz Leben led to a reduction of the underlying tax ratio of 34% by 9%-p of which 7%-p were allocated to the policy-holders and 2%-p remained with the shareholders.

- **Dividend**
  Proposed dividend of EUR 6.85 per share, 29.2% above last year's level of EUR 5.30, reflecting our new dividend policy to pay out 50% of shareholders' net income. Treasury shares (2.7mn) deducted from total share count.

Summary

- Total revenues at EUR 122.3bn (+10.4%)
- Operating profit of EUR 10.4bn (+3.3%)
- Shareholders’ net income of EUR 6.2bn (+3.8%)
- Strong capital and balance sheet position

A

Group financial results 2014

Allianz

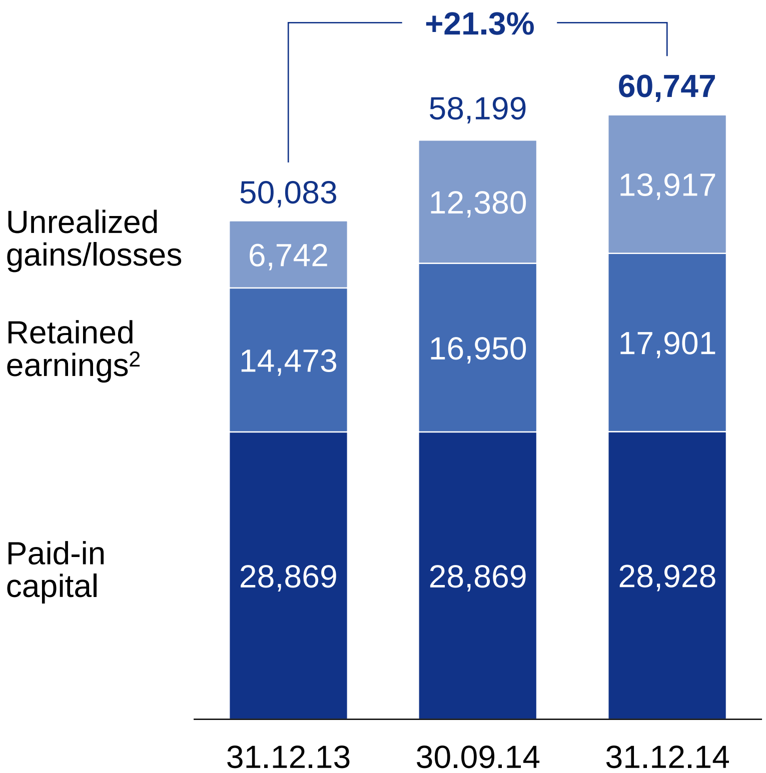
Group: key figures[1,2]
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
Total revenues (EUR bn)	**32.0**	**26.8**	**25.1**	**26.8**	**34.0**	**29.5**	**28.8**	**30.1**	**+3.2**	**110.8**	**122.3**	**+11.5**
- Property-Casualty	*15.2*	*10.8*	*10.7*	*10.0*	*15.2*	*10.8*	*11.3*	*11.0*	*+1.0*	*46.6*	*48.3*	*+1.7*
- Life / Health	*14.8*	*14.1*	*12.7*	*15.1*	*17.2*	*17.0*	*15.9*	*17.4*	*+2.2*	*56.8*	*67.3*	*+10.5*
- Asset Management	*1.9*	*1.8*	*1.7*	*1.7*	*1.5*	*1.6*	*1.6*	*1.6*	*-0.1*	*7.2*	*6.4*	*-0.8*
- Corporate and Other	*0.1*	*0.1*	*0.1*	*0.1*	*0.1*	*0.1*	*0.1*	*0.2*	*+0.0*	*0.6*	*0.6*	*+0.0*
- Consolidation	*0.0*	*-0.1*	*0.0*	*-0.2*	*-0.1*	*-0.1*	*-0.1*	*-0.1*	*+0.1*	*-0.3*	*-0.3*	*-0.0*
Operating profit	**2,796**	**2,367**	**2,518**	**2,384**	**2,723**	**2,770**	**2,650**	**2,258**	**-125**	**10,066**	**10,402**	**+336**
- Property-Casualty	*1,319*	*1,179*	*1,235*	*1,534*	*1,489*	*1,345*	*1,422*	*1,125*	*-409*	*5,267*	*5,382*	*+115*
- Life / Health	*854*	*670*	*769*	*417*	*880*	*985*	*790*	*673*	*+256*	*2,709*	*3,327*	*+618*
- Asset Management	*900*	*803*	*755*	*703*	*646*	*676*	*694*	*588*	*-115*	*3,161*	*2,603*	*-558*
- Corporate and Other	*-239*	*-274*	*-229*	*-261*	*-222*	*-219*	*-248*	*-131*	*+130*	*-1,004*	*-820*	*+183*
- Consolidation	*-38*	*-11*	*-11*	*-9*	*-69*	*-16*	*-9*	*3*	*+12*	*-68*	*-91*	*-22*
Non-operating items	-119	132	-242	-194	-117	-37	-331	-1,069	-875	-423	-1,554	-1,131
Income before taxes	2,678	2,499	2,277	2,190	2,607	2,733	2,319	1,189	-1,000	9,643	8,848	-795
Income taxes	-877	-824	-746	-853	-867	-875	-632	128	+981	-3,300	-2,245	+1,055
Net income	**1,801**	**1,676**	**1,530**	**1,337**	**1,740**	**1,858**	**1,687**	**1,318**	**-19**	**6,343**	**6,603**	**+260**
Non-controlling interests	94	87	85	81	100	103	81	98	+17	347	381	+34
Shareholders' net income	**1,707**	**1,588**	**1,445**	**1,256**	**1,640**	**1,755**	**1,606**	**1,220**	**-36**	**5,996**	**6,221**	**+225**
Group financial assets[3,4] (EUR bn)	542.1	528.8	532.5	537.5	556.0	572.8	595.8	612.0	+74.5	537.5	612.0	+74.5

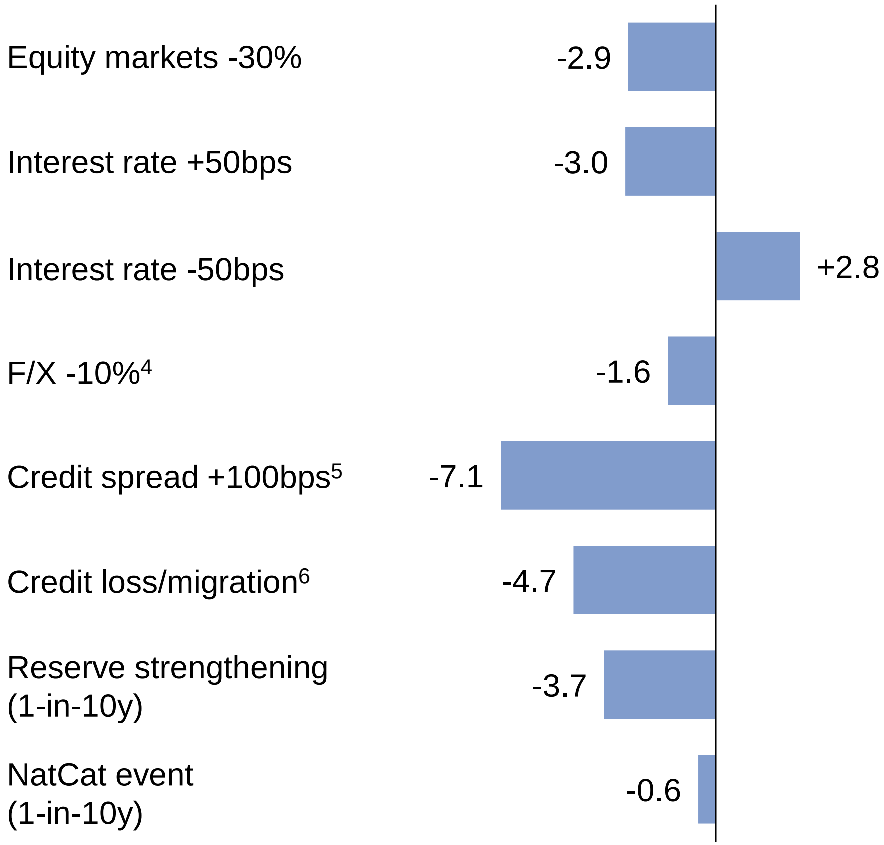
1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking
2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
3) Group own assets including financial assets carried at fair value through income, cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling
4) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10

Group: shareholders' equity and stress tests

Shareholders' equity[1] (EUR mn)



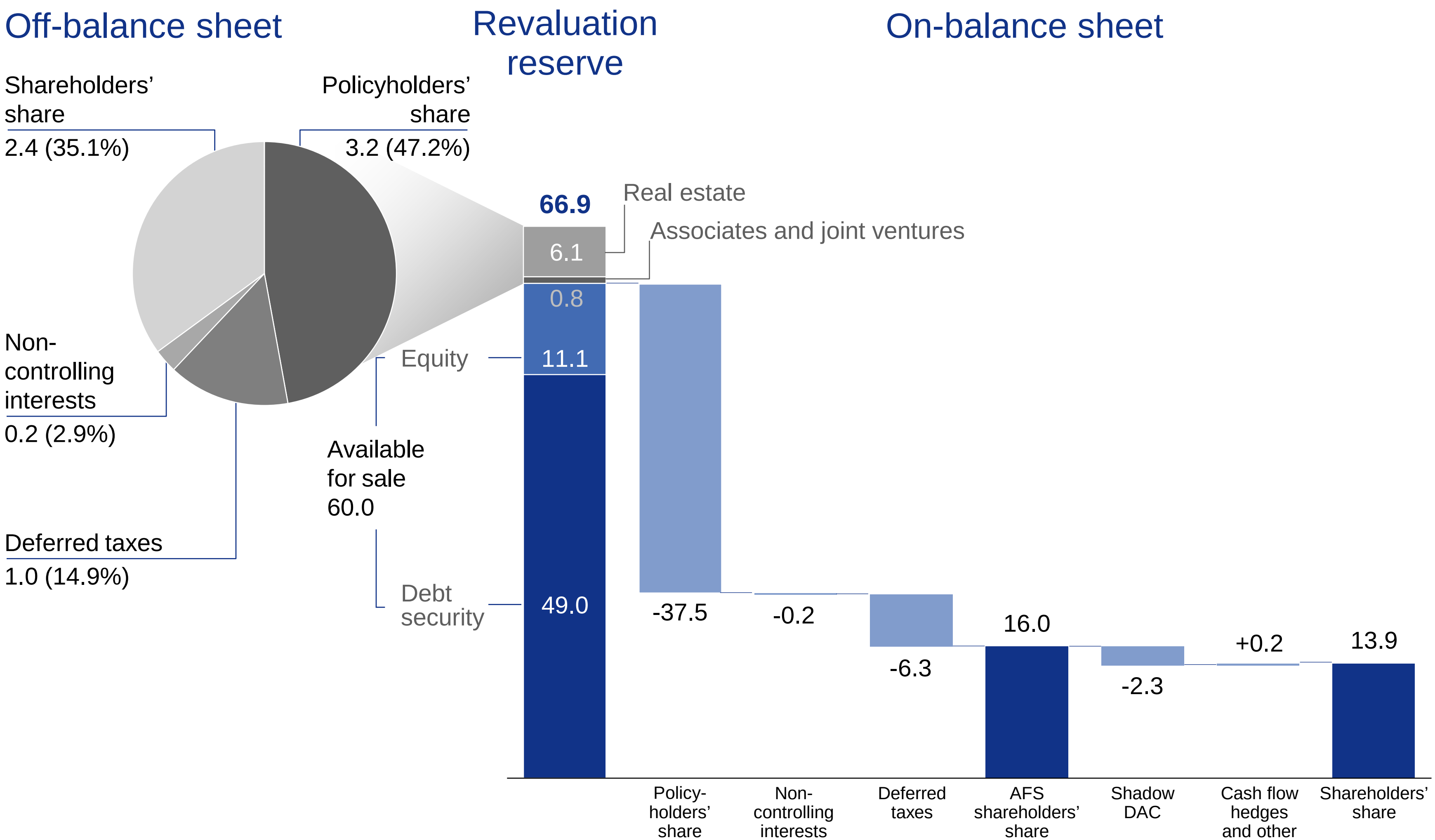
Estimation of stress impact[3] (EUR bn)



1) Excluding non-controlling interests (31.12.13: EUR 2,765mn, 30.09.14: EUR 2,890mn, 31.12.14: EUR 2,955mn)
2) Including F/X
3) After non-controlling interests, policyholder participation, tax and shadow DAC
4) Weakening all currencies against EUR
5) Credit spread stress on total debt portfolio
6) Credit loss/migration: scenario based on probabilities of default in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30%

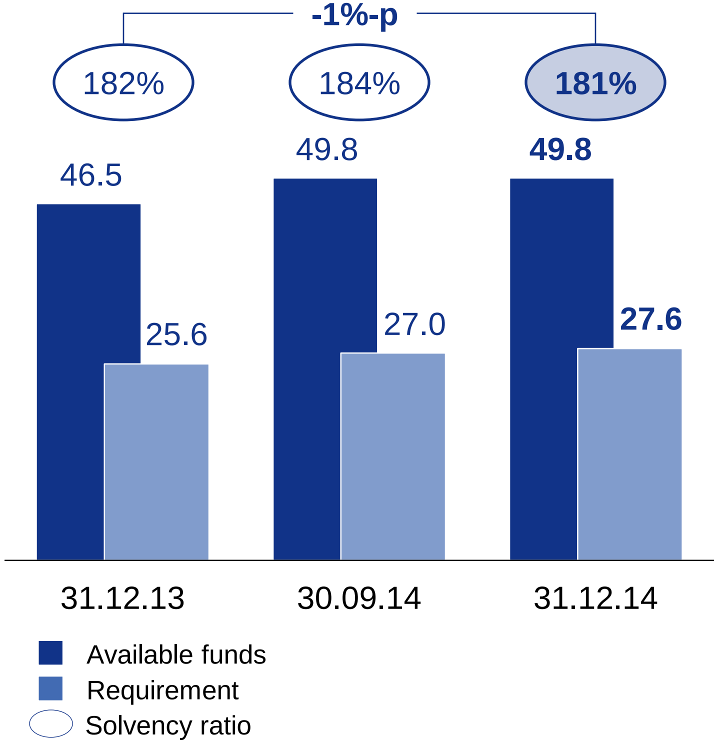
Allianz

Group: revaluation reserve
(EUR bn)



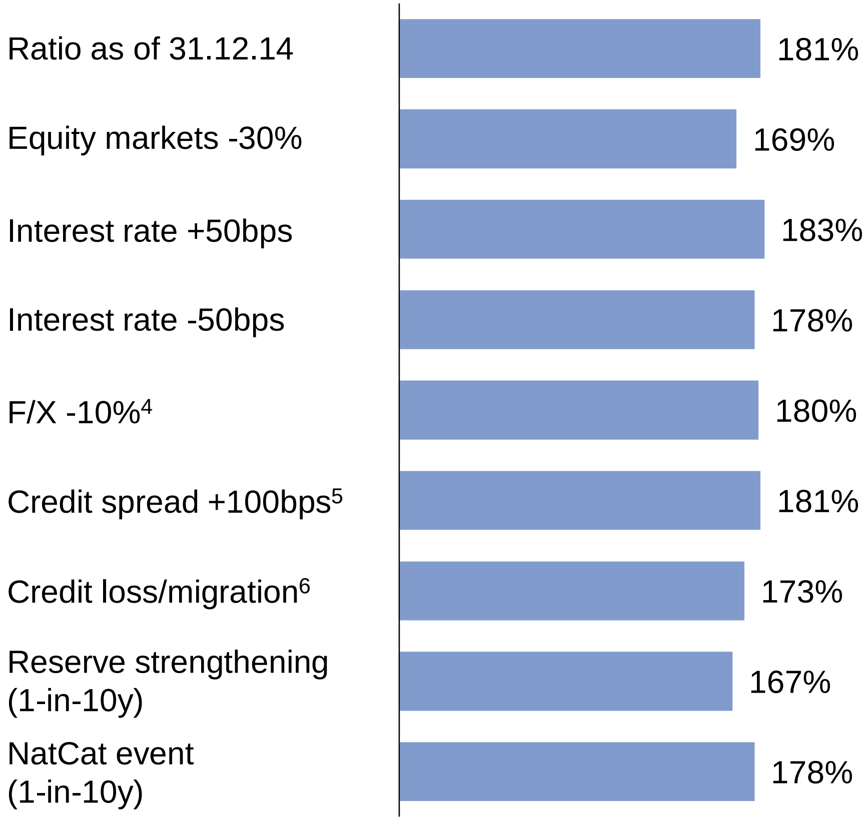
Group: conglomerate solvency ratio and stress tests

Conglomerate solvency[1,2] (EUR bn)



1) Hybrid capital has been adjusted by EUR 1.4bn as of 30 September 2014 and EUR 0.4bn as of 31 December 2014 due to potential calls in 2015. Excluding this adjustment, the conglomerate solvency ratio would be 190% as of 30 September 2014 and 182% as of 31 December 2014
2) Off-balance sheet reserves are accepted as eligible capital only upon request. Allianz SE has not submitted an application so far. Off-balance sheet reserves amounted to: 31.12.13: EUR 2.3bn, 30.09.14: EUR 2.2bn and 31.12.14: EUR 2.3bn. The solvency ratio excluding off-balance sheet reserves would be 173% for 31.12.13 and additionally, adjusted for the potential calls of hybrid capital in 2015, 176% for 30.09.14 and 172% for 31.12.14

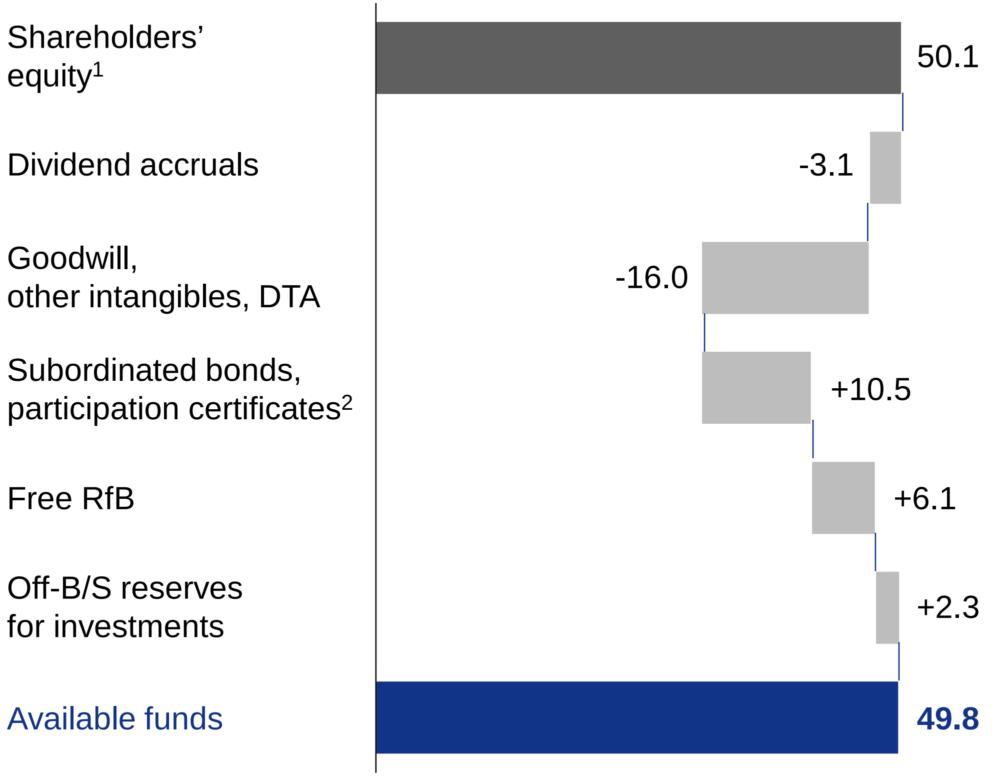
Estimation of stress impact[1,2,3]



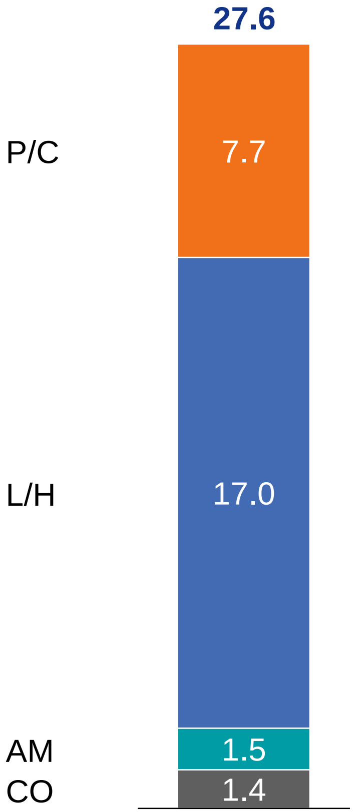
3) After non-controlling interests, policyholder participation, tax and shadow DAC
4) Weakening all currencies against EUR
5) Credit spread stress on total bond portfolio
6) Corporate credit loss/migration: scenario based on probabilities of default in 1932, migrations adjusted to mimic recession and assumed recovery rate of 30%

Group: conglomerate solvency details as of 31.12.14
(EUR bn)

Available funds



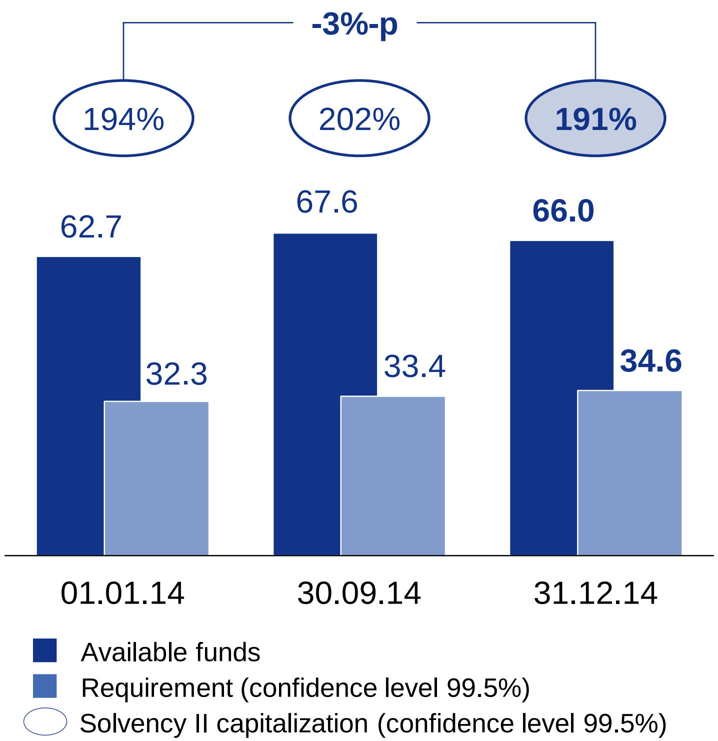
Required capital



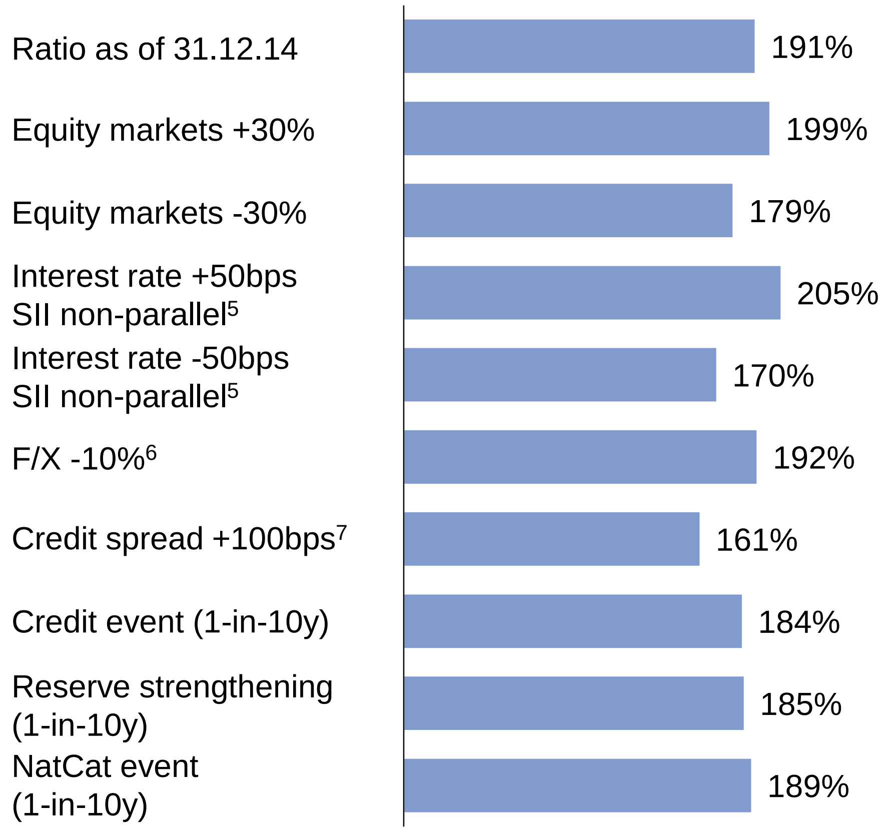
1) Adjusted for unrealized gains/losses on available-for-sale bonds (negative effect of EUR -10.7bn)
2) Hybrid capital has been adjusted by EUR 0.4bn due to potential calls in 2015

Group: Solvency II capitalization and stress tests

SII capitalization[1,2,3] (EUR bn)



