

Allianz Capital Markets Day

Allianz insurance Germany
Berlin, June 25, 2013

Allianz 

Agenda

A	Allianz Capital Markets Day	Dieter Wemmer
B	Allianz insurance Germany	Markus Rieß
C	Property and casualty insurance	Severin Moser
D	Life insurance	Alf Neumann
E	Life insurance – investment strategy	Jörg Ladwein
F	Health insurance	Birgit König
G	Operations	Alexander Vollert
H	Distribution	Joachim Müller
I	Customer orientation	Bernd Heinemann

Disclaimer

Investor Relations contacts

Allianz Capital Markets Day

Dieter Wemmer
CFO

Allianz SE

Berlin, June 25, 2013

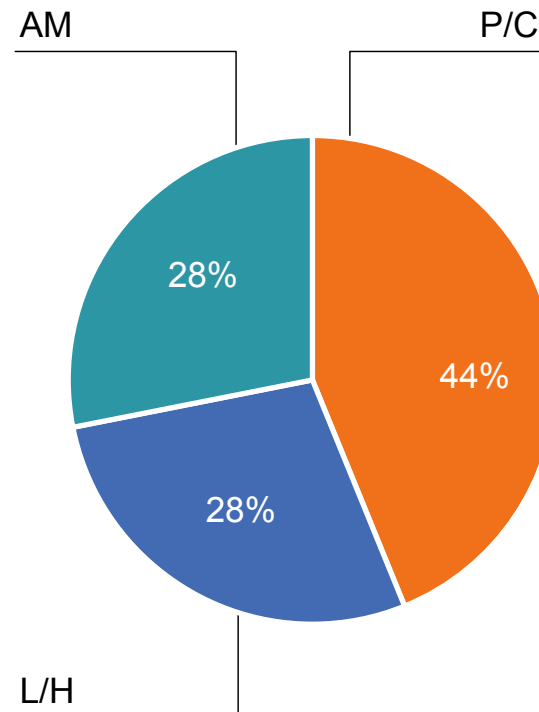


Allianz at a glance

EUR **106bn** total revenues¹
 EUR **1,934bn** total AuM²
 EUR **9.3bn** operating profit¹
208% economic solvency ratio²
183% regulatory solvency ratio²
 EUR **52.0bn** S/H equity²
 EUR **53.6bn** market cap³
 About **79mn** (direct) and **250mn** (indirect) customers¹

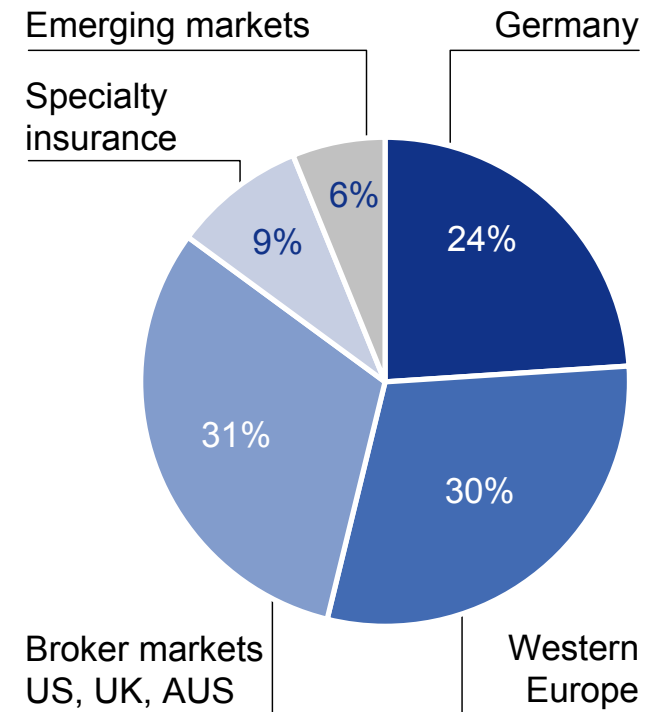
Segments^{1,4}

Operating profit in %



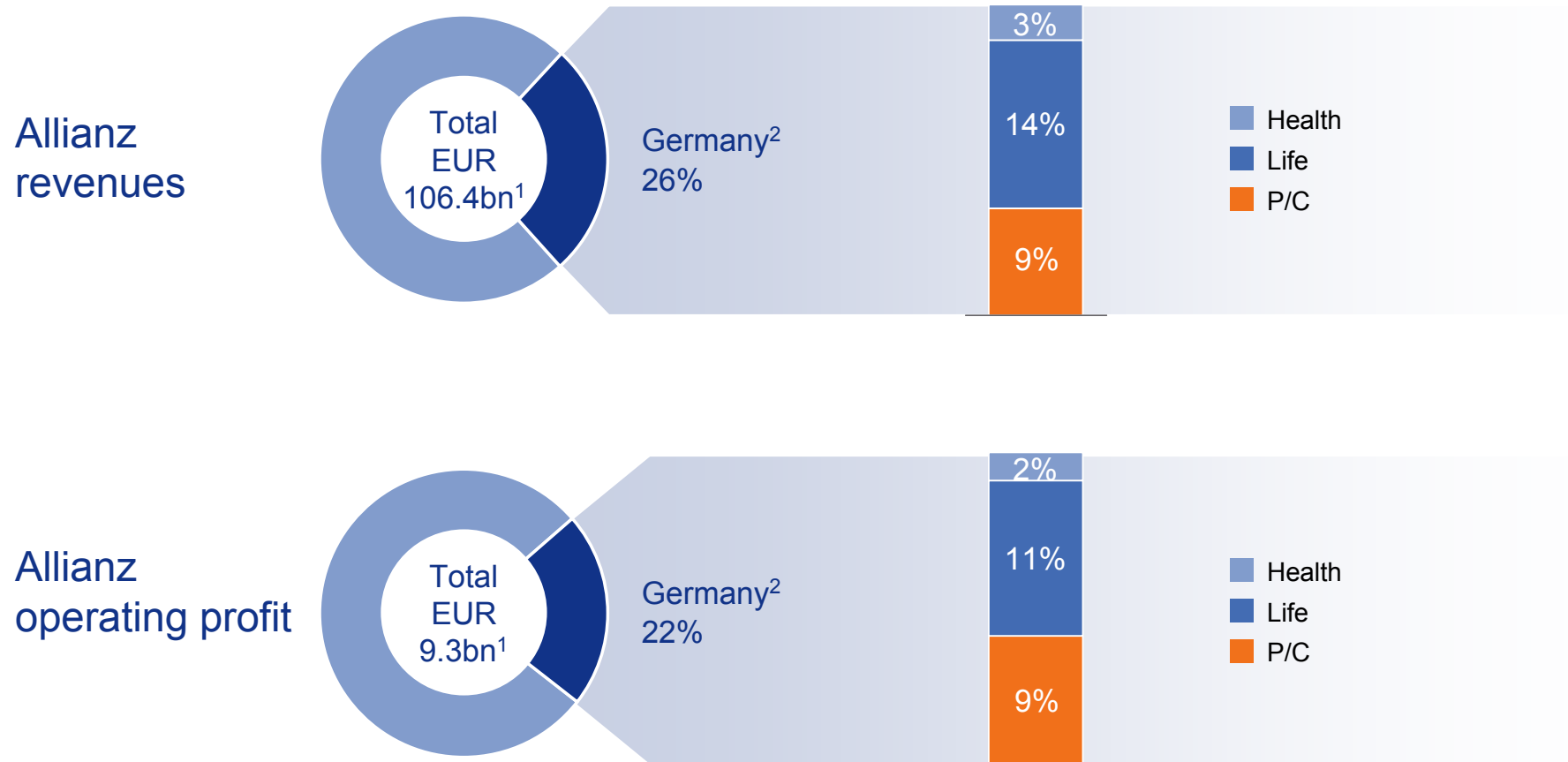
Regions^{1,4}

Operating profit in %



1) 2012, operating profit adjusted for reclassification of restructuring expenses and IAS19
 2) 03/2013
 3) 05/2013
 4) Relation of business segments excluding Corporate & Other and consolidation

One quarter of Allianz covered



1) 2012, group operating profit adjusted for reclassification of restructuring expenses and IAS19
 2) Excluding Asset Management

Our agenda today

Topic	Speaker	Position
A. Allianz Capital Markets Day	Dieter Wemmer	CFO Allianz SE
B. Allianz insurance Germany	Markus Rieß	CEO Allianz Deutschland AG
C. Property and casualty insurance	Severin Moser	CEO Allianz Versicherungs-AG
D. Life insurance	Alf Neumann	Member of the Board of Management Allianz Lebensversicherungs-AG
E. Life insurance – investment strategy	Jörg Ladwein	CIO Allianz Investment Management SE, Munich
F. Health insurance	Birgit König	CEO Allianz Private Krankenversicherungs-AG
G. Operations	Alexander Vollert	Member of the Board of Management Allianz Deutschland AG
H. Distribution	Joachim Müller	Member of the Board of Management Allianz Beratungs- und Vertriebs-AG
I. Customer orientation	Bernd Heinemann	Member of the Board of Management Allianz Deutschland AG

Allianz insurance Germany

Markus Rieß
CEO

Allianz Deutschland AG

Berlin, June 25, 2013

B

Agenda

- 1 Allianz Deutschland AG and German market structure**
- 2 Allianz Deutschland strategy**
 - Enthusiastic customers
 - First-class distribution
 - Strong products
 - Low costs
 - Excellent employees

Germany at a glance

Key data 2012

- Population: 82mn
- GDP (EUR): 2,644bn
- GDP/capita (EUR): 32,300
- Inflation: 2.0%
- Insurance penetration (2011)¹: 83.7%
- Country rating (S&P): AAA

Market specifics

P/C:

- Mature market, strong competition

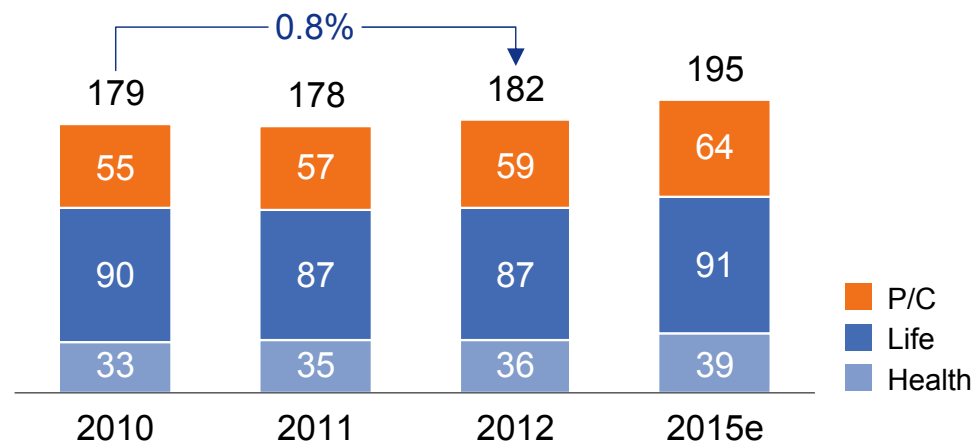
Life:

- Challenging business environment due to volatile financial markets and low interest rates
- Strong share of classic life insurance

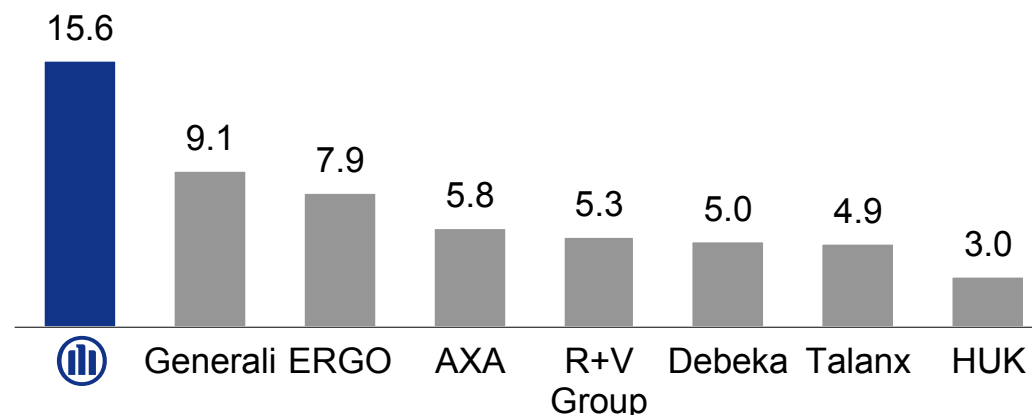
Health:

- 2-pillar system with compulsory statutory health insurance, supplementary private health insurance and comprehensive private health insurance

Market size and growth (CAGR)
(Stat. GPW, EUR bn)



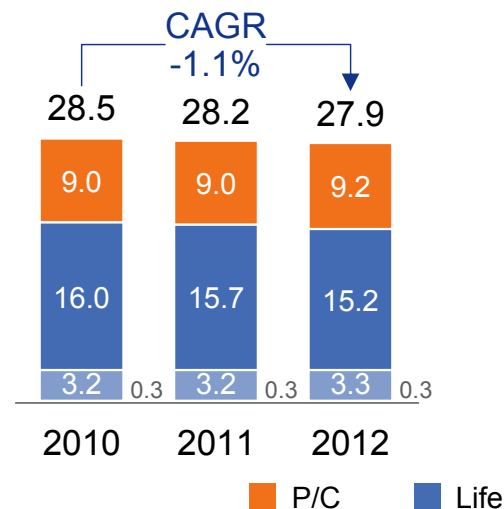
Market shares (2011)
(Stat. GPW, %)



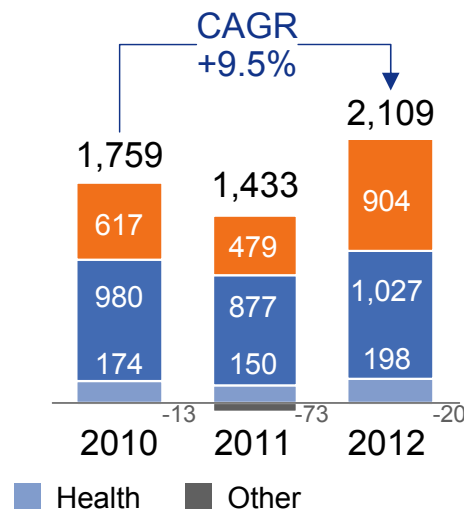
1) Insurance penetration: ratio of German population (> 14 years) that have at least one insurance policy. Life: 48.3%, P/C: 77.0%, Health: 27.3%

Allianz insurance in Germany (1)

Revenues (EUR bn)^{1,2}



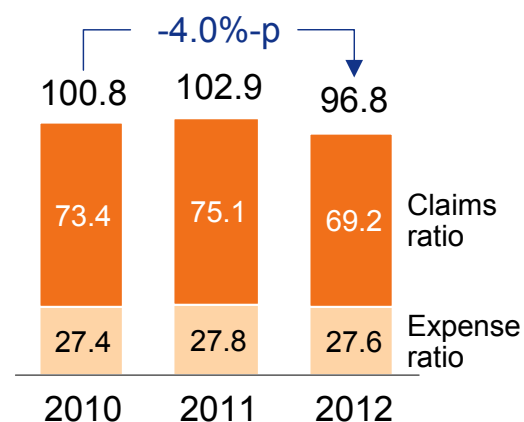
Operating profit (EUR mn)^{1,2}



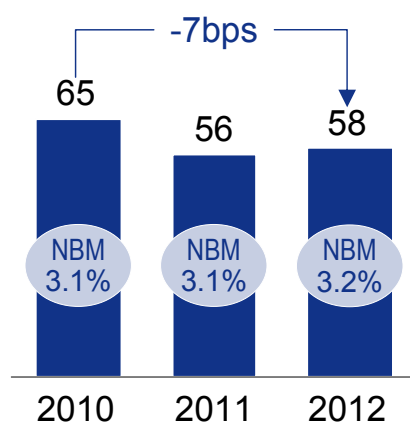
Highlights

- Leading market position
- ~19mn retail customers
- Leading P/C insurer in Germany with 2x market share of number 2
- Growing Life business ~25% new business market share
- Strong player in health insurance with a 9.1% market share

Combined ratio (%)



Margin on reserves³ (bps)



Legal setup

- 1890 Formation of Allianz as an accident and transport insurance company
- 1918 Entry into the motor insurance business
- 1922 Formation of Allianz Lebensversicherungs-AG
- 1973 Allianz is Europe's largest insurance company
- 1990 Takeover of the East German state insurance authority
- 2001 Minority buy-outs
- 2005 Foundation of a direct business entity, initially named Allianz 24, renamed into AllSecur in 2009
- 2006 Foundation of Allianz Deutschland AG

1) Consolidated figures
2) Incl bank and corporate / consolidation

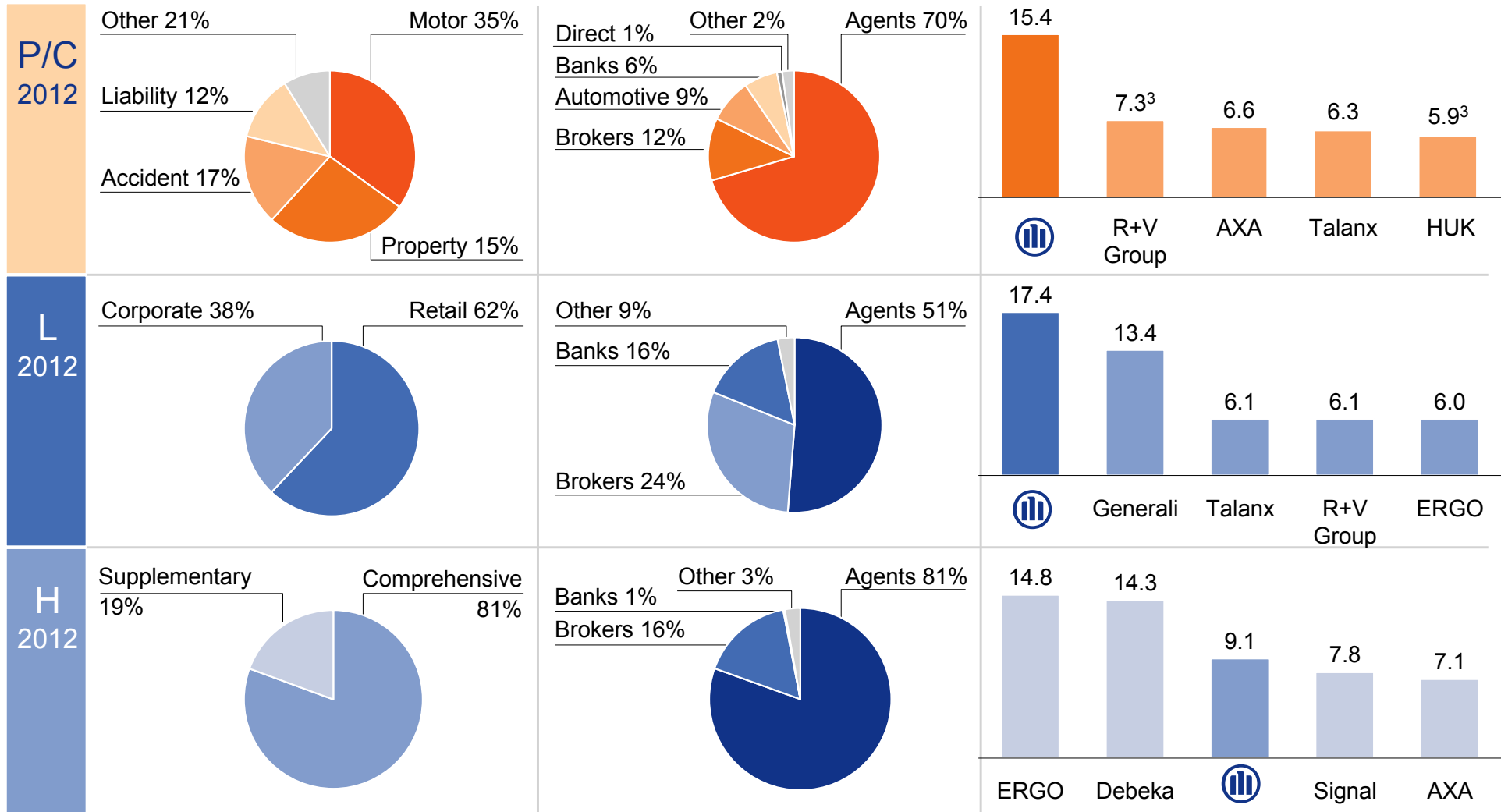
3) Operating profit life / average reserves life (net)

Allianz in Germany (2)

Product mix (stat. GPW)¹

Distribution mix (stat. GPW)

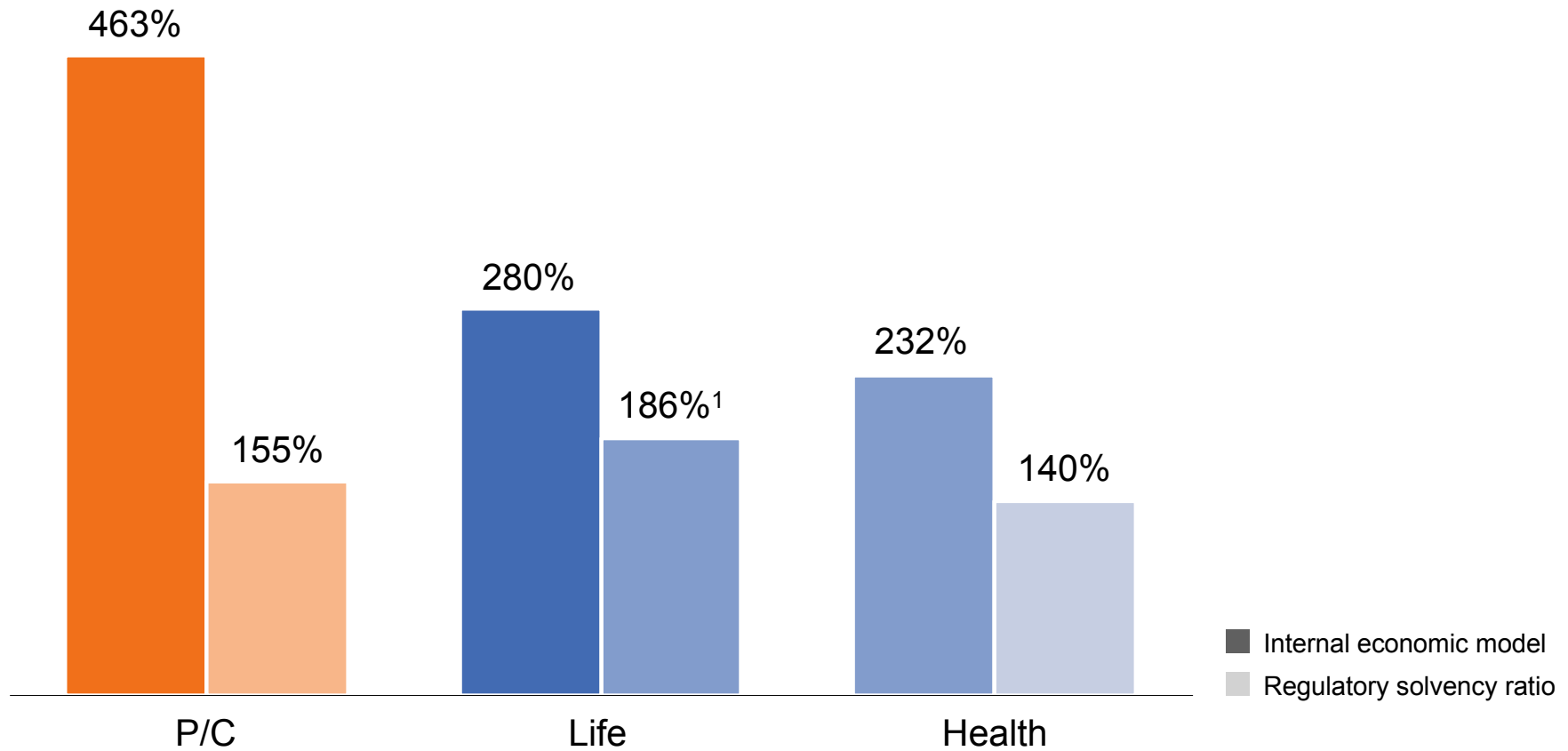
Market shares² (stat. GPW, %)



1) Classes of business according to annual report
 2) Preliminary
 3) 2011

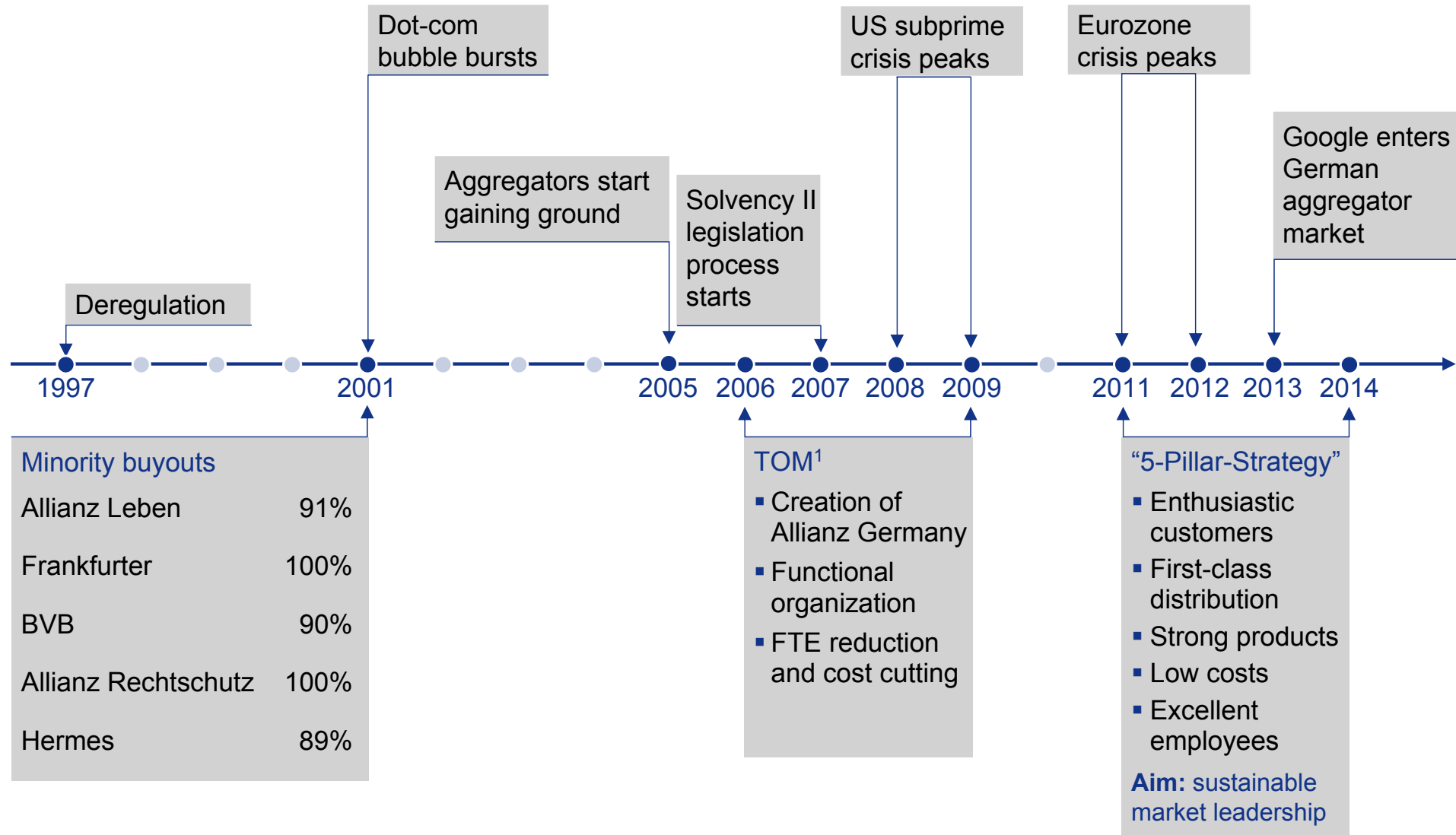
Allianz in Germany (3)

Strong capital position



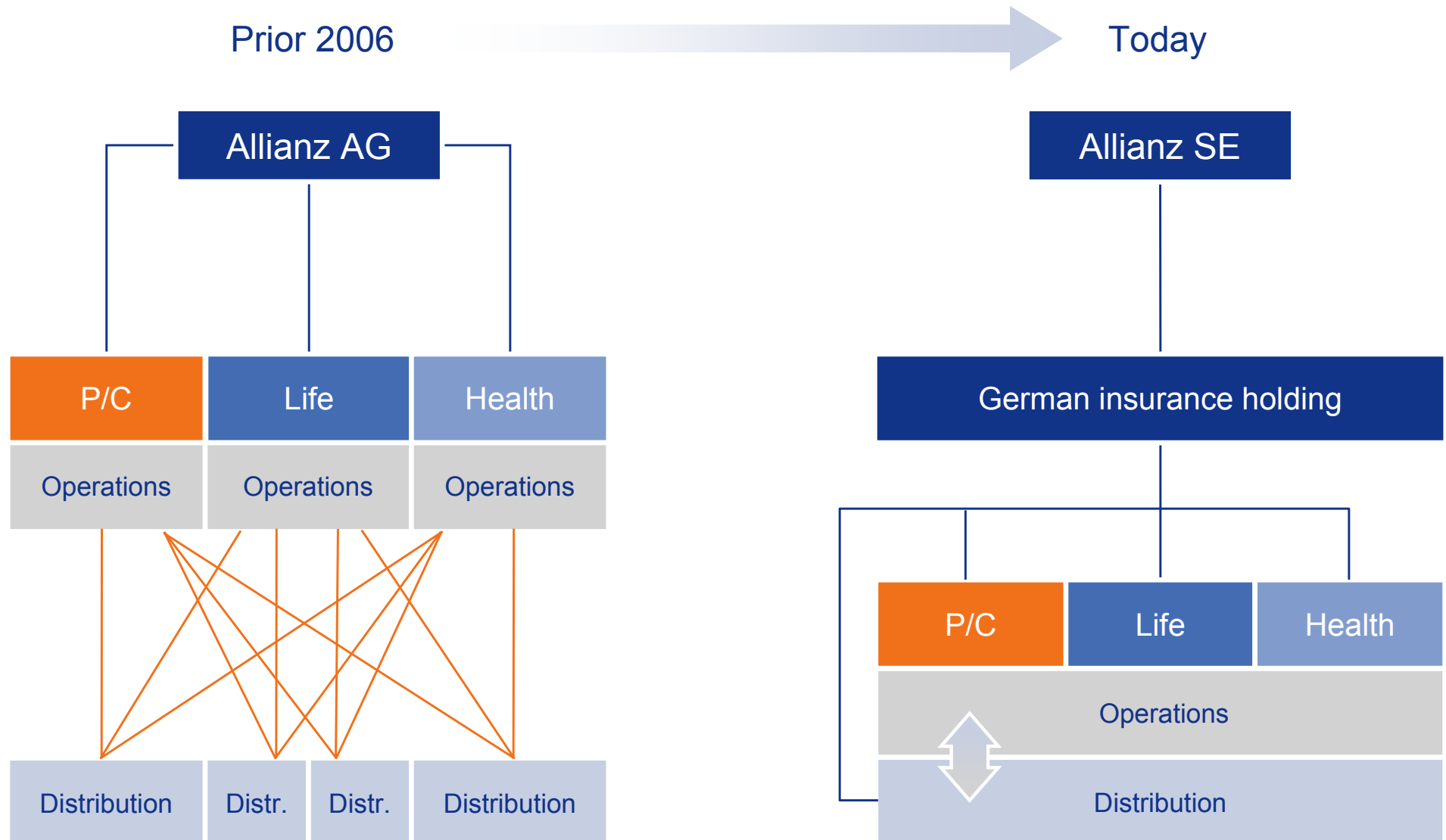
1) 206% when additional interest reserve considered as own funds

Milestones



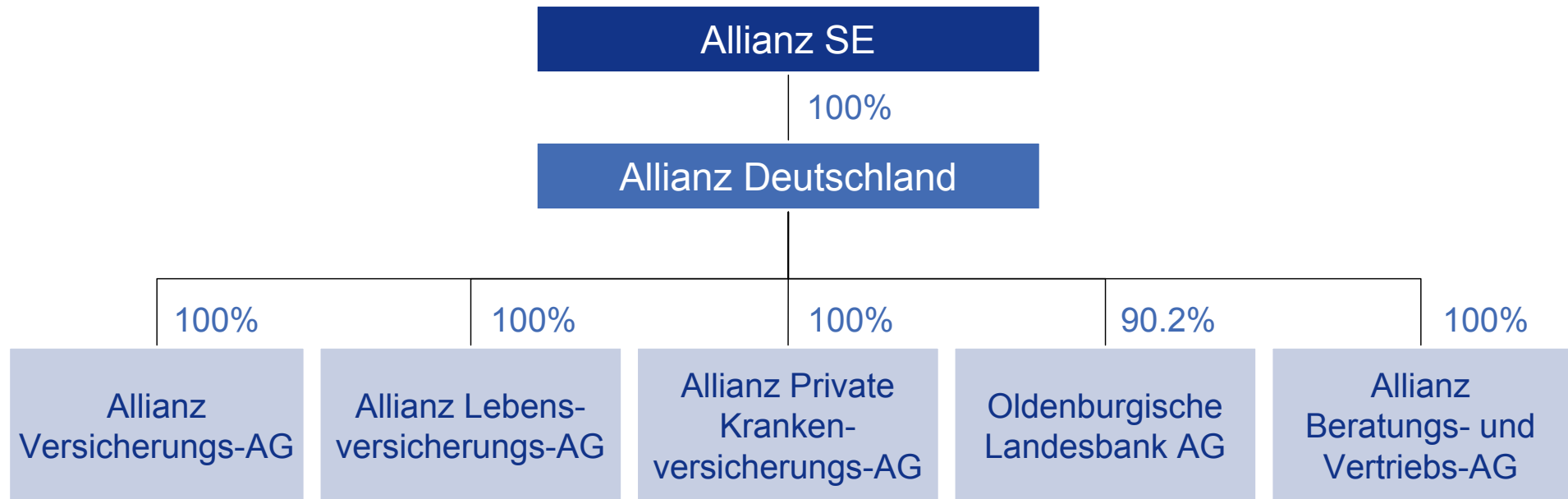
1) Target Operating Model

Recap – implementation of Target Operating Model (TOM)



Allianz Deutschland AG bundles the German insurance business

Organizational structure of Allianz Deutschland AG



Key figures 2012

		Allianz Deutschland ¹	P/C	Life	Health
Revenues	(EUR bn)	27.9	9.2	15.2	3.3
Operating profit	(EUR mn)	2,109	904	1,027	198
Net income	(EUR mn)	1,696	786	680	125
Total financial assets ²	(EUR bn)	236	24	173	25
Employees		30,165	936	915	466
Retail customers	(mn)	18.9	10.7	8.9	3.5

1) Consolidated figures, incl. banking

2) Excluding cash investments of EUR1.6bn

Agenda

- 1 Allianz Deutschland AG and German market structure
- 2 **Allianz Deutschland strategy**
 - Enthusiastic customers
 - First-class distribution
 - Strong products
 - Low costs
 - Excellent employees

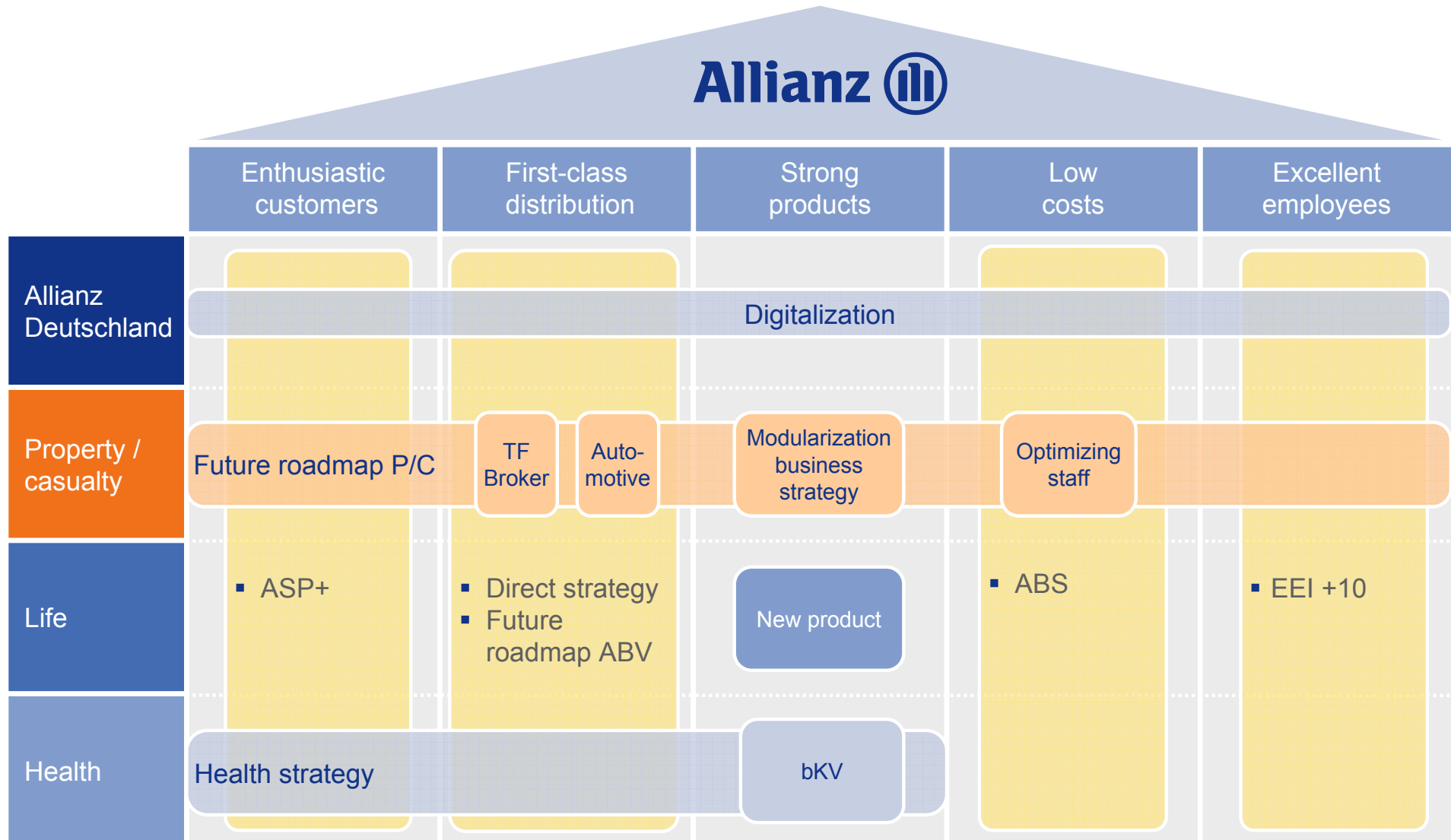
Our customers' behavior has changed

Dimension	Past	Today	5-Pillar-Strategy
Customers	Product /service acceptance <i>"I take it as it comes"</i>	Active service orientation <i>"Loyalty needs to be earned"</i>	Enthusiastic customers
Products	Single product offerings <i>"One size fits all"</i> Black box acceptance <i>"I don't understand it anyway"</i>	Specific tailor made solutions <i>"Needs depending on individual situation and access channels"</i> Demand for transparency <i>"No more blind trust"</i>	Strong products Excellent employees
Distribution	Seller <i>"Insurance is expert business"</i> Channel loyalty <i>"I always use my agent"</i>	Buyer <i>"I've already informed myself ..."</i> Use of multiple channels and access modes <i>"Where, when and how I want it"</i>	First-class distribution
Operations	Reluctance to negotiate prices <i>"It costs what it costs"</i>	Increasing price sensitivity <i>"Where is the deal?"</i>	Low costs

The strategy of Allianz Germany is based on the needs and requirements of our customers



The Five-Pillar-Strategy is broken down into specific projects and initiatives



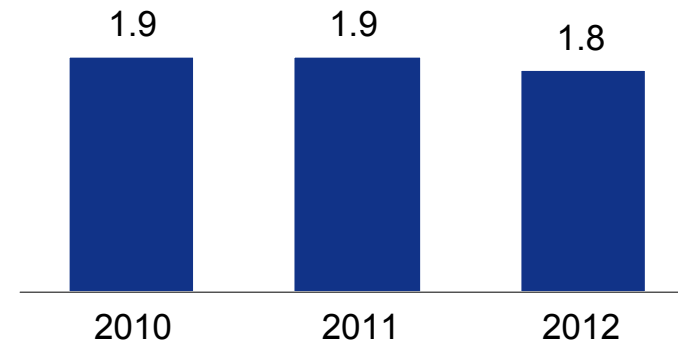
Enthusiastic customers



Starting position

- Basic understanding of drivers behind customer satisfaction

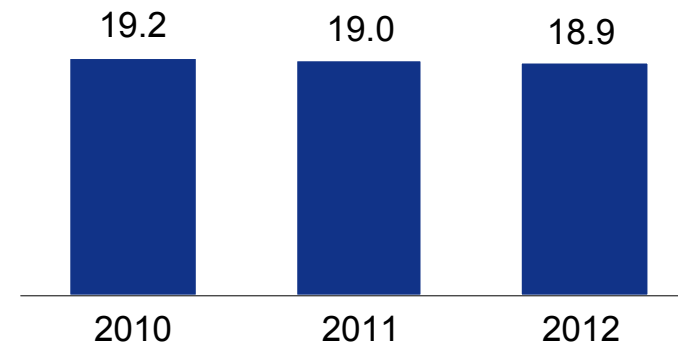
Total customer satisfaction (grade¹)



Initiatives

- Dedicated driver analysis for each touch point
- Report for the customer
- Concerted program of initiatives to further improve customer satisfaction

Number of retail customers (mn)



Ambition:

- Stop customer loss
- Further enhance customer satisfaction

1) Total customer satisfaction: in German grades, 1= very good; 5 = insufficient

First-class distribution



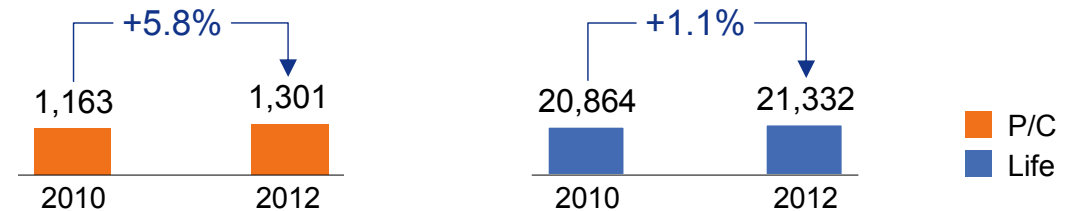
Starting position

- Strong agent distribution system, excellent broker position in Life
- Increased customer hybridization, need to expand distribution platforms

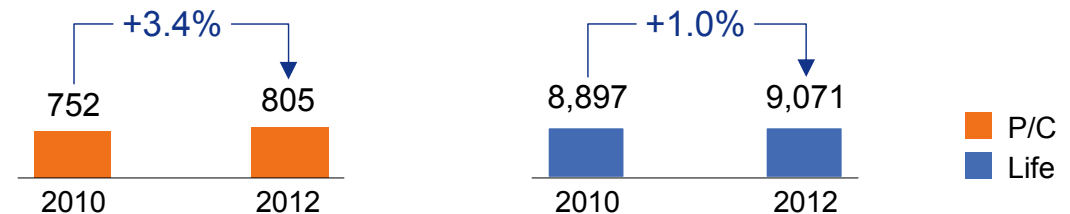
Initiatives

- Multi-access approach
- Tied agents: future roadmap ABV¹
- Direct: AllSecur / AAOS²
- Automotive, e.g. JV VW
- Broker initiatives P/C and Health

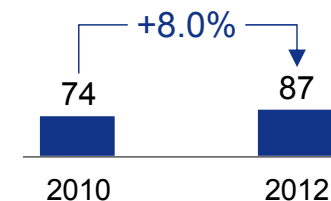
New business total (EUR mn, CAGR)



New business tied agents (EUR mn, CAGR)



Productivity new business per agent³ (EUR k, CAGR)



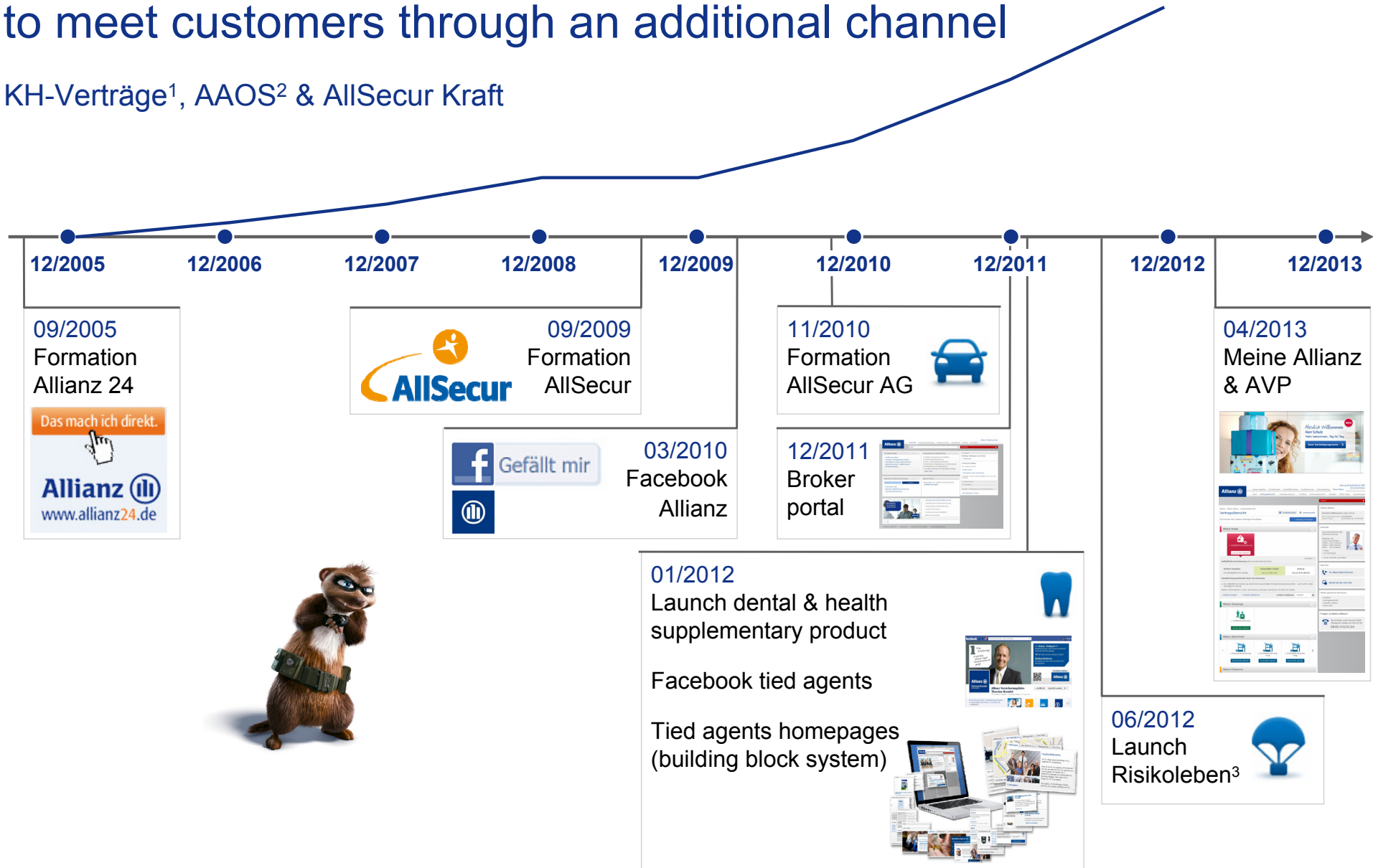
Ambition:

- Increase productivity especially of tied agents
- Increase broker volume P/C

1) ABV = Allianz Beratungs- und Vertriebs-AG
 2) AAOS = Allianz Auto Online Service
 3) Produktivität GV / HV Gesamtbewertung in Tsd; Productivity agents total value in EUR thousand

Digitalization – a chance for Allianz Deutschland to meet customers through an additional channel

KH-Verträge¹, AAOS² & AllSecur Kraft



1) KH-Verträge = Krafthaftpflichtverträge, ie motor liability insurance contracts
 2) AAOS = Allianz Auto Online Service
 3) Risk life policy

Strong products



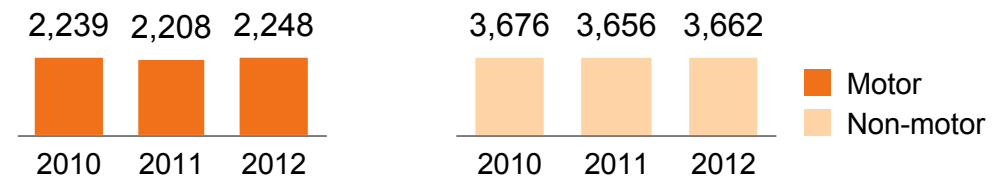
Starting position

- P/C: traditional product portfolio with low flexibility
- Life: innovative and flexible product portfolio (state of the art)
- Health: traditional product portfolio with low flexibility

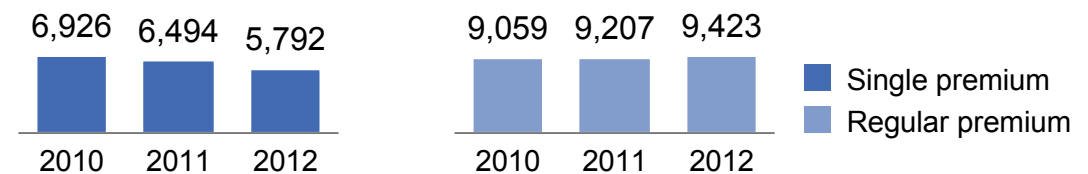
Initiatives

- P/C: modular product portfolio (PrivatSchutz, MeinAuto)
- Life: frequent development and launch of new products according to change in customers needs, e.g. new pension product with alternative guarantee approach to be launched this year
- Health: newly developed products, such as the supplementary cover for long-term care, achieve best grades

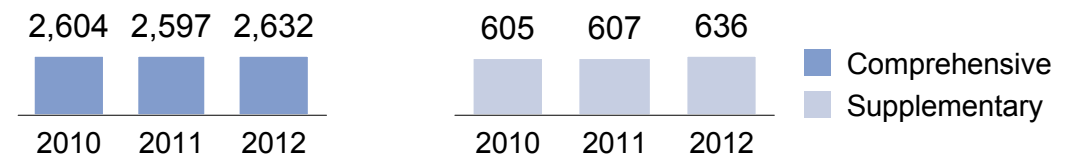
P/C retail business (GPW, EUR mn)¹



Life (GPW, mn EUR)



Health (GPW, mn EUR)



Ambition:

- P/C: GPW EUR 9.5bn in 2014
- Life: Maintain market leader position
- Health: Maintain strong market position

1) Without indirect business, China branch (2010)

Low costs – focus on P/C

Starting position

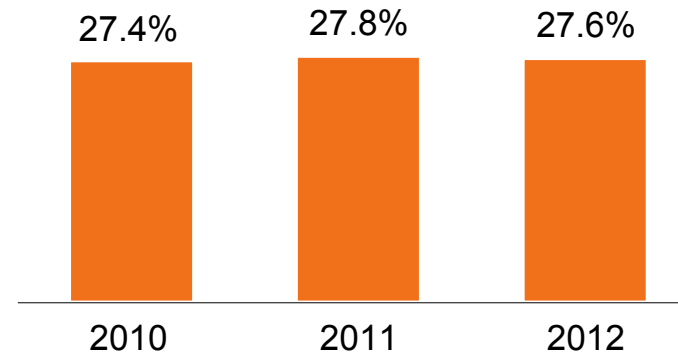
- Expense ratio above market
- Claims ratio deteriorating
- Steady loss of GPW in P/C