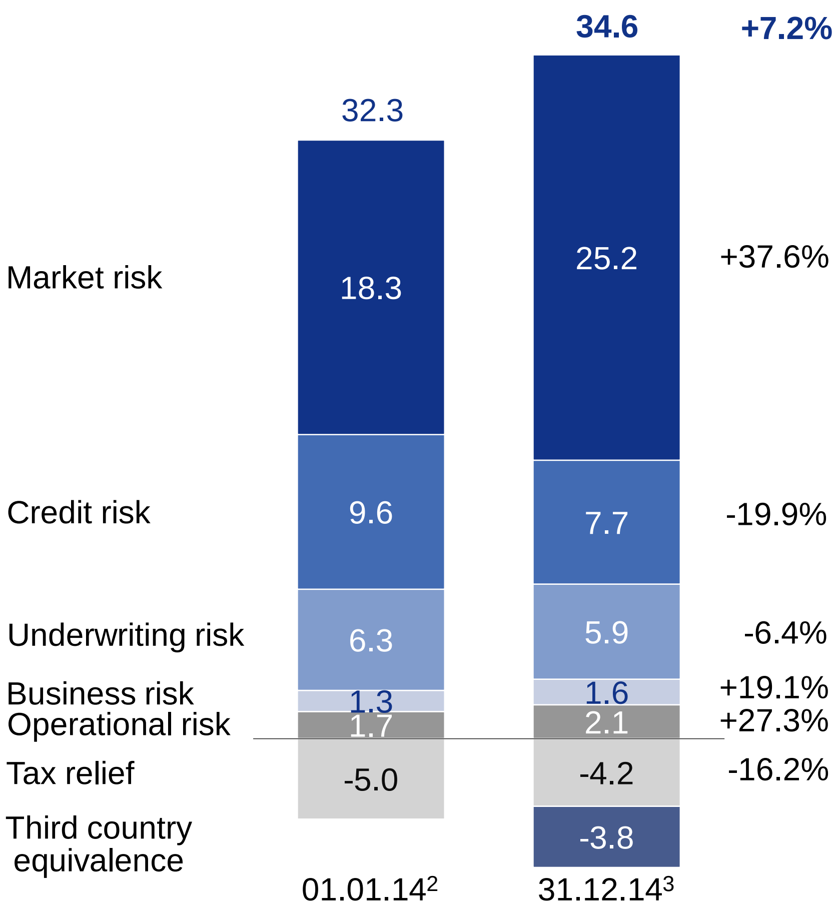
Estimation of stress impact[4]



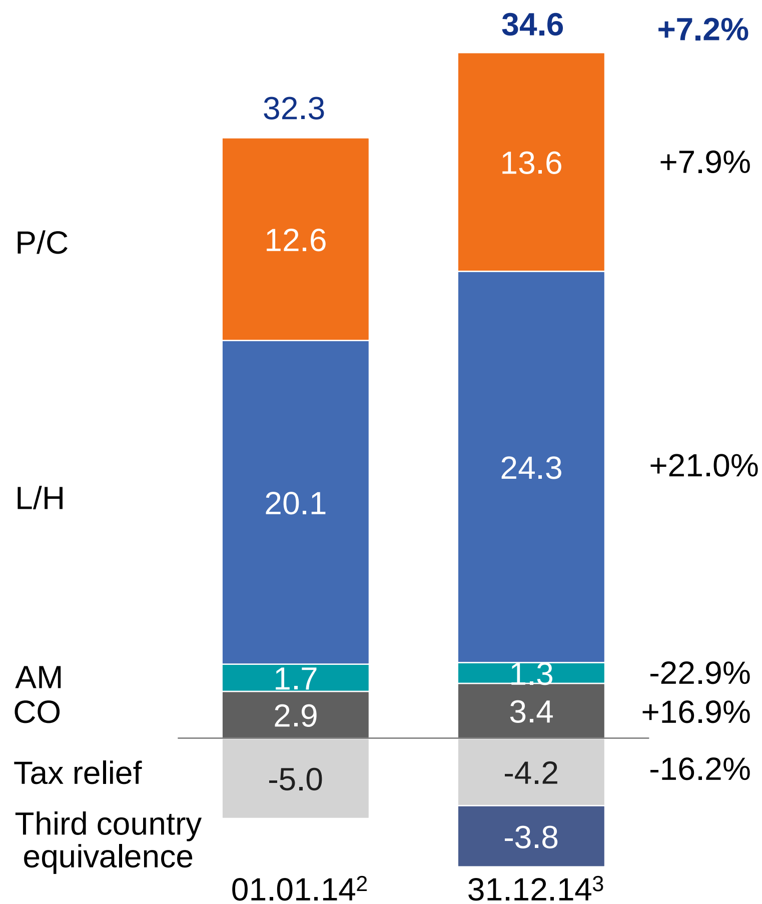
1) Figures as of 01.01.14 and 30.09.14 shown as published in AP since 1Q 14, reflecting the best estimate of SII rules based on the understanding as of beginning of 2014. Published figure as of 31.12.13 was 222%. Including sovereign credit risk based on the domestic light approach. AZ Life included based on third country equivalence with 100% of RBC as of 31.12.14
2) Hybrid capital has been adjusted by EUR 1.4bn as of 30 September 2014 and EUR 0.4bn as of 31 December 2014 due to potential calls in 2015. Excluding this adjustment, the solvency II capitalization would be 207% as of 30 September 2014 and 192% as of 31 December 2014
3) Available funds include anchoring in line with EIOPA approach
4) Estimated solvency ratio changes in case of stress scenarios (stress applied on both available funds and requirement)
5) IR stresses based on non-parallel shifts of the interest rate curve in line with anchoring based on the EIOPA approach
6) Weakening all currencies against EUR
7) Credit spread stress on total bond portfolio

Group: risk capital breakdown[1]
(EUR bn)

Risk capital by risk categories

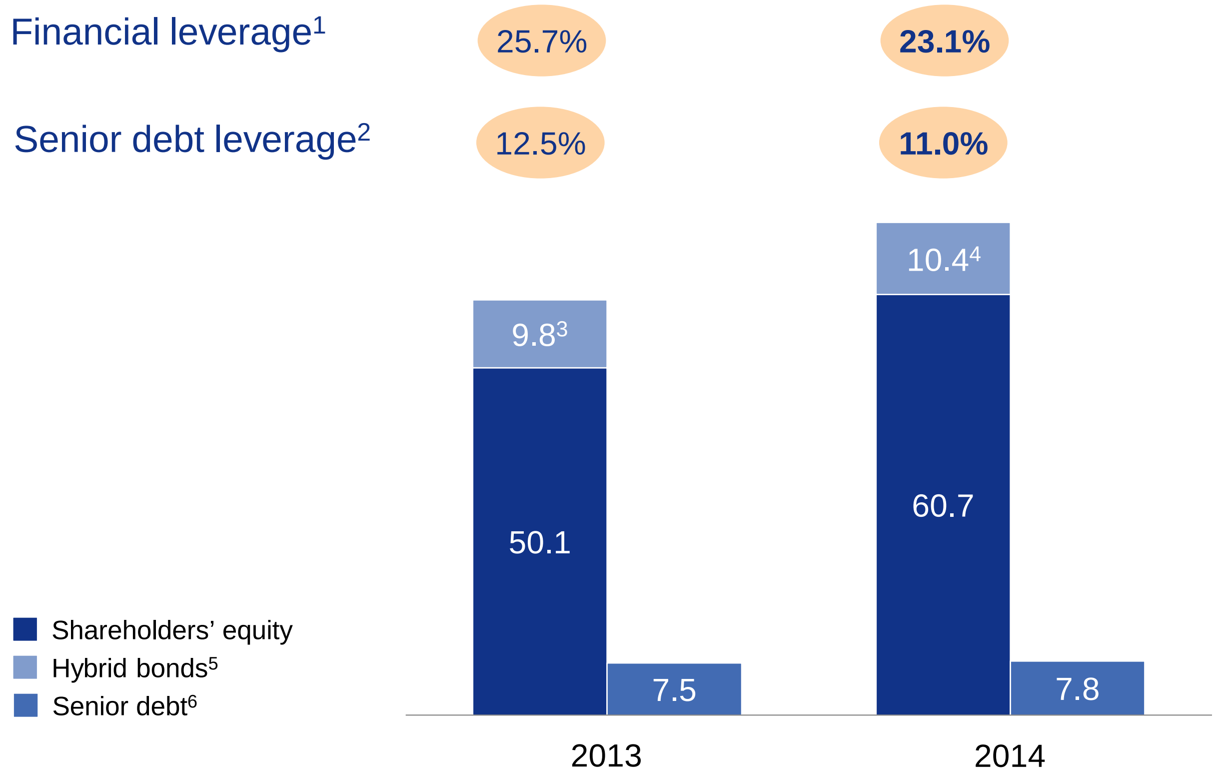


Risk capital by segments



1) Before non-controlling interests, Group diversified, at 99.5% confidence level
2) Based on model as published in AP since 1Q 2014, reflecting the best estimate of SII rules based on the understanding as of beginning of 2014
3) 4Q 2014 figures include model updates on sovereign credit risk (favorable treatment of sovereign exposures) as well as book value deduction for non-EU insurance entities based on supervisory guidance. AZ Life included based on third country equivalence with 100% of RBC

Group: 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) Excludes a EUR 1.5bn subordinated bond redeemed effective January 15, 2014
4) Excludes a EUR 1.0bn subordinated bond redeemed effective January 13, 2015 and a EUR 0.4bn subordinated bond potentially to be called in 2015
5) Subordinated liabilities excluding bank subsidiaries; nominal value
6) Certificated liabilities excluding bank subsidiaries; nominal value

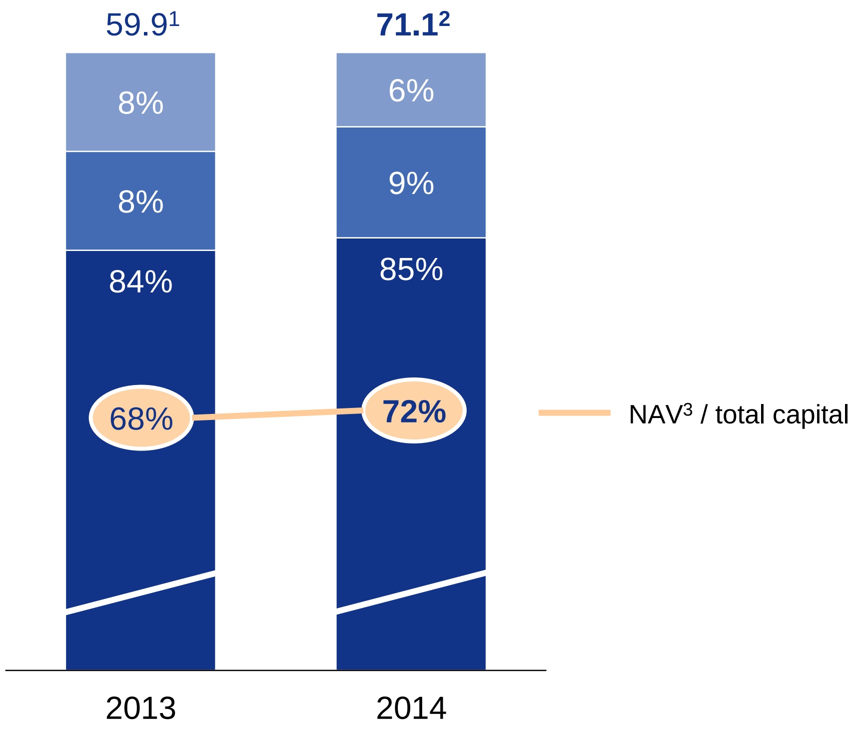
Group: quality of capital
(EUR bn)

Total capital

Dated hybrids as % of total capital

Undated hybrids as % of total capital

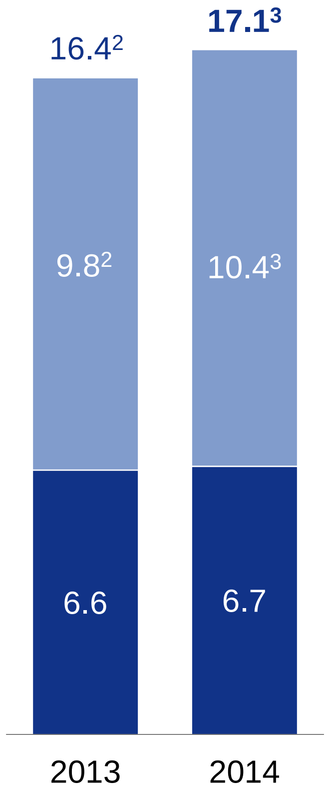
Shareholders' equity as % of total capital



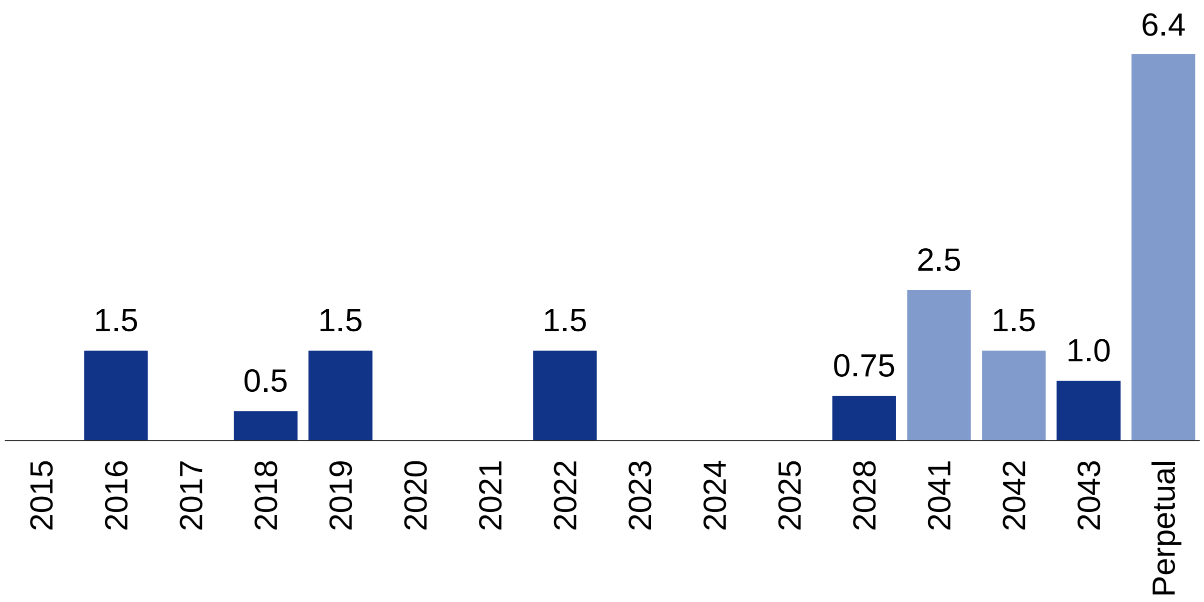
1) Excludes a EUR 1.5bn subordinated bond redeemed effective January 15, 2014
2) Excludes a EUR 1.0bn subordinated bond redeemed effective January 13, 2015 and a EUR 0.4bn subordinated bond potentially to be called in 2015
3) NAV: shareholders' equity + shareholders' share of off-balance sheet reserves – goodwill

Group: maturity profile of external bonds
(EUR bn)

Outstanding bonds[1]



Maturity structure[1]



1) Group excluding bank subsidiaries; nominal value
2) Excludes a EUR 1.5bn subordinated bond redeemed effective January 15, 2014
3) Excludes a EUR 1.0bn subordinated bond redeemed effective January 13, 2015 and a EUR 0.4bn subordinated bond potentially to be called in 2015

Allianz

Group: asset allocation[1]
(EUR bn)

		Property-Casualty		Life / Health		Asset Management		Corporate and Other		Consolidation		Group	
		31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14
Investments	*Equities*[2]	*5.0*	*6.3*	*28.9*	*32.2*	*0.0*	*0.0*	*1.7*	*2.7*	*0.0*	*0.0*	*35.6*	*41.2*
	Debt securities	*67.0*	*72.4*	*269.3*	*331.8*	*1.1*	*0.1*	*26.4*	*28.4*	*0.0*	*0.0*	*363.9*	*432.7*
	Cash and cash pool assets[3]	*4.9*	*5.6*	*7.5*	*8.0*	*2.2*	*2.3*	*-5.0*	*-4.1*	*-0.7*	*-0.8*	*8.9*	*11.1*
	Other[4]	*7.5*	*9.5*	*10.0*	*10.4*	*0.0*	*0.0*	*0.3*	*0.3*	*-6.1*	*-7.7*	*11.7*	*12.5*
	Total Investments	**84.4**	**93.8**	**315.8**	**382.4**	**3.4**	**2.4**	**23.4**	**27.3**	**-6.9**	**-8.5**	**420.0**	**497.5**
Loans and advances	Debt securities	16.1	15.0	89.9	91.4	0.4	0.1	18.2	17.5	-7.9	-6.9	116.8	117.1
Investments & loans		**100.5**	**108.8**	**405.7**	**473.8**	**3.8**	**2.5**	**41.5**	**44.9**	**-14.7**	**-15.4**	**536.8**	**614.6**
Financial assets and liabilities designated at fair value[5]		0.1	0.1	3.4	3.2	0.6	0.0	0.0	0.3	0.0	0.0	4.1	3.7
Financial assets and liabilities held for trading[5]		0.5	0.4	-3.8	-6.2	0.0	0.0	-0.2	-0.5	0.0	0.0	-3.5	-6.3
Group financial assets		**101.1**	**109.2**	**405.4**	**470.8**	**4.5**	**2.6**	**41.3**	**44.7**	**-14.7**	**-15.4**	**537.5**	**612.0**
Equities AFS		4.4	5.6	26.9	29.5	0.0	0.0	1.2	2.1	0.0	0.0	32.5	37.2
Equities associated ent. / joint ventures		0.6	0.7	2.0	2.8	0.0	0.0	0.5	0.6	0.0	0.0	3.1	4.1
Equities		**5.0**	**6.3**	**28.9**	**32.2**	**0.0**	**0.0**	**1.7**	**2.7**	**0.0**	**0.0**	**35.6**	**41.2**
Affiliated enterprises		8.9	8.9	0.8	0.2	0.0	0.0	75.4	77.2	-85.1	-86.3	0.0	0.0
Investments & loans incl. affiliated enterprises		**109.4**	**117.7**	**406.5**	**474.0**	**3.8**	**2.5**	**116.9**	**122.1**	**-99.8**	**-101.7**	**536.8**	**614.6**
Real estate held for investment		2.9	3.1	7.6	8.0	0.0	0.0	0.3	0.3	0.0	0.0	10.8	11.3
Funds under reins. contr. assumed		4.6	6.4	2.5	2.4	0.0	0.0	0.0	0.0	-6.1	-7.7	0.9	1.2
Other		**7.5**	**9.5**	**10.0**	**10.4**	**0.0**	**0.0**	**0.3**	**0.3**	**-6.1**	**-7.7**	**11.7**	**12.5**

1) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
2) Equities incl. associated enterprises / joint ventures, excl. affiliated enterprises
3) Net of liabilities from securities lending and including liabilities from cash pooling
4) Other incl. real estate held for investment and funds held by others under reinsurance contracts assumed
5) Net of liabilities

Allianz

Group: investment result
(EUR mn)

	Property-Casualty		Life / Health		Asset Management		Corporate and Other		Consolidation		Group	
	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014
Operating investment result												
Interest and similar income[1]	3,542	3,525	16,687	17,200	12	-3	280	303	-24	3	20,497	21,028
Inc. fr. fin. assets and liab. carried at FV [2]	17	-200	-455	-3,268	12	2	78	-90	-14	22	-362	-3,534
Realized gains/losses (net)	70	186	3,294	3,204	0	0	0	0	-30	-184	3,334	3,205
Impairments of investments (net)	-11	-20	-331	-677	0	0	0	0	44	0	-298	-697
F/X result	-92	206	-1,376	1,901	0	3	-37	123	0	0	-1,506	2,234
Investment expenses	-315	-323	-839	-903	0	0	-82	-77	332	342	-905	-961
Subtotal	**3,210**	**3,373**	**16,979**	**17,457**	**25**	**2**	**238**	**259**	**309**	**183**	**20,761**	**21,274**
Non-operating investment result												
Inc. fr. fin. assets and liab. carried at FV	25	-114	27	-131	0	0	-46	-33	17	-25	23	-303
Realized gains/losses (net)	520	463	88	183	2	4	346	184	-4	-22	952	812
Impairments of investments (net)	-217	-168	-17	-21	0	0	-80	-7	0	0	-313	-197
Subtotal	**328**	**180**	**99**	**31**	**2**	**4**	**220**	**144**	**13**	**-47**	**662**	**312**
Net investment income	**3,539**	**3,553**	**17,078**	**17,488**	**27**	**5**	**458**	**403**	**322**	**136**	**21,423**	**21,586**
Investment return in % of avg. investm. [3]	*3.4%*	*3.4%*	*4.2%*	*4.0%*	*n/m*	*n/m*	*1.1%*	*0.9%*	*n/m*	*n/m*	*4.0%*	*3.8%*
Movements in unrealized gains/losses on equities	217	201	714	855	1	0	9	523	n/m	n/m	941	1,579
Total investment return in % of avg. inv. [3]	*3.6%*	*3.6%*	*4.4%*	*4.2%*	*n/m*	*n/m*	*1.1%*	*2.2%*	*n/m*	*n/m*	*4.2%*	*4.0%*

1) Net of interest expenses, excluding interest expenses from external debt
2) Contains income from financial assets/liabilities carried at fair value and operating trading result excluding F/X result
3) Investment return calculation is based on total assets

A

Group financial results 2014

Allianz

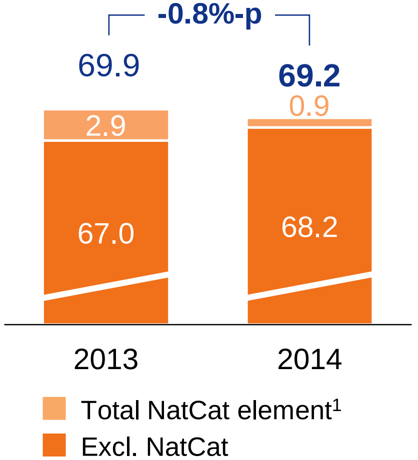
P/C: key figures[1]
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
Gross premiums written (EUR bn)	**15.2**	**10.8**	**10.7**	**10.0**	**15.2**	**10.8**	**11.3**	**11.0**	**+1.0**	**46.6**	**48.3**	**+1.7**
Operating profit	**1,319**	**1,179**	**1,235**	**1,534**	**1,489**	**1,345**	**1,422**	**1,125**	**-409**	**5,267**	**5,382**	**+115**
Underwriting result	*541*	*355*	*501*	*773*	*704*	*516*	*650*	*380*	*-393*	*2,170*	*2,251*	*+80*
Investment result	*762*	*786*	*718*	*783*	*748*	*805*	*770*	*743*	*-40*	*3,049*	*3,066*	*+17*
Other	*16*	*38*	*16*	*-22*	*38*	*24*	*2*	*2*	*+24*	*48*	*66*	*+17*
Non-operating items	128	212	-74	31	-576	85	86	-1	-32	296	-406	-702
Income before taxes	1,447	1,391	1,161	1,565	913	1,430	1,509	1,124	-441	5,563	4,976	-587
Income taxes	-430	-390	-365	-562	-268	-461	-426	-373	+189	-1,746	-1,528	+219
Net income	**1,017**	**1,001**	**796**	**1,003**	**645**	**969**	**1,083**	**751**	**-252**	**3,817**	**3,448**	**-369**
Non-controlling interests	43	44	36	44	44	42	31	42	-2	167	159	-9
Shareholders' net income	**974**	**956**	**761**	**959**	**601**	**928**	**1,051**	**709**	**-250**	**3,650**	**3,290**	**-360**
Combined ratio (in %)	**94.3**	**96.0**	**94.8**	**92.2**	**92.6**	**94.6**	**93.5**	**96.5**	**+4.2%-p**	**94.3**	**94.3**	**+0.0%-p**
Loss ratio	*66.1*	*67.3*	*67.2*	*63.1*	*64.6*	*66.2*	*65.9*	*67.1*	*+4.0%-p*	*65.9*	*66.0*	*+0.1%-p*
Expense ratio	*28.2*	*28.7*	*27.6*	*29.1*	*28.0*	*28.4*	*27.6*	*29.3*	*+0.2%-p*	*28.4*	*28.3*	*-0.1%-p*
Segment financial assets[2,3] (EUR bn)	108.7	103.2	102.8	101.1	104.6	104.2	106.6	109.2	+8.2	101.1	109.2	+8.2

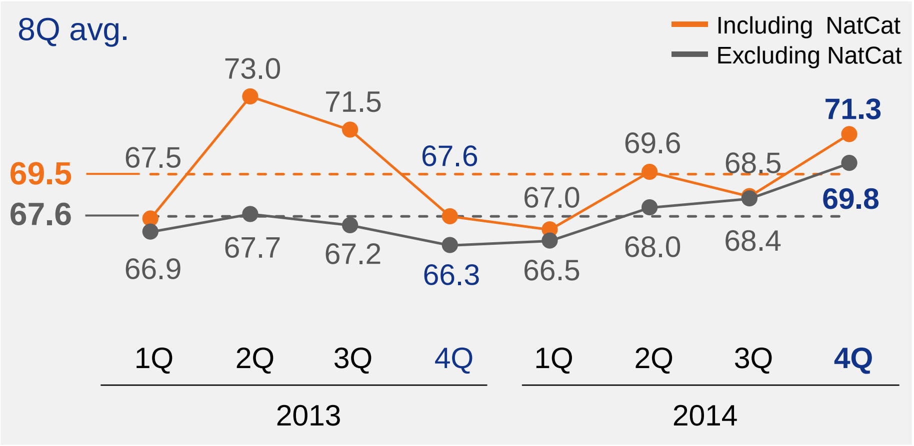
1) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
2) Segment own assets including financial assets carried at fair value through income, cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling
3) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10

P/C: loss ratio and run-off
(in %)

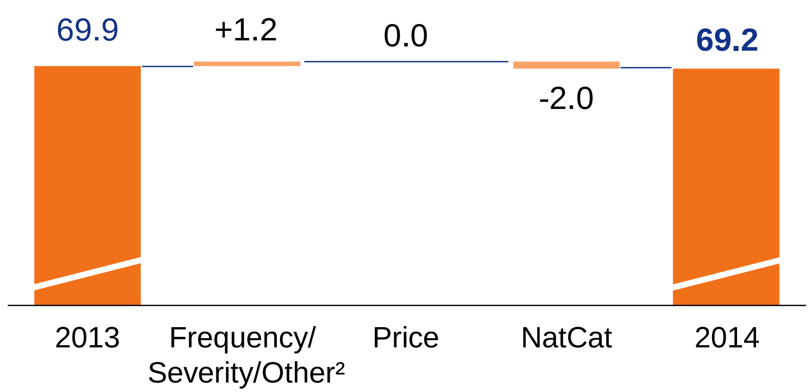
Accident year loss ratio



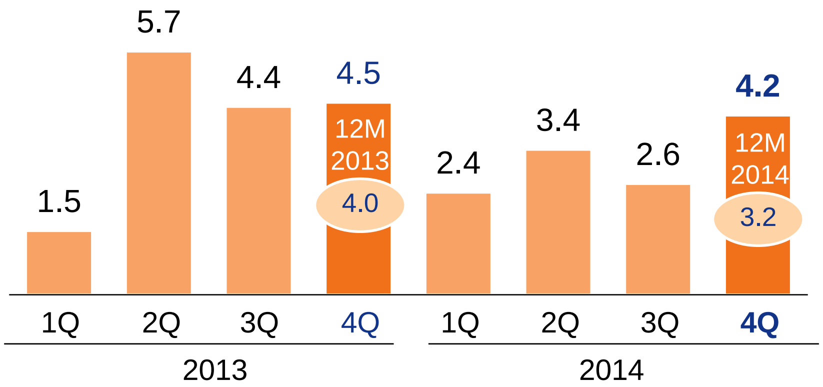
8-quarter overview accident year loss ratio



Development 12M 14/13

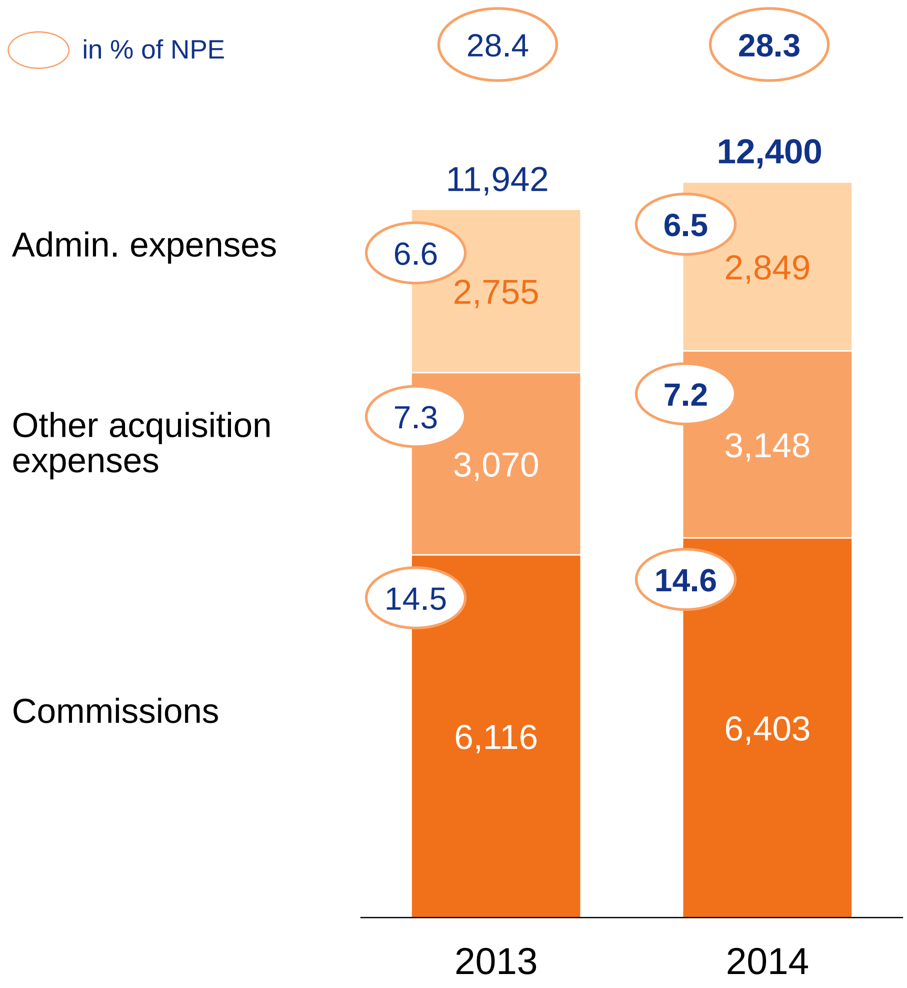


Run-off ratio[3] (8Q-average: 3.6%)



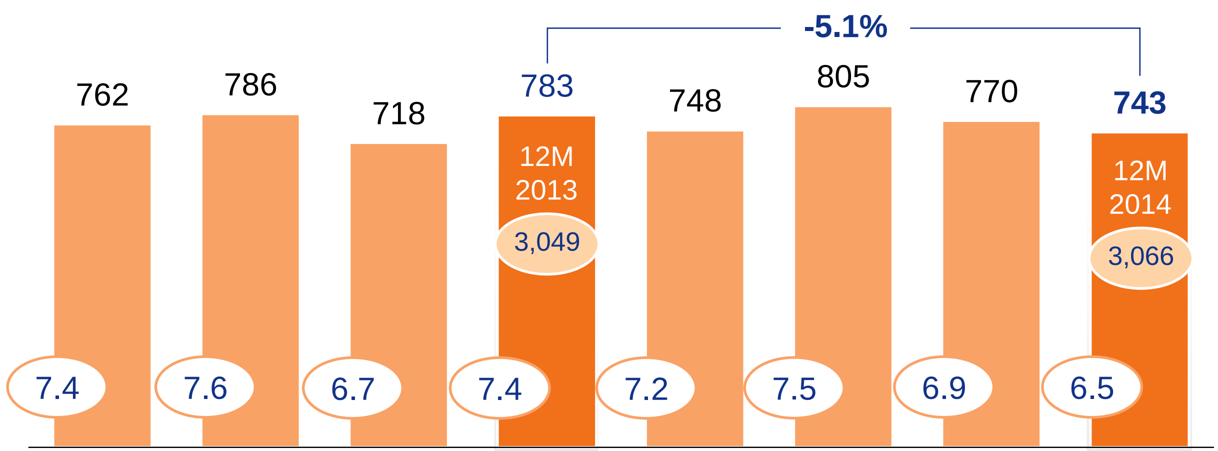
1) NatCat costs (without reinstatement premiums): EUR 1.2bn (2013) and EUR 0.4bn (2014)
2) Including large claims, reinsurance, credit insurance
3) Positive values indicate positive run-off; run-off ratio is calculated as run-off result in percent of net premiums earned

P/C: expense ratio
(EUR mn)



Allianz

P/C: operating investment result[1]
(EUR mn)



	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
Interest & similar income[2]	871	926	876	869	840	922	878	885
Net harvesting & other[3]	-41	-64	-70	-3	-23	-43	-19	-50
Investment expenses	-69	-76	-88	-83	-69	-74	-88	-91

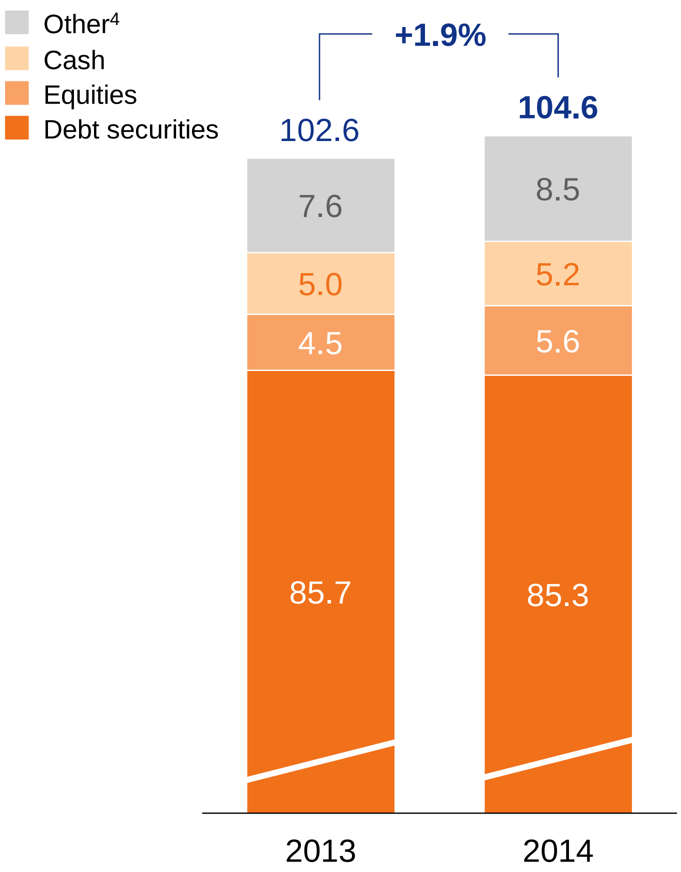
+1.9% (4Q 2013 vs. 4Q 2014 interest & similar income)

	4Q 13	Δ	4Q 14
Impairments (net)	-1	-9	-10
Realized gains/losses (net)	26	31	57
Income from fin. assets and liab. carried at FV	-14	0	-14
Change in reserves for insurance and investments contracts	-14	-69	-83

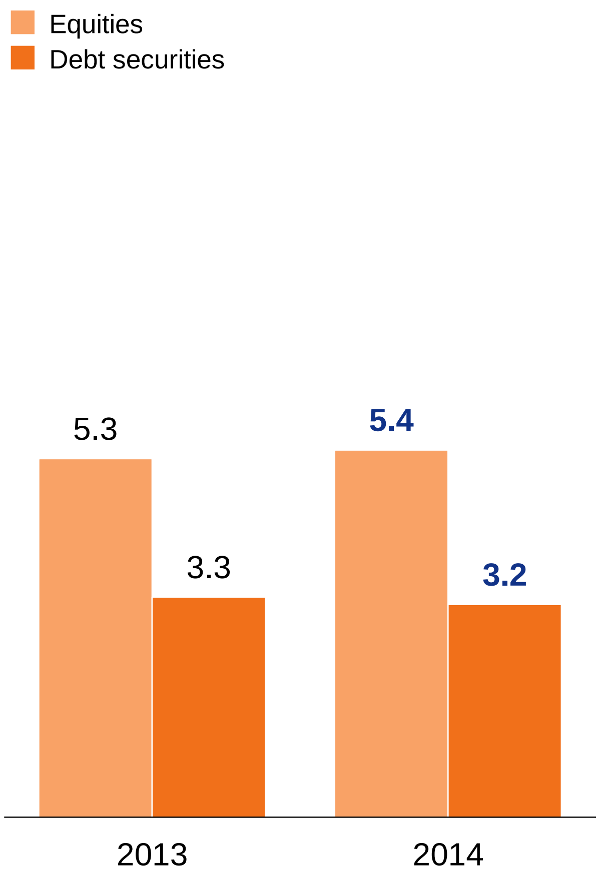
1) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
2) Net of interest expenses
3) Comprises realized gains/losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation.

P/C: average asset base and yields

Average asset base[1,2,3] (EUR bn)



Current yield[2,3] (in %)



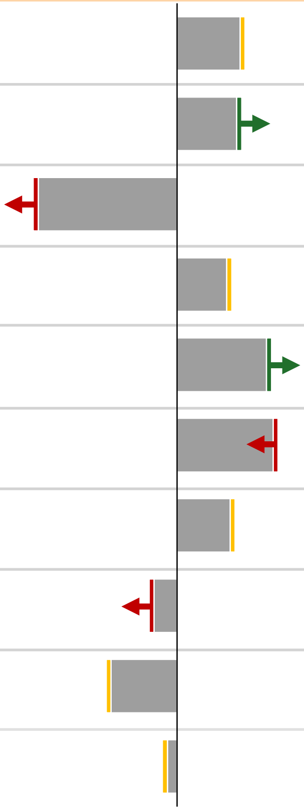
1) Average asset base includes health business France and liabilities from cash pooling, excludes fair value option and trading
2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
3) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
4) Real estate investments and funds held by others under reinsurance contracts assumed

Allianz

P/C: price effects on renewals

Pricing overview for selected operating entities[1] (in %)

Selected OEs	Actual rate change on renewals and momentum	Assessment/trends of rate change on renewals
Germany	+1.9%	▪ Overall, ongoing hard market with stable but flattening price increases expected for 2015 (esp. motor) ▪ Quite stable prices and hardening trend in unprofitable commercial segments ▪ Ongoing price increases in private lines especially in the building insurances and legal protection
Austria	+1.8%	▪ Motor: Price increases at point of sale; slight price increase in the market but first signs of being a temporary effect only ▪ Non-motor: Price increases at point of sale; market is still soft with no sign of immediate improvement
Italy	-4.2%	▪ Motor still in a soft phase, strong competitiveness and persistent premium decrease ▪ Non motor retail trend driven by indexation and premium adjustments. Market remains soft
France	+1.5%	▪ Retail motor pricing trend remains stable ▪ All other lines' pricing trends are softer
Spain	+2.7%	▪ Slight economic growth led by internal consumption, although decreasing insurance market results and profitability due to strong competition ▪ Reduction of motor cancellation rate and rising motor retail tariff according to increasing frequency
USA	+2.9%	▪ Continued rate increases across all commercial lines, but at a tapering pace ▪ Retail rates increasing, subject to continuing regulatory support ▪ Price change outpacing claims inflation in commercial and retail lines
UK	+1.6%	▪ Rates in commercial remain under pressure, given the strong results achieved in property lines of business ▪ Private motor rates experience continuous but very modest rate increases
Australia	-0.7%	▪ Softer market with pressure on rates for most LoBs. Higher profitability resulted in more competition ▪ Rate reductions in most commercial classes. Flatter rates for SME market ▪ Pressure on rates in retail classes (mainly domestic motor, bodily injury and householders)
Credit Insurance	-2.0%	▪ Average rates evolution is due to low level of claims frequency and competitive market environment
AGCS[2]	-0.3%	▪ Generally soft markets driven by abundant capacity ▪ Strong competition with competitors compensating low yield with aggressive underwriting ▪ Rate increases in marine, most significant decreases in energy and aviation
12M 2014[3]	**+0.5%**	



1) Estimates based on 12M 2014 survey as communicated by our operating entities; coverage of P/C segment: 74%

2) AGCS excluding ART

3) Total actual rate change on YTD renewals also including Ireland

A

Group financial results 2014

Allianz

L/H: key figures[1]
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
Statutory premiums (EUR bn)	**14.8**	**14.1**	**12.7**	**15.1**	**17.2**	**17.0**	**15.9**	**17.4**	**+2.2**	**56.8**	**67.3**	**+10.5**
Operating profit	**854**	**670**	**769**	**417**	**880**	**985**	**790**	**673**	**+256**	**2,709**	**3,327**	**+618**
Non-operating items	41	10	27	6	4	54	-15	-55	-61	83	-12	-95
Income before taxes	895	680	795	423	884	1,039	776	617	+195	2,793	3,316	+523
Income taxes	-267	-206	-233	-146	-255	-308	-245	-188	-43	-852	-996	-144
Net income	**628**	**474**	**562**	**277**	**629**	**731**	**530**	**429**	**+152**	**1,941**	**2,320**	**+379**
Non-controlling interests	23	20	23	14	31	32	24	35	+21	80	122	+41
Shareholders' net income	**605**	**453**	**539**	**263**	**598**	**699**	**507**	**394**	**+131**	**1,861**	**2,198**	**+338**
Margin on reserves[2] (in bps)	**74**	**58**	**66**	**35**	**73**	**79**	**61**	**50**	**+15**	**58**	**65**	**+7**
Segment financial assets[3,4] (EUR bn)	405.3	398.1	401.0	405.4	422.7	438.5	456.4	470.8	+65.4	405.4	470.8	+65.4
Unit-linked investments (EUR bn)	75.2	75.4	78.7	81.1	82.9	86.9	90.8	94.6	+13.5	81.1	94.6	+13.5
Operating asset base[4,5] (EUR bn)	484.7	477.5	483.6	490.7	509.6	529.8	551.8	571.0	+80.3	490.7	571.0	+80.3
Loadings & fees	*1,169*	*1,145*	*1,160*	*1,236*	*1,241*	*1,257*	*1,285*	*1,368*	*+133*	*4,709*	*5,151*	*+441*
Investment margin	*710*	*607*	*536*	*533*	*671*	*920*	*701*	*680*	*+147*	*2,386*	*2,972*	*+586*
Expenses	*-1,377*	*-1,387*	*-1,330*	*-1,658*	*-1,496*	*-1,628*	*-1,558*	*-1,727*	*-69*	*-5,752*	*-6,410*	*-658*
Technical margin	*289*	*344*	*361*	*294*	*264*	*266*	*314*	*346*	*+51*	*1,289*	*1,190*	*-99*
Operating profit before change in DAC	**791**	**709**	**727**	**405**	**680**	**814**	**742**	**667**	**+262**	**2,632**	**2,903**	**+271**

1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking.
In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014.
Prior year figures changed in order to reflect the roll out of profit source reporting to some Asian companies and the lines of business split in Germany
2) Represents annualized operating profit (loss) divided by the average of (a) current quarter-end and prior quarter-end net reserves and (b) current quarter-end and prior year-end net reserves, whereby net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets
3) Segment own assets (incl. financial assets carried at fair value through income).
Including cash and cash pool assets net of liabilities from securities lending, derivatives and liabilities from cash pooling
4) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
5) Grossed up for insurance liabilities which are netted within the trading book (market value liability option).
Including cash and cash pool assets net of liabilities from securities lending and derivatives

Allianz

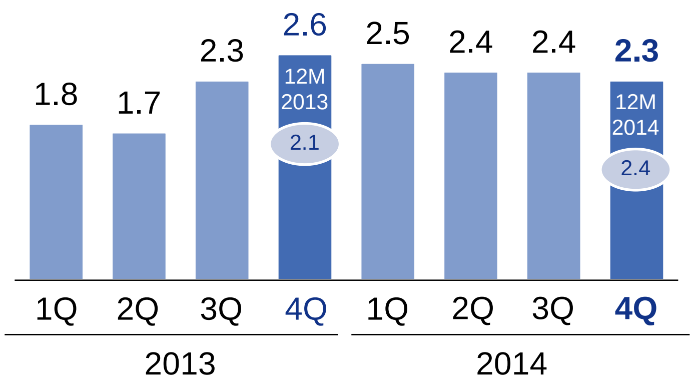
L/H: operating profit details[1] (EUR mn)

	L/H segment[2]			Guaranteed savings & annuities		Protection & health		Unit-linked w/o guarantee	
	12M 2013	12M 2014	Δ	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014
Loadings & fees	**4,709**	**5,151**	**+441**	**2,842**	**3,030**	**1,434**	**1,510**	**433**	**611**
Loadings from premiums	3,251	3,430	+179	1,707	1,804	1,365	1,423	179	203
as % of GPW	5.72%	5.09%	-0.63%-p	4.33%	3.74%	15.04%	15.90%	2.15%	2.01%
Loadings from reserves	1,001	1,094	+93	913	961	69	86	20	47
as % of avg. Reserves[3,4]	0.24%	0.24%	+0.00%-p	0.25%	0.25%	0.23%	0.25%	0.07%	0.14%
Unit-linked management fees	458	626	+169	223	266	0	0	235	361
as % of avg. unit-linked reserves[4,5]	0.60%	0.56%	-0.04%-p	0.45%	0.48%	NA	NA	0.87%	0.69%
Investment margin	**2,386**	**2,972**	**+586**	**2,312**	**2,881**	**64**	**39**	**10**	**52**
Investment margin net of PHP	2,386	2,972	+586	2,312	2,881	64	39	10	52
as % of avg. aggregate policy reserves[4]	0.69%	0.80%	+0.12%-p	0.73%	0.86%	0.22%	0.11%	3.84%	18.48%
Expenses	**-5,752**	**-6,410**	**-658**	**-3,804**	**-4,384**	**-1,562**	**-1,559**	**-385**	**-466**
Acquisition expenses and commissions	-4,233	-4,833	-600	-2,750	-3,306	-1,193	-1,189	-290	-338
as % of PVNBP	-8.84%	-7.93%	+0.91%-p	-8.51%	-7.69%	-17.79%	-18.27%	-3.27%	-2.95%
Admin and other expenses	-1,519	-1,577	-58	-1,054	-1,078	-370	-370	-95	-128
as % of avg. Reserves[3,4]	-0.36%	-0.34%	+0.01%-p	-0.29%	-0.28%	-1.26%	-1.09%	-0.35%	-0.39%
Technical margin	**1,289**	**1,190**	**-99**	**565**	**531**	**640**	**588**	**83**	**71**
Operating profit before change in DAC	**2,632**	**2,903**	**+271**	**1,915**	**2,058**	**575**	**577**	**141**	**268**
Impact of change in DAC[6]	**77**	**425**	**+348**	**-31**	**327**	**82**	**78**	**27**	**20**
Capitalization of DAC	1,596	1,937	+342	1,045	1,445	436	371	114	121
Amortization, unlocking and true-up of DAC	-1,519	-1,513	+6	-1,077	-1,118	-354	-294	-88	-101
Operating profit	**2,709**	**3,327**	**+618**	**1,884**	**2,385**	**657**	**654**	**168**	**288**
GPW	56,784	67,331	+10,547	39,377	48,282	9,074	8,951	8,333	10,099
avg. unit-linked reserves	76,131	87,814	+11,683	49,028	55,185	0	0	27,102	32,628
avg. aggregate policy reserves	347,800	370,490	+22,690	318,118	336,179	29,415	34,029	267	281
avg. reserves[3]	423,931	458,304	+34,373	367,147	391,365	29,415	34,029	27,369	32,909
PVNBP[7]	47,886	60,961	+13,074	32,317	42,995	6,704	6,507	8,865	11,458

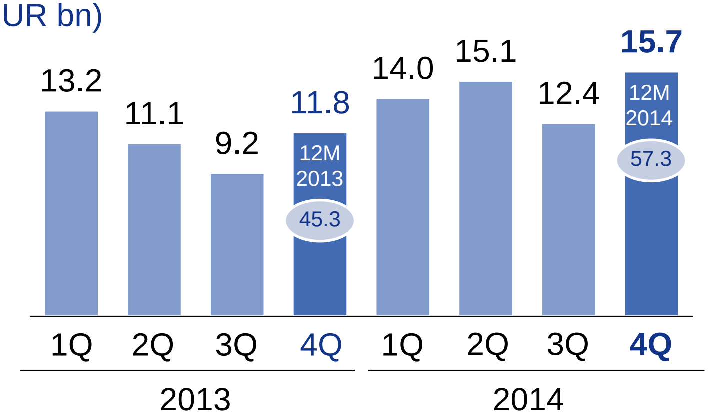
1) Prior year figures changed in order to reflect the roll out of profit source reporting to some Asian companies and the lines of business split in Germany. In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
2) Profit sources are based on in scope OEs with a coverage of 97.3% revenues. Operating profit from OEs that are not in scope is included in “Investment margin”
3) Aggregate policy reserves + unit-linked reserves
4) Yields are pro-rata
5) Calculation based on only unit-linked fees on unit-linked reserves
6) Impact of change in DAC includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit
7) PVNBP is before non-controlling interests

L/H: key new business metrics

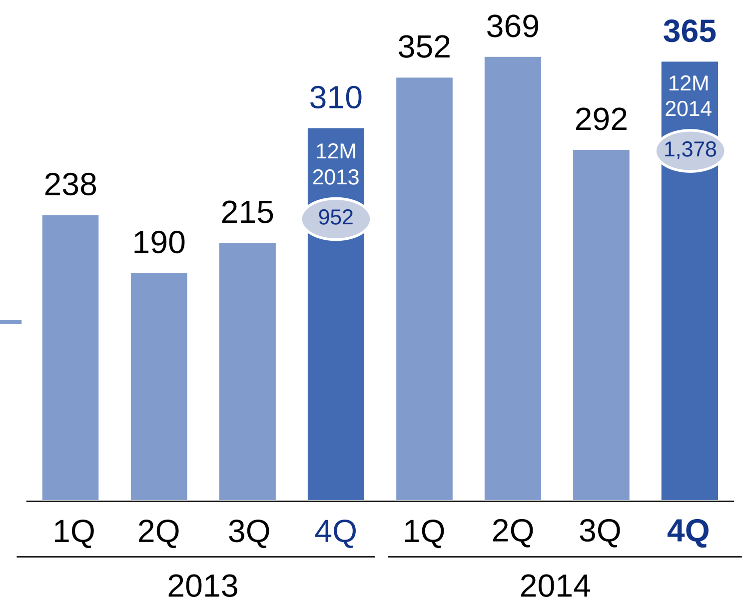
New business margin[1,2]
(VNB in % of PV of NB premiums)



PV of NB premiums[1,2]
(EUR bn)



Value of new business[1,2]
(EUR mn)



1) After non-controlling interests, including holding expenses and internal reinsurance. All values using F/X rates as of valuation date
2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014. Quarterly figures for 2014 have been restated accordingly

Allianz

L/H: new business profitability by region (1/2)[1,2] (EUR mn)