Initiatives

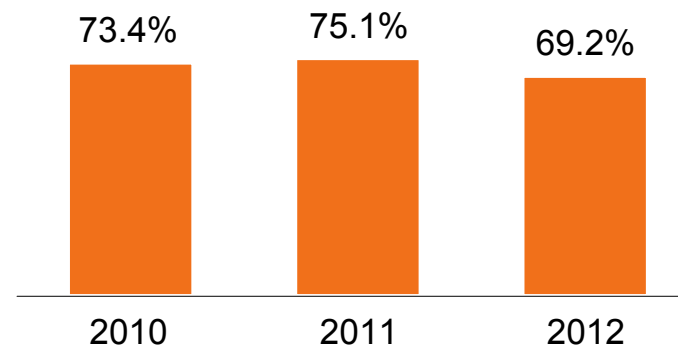
- „Zukunftsprogramm Sach“ (ZPS)
 - Optimization of claims management
 - Initiatives to lower costs



Expense ratio



Claims ratio



Ambition:

- Claims ratio: <69% by 2014
- Expense ratio: 26% by 2014

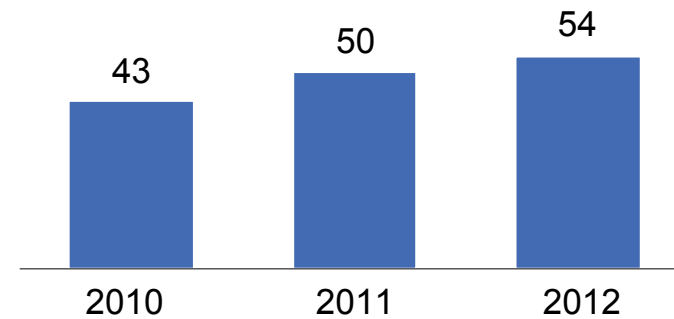
Excellent employees



Starting position

- Leadership results in 2010 (LCI) left room for improvement

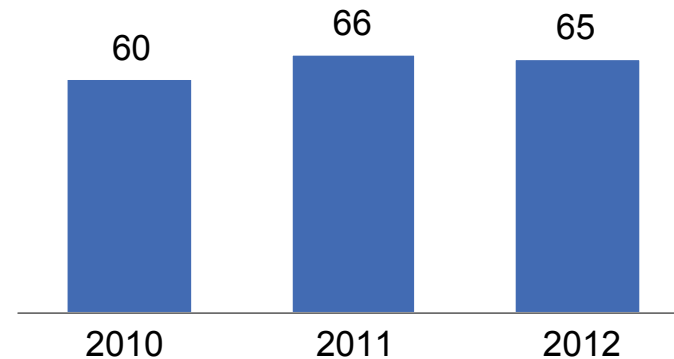
Leadership Culture Index (LCI)



Initiatives

- 5-Pillar-Strategy
 - Extensive communication to all employees
 - Roll-out of numerous measures
- Increased focus on leadership (cross-silo careers, women in business)
- Driver analysis and future roadmap to improve employees' engagement


Employee Engagement Index (EEI)



Ambition:

- Improve EEI further
- Keep LCI steady

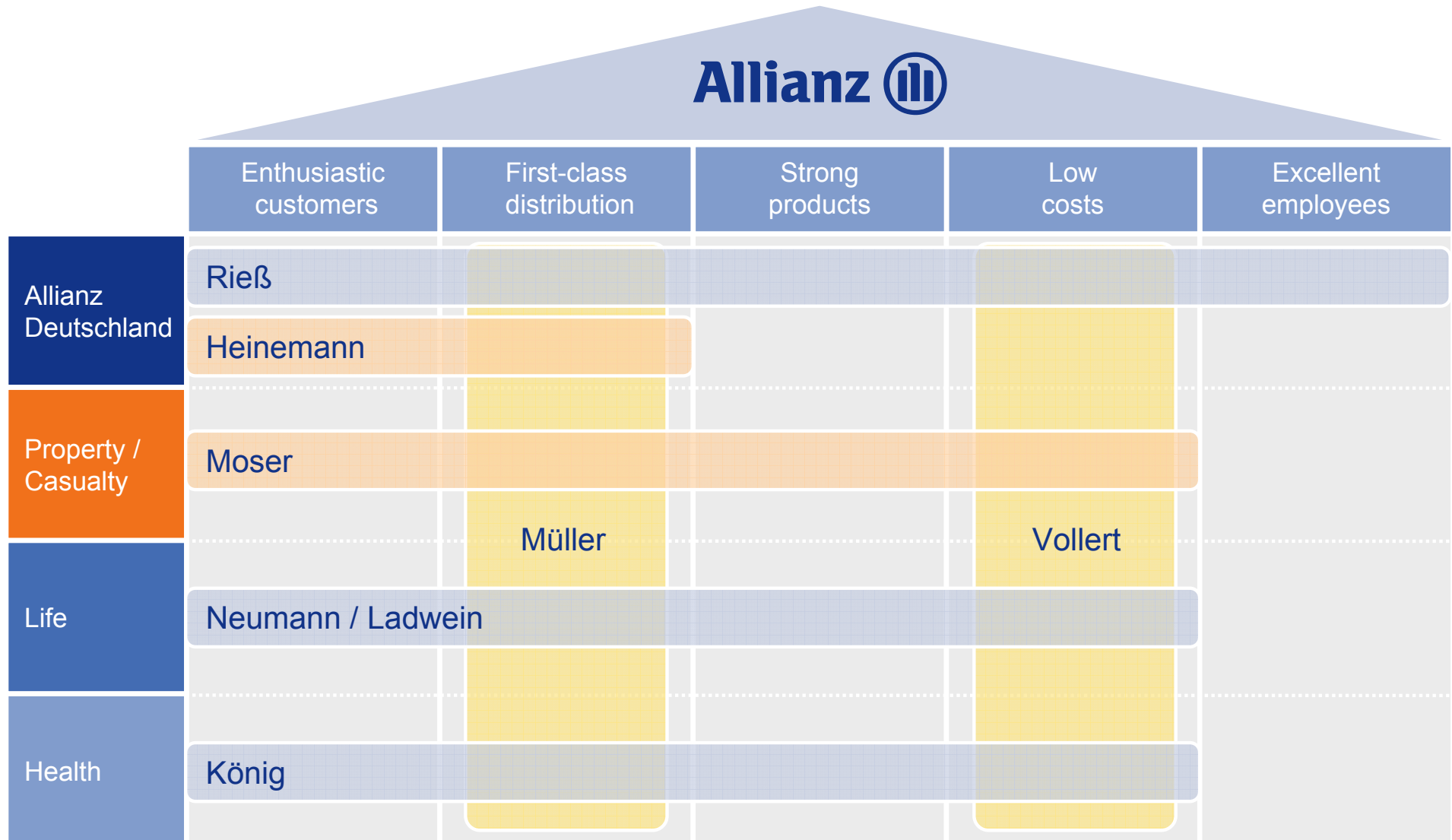
5-Pillar-Strategy – selected achievements

				
Enthusiastic customers	First-class distribution	Strong products	Low costs	Excellent employees
<ul style="list-style-type: none"> ▪ Report for the customer 2012, total grade 1.8 (improved by 0.1pts) ▪ ASP+ to improve customer service 	<ul style="list-style-type: none"> ▪ Tied agents' productivity overall + 8% p.a. since 2010 ▪ Broker P/C: appr. EUR +100mn GPW ▪ Broker Life: strengthen market leadership ▪ Broker Health: production doubled by end of 2012 vs. 2010 ▪ Direct: >0.9mn car policies by end of 2012 	<ul style="list-style-type: none"> ▪ >1.5mn policies „MeinAuto“ ▪ Successful roll-out private cover (PH¹, VHV²) and pilot (VWG³, RS⁴) ▪ New life product designed, to be launched by mid of 2013 	<ul style="list-style-type: none"> ▪ P/C: 27.6% expense ratio ▪ Life: strengthen cost leadership position 	<ul style="list-style-type: none"> ▪ LCI⁵ for Allianz Deutschland: +11 pts (compared to 2010) ▪ Ratio of women in leading positions increased by 1.4%-p vs. 2010
<h3>Allianz Deutschland AG</h3>				

1) PH = Private Haftpflichtversicherung / personal liability insurance
 2) VHV = Hausratsversicherung / household insurance

3) VWG = Wohngebäudeversicherung / property insurance
 4) RS = Rechtsschutzversicherung / legal protection insurance
 5) LCI = Leadership culture index

Today's agenda



Property and casualty insurance

Severin Moser
CEO

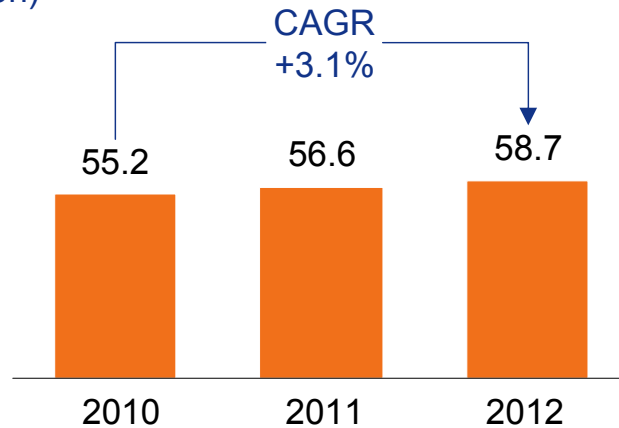
Allianz Versicherungs-AG

Berlin, June 25, 2013

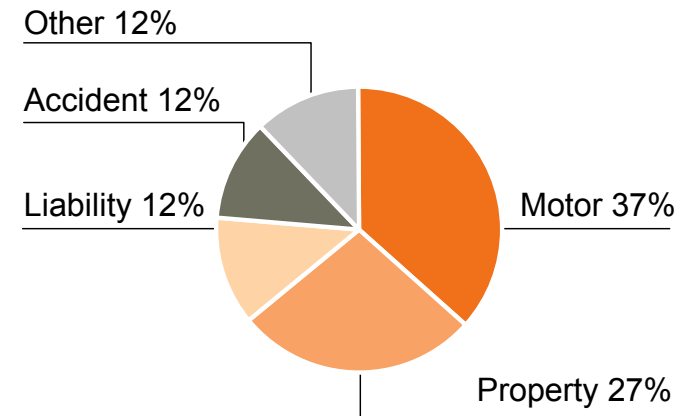


German P/C at a glance

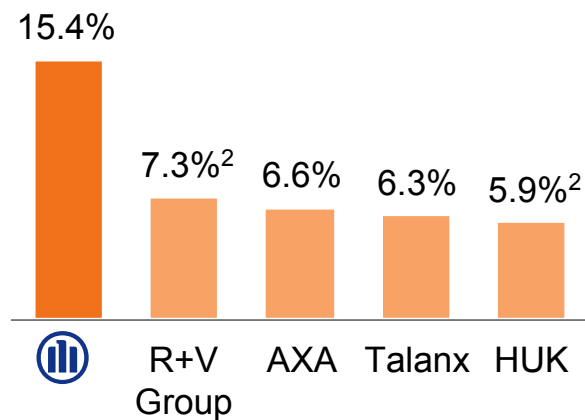
Market size and growth
GPW (EUR bn)



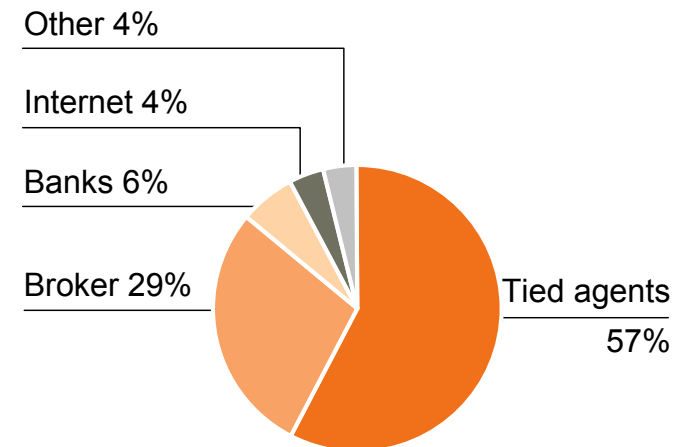
Product mix¹



Market shares (Stat. GPW)

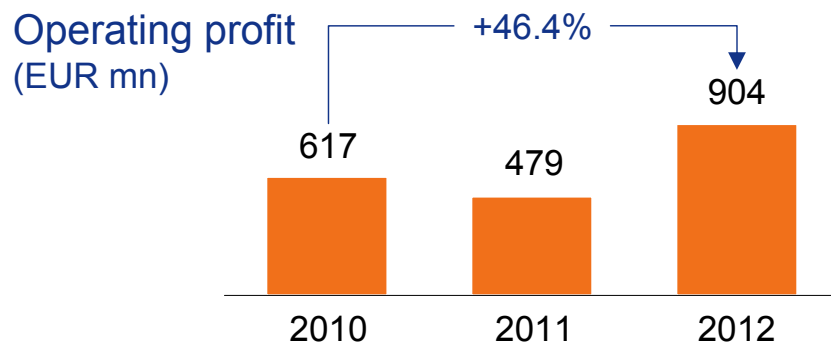
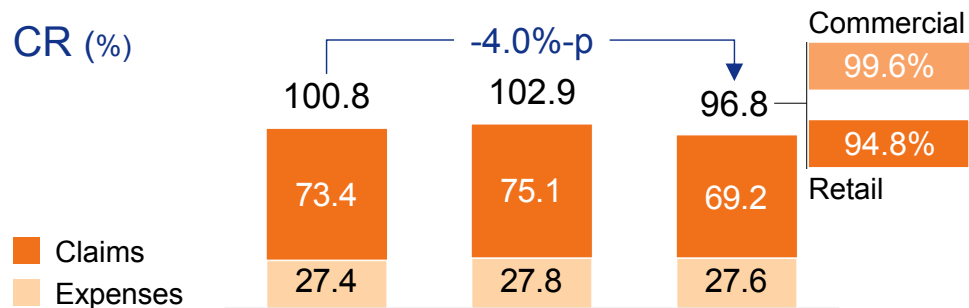


Channel mix¹

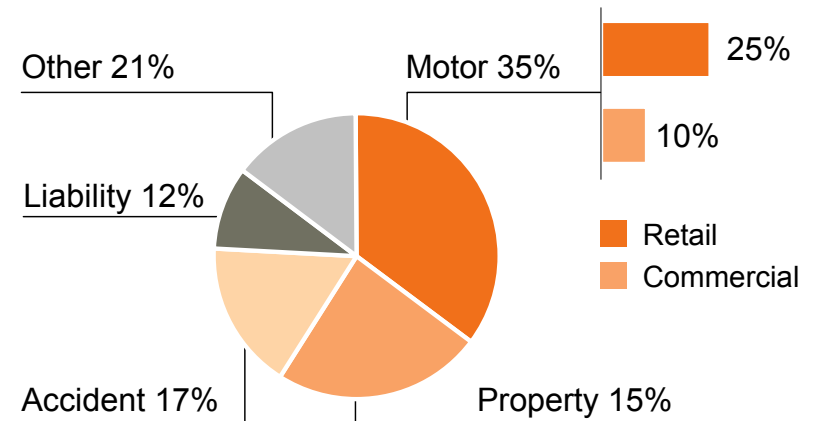


1) Based on GPW 2011
2) 2011

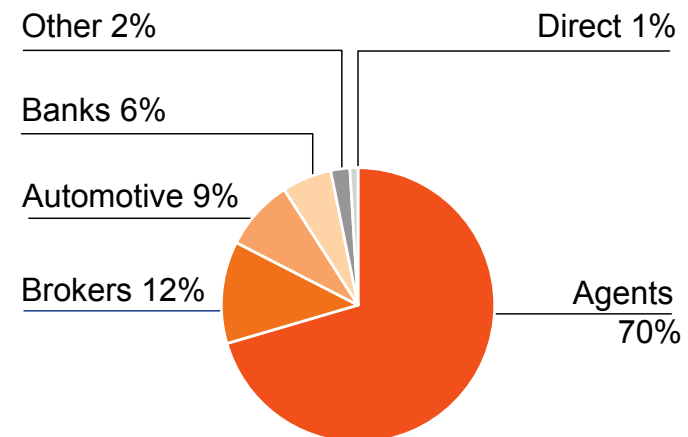
Allianz P/C Germany at a glance



Product mix¹



Channel mix



1) Classes of business according to annual report

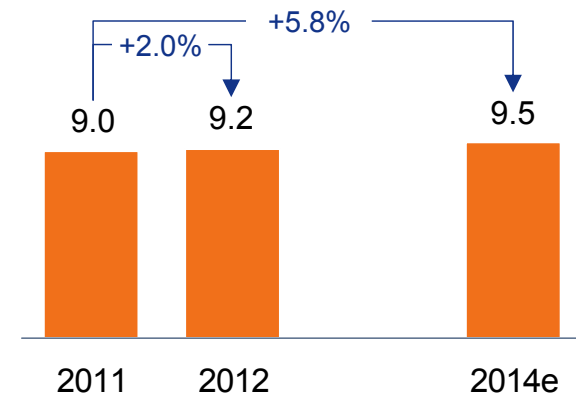
„Zukunftsprogramm Sach“ launched in 2011 – aiming at growth and profitability

Key levers

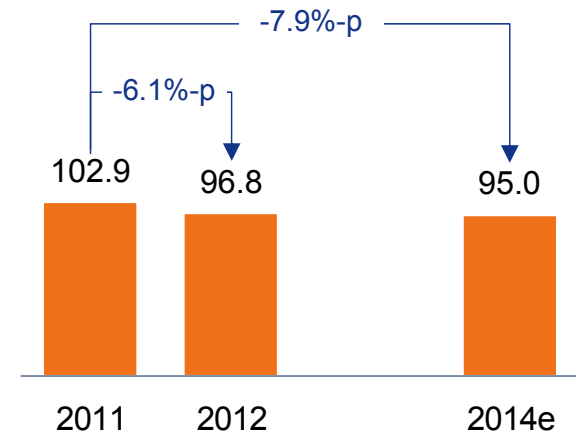
Sales	H	Tied agents (presentation H)
	1	Brokers
	2	Automotive
	3	Direct
Products	4	Retail
	5	Commercial
Claims	6	
Costs	G	Presentation G

Targets

GPW (EUR bn)



CR (%)



1 Brokers – all activities across value chain improved ...

1 Sales support

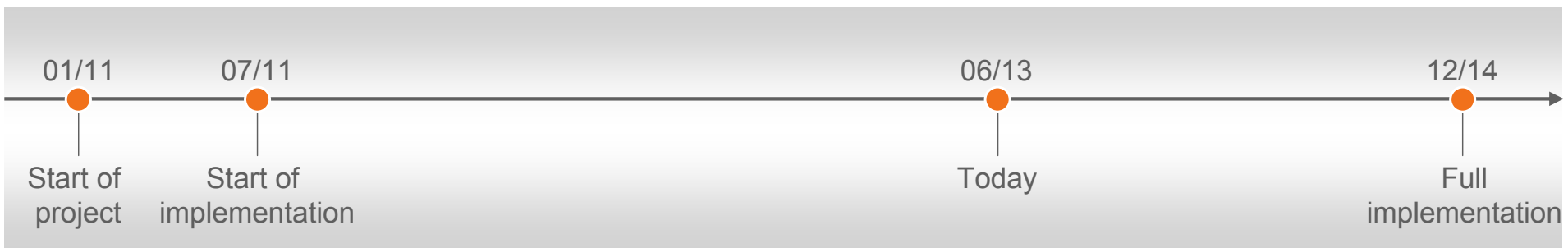
- Broker segmentation
- Special support for premium partners

2 Products

- New products
- Product improvements

3 IT

- Broker platform
- CRM tool



4 Operations / underwriting

- Extension of U/W competencies
- Individual contacts for premium partners

5 Business reporting

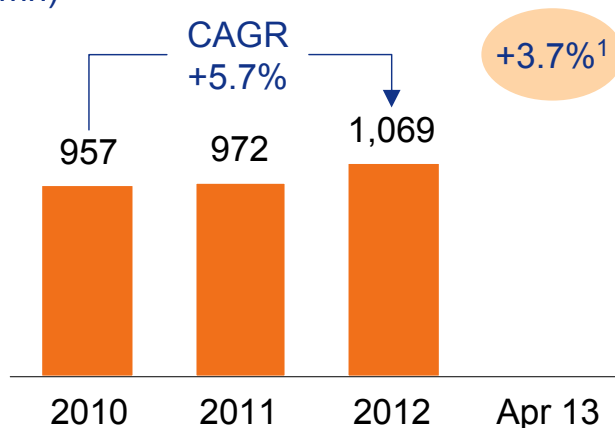
- System restructuring
- Profitability as main steering instrument

6 Claims

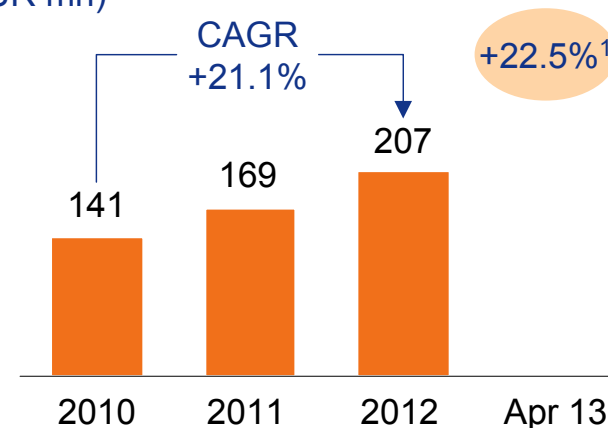
- Individual contacts for claims handling

1 ... with excellent results for growth, profitability and broker satisfaction

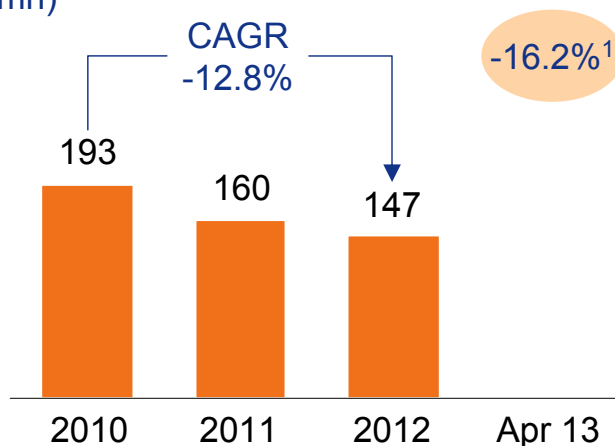
Portfolio
(GPW, EUR mn)



New business
(GPW, EUR mn)



Cancellations
(GPW, EUR mn)



Broker satisfaction²

- Results of the KUBUS survey 2012 display significant improvements over all dimensions of analysis assessing brokers' satisfaction with Allianz
- Allianz as top ranked company for proposal- and relationship management
- Profound improvement in process-related criteria such as commissions, claims processing, order management
- Improved assessment of products (SHU³, motor)

1) Compared to 04/12
 2) Results KUBUS survey 2010-2012
 3) SHU = Sach, Haft, Unfall / property, liability, accident

2 Automotive – profitable growth



Concept

- Position GA¹ as integral part of the value chain for the entire automotive industry
- Full automotive product offering including motor, PPI²/GAP³, warranty and road side assistance
- Strong brand positioning in terms of innovation, quality and time-to-market

Achievements

- Implementation and further professionalization of strategic partnerships with OEMs in Germany as well as globally
- Market leader in Germany with GPW of EUR ~750mn in 2012
- Profitability significantly improved since 2009

Outlook (focus Germany)

- Further programs in preparation, to be launched from 2014 onwards
- VW joint venture: growth across all lines of business planned
- Medium-term outlook: GPW of EUR ~900mn and CoR <98%

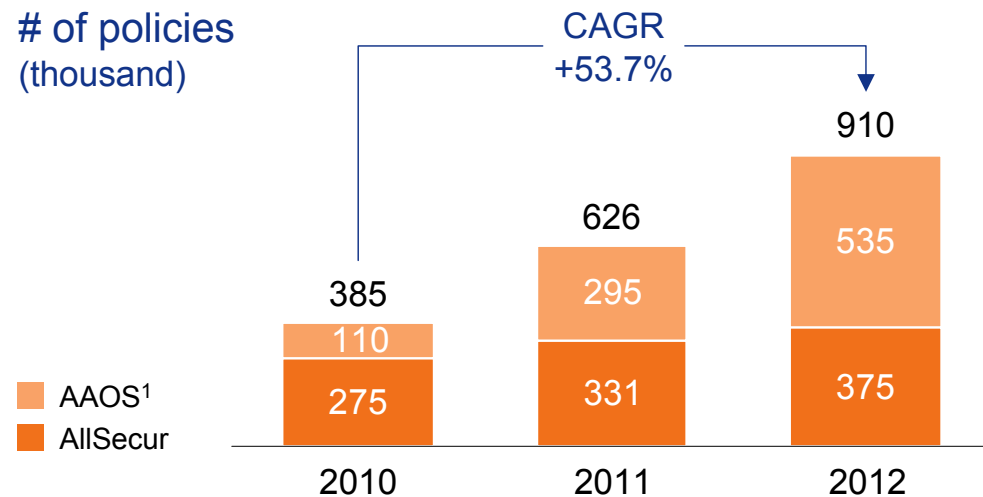
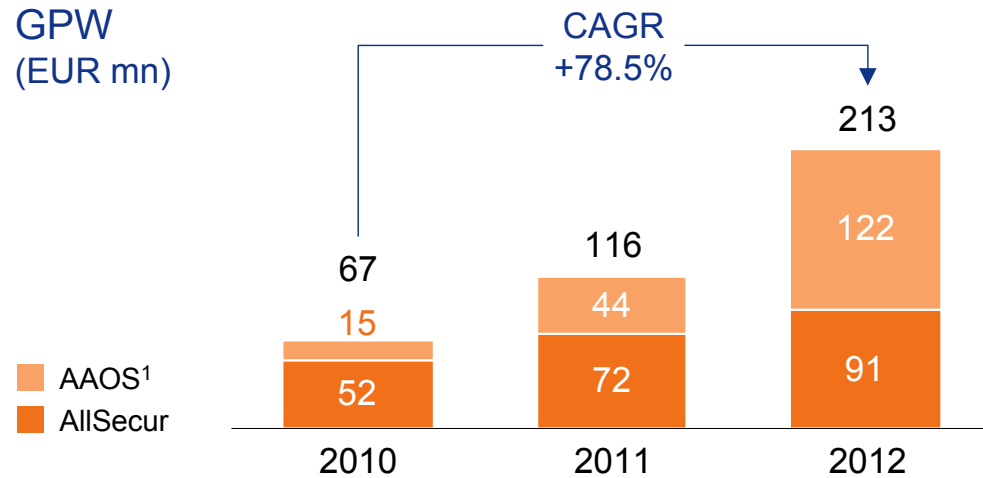
1) GA = Global Automotive
 2) PPI = payment protection insurance
 3) GAP = guaranteed auto protection

3 Direct distribution



3 Direct – channel covered by AllSecur and AAOS

Key figures



2013ff: key initiatives

- Optimized pricing capabilities
- Further investment in brand building
- Expanded CRM tool box
- Broadened distribution channels
- Improved use of aggregator sites
- Further extension of product range
- Improved cross- / up-selling

1) AAOS = Allianz Auto Online Service

4

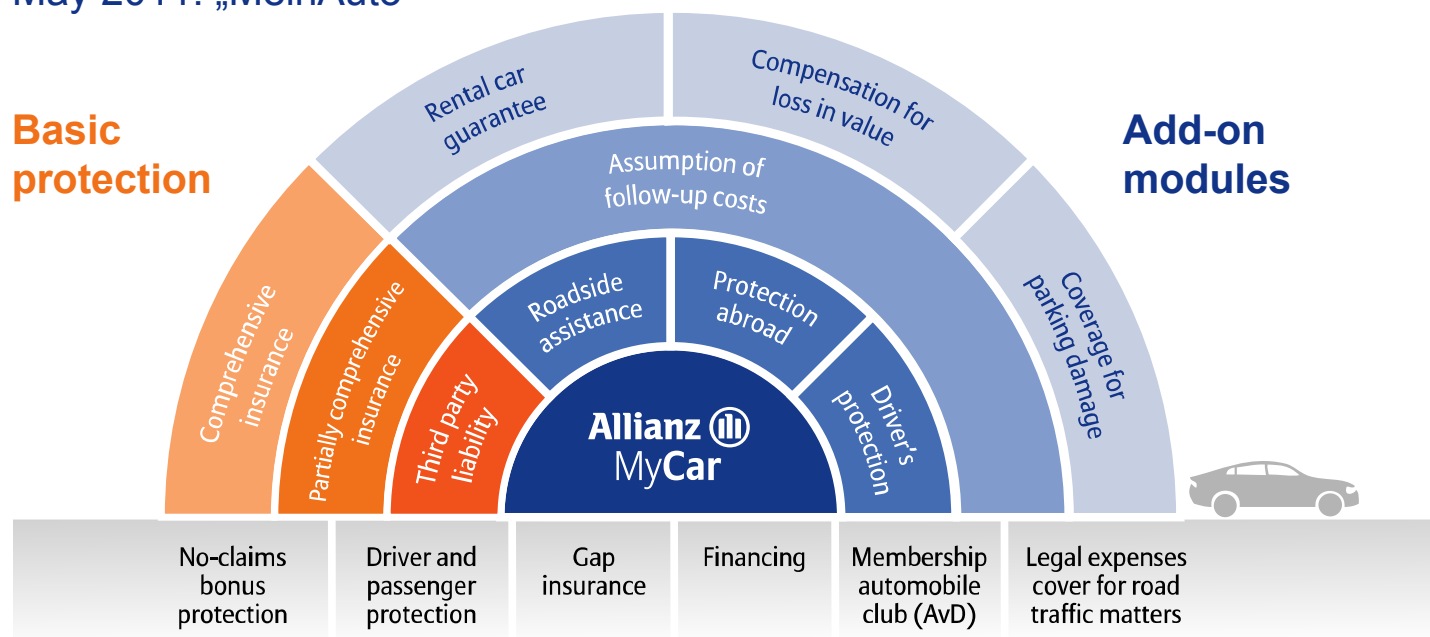
Products – modular design enhances growth, profitability and customers satisfaction

Key feature	Customer	Allianz
Modular product design	<ul style="list-style-type: none"> ▪ Flexible cover / costs based on demand 	<ul style="list-style-type: none"> ▪ Customer satisfaction ▪ Growth ▪ Profitability
Clean-up of remaining product portfolio	<ul style="list-style-type: none"> ▪ Complexity reduction ▪ Higher transparency 	<ul style="list-style-type: none"> ▪ Complexity reduction for operations and distribution ▪ Economies of scale
Independent pricing of modules	<ul style="list-style-type: none"> ▪ No cross-subsidization 	<ul style="list-style-type: none"> ▪ Better technical results through refined and positive risk selection
Bundle discount	<ul style="list-style-type: none"> ▪ Better value for money 	<ul style="list-style-type: none"> ▪ Customer retention ▪ Cross-selling
One policy and one invoice	<ul style="list-style-type: none"> ▪ Complexity reduction ▪ Higher transparency ▪ Convenience 	<ul style="list-style-type: none"> ▪ Complexity reduction ▪ Economies of scale
Ongoing enhancement of modules	<ul style="list-style-type: none"> ▪ Upgrade guarantee 	<ul style="list-style-type: none"> ▪ Protection of competitive advantage ▪ Complexity reduction

4

Products – successful implementation of modular product „MeinAuto“

May 2011: „MeinAuto“



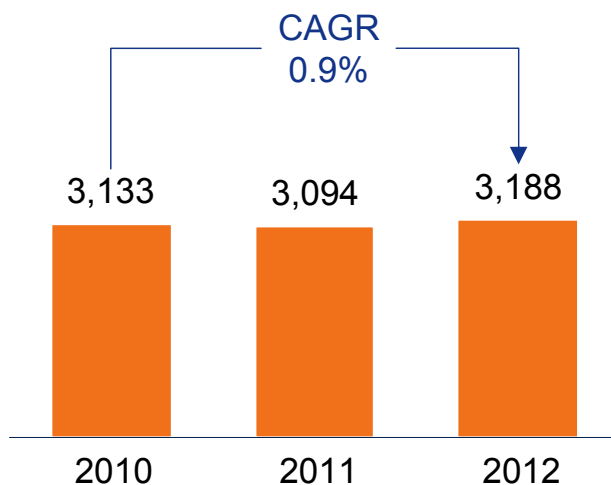
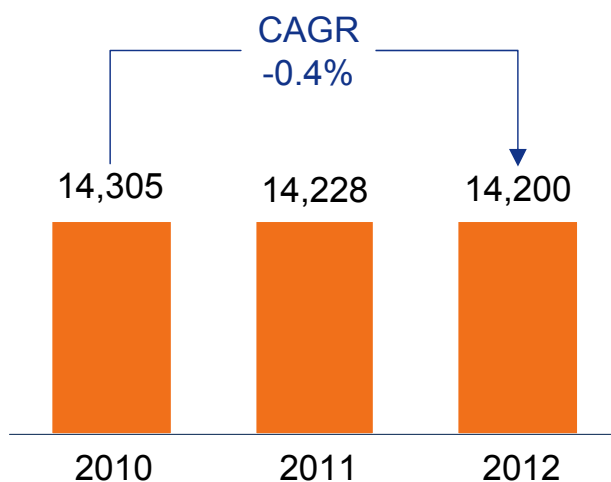
Results

- End of 2012 more than 1.5mn policies sold with GPW of more than EUR 700mn
- Average premiums up (2012 vs. 2011)
 - Book +7.5% to EUR 461
 - New business +17.4% to EUR 617
- Premium growth driven by increased share of own damage products¹ (+ 9.1% 2012 vs. 2011)
- 82% of the single MTPL customers bought at least 1 TPL add-on cover in 2012
- 50% of the MTPL/OD customers bought at least 1 OD add-on cover in 2012
- Claims ratio, lapse ratio and customer satisfaction improved

1) Kasko Versicherung

4

Products – motor underwriting and pricing

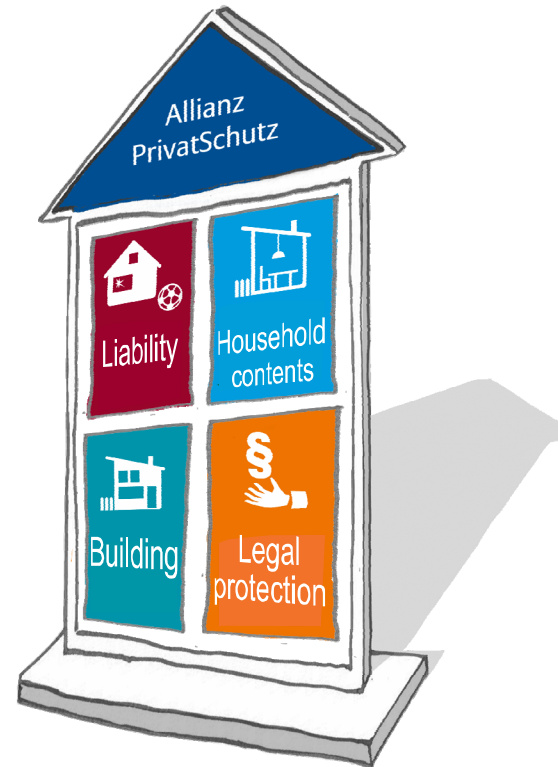
GPW
(EUR mn)Contracts
(thousand)

Key measures

- Sophisticated pricing strategy avoids adverse risk selection
- High granularity of risk factors and intelligent cross-references
- Smart mixture between self-declared risk factors (e.g. mileage) and hard facts (e.g. max speed)
- Advanced micro zoning reflects the different risk situation per region, city, postal code
- Improved claims handling process supports customer satisfaction and slows down claims inflation
- Balanced (rate quality vs. lapse ratio) rate increases for new business as well as for renewal business lead to significant improvement of profitability
- Flexible contract maturities

4 Products – second modular retail bundle launched in May 2013

May 2013: „PrivatSchutz“



Results

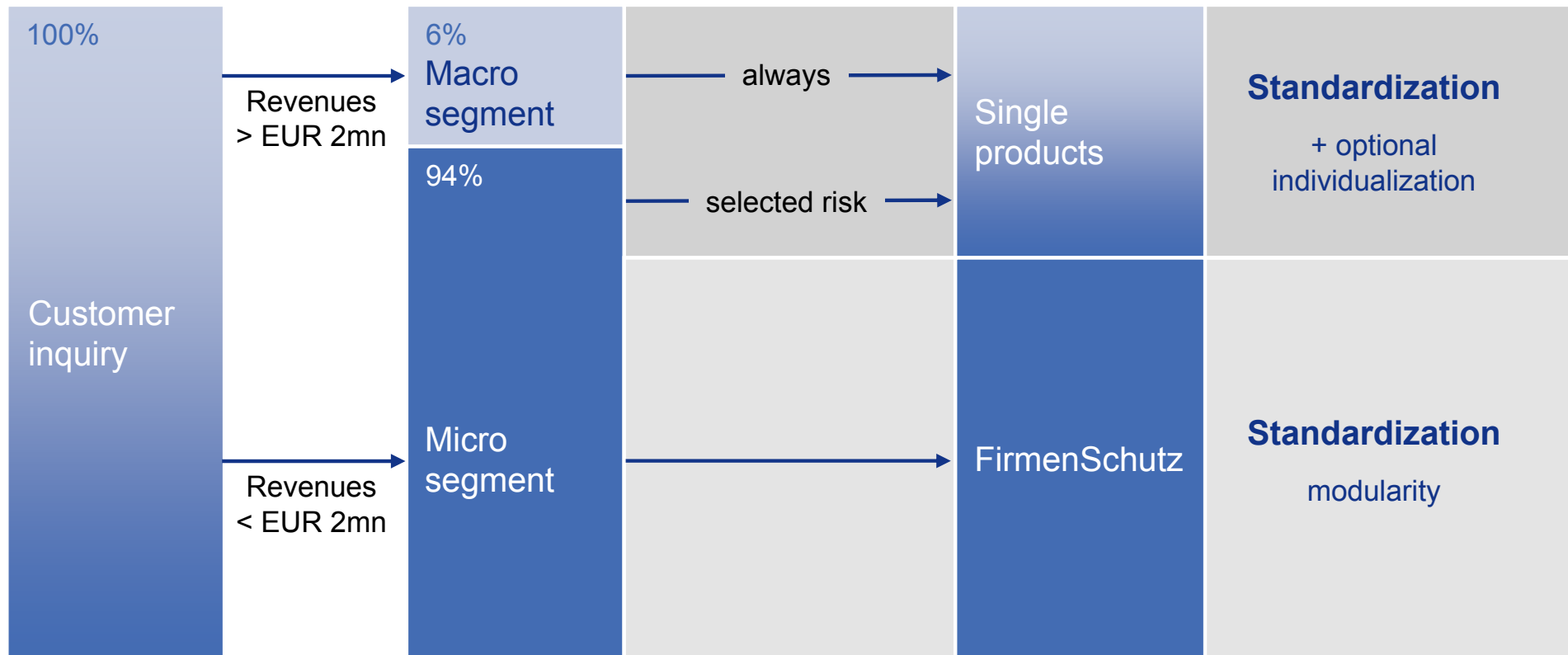
- Positive feedback from pilot (11/2012)
- Significant increase in new sales with more than one product
- Effective cross-selling from existing customers
- „Allianz SicherheitsPlus“² product ranked as “very good (1.1)” by Finanztest Stiftung Warentest¹ (09/12)

1) Public funded German consumer organization
2) Personal liability insurance product

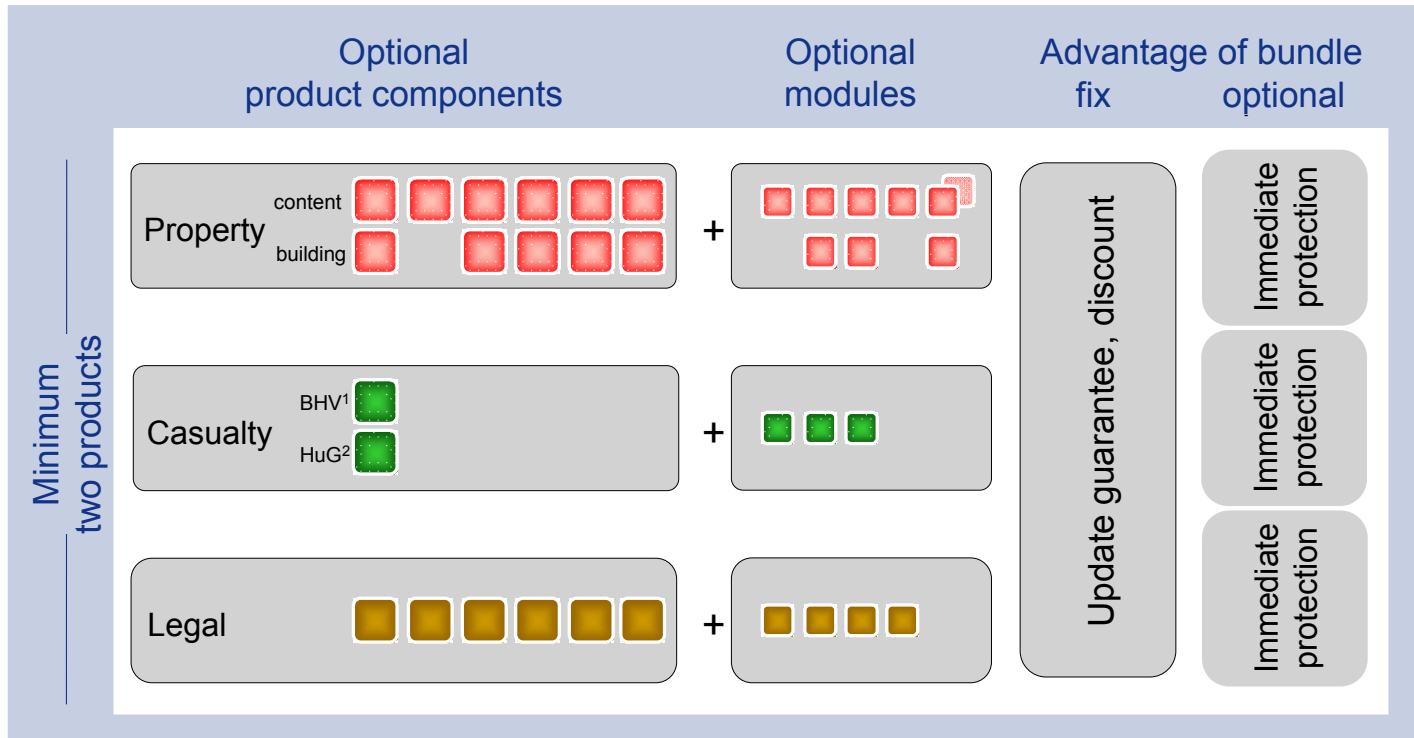


5 Products – launch of modular/ standardized product approach for commercial lines by end of 2014

Conceptual design of future products for commercial lines segment



5 Products – „FirmenSchutz“ concept in more detail



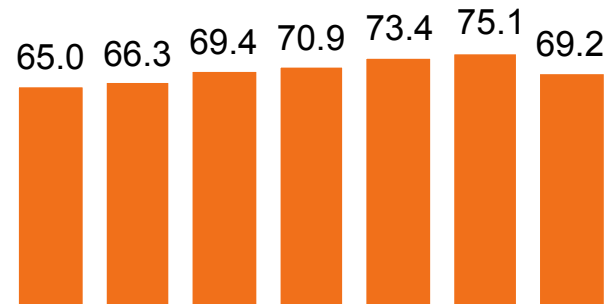
„FirmenSchutz“ as strategic initiative to introduce modular product design for commercial lines customers with revenues ≤ EUR 2mn by end of 2014

1) BHV = Betriebshaftpflichtversicherung / corporate liability insurance

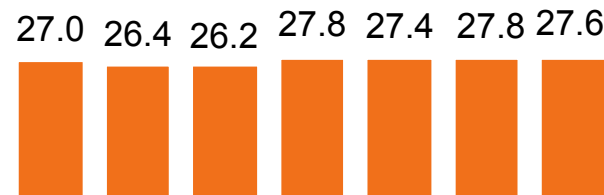
2) HuG = Haus- und Grundbesitzerhaftpflicht / property and land owner liability insurance

6 Claims – development of underwriting result ...

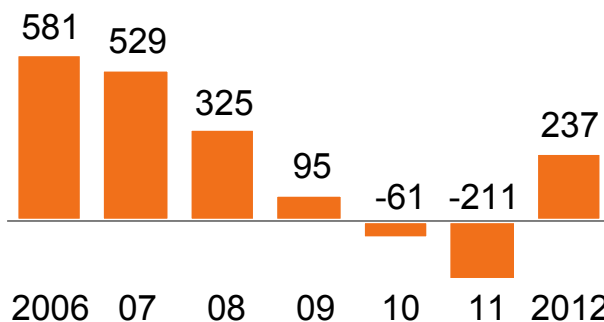
Claims ratio
(%)



Expense ratio
(%)



Underwriting result
(EUR mn)



Driver of deterioration

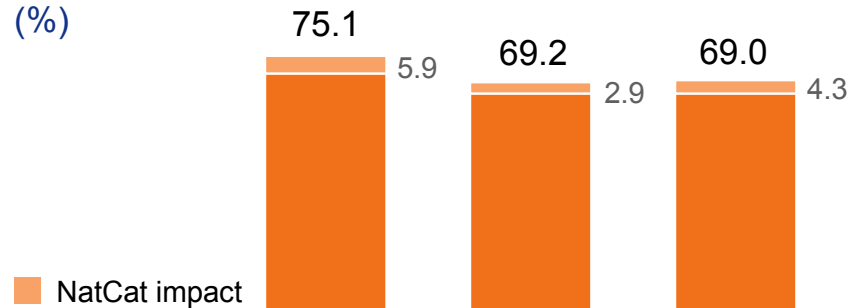
- Soft market cycle and competitive market environment
- Fall-out from German re-organization (e.g. loss of experts)
- Focus of re-organization too much on effectiveness instead of on efficiency
- Loss of quality in claims handling

6

... required thorough optimization of claims process

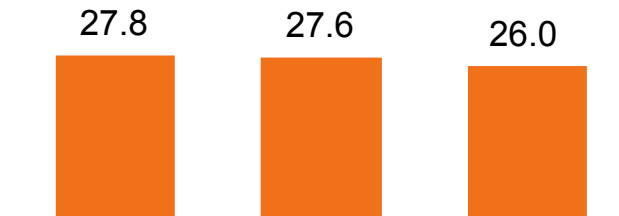
Claims ratio

(%)



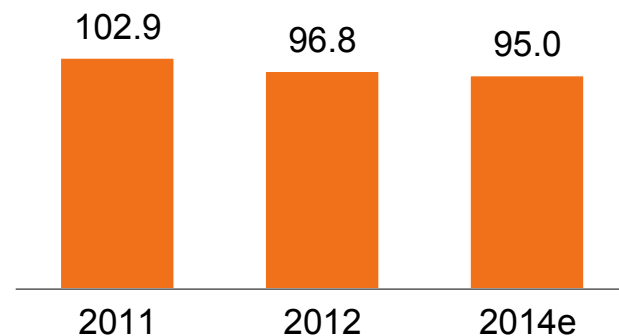
Expense ratio

(%)



Combined ratio

(%)



Key measures

- Decrease of average number of claims driven by active claims management (focus on e.g. outbound calls, regionalization)
- Faster notification (promotion of uniform claims hotline)
- Re-design of process and structure of mass claims management
- Implementation of new steering system
- Repair shop steering
- Systematic quality controls
- Employee training and claims-specific qualification program
- Use of Allianz Center for Technology (AZT) to prevent accidents and optimize repair process
- Intensified fraud fighting

6 Claims – example fraud fighting



Zero-tolerance-strategy

Criminal charge in each verified fraudulent claim to protect customers



IT-support

Interface ABS D¹ and connection to HIS² online since April 2012



Enrich team with investigation skills

Recruit new claims handlers with investigation skills (e.g. police)



Qualification

Regular training of all claims handlers; special training for fraud specialists



Controlling

Continuous monitoring of relevant fraud KPIs

Fraud savings (EUR mn)

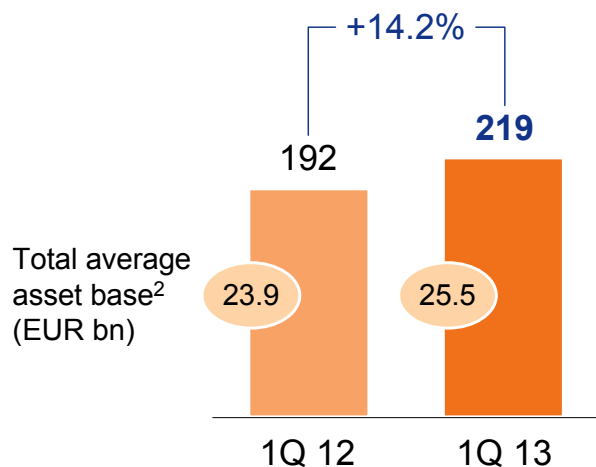
	2012	Δ 2011
Motor	39	+37%
Property	37	+25%
Liability	5	+254%
Total	>80	>36%

1) AZ Betriebssystem Deutschland = operating system of Allianz Germany

2) Hinweis- Informationssystem der dt. Versicherungswirtschaft GDV = information system of German insurance association

Investment result – headwinds to continue

Investment result¹ (EUR mn)

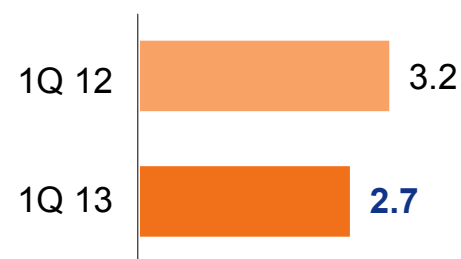


Interest & similar income ³	218	235
Net harvesting and other ⁴	-16	-4
Investment expenses	-10	-12

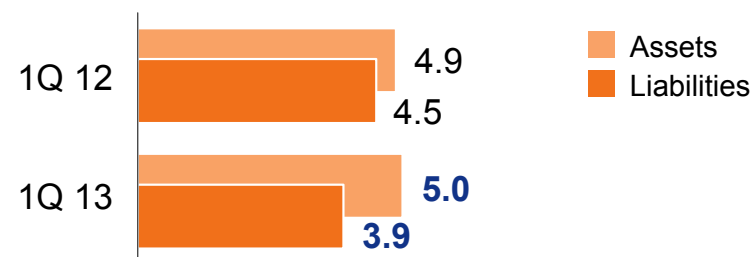
Current yield (debt securities; in %)



Reinvestment yield⁵ (debt securities; in %)



Duration



- 1) Including policyholder participation APR
- 2) Asset base includes fair value option and trading
- 3) Net of interest expenses. Increase is largely driven by the cancellation of an internal reinsurance contract with a corresponding decrease in investment expenses
- 4) Comprises real. gains / losses, impairments (net), fair value option, trading and F/X gains and losses and policyholder participation.
Thereof related to APR in Germany: 1Q 2012: EUR -19mn, 1Q 2013: EUR -7mn
- 5) On an annual basis

Summary



Achievements

Implementation of broker strategy

Successful product overhaul in personal lines

Start of VW joint venture

Significant improvement of claims process / handling



Strategy / initiatives / ambition

Achievement of objectives „Zukunftsprogramm Sach“

Development of customer-focused, modular products for commercial lines

Focus on channel growth and profitability

Further optimization of claims management



On track to reach targets of EUR 9.5bn GPW and 95% CR by 2014

Life insurance

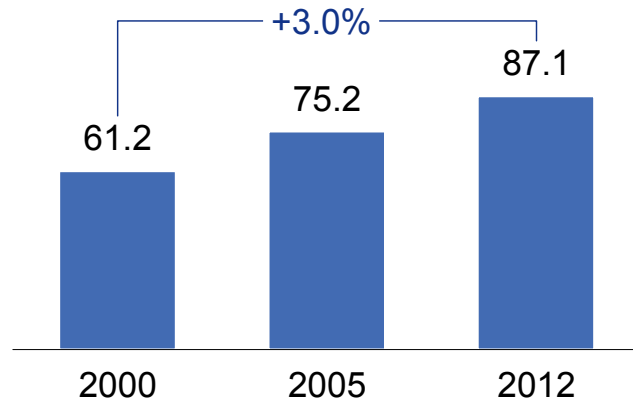
Alf Neumann
Member of the Board of Management
Allianz Lebensversicherungs-AG

Berlin, June 25, 2013

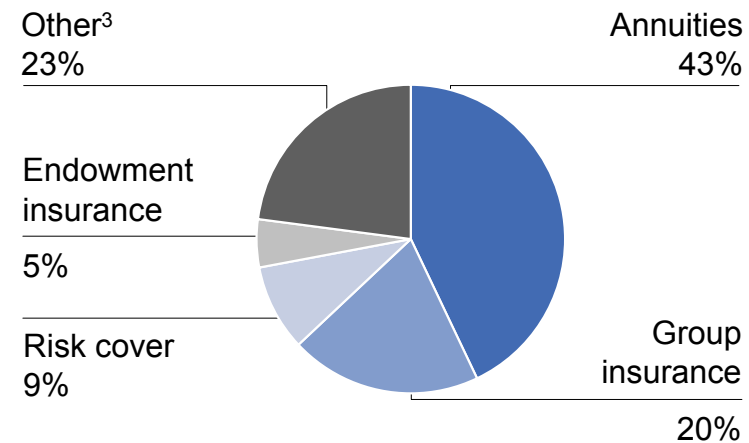
D

German life at a glance

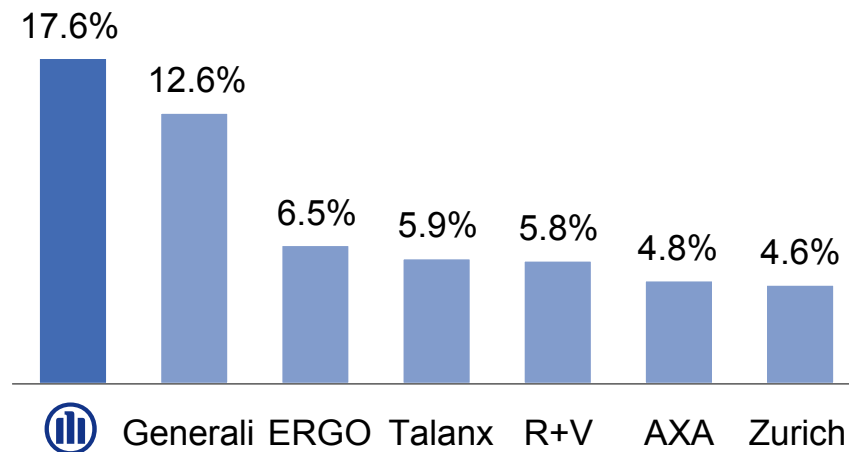
Market size and growth
GPW (EUR bn), CAGR



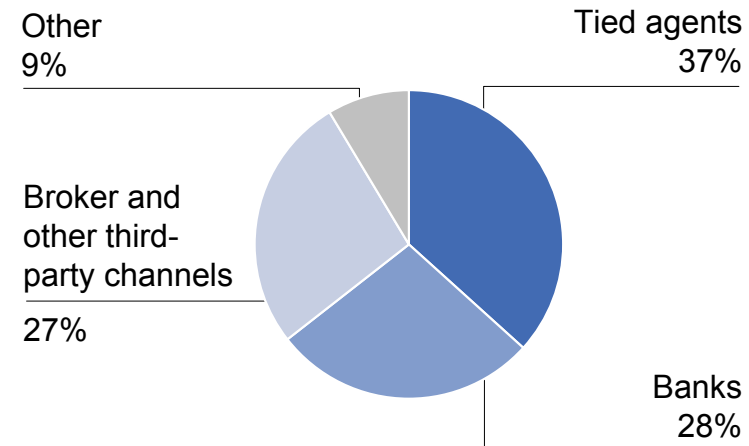
Product mix in new business in 2011²



Market shares in 2011¹



Channel mix in 2011⁴

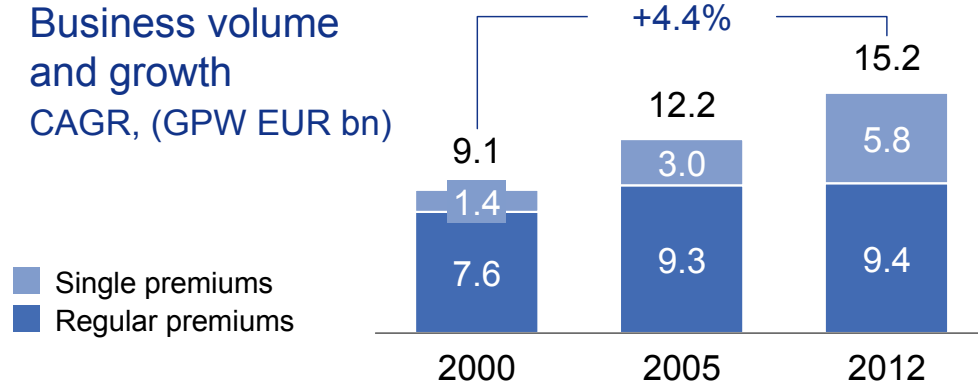


1) Insurance groups, based on GPW 2011
2) Only regular premiums considered

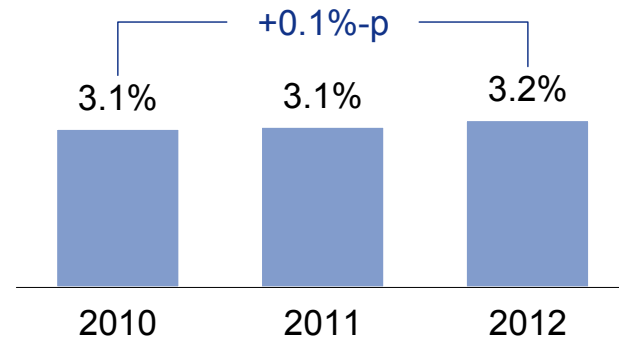
3) Especially unit-linked life insurances
4) Based on APE 2011

Allianz Leben at a glance

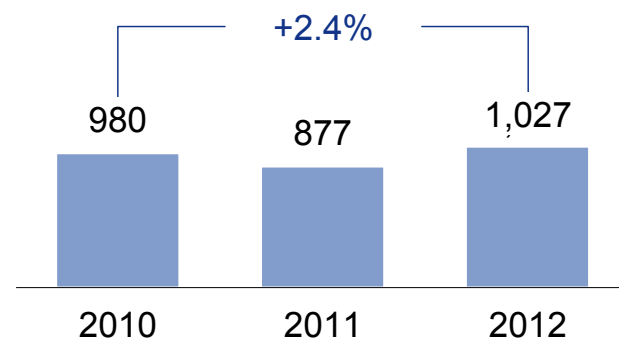
Business volume and growth
CAGR, (GPW EUR bn)



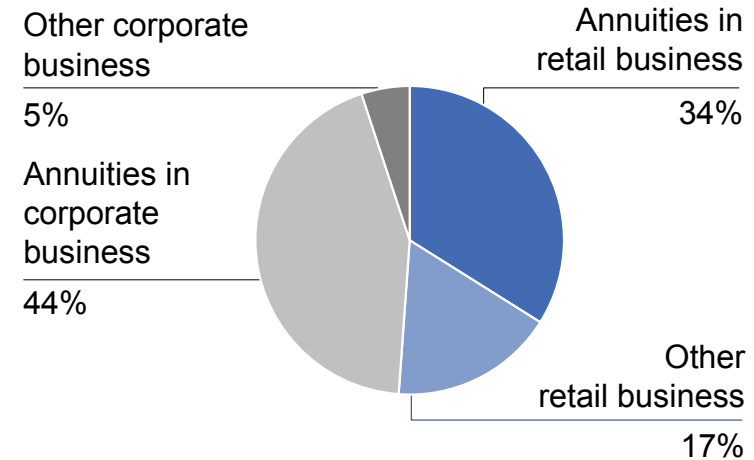
NBM (%)



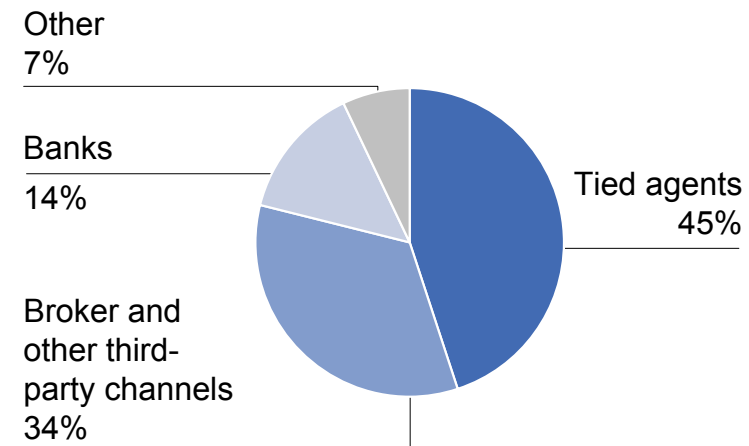
Operating profit
CAGR, (EUR mn)



Product mix in new business 2012¹



Channel mix in new business 2012¹



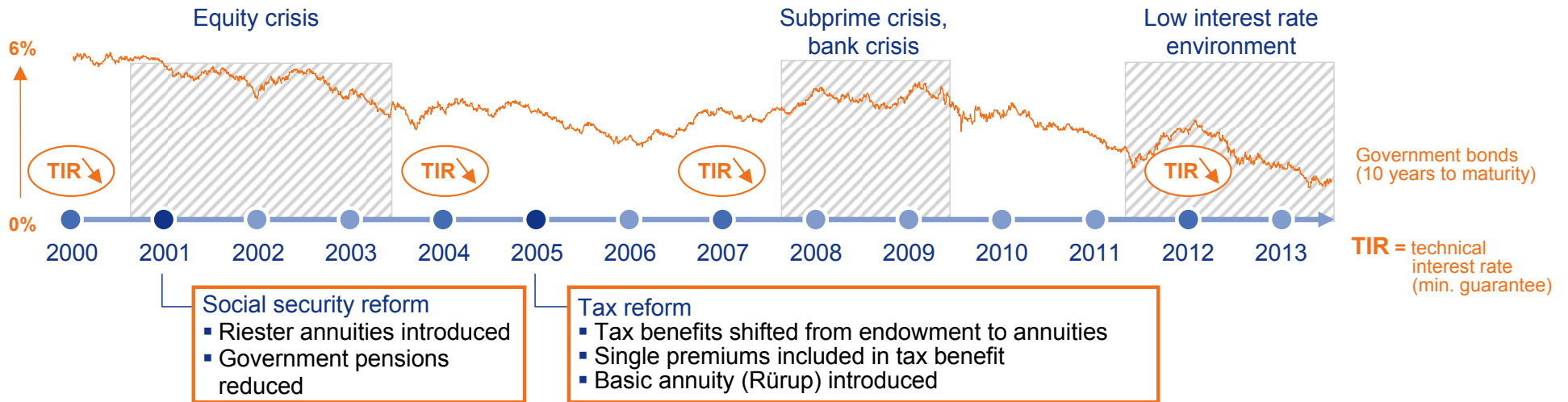
1) Based on "weighted premium sum" (BWS)

Agenda

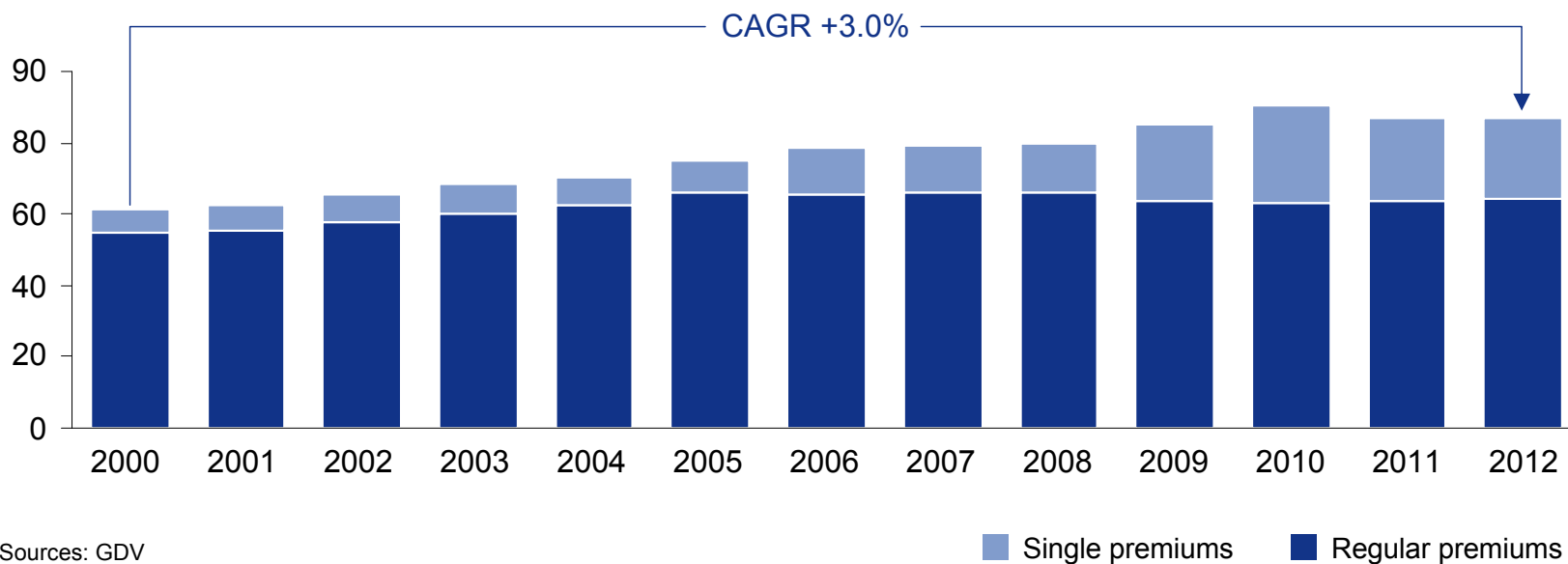
- 1 German life market and opportunities**
 - 1.1 German life market
 - 1.2 Strong market position of Allianz Leben
 - 1.3 Growth opportunities
- 2 Products with customer focus**
- 3 Strong financials for all stakeholders**

Market

Positive development of life business in Germany in a challenging environment



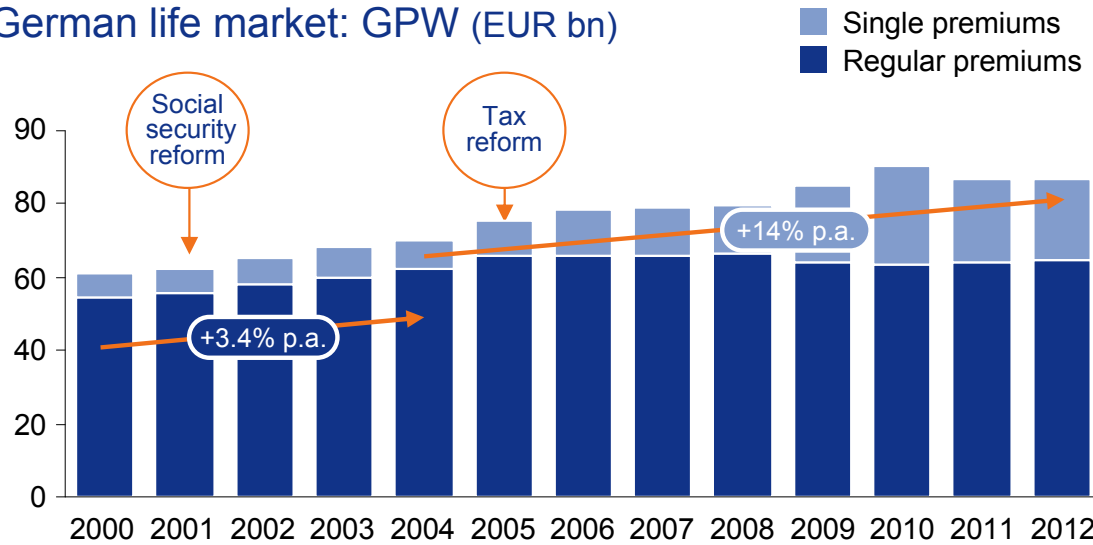
German life market: GPW (EUR bn)



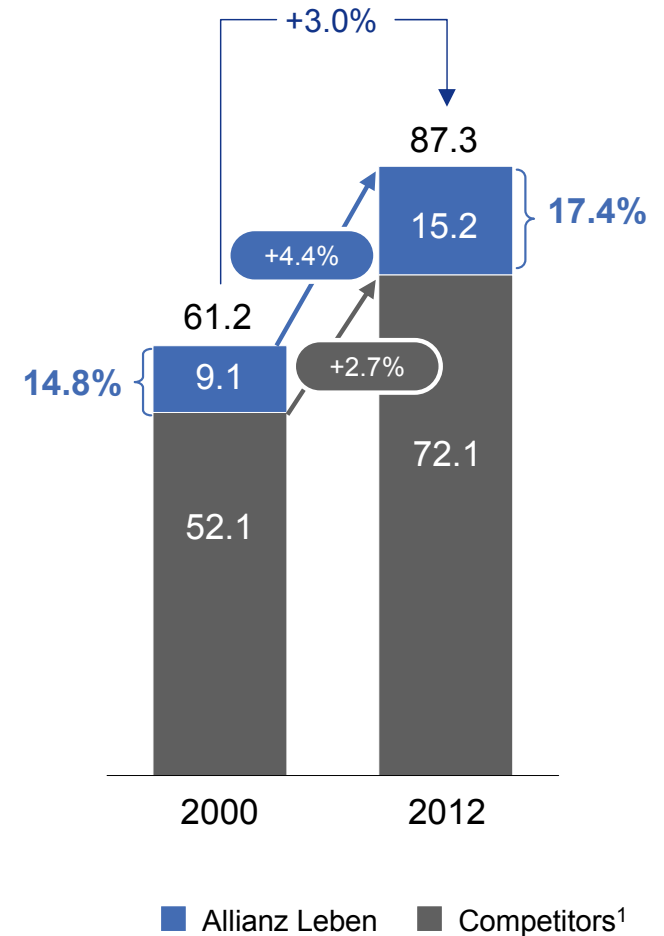
Allianz
Leben

Allianz outperforms positive market trend

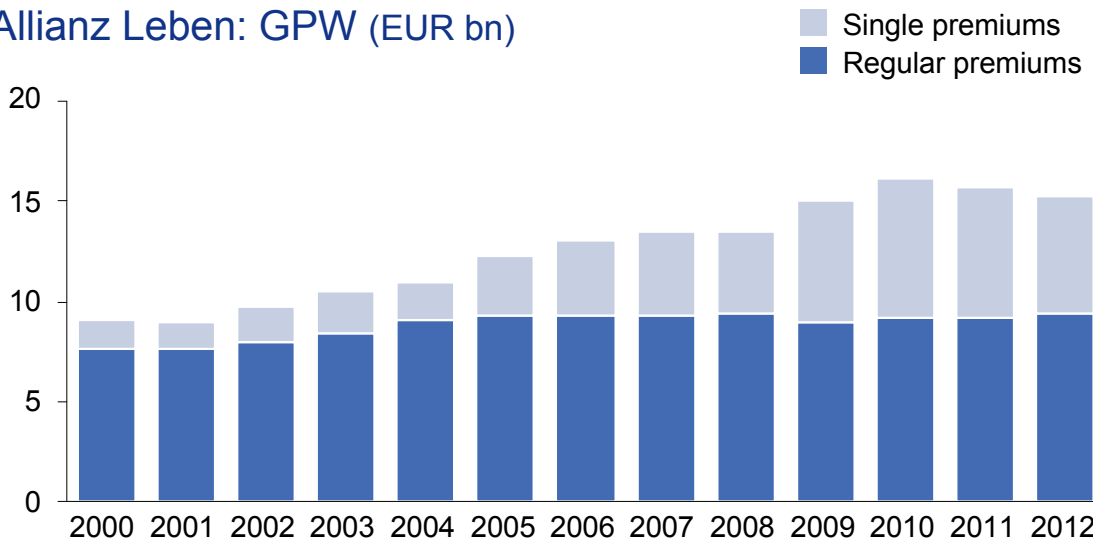
German life market: GPW (EUR bn)



German life market:
GPW (CAGR, EUR bn)



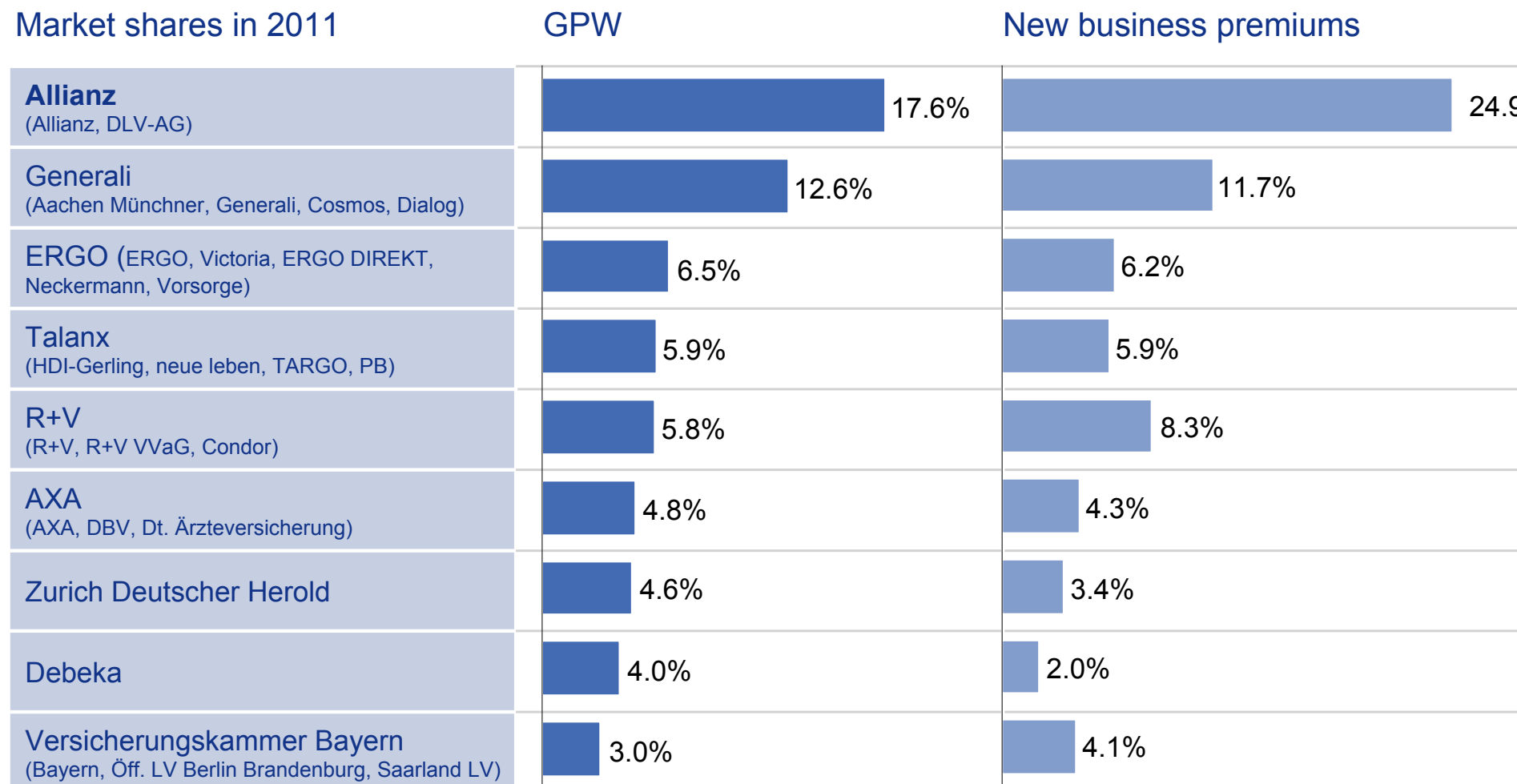
Allianz Leben: GPW (EUR bn)



1) GDV market without Allianz
Sources: GDV, Allianz



Strong position of Allianz in German life market

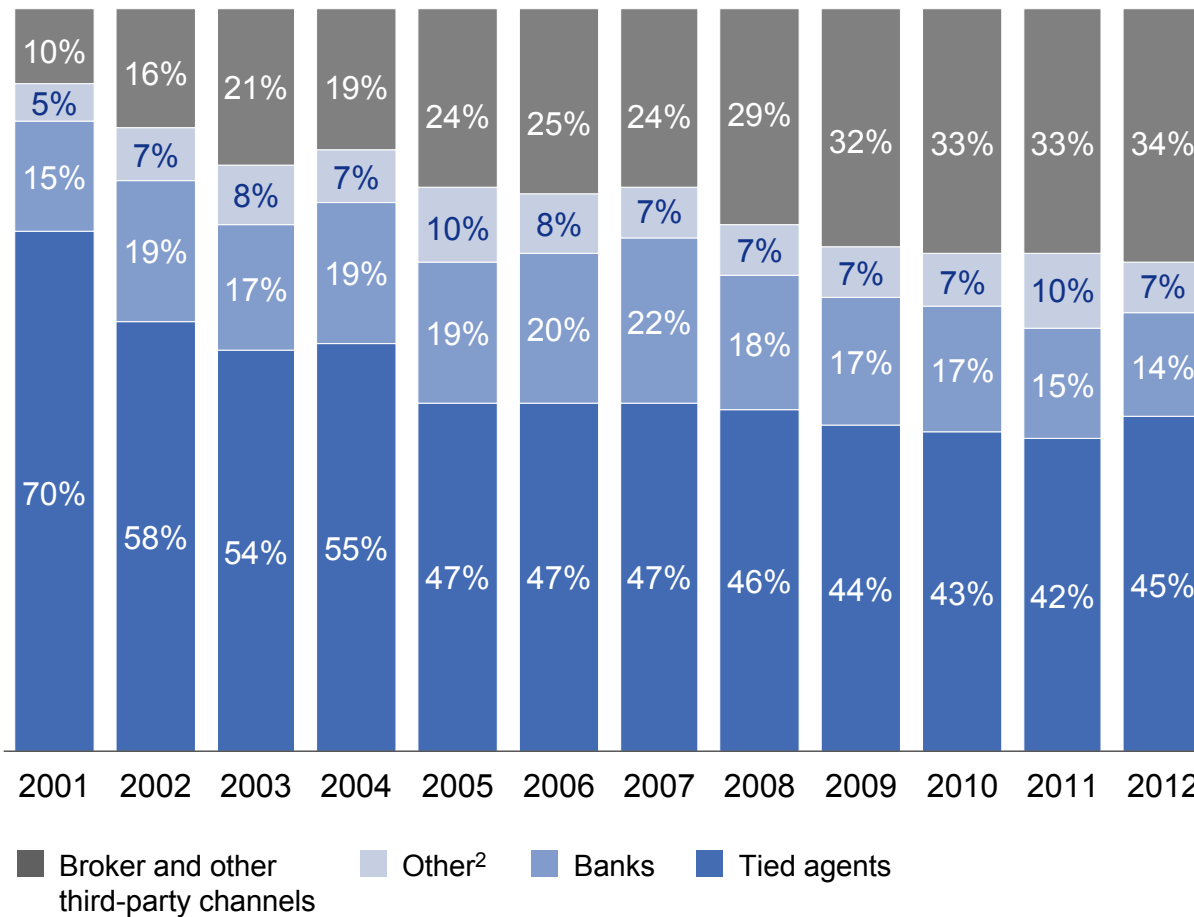




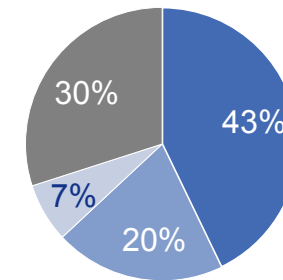
High quality of Allianz reflected in a consistently growing broker share

Distribution mix of Allianz Leben in new business¹

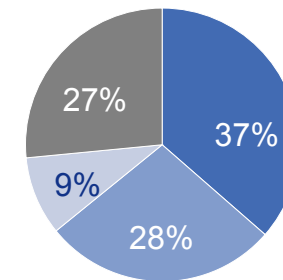
Distribution channel mix of new business in 2011 based on APE



Allianz Leben



Market

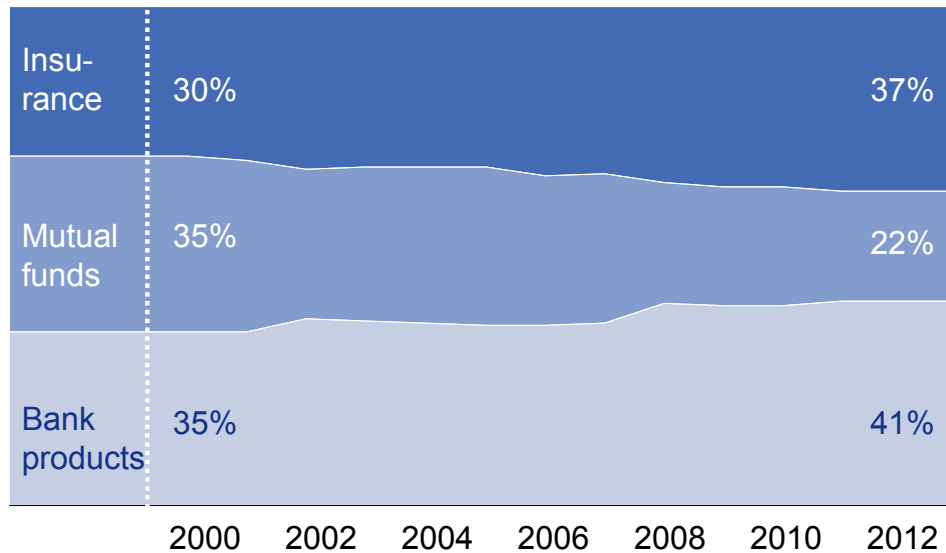


1) Based on "weighted premium sum" (BWS)
 2) In particular direct business and business without intermediary
 Source: Allianz, Towers Watson Vertriebswege Survey

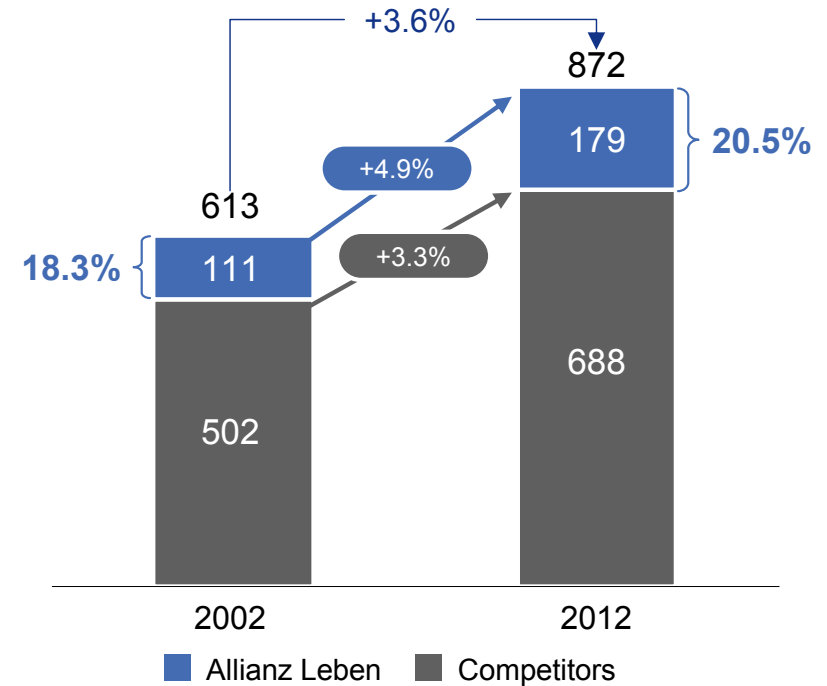
Growth

Increasing importance of life insurance for individual long-term savings in Germany

Personal financial assets in Germany
(% of gross financial assets)



AuM for life insurance¹
(CAGR, EUR bn)



- Savings rate still above 10%
- Insurance most important vehicle of long-term savings
- Growing importance of individual old age provisions

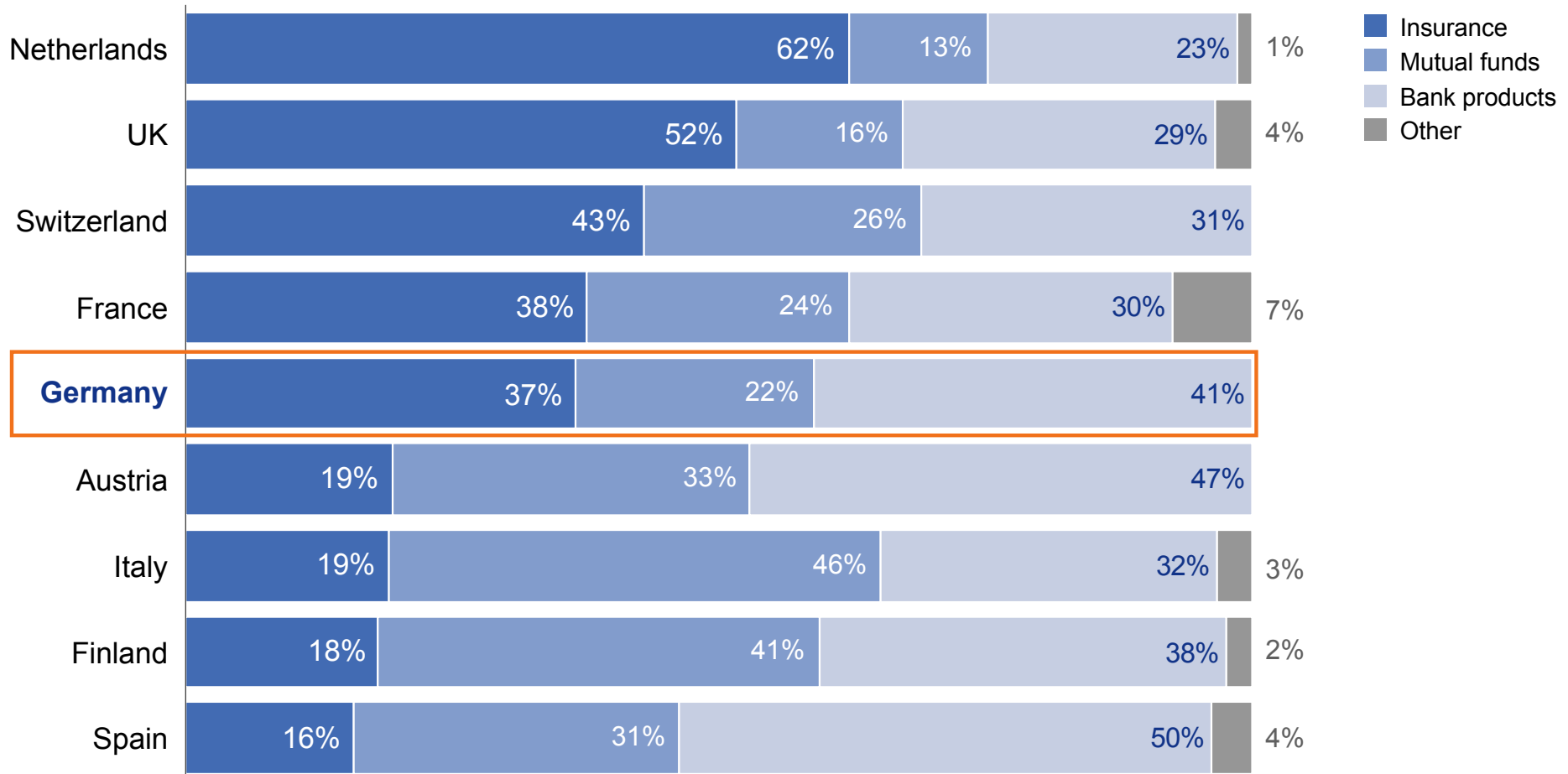
- Allianz Leben increases its market share of AuM

1) Values: local GAAP
Sources: Deutsche Bundesbank, GDV and Allianz

Growth

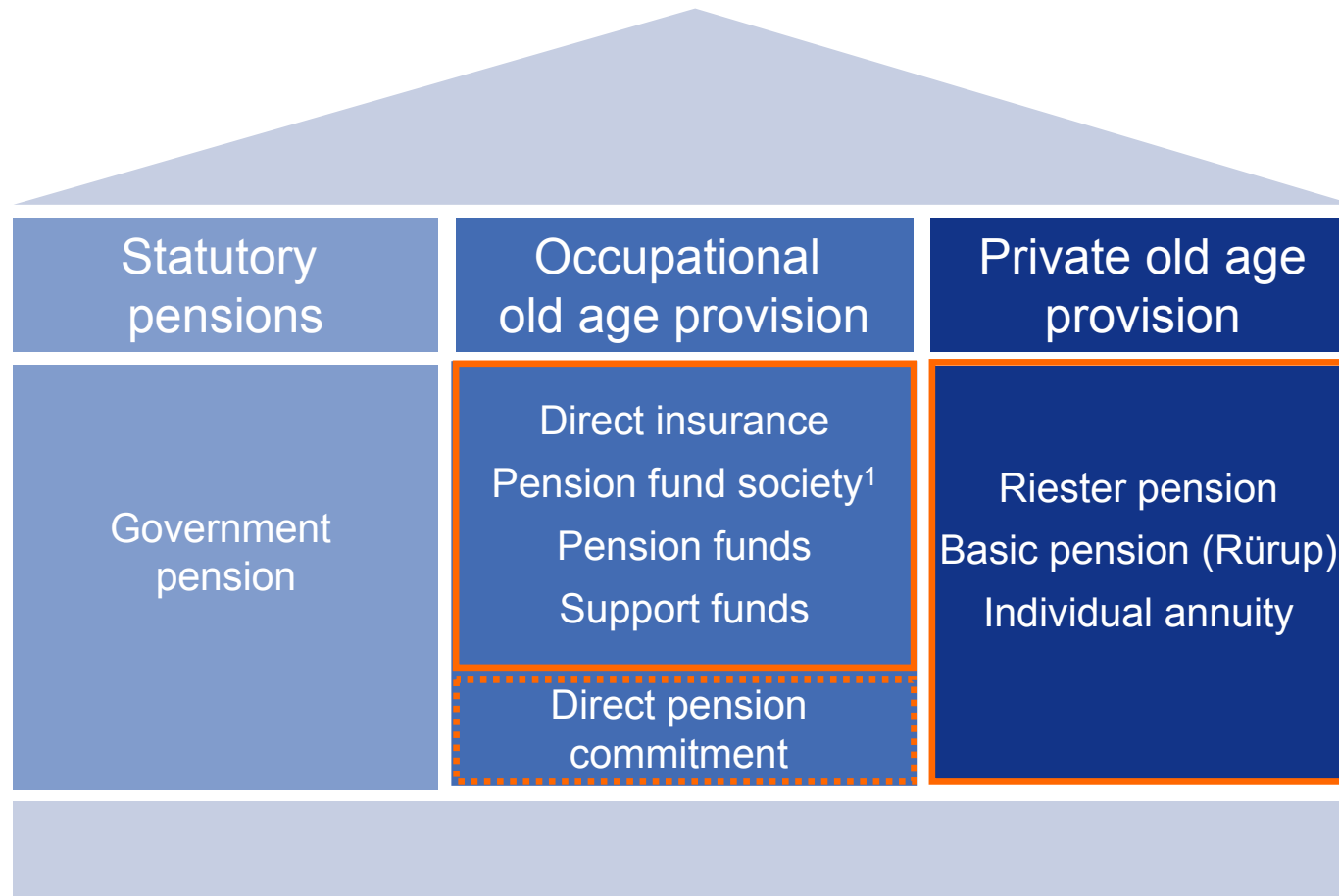
In comparison to other European countries potential remains for insurance companies in long-term savings

Personal financial assets in selected European countries in 2011
(% of gross financial assets)



Growth

Occupational and individual old age provisions offer various business opportunities for insurance companies



Business opportunities for life insurance and asset management

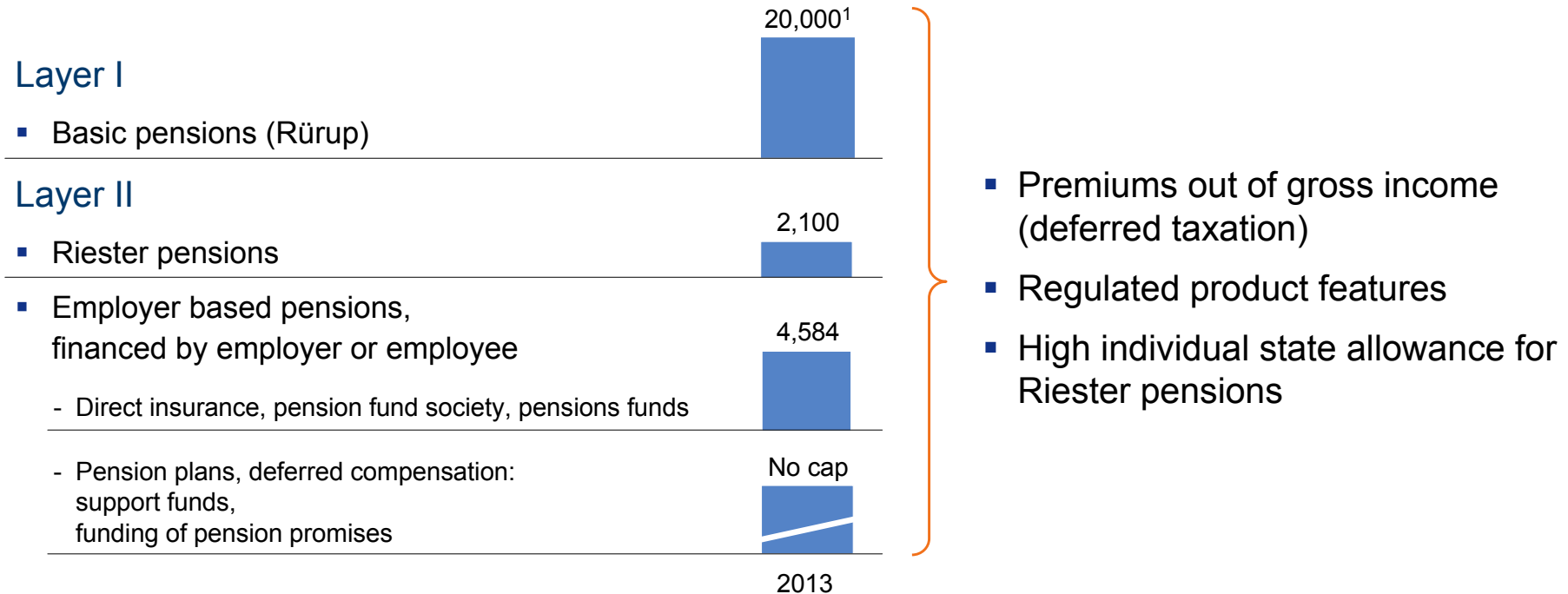
1) Pensionskasse



German government supporting various types of old age provision

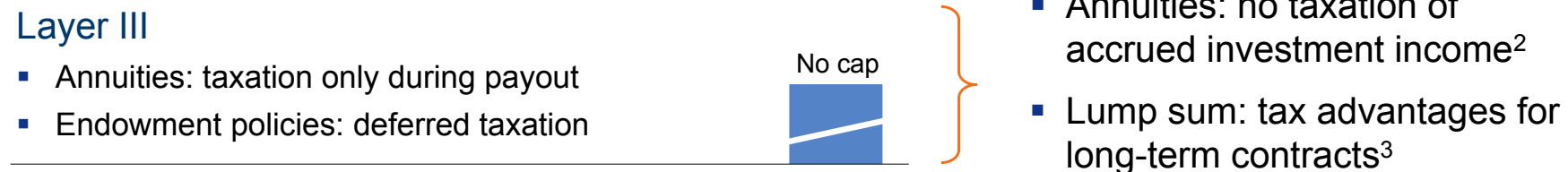
Tax-incentivized

Tax-incentivized amounts p.a. (in EUR)



Individual life products

Amounts p.a. (in EUR)



1) Maximum amount: EUR 20,000 minus contributions to statutory pension system (max. ~EUR 13,000)

2) Only minor part of annuity is taxable in payout period, e.g. 18% for a 65-year old client

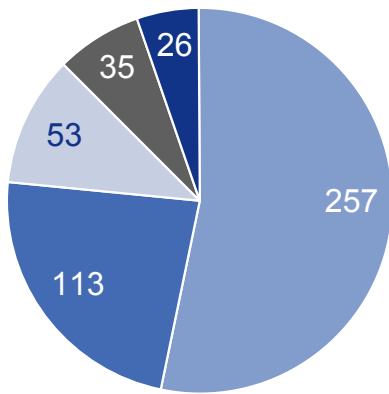
3) If client is at least 62 years and maturity ≥12 years proceeds minus premiums are 50% taxable



Corporate life business in Germany – a strong market

Occupational pensions in Germany

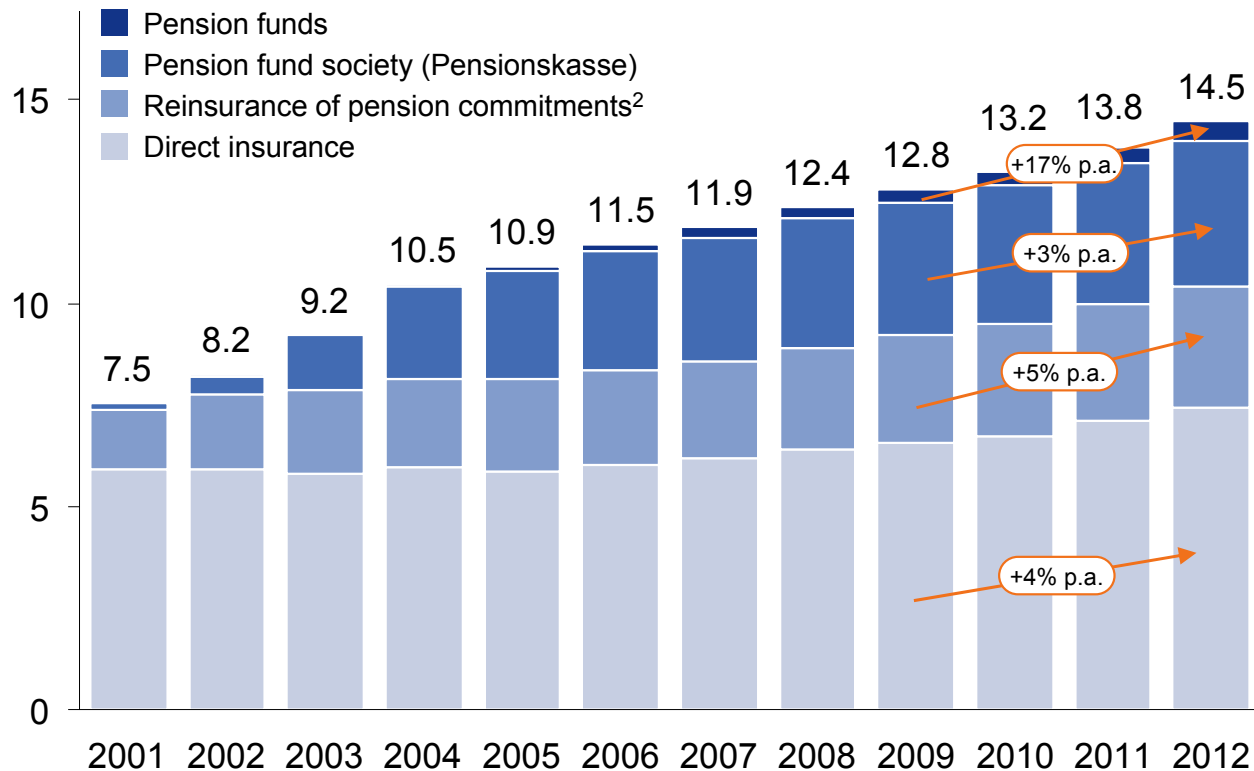
AuM (2010, EUR bn)



Total EUR 483bn

- Direct pension commitments
- Pension fund society (Pensionskasse)
- Direct insurance
- Support funds
- Pension funds

Insurance contracts in occupational pension schemes¹ (in mn)



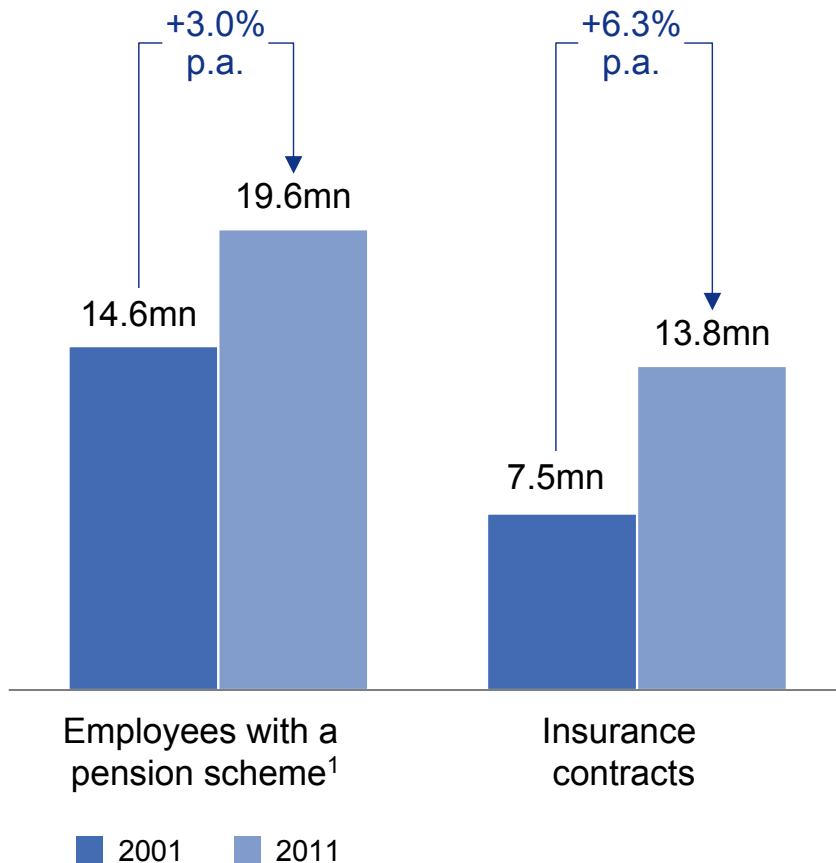
Impressive growth – 7 million new contracts in 11 years

1) GDV members
 2) Including support funds
 Sources: J. Schwind 2012, GDV

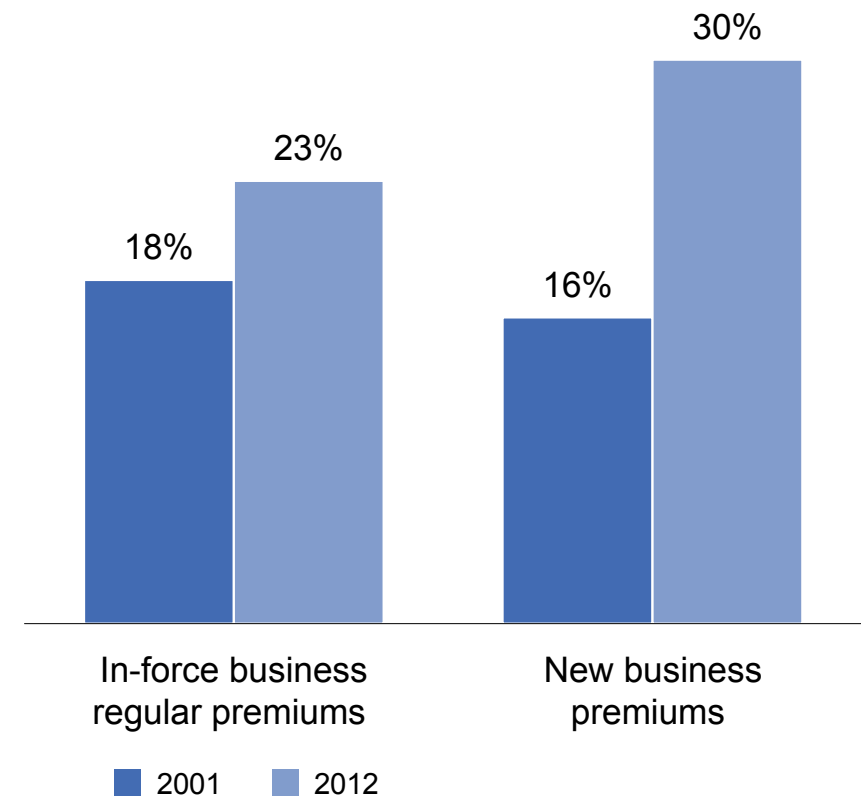


Stable and dominant position of Allianz Leben in corporate business

Pension schemes in German market



Market share of Allianz



Allianz outperforms the market

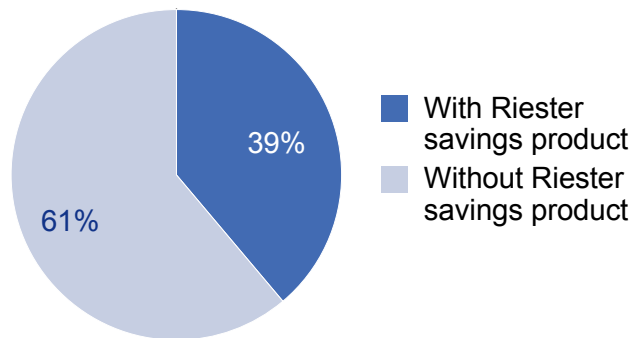
1) Including direct pension promises and insurance contracts
Sources: GDV, Allianz, „Alterssicherungsbericht“ covering 2001-2011