	Value of new business		New business margin (in %)		Present value of new business premium			Recurring premium		Single premium		Internal rate of return[3] (in %)		Payback period (yrs)[3]	
	12M 2013	12M 2014	12M 2013	12M 2014	12M 2013	12M 2014	Δ %[4]	12M 2013	12M 2014	12M 2013	12M 2014	4Q 2013	4Q 2014	4Q 2013	4Q 2014
German speaking countries	**406**	**441**	**2.7%**	**2.6%**	**14,815**	**17,251**	**+16.4%**	**636**	**701**	**6,340**	**7,954**	**16.2%**	**16.1%**	**5.9**	**6.0**
Germany Life[5]	*354*	*371*	*2.8%*	*2.5%*	*12,501*	*14,850*	*+18.8%*	*486*	*546*	*5,983*	*7,550*	*16.5%*	*16.1%*	*5.9*	*6.1*
Western & Southern Europe	**202**	**351**	**1.2%**	**1.7%**	**16,192**	**20,378**	**+24.8%**	**652**	**1,127**	**10,756**	**12,887**	**9.9%**	**13.0%**	**7.6**	**6.1**
France	*51*	*88*	*0.6%*	*1.1%*	*8,361*	*7,914*	*-5.3%*	*331*	*307*	*4,544*	*4,757*	*7.5%*	*6.7%*	*10.4*	*10.7*
Italy	*100*	*176*	*1.7%*	*1.7%*	*6,026*	*10,038*	*+66.6%*	*192*	*597*	*5,202*	*6,933*	*17.3%*	*14.6%*	*4.4*	*5.5*
Iberia & Latin America	**55**	**67**	**3.5%**	**4.0%**	**1,566**	**1,690**	**+8.4%**	**107**	**85**	**929**	**985**	**9.2%**	**12.7%**	**9.3**	**6.8**
Growth markets	**166**	**213**	**3.0%**	**3.6%**	**5,485**	**5,973**	**+12.1%**	**732**	**784**	**2,415**	**2,823**	**14.1%**	**16.1%**	**5.9**	**5.1**
Asia-Pacific	*106*	*164*	*2.4%*	*3.2%*	*4,478*	*5,145*	*+15.4%*	*575*	*610*	*2,073*	*2,627*	*13.6%*	*16.4%*	*6.2*	*5.1*
CEEMA	*57*	*49*	*6.4%*	*6.0%*	*889*	*828*	*-5.0%*	*157*	*174*	*224*	*196*	*15.3%*	*15.0%*	*5.0*	*4.9*
USA	**219**	**406**	**3.0%**	**3.4%**	**7,279**	**11,981**	**+59.6%**	**55**	**89**	**6,818**	**11,479**	**13.8%**	**12.3%**	**5.5**	**5.8**
Total[6]	**952**	**1,378**	**2.1%**	**2.4%**	**45,337**	**57,272**	**+25.4%**	**2,182**	**2,785**	**27,258**	**36,128**	**11.9%**	**13.0%**	**6.9**	**6.2**

1) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
2) After non-controlling interests, including holding expenses and internal reinsurance. All values using F/X rates as of valuation date
3) Both IRR and payback period are real world metrics, using an expected over-return on certain assets and capturing risks in the discount rate
4) Internal growth (adjusted for F/X and consolidation effects)
5) Single premium for Germany Life does not include Parkdepot business (12M 13: EUR 1,320mn, 12M 14: EUR 1,753mn)
6) Including holding expenses and internal reinsurance

Allianz

L/H: new business profitability by region (2/2)[1,2,3]

	Value of new business (EUR mn)								New business margin (in %)							
	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
German speaking countries	**140**	**74**	**87**	**105**	**117**	**90**	**88**	**145**	**2.7**	**2.8**	**2.8**	**2.7**	**2.7**	**2.5**	**2.5**	**2.5**
Germany Life	*122*	*64*	*76*	*92*	*90*	*76*	*75*	*130*	*3.0*	*2.9*	*2.8*	*2.7*	*2.6*	*2.4*	*2.4*	*2.5*
Western & Southern Europe	**39**	**44**	**47**	**72**	**85**	**108**	**70**	**87**	**0.9**	**0.9**	**1.6**	**1.8**	**1.6**	**1.7**	**1.8**	**1.8**
France	*3*	*1*	*21*	*25*	*27*	*27*	*20*	*14*	*0.1*	*0.1*	*1.3*	*1.4*	*1.0*	*1.4*	*1.3*	*0.8*
Italy	*25*	*31*	*18*	*26*	*31*	*61*	*31*	*54*	*1.6*	*1.6*	*1.7*	*1.7*	*1.7*	*1.6*	*1.6*	*2.2*
Iberia & Latin America	**11**	**13**	**13**	**18**	**20**	**17**	**14**	**16**	**3.3**	**2.7**	**4.2**	**4.2**	**4.7**	**4.0**	**4.9**	**3.0**
Growth markets	**47**	**44**	**32**	**43**	**46**	**50**	**58**	**59**	**3.1**	**3.0**	**2.8**	**3.2**	**3.3**	**3.5**	**3.6**	**3.8**
Asia-Pacific	*30*	*28*	*20*	*27*	*33*	*37*	*47*	*46*	*2.5*	*2.4*	*2.1*	*2.5*	*2.8*	*3.2*	*3.2*	*3.5*
CEEMA	*16*	*14*	*12*	*15*	*13*	*13*	*12*	*12*	*5.8*	*6.6*	*7.5*	*6.2*	*6.1*	*5.3*	*6.3*	*6.3*
USA	**24**	**41**	**62**	**92**	**102**	**126**	**96**	**82**	**1.5**	**2.3**	**3.8**	**4.1**	**4.1**	**3.8**	**3.2**	**2.7**
Total[4]	**238**	**190**	**215**	**310**	**352**	**369**	**292**	**365**	**1.8**	**1.7**	**2.3**	**2.6**	**2.5**	**2.4**	**2.4**	**2.3**

1) After non-controlling interests, including holding expenses and internal reinsurance. All values using F/X rates as of valuation date
2) Based on beginning of quarter economic assumptions. For the USA we use point of sale assumptions
3) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014. Quarterly figures for 2014 have been restated accordingly
4) Including holding expenses and internal reinsurance

Allianz

L/H: value of new business sensitivity analysis[1,2]
(EUR mn)

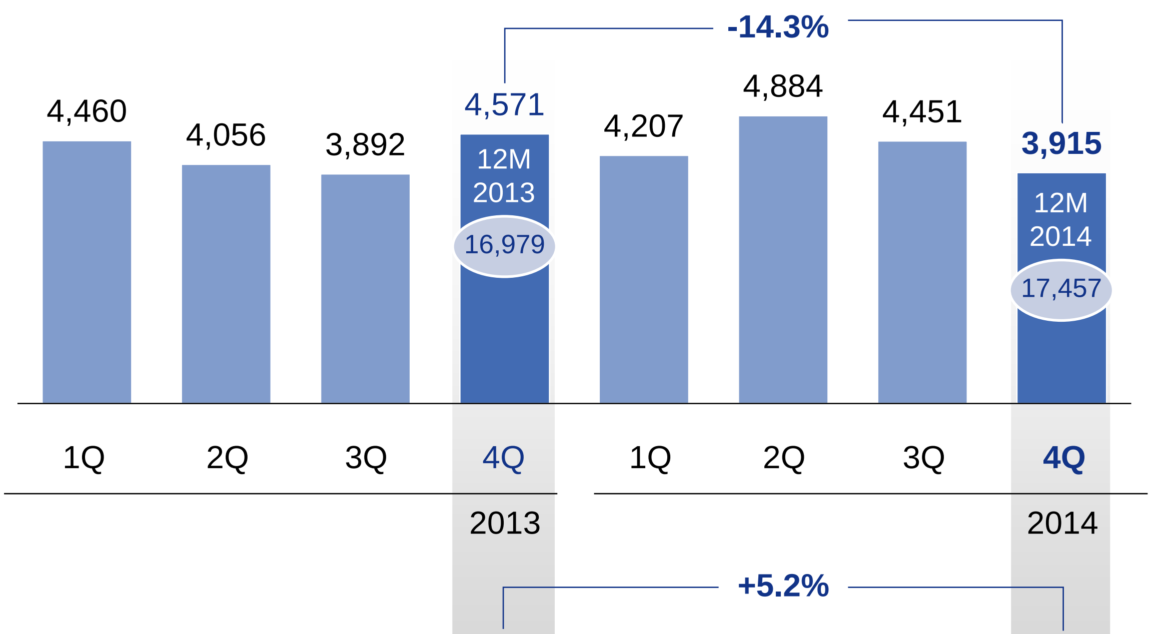
		Economic factors					Non economic factors			
	Base case[3]	Drop in equity value by 20%	Risk free assumptions[4]		Volatilities		-10% expense	Death risk	Longevity risk	-10% lapse
			-50bps	+50bps	+25% swaption	+25% equity		+15% mortality	-20% mortality	
German speaking countries	**441**	**-78**	**-85**	**79**	**-101**	**-29**	**14**	**-7**	**-22**	**25**
Germany Life	*371*	*-75*	*-82*	*77*	*-100*	*-27*	*9*	*-2*	*-24*	*18*
Western & Southern Europe	**351**	**-58**	**-77**	**42**	**-13**	**-13**	**23**	**-47**	**-21**	**21**
France	*88*	*-29*	*-55*	*27*	*-2*	*-9*	*11*	*-38*	*-20*	*8*
Italy	*176*	*-24*	*-18*	*12*	*-9*	*-2*	*10*	*-6*	*-2*	*8*
Iberia & Latin America	**67**	**0**	**3**	**-4**	**0**	**0**	**1**	**-8**	**-5**	**8**
Growth markets	**213**	**0**	**-16**	**9**	**-7**	**-3**	**12**	**-16**	**-1**	**17**
Asia-Pacific	*164*	*0*	*-15*	*9*	*-6*	*-3*	*8*	*-13*	*-1*	*12*
CEEMA	*49*	*0*	*-2*	*1*	*-1*	*0*	*5*	*-3*	*0*	*5*
USA	**406**	**-4**	**5**	**-3**	**9**	**-19**	**13**	**0**	**-47**	**0**
Total[5]	**1,378**	**-141**	**-170**	**123**	**-113**	**-64**	**64**	**-82**	**-95**	**72**

Worsening economic conditions increase sensitivity to low interest rates and widening spreads

1) After non-controlling interests
2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
3) Sensitivity analysis for new business in 2014 is assessed relative to the VNB calculated using parameters as of 31.12.14
4) The ultimate forward rate for yield curve extrapolation is unchanged for interest sensitivities
5) Including holding expenses and internal reinsurance

Allianz

L/H: operating investment result[1]
(EUR mn)



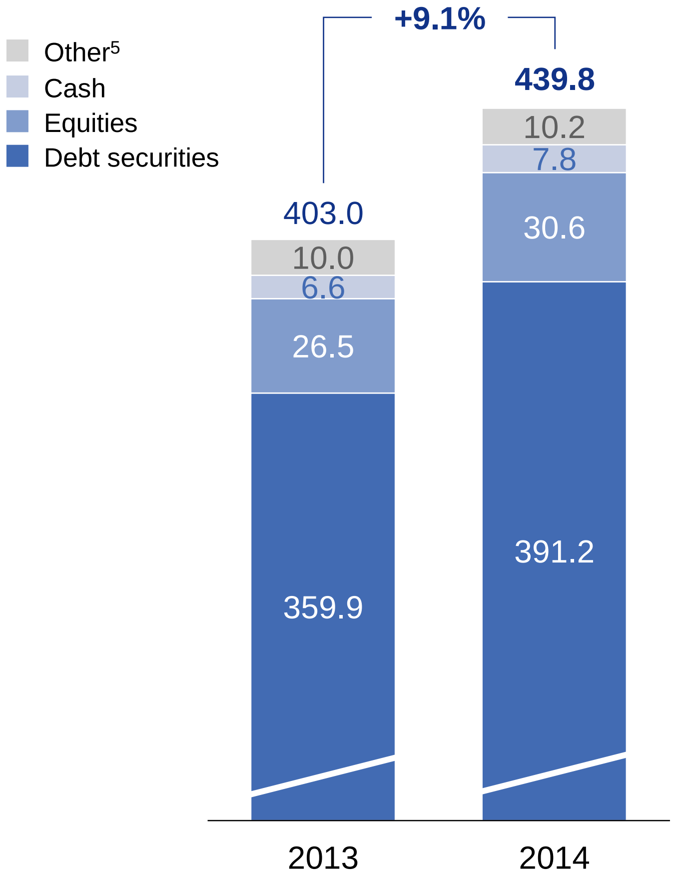
	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014
Interest & similar income[2]	4,058	4,348	4,111	4,170	4,135	4,448	4,233	4,385
Net harvesting & other[3]	592	-99	-21	660	267	668	437	-213
Investment expenses	-190	-193	-198	-258	-195	-232	-219	-258

	4Q 13	Δ	4Q 14
Impairments (net)	-111	-123	-234
Realized gains/losses (net)	1,135	-259	876
Income from fin. assets and liab. carried at FV	-364	-491	-854

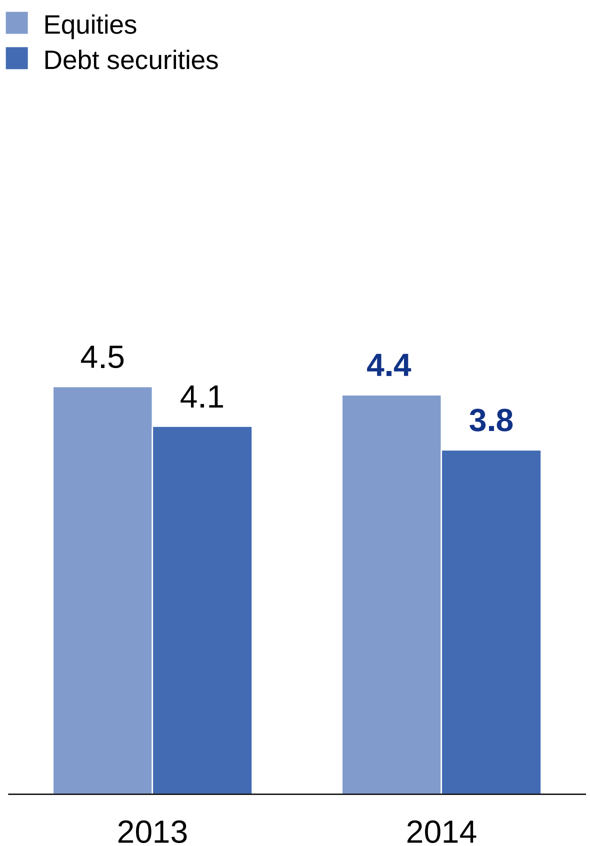
1) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
2) Net of interest expenses
3) Comprises realized gains/losses, impairments (net), fair value option, trading and F/X gains and losses

L/H: average asset base and yields

Average asset base[1,2,3,4] (EUR bn)



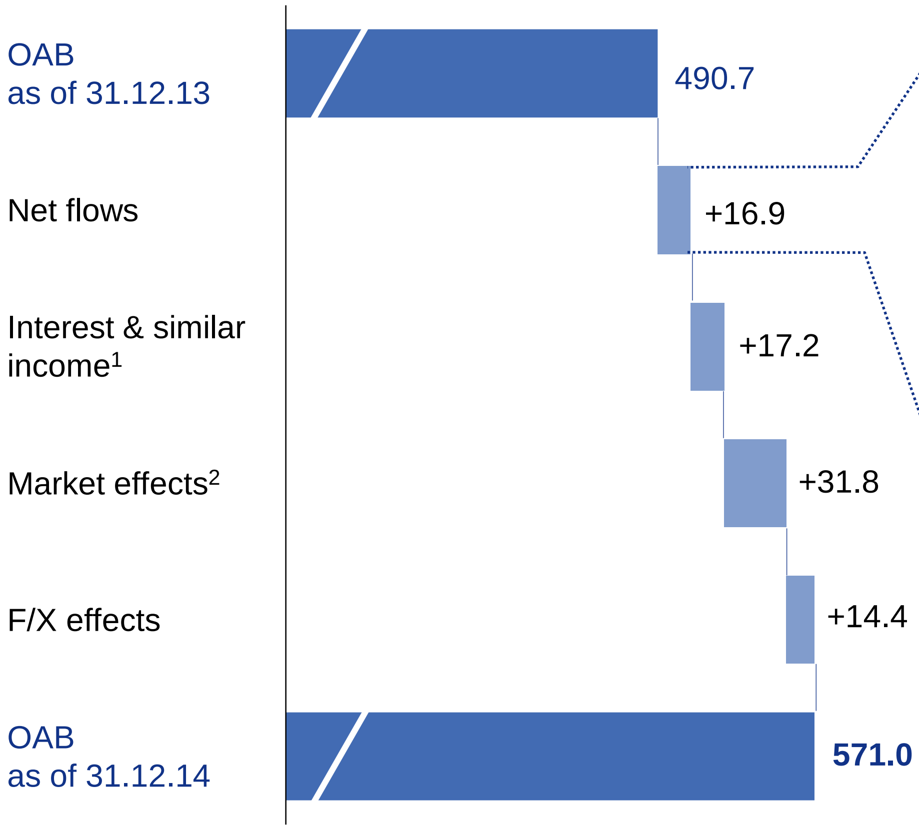
Current yield[2,3,4] (in %)



1) Average asset base includes liabilities from cash pooling, excludes fair value option, trading, unit-linked assets
2) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
3) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking. The impact on the average asset base in 12M 14 is EUR 0.7bn
4) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
5) Real estate investments and funds held by others under reinsurance contracts assumed

L/H: operating asset base

Operating asset base (EUR bn)



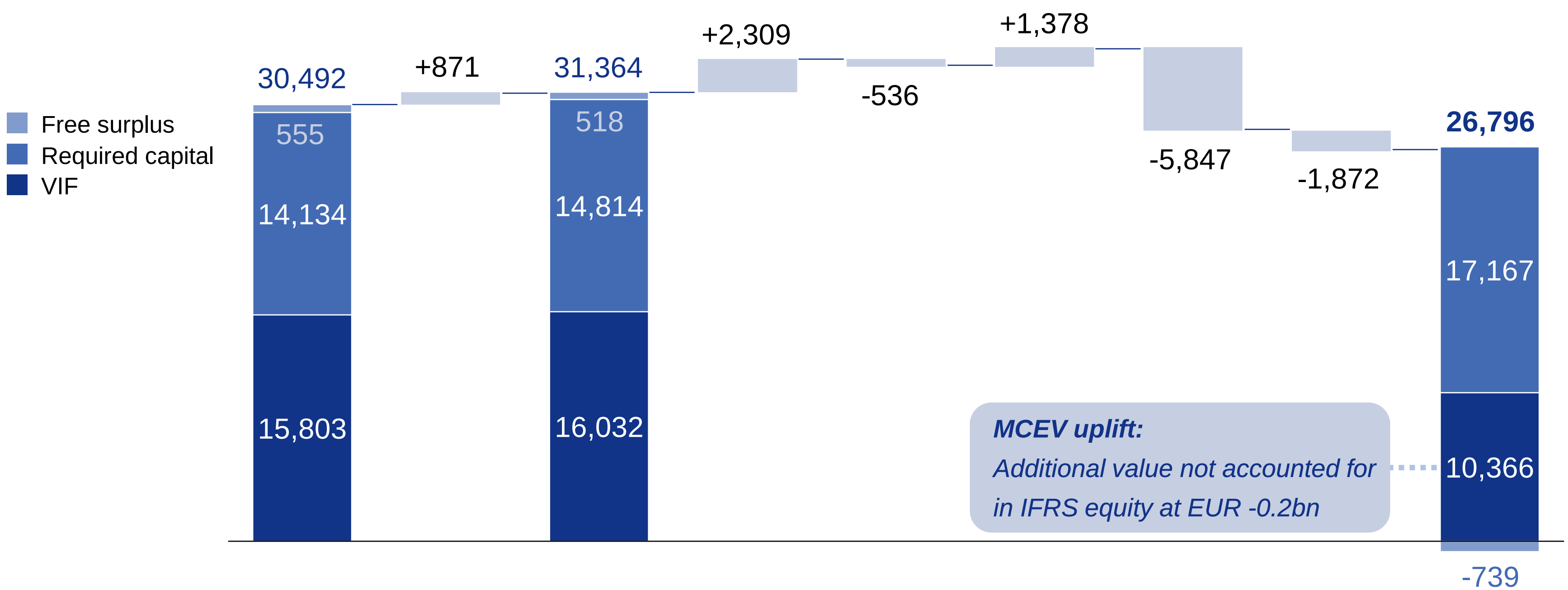
Net flows (EUR bn)	2013	2014
Germany Life	+3.3	+3.2
Germany Health	+0.4	+0.3
France	+0.5	+0.5
Italy	+2.2	+5.1
CEE	+0.0	+1.2
USA	+0.2	+4.2
Asia-Pacific	-0.2	+0.6
Other[3]	+2.4	+1.8
Total	**+9.0**	**+16.9**

1) Net of interest expenses
2) Includes changes in other assets and liabilities of EUR 0.0bn
3) 2013 contains first time inclusion of Yapi Kredi; 2014 figures contain first time inclusion of certain entities transferred from Asset Management segment

Allianz

L/H: MCEV development (1/2)

(EUR mn, after non-controlling interests)



	2013 MCEV	Adjustment and F/X	2013 MCEV restated	In-force business contribution	Operating variances & assumption changes	VNB at point of sale	Economic variances	Net capital movement	2014 MCEV
Free surplus	555	-37	518	(2) +2,741	(4) -438	(6) -1,925	+237	-1,872	-739
Req. capital	14,134	+680	14,814	-1,174	+430	+1,233	+1,864	0	17,167
VIF	15,803	+227	16,032	(3) +740	(5) -529	+2,071	-7,946	0	10,366
MCEV	**30,492**	(1) **+871**	**31,364**	**+2,309**	**-536**	**+1,378**	(7) **-5,847**	**-1,872**	**26,796**

Allianz

L/H: MCEV development (2/2)
(EUR mn, after non-controlling interests)

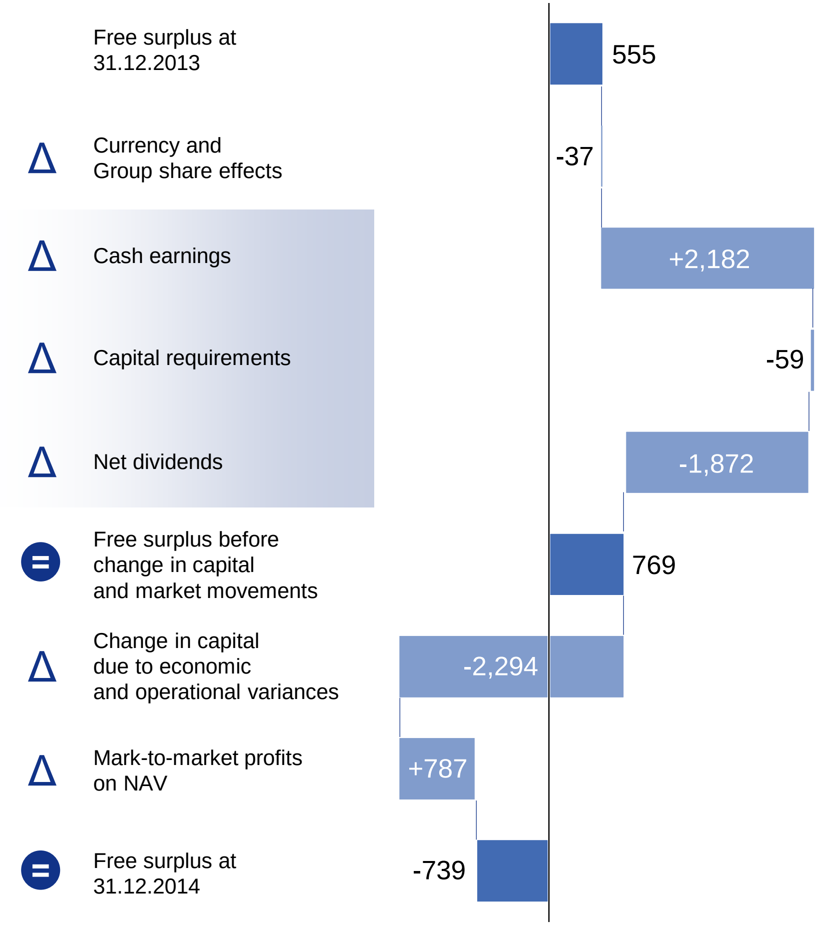
1	+871			F/X changes from US, Asia-Pacific and Switzerland
2	+2,741	=	+892	Projected release of risk free profits from VIF in the reporting period
			+1,174	Projected release of in-force required capital
			+147	Projected risk free return on net asset value
			+529	Expected over-returns earned in the year, mainly from US and Italian spreads
3	+740	=	-892	Projected release of risk free profits from VIF in the reporting period
			+812	Projected unwinding of VIF at the risk free rate and release of options and guarantees
			+822	VIF increase from higher asset base due to expected over-return, mainly US, Germany and France
4	-438			Negative impact from experience variance in France, partly offset by decrease in required capital in US
5	-529	=	-350	Assumption changes and experience variances
			-179	Other operating variances, mostly Germany and France
6	-1,925	=	-1,233	New business capital strain
			-693	New business cash strain

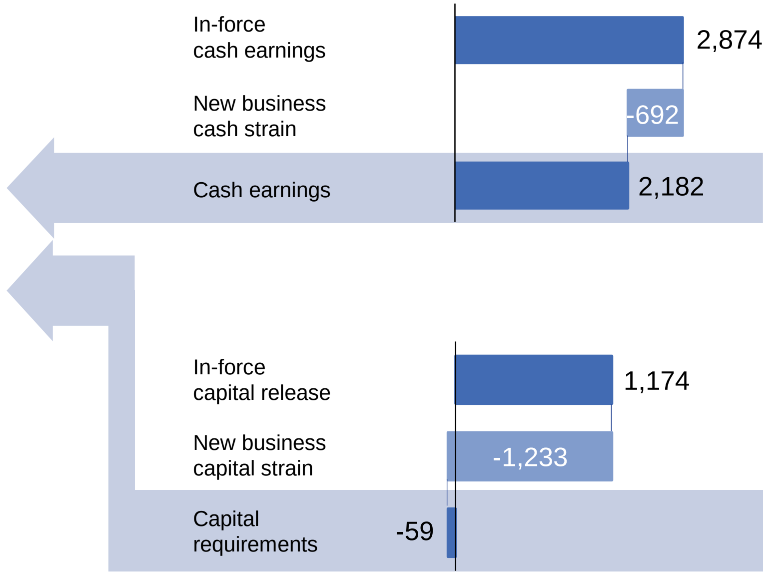
7

(EUR mn) Estimates based on sensitivities	German speaking countries	Western & Southern Europe[1]	Iberia & Latin America[2]	Growth markets	USA[3]	Total[4]
Economic variances	**-3,108**	**-1,440**	**225**	**-595**	**-943**	**-5,847**
Driven by changes in interest rate	-2,646	-762	196	-598	-1,165	-4,960
Driven by changes in equity value	39	0	0	-10	77	107
Driven by changes in volatilities	-501	-457	29	13	145	-773