Growth

Individual old age provisions still offer high potential for new business

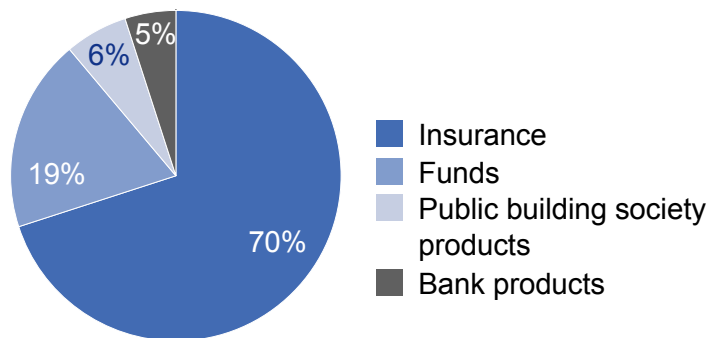
Riester savings products

Good penetration rates achieved



Total ~40mn eligible persons

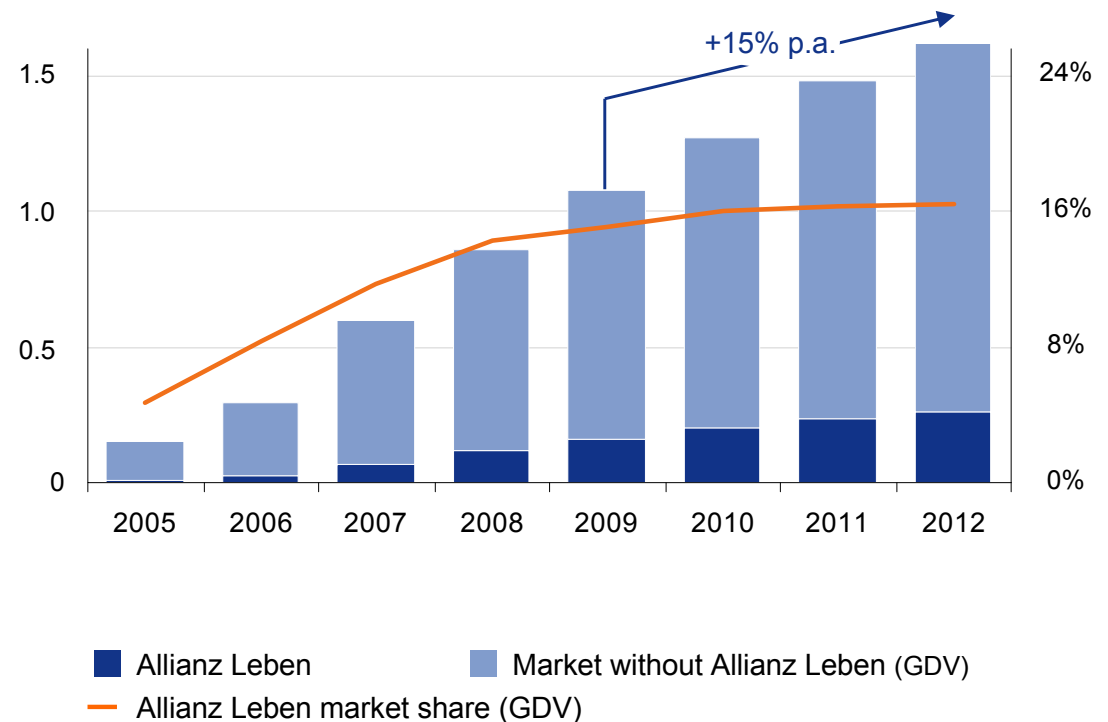
Customers prefer insurance offers



Basic pension (Rürup)

- More than 1.5mn basic pension contracts already sold in Germany
- Annual growth rates remain high

Development of basic pension contracts (in mn) and market shares of Allianz Leben (by no. of in-force contracts)

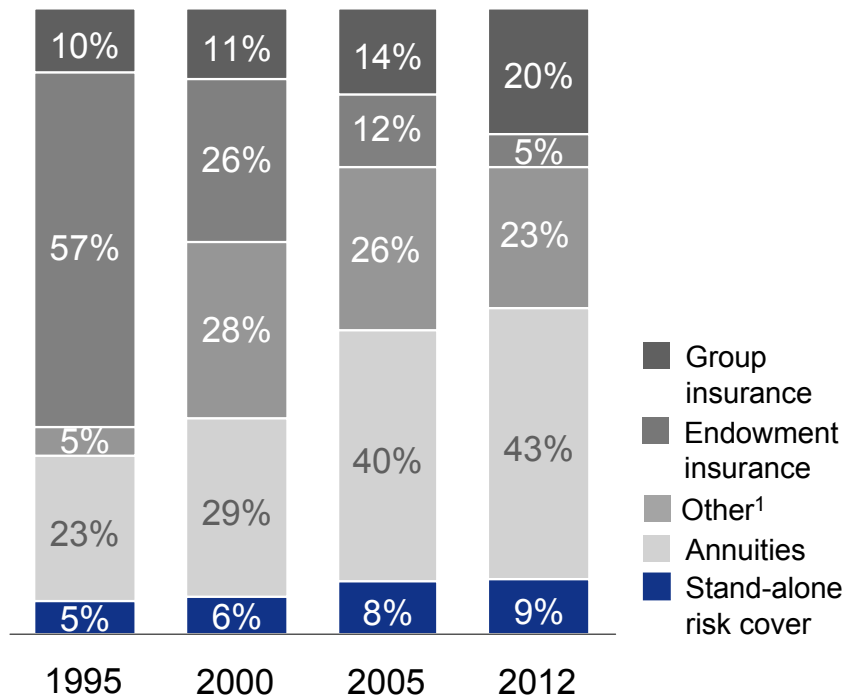


Growth

Emerging field of risk cover business

Risk cover business gaining importance

New business (regular premiums) of German life market



- Growing biometrical risks
- Only 26% of all employed persons in Germany have an occupational disability insurance²

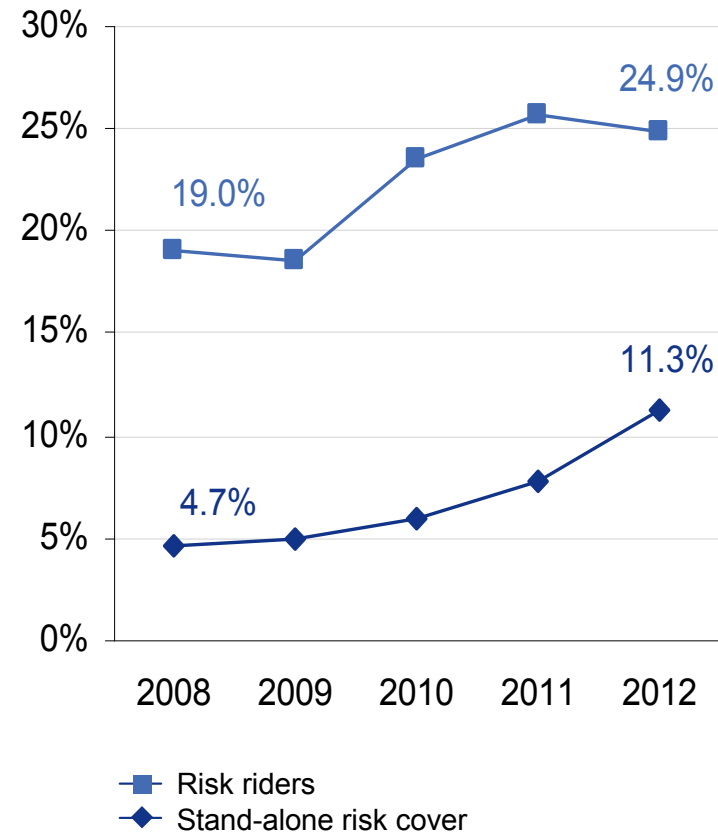
1) Especially unit-linked life insurances

2) TNS infratest 2008

Sources: GDV, Allianz

Significant market share gains for Allianz

Market shares of Allianz in risk cover business based on new business premiums



New business premiums of Allianz

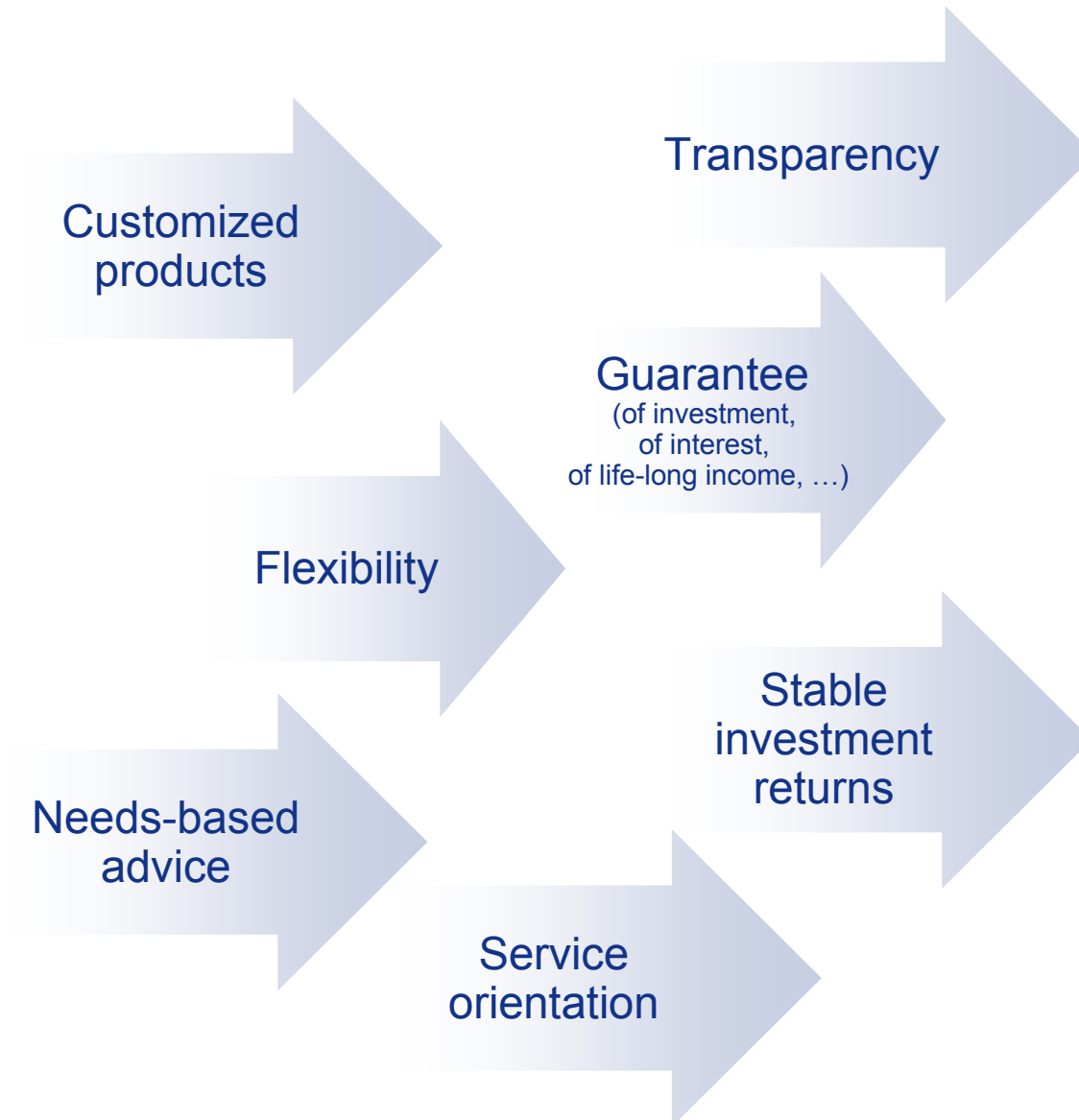


Agenda

- 1** German life market and opportunities
- 2** **Products with customer focus**
 - 2.1** Product portfolio addressing customer needs
 - 2.2** New guarantee product “Perspektive”
 - 2.3** Attractive performance and costs of Allianz Leben
- 3** Strong financials for all stakeholders

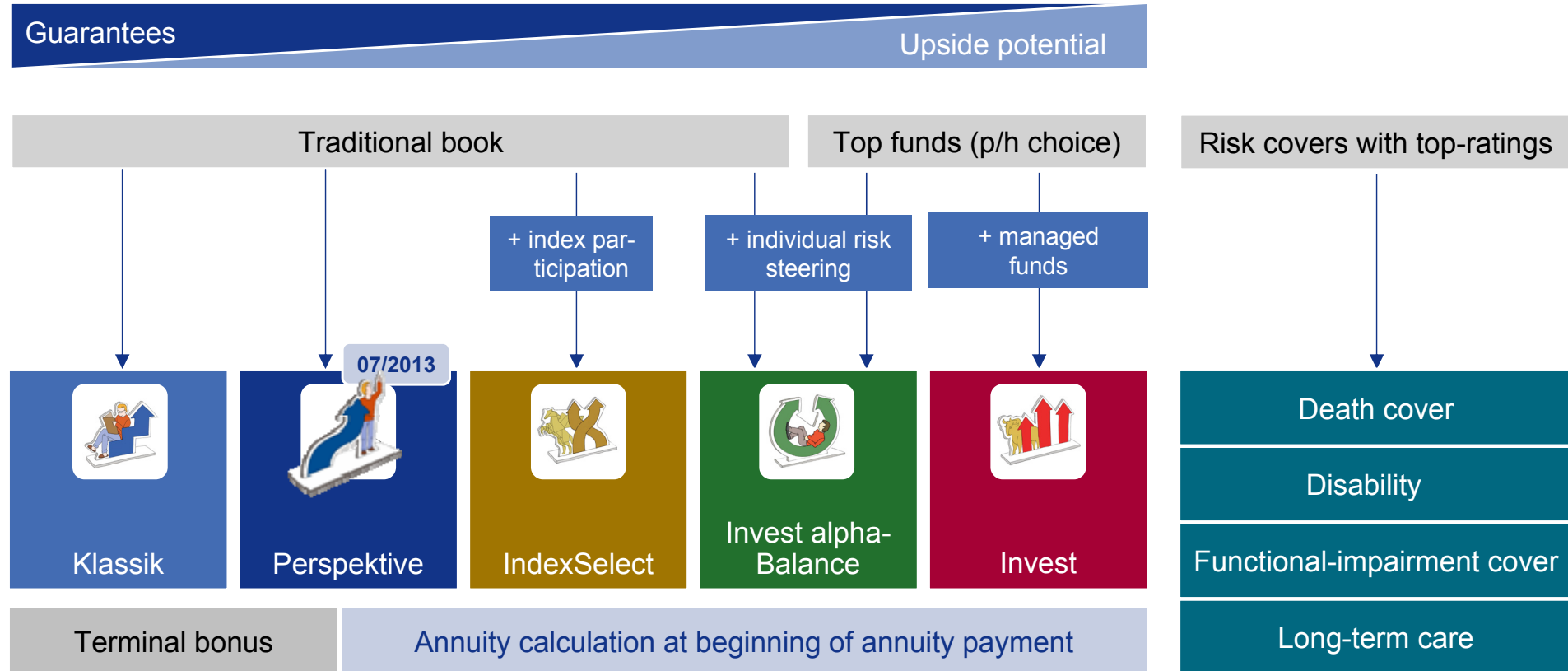
Product
portfolio

Changing expectations of customers – putting customer focus first



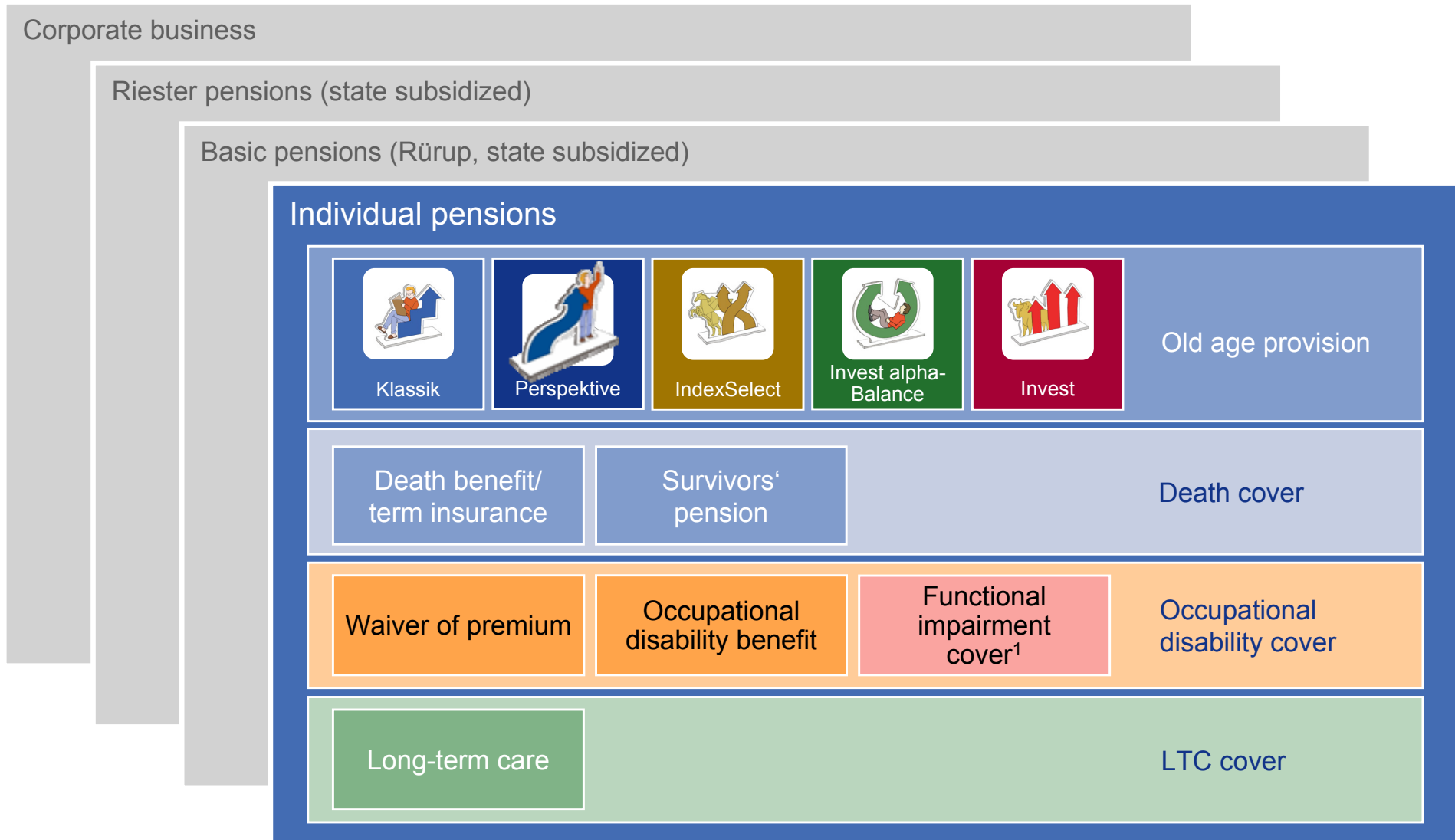
Product portfolio

Broad and strong product portfolio of Allianz to meet customer expectations



Product portfolio

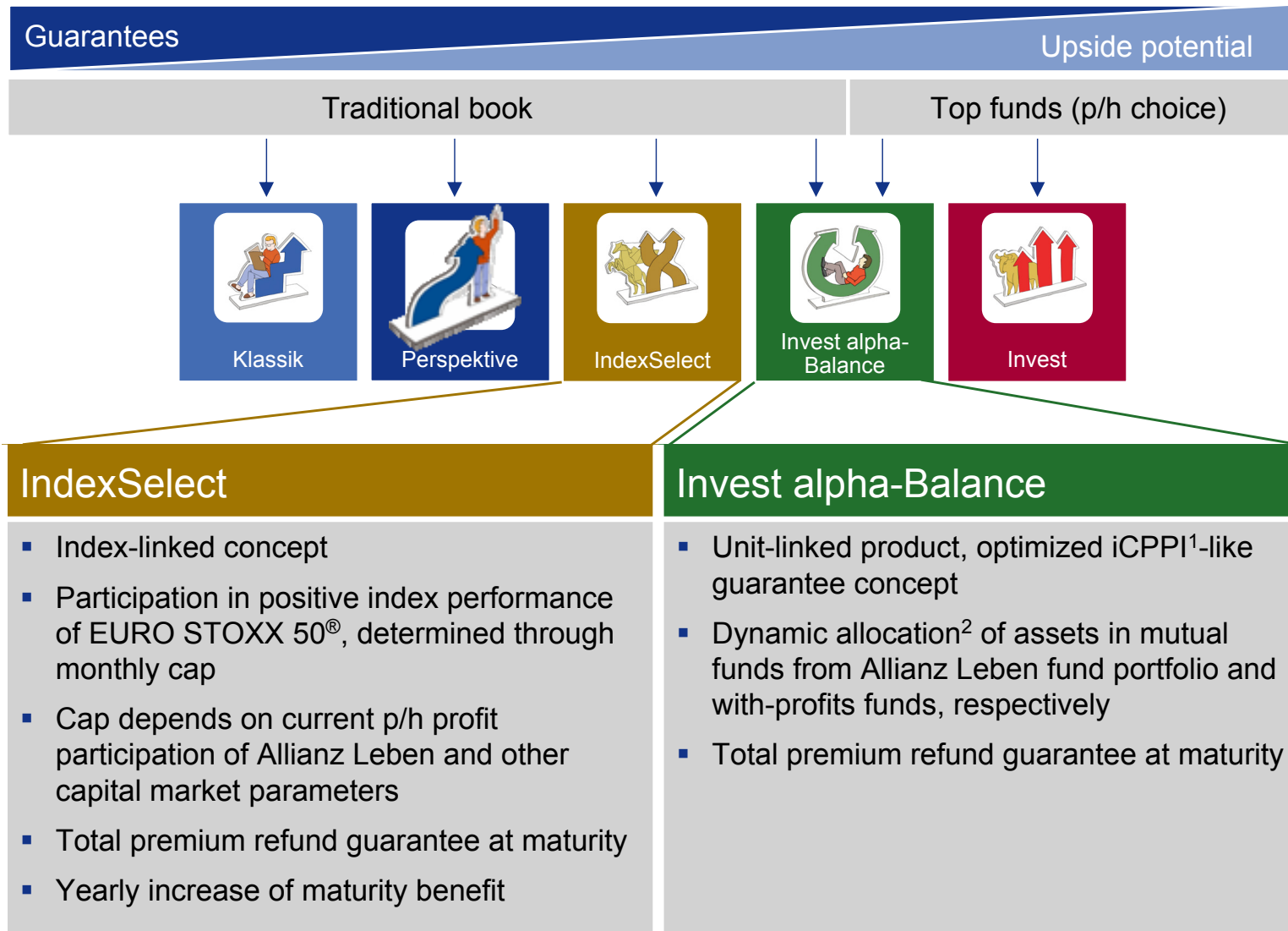
Portfolio effectively managed with strict modular system



© Allianz SE 2013

1) Körperschutzpolice

Value proposition for modern guarantee products – IndexSelect and Invest alpha-Balance



1) iCPPI = individual constant proportion portfolio insurance

2) Minimum allocation into with-profit fund

New product
Perspektive

With-profits annuities of Allianz Leben – Klassik and Perspektive

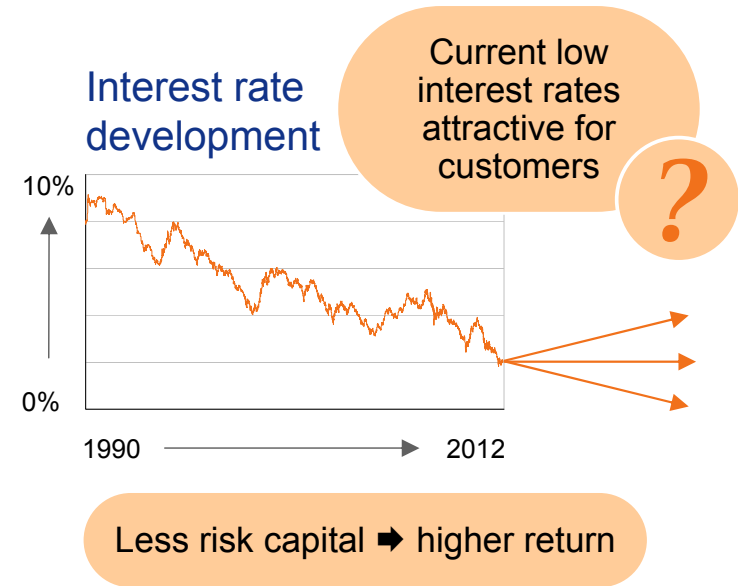


Klassik

- 1.75% guaranteed interest rate (on premium minus cost) for maturity benefit and annuity
- Yearly increase of annuity
- Annuitization of terminal bonus

Perspektive

- Total premium refund guarantee at maturity
- Minimum guaranteed annuity
- Yearly increase of maturity benefit
- Higher interest due to reduced risk
- Annuitization of maturity benefit based on rates at time of annuitization¹

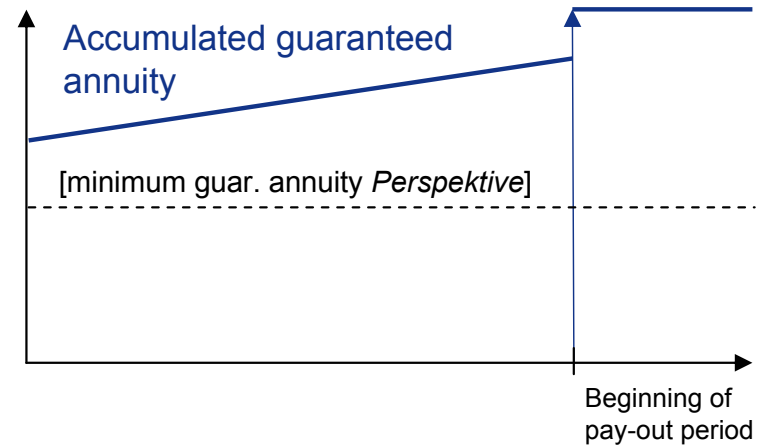
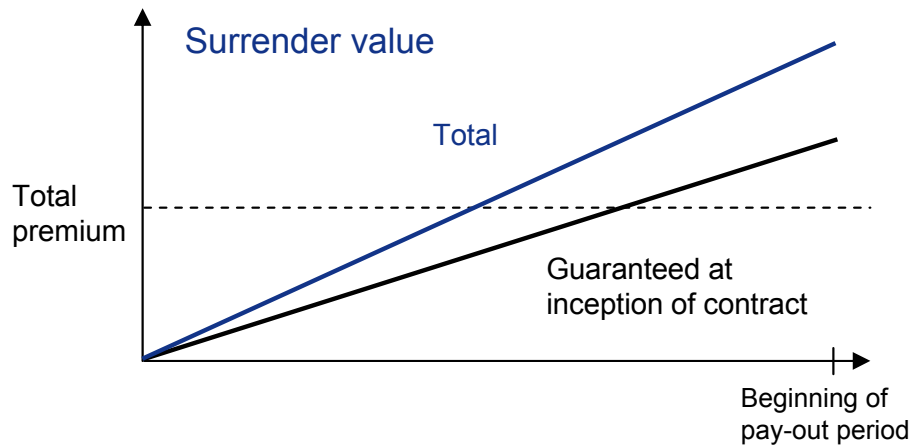


1) Max. of min. guaranteed annuity and annuity calculated at annuitization

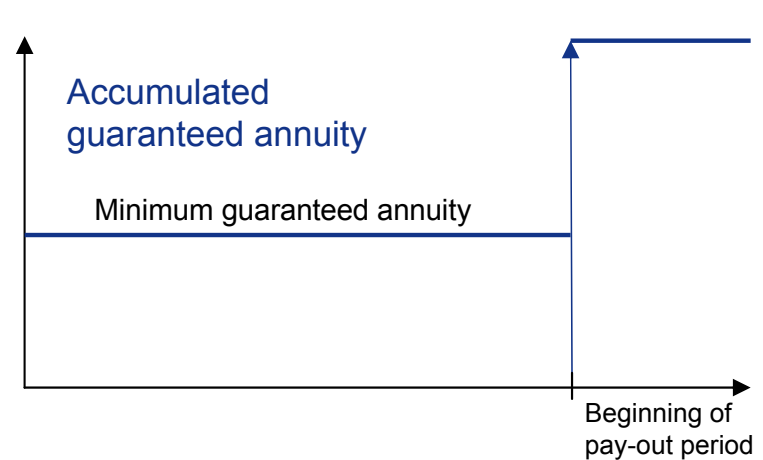
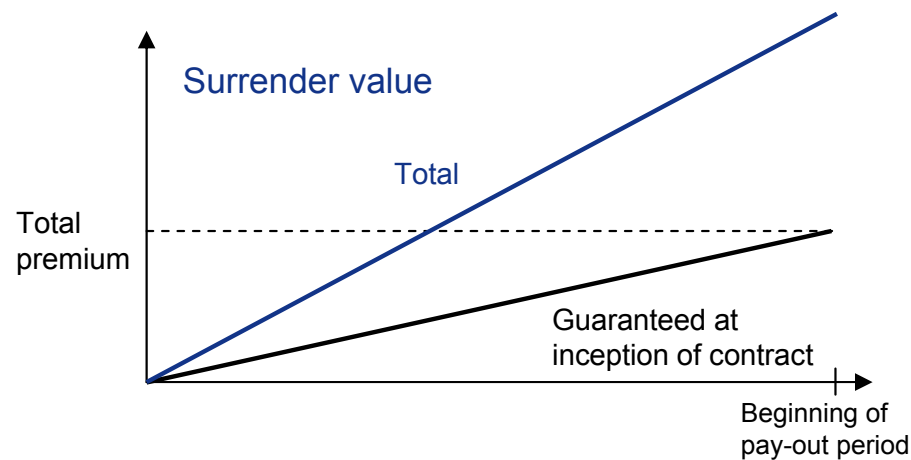
New product
Perspektive

Schematic comparison between Klassik and Perspektive

Klassik



Perspektive

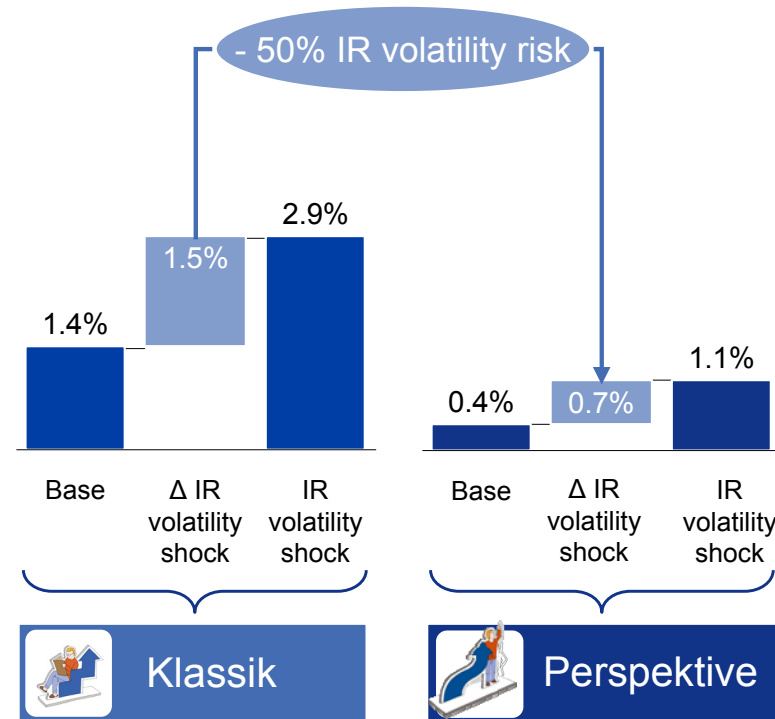
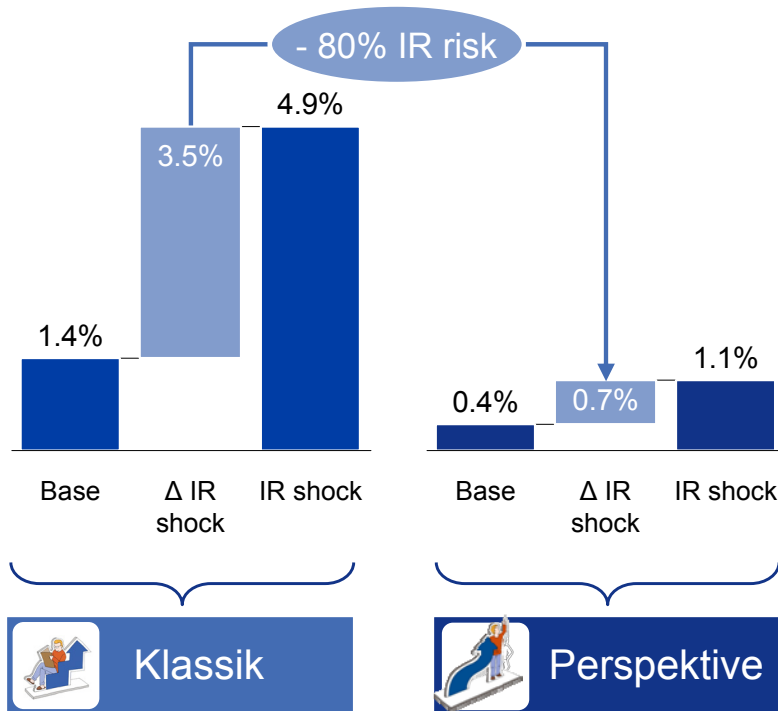


New product Perspektive

Considerably lower risk capital of new product

Interest rate shock – O&G (% PV premiums)

Interest rate volatility shock – O&G (% PV premiums)



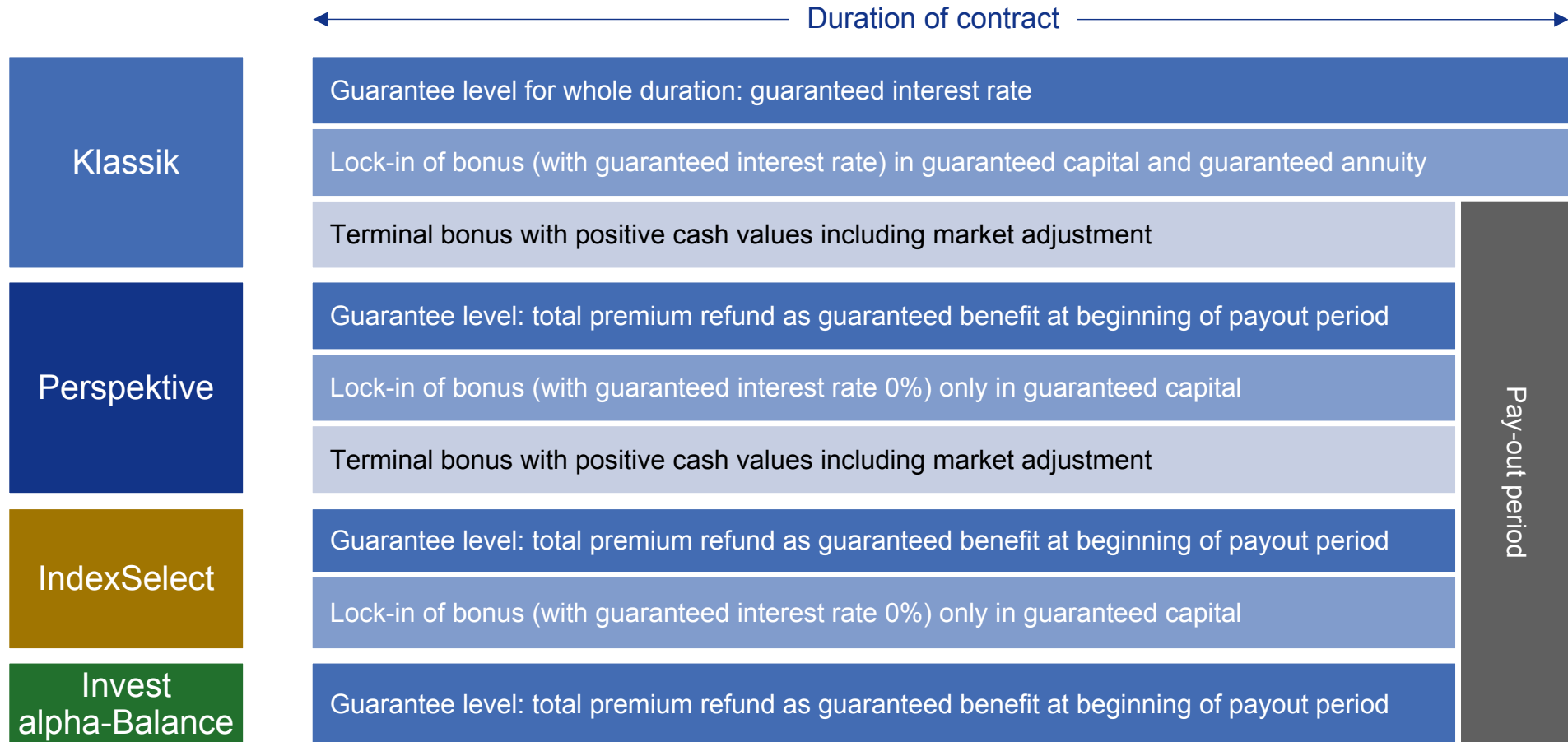
Assessment

- Strong decrease of IR risk capital components for new business
- New product strongly reduces portfolio sensitivity to adverse scenarios

▶ New product will reduce risk capital consumption in the long run

New product Perspektive

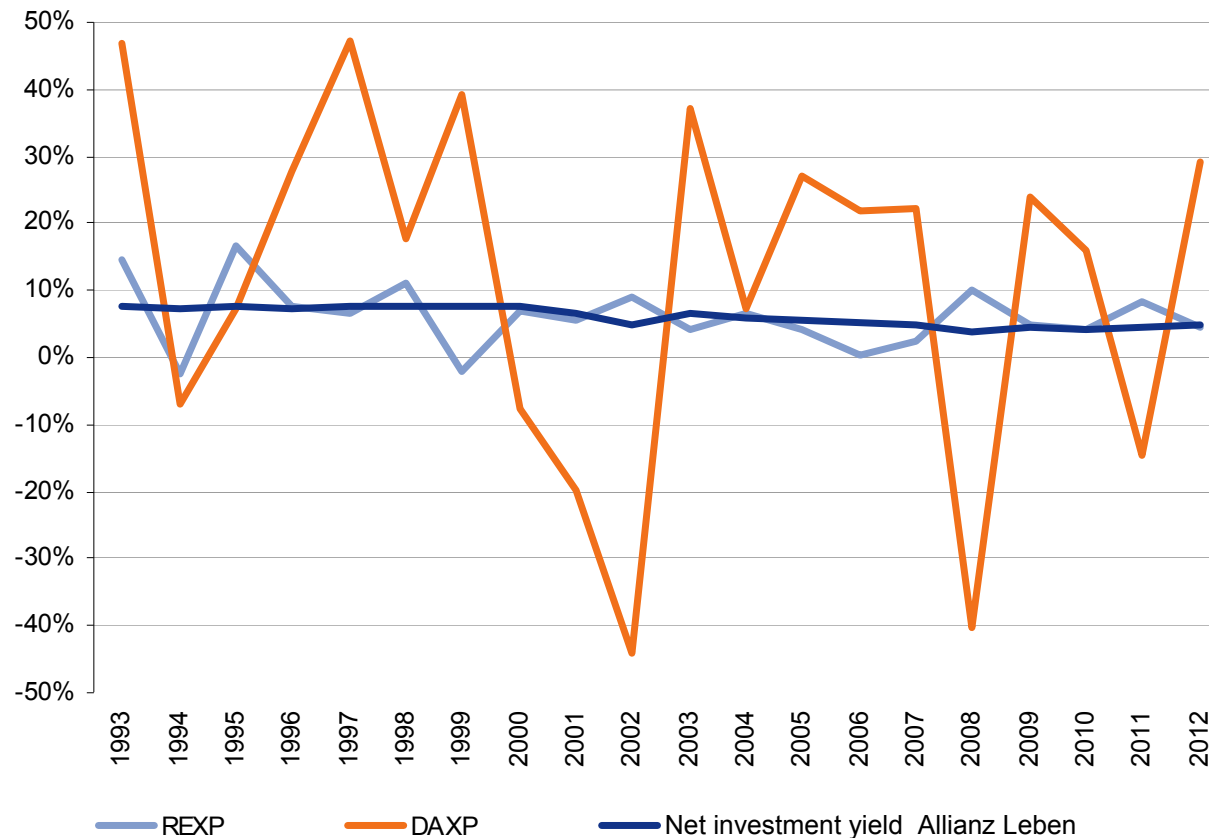
New traditional product utilizing all accessible risk reduction levers





Attractive performance of the special account „Sicherungsvermögen“

Net investment yield (local GAAP) and volatility in comparison to shares and bonds

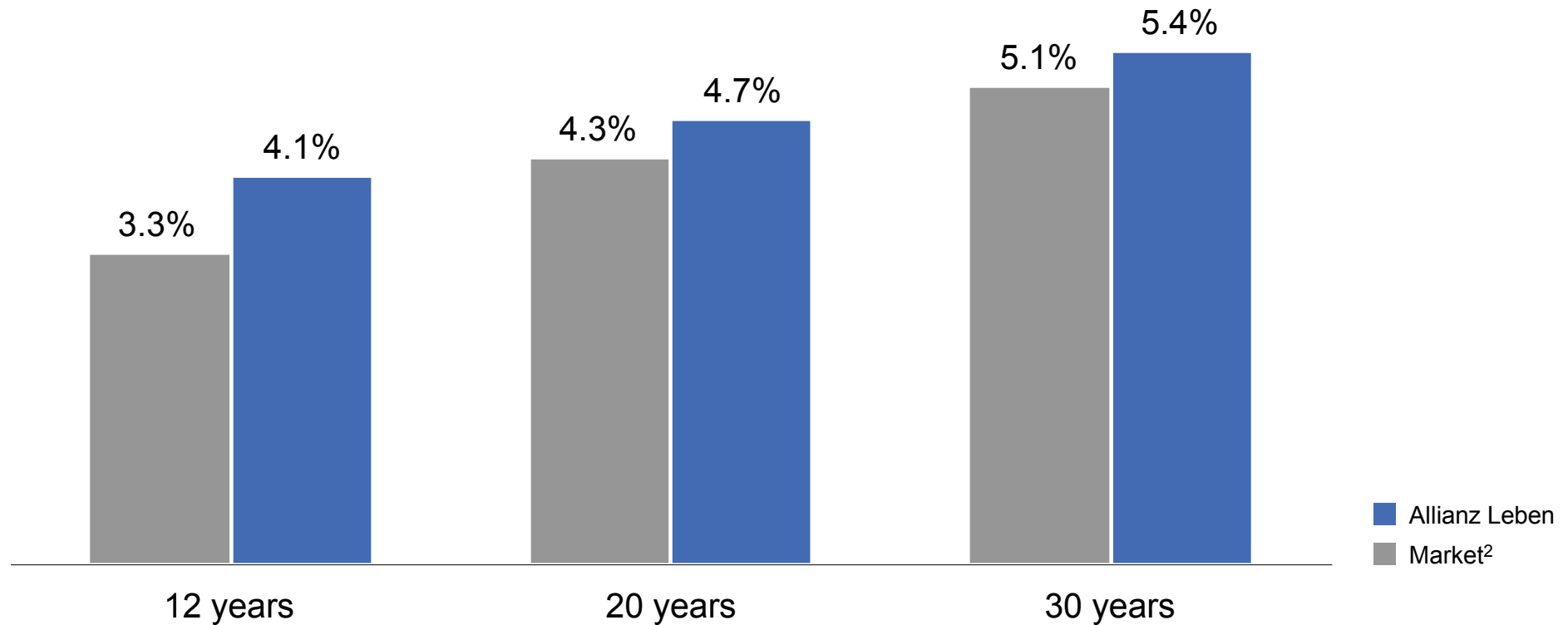


Performance and volatility 2001 – 2012 [p.a.]	Performance	Volatility ¹
Net investment yield Allianz Leben	5.2%	1.0%
Net investment yield of competitors ²	4.6%	1.0%
EURO STOXX 50P	-2.2%	23.5%
DAXP	1.4%	28.0%
MSCI World	2.7%	22.0%
REXP	5.3%	2.8%
German government bonds (10 years)	3.6%	1.0%

1) Volatilities of net investment yield only until 2011
 2) Net investment yield 2012 of competitors preliminary
 Sources: Bloomberg, GDV, Allianz

Performance **Above market performance of Allianz Leben products**

Performance p.a. of endowment insurances maturing 2013¹ (in %)



1) Type of contract: male, journalist, non-smoker, age at entry: 30 years, endowment insurances without discounts, yearly payment in advance: EUR 1,200, death benefit 100%; performance includes term life insurance (→ includes risk premium)

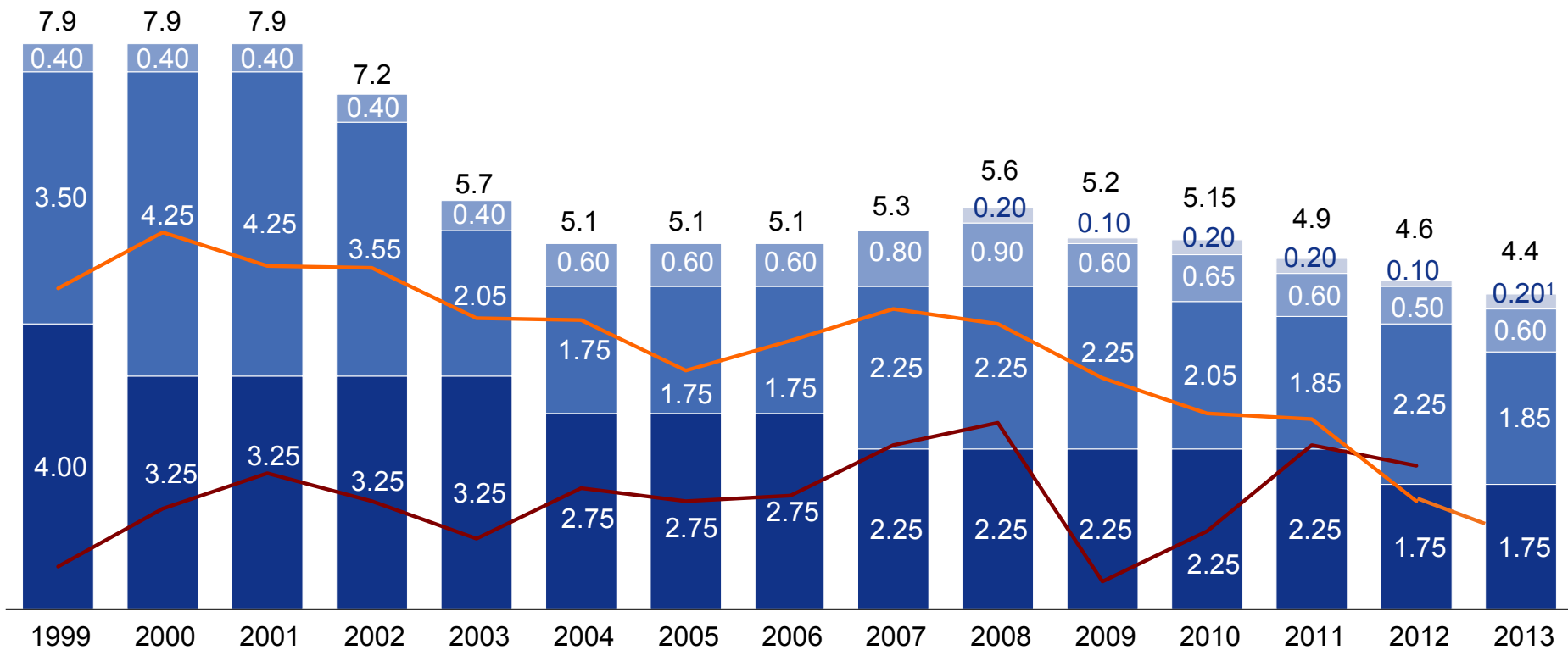
2) Not weighted, including Allianz

Sources: map-report p 826-829

Performance

Continuous and attractive overall return for customers

Profit participation rates of Allianz Leben 1999 – 2013 (in %)



- Valuation buffer participation (without "Sockelbetrag")¹
- Terminal bonus and "Sockelbetrag"
- Profit participation

- Technical interest
- Inflation (annual average)²
- Federal bond (annual average, term of 10 years)³

1) Valuation buffer participation assumes an exemplary additional interest rate of 0.2% for 2013
 2) Source: Federal Statistical Office
 3) Source: German Federal Bank, WX3950

Cost transparency

New focus topic transparency

Transparency initiatives

EU initiatives	German government initiatives
<ul style="list-style-type: none"> ▪ MiFID¹ ▪ IMD 2² ▪ PRIP³ 	<ul style="list-style-type: none"> ▪ Insurance contract law (VVG-InfoVO) ▪ Riester/Basic product information (PIB)



Selected Allianz measures for customer protection
<ul style="list-style-type: none"> ▪ Initiative on cost/benefit transparency ▪ Harmonized terms and conditions ▪ Digital folder for documents referring to insurance contracts "Meine Allianz"

Cost/benefit transparency through publication of reduction in yield

Example: Klassik / traditional business

	Yield assumption before all costs	4.35%
−	Up-front charges and other (recurring) charges	RiY 1.00%
=	Resulting yield after costs	3.35%

RiesterRente Klassik (ARS1), duration of contract 30 years, annual premium EUR 1,200



- Reduction in yield indicates to which extent costs reduce the annual yield
- Resulting yield after costs: transparent and comprehensible
- Suitable and comparable to other old age provision products

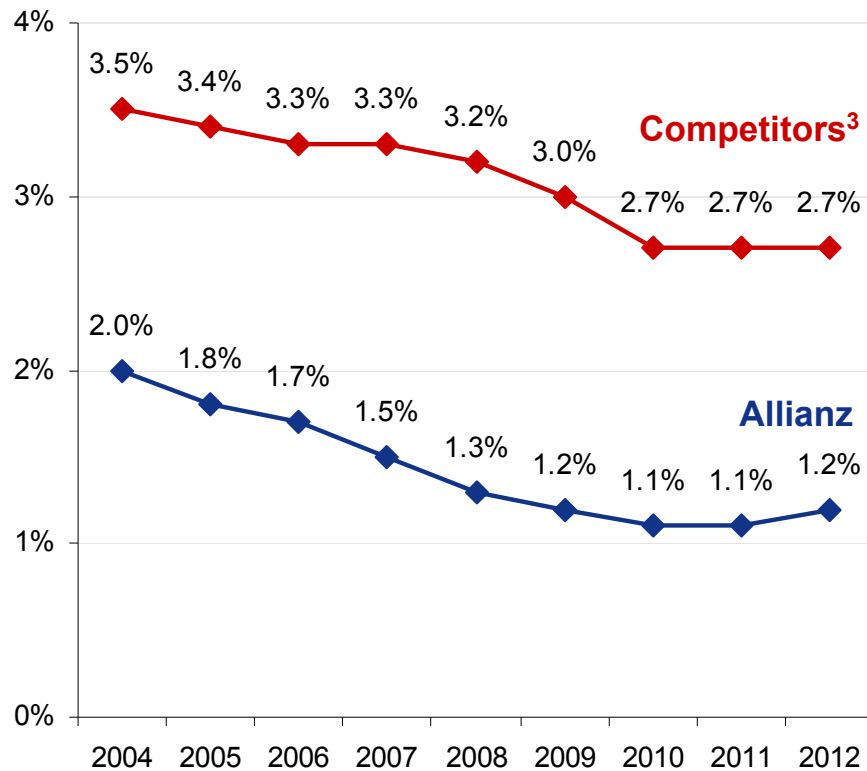
1) MiFID = markets in financial instruments directive
 2) IMD 2 = insurance mediation directive

3) PRIP = packaged retail investment products
 Sources: Allianz

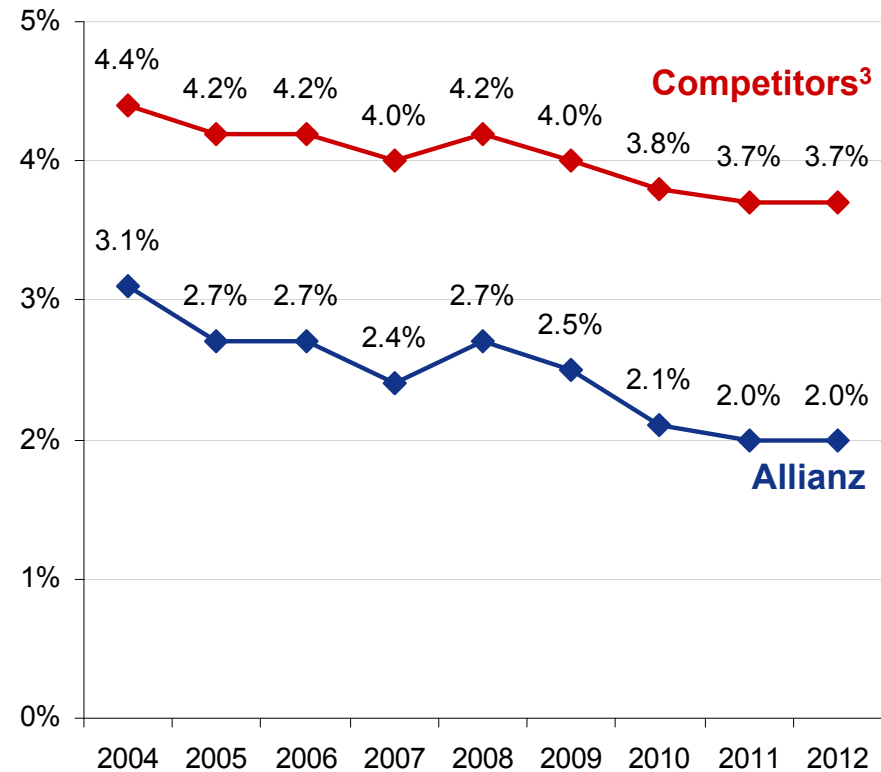
Costs and lapses

Allianz Leben with low and transparent costs – high customer satisfaction visible in low lapse rates

Administrative cost ratio¹ (%)



Lapse ratio² (%)



➔ Low costs

➔ Low lapse ratios

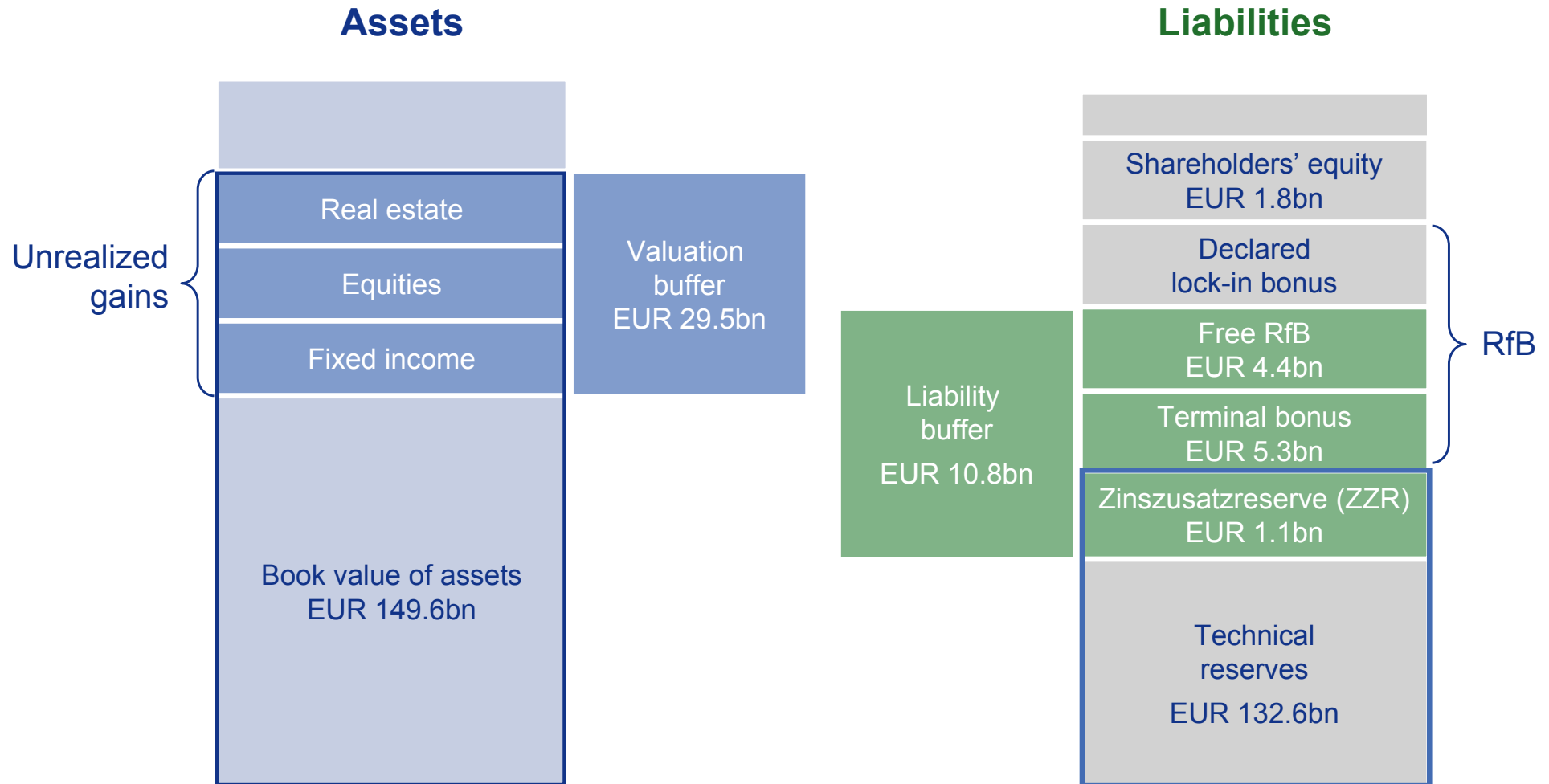
1) Based on GPW
 2) Based on number of contracts
 3) Market without Allianz (GDV)
 Sources: GDV, Allianz

Agenda

- 1 German life market and opportunities
- 2 Products with customer focus
- 3 **Strong financials for all stakeholders**
 - 3.1 Available buffers of Allianz Leben
 - 3.2 Zinszusatzreserve and other management levers

Available buffers

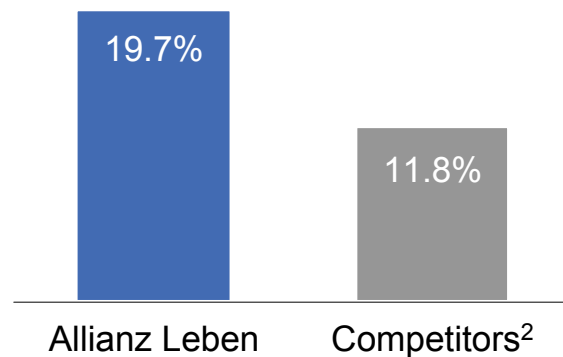
Strong balance sheet with sufficient buffers



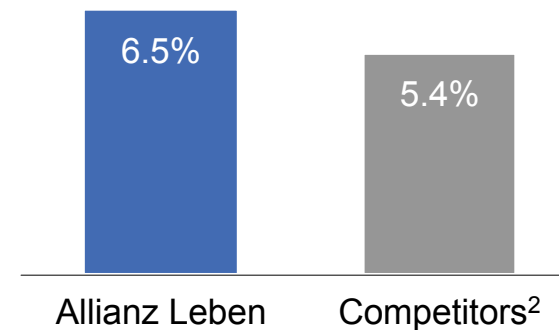
Available buffers

Above average buffers as basis for superior investment results

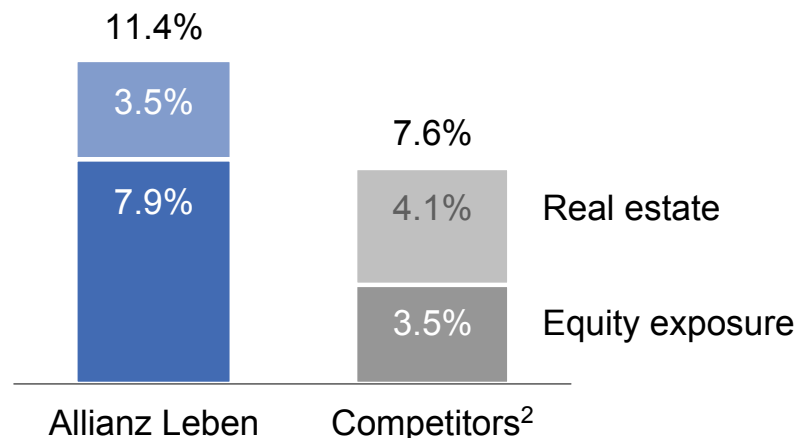
Valuation buffer 2012¹
(in % of book value of assets)



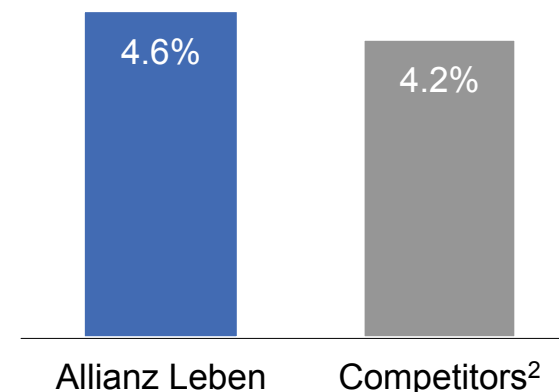
Policyholder reserves 2012¹
(free RfB and terminal bonus fund, in % of book value of assets)



Equity exposure and real estate 2012¹
(in % of book value of assets)



Average net investment result 2010 - 2012¹
(in % of book value of assets)



1) Based on local GAAP figures

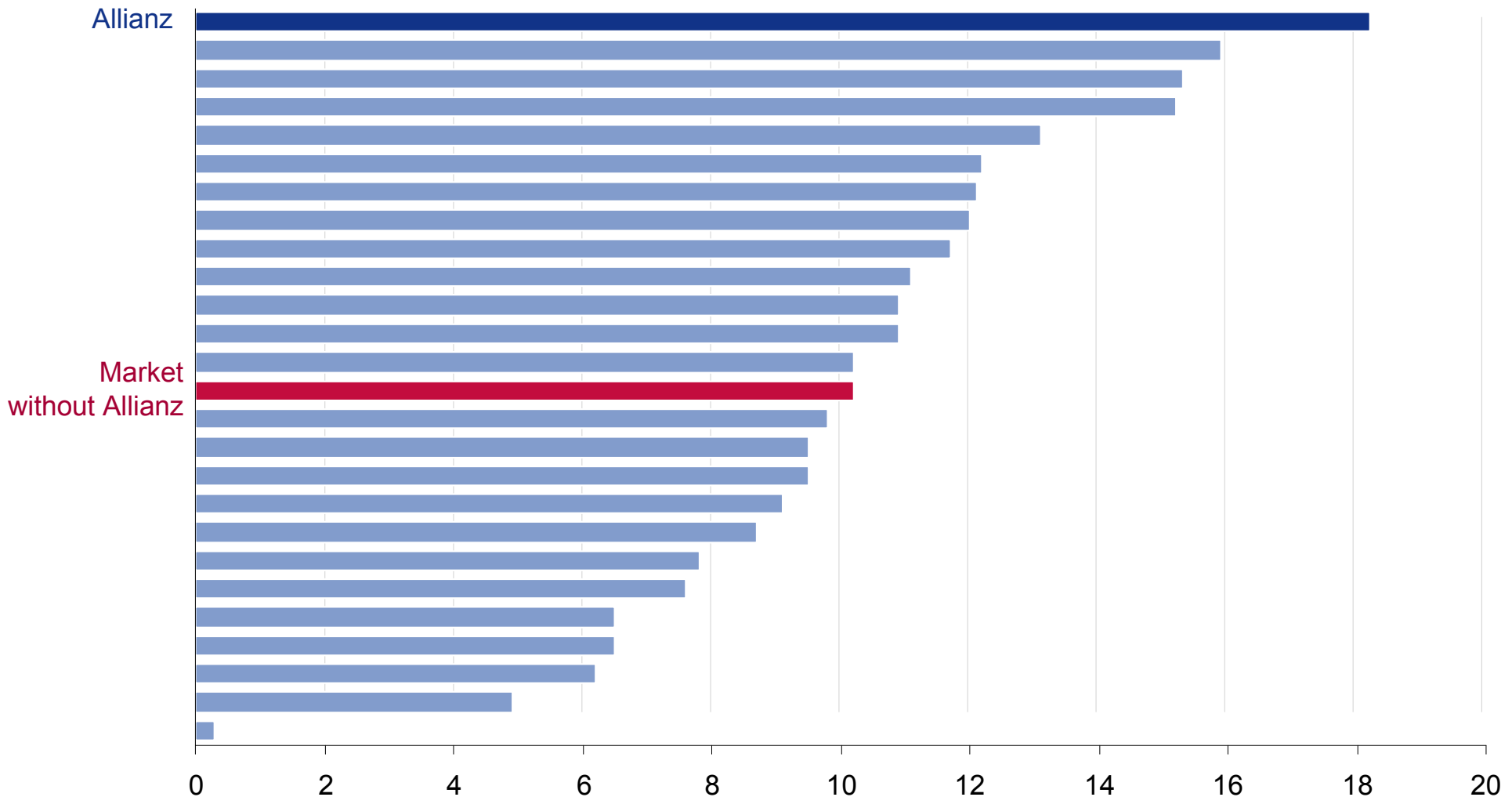
2) Competitors defined as GDV market without Allianz Leben

Sources: Allianz, GDV-Quartalsstatistik, GDV-Kennzahlenmappe

Available buffers

Strong position of Allianz in German life market in respect to overall buffers¹

Overall buffers¹ of Top 25 life companies (in % of book value of assets as of 31.12.2011)

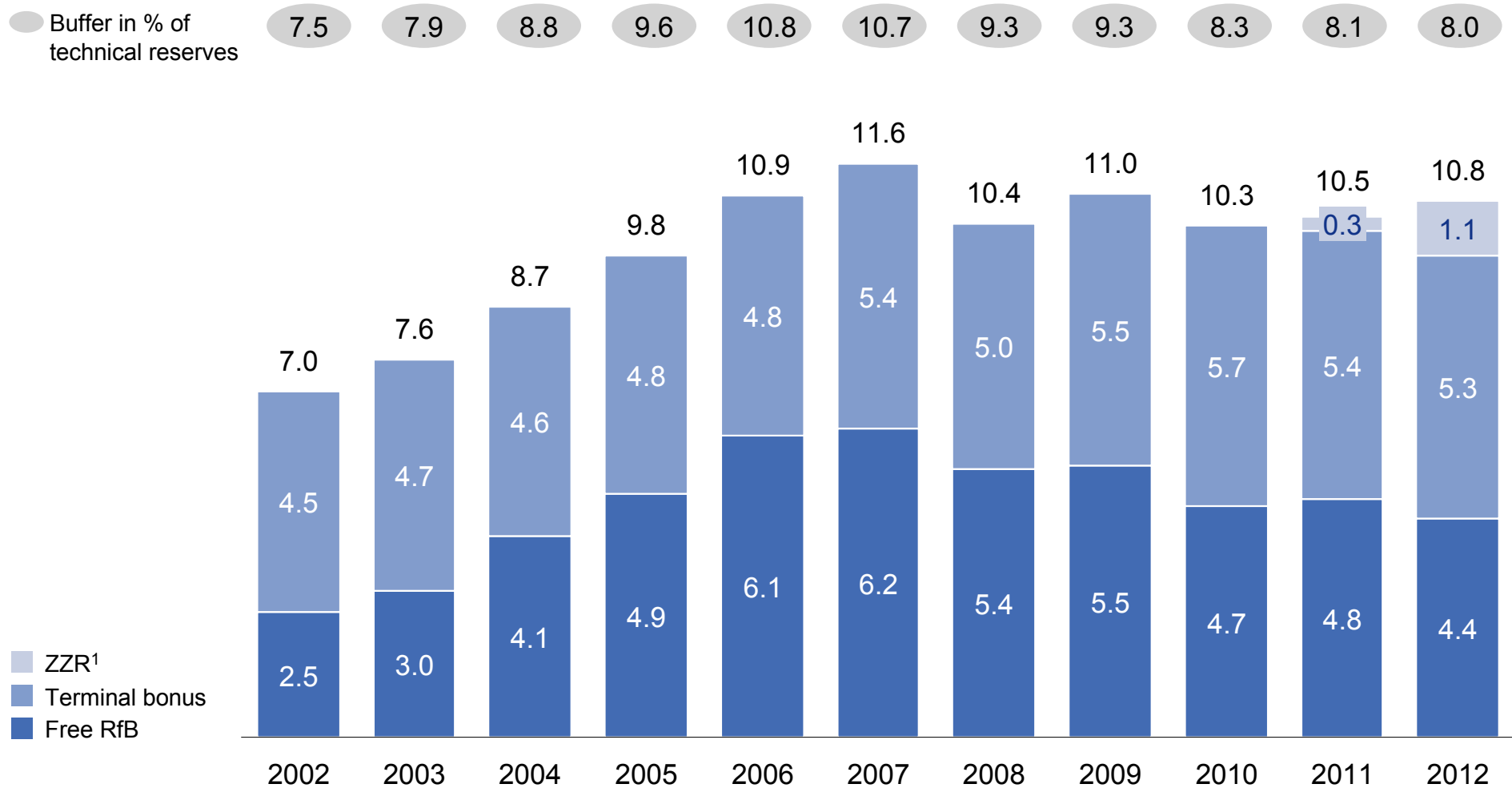


© Allianz SE 2013

1) Valuation buffers and policyholder reserves (free RfB and terminal bonus)
Sources: annual reports, GDV

Available buffers

Stable buffers on liability side (in EUR bn)

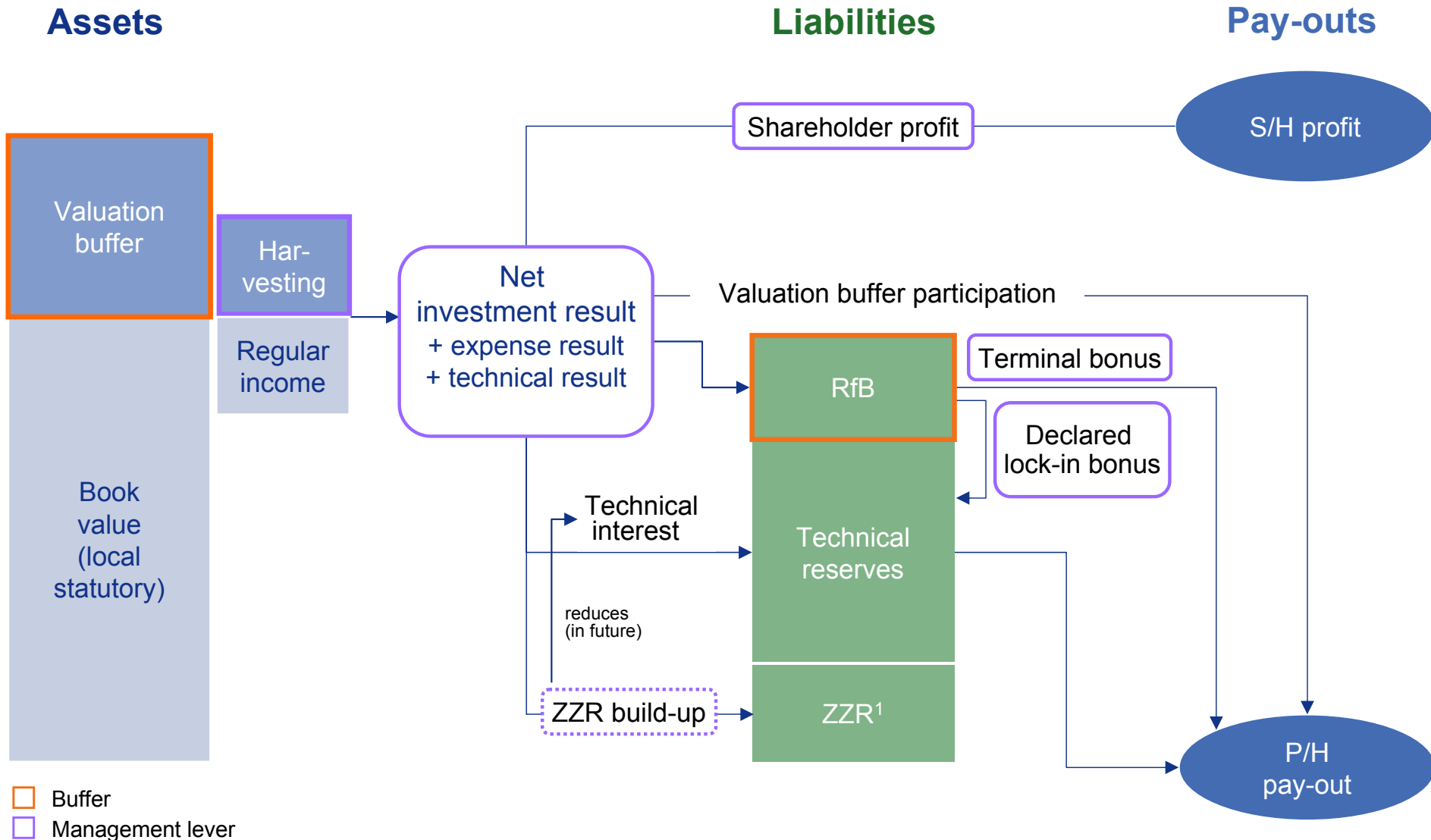


ZZR¹
Terminal bonus
Free RfB

1) ZZR = Zinszusatzreserve (reserve for low interest rate environment)

Management
levels

Steering of in-force profit participation contains various buffers and levers to cope with market volatilities

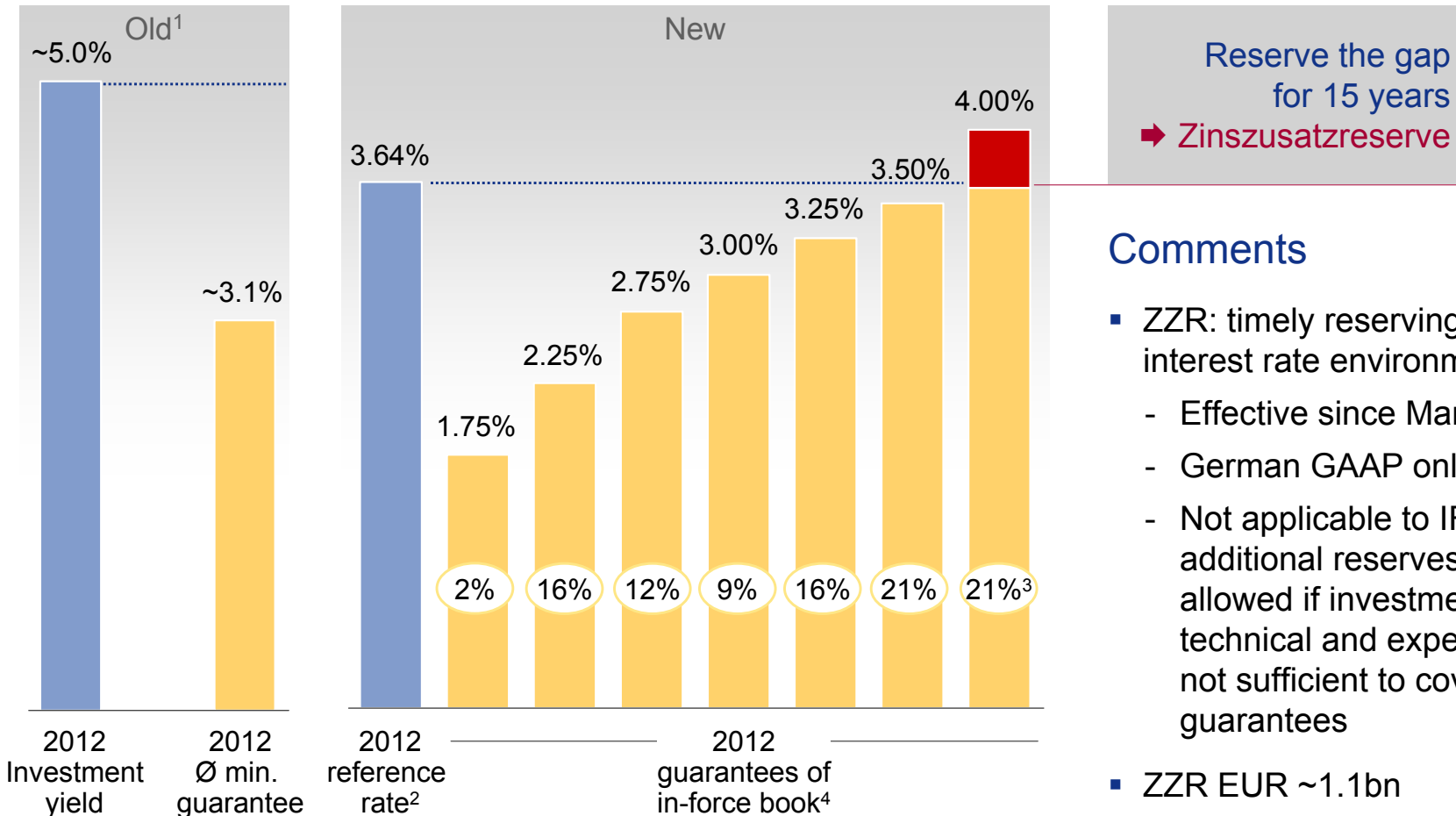


1) ZZR = Zinszusatzreserve (reserve for low interest rate environment)

ZZR +
management
levers

Mechanics of the Zinszusatzreserve (ZZR) for in-force portfolio

Allianz Leben, local GAAP



Comments

- ZZR: timely reserving for low interest rate environment
 - Effective since March 2011
 - German GAAP only
 - Not applicable to IFRS; additional reserves only allowed if investment yield and technical and expense result not sufficient to cover guarantees
- ZZR EUR ~1.1bn

1) Old methodology (without Zinszusatzreserve) pro forma
 2) 10yr average of 10yr European government bonds (AAA-rating)
 3) 24% will mature in the next 5 years; about 2/3 without annuity option
 4) Only significant guarantees listed. The remaining 3% include for instance Allianz Parkdepot
 Source: Allianz

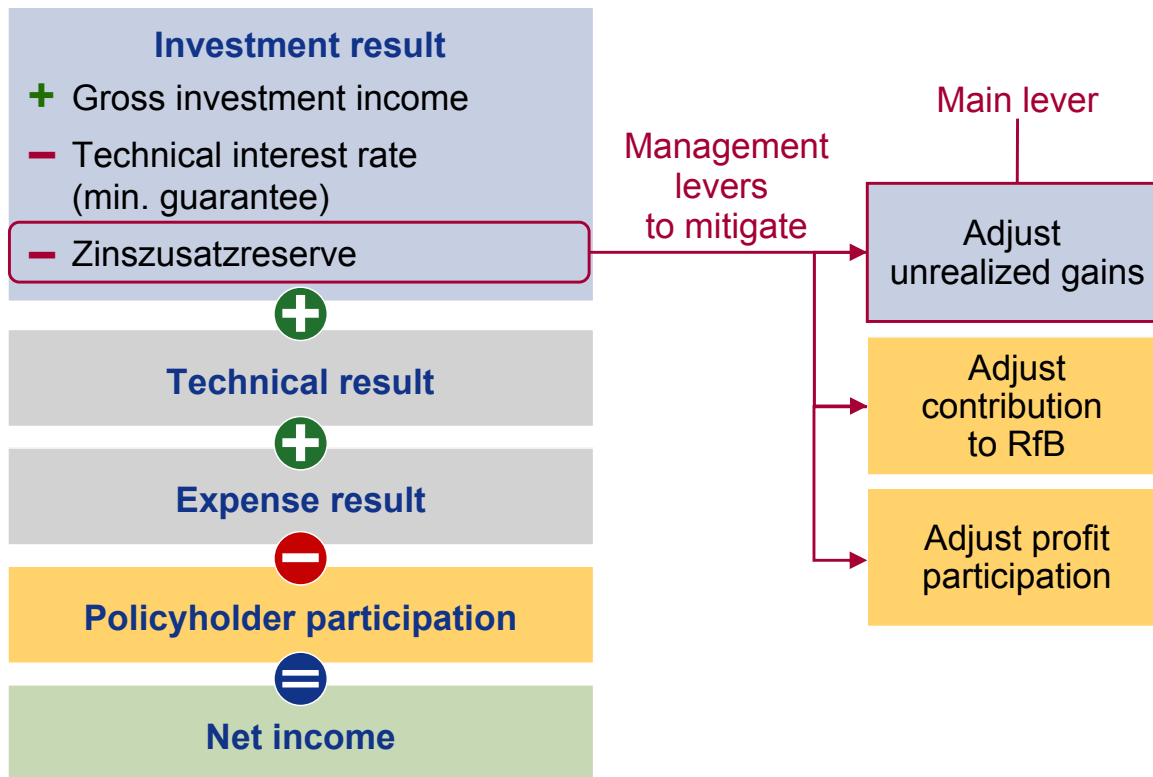
○ Share of in-force book

ZZR +
management
levers

Management levers to mitigate expenses for Zinszusatzreserve (ZZR)

Management levers

German life P&L (simplified)



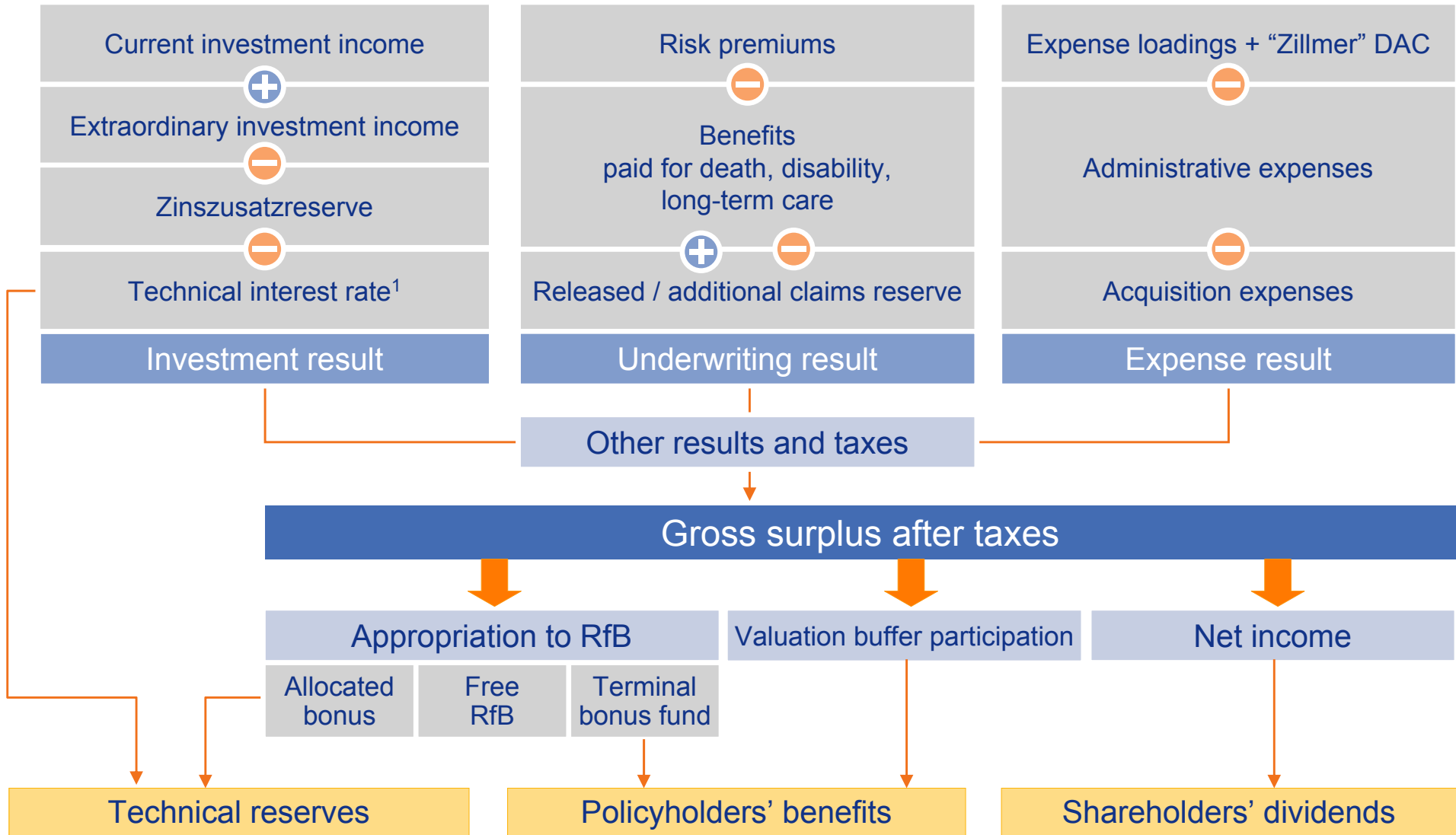
Comments

- ZZR EUR ~1.1bn
- Allianz Leben has powerful levers to mitigate expense for ZZR
 - EUR 29.5bn unrealized gains
 - EUR 9.8bn RfB¹
- ZZR is not lost
 - Release if interest rates rise
 - Finance guarantees if interest rates stay low
- ZZR puts discipline into market

1) Free RfB + RfB for terminal bonus

Management
levers

Buffers on liability side – the RfB mechanism to appropriately apportion results to all stakeholders

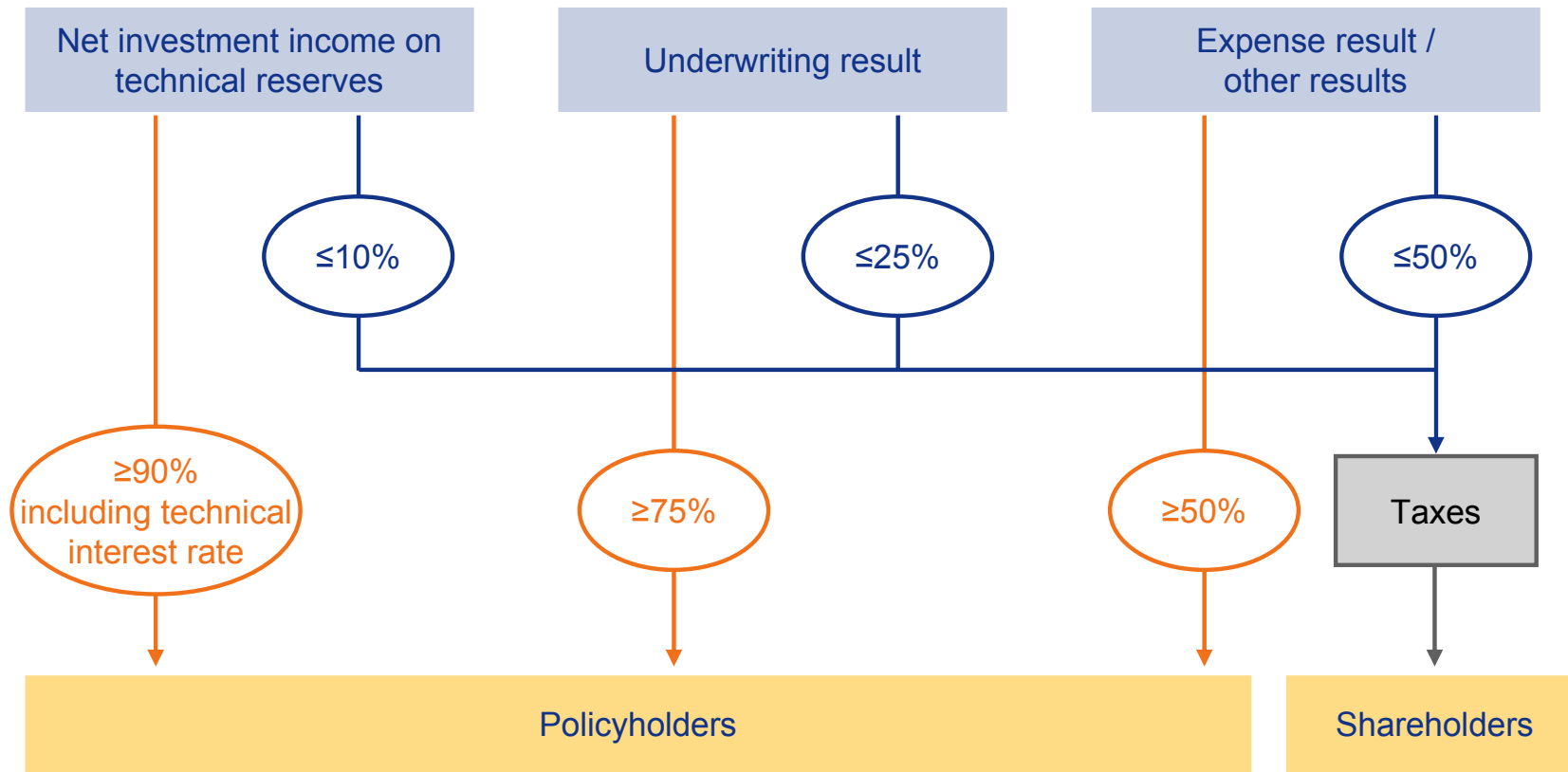


1) On average 3.1% on mathematical reserves

Management
levers

Buffers on liability side – the principle of the „Mindestzuführungsverordnung“¹

Features of profit participation²



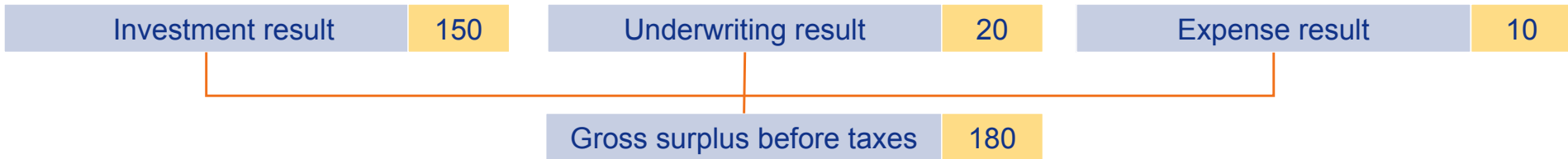
1) MindZV, minimum allocation decree: rules for profit participation
 2) Simplified display; figure is valid as long as all results are not negative. Losses remain entirely with shareholders, except in exceptional cases (possibility of offsetting for unexpected losses)

Management
levers

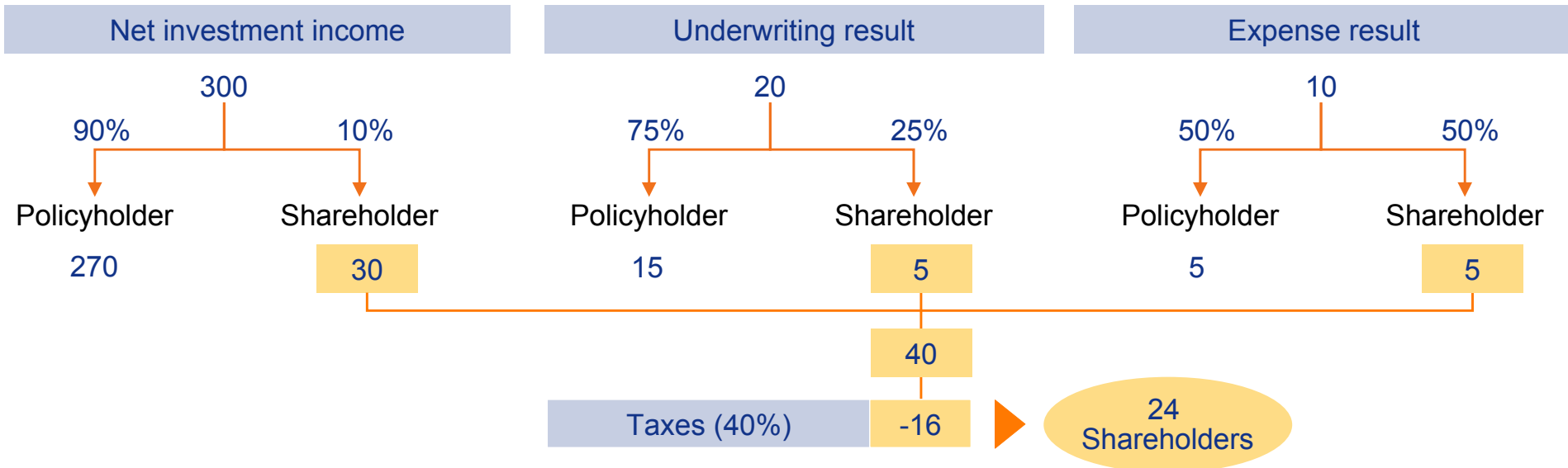
Example for maximum shareholder participation according to MindZV¹

Sources of surplus

Net investment income ²	300
- Technical interest	-140
- Zinszusatzreserve	-10



Profit participation

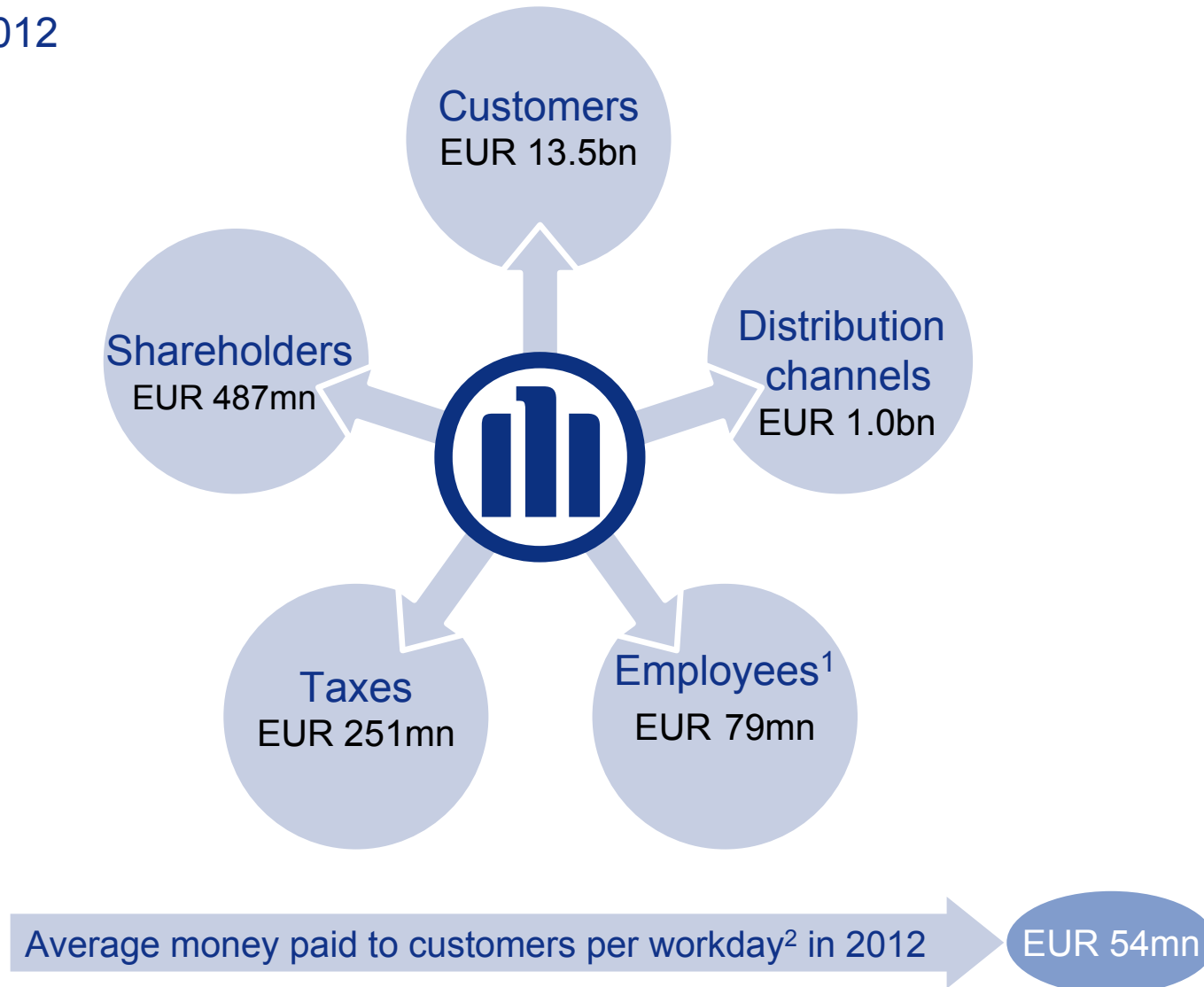


1) Figures exemplary
 2) Without return on shareholders' equity

Performance

Allianz Leben – strong financial community

Pay-outs in 2012

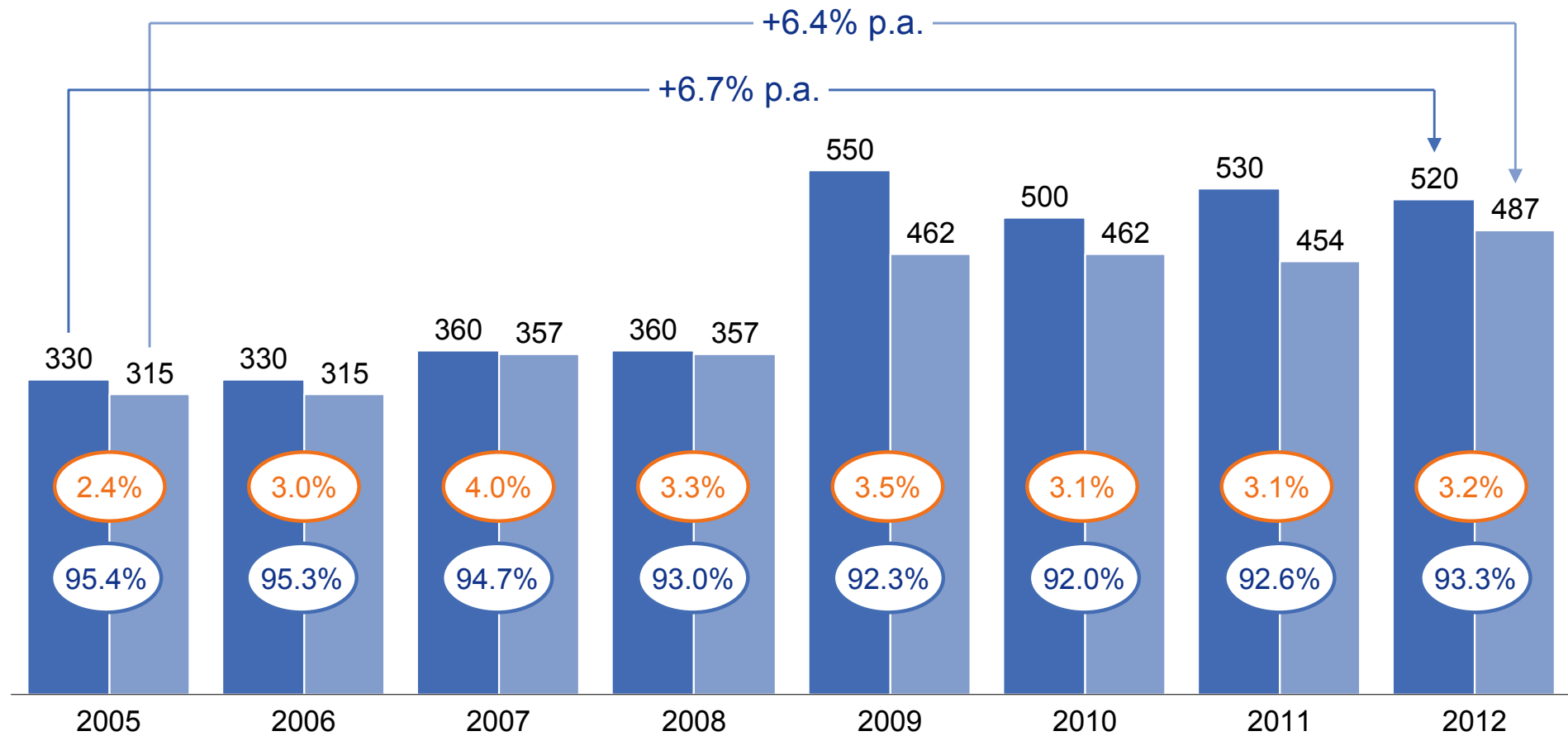


1) Own employees of Allianz Leben only
2) Average: 250 workdays in Germany
Sources: Allianz Leben annual report

Performance

Stable income for shareholders

Net income and dividends (local GAAP, in EUR mn)



- Net income
- Dividend
- New business margin as reported
- Share of total return¹ for customer

1) Sum of technical result, expense result and net investment income
Sources: Allianz

Performance

Allianz Leben MCEV with limited sensitivity

Sensitivity	MCEV 2012 (in EUR mn)			
Central assumption	9,480			
Risk free rate -100bps	7,604	-19.8%	-1,876	
Risk free rate +100bps	10,171	7.3%		691
Swaption volatilities +25%	8,983	-5.2%	-497	
Swaption volatilities -25%	9,944	4.9%		465
Illiquidity premium 0 and without yield curve anchoring	5,969	-37.0%	-3,511	
Ultimate forward rate -100bps	8,927	-5.8%	-553	

Main stabilizing effects implemented in 2012

- Additional reserve for low interest rates (Zinszusatzreserve)
- Yield curve extrapolation: entry point at year 20 instead of year 30
- Volatility anchoring

Summary



Achievements

Consistent growth in pension market

Market leadership and profitability extended

Strong financials

High customer loyalty



Strategy / initiatives / ambition

Offer broad range of top-ranking products extended by new product “Perspektive”