1) Includes EUR 199mn effect of reduced spread on Italian government bonds in changes in interest rate
2) Includes EUR 215mn effect of reduced spread on Spanish government bonds in changes in interest rate
3) Includes EUR -531mn effect of increased credit spreads in the US in changes in interest rate
4) Including holding expenses and internal reinsurance

L/H: free surplus movement
(EUR mn, after non-controlling interests)





Economic variances reduce free surplus due to lower VIF and higher capital requirements

Allianz

L/H: embedded value[1,2] overview
(EUR mn)

	Embedded value 2013	Embedded value 2014	VNB 2013	VNB 2014	NBM 2013	NBM 2014
German speaking countries	**13,736**	**10,102**	**406**	**441**	**2.7%**	**2.6%**
Germany Life	*9,340*	*6,161*	*354*	*371*	*2.8%*	*2.5%*
Western & Southern Europe	**9,376**	**8,292**	**202**	**351**	**1.2%**	**1.7%**
France	*5,351*	*5,167*	*51*	*88*	*0.6%*	*1.1%*
Italy	*2,415*	*1,539*	*100*	*176*	*1.7%*	*1.7%*
Iberia & Latin America	**798**	**1,209**	**55**	**67**	**3.5%**	**4.0%**
Growth markets	**1,646**	**1,678**	**166**	**213**	**3.0%**	**3.6%**
Asia-Pacific	*651*	*658*	*106*	*164*	*2.4%*	*3.2%*
CEEMA	*974*	*1,019*	*57*	*49*	*6.4%*	*6.0%*
USA	**5,303**	**5,950**	**219**	**406**	**3.0%**	**3.4%**
Total[3]	**30,492**	**26,796**	**952**	**1,378**	**2.1%**	**2.4%**

2013
2014

MCEV

- MCEV decreased by EUR 3.7bn to EUR 26.8bn
- The biggest driver of the decrease was the low interest rate environment and higher volatilities of the market which both contributed negatively to MCEV by EUR 5,847mn. The impact was offset by a positive contribution from new business of EUR 1,378mn and existing business contribution from the over-returns during the period of EUR 2,309mn

VNB

- NBM went up by 30 bps causing a record increase for VNB in 2014 of EUR 426mn
- The increase was mostly driven by USA, but all entities showed higher levels of VNB compared to 2013. Higher volumes, product changes and strategy also improved profitability in most regions with the exception of Germany Life due to product mix and CEEMA where markets are particularly competitive

1) After non-controlling interests
2) In 4Q 14 the French International Health business was transferred from L/H France to Allianz Worldwide Partners (P/C) effective 1 January 2014
3) Including holding expenses and internal reinsurance

Allianz

L/H: MCEV sensitivity analysis
(EUR mn, after non-controlling interests)

		Economic factors						Non economic factors			
	Base case	Drop in equity value by 20%	Risk free assumptions		Volatilities		Credit risk spreads +100 bp	-10% expense	Death risk	Longevity risk	-10% lapse
			-50bps	+50bps	+25% swaption	+25% equity			+15% mortality	-20% mortality	
German speaking countries	**10,102**	**-840**	**-1,886**	**1,201**	**-660**	**-282**	**-815**	**197**	**-72**	**-311**	**181**
Germany Life	*6,161*	*-654*	*-1,862*	*1,151*	*-460*	*-270*	*-342*	*70*	*-16*	*-274*	*161*
Western & Southern Europe	**8,292**	**-555**	**-681**	**511**	**-254**	**-230**	**-843**	**406**	**-34**	**-429**	**0**
France	*5,167*	*-196*	*-267*	*187*	*-41*	*-173*	*-394*	*299*	*8*	*-375*	*-27*
Italy	*1,539*	*-256*	*-337*	*262*	*-184*	*-46*	*-352*	*56*	*-18*	*-48*	*3*
Iberia & Latin America	**1,209**	**-6**	**-4**	**-4**	**-17**	**-2**	**-317**	**26**	**-59**	**-182**	**54**
Growth markets	**1,678**	**-109**	**-411**	**340**	**-19**	**-16**	**-465**	**124**	**-143**	**-161**	**44**
Asia-Pacific	*658*	*-94*	*-405*	*326*	*-10*	*-15*	*-337*	*98*	*-128*	*-160*	*25*
CEEMA	*1,019*	*-15*	*-6*	*14*	*-8*	*-2*	*-128*	*26*	*-15*	*-1*	*20*
USA	**5,950**	**-107**	**-247**	**171**	**-71**	**-416**	**-2,438**	**132**	**-21**	**-517**	**-63**
Total[1]	**26,796**	**-1,617**	**-3,224**	**2,214**	**-1,020**	**-946**	**-4,878**	**888**	**-353**	**-1,602**	**223**

- Higher sensitivities in 12M 2014 due to much lower interest rates especially in Germany Life, Taiwan and Korea where the duration mismatch is highest, but also Italy as low rates are close to guaranteed rates and cost of O&G increases
- The US sensitivity is driven by the VA business which is more sensitive in lower interest rate environments. The fixed index annuity business is exposed to higher interest rates which offsets the impact. The F/X impact has increased the sensitivity compared to 2013
- High sensitivity to volatilities in Germany Life, US and Italy due to high O&G value
- Credit risk spread sensitivity is higher in the US. With the increase in FIA volumes, more corporate bonds are bought to back this business, which increases spread risk
- Significant exposure to longevity risk from US due to updates of assumption on long-term care products

1) Including holding expenses and internal reinsurance

Allianz

L/H: consistent economic assumptions are applied for EV across Allianz Group

	EUR		USD		CHF		KRW	
Key parameters (in %)	2013	2014	2013	2014	2013	2014	2013	2014
Risk free rates (1 year zero-coupon rate based on swap rate)	0.4	0.2	0.4	0.5	0.2	0.1	2.9	2.1
Risk free rates (10 year zero-coupon rate based on swap rate)	2.2	0.8	3.2	2.3	1.7	0.6	3.7	2.7
Risk free rates (20 year zero-coupon rate based on swap rate)	2.8	1.4	4.1	2.7	2.3	1.2	4.0	2.9
100% illiquidity premium[1]	28bps	13bps	45bps	50bps	3bps	4bps	0bps	5bps
Swaption implied volatility[2]	21.7	32.5	14.8	22.3	28.3	48.5	12.9	15.1
Equity option implied volatility[3] (10 year equity option at the money)	20.4	21.8	24.0	23.6	20.1	17.9	16.6	20.6
Equity option implied volatility - DAX (10 year equity option at the money)	19.9	21.2						
Equity option implied volatility - CAC (10 year equity option at the money)	20.5	19.4						

Economic assumptions are based on observable market data as of 31.12.14[4]

1) Volatility Adjustment of 65% is applied to our traditional participating and other businesses including US fixed and fixed indexed annuities. 0% volatility adjustment is applied to unit-linked, including variable annuity business
2) For EUR and USD: option on 20 year swaps with 10 year-term at the money; for CHF and KRW: option on 10 year swaps with 10 year-term at the money
3) The index for the equity options are for EUR: EuroStoxx, USD: S&P500, CHF: SMI and KRW: KOSPI
4) Yield curve extrapolation in line with EIOPA methodology

A

Group financial results 2014

Allianz

AM: AAM key figures[1] (1/2)
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
Operating revenues	**1,870**	**1,772**	**1,661**	**1,682**	**1,517**	**1,607**	**1,618**	**1,646**	**-36**	**6,985**	**6,388**	**-597**
Performance fees	**273**	**75**	**41**	**110**	**19**	**67**	**40**	**149**	**+39**	**499**	**275**	**-224**
Operating profit	**877**	**781**	**731**	**671**	**646**	**676**	**694**	**588**	**-83**	**3,060**	**2,603**	**-457**
Non-operating items	-28	-18	-2	6	-14	-3	2	0	-6	-42	-15	+27
Income before taxes	849	763	729	678	631	673	696	588	-90	3,018	2,588	-430
Income taxes	-296	-288	-263	-312	-225	-254	-258	-230	+82	-1,160	-967	+192
Net income	**552**	**475**	**466**	**365**	**406**	**419**	**438**	**358**	**-7**	**1,858**	**1,621**	**-237**
Non-controlling interests	21	18	17	16	22	23	22	19	+3	72	86	+14
Shareholders' net income	**532**	**457**	**449**	**349**	**385**	**396**	**415**	**340**	**-10**	**1,786**	**1,535**	**-251**
Cost-income ratio (in %)	**53.1**	**55.9**	**56.0**	**60.1**	**57.4**	**57.9**	**57.1**	**64.3**	**+4.2%-p**	**56.2**	**59.2**	**+3.1%-p**
3rd party AuM[2] (EUR bn)	**1,491**	**1,427**	**1,374**	**1,329**	**1,342**	**1,373**	**1,411**	**1,313**	**-16**	**1,329**	**1,313**	**-16**
Allianz AuM[2] (EUR bn)	417	407	407	409	423	441	461	488	+79	409	488	+79
Total AuM[2] (EUR bn)	1,908	1,834	1,781	1,738	1,765	1,814	1,872	1,801	+63	1,738	1,801	+63
3rd party net flows (EUR bn)	**41.8**	**6.0**	**-27.5**	**-35.5**	**-19.8**	**-17.2**	**-47.4**	**-141.3**	**-105.8**	**-15.1**	**-225.6**	**-210.5**
Net flows in 3rd party AuM eop (in %)	3.0	0.4	-1.9	-2.6	-1.5	-1.3	-3.5	-10.0	-7.4%-p	-1.1	-17.0	-15.9%-p

1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking. Therefore, only AAM figures are shown in the table and on the following pages
2) Assets under Management are end of period values

AM: AAM key figures (2/2)
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
PIMCO												
Operating profit	**796**	**700**	**645**	**599**	**563**	**597**	**594**	**488**	**-111**	**2,740**	**2,241**	**-498**
Performance fees	252	40	25	89	11	46	25	122	+33	406	205	-201
Cost-income ratio (in %)	48.4	51.2	51.3	54.9	52.2	51.8	52.4	61.2	+6.4%-p	51.3	54.5	+3.1%-p
3rd party AuM[1] (EUR bn)	1,301	1,238	1,178	1,114	1,116	1,135	1,162	1,053	-61	1,114	1,053	-61
3rd party net flows (EUR bn)	40.4	4.3	-28.8	-35.6	-21.7	-20.4	-49.2	-144.8	-109.2	-19.7	-236.1	-216.4
3-yr. outperformance (in %)	95	94	93	90	88	89	93	88	-2%-p	90	88	-2%-p
AllianzGI												
Operating profit	**87**	**95**	**99**	**83**	**96**	**89**	**110**	**113**	**+30**	**364**	**408**	**+44**
Performance fees	22	35	16	20	8	20	15	27	+7	93	70	-23
Cost-income ratio (in %)	73.7	72.4	71.0	76.6	72.1	76.1	70.8	70.9	-5.7%-p	73.4	72.5	-1.0%-p
3rd party AuM[1] (EUR bn)	190	189	196	215	226	238	248	260	+45	215	260	+45
3rd party net flows (EUR bn)	1.4	1.7	1.3	0.1	2.0	3.2	1.8	3.5	+3.4	4.6	10.4	+5.9
3-yr. outperformance (in %)	66	59	53	55	53	51	58	55	+0%-p	55	55	+0%-p

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

AM: splits of 3rd party AuM[1]

	AAM		PIMCO		AllianzGI	
	31.12.13	31.12.14	31.12.13	31.12.14	31.12.13	31.12.14
Regions (in %)[2]						
America	62.9	60.0	69.3	67.3	30.1	30.5
Europe	27.0	29.2	20.6	21.5	60.4	60.3
Asia-Pacific	10.1	10.8	10.2	11.2	9.4	9.3
Clients (in %)[3]						
Institutional	64	64	66	68	52	50
Retail	36	36	34	32	48	50
Products (in %)[4]						
Fixed income	87	85	100	100	22	22
Equity	13	15	0	0	78	78

1) Comprises 3rd party AuM managed by AAM
2) Based on the origination of the assets by the asset management company
3) Classification is driven by vehicle types
4) Based on legal entity view

Allianz

A

Group financial results 2014

Allianz

Corporate and Other: key figures[1]
(EUR mn)

	1Q 2013	2Q 2013	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	Delta 4Q 14/13	12M 2013	12M 2014	Delta 12M 14/13
Total revenues (Banking)	**148**	**133**	**131**	**138**	**139**	**132**	**135**	**151**	**+12**	**551**	**556**	**+5**
Operating profit												
Holding & Treasury	*-167*	*-277*	*-238*	*-257*	*-248*	*-245*	*-267*	*-157*	*+99*	*-939*	*-917*	*+22*
Banking	*-83*	*-1*	*4*	*-12*	*18*	*17*	*11*	*21*	*+33*	*-91*	*66*	*+158*
Alternative Investments	*11*	*4*	*5*	*4*	*8*	*8*	*8*	*6*	*+1*	*24*	*30*	*+6*
Consolidation	*0*	*0*	*0*	*3*	*0*	*0*	*0*	*0*	*-3*	*3*	*0*	*-2*
Corporate and Other operating profit	**-239**	**-274**	**-229**	**-261**	**-222**	**-219**	**-248**	**-131**	**+130**	**-1,004**	**-820**	**+183**
Non-operating items												
Holding & Treasury	*-250*	*-68*	*-203*	*-220*	*484*	*-177*	*-194*	*-271*	*-51*	*-741*	*-157*	*+584*
Banking	*3*	*4*	*11*	*4*	*-1*	*4*	*3*	*5*	*+1*	*22*	*11*	*-11*
Alternative Investments	*-54*	*-6*	*-4*	*-47*	*-11*	*-5*	*-19*	*-11*	*+36*	*-112*	*-46*	*+66*
Consolidation	*27*	*0*	*0*	*-3*	*0*	*0*	*0*	*0*	*+3*	*25*	*0*	*-25*
Corporate and Other non-operating items	**-274**	**-70**	**-196**	**-265**	**472**	**-177**	**-211**	**-276**	**-11**	**-806**	**-192**	**+614**
Income before taxes	-514	-344	-426	-527	249	-397	-458	-407	+120	-1,810	**-1,013**	+797
Income taxes	117	66	119	174	-118	148	147	179	+5	476	356	-120
Net income	**-397**	**-278**	**-307**	**-353**	**131**	**-249**	**-311**	**-228**	**+124**	**-1,334**	**-657**	**+677**
Non-controlling interests	2	0	4	1	4	6	3	2	+1	7	15	+9
Shareholders' net income	**-399**	**-278**	**-311**	**-354**	**127**	**-255**	**-315**	**-231**	**+123**	**-1,341**	**-673**	**+668**
Cost-income ratio Banking (in %)	**146.4**	**89.7**	**83.3**	**80.0**	**80.7**	**75.8**	**86.6**	**76.8**	**-3.2%-p**	**100.9**	**79.9**	**-21.0%-p**
RWA[2] Banking (EUR bn)	9	9	9	9	9	9	9	9	-0	9	9	-0

1) Effective 2014, certain entities were allocated from Asset Management to Life/Health and Banking
2) RWA data is preliminary; based on Basel approach

Investments

Maximilian Zimmerer
Chief Investment Officer

Analyst conference call
February 26, 2015

B

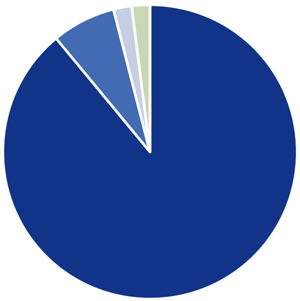
Investments

High quality investment portfolio

Asset allocation[1]

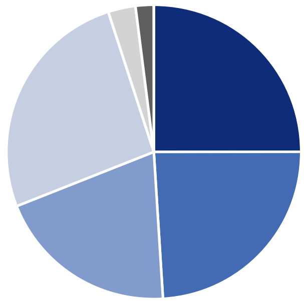
Total: EUR 614.6bn
(2013: EUR 536.8bn)

Debt instruments	89%	*(90%)*
Equities	7%	*(7%)*
Real estate[2]	2%	*(2%)*
Cash/Other	2%	*(2%)*



Debt instruments by rating[3]

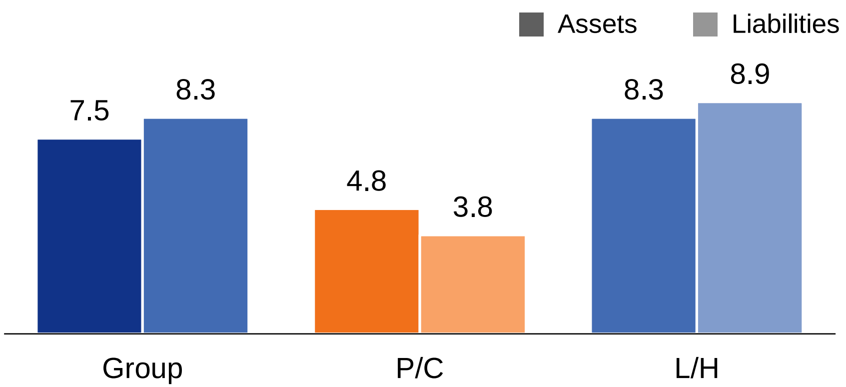
AAA	25%
AA	24%
A	20%
BBB	26%
Non-investment grade	3%
Not rated[4]	2%



By segment (EUR bn)

	Group	P/C[5]	L/H[5]
Debt instruments	549.8	84.3	419.6
Equities	41.2	6.3	32.2
Real estate[2]	11.3	3.1	8.0
Cash/Others	12.2	3.3	5.5
Total	**614.6**	**97.0**	**465.4**

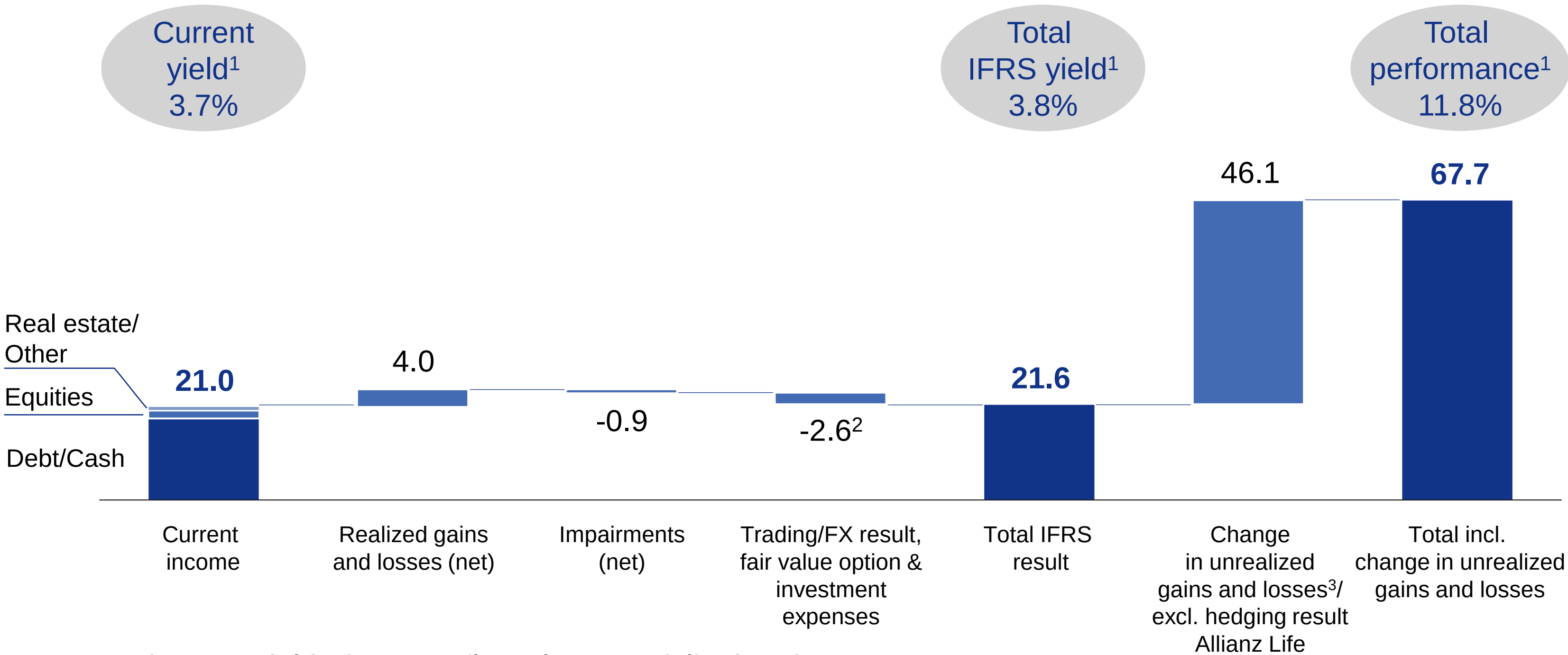
Duration[6]



1) Prior year figures have been restated to reflect the retrospective application of the amended standard IFRS 10
2) Excluding real estate held for own use and real estate held for sale
3) Excluding seasoned self-originated private retail loans
4) Mostly mutual funds and short-term investments
5) Consolidated on Group level
6) For the duration calculation a non-parallel shift in line with Solvency II yield curves is used from 1Q 14 onwards. Data includes internal pensions for Group, while excludes internal pensions residing in P/C and L/H segments

Investment performance 2014 driven by interest rates

(EUR bn)



- Current income yield of 3.7% reflects long portfolio duration
- Lower interest rates lead to price increase of bonds

1) Yield calculation is based on the average asset base (IFRS)
2) Includes hedging result from fixed index and variable annuities fully offset in insurance P&L
3) Includes AFS equity and debt, held-to-maturity investments as well as loans and advances to banks and customers acc. to IFRS, not included FX-effect on non-EUR denominated insurance portfolios

Ongoing active increase of real assets and further diversification of fixed income

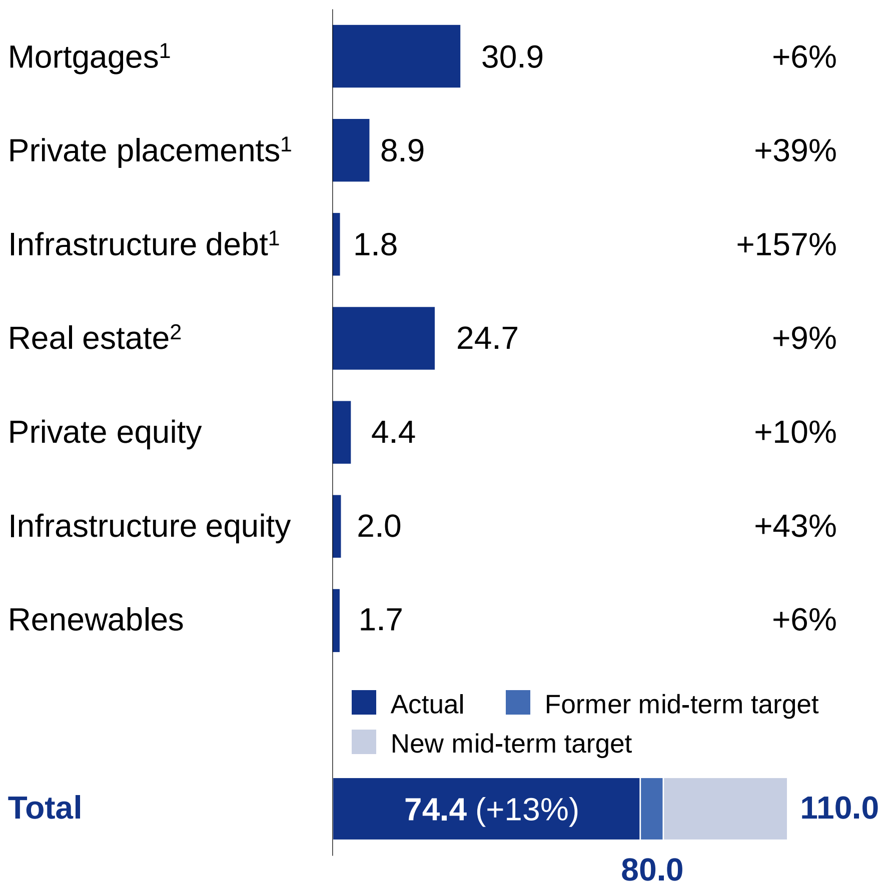
	Selected portfolio measures	Active changes in 2014[1] (EUR)	
Increase in real assets	**Equity:** active increase of traded equity	+3.7bn	
	Private equity, infrastructure and renewables: expansion continues	+1.1bn	+ new commitments 1.3bn
	Real estate: selective growth ongoing	+2.1bn	+ new commitments 1.2bn
Fixed income diversification	**Alternative debt:** focus on infrastructure, mortgages and private placements	+5.2bn	
Increase in efficiency	**Cash:** reduced cash quota in investment portfolio	-2.5bn	

1) Based on portfolio transactions without market movements

Real asset-based financing – sustainable growth to continue

Current volume (vs. 2013)

EUR bn



Investment examples

Porterbrook (railway rolling stock leasing)

- One of the three major rolling stock leasing companies in the UK rail industry
- It offers rolling stock equipment to the majority of passenger and freight operating companies across the UK
- Business model based on long-term contracts leading to stable income

Nice Etoile

- Acquisition of a dominant inner-city shopping center in Nice
- Fully let to a diversified tenant base of 97 retail units including Hollister, Maisons du Monde, C&A, etc.
- Partner is best-in-class operator Hammerson

Aberdeen Bypass Road

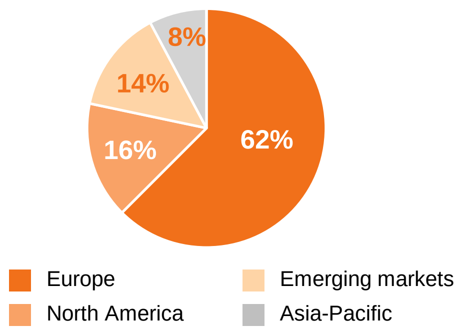
- Second financing of a road project in Scotland
- 30-year fixed interest financing on terms that were attractive to the borrower relative to short-term bank financing
- Attractive match with long-term insurance liabilities

1) Not including unrealized gains of EUR 3.5bn (mortgages EUR 3.0bn, private placements EUR 0.4bn, infrastructure debt EUR 0.1bn)
2) Market value of real estate assets including EUR 20.1bn directly held real estate assets (e.g. held for investment, held for own use) and EUR 4.6bn indirectly held real estate assets (e.g. associates and joint ventures, available-for-sale investments)

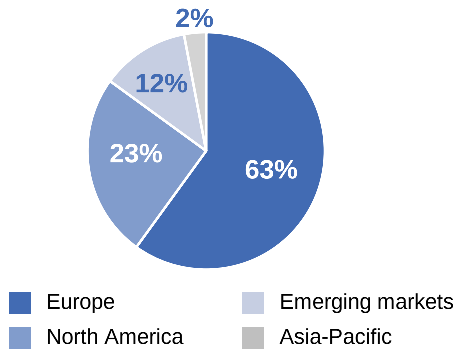
New investment yields 2014

P/C	New F/I investments (in %)	Yield	Maturity (in years)
Government[1]	46%	2.5%	8
Covered	18%	1.6%	7
Corporate	33%	2.6%	8
ABS/MBS	4%	3.3%	5[2]
Total F/I 2014	**100%**	**2.4%**	**8**

Regional allocation



L/H	New F/I investments (in %)	Yield	Maturity (in years)
Government[1]	38%	2.7%	15
Covered	23%	2.4%	10
Corporate	35%	2.9%	12
ABS/MBS	4%	3.4%	5[2]
Total F/I 2014	**100%**	**2.7%**	**12**



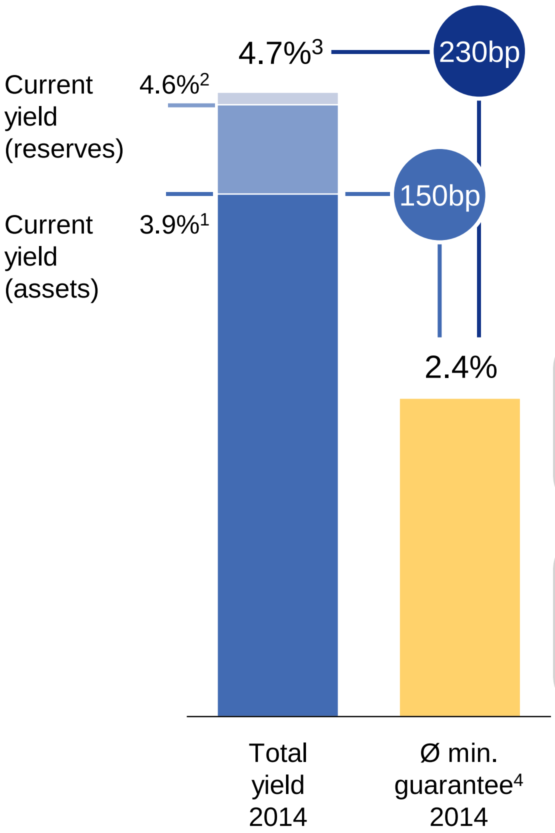
Group	New investments (in EUR bn)	Current Yield
Real assets	6.9	~4%

1) Treasuries and government related
2) Based on time to expected maturity

Allianz

Strong buffers and resilient margins in L/H

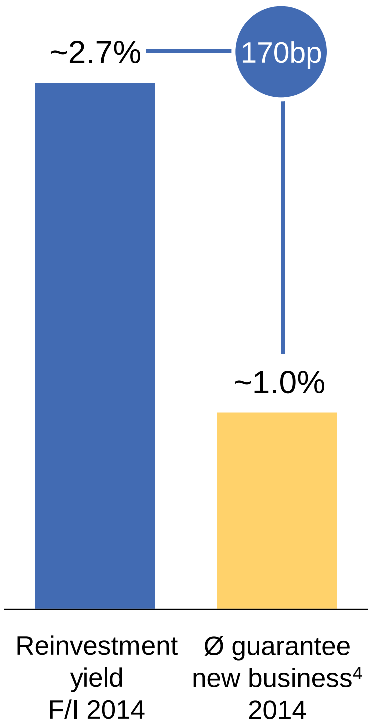
Business in force



+ strong buffer
EUR 25bn of RfB equal 6.5% of aggregate policy reserves

Life Germany
Reinvestment yield of 0.7% would be sufficient to pay all guarantees

New business



1) IFRS current interest and similar income (net of interest expenses) relative to average asset base (IFRS) which excludes unit-linked, FVO and trading
2) IFRS current interest and similar income (net of interest expenses) relative to average aggregate policy reserves
3) IFRS current interest and similar income (net of interest expenses) + net harvesting and other (operating) relative to average aggregate policy reserves
4) Weighted by aggregate policy reserves

Underlying trends 2014 and Allianz' strategic response

2014 | 2015 | 2016

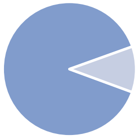
- Strong **decrease of interest rates** in EUR, less pronounced in the US
- **Heterogeneous** stock market performance
- Different approach to **structural issues** in peripheral Europe
- **Euro devaluation** against USD and most emerging markets currencies

+

- **Geopolitical** tensions continue to drive **volatility** → Differentiation and diversification key
- Weak Euro and low oil price **support European prospects**; **decoupling of US rates** → Manage duration in light of rates environment
- **Extremely loose monetary policy** exacerbates risk-taking in financial markets → Expansion of direct financing with high quality collaterals

B

Investments

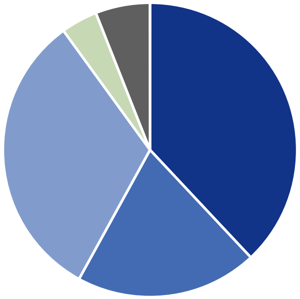


High quality fixed income portfolio

By type of issuer

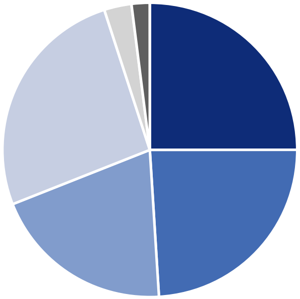
Total
EUR 549.8bn

Government	38%
Covered	20%
Corporate	32%
thereof Banking	*6%*
ABS/MBS[1]	4%
Other[2]	6%



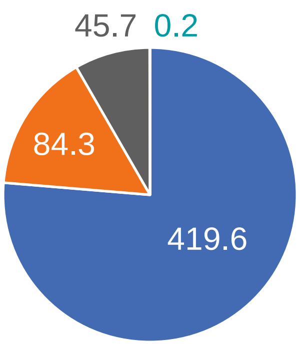
By rating[3]

AAA	25%
AA	24%
A	20%
BBB	26%
Non-investment grade	3%
Not rated[4]	2%

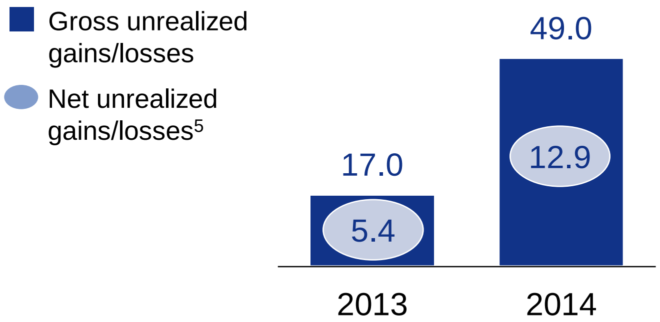


By segment (EUR bn)

L/H	76%
P/C	15%
Corporate and other	8%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



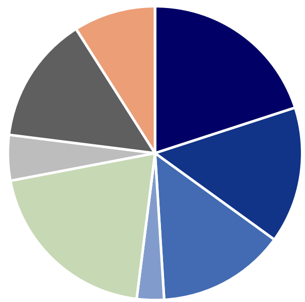
1) Including U.S. agency MBS investments (EUR 3.4bn)
2) Including seasoned self-originated private retail loans and short-term deposits at banks
3) Excluding seasoned self-originated private retail loans
4) Mostly mutual funds and short-term investments
5) On-balance sheet unrealized gains/losses after tax, non-controlling interests, policyholders and before shadow DAC

Government bond allocation concentrated in EMU core countries

By region

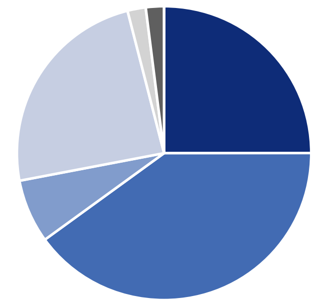
France	20%
Italy	15%
Germany	14%
Spain	3%
Rest of Europe	20%
USA	5%
Rest of World	14%
Supranational	9%

Total
EUR 209.3bn[1]



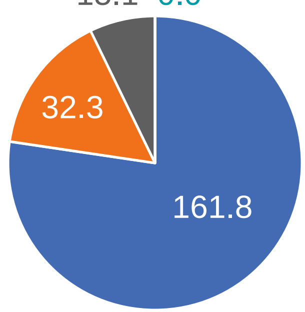
By rating

AAA	25%
AA	40%
A	7%
BBB	24%
Non-investment grade	2%
Not rated	2%



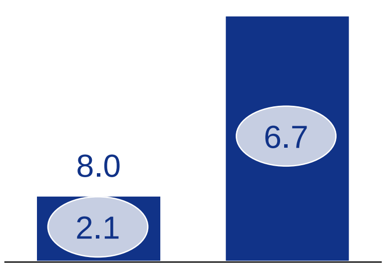
By segment (EUR bn)

L/H	77%
P/C	15%
Corporate and other	7%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses
Net unrealized gains/losses[2]

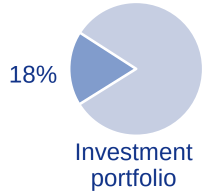


1) Government and government related (excl. U.S. agency MBS)
2) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

Allianz

Details sovereigns
(EUR bn)

	Group			L/H			P/C		
	Book value	% of F/I	thereof domestic	Book value	% of F/I (L/H)	thereof domestic	Book value	% of F/I (P/C)	thereof domestic
France	40.8	7.4%	20.6	34.1	8.1%	17.8	4.7	5.6%	2.6
Italy	31.4	5.7%	17.3	26.4	6.3%	14.3	3.6	4.3%	2.5
Germany	28.4	5.2%	25.3	20.0	4.8%	18.0	3.4	4.0%	2.4
Supranational	19.1	3.5%	0.0	15.6	3.7%	0.0	1.8	2.1%	0.0
USA	11.4	2.1%	9.4	7.9	1.9%	7.4	2.5	3.0%	2.0
Austria	7.9	1.4%	0.5	6.8	1.6%	0.3	0.7	0.8%	0.1
Belgium	7.7	1.4%	3.9	6.3	1.5%	3.5	0.8	1.0%	0.5
South Korea	7.6	1.4%	7.2	7.5	1.8%	7.2	0.1	0.1%	0.0
Spain	6.1	1.1%	3.0	4.8	1.2%	2.7	1.0	1.1%	0.3
Switzerland	5.9	1.1%	5.9	4.6	1.1%	4.6	1.3	1.6%	1.3
Netherlands	4.6	0.8%	0.3	2.9	0.7%	0.2	0.7	0.9%	0.1
Australia	2.6	0.5%	2.5	0.0	0.0%	0.0	2.6	3.0%	2.5
Thailand	2.5	0.5%	1.7	2.4	0.6%	1.7	0.1	0.1%	0.0
Finland	2.3	0.4%	0.0	1.8	0.4%	0.0	0.3	0.3%	0.0
Poland	2.3	0.4%	0.6	1.6	0.4%	0.2	0.7	0.8%	0.4
Slovakia	1.8	0.3%	0.8	1.4	0.3%	0.6	0.4	0.4%	0.2
Brazil	1.8	0.3%	0.6	1.1	0.3%	0.0	0.7	0.8%	0.6
Ireland	0.6	0.1%	0.0	0.4	0.1%	0.0	0.1	0.2%	0.0
Russia	0.4	0.1%	0.1	0.3	0.1%	0.1	0.1	0.1%	0.0
Portugal	0.2	0.0%	0.2	0.1	0.0%	0.1	0.1	0.2%	0.1
Greece	0.0	0.0%	0.0	0.0	0.0%	0.0	0.0	0.0%	0.0
Ukraine	0.0	0.0%	0.0	0.0	0.0%	0.0	0.0	0.0%	0.0
Other	23.7	4.3%	n.a.	15.8	3.8%	n.a.	6.8	8.0%	n.a.
Total 2014	**209.3**	**38.1%**	**n.a.**	**161.8**	**38.6%**	**n.a.**	**32.3**	**38.3%**	**n.a.**
Total 2013	**179.6**	**37.4%**	**n.a.**	**133.1**	**37.5%**	**n.a.**	**30.9**	**38.8%**	**n.a.**

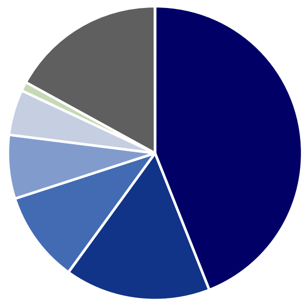


Fixed income portfolio: covered bonds

By country

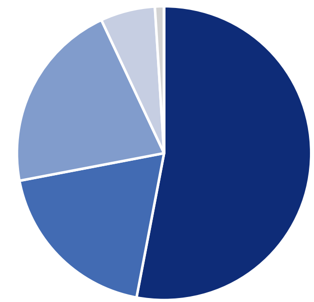
Total
EUR 107.6bn

Germany	44%
France	16%
Spain	10%
Italy	7%
UK	5%
Ireland	1%
Rest of World	17%



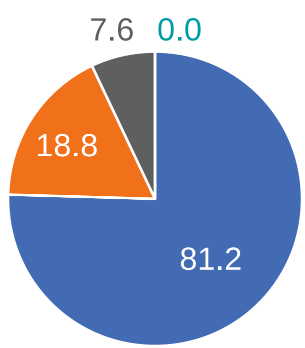
By rating

AAA	53%
AA	19%
A	21%
BBB	6%
Non-investment grade	1%
Not rated	0%



By segment (EUR bn)

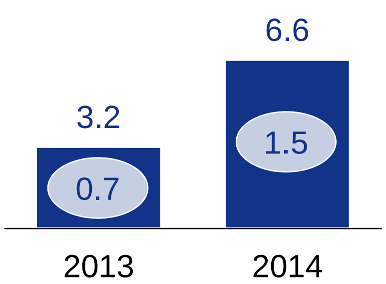
L/H	75%
P/C	17%
Corporate and other	7%
Asset Management	0%



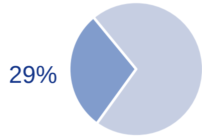
AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses

Net unrealized gains/losses[1]



1) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

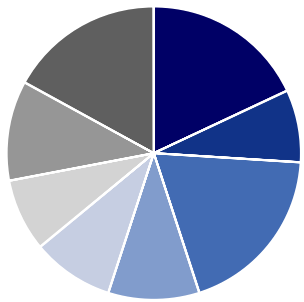


Fixed income portfolio: corporate

By sector

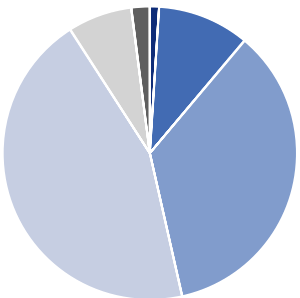
Total
EUR 177.5bn

Banking	18%
Other financials	8%
Consumer	19%
Communication	10%
Energy[1]	9%
Industrial	8%
Utility	11%
Other	17%



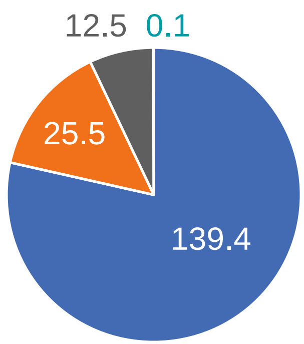
By rating

AAA	1%
AA	10%
A	35%
BBB	44%
Non-investment grade	7%
Not rated[2]	2%



By segment (EUR bn)

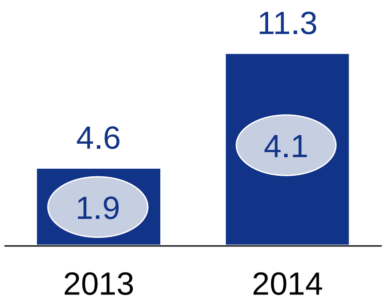
L/H	79%
P/C	14%
Corporate and other	7%
Asset Management	0%



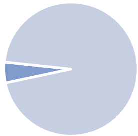
AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses

Net unrealized gains/losses[3]



1) Thereof EUR 5.5bn in U.S. energy sector. No exposure to high yield fracking sector
2) Including Eurozone loans/ bonds (1%)
3) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

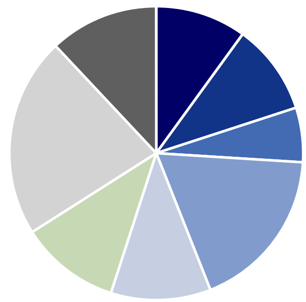


Fixed income portfolio: banks

By country

Germany	10%
France	10%
Italy	6%
Rest Eurozone[1]	18%
UK	11%
Rest EU ex Eurozone	11%
USA	22%
Rest of World	12%

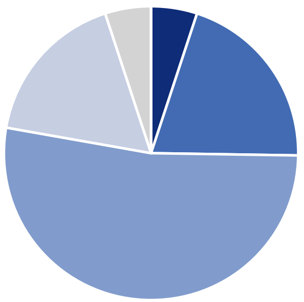
Total
EUR 32.4bn



thereof subordinated bonds: EUR 5.3bn

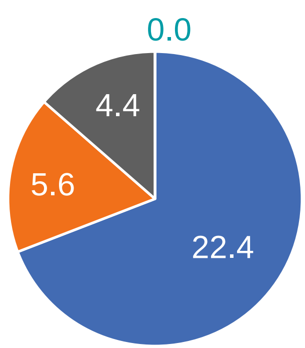
By rating

AAA	5%
AA	20%
A	52%
BBB	17%
Non-investment grade	5%
Not rated	0%



By segment (EUR bn)

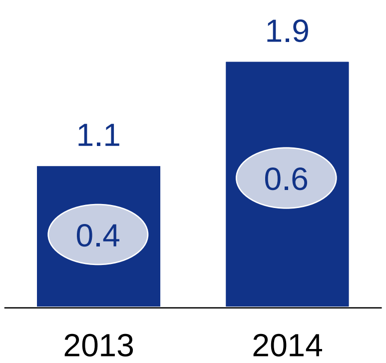
L/H	69%
P/C	17%
Corporate and other	14%
Asset Management	0%



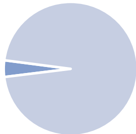
AFS unrealized gains/losses (EUR bn)

Gross unrealized gains/losses

Net unrealized gains/losses[2]



1) Including Spain (1%)
2) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

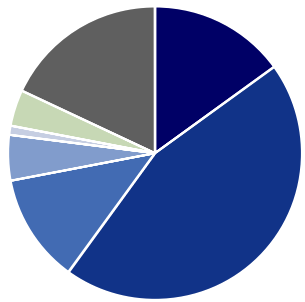


Fixed income portfolio: ABS

By type of category

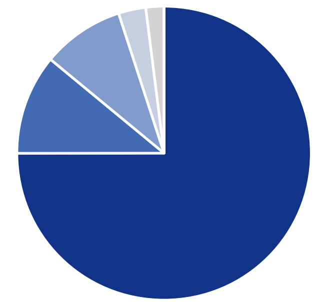
Total
EUR 22.9bn

U.S. Agency	15%
CMBS	45%
RMBS	12%
CMO/CDO	5%
Credit Card	1%
Auto	4%
Other	18%



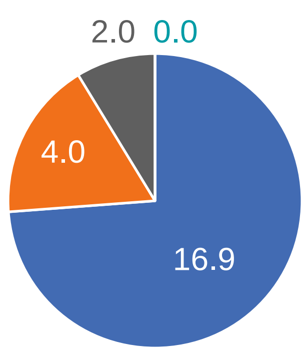
By rating

AAA	75%
AA	11%
A	9%
BBB	3%
Non-investment grade	2%
Not rated	0%

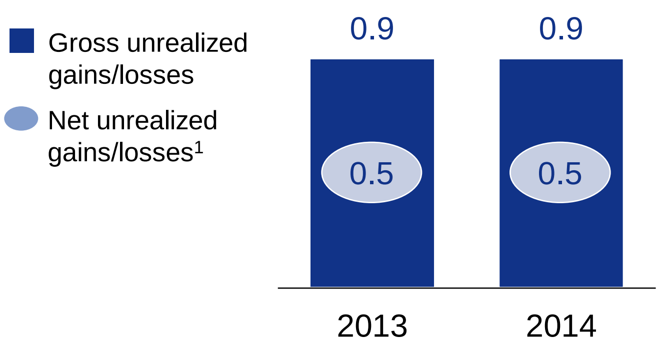


By segment (EUR bn)

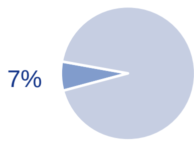
L/H	74%
P/C	18%
Corporate and other	9%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



1) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

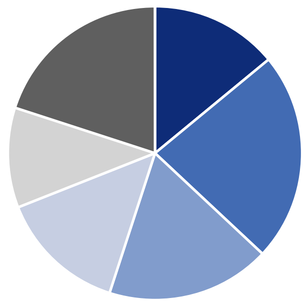


Equity portfolio

By region

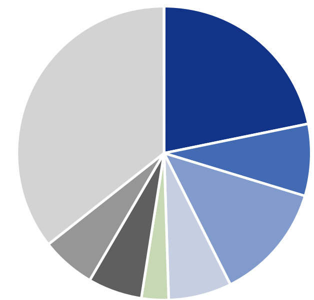
Germany	14%
Eurozone ex Germany	23%
Europe ex Eurozone	18%
NAFTA	14%
Rest of World	11%
Multinational[2]	20%

Total
EUR 41.2bn[1]



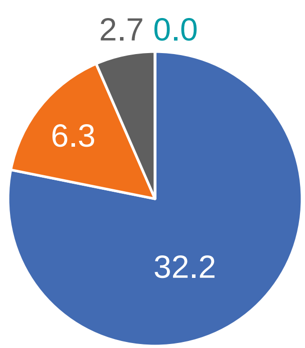
By industry

Consumer	22%
Banking	8%
Other Financials	13%
Basic materials	7%
Utilities	3%
Industrial	6%
Energy	6%
Funds and other[3]	36%

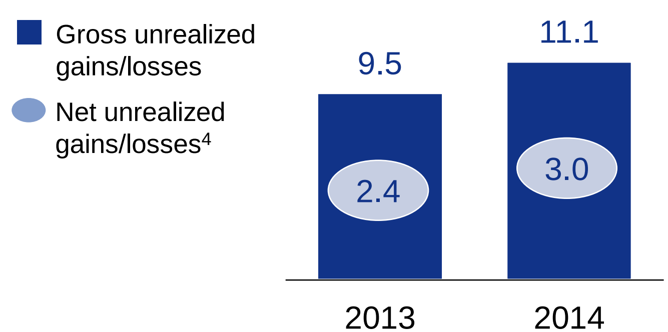


By segment (EUR bn)

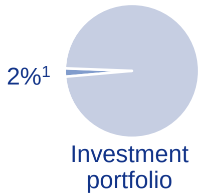
L/H	78%
P/C	15%
Corporate and other	6%
Asset Management	0%



AFS unrealized gains/losses (EUR bn)



1) Incl. non-equity retail funds (EUR 0.1bn), excl. equities designated at fair value through income (EUR 1.8bn)
2) Incl. private equity limited partnership funds (EUR 4.4bn) and mutual stock funds (EUR 3.2bn)
3) Diversified investment funds (EUR 3.4bn); private and unlisted equity (EUR 6.6bn)
4) On-balance sheet unrealized gains/losses after tax, non-controlling interests and policyholders, and before shadow DAC

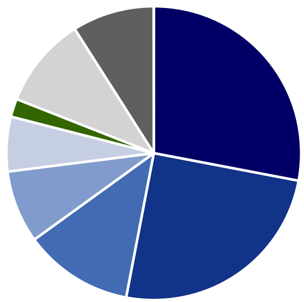


Real estate portfolio (market value)

By region

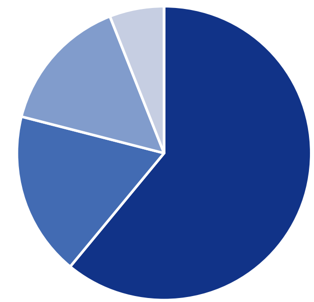
Total
EUR 24.7bn[2,3]

France	28%
Germany	25%
Switzerland	12%
Italy	8%
USA	6%
Poland	2%
Rest of Eurozone	10%
Rest of World	9%



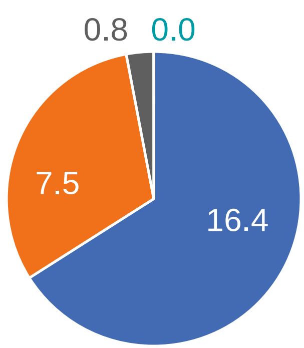
By sectors

Office	61%
Retail	18%
Residential	15%
Other/mixed	6%



By segment (EUR bn)

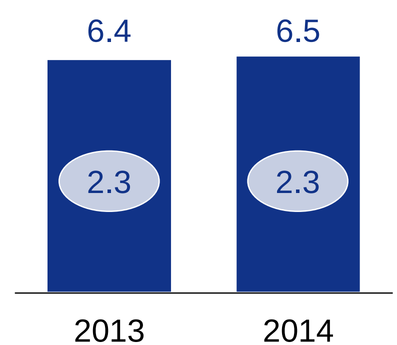
L/H	66%
P/C	30%
Corporate and other	3%
Asset Management	0%