Underwrite for margin

Sustain financial strength by in-force and new business management

Constantly measure and improve customer satisfaction

Life insurance – investment strategy

Jörg Ladwein
CIO

Allianz Investment Management SE,
Munich

Berlin, June 25, 2013



Agenda

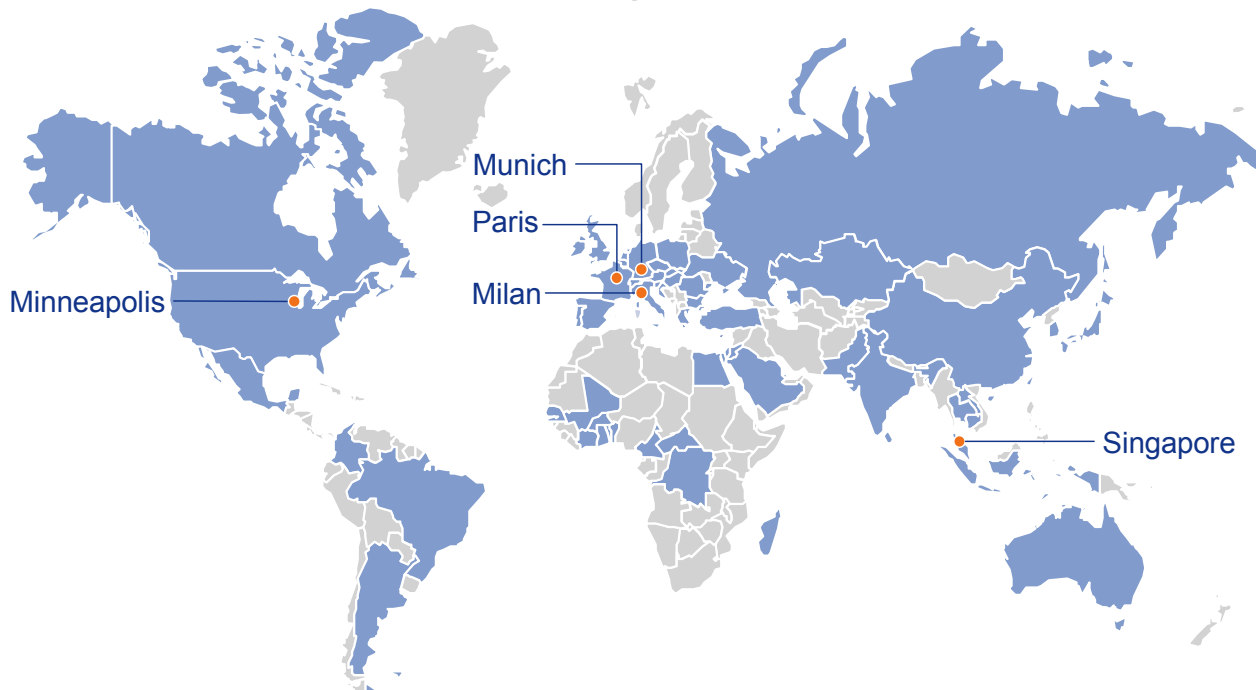
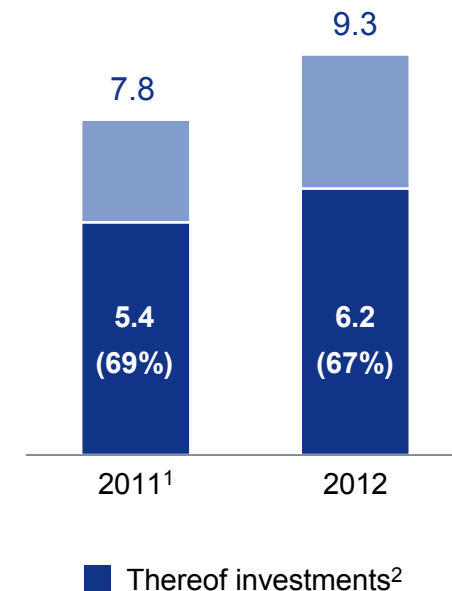
- 1** Investment approach
- 2** Investment portfolio
- 3** Investment performance
- 4** Low yield environment – active investment management
- 5** Summary

AIM ensures strong contribution of investment result to operating profit

Allianz Investment Management (AIM)

Objective	Facts
Contributes to capital efficiency by maximizing risk-adjusted investment return within a standardized process	<ul style="list-style-type: none"> ▪ Covering EUR 508bn (EUR 461bn in 2011) insurance assets of Allianz Group ▪ 5 regional hubs ▪ 325 employees

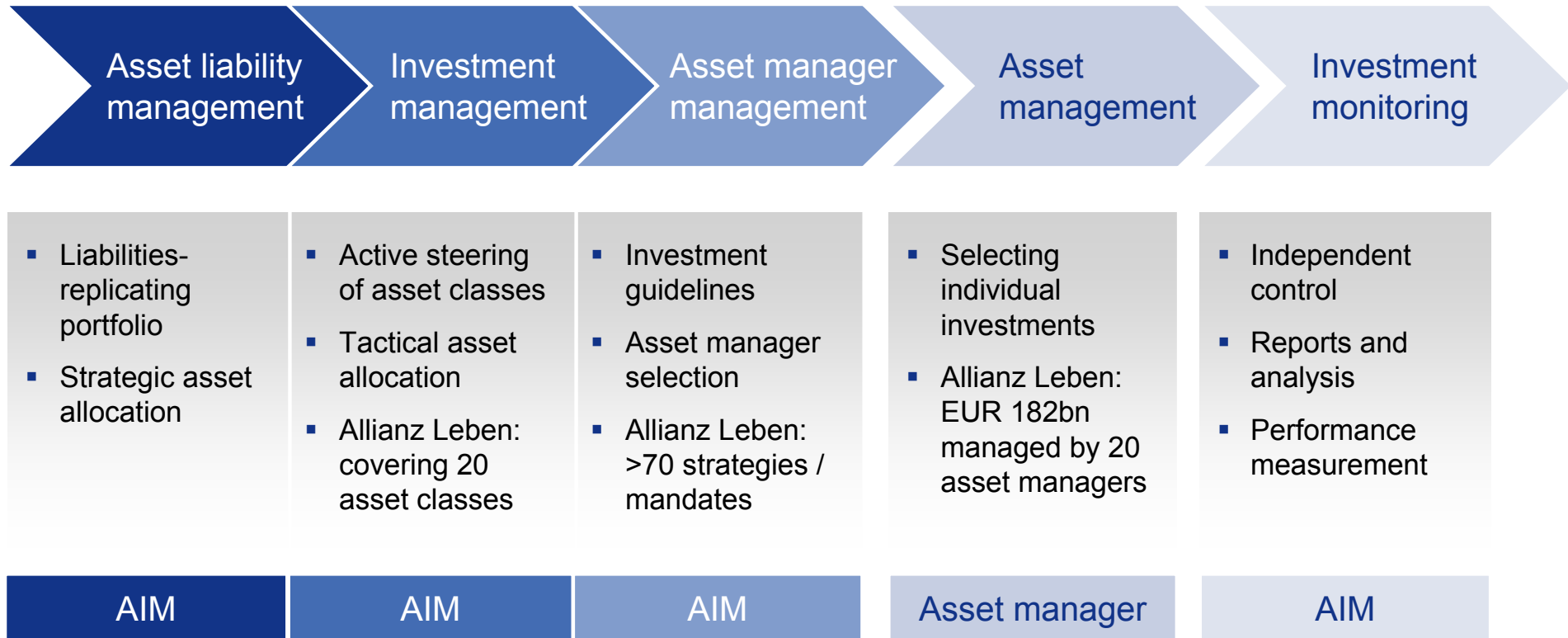
Allianz Group Operating profit (EUR bn)



1) L/H investment margin in 2011 is restated to the new reporting format of operating profit sources introduced in 2012

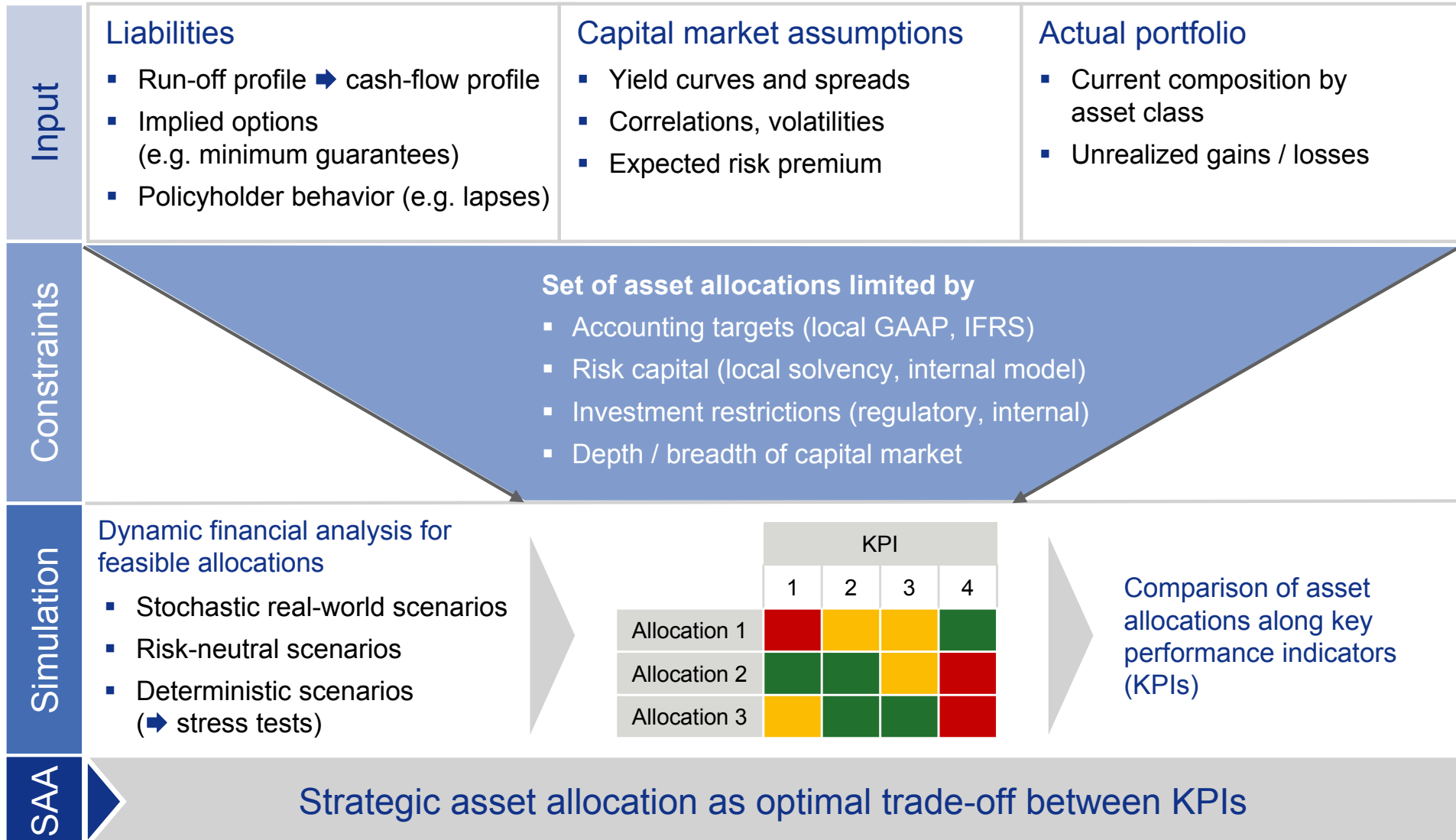
2) Insurance business only (P/C + L/H)

Investment process



▶ Split between investment and asset management

Asset liability management: from liabilities to the (strategic) asset allocation



Agenda

- 1 Investment approach
- 2 Investment portfolio**
- 3 Investment performance
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Investment steering based on market values

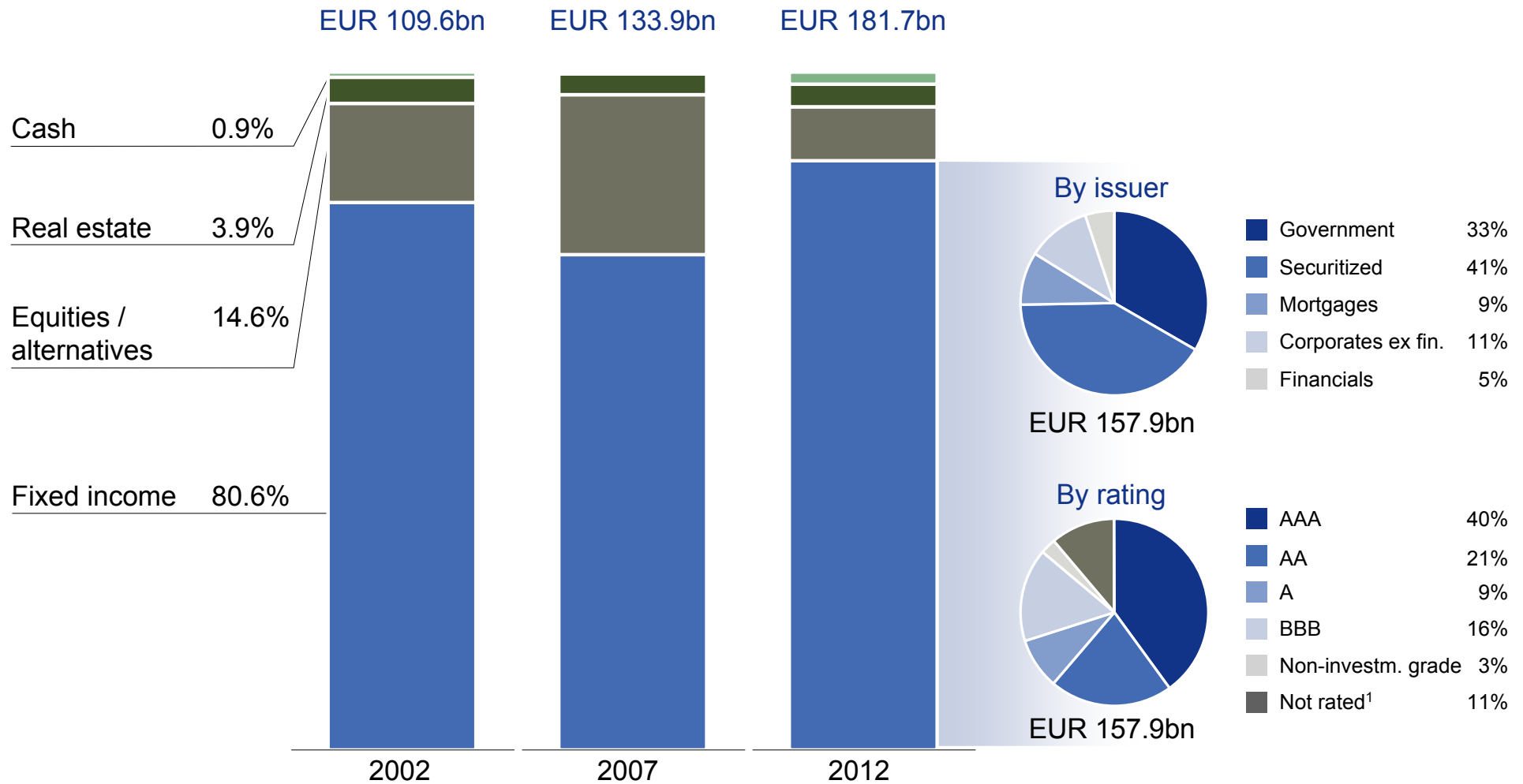
Allianz Leben investment portfolio – from an accounting (IFRS) view to an economic view



1) Excluding unit-linked assets EUR 4.1bn

2) E.g. including FVO and trading, real estate own use and alternative assets

High-quality investment portfolio (1/2)



1) Not rated including 9% mortgages with top quality collateral

High-quality investment portfolio (2/2)

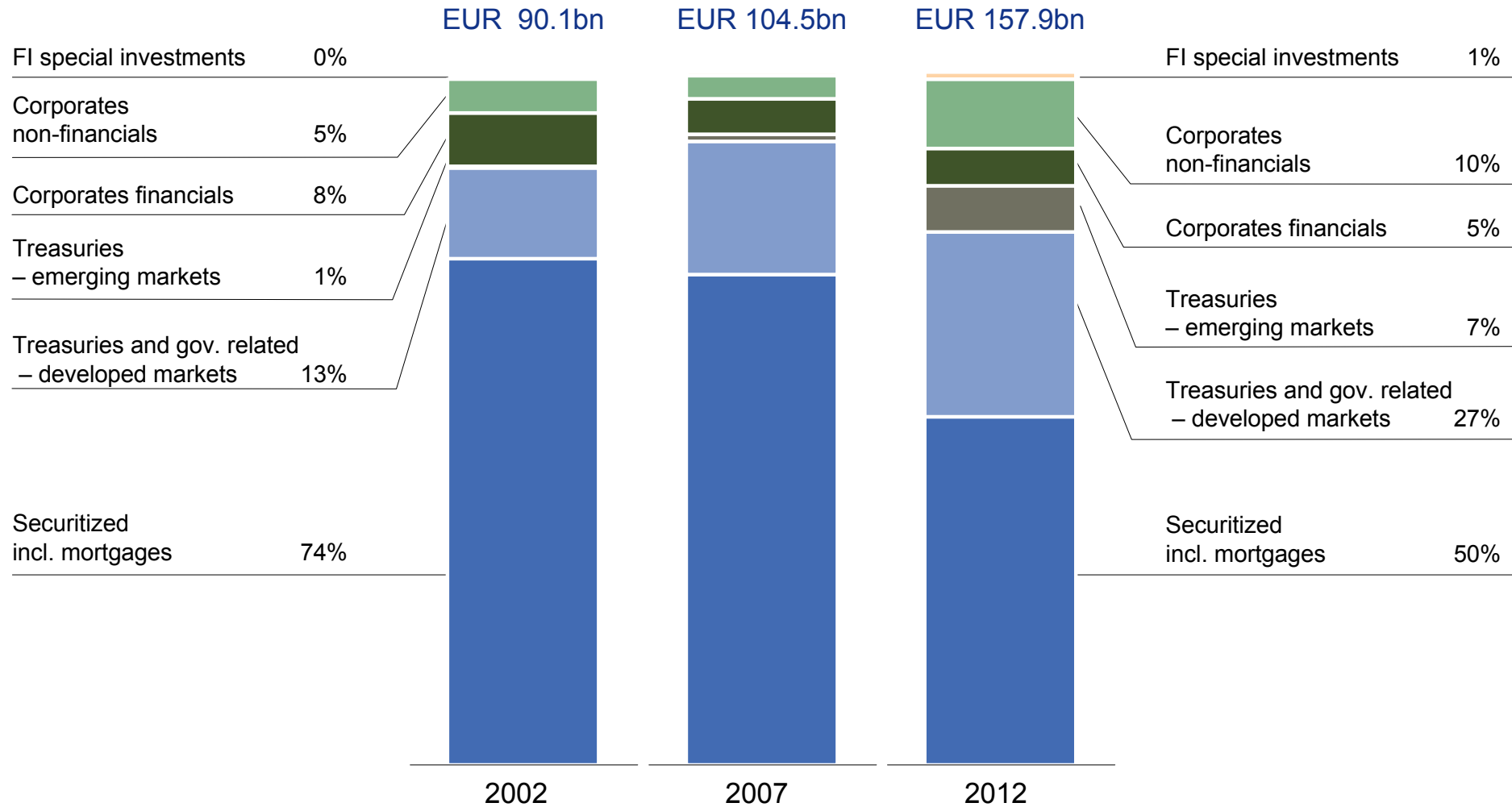
Fixed-income portfolio – very limited valuation issues

	Assets (EUR bn)	2012 impairments (EUR mn)	Aggr. 5-yr impairments (EUR mn)
Government	52.6	0	-131
Securitized	65.4	–	-11
Mortgages	13.9	–	–
Corporates ex fin.	16.8	-1	-65
Financials	9.0	–	-77
Total	157.9	-1	-284

Impairments (in bps)
of debt portfolio

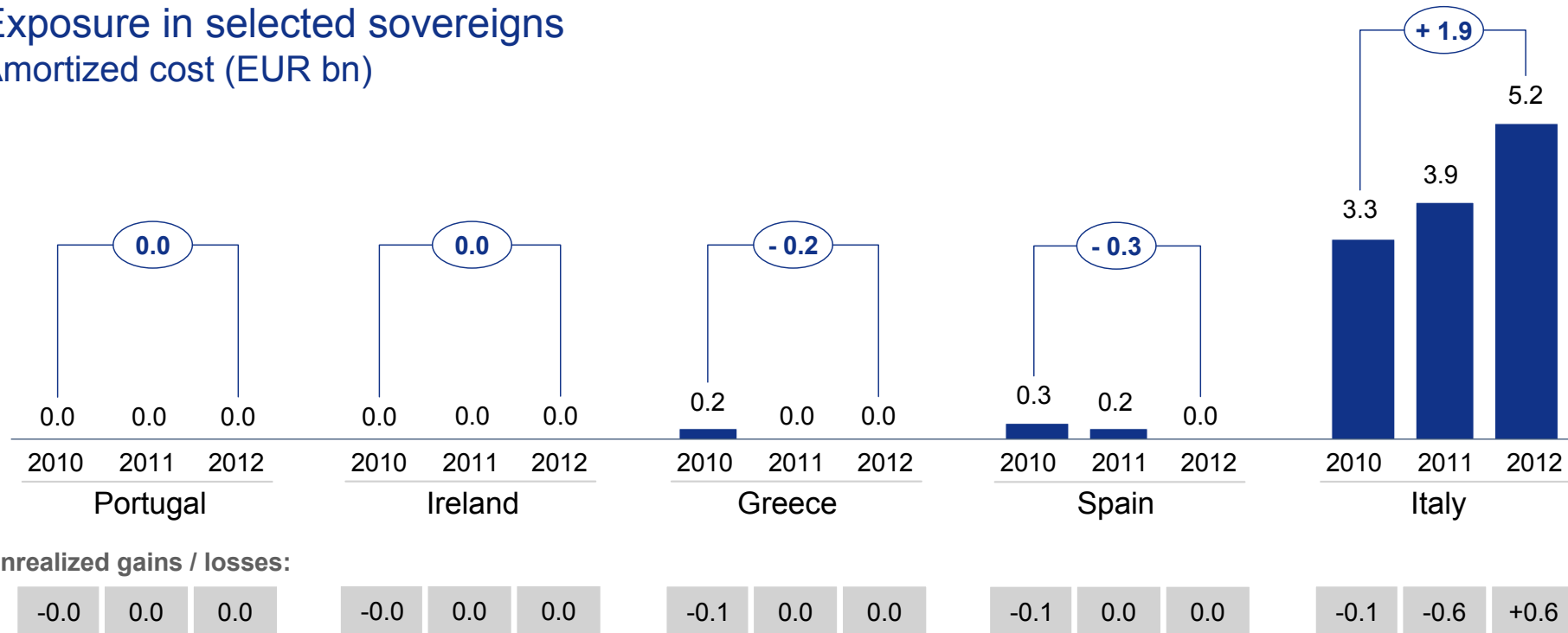
2012	5-yr Ø
0.1bps	4.2bps

Fixed-income portfolio: shift towards spread investments over last 10 years



Limited exposure to peripheral sovereign debt

Exposure in selected sovereigns Amortized cost (EUR bn)



- **Peripheral (ex Italy)** exposure strongly reduced **already in 2009**
- **Italian** sovereign exposure **actively increased** in first half of 2012 locking in high spreads
 - ➔ subsequent spread tightening led to an **EUR 1.2bn increase** in **unrealized gains / losses** in 2012 on total Italian Treasuries (BTPs)
- **Limited impairment risks** on BTPs even in a credit event as BTPs were bought significantly below face value. 2.9% of portfolio invested in BTPs

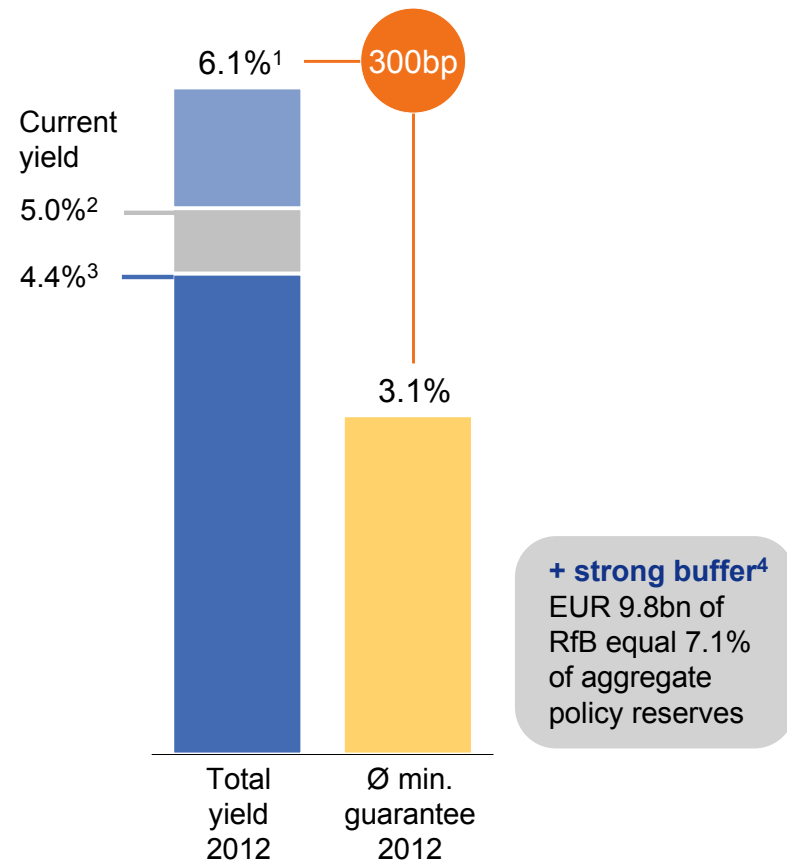
Agenda

- 1 Investment approach
- 2 Investment portfolio
- 3 Investment performance**
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- 5 Summary

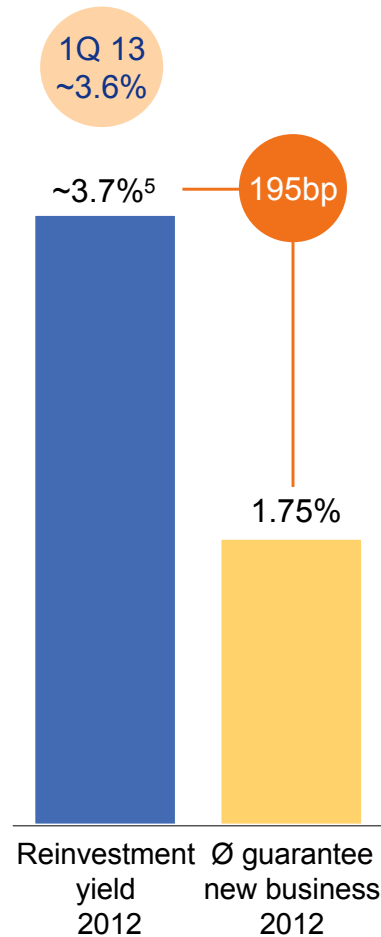
Strong buffers and resilient margins in Life Germany

Business in force

(based on Ø aggregate policy reserves)



New business



1) Based on IFRS current interest and similar income (net of interest expenses) excl. unit-linked + net harvesting and other relative to average aggregate policy reserves
 2) Based on IFRS current interest and similar income (net of interest expenses) excl. unit-linked relative to average aggregate policy reserves
 3) Based on IFRS current interest and similar income (net of interest expenses) excl. unit-linked based on average book value of assets
 4) Free provision for refunding of premiums (EUR 4.4bn) and fund for terminal bonus (EUR 5.3bn) based on local GAAP
 5) Further details on chart E26

Resilient investment margin

Based on Ø book value of assets ¹	2010 ⁵	2011	2012
Current yield ²	4.4%	4.5%	4.4%
Based on Ø aggregate policy res.			
Current yield ²	4.9%	5.0%	5.0%
Net harvesting and other	0.6%	0.3%	1.1%
Total yield	5.4%	5.3%	6.1%
- Ø min. guarantee ³	3.0%	3.0%	3.1%
Gross margin	2.4%	2.3%	2.9%
- Profit sharing under IFRS ⁴	1.8%	1.7%	2.3%
Margin	0.6%	0.5%	0.7%
Investment margin (EUR mn)	776	725	962
Ø book value of assets ¹ (EUR bn)	144	151	161
Ø aggregate policy res. (EUR bn)	131	137	143

1) Asset base under IFRS which excludes unit-linked, FVO and trading

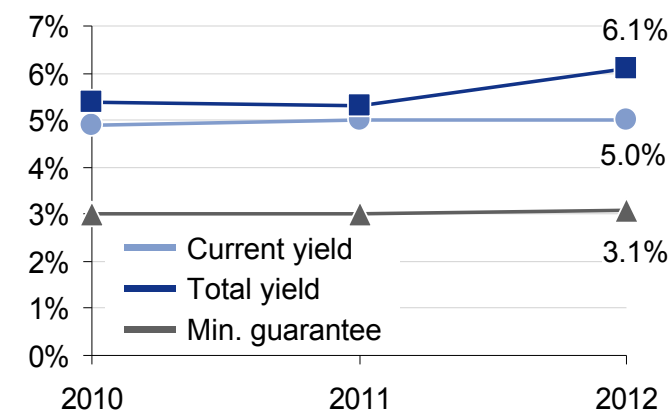
2) Based on interest and similar income

3) In 2012 one-time effect of +0.2% due to lowering of discount rate for annuities. Adjusted average min. guarantee rate for 2012 at 2.9%, 14bps less than 2010

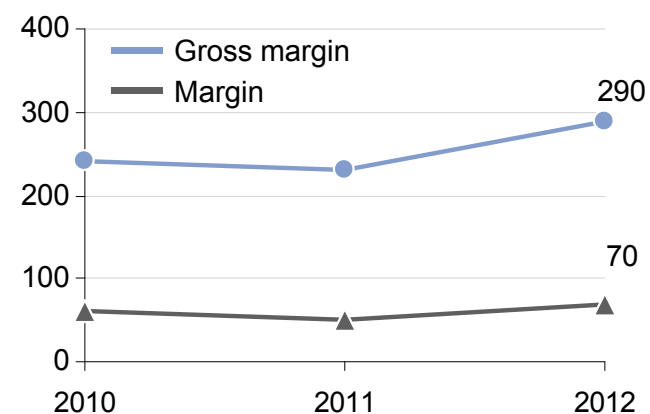
4) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS

5) Approximated to be on a like-to-like basis with 2011

Current & total yields vs. Ø min. guarantee



Gross margin vs. margin (in bps)



Investment performance – details

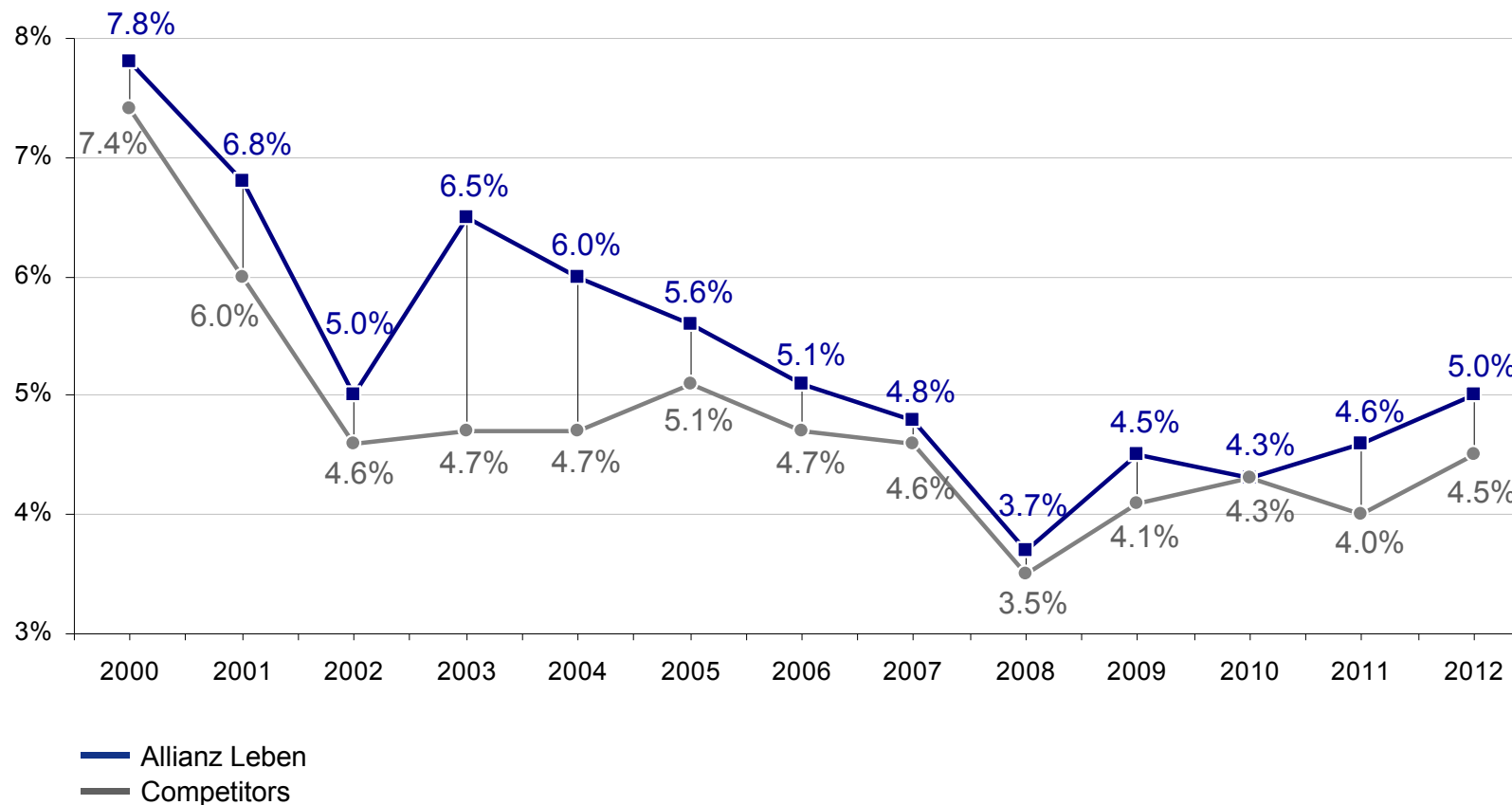
	% of portfolio	Current yield ¹		Total yield ^{1,2}		Remarks
		2011	2012	2011	2012	
Fixed income	88%	4.4%	4.3%	4.6%	4.9%	Duration +One induced bond sales 2012 pushed total yield on FI
Equities / alternatives	9%	4.4%	5.0%	6.1%	9.9%	2012 reallocations within equities led to realization of gains
Real estate	2%	3.7%	3.9%	5.4%	4.2%	
Cash	1%	0.9%	0.2%	0.9%	0.2%	
Total	100%	4.5%	4.4%	4.8%	5.4%	2012 total yield influenced by large reallocations within the fixed income and equity portfolio

1) Based on book value of assets (IFRS)

2) Total yield = current yield plus net capital gains

Investment performance – sustainable outperformance

Net investment yield (local GAAP¹)



▶ Net investment yield of Allianz Leben on average 0.5%-p above competitors

1) Only local GAAP figures for competitors available

Agenda

- 1 Investment approach
- 2 Investment portfolio
- 3 Investment performance
- 4 Low yield environment –
active investment management**
- 5 Summary

Challenges of low yield environment

- Lower investment returns

- Higher capital consumption

- Depressed risk premiums

- Increased sovereign credit risk

- 1** Focus on duration management

- 2** Active portfolio management

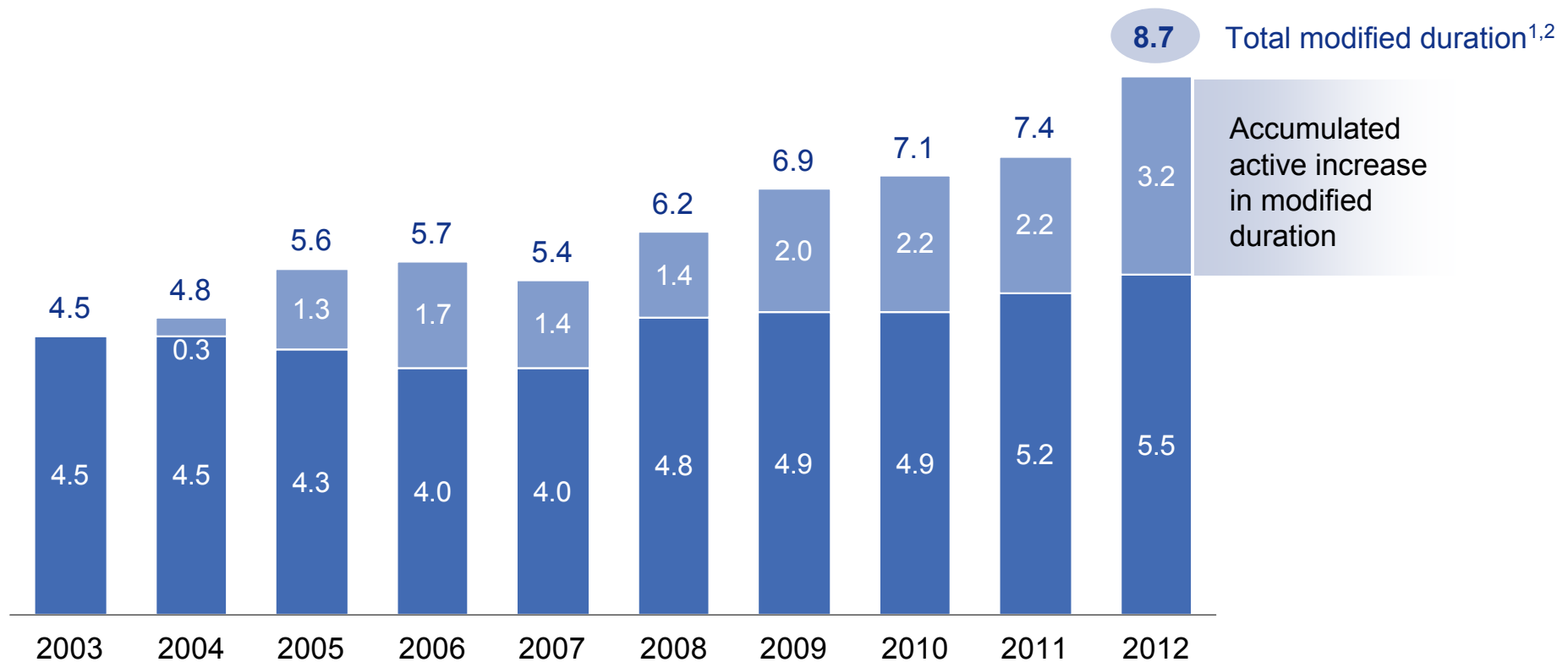
- Diversify into non-traded assets (alternatives, direct lending)

- Search for new sources of yield (e.g. illiquidity premiums)

- Reduce sovereign credit risks

1 Focus on duration management (1/3) – +One program

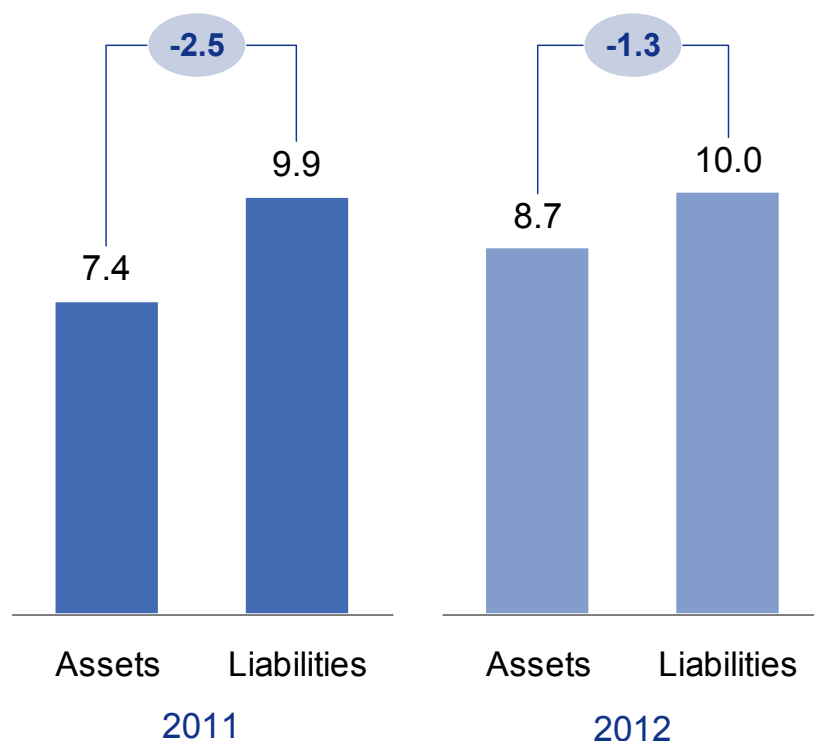
Total and accumulated active increase in modified duration of investments



1) In order to exclude effect from market value increase of portfolio on modified duration, market value is kept constant at level of 4Q 03
 2) Effect on duration from falling rates is separated and not included in accumulated active increase of duration

1 Focus on duration management (2/3) – +One program

Duration gap¹ reduced in 2012



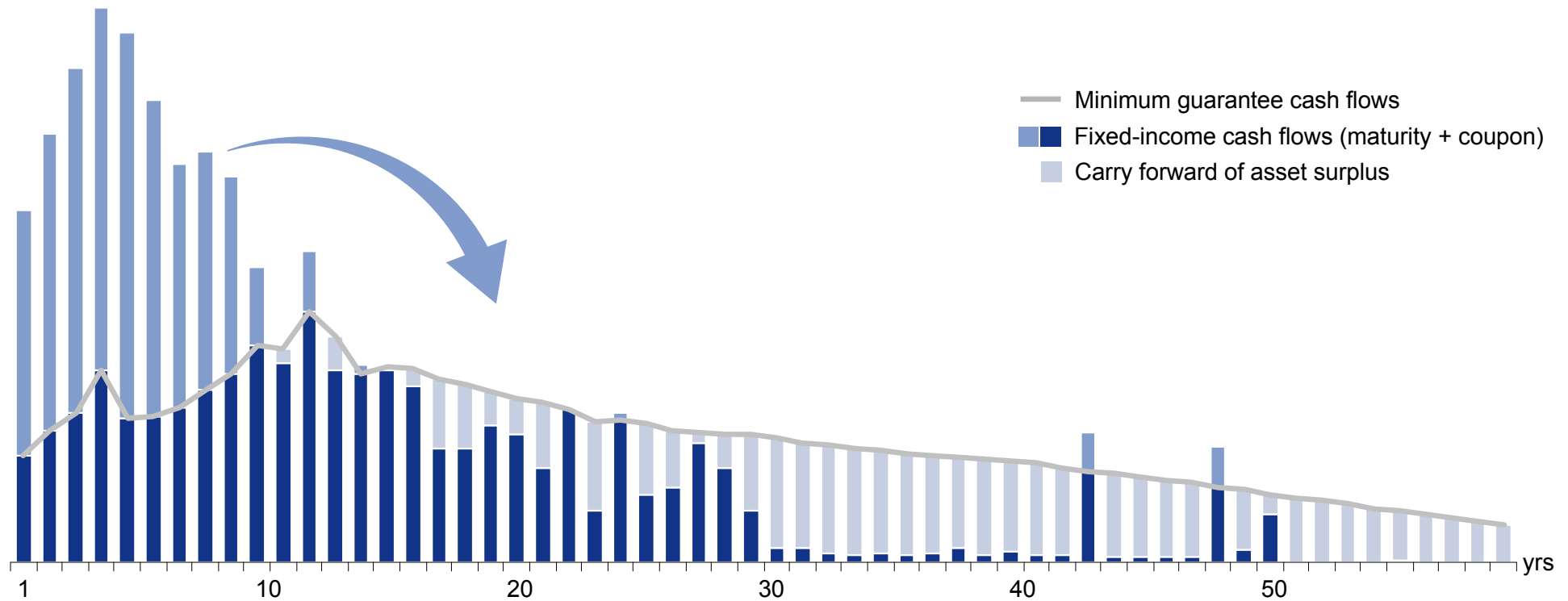
- Active modified duration increase to 8.7 achieved by total purchases of EUR 9.0bn (focus on French, Italian and Austrian government bonds)
- Average purchase yield of 4.4% and average maturity of 35 years in challenging market conditions in 2012
- Liability duration almost constant:
 - Decreased duration due to adjusted yield curve extrapolation (entry point for extrapolation at 20yrs instead of 30yrs) and updated internal model assumptions (less annuitization of policyholders)
 - Increased duration due to decrease of interest rates (10yr swap rate decreased by ~80bps)

▶ Limited interest rate sensitivity of economic balance sheet

1) Liability duration based on Solvency II valuation curve and parallel shift of whole yield curve

1 Focus on duration management (3/3)

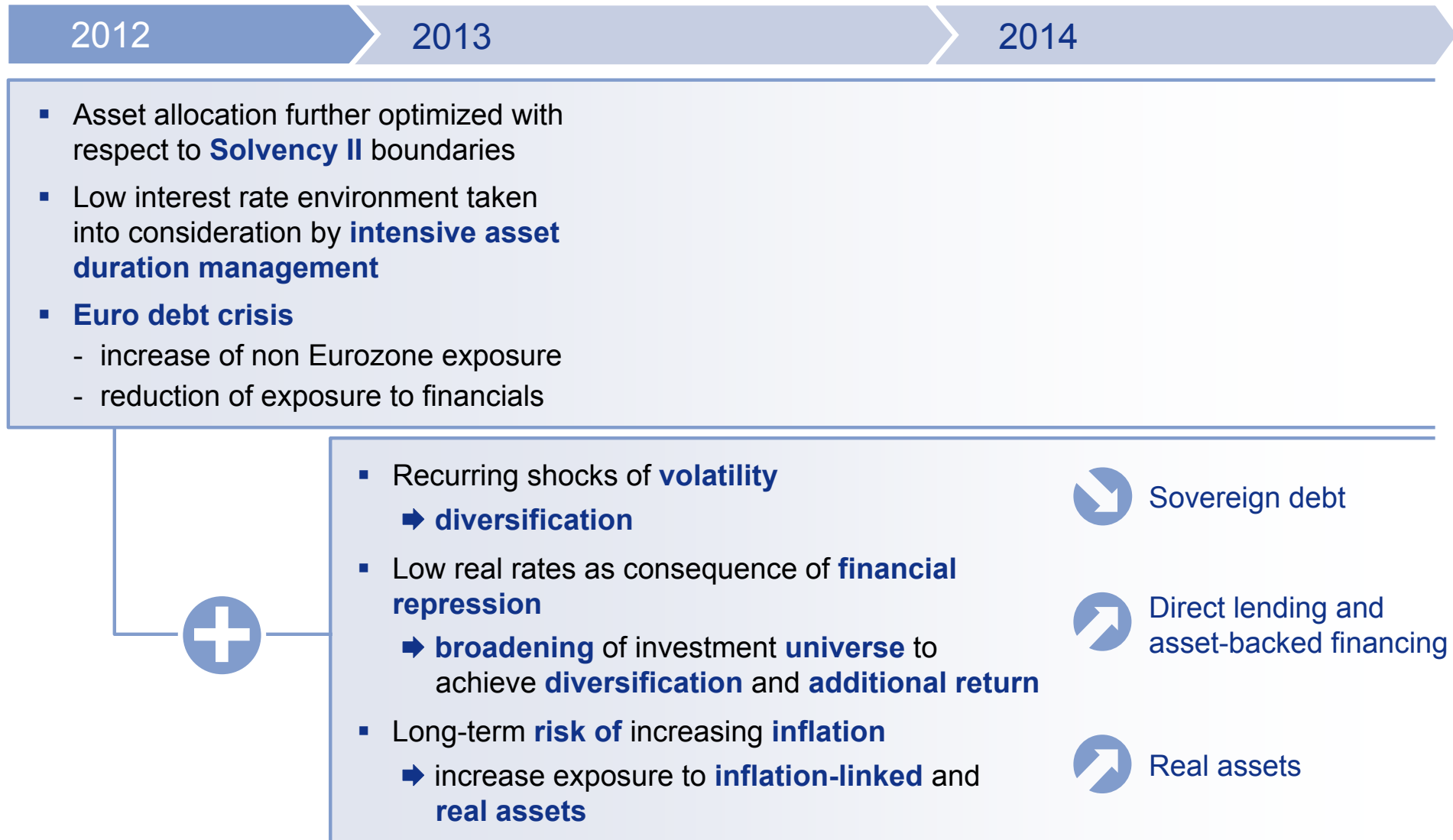
Allianz Leben: fixed income and minimum guarantee cash flow profile¹



- Next 20 years: cash flows from fixed-income investments allow full coverage of liability cash flows
- Beyond 20 years: balancing of liabilities and assets via steering of duration and profit participation
- Significant reinvestment volumes and high buffers allow to capture real asset opportunities in the upcoming years

1) Without new business

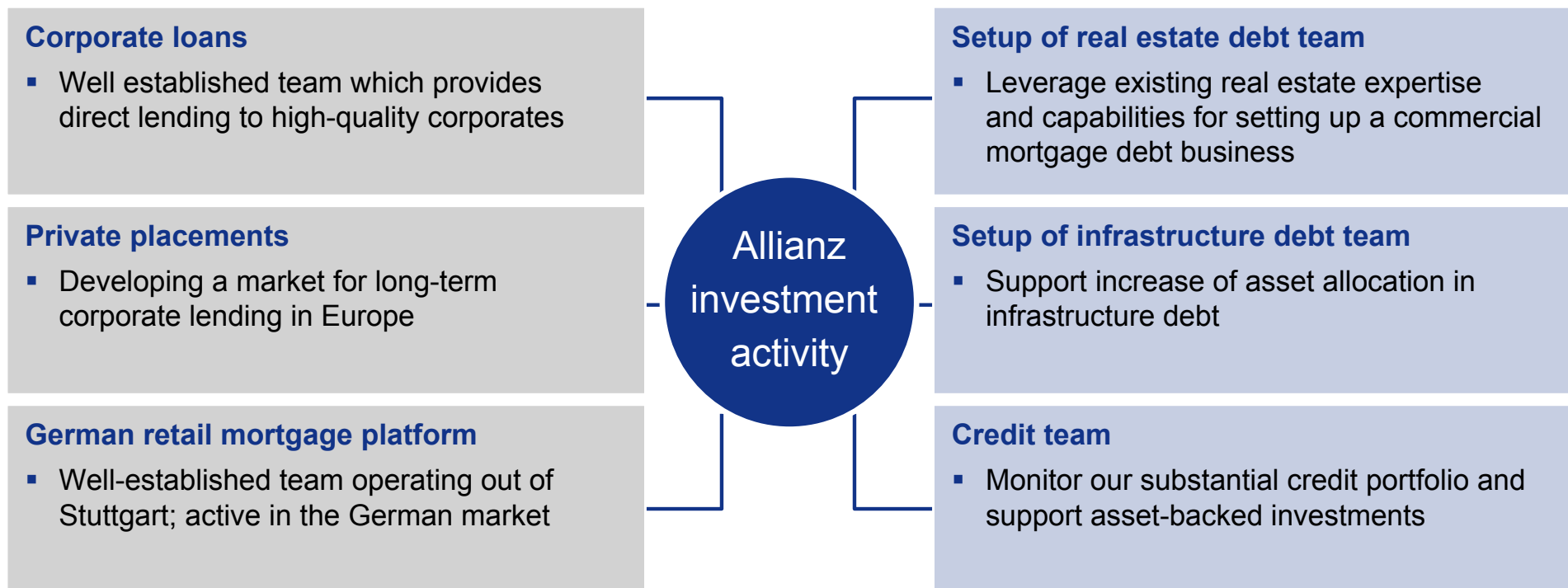
2 Active portfolio management (1/4) – key topics 2012 and looking ahead



2 Active portfolio management (2/4) – direct debt financing: entering new asset classes

Allianz Leben is active in the following investment areas

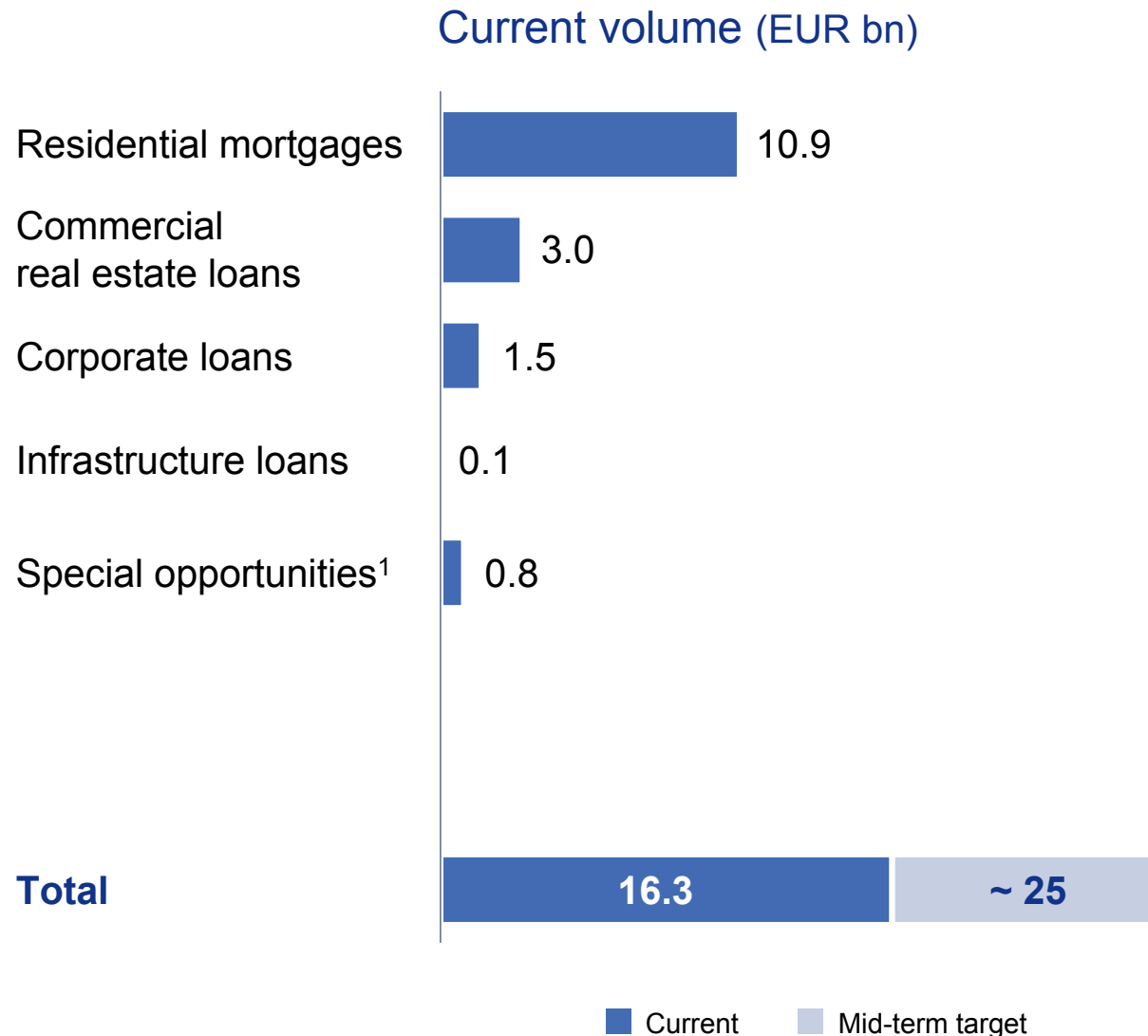
- Replace unsecured with **secured credit exposure**, e.g. commercial / residential mortgage lending, covered bonds
- Increase **direct lending** to corporates and infrastructure projects



2 Active portfolio management (3/4) – direct debt financing on the rise

Key characteristics

- **Require** specialized and experienced teams to access market
- **Premium** for illiquidity, size and term
- **Protection** via asset backing and focus on high quality

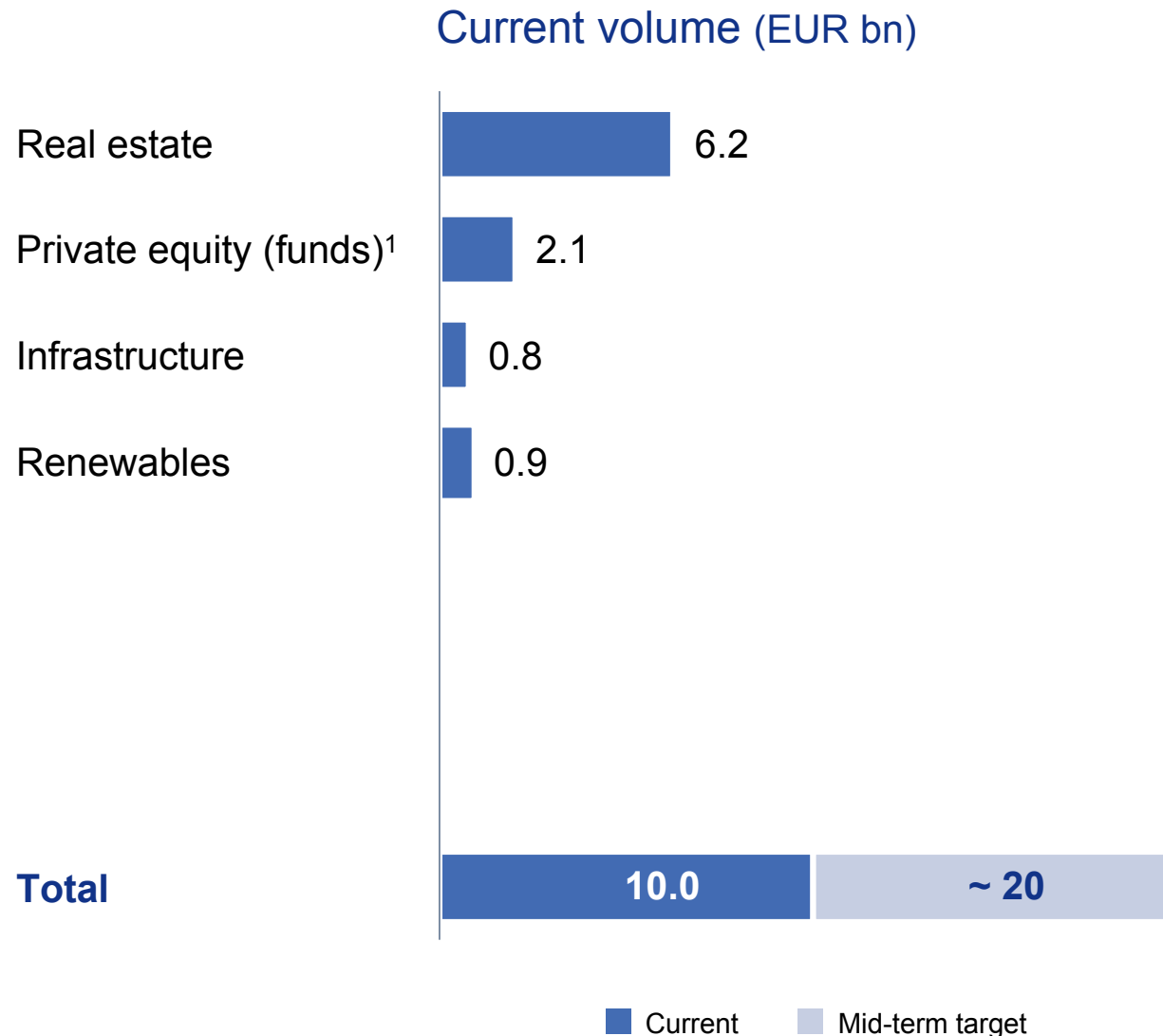


1) E.g. leveraged loans, distressed debt

2 Active portfolio management (4/4) – further increase of alternatives

Key characteristics

- **Requires** dedicated teams and **capabilities**
- **Long-term investment approach** to cover long-term liabilities
- **Premium** for illiquidity, size and term
- Partial **inflation linkage**
- **Excellent diversifier** due to different risk drivers



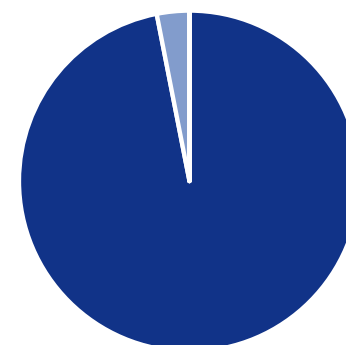
1) Thereof EUR 0.3bn direct private-equity investments

Reinvestment management – still attractive reinvestment yields

Reinvestment yields Allianz Leben 2012

	in % of new investments	Yield	Maturity (in years)
Government	50%	3.3%	20
- thereof developed markets	45%	3.1%	21
- thereof emerging markets	5%	5.4%	9
Securitized	14%	3.6%	11
Corporates	27%	3.4%	9
Total FI	91%	3.4%	15
Real assets ¹	9%	6.6%	–
Total	100%	3.7%	15

Rating structure (fixed income)



■ Investment grade	97%
- thereof AAA / AA	59%
- thereof A / BBB	38%
■ Non-investment grade	3%

Agenda

- 1 Investment approach
- 2 Investment portfolio
- 3 Investment performance
- 4 Low yield environment – active investment management
- 5 Summary**

Summary



Achievements

Duration significantly increased

Early reduction of peripheral exposure

Own platforms for alternative assets and direct lending established

Sustainable outperformance versus competitors



Strategy / initiatives / ambition

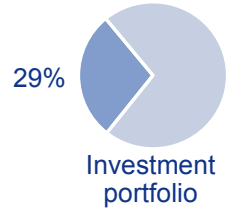
Active duration management

Selective re-risking when appropriate

Significant increase of alternative assets and direct lending activities

Smart use of risk capital

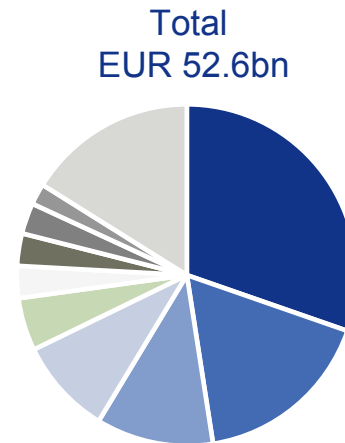
Appendix



Treasuries incl. government related

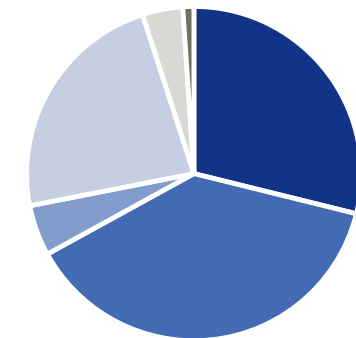
By region

Germany	30%
France	17%
Italy	11%
Supranational EU	9%
Austria	5%
Netherlands	3%
Mexico	3%
Belgium	3%
Poland	2%
Others	16%



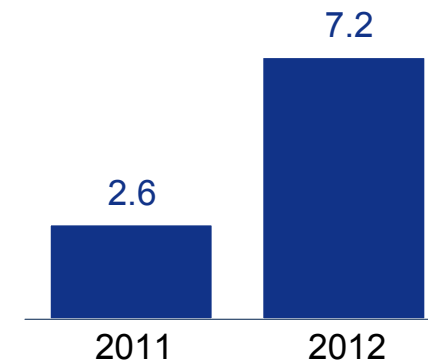
By rating

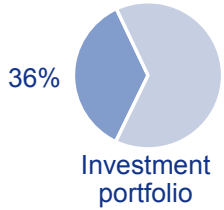
AAA	29%
AA	38%
A	5%
BBB	23%
Non-investment grade	4%
Not rated	1%



- 2012 significant purchases of long-dated bonds (+20yrs) as part of duration +One program
- Further diversification of sovereign portfolio by increase of emerging markets debt
- 2013 and beyond further diversification but no increase in overall quota

Unrealized gains / losses (EUR bn)

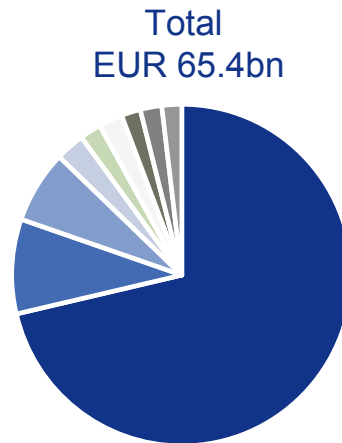




Securitized without mortgages

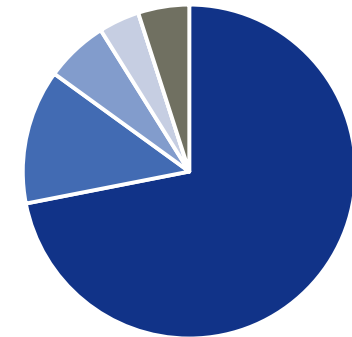
By region

Germany	72%
France	9%
Spain	7%
UK	3%
Netherlands	2%
Norway	2%
Italy	2%
Ireland	2%
Other	2%



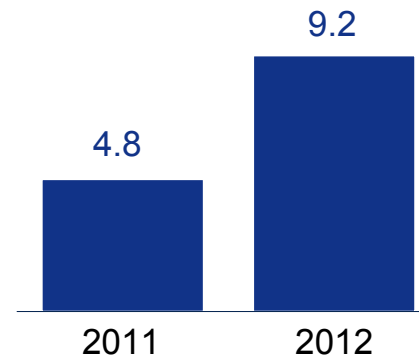
By rating

AAA	72%
AA	13%
A	6%
BBB	4%
Non-investment grade	0%
Not rated	5%



- 92% of securitized portfolio are covered bonds with focus on high-quality German Pfandbriefe
- 5% not-rated papers are loans to policyholders backed by their insurance claims against Allianz Leben
- 2013 and beyond covered bond portfolio will be partially replaced by direct lending activities

Unrealized gains / losses (EUR bn)

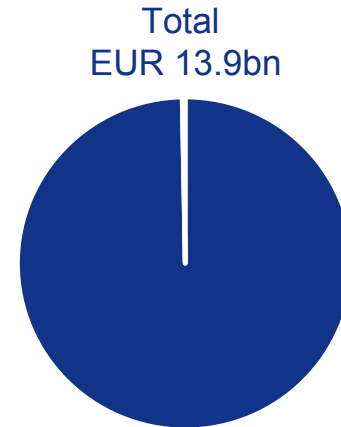


E. Life insurance – investment strategy



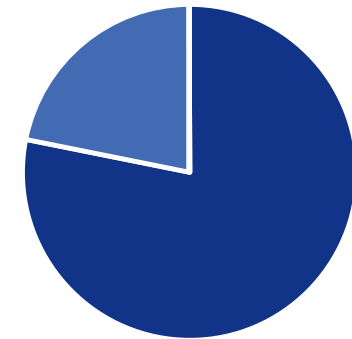
By region

Germany	99.8%
Austria	0.2%

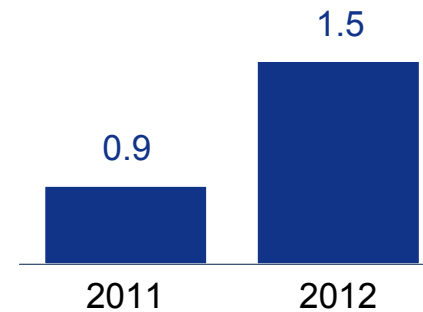


By sector

Retail	78%
Commercial	22%



Unrealized gains / losses (EUR bn)

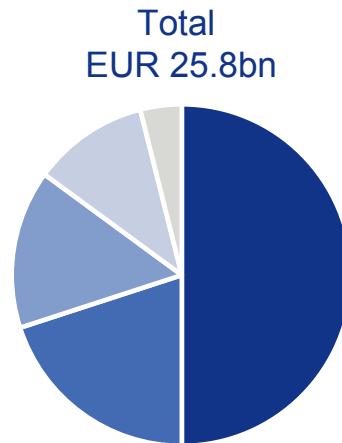


- High-quality mortgage portfolio backed by German real estate. Impairments on average <1bp per year
- 2011 start of our new commercial real estate lending platform. 2012 start of the sales cooperation for German retail mortgages with LBBW
- 2013 and beyond further increase in both retail and commercial mortgages



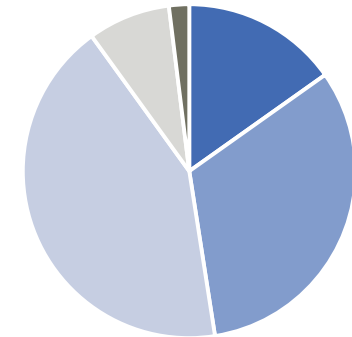
By sectors

Industrials	50%
Financials – banking	20%
Financials – non-banking	15%
Utilities	11%
Corporates / others	4%

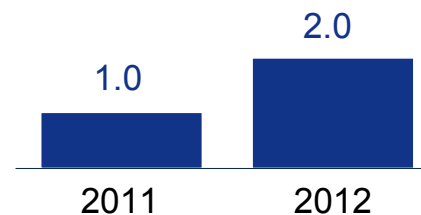


By rating

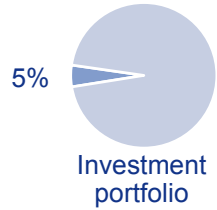
AAA	0%
AA	15%
A	32%
BBB	42%
Non-investment grade	8%
Not rated	2%



Unrealized gains / losses (EUR bn)



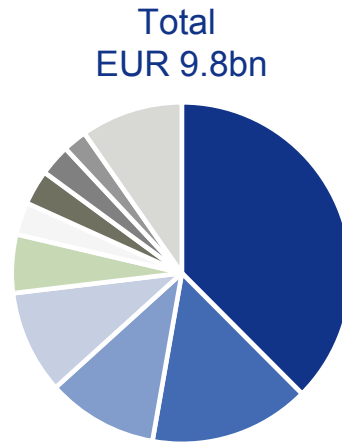
- 2011 / 2012 significant reallocations from financials into industrials to reduce exposure towards banks
- 2012 investments into US corporates (fully hedged in EUR) to improve issuer diversification
- 2013 and beyond further diversification into US and EM corporates for yield enhancement and to reduce single issuer risk



Traded equity

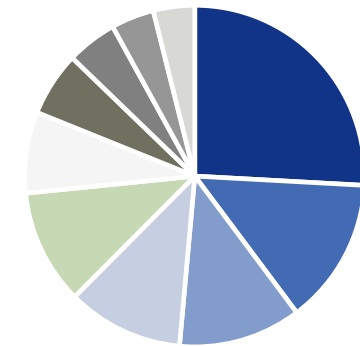
By region

Germany	35%
United Kingdom	14%
USA	10%
Switzerland	9%
China	5%
Netherlands	3%
Spain	3%
France	3%
Italy	2%
Others	9%

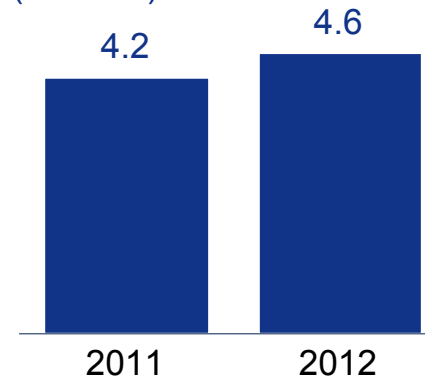


By sector

Basic materials	26%
Healthcare	14%
Financials	12%
Industrials	11%
Consumer goods	11%
Oil & gas	8%
Technology	6%
Consumer services	5%
Utilities	4%
Telecommunications	4%

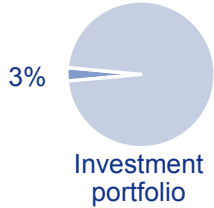


Unrealized gains / losses (EUR bn)



- Still substantial reserves on equities
- Despite discrimination from accounting and regulatory point of view equities are still an essential asset class of Allianz Leben's investment strategy
- For 2013 slight increase of equity ratio intended. Focus on non-European stocks

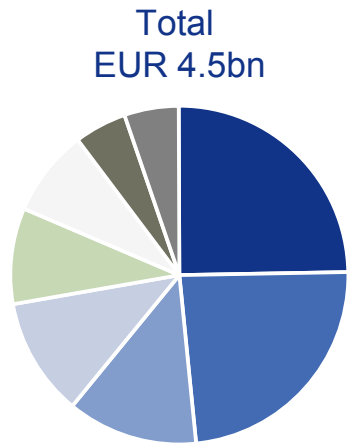
E. Life insurance – investment strategy



Alternatives

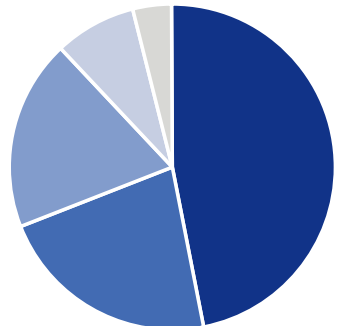
By region

Germany	24%
USA	23%
Norway	12%
France	11%
Other	9%
Rest of Europe	8%
UK	5%
Asia	5%



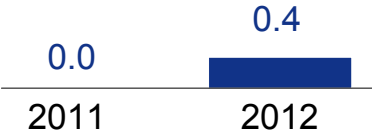
By sector

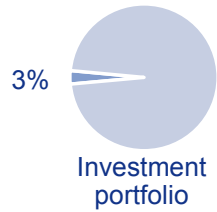
Private equity	47%
Renewables	22%
Infrastructure	19%
Not-listed equity	8%
Other	4%



Unrealized gains / losses (EUR bn)

- Further increase of alternatives with focus on renewables and infrastructure equity intended
- 2013 Allianz Leben bought a stake in Czech gas transport pipeline operator Net4Gas from RWE

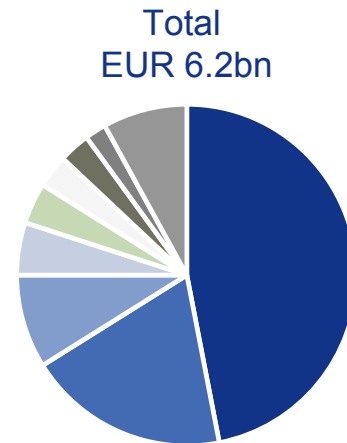




Real estate

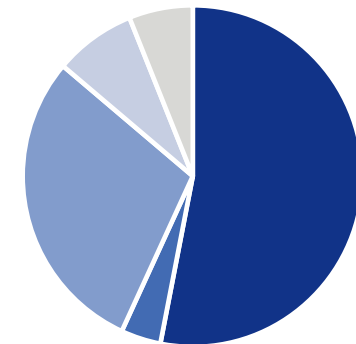
By region

Germany	47%
France	19%
USA	9%
Luxembourg	5%
Netherlands	4%
Poland	3%
Sweden	3%
Hungary	2%
Other	8%

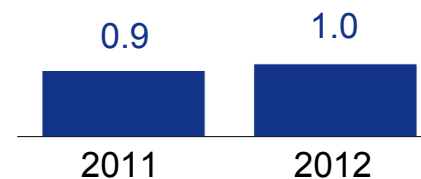


By sector

Office – 3rd party	53%
Office – own use	4%
Retail	29%
Residential	8%
Other	6%



Unrealized gains / losses (EUR bn)



- Real estate one of the most attractive asset classes from a risk-return perspective
- Internationalization started in 2006 still ongoing with focus on Europe and USA
- Focus on large scale real estate assets with attractive illiquidity premiums which are syndicated internally

Health insurance

Birgit König
CEO

Allianz Private
Krankenversicherungs-AG

Berlin, June 25, 2013

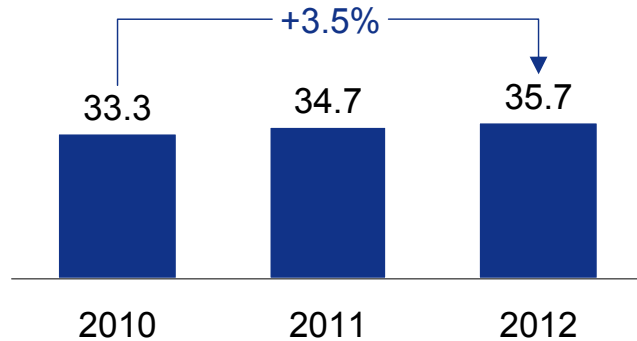
F

Agenda

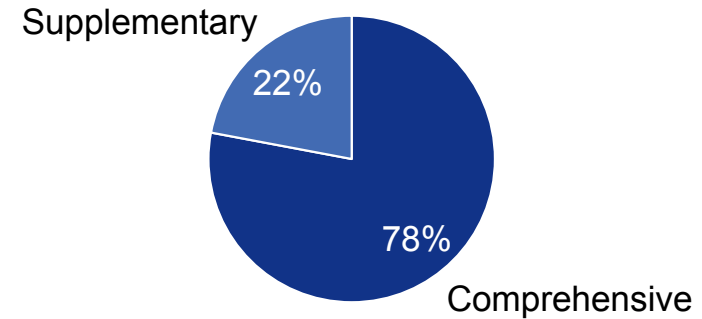
- 1** German health insurance
- 2** Allianz Health performance
- 3** Strategy
- 4** Summary

German health insurance market at a glance

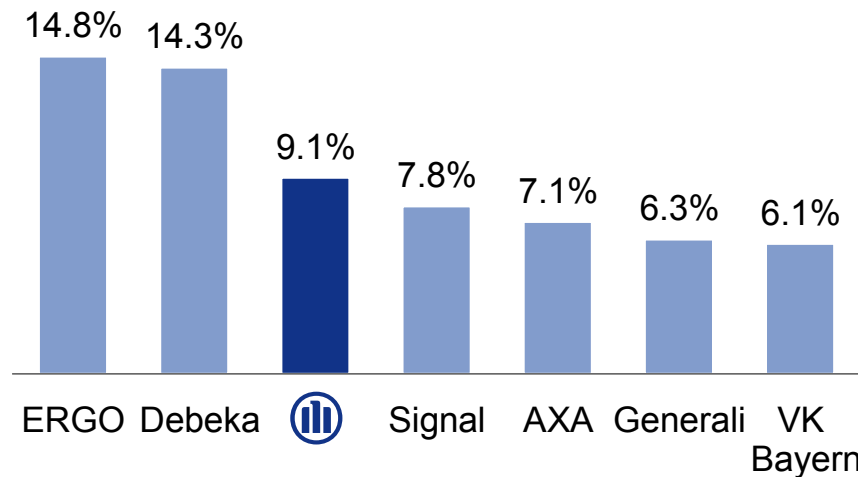
Market size and growth
GPW (EUR bn), CAGR



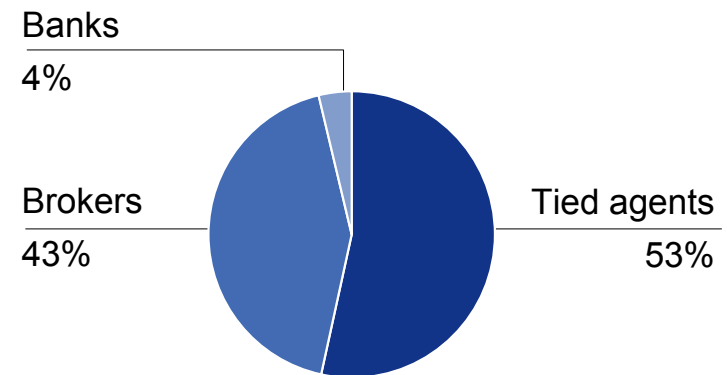
Product mix (GPW 2012)



Market shares 2012 (GPW)
(%)

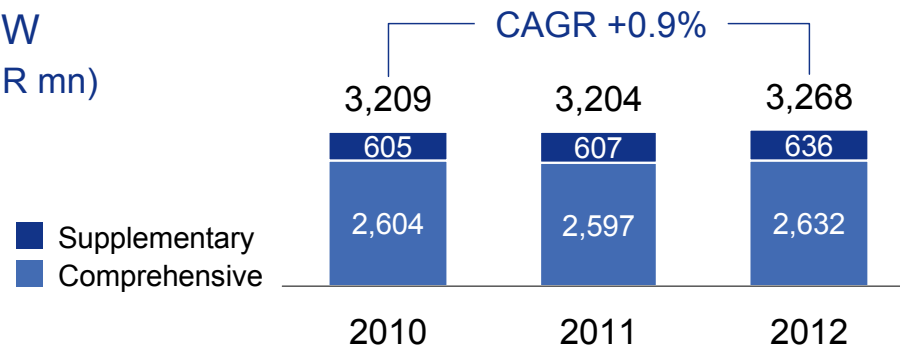


Channel mix
(new business 2011, comprehensive only)

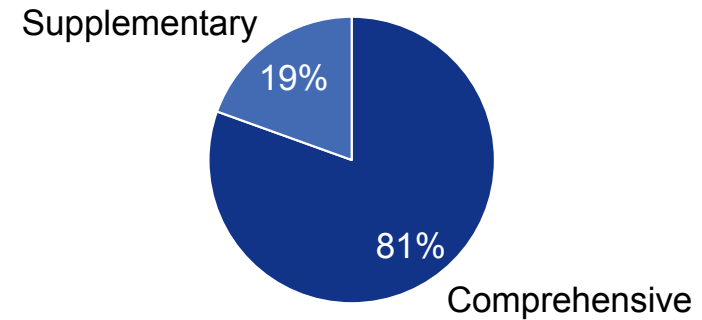


Allianz Health Germany at a glance

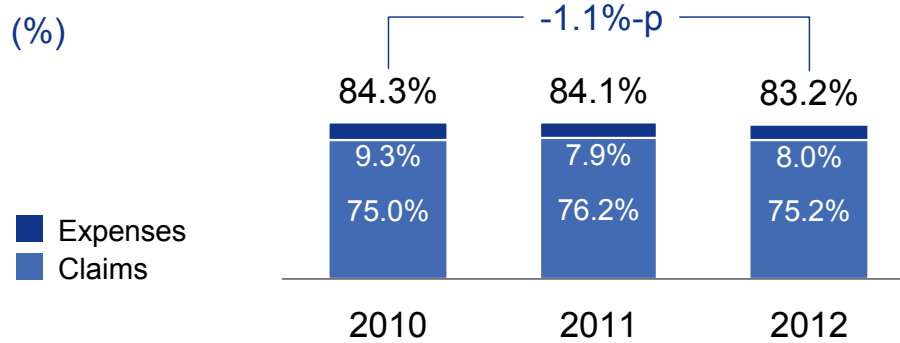
GPW
(EUR mn)



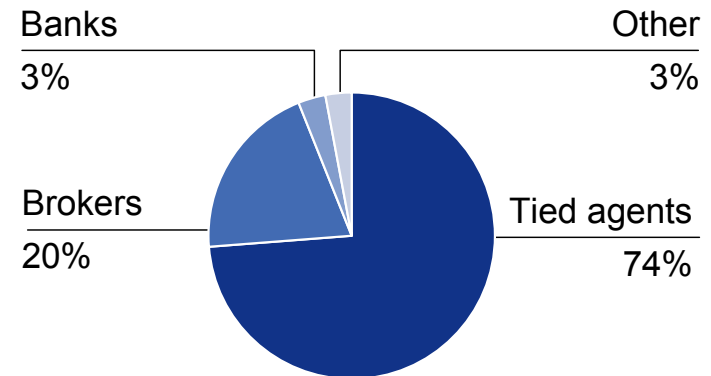
Product mix (GPW 2012)



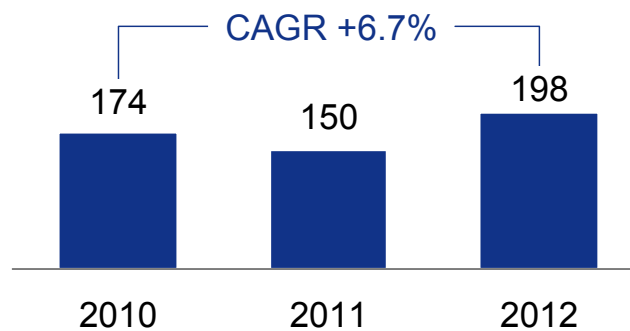
CR (%)



Channel mix (new business 2012)



Operating profit
(EUR mn)

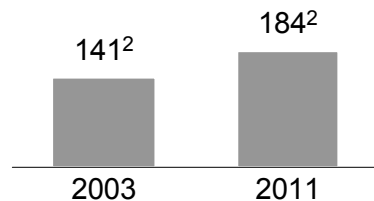


The German health insurance system is based on two pillars: statutory and private health insurance

Statutory health insurance

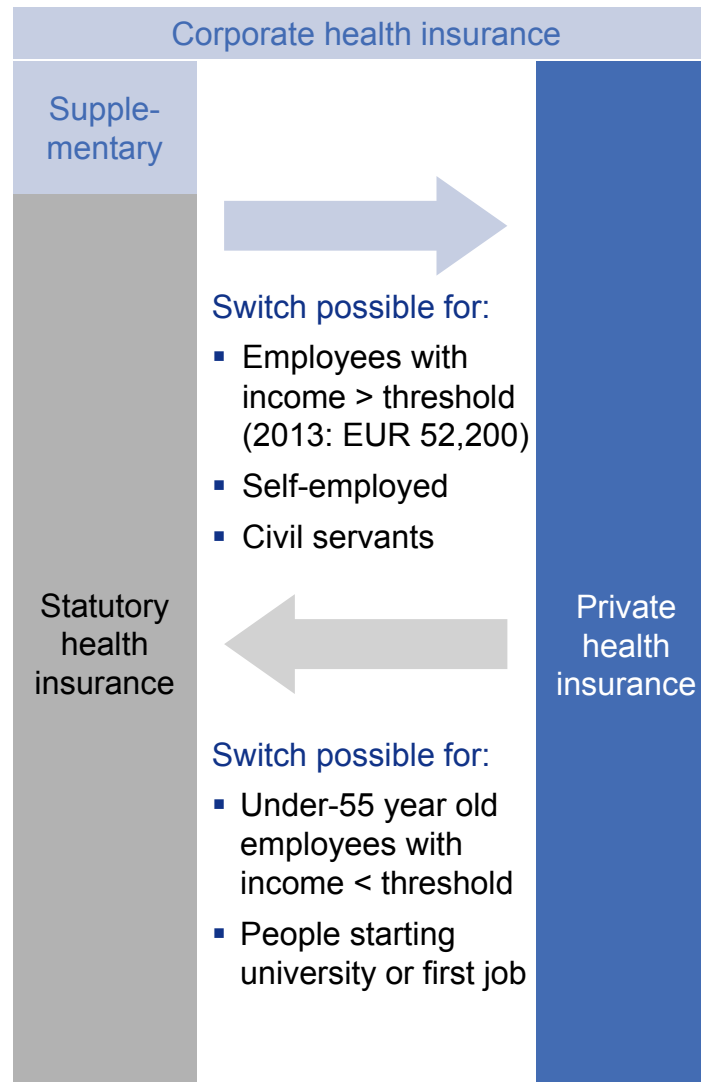
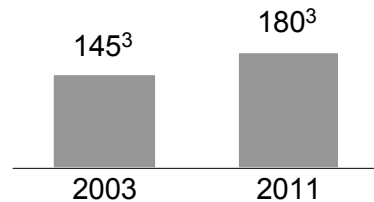
- 69.6mn members 2011 (70.5mn 2003)
- 5.2mn of which are voluntary members (allowed to switch to PHI¹; 5.8mn 2003)
- GPW (EUR bn)

CAGR excl. subsidy +2.2%



- Claims (incl. expenses; EUR bn)

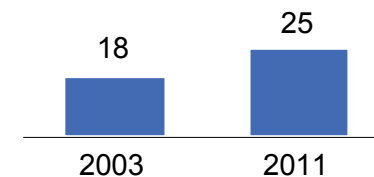
CAGR +2.7%



Private health insurance

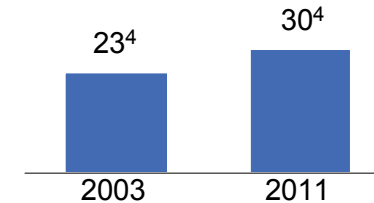
- 9.0mn members 2011 (8.1mn 2003)
- GPW (EUR bn)

CAGR +4.6%



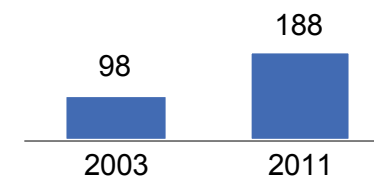
- Claims (incl. expenses; EUR bn)

CAGR +3.7%



- AuM (EUR bn)

CAGR +8.5%



1) Private health insurance

2) 2011: GPW (excl. subsidy) EUR 168bn, subsidies EUR 15bn
Sources: PKV-Verband 2011, BMG 2012

3) 2011: claims EUR 169bn, other expenses EUR 11bn; 2003: claims EUR 136bn, other expenses EUR 9bn

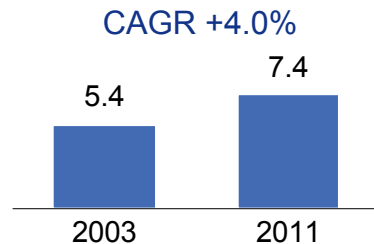
4) 2011: claims EUR 27bn, other expenses EUR 3bn; 2003: claims EUR 20bn, other expenses EUR 3bn

In the private health insurance, supplementary insurance is a fast growing market

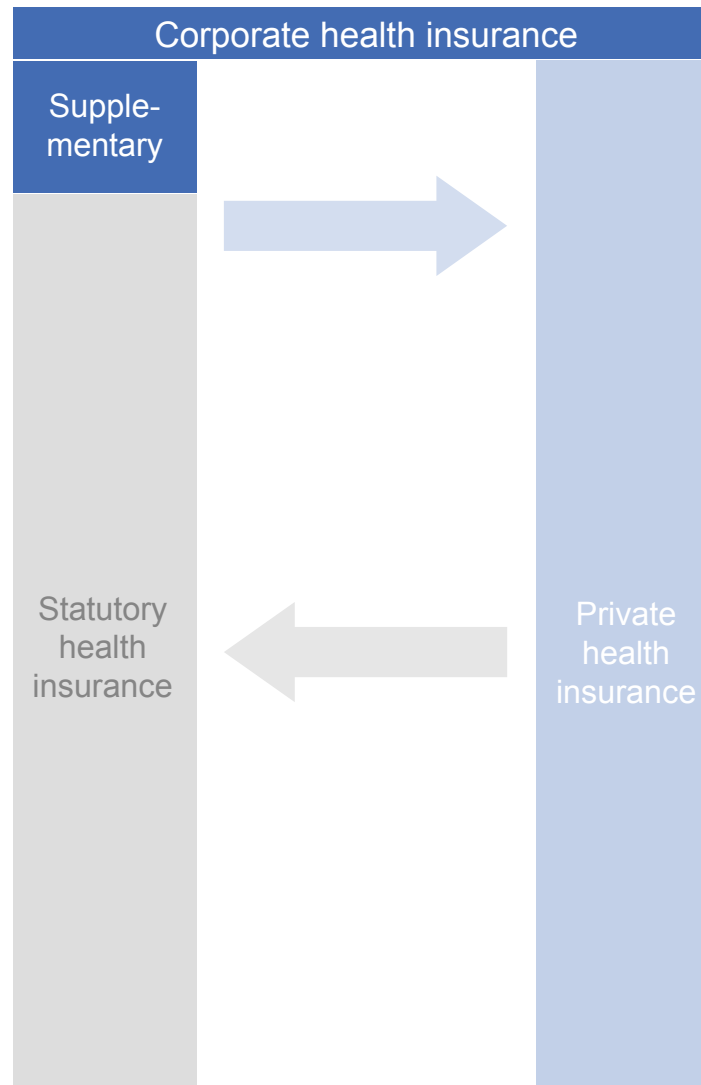
Supplementary health insurance

- 22.5mn insured persons 2011 (14.7mn 2003; CAGR +5.5%)
 - 7.7mn inpatient¹
 - 5.7mn outpatient²
 - 13.2mn dental
 - 1.9mn long-term care

GPW (EUR bn)

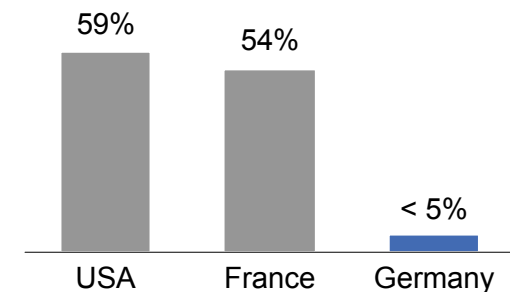


- Demand for supplementary health insurance products depends largely on benefits of statutory health insurance



Corporate health insurance

- Employer-financed supplementary health insurance
- Proportion of population with corporate health insurance still small in Germany



- Market for corporate health insurance developing
 - First products launched in 2011
 - Corporate health insurance seen as substantial growth market in Germany

1) Insurance for highest quality hospital care, e.g. treatment by senior physicians or specialists, single room, and more

2) Insurance for outpatient care expenses not covered by statutory health insurance, e.g. glasses, certain types of preventive care, and more

Significant differences exist between statutory and private health insurance systems

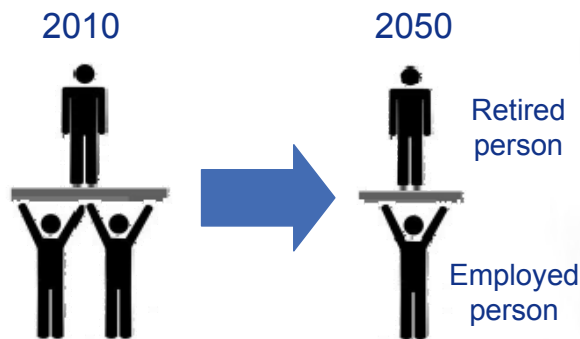
	Statutory	Private
Financing	<p>Pay-as-you-go</p> <ul style="list-style-type: none"> ▪ Premiums depending on personal income (15.5% of gross salary shared by employee and employer); set by government ▪ Risk sharing between all insured people (healthy people with high income subsidize sick people with low income) ▪ Close to no reserves (Ø EUR 400 / person) 	<p>Capital based reserves</p> <ul style="list-style-type: none"> ▪ Premiums depending on personal risk; set by private insurer ▪ Every insured person carries his / her own risk (age, health condition at entry, degree of coverage) ▪ Significant reserves (Ø EUR 24,000 / person)
Benefits	<p>Social security</p> <ul style="list-style-type: none"> ▪ Standardized coverage with only minimal scope for customization ▪ Coverage can be changed by the state or to some extent by management of insurance company 	<p>Private insurance</p> <ul style="list-style-type: none"> ▪ Coverage varies widely between products and companies ▪ Unilateral changes of the coverage are not possible

By design the **statutory** health insurance system is very sensitive to demographic change

Statutory health insurance suffers from demographic change

Premiums in a pay-as-you-go financing system depend on relation of total income subject to social health insurance contribution to total medical cost

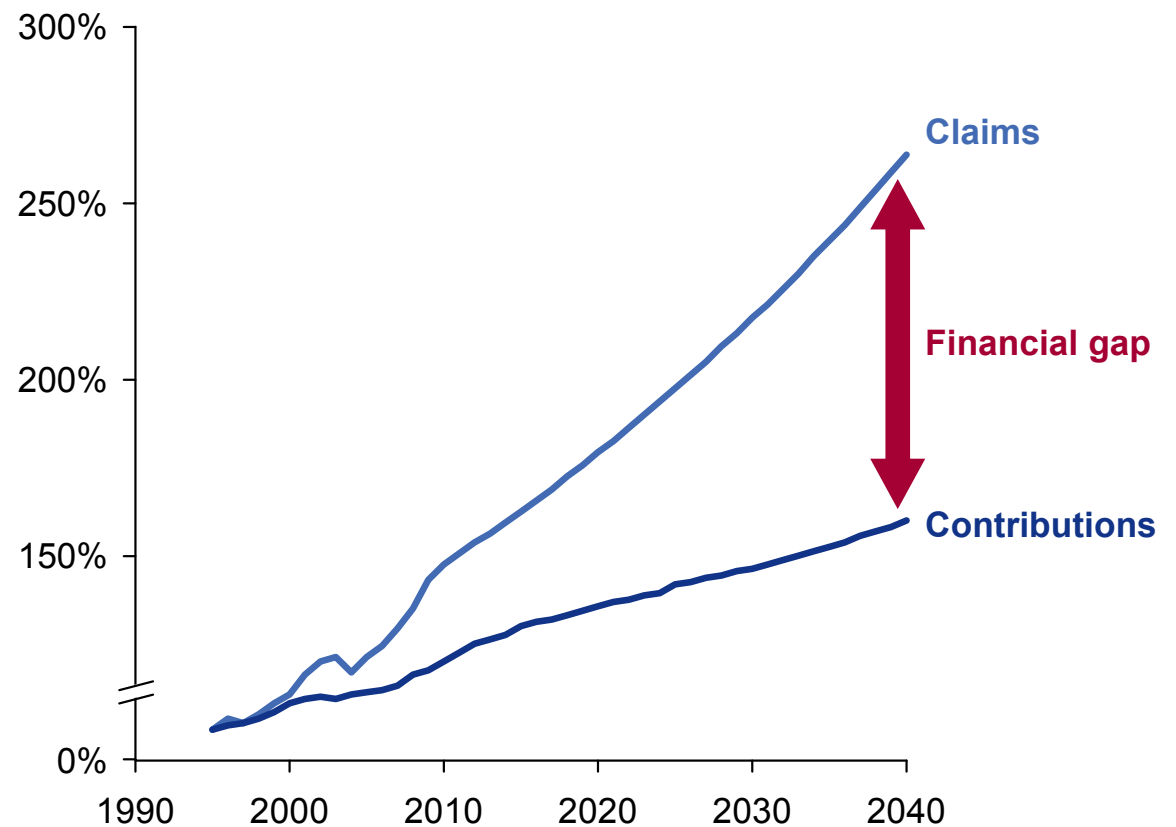
Until 2050 demographic changes will result in huge burden for statutory health insurance



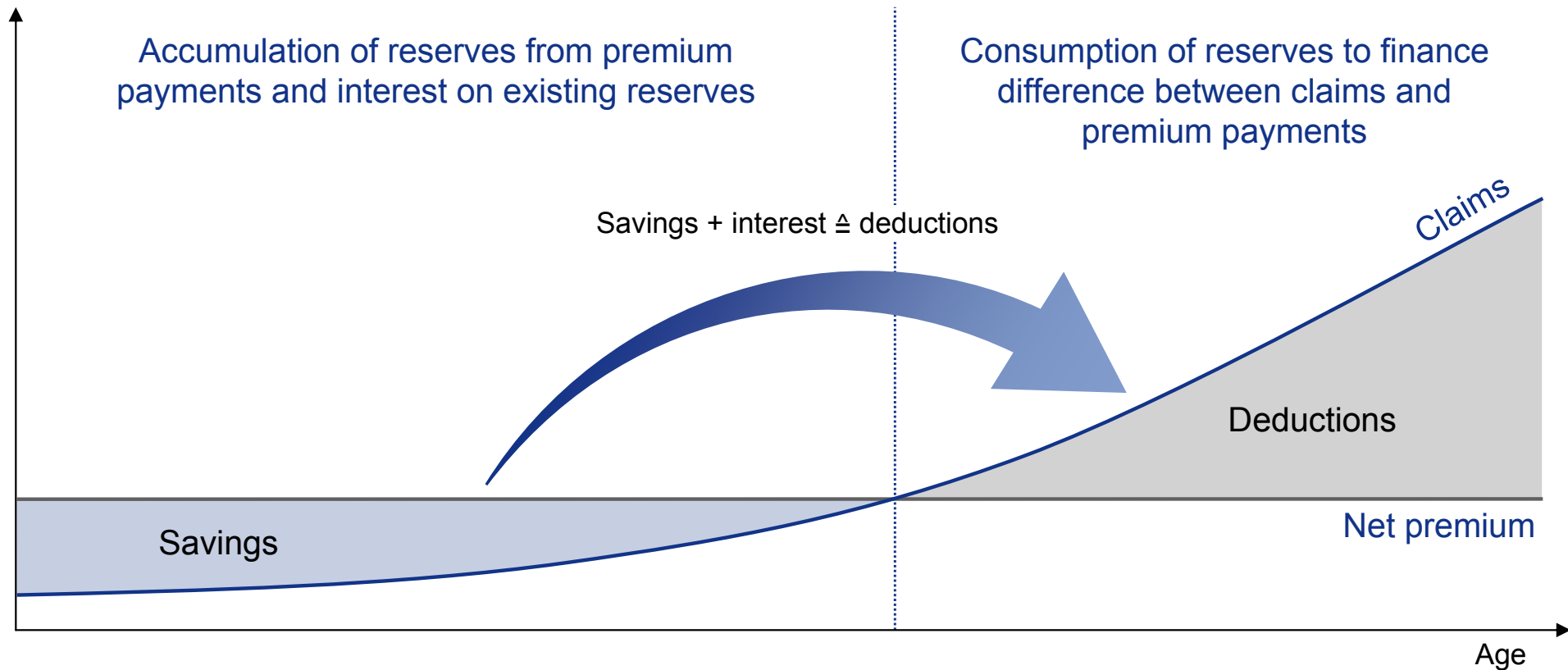
Consequence
Claims and contributions will diverge massively

Forecast of claims and contributions

Indexed (1995 = 100%)



The **private** health insurance system in contrast is sensitive to low interest rates



- Net present value of claims must equal net present value of premiums in premium calculation
- All cash flows are discounted with a calculatory interest rate of 3.50%¹ or 2.75%², respectively
- If realized interest rates in a company fall below calculatory rates, premiums have to be raised

1) On contracts before 2013
2) On contracts since 2013

In health insurance, low interest rates do not pose a long-term guarantee risk, but can lead to an increase in premiums

We
do
guarantee ...

... the interest rate for the coming year,
which policyholders receive on their old age reserves

and

a 90% policyholder participation in capital gains above
and beyond the guaranteed interest rate

We
do not
guarantee ...