Unrealized gains/losses (EUR bn)[3]

Gross unrealized gains/losses

Net unrealized gains/losses[4]



1) Based on carrying value, 3rd party use only
2) Market value of real estate assets including EUR 20.1bn directly held real estate assets (e.g. held for investment, held for own use) and EUR 4.6bn indirectly held real estate assets (e.g. associates and joint ventures, available-for-sale investments)
3) Associates and joint ventures as well as available-for-sale indirectly held real estate investments are also part of the equity portfolio and fixed income portfolio
4) Unrealized gains/losses after tax, non-controlling interests, policy holders and before shadow DAC, based on external and internal real estate valuations

Excursus Solvency II – standard model
Allianz applies internal model

	Capital charges[1]	Solvency II framework	Economic implications
Government bonds	0% for EU member states[2]	▪ Sovereign debt crisis not reflected	▪ Sovereigns become preferred asset class
Corporate bonds and loans (AAA rating, 1 - 10 yrs. duration)	0.9% - 7.0%	▪ Loans treated like bonds ▪ Equal treatment of all industry sectors	▪ More limited financing possibilities, esp. for banks ▪ Increased pressure to shorten liability duration
Covered bonds (AAA rating, 1 - 10 yrs. duration)	0.7% - 6.0%	▪ Charges too high compared to corporate bonds	▪ Reduced refinancing possibilities for banks
"Securitization" (AAA rating, Type 1, 1 - 10 yrs. duration)	2.1% - 21%	▪ Very high charges for Type 1 ▪ Type 2 charges: >4 times higher (up to 100%)	
Equities	39% - 49%	▪ In combination with IFRS 9, high charges drive insurance sector more and more out of this asset class	▪ Role of insurance industry as equity investor becomes less important ▪ Shrinking yields for privately financed pension savings
Real estate	25%	▪ Proposed charges calibrated to UK market (traditionally high volatility – unlike many markets in continental Europe)	▪ Attractiveness of real estate investments decreases ▪ Less inflation protection in private pension savings

1) As in the "Delegated Acts Solvency II" (October 2014). Before diversification, not taking into account interest rate risk. Equities without participations
2) Includes also other institutions like the European Central Bank or, e.g., multilateral development banks

Allianz 2014 and outlook 2015

Michael Diekmann
Chief Executive Officer

Analyst conference call
February 26, 2015

C

Allianz 2014 and outlook 2015

2014 at a glance – the CEO assessment

Good

- Revenue and profit growth
- Capital strength
- Outperformer (Germany, AZ Life, AllianzGI)

Difficult

- (Re-)investment environment
- Regulatory uncertainties remain
- Geopolitical tensions

Bad

- PIMCO outflows
- Underperformer (FFIC, Russia, Brazil)

Allianz

Business highlights 2014

Customer growth	▪ Customer base grows by 2 million to 85 million
P/C non-motor retail	▪ Germany: number of modular cover policies “PrivatSchutz” increases by 650,000 to more than 1.1 million ▪ Germany: almost 250,000 policies of device repair cost insurance “PlusSchutz” sold since launch ▪ Italy: more than 100,000 policies of modular cover “Allianz1” sold since launch in 1Q ▪ United Kingdom: Allianz surpasses mark of 1 million animals insured through “PetPlan”
Life/Health	▪ Germany: “Perspektive” most successful product launch ever with 73,700 policies sold in 2014 ▪ Italy: “Progetto Reddito” again created high demand with almost EUR 1bn in GPW ▪ US: sales in fixed-indexed annuity products by Allianz Life more than doubled to USD 12.8bn
Asset Management	▪ PIMCO: new investment leadership team empowered and modern management structure implemented ▪ Allianz Global Investors: operating profit 2014 exceeds EUR 400mn mark for the first time and posts eighth consecutive quarter with net inflows
Investments	▪ Renewable energy portfolio exceeds EUR 2bn and now comprises 48 wind and 7 solar parks ▪ Allianz invests in UK rolling stock company Porterbrook ▪ Mid-term target for real asset-based financing raised to EUR 110bn from EUR 80bn
Transactions	▪ Acquisition of P/C business and distribution capacity in Italy from UnipolSai ▪ Acquisition of the general insurance business of Australian P/C insurer Territory Insurance Office ▪ Sale of Fireman’s Fund personal lines business to ACE
Sustainability	▪ Allianz signs UN principles for Sustainable Insurance; underwriting and risk standards across Allianz Group now systematically incorporate environmental, social and governance criteria
Branding	▪ Acquisition of stake in soccer club FC Bayern München and strengthening of long-term cooperation ▪ Acquisition of long-term naming rights for new stadium of Austrian soccer club SK Rapid Wien ▪ Allianz brand value rises 15 percent to USD 7.7bn compared to previous year according to Interbrand

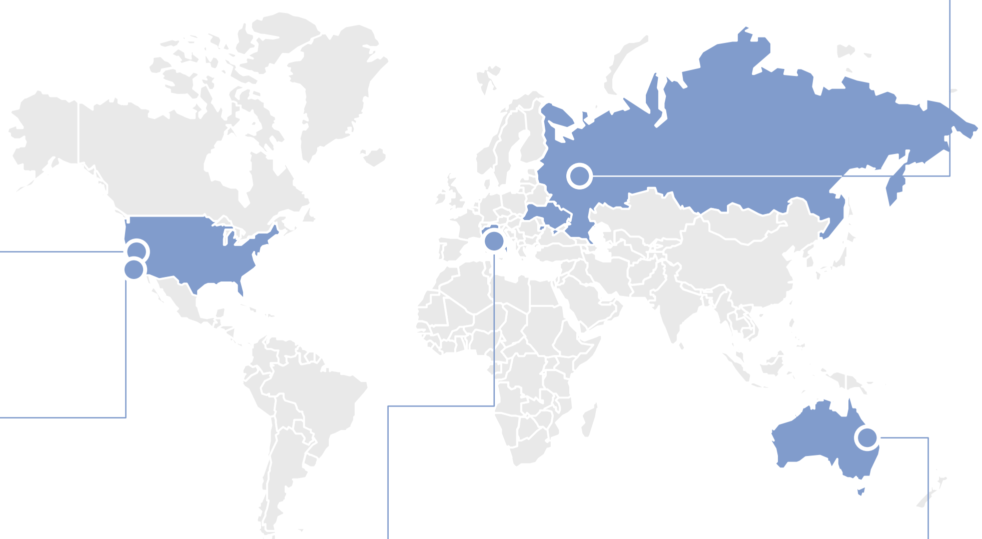
Portfolio measures 2014

1 Fireman's Fund

- Integration of corporate client business into AGCS
- Divestment of personal lines business to ACE

2 Russia and Ukraine

- Concentration on corporate business in Ukraine and in Russia
- Withdrawal from retail P/C business in both countries



3 PIMCO

- Set-up of a modern management structure

4 Allianz Italy

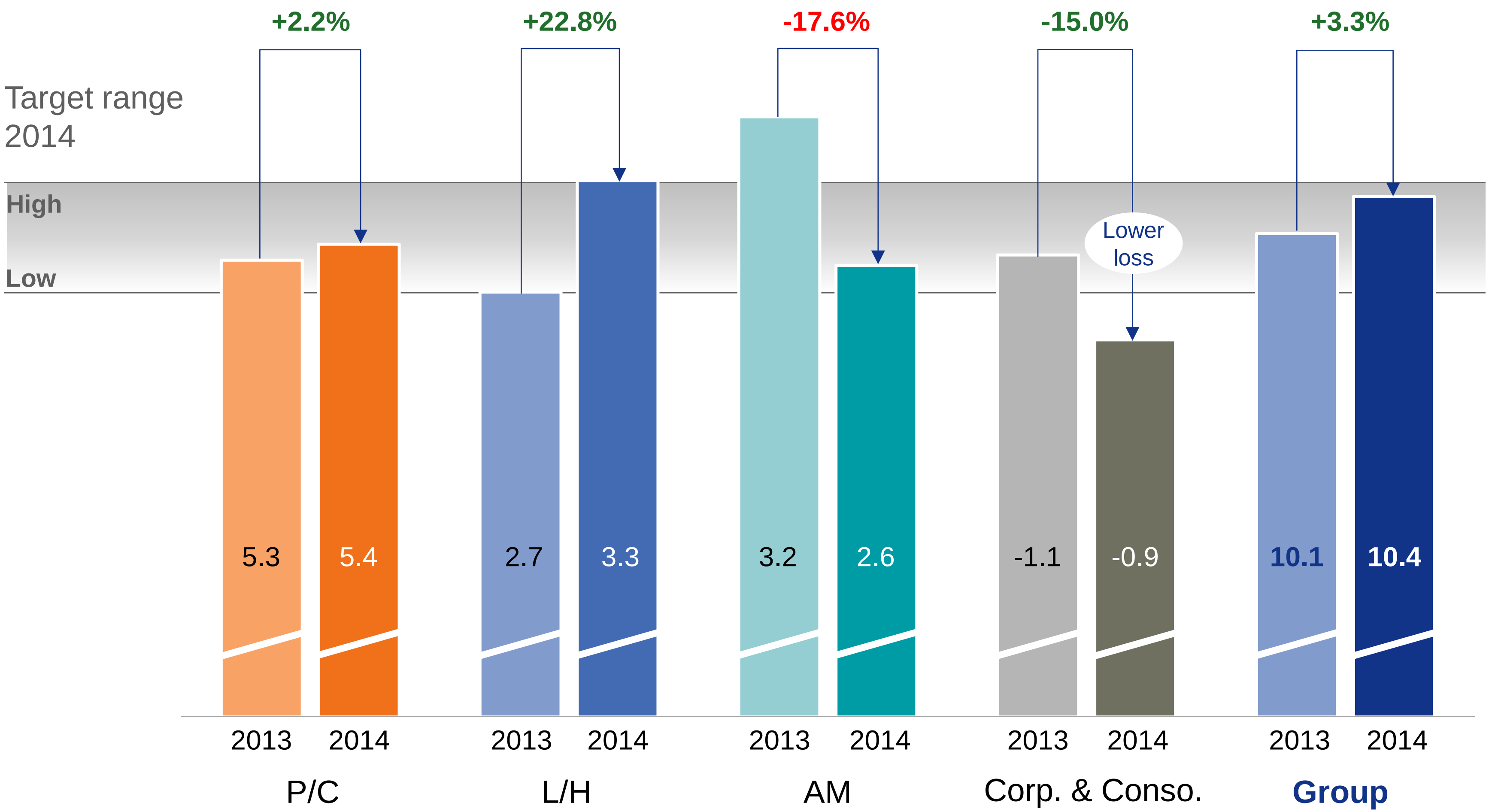
- Acquisition of a part of UnipolSai's P/C business

5 Allianz Australia

- Acquisition of the general insurance business of Territory Insurance Office

EUR 10.4bn operating profit

Operating profit (EUR bn)



C

Allianz 2014
and
outlook 2015

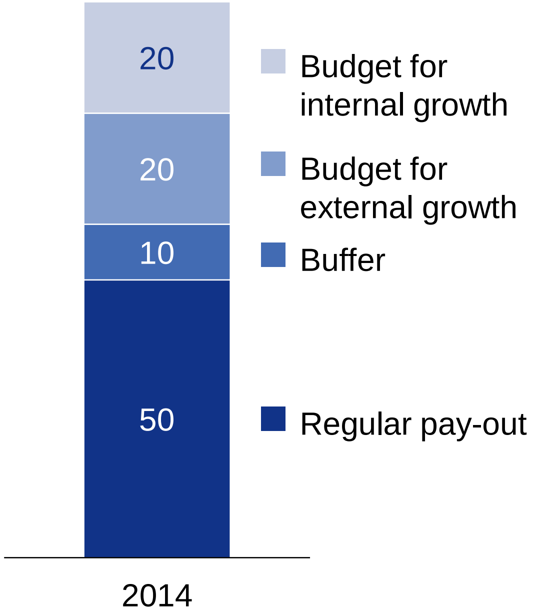
New dividend policy[1] announced November 2014 …

1 **50% pay-out**
- Regular pay-out ratio of 50% (up from 40%)

2 **Dividend continuity**
- Dividend no less than previous year's level

3 **Discipline**
- Pay-out of unused external growth budget every 3 years
- Entire dividend policy subject to sustainable Solvency II ratio > 160%

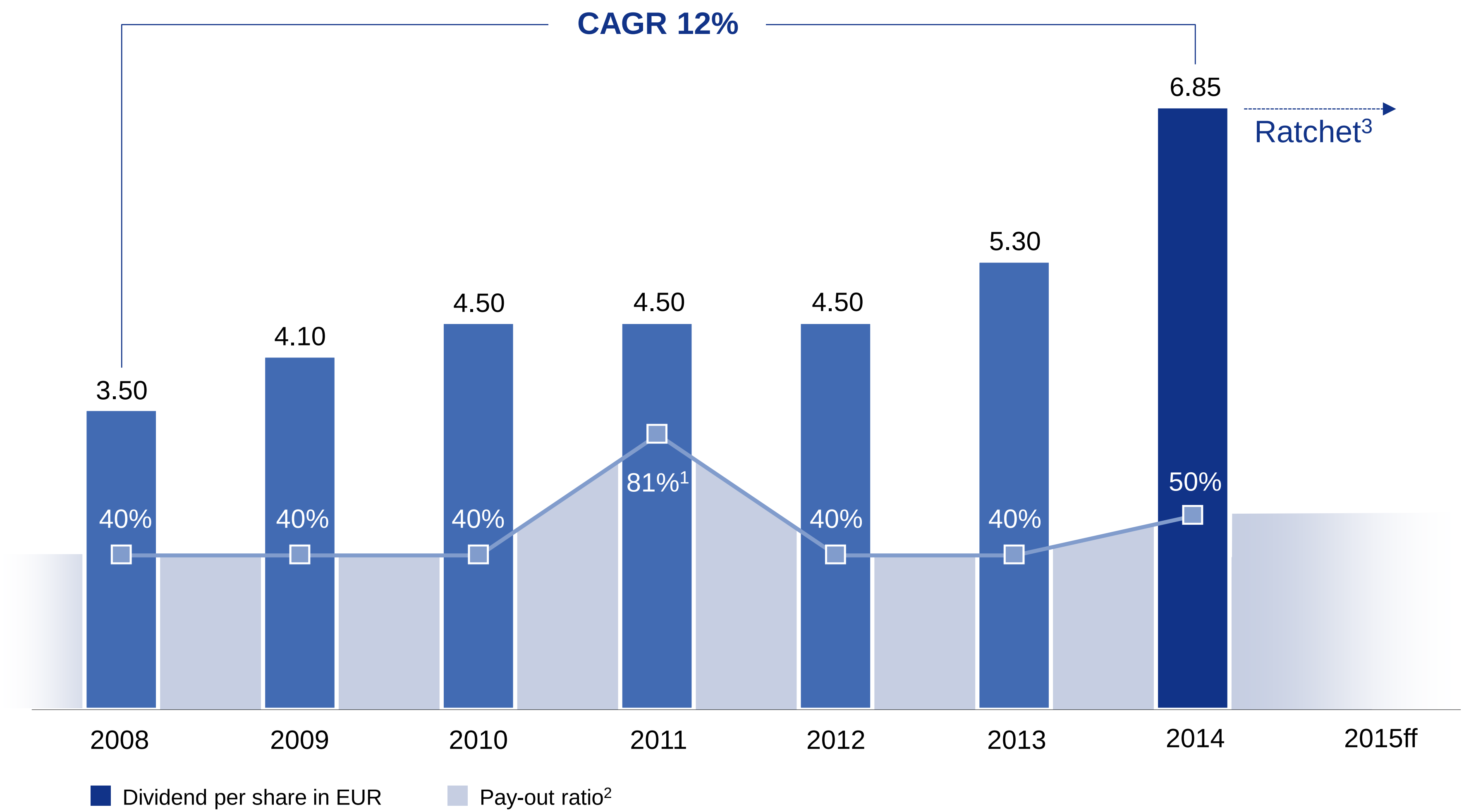
Allocation of net income[2] (in %)



Evaluation of unused budget for external growth every 3 years, starting end of 2016

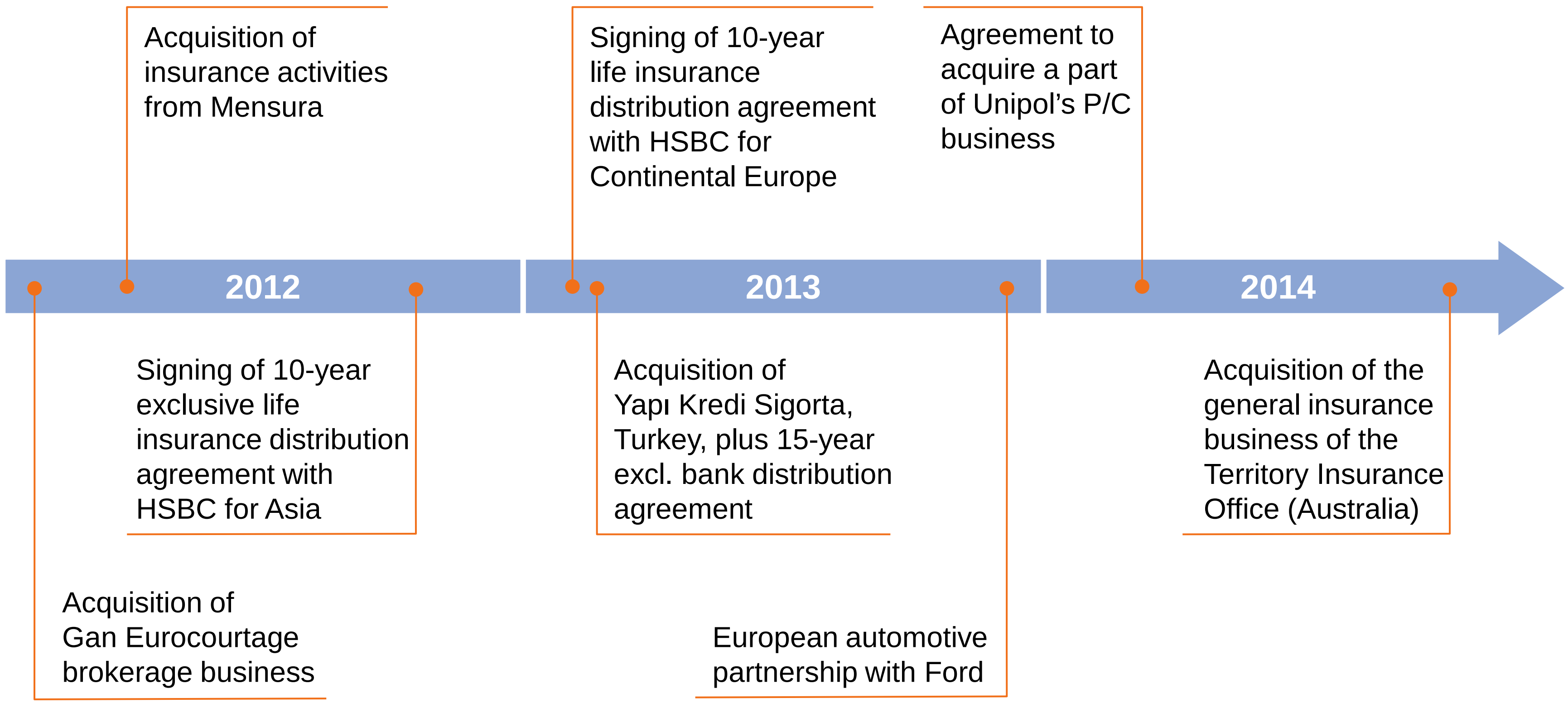
1) This dividend policy represents the management's current intention and may be revised in the future. Also, the decision regarding dividend payments in any given year is subject to specific dividend proposals by the management and supervisory boards, each of which may elect to deviate from this dividend policy if appropriate under the then prevailing circumstances, as well as to the approval of the annual general meeting
2) Net income attributable to shareholders

… leads to high DPS growth



1) High ratio to compensate for non-operating impairments
2) Based on net income attributable to shareholders, no adjustment for treasury shares
3) Dividend not less than previous year's level. Entire dividend policy subject to sustainable Solvency II ratio > 160%

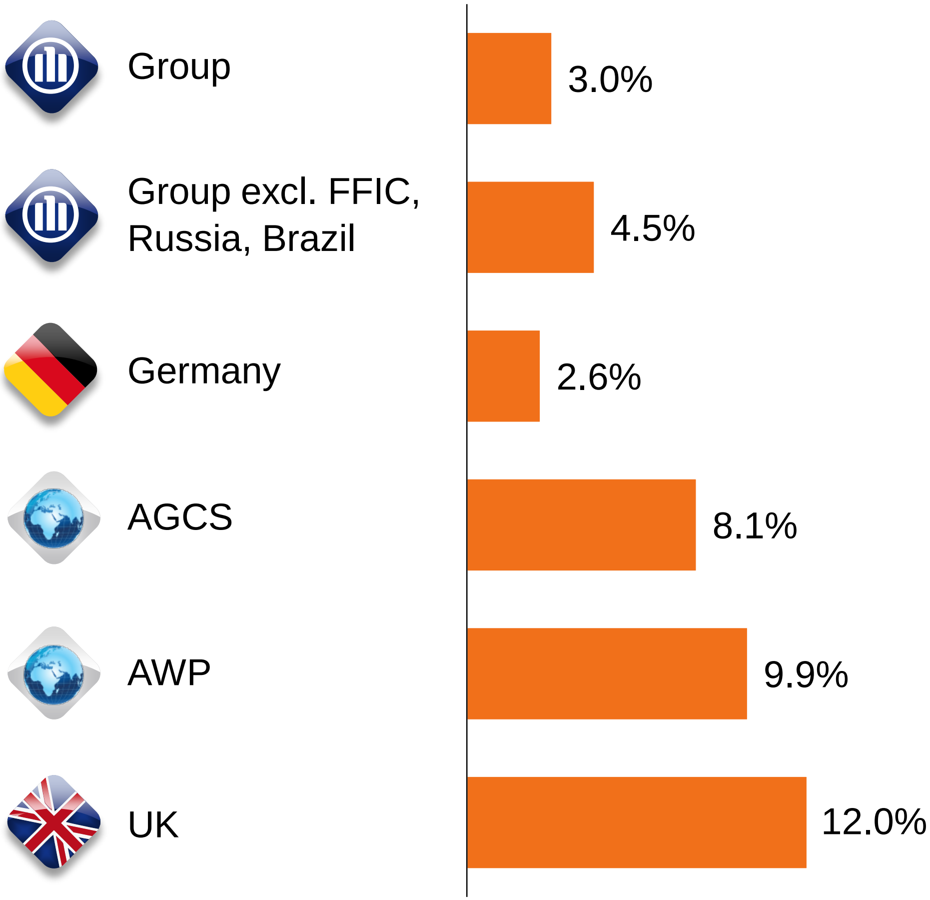
Disciplined acquisition policy continues



Disciplined acquisition strategy with focus on smart transactions in regions with strong presence and on distribution capacity in growth regions

P/C: underlying growth at target

Internal growth 2014 (in %)



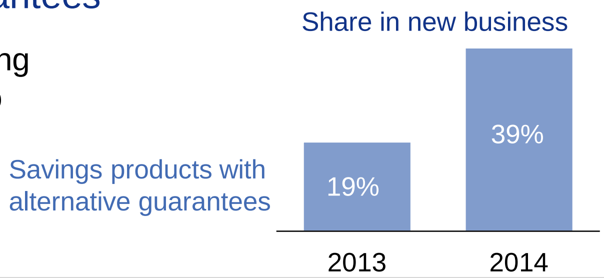
Observations

- Solid performance in light of sluggish market growth
- Internal growth adjusted for under-performing and discontinued businesses
- Hard market also expected for 2015
- Digital+ to strengthen Direct footprint
- US presence further strengthened
- Top-line to benefit from USD strength
- Demand for integrated assistance and health solutions drives sustainable growth
- Pricing in personal motor stabilizing
- ‘Pet’ leadership further strengthened

L/H: profitable growth and innovation drive VNB

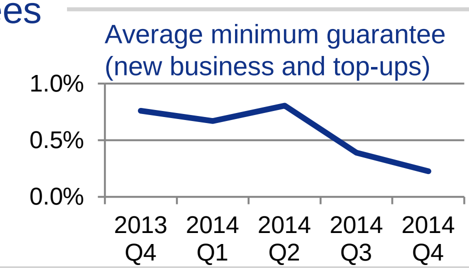
Innovative guarantees

Ongoing rebalancing of savings portfolio



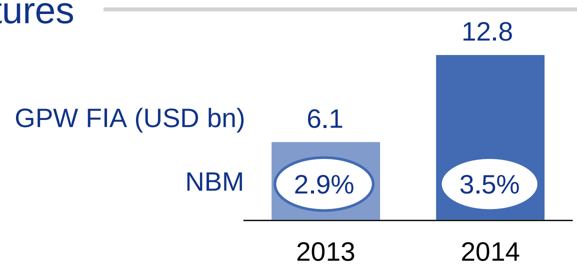
Lower traditional guarantees

Continual steering of business towards lower guarantees

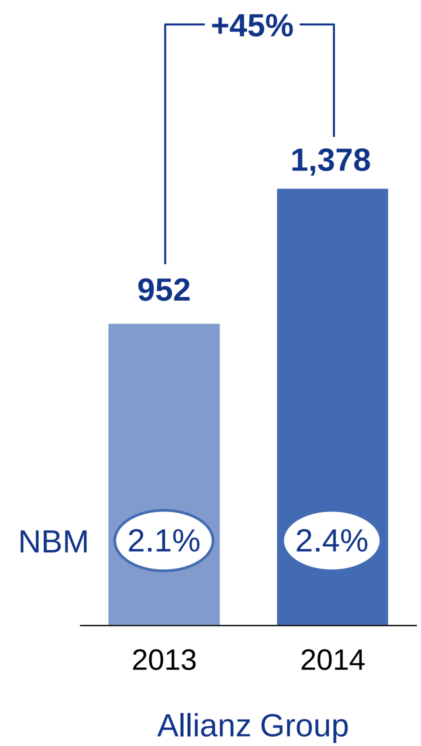


New benefit structures

Innovative "BUDBI[1]" index supporting FIA growth with strong profitability



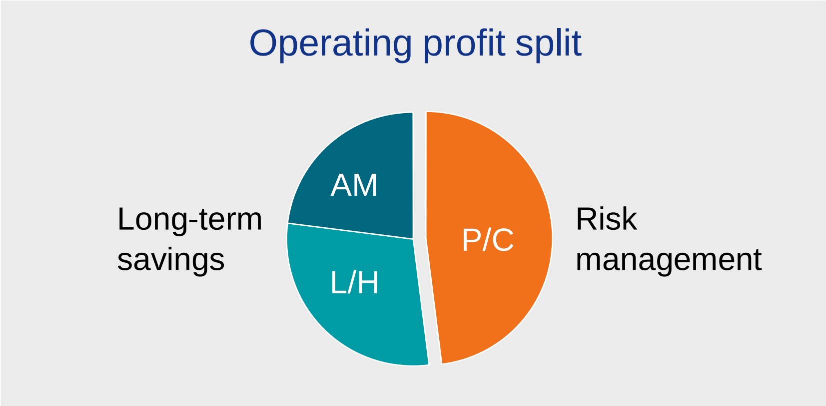
Value of new business (EUR mn)



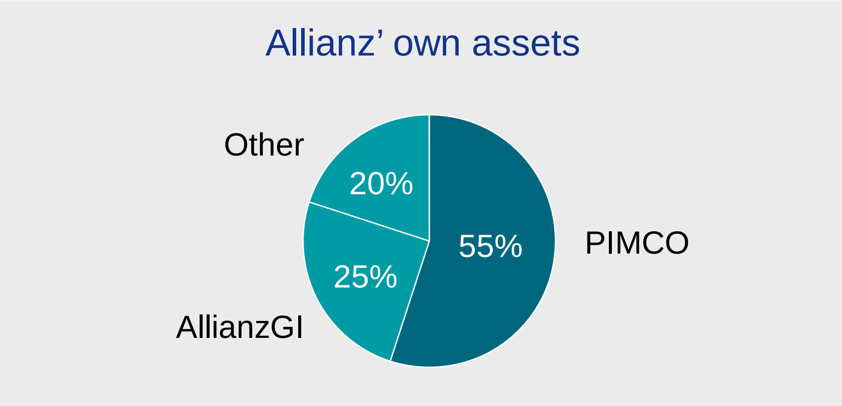
1) Barclays US Dynamic Balance Index; combination of S&P 500 and Barclays Capital US Aggregate Index

PIMCO: an integral part of Allianz Group[1]

Perfect strategic fit …



… managing more than half of Allianz' assets



Broadened investment leadership team …

Daniel Ivascyn
Group CIO

Andrew Balls

Mark Kiesel

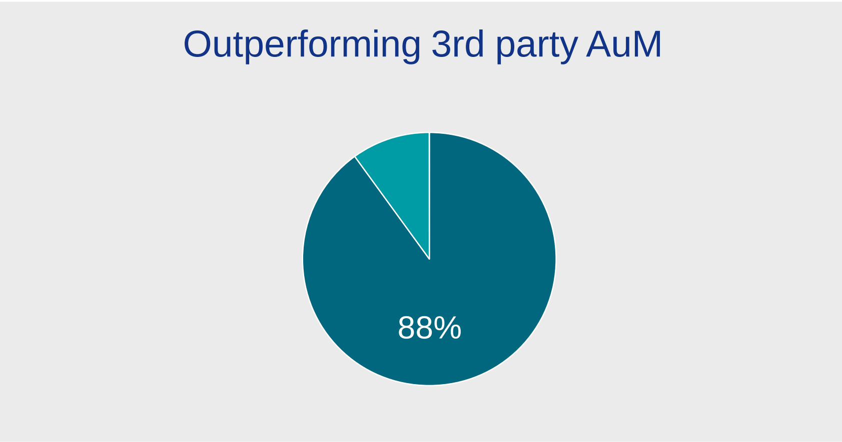
Virginie Maisonneuve

Scott Mather

Marc Seidner

Mihir Worah

… with superior investment performance[2]



1) Data as of end of 2014
2) 3-year 3rd party account-based asset-weighted outperformance

Digital: Allianz well positioned

Digital product

- Modular products
- Pricing engine in real-time

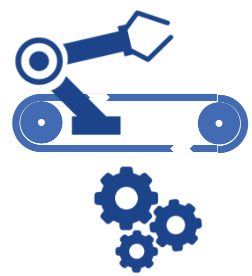
Multi-channel

- Channels are not independent from each other
- Support with data in real-time experience

Advanced analytics

- Integration of business intelligence into operational process workflows
- Use advanced analytics to support business decisions

Automation



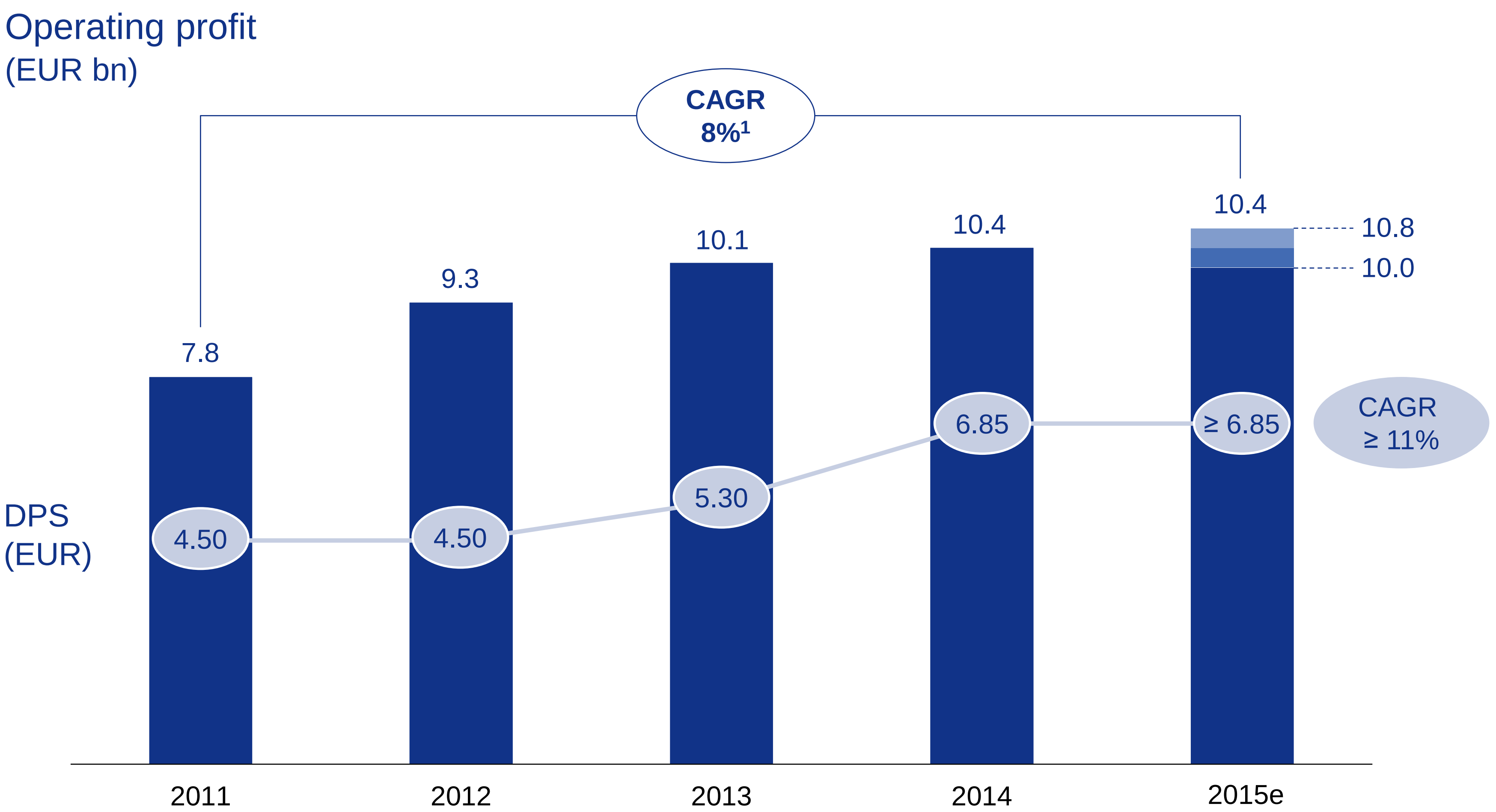
- Complexity reduction
- Elimination of manual process steps

+ Data protection

C

Allianz 2014 and outlook 2015

Consistent growth of operating profit

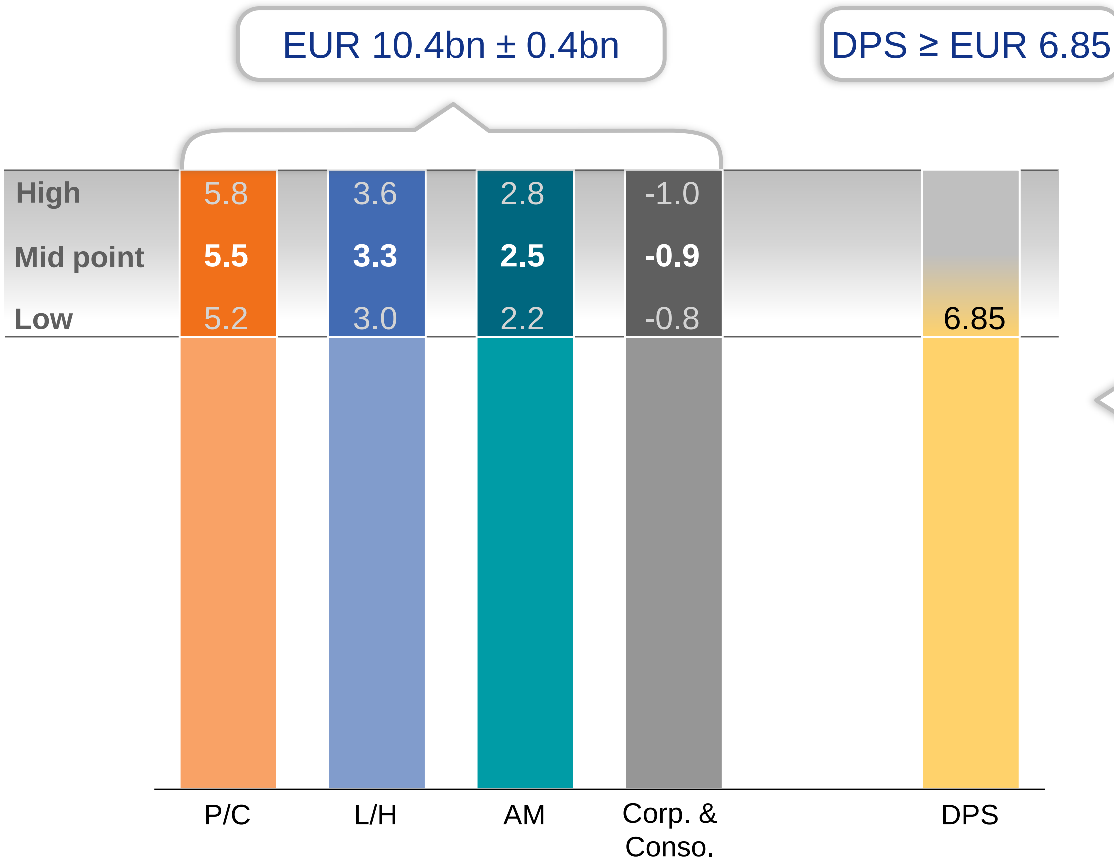


1) Based on mid-point of EUR 10.4bn operating profit in 2015

Disclaimer: Impact from NatCat, financial markets and global economic development not predictable.
The dividend policy may be revised in the future and is subject to a sustainable Solvency II ratio > 160%.

Operating profit outlook 2015

Target range 2015
(EUR bn)



Property/Casualty

- Solid underlying growth
- Turnaround cases provide upside potential

Life/Health

- Further shift to hybrid and unit-linked products
- Further shift of asset allocation to real asset-based financing

Asset Management

- Management structure strengthened
- Strong investment performance

Disclaimer: Impact from NatCat, financial markets and global economic development not predictable.
The dividend policy may be revised in the future and is subject to a sustainable Solvency II ratio > 160%.

Consistent and experienced management team

										
Michael Diekmann	**Oliver Bäte**	**Sergio Balbinot**	**Manuel Bauer**	**Helga Jung**	**Christof Mascher**	**Jay Ralph**	**Axel Theis**	**Dieter Wemmer**	**Werner Zedelius**	**Maximilian Zimmerer**
CEO	CEO elect[1]	Insurance Western & Southern Europe	Insurance Growth Markets	Insurance Iberia & Latin America, M&A, Legal & Compliance	Operations (COO)	Asset Management Worldwide, Insurance USA	Global Insurance Lines & Anglo Markets	Finance, Controlling, Risk (CFO)	Insurance German Speaking Countries, Human Resources	Investments (CIO)
Until May 6, 2015	**Starting May 7, 2015**	**New**					**New**			

Members of the Board of Management until 31 December 2014		
		
	Gary Bhojwani	**Clement Booth**
	Insurance USA	Global Insurance Lines & Anglo Markets

1) Responsibility January 1 – May 6, 2015: Center of Competence Global P/C

Appendix

Analyst conference call
February 26, 2015

Glossary (1)

AAM	Allianz Asset Management, mainly the holding company of PIMCO and AllianzGI
ABS	Asset-backed securities: Structured bonds or notes collateralized by a pool of assets such as loans, bonds or mortgages. As characteristics of the collaterals vary considerably (with regard to asset class, quality, maturity, etc.), so do asset-backed securities.
AFS	Available-for-sale: Securities which have been acquired neither for sale in the near term nor to be held to maturity. Available-for-sale investments are shown at fair value on the balance sheet.
AGCS	Allianz Global Corporate & Specialty
AllianzGI	Allianz Global Investors
AM	Asset Management – AM segment
APR (accident insurance with premium refund)	Special form of accident insurance (in German: “Unfallversicherung mit garantierter Beitragsrückzahlung” (UBR)) where the policyholder, in addition to insurance coverage for accidents (accident insurance), has a guaranteed claim to refund from premiums on the agreed maturity date or in the event of death (endowment insurance).
AuM	Assets under Management: The total of all investments, valued at current market value, which the Group has under management with responsibility for their performance. In addition to the Group´s own investments, AuM include investments managed on behalf of third parties.
Bps	Basis point = 0.01%
CEE	Central and Eastern Europe
CEIOPS	Committee of European Insurance and Occupational Pensions Supervisors; as of January 1, 2011, CEIOPS has been replaced by the European Insurance and Occupational Pensions Authority (EIOPA).
Combined ratio (CR)	Sum of loss ratio and expense ratio, represents the total of acquisition and administrative expenses (net) and claims and insurance benefits incurred (net) divided by premiums earned (net).

Glossary (2)

Collateralized debt obligation (CDO)	Collateralized debt obligation (CDO) is a type of structured security backed by a pool of bonds, loans and other assets. CDOs usually do not specialize in any one type of debt but are often non-mortgage loans or bonds.
Collateralized mortgage obligation (CMO)	Collateralized mortgage obligation (CMO) is a type of mortgage-backed security where the cash flows are often pooled and structured into many classes of securities with different maturities and payment schedules.
Commercial mortgage-backed securities (CMBS)	Commercial mortgage-backed security (CMBS) is a type of mortgage backed security that is secured by the underlying pool of loans on commercial properties.
Cost-income ratio (CIR)	Represents operating expenses divided by operating revenues.
Covered bonds	Debt securities covered by a pool of mortgage loans or by public-sector loans with investors having a preferential claim in case of a default.
Current yield	Interest and similar income/ average asset base at book value (excluding income from financial assets and liabilities carried at fair value); current yield on debt securities adjusted for interest expenses; yield on debt securities including cash components.
DAC	Deferred acquisition costs: Commissions, underwriting expenses and policy issuance costs, which vary with and are primarily related to the acquisition and renewal of insurance contracts. These acquisition costs are deferred, to the extent that they are recoverable, and are subject to recoverability testing at the end of each accounting period.
EIOPA	European Insurance and Occupational Pensions Authority (also see CEIOPS)
Equity exposure	The equity exposure is the part of investments invested in equity securities.
Equity gearing	Equity exposure (attributable to shareholders) divided by net asset value excluding goodwill.
Expense ratio (ER)	Acquisition and administrative expenses (net) divided by premiums earned (net).
Fair value (FV)	The amount for which an asset could be or is exchanged between knowledgeable, willing parties in an arm's length transaction.

Glossary (3)

FCD	Financial conglomerates directive: European regulation for the supervision of financial conglomerates and financial groups involved in cross-sectoral business operations.
Financial assets carried at fair value through income	Financial assets carried at fair value through income include debt and equity securities as well as other financial instruments (essentially derivatives, loans and precious metal holdings) which have been acquired solely for sale. They are recorded in the balance sheet at fair value.
Financial liabilities carried at fair value through income	Financial liabilities carried at fair value through income include primarily negative market values from derivatives and short selling of securities. Derivatives shown as financial liabilities carried at fair value through income are valued the same way as financial assets carried at fair value through income.
FVO	Fair value option: Financial assets and liabilities designated at fair value through income are measured at fair value with changes in fair value recorded in the consolidated income statement. The recognized net gains and losses include dividends and interest of the financial instruments. A financial instrument may only be designated at inception as held at fair value through income and cannot be subsequently changed.
F/X	Foreign exchange
Goodwill	Difference between a subsidiary's purchase price and the relevant proportion of its net assets valued at the current value of all assets and liabilities at the time of acquisition.
Government bonds	Government bonds include government and government agency bonds.
Gross/Net	In insurance terminology the terms "gross" and "net" mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term "net" is used where the relevant expenses (e.g. depreciations and losses on the disposal of assets) have already been deducted.
Harvesting rate	(Realized gains and losses (net) + impairments on investments (net))/ average investments and loans at book value (excluding income from financial assets/ liabilities carried at fair value).
IFRS	International Financial Reporting Standards. Since 2002, the designation of IFRS applies to the overall framework of all standards approved by the International Accounting Standards Board. Standards already approved before will continue to be cited as International Accounting Standards (IAS).

Glossary (4)

Internal growth	Enhances the understanding of our total revenue performance by excluding the effects of foreign currency translation as well as of acquisitions and disposals.
IRR	Internal rate of return: The discount rate which gives a zero value of new business under real-world projections after allowing for any acquisition expense overrun or underrun.
L/H	Life and health insurance
L/H operating profit sources	The objective of the Life/Health operating profit sources analysis is to explain movements in IFRS results by analyzing underlying drivers of performance on a L/H segment consolidated basis. **Loadings & fees:** Includes premium and reserve based fees, unit-linked management fees and policyholder participation on expenses. **Investment margin:** Is defined as IFRS investment income net of expenses less interest credited to IFRS reserves less policyholder participation. **Expenses:** Includes commissions, acquisition expenses and administration expenses. **Technical margin:** Comprises risk result (risk premiums less benefits in excess of reserves less policyholder participation), lapse result (surrender charges and commission claw-backs) and reinsurance result. **Impact of change in DAC:** Includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit.
Loss frequency	Number of accident year claims reported divided by number of risks in-force.
Loss ratio	Claims and insurance benefits incurred (net) divided by premiums earned (net). Loss ratio calendar year (c.y.) includes the results of the prior year reserve development in contrast to the loss ratio accident year (a.y.).
Loss severity	Average claim size (accident year gross claims reported divided by number of claims reported)
MBS	Mortgage-backed securities: Securities backed by mortgage loans.

Glossary (5)

MCEV	Market consistent embedded value is a measure of the consolidated value of shareholders' interest in a life portfolio. The Market Consistent Embedded Value is defined as Net asset value (NAV) + Present value of future profits - Time value of financial options and guarantees (O&G) - Frictional cost of required capital - Cost of residual non-hedgeable risk (CNHR)
MoR	Margin on reserves: Represents annualized operating profit (loss) divided by the average of (a) current quarter-end and prior quarter-end net reserves and (b) current quarter-end and prior year-end net reserves, where net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.
MVLO	Market value liability option
NatCat	Accumulation of claims that are all related to the same natural or weather/atmospheric event during a certain period of time and where AZ Group's estimated gross loss exceeds EUR 20mn if one country is affected (respectively EUR 50mn if more than one country is affected); or if event is of international media interest.
NBM	New business margin: Value of new business divided by present value of new business premiums.
Non-controlling interests	Represent the proportion of equity of affiliated enterprises not owned by Group companies.
NPE	Net premiums earned
OAB	Operating asset base: Represents all operating investment assets within the L/H segment. This includes investments & loans, financial assets and liabilities carried at fair value as well as unit-linked investments. Market value liability option is excluded.
OE	Operating entity

Glossary (6)

Operating profit	Earnings from ordinary activities before income taxes and non-controlling interests in earnings, excluding, as applicable for each respective segment, all or some of the following items: Income from financial assets and liabilities carried at fair value (net), realized gains/ losses (net), impairments on investments (net), interest expenses from external debt, amortization of intangible assets, acquisition-related expenses and income from fully consolidated private equity investments (net) as this represents income from industrial holdings outside the scope of operating business.
P/C	Property and casualty insurance
PIMCO	Pacific Investment Management Company Group
Premiums written/ earned (IFRS)	Premiums written represent all premium revenues in the year under review. Premiums earned represent that part of the premiums written used to provide insurance coverage in that year. In the case of life insurance products where the policyholder carries the investment risk (e.g. variable annuities), only that part of the premiums used to cover the risk insured and costs involved is treated as premium income.
PVNBP	Present value of new business premiums: Present value of projected new regular premiums, discounted with risk-free rates, plus the total amount of single premiums received.
Reinsurance	Where an insurer transfers part of the risk which he has assumed to another insurer.
Required capital	The market value of assets attributed to the covered business over and above that required to back liabilities for covered business whose distribution to shareholders is restricted.
Residential mortgage-backed securities (RMBS)	Debt instruments that are backed by portfolios of mortgages on residential rather than commercial real estate.
Retained earnings	Retained earnings comprise the net income of the current year, not yet distributed earnings of prior years and treasury shares as well as any amounts directly recognized in equity according to IFRS such as consolidation differences from minority buyouts.
Risk capital	Minimum capital required to ensure solvency over the course of one year with a certain probability which is also linked to our rating ambition.

Glossary (7)

Risk-weighted assets (RWA)	All assets of a bank multiplied by the respective risk-weight according to the degree of risk of each type of asset.
RoE	Return on equity: Represents net income attributable to shareholders divided by the average shareholders' equity beginning of the period and end of the period.
RoRC	Return on Risk Capital: Measures the expected profit from new business relative to its projected risk capital with real-world economic assumptions until run-off.
Run-off ratio	Run-off ratio is calculated as run-off result (result from reserve releases in P/C business) in percent of net premiums earned.
SE	Societas Europaea: European stock company
Solvency ratio	Ratio indicating the capital adequacy of a company comparing eligible funds to required capital.
Sovereign bonds	Sovereign bonds include government and government agency bonds.
Statutory premiums	Represent gross premiums written from sales of life insurance policies, as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction.
Total equity	Represents the sum of shareholders' equity and non-controlling interests.
Total revenues	Represent the sum of P/C segment's gross premiums written, L/H segment's statutory premiums, operating revenues in Asset Management and total revenues in Corporate and Other (Banking).
Unrealized gains and losses (net) (as part of shareholders' equity)	Include primarily unrealized gains and losses from available-for-sale investments net of tax and policyholder participation.
URR	The unearned revenue reserve contains premium components that refer to future periods, which are reserved and released over the lifetime of the corresponding contracts.
VIF	Value of in-force: Present value of future profits from in-force business (PVFP) minus the time value of financial options and guarantees (O&G) granted to policyholders, minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital (CReC).

Glossary (8)

VNB	Value of new business: The additional value to shareholder created through the activity of writing new business. It is defined as present value of future profits (PVFP) after acquisition expenses minus the cost of option and guarantees (O&G), minus the cost of residual non-hedgeable risk (CNHR), minus the frictional cost of holding required capital, all determined at issue date.
VOBA	Value of the business acquired. It refers to the present value of future profits associated with a block of business purchased.
3-year-outperformance AM	The investment performance is based on Allianz Asset Management account-based, asset-weighted three-year investment performance of third-party assets versus the primary target including all accounts managed by portfolio managers of Allianz Asset Management. For some retail funds, the net of fee performance is compared to the median performance of the corresponding Morningstar peer group (first and second quartile mean outperformance). For all other retail funds and for all institutional accounts, the gross of fee performance (revaluated based on closing prices) is compared to the respective benchmark based on different metrics.

Investor Relations contacts

Oliver Schmidt Head of Investor Relations	☎ +49 89 3800-3963 E-mail: oliver.schmidt@allianz.com	Peter Hardy	☎ +49 89 3800-18180 E-mail: peter.hardy@allianz.com
Reinhard Lahusen	☎ +49 89 3800-17224 E-mail: reinhard.lahusen@allianz.com	Christian Lamprecht	☎ +49 89 3800-3892 E-mail: christian.lamprecht@allianz.com
Frank Stoffel	☎ +49 89 3800-18124 E-mail: frank.stoffel@allianz.com	Stephanie Aldag IR Events	☎ +49 89 3800-17975 E-mail: stephanie.aldag@allianz.com
Investor Relations	🖷 +49 89 3800-3899 E-mail: investor.relations@allianz.com	Internet	English: www.allianz.com/investor-relations German: www.allianz.com/ir

Financial calendar

March 13, 2015	Annual Report 2014
May 6, 2015	Annual General Meeting
May 12, 2015	1st quarter results 2015
August 7, 2015	2nd quarter results 2015
November 6, 2015	3rd quarter results 2015
February 19, 2016	Financial results 2015
March 11, 2016	Annual Report 2015
May 4, 2016	Annual General Meeting

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.

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

The company assumes no obligation to update any information or forward-looking statement contained herein, save for any information required to be disclosed by law.