... the interest rate for a prolonged time

Rather, every year the calculatory interest rate is assessed in light of current and likely future capital gains. If the probability of realizing the calculatory interest rate in the coming year falls below 95%, the calculatory interest rate has to be lowered in the course of the next premium adjustment

Agenda

- 1 German health insurance
- 2 Allianz Health performance**
- 3 Strategy
- 4 Summary

Allianz Health is a major player and quality leader within the private health insurance market

Market share¹ GPW (Top 10, 2012)

Comprehensive	
1. Debeka	16.5 %
2. Ergo	13.0 %
3. Allianz Health	9.4 %
4. AXA	7.9 %
5. Signal / Deutscher Ring	7.7 %
6. Generali	6.1 %
7. VK Bayern	5.2 %
8. Barmenia	4.2 %
9. Continentale	4.0 %
10. HUK	3.5 %
<i>Total</i>	<i>78 %</i>

Supplementary	
1. Ergo	21.2 %
2. VK Bayern	9.1 %
3. Allianz Health	8.2 %
4. Signal / Deutscher Ring	8.1 %
5. Generali	7.0 %
6. Debeka	6.3 %
7. Barmenia	4.8 %
8. AXA	4.2 %
9. Continentale	4.1 %
10. HUK	2.6 %
<i>Total</i>	<i>76 %</i>

Allianz coverage

High quality coverage for

- (Self-) Employed
- Medical doctors
- Civil servants

Each with multiple products offering different levels of coverage

Allianz coverage

- Long-term care
- Dental
- Inpatient care
- Outpatient care
- Travel insurance

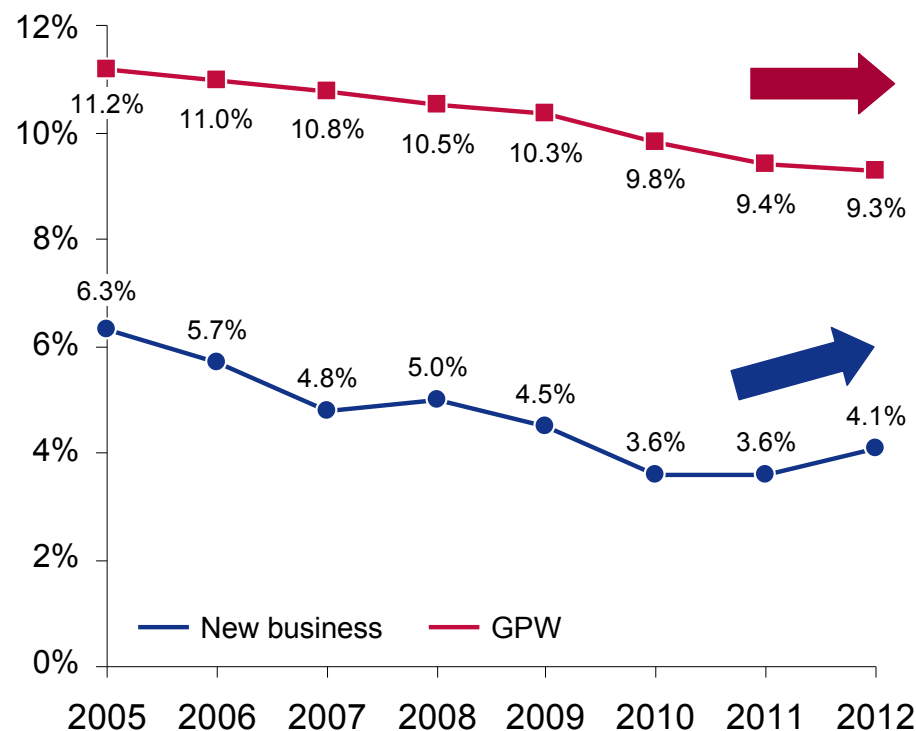
Company / product ratings



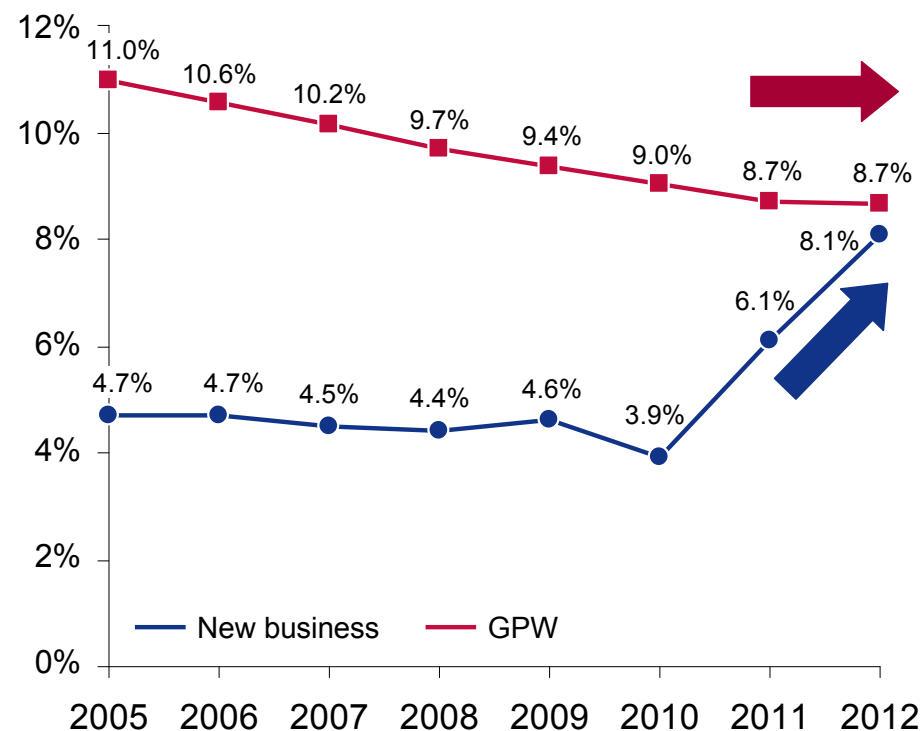
1) Market shares differ from next slide due to slightly different definitions of comprehensive and supplementary insurance
Source: PKV-Statistik 24.4.2013

In 2012, Allianz Health increased market share in new business and stabilized that of gross premiums written

Market share¹ Allianz Health – comprehensive insurance



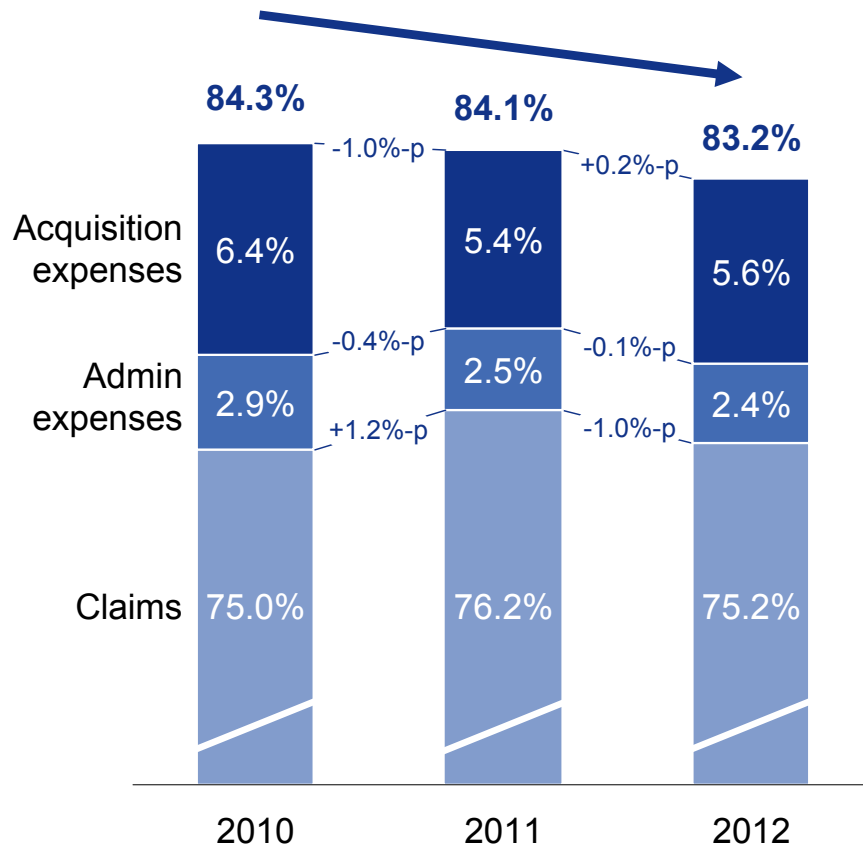
Market share¹ Allianz Health – supplementary insurance



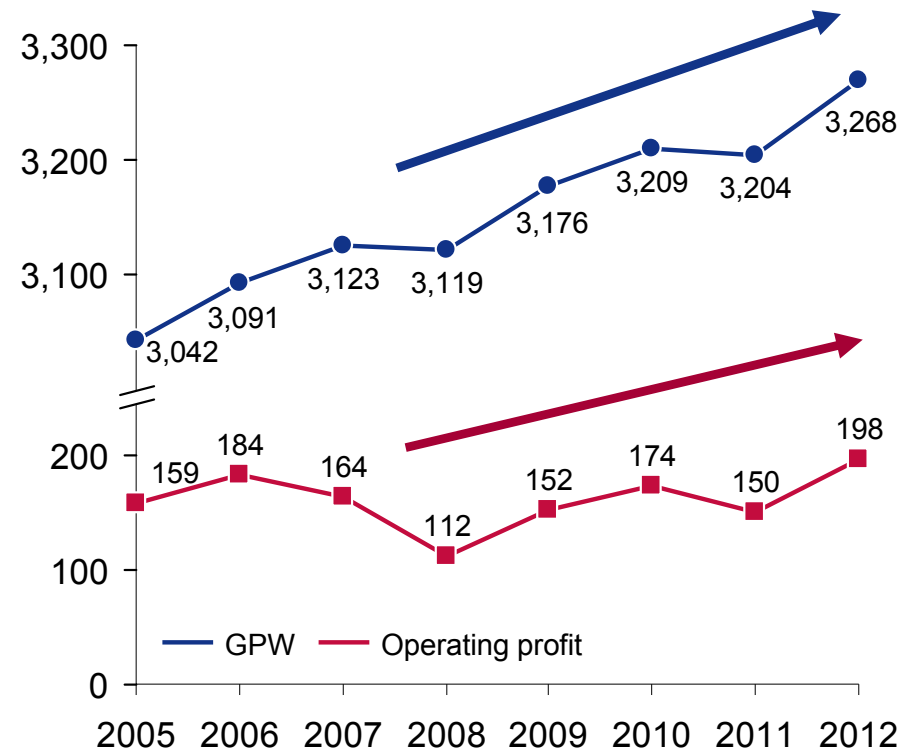
1) Market shares differ from previous slide due to slightly different definitions of comprehensive and supplementary insurance
Source: BaFin NW 603

Decreasing combined ratio and a strong investment result led to an increase in operating profit

Combined ratio



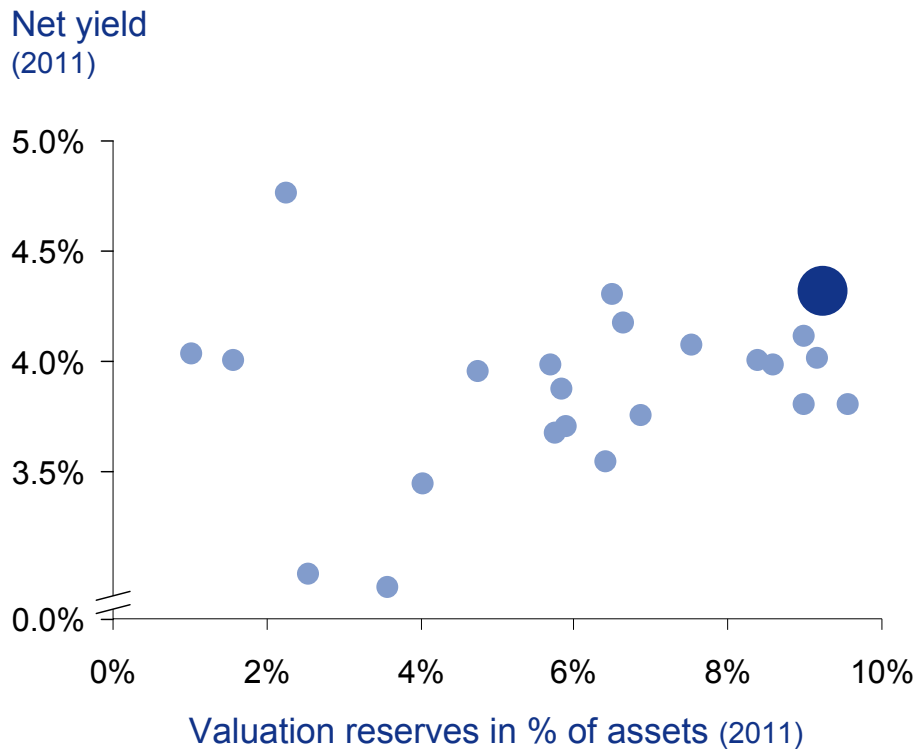
Revenues / profitability (EUR mn)



Important competitive advantage: Allianz Health is in a stronger financial position than almost all of its competitors

Strong financial position

Top accreditation by neutral raters



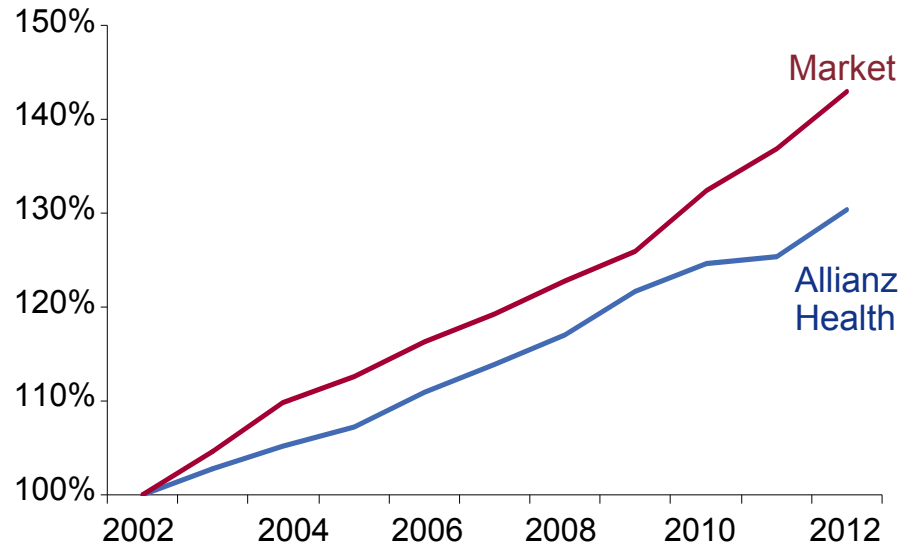
- Competitors
- Allianz Health



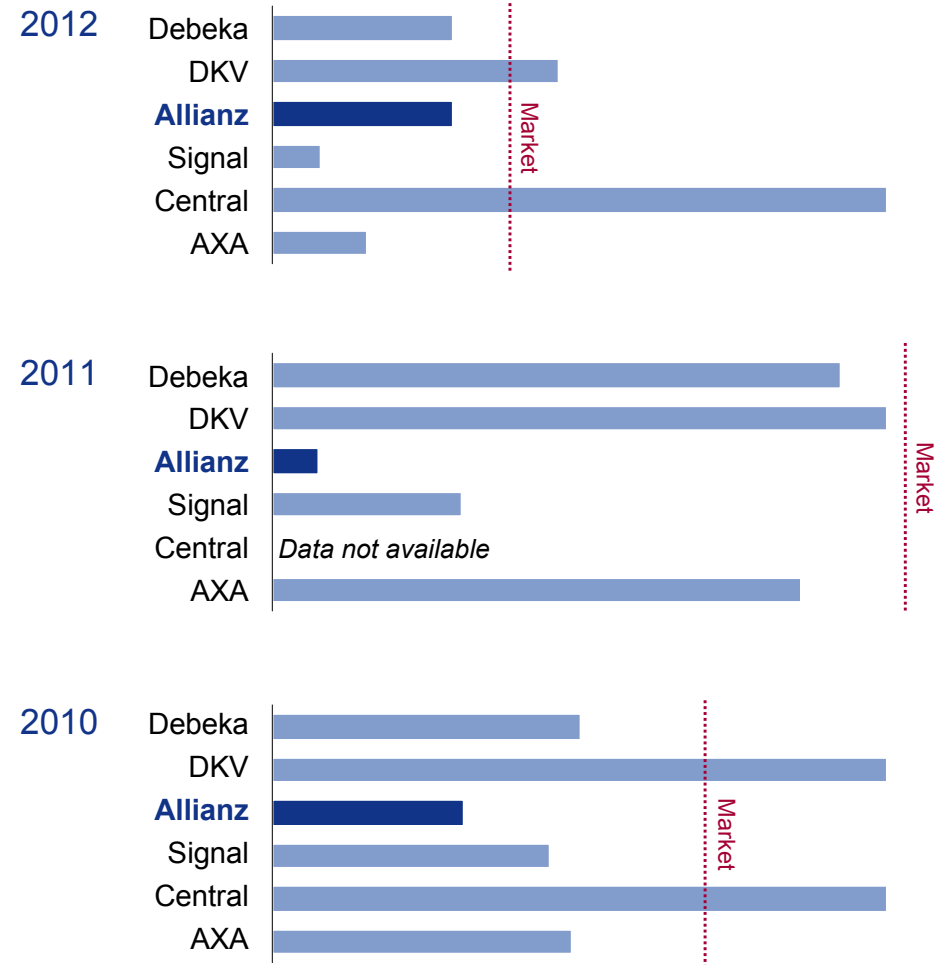
Strong financial position translates directly into superior premium stability

High relative premium stability

Relative premium adjustments
(indexed to 100% in 2002)

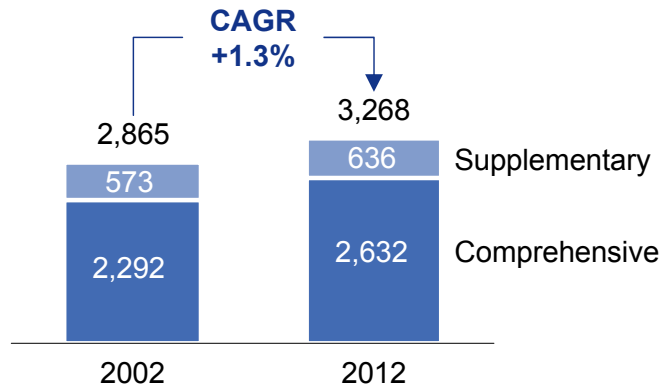


Premium adjustments within peer group

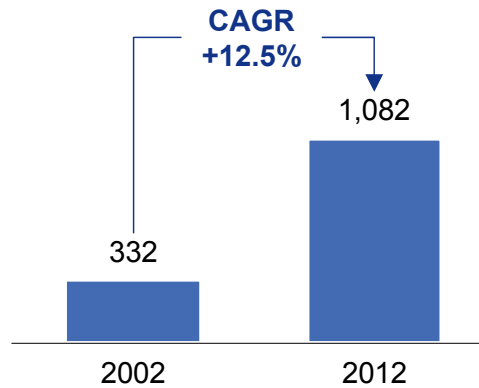


Allianz Health has increased its performance in all major KPIs

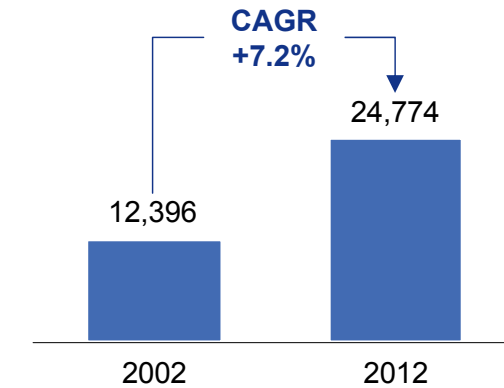
GPW
(EUR mn)



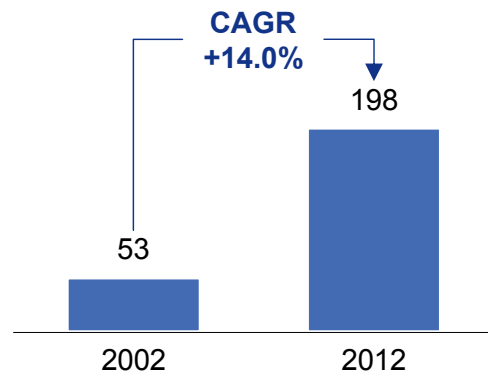
Investment income
(EUR mn)



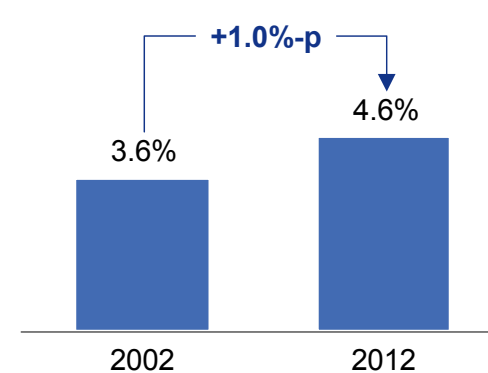
Net reserves
(EUR mn)



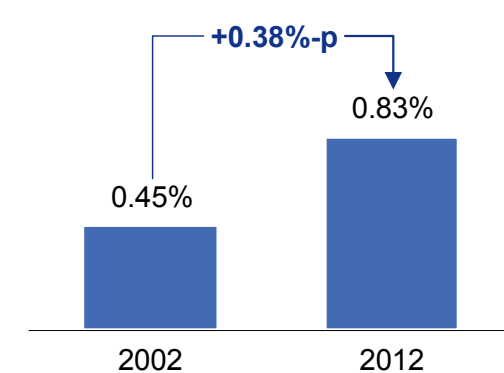
Operating profit
(EUR mn)



Total yield
Investment income / assets (Ø book value)



Margin on average reserves
Operating profit / net reserves

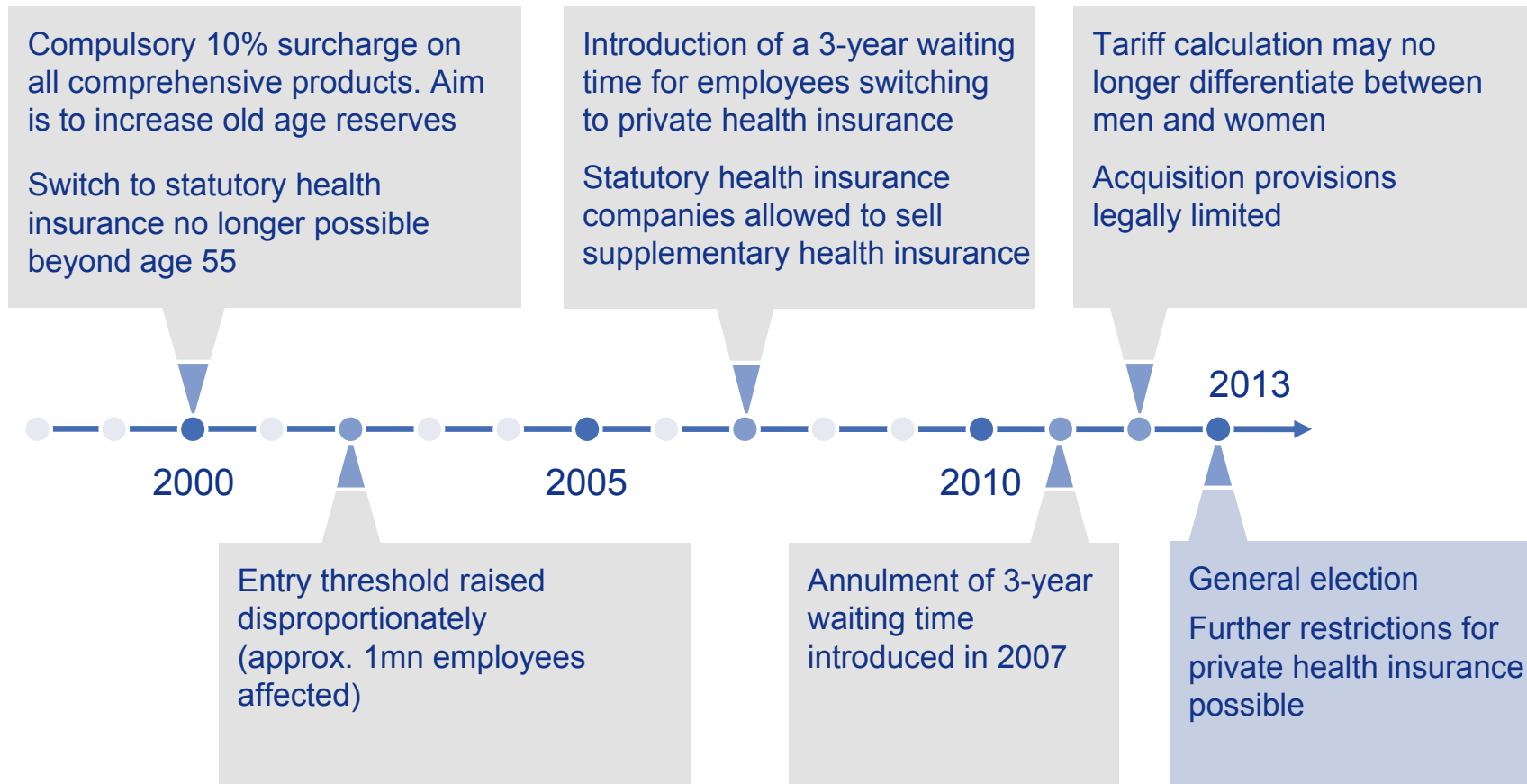


Agenda

- 1 German health insurance
- 2 Allianz Health performance
- 3 Strategy**
- 4 Summary

Market for comprehensive insurance likely to have limited growth prospects

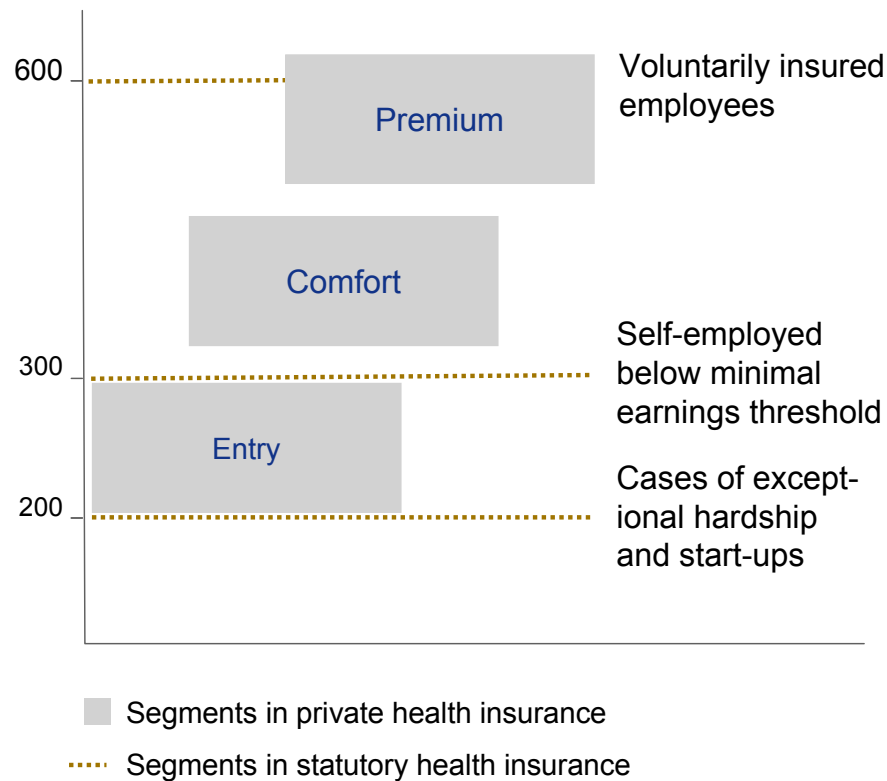
Highly volatile legal environment



Limited potential for market growth in comprehensive insurance has led to unhealthy price competition in the market

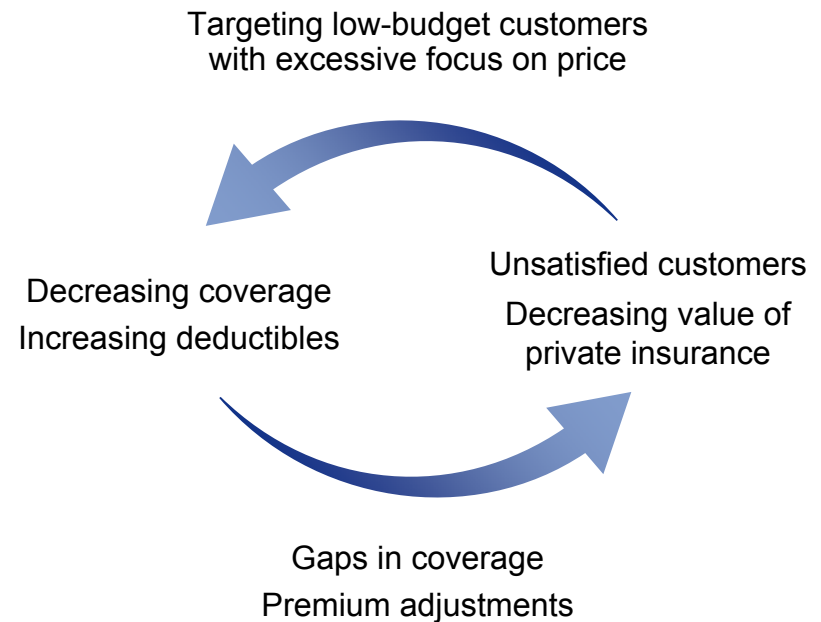
Price comparison with statutory health insurance

Premium level (EUR / month)

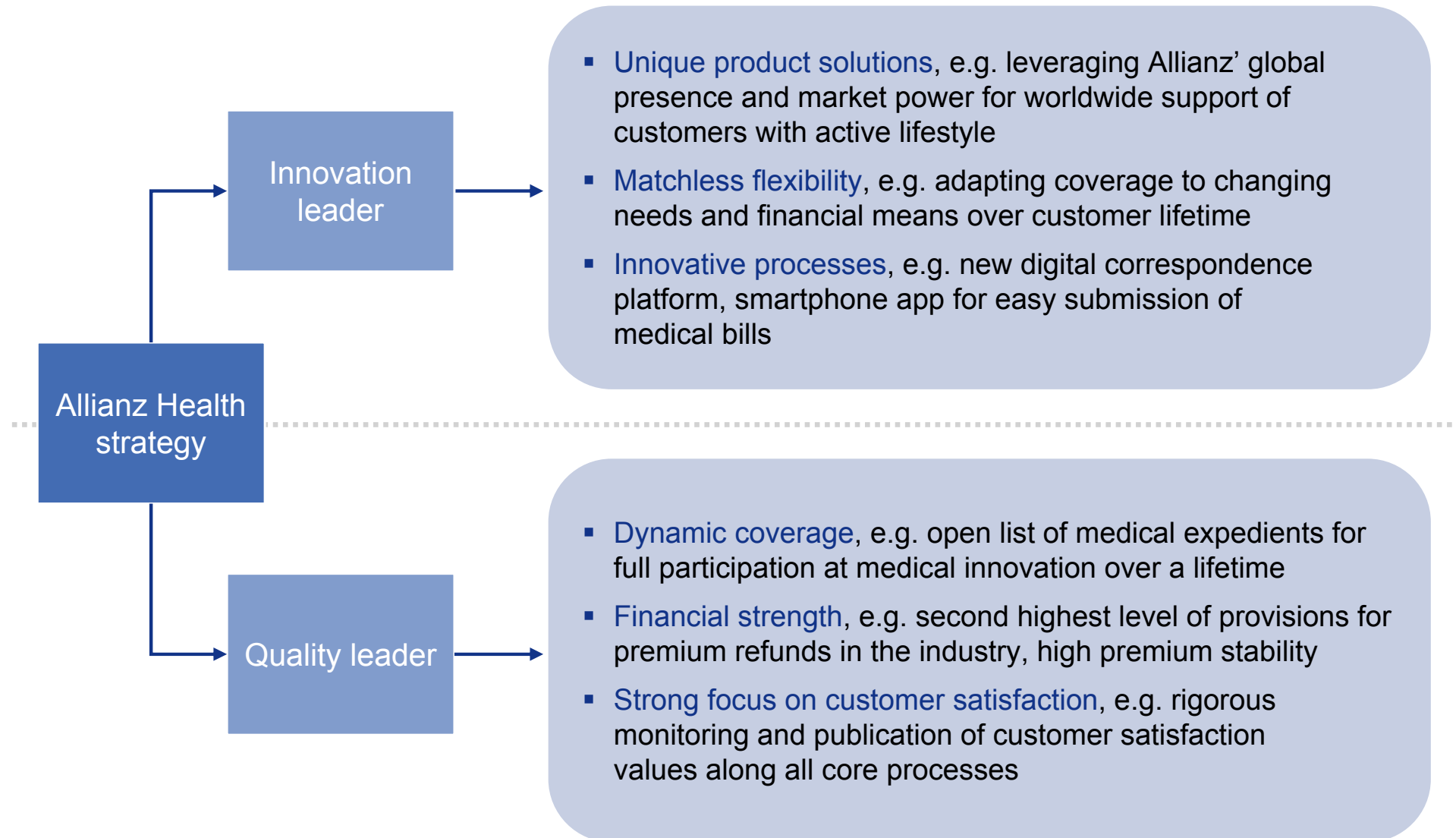


Vicious circle: price competition

Starting point



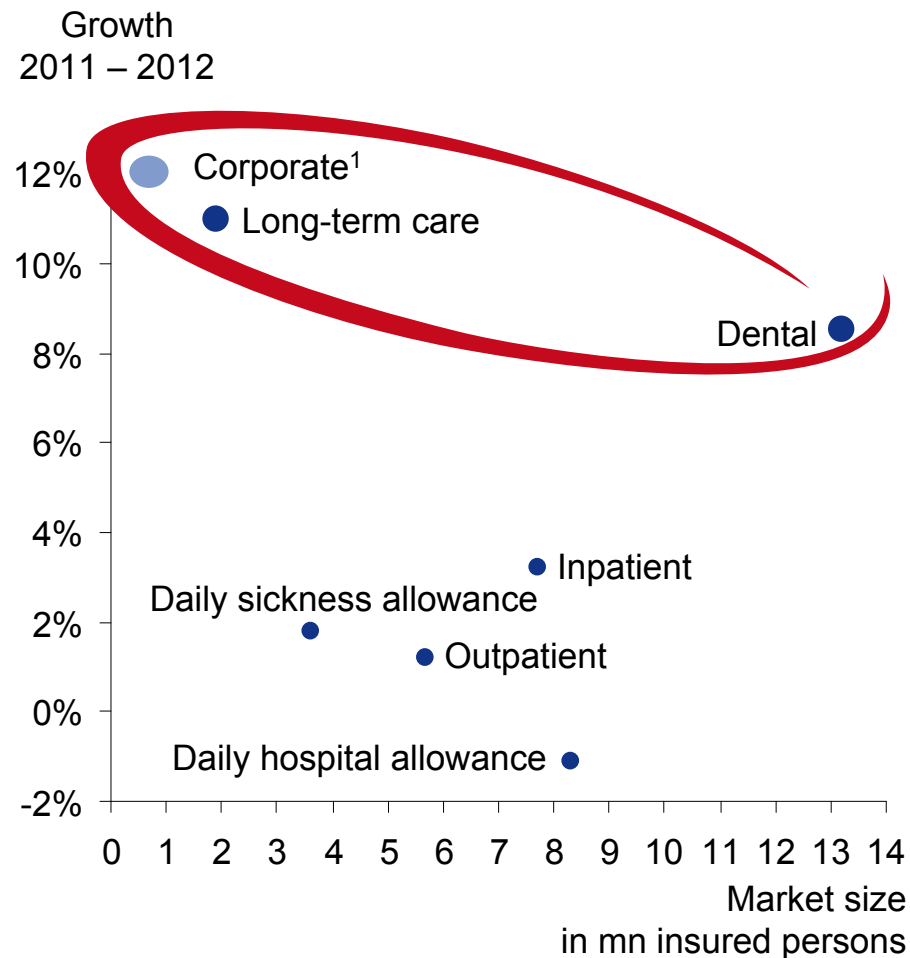
In contrast, Allianz Health targets high end customers through quality and innovation



Allianz strategy in comprehensive health insurance: maintain strong market position

<p>Products</p>	<p>Products for peace of mind</p> <ul style="list-style-type: none">▪ Optimal, worldwide coverage of all important risks▪ Financial security and stable premiums▪ Transparent and easy to understand policies
<p>Services</p>	<p>Services for a modern and active lifestyle</p> <ul style="list-style-type: none">▪ Active medical support abroad incl. language assistance▪ Access to leading medical experts for a “second opinion”▪ Self-service online platform and VIP-hotline for fast response to customer questions
<p>Sales approach</p>	<p>Needs-based advice, no product push</p> <ul style="list-style-type: none">▪ Sales approach based on holistic assessment of customer needs▪ Clear sales guidelines on which customers do not benefit from our products▪ Focus on best long-term solution

Allianz strategy in supplementary health insurance: focus on high-potential market segments



Corporate

- Rapidly growing market, attractive product for employers to differentiate themselves in war-for-talent
- Allianz Health with strong position through Allianz Life's market leadership in corporate segment

Long-term care

- Still small market, but general population with very significant intention to buy
- Allianz Health with top-rated product range and leading market position

Dental

- Classical entry product in supplementary health insurance, often leading to upselling into further product segments
- Allianz Health with broad market access across all channels (online, tied agents, brokers)

1) No market data available; position based on Allianz data (actual growth Allianz 2012-13 >100%)
Sources: PKV-Verband 2011, Kurs Magazin 2013

Allianz strategy in supplementary health insurance: grow in high-potential markets

Corporate

Modular product line and lean processes

- 9 products from dental to alternative medicine to top-class inpatient care
- Coverage extension to family members and follow-on coverage for retirement
- Lean processes for “no hassle” underwriting

Long-term care

Strong coverage from basic to high-end

- Tax-subsidized product for early start into long-term care insurance
- Combination to increase coverage in tax-subsidized product (“tried and tested Allianz quality, now with tax-funding”)
- High-end, top-rated product for full wealth protection in case of long-term care

Dental

Easy to understand, self-service products

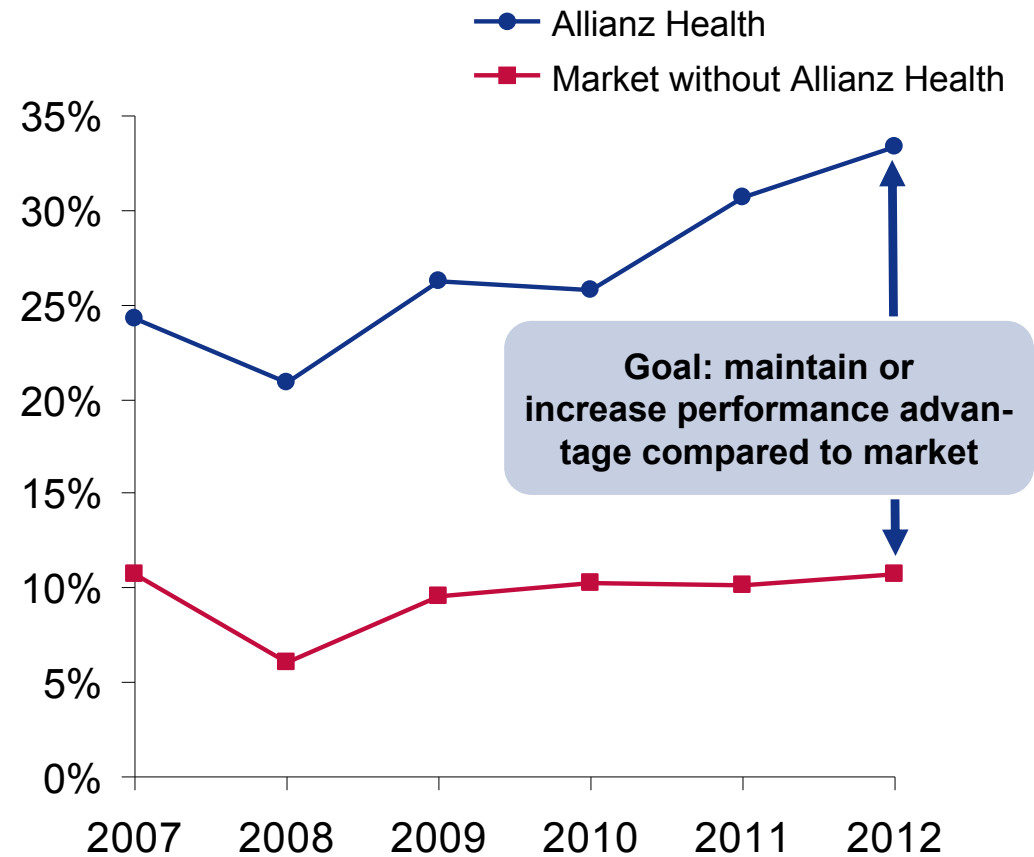
- Optimal complement to coverage by statutory health insurance
- Easy to understand product design and claims process
- Online shopping via Allianz.de, Allsecur and homepages of tied agents

Key strategic goal: maintain high profitability

Reasons for superior profitability

- Highly effective underwriting
- Leading automation rate in contracting and claims management
- Rigorous cost management
- Streamlined processes throughout

Return on equity (after tax)



Agenda

- 1 German health insurance
- 2 Allianz Health performance
- 3 Strategy
- 4 **Summary**

Summary



Achievements

Allianz Health 3rd largest German health insurer in terms of GPW

Superior reserves and high resilience in low interest environment

Top product- and service ratings

RoE significantly above market and increasing



Strategy / initiatives / ambition

Continue to focus on quality and innovation, supporting worldwide Allianz brand

Protect leadership position in terms of financial strength

Maintain position in comprehensive insurance, grow in supplementary

Preserve profitability through increasing automation and rigorous cost control

Operations

Alexander Vollert
Member of the Board of Management
Allianz Deutschland AG

Berlin, June 25, 2013



Agenda

- 1** Overview
- 2** Managing expenses
- 3** Managing digitalization
- 4** Summary

Overview operations – structure and objectives



Objectives

- Improve claims management
- Reduce administration and factor costs (e.g. by leveraging service companies for selected areas)
- Enhance customer satisfaction / NPS²
- Increase employee engagement

Objectives

- Implement target IT platforms (esp. ABS³) and infrastructure
- Reduce complexity in processes and products
- Increase efficiency and automation throughout value chain
- Push digitalization and customer orientation

1) Staff department of “operations” = “Stab Betrieb”

2) NPS = Net Promoter Score

3) ABS = Allianz Business System

Overview operations – facts and figures

Servicing and claims		2012
Responsibilities	Policy administration & servicing Claims handling	
FTEs		9,500
Budget		EUR 600mn
Locations		13
Administrated contracts		45mn
Calls handled		20mn
Digitalized documents at LSZ ¹		27.9mn
Operating procedures		49mn
Claims handled		2.7mn
Claims payments ²		EUR 4.2bn

Organizational management and IT		2012
Responsibilities	IT infrastructure and application development Process and organization design Project portfolio management of Allianz Deutschland Cross-functional transformation / efficiency programs (e.g. ZPS ³)	
FTEs		1,400
Budget		EUR 600mn
PCs		60,000
Server		1,200
IT projects		~1,000
Volume of (customer) data		20,000 TB
Legacy administration systems migrated to ABS ⁴		10
Company data model fields in ABS ⁴		~12,000
Number of processes		~1,500

1) LSZ = Logistik-Service-Zentrum

2) Data according to local GAAP (HGB); based on gross figures P/C

3) ZPS = Zukunftsprogramm Sach = future program P/C business

4) ABS = Allianz Business System

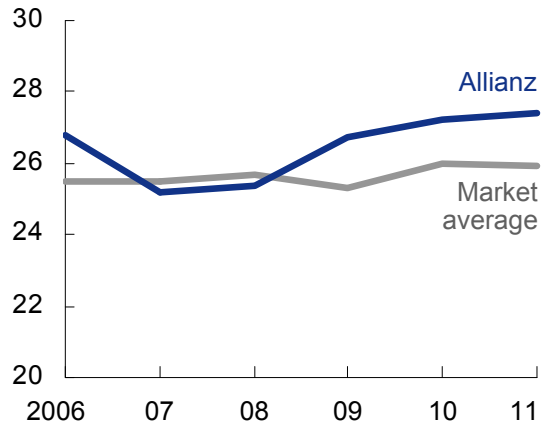
Agenda

- 1 Overview
- 2 Managing expenses**
- 3 Managing digitalization
- 4 Summary

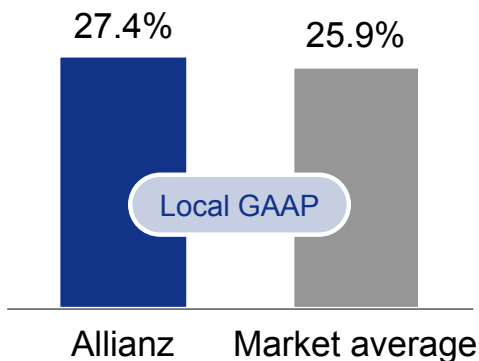
Starting point 2011: superior expense position in Life and Health, improvement potential in P/C ...

P/C¹

Gross expense ratio (%)

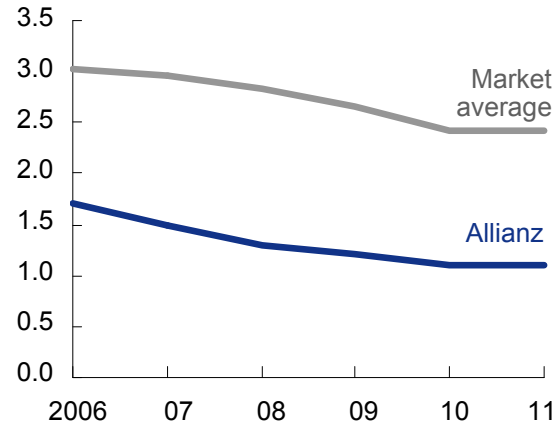


Status 2011: worse than market²

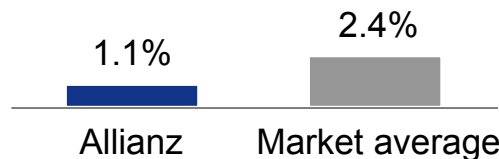


Life¹

Gross administrative expense ratio (%)

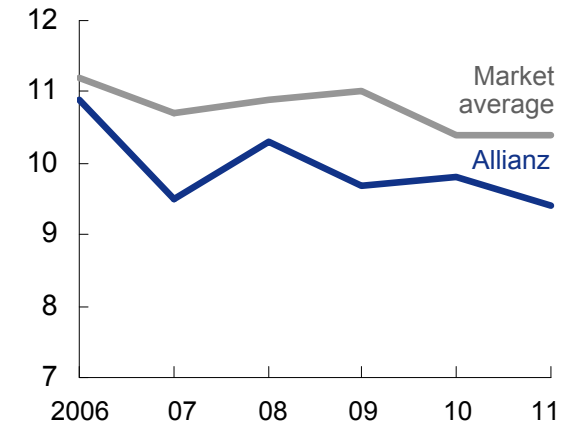


Status 2011: market leader²

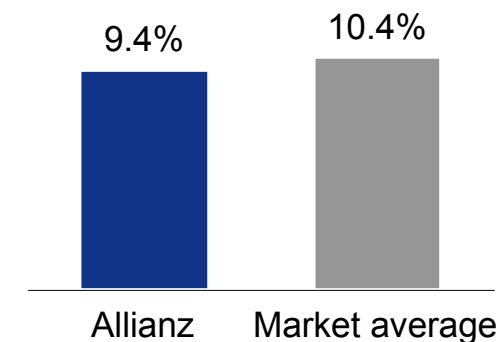


Health¹

Gross expense ratio (%)



Status 2011: better than market²

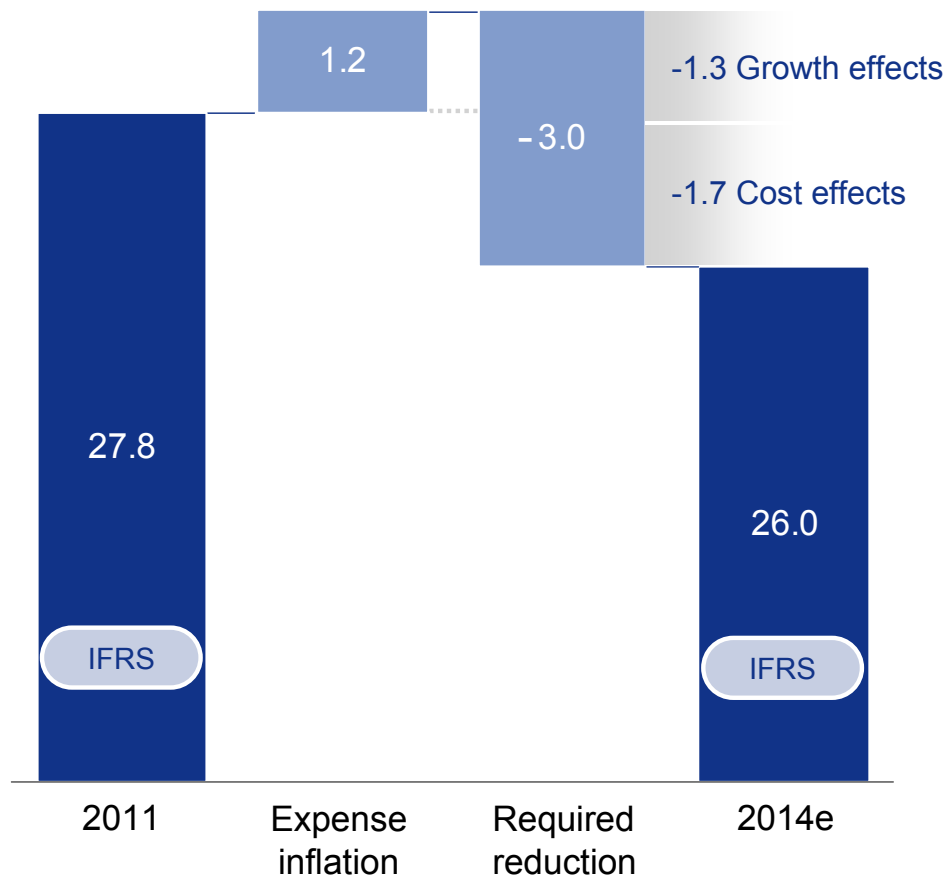


1) Data according to local GAAP (HGB); ratios based on gross figures

2) Market including Allianz. Source: German insurance association (GDV), defined per group pursuant to current accounting law provisions

... triggering the implementation of „Zukunftsprogramm Sach“

Improve profitability via decreasing expense ratio (%)



- ~EUR 400mn saving measures developed via ZPS¹ by 2015, covering all lines of business and all segments of the value chain
- Major levers
 - Optimize headquarters & processes
 - Optimize operational platform
 - Optimize distribution effectiveness

1) ZPS = Zukunftsprogramm Sach = future program P/C business

Levers to improve expense position

	Focus of presentation	Other initiatives
Headquarters	1 Optimization project German headquarters	<ul style="list-style-type: none"> Reduce redundancies and functional overlaps in headquarters Optimize headquarters' personnel cost
Operations	2 Use of service companies 3 Automation 4 Reduce complexity of products and tariffs 5 Improve process efficiency	<ul style="list-style-type: none"> Move business locations from city centers to suburbs Optimize IT infrastructure Migrate legacy systems to ABS¹
Distribution	→ Presentation H	<ul style="list-style-type: none"> Increase productivity of distribution Improve agency handover Innovated and unified sales approach Implement central servicing of one-contract-customers Focus on sales specialist involvement

1) ABS = Allianz Business System

1 Optimization project German headquarters

Levers

- Review roles and responsibilities
- Avoid overlaps
- Re-engineer processes
- Reduce personnel- and non-personnel costs

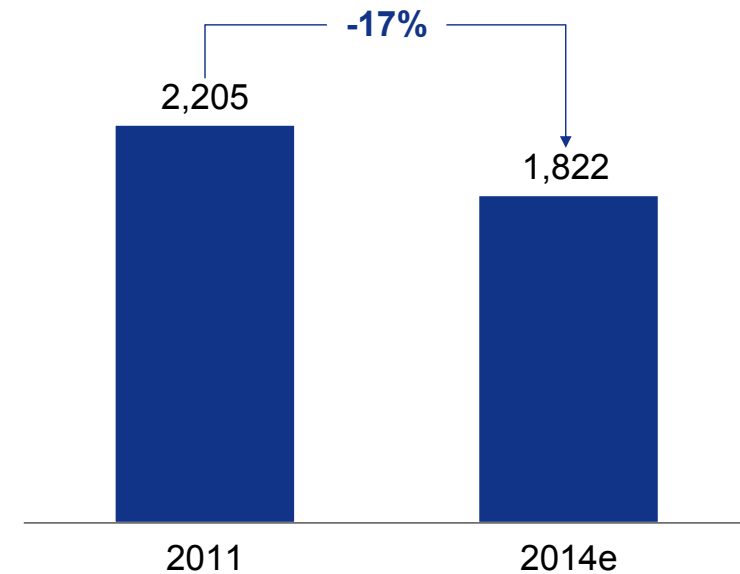
Actions

- Systematic analysis of headquarter functions, tasks, hierarchy levels, savings potentials and implementation options
- More than 500 measures initiated and results implemented
- FTEs to be reduced by ~400 by 2014

Impact

- Annual expense reduction of ~EUR 80mn across business segments
- Relief of P/C expense ratio by ~EUR 41mn / ~0.4%-p

FTE development



2 Use of service companies – customer care center Halle (Saale)

Reasons for using service companies

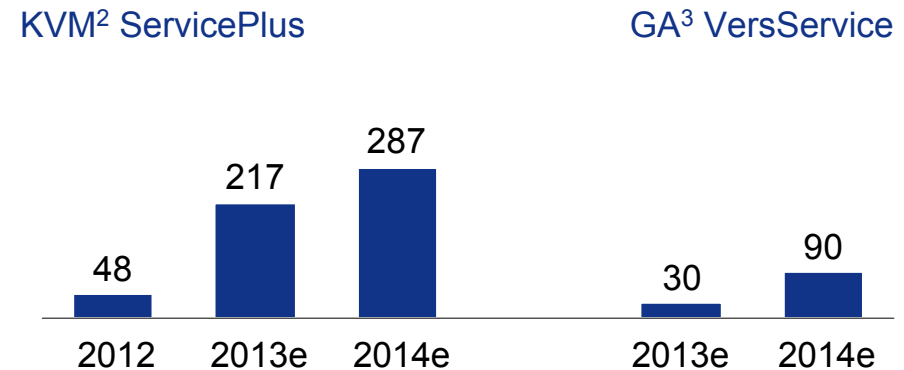
- Expenses: reduced costs for simple administration processes and customer servicing
 - Salaries adopted to responsibilities
 - Lower administrative costs e.g. by using open-plan offices
 - Virtualized workplaces (low PC costs)
 - Shift of servicing capacity to low cost entities
- Distribution productivity: administrative services for tied agents
- Customer orientation: new services like chat and call-back

Affected businesses

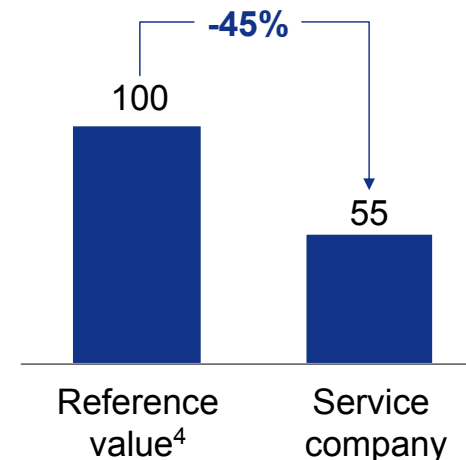
- AllSecur: contracts and customer care
- Global Automotive: contracts, customer care and simple claims handling
- Sales support: general customer care, chat and call-back services

1) Annual average
 2) KVM = Service Plus Kunden und Vertriebsmanagement GmbH
 3) GA = Global Automotive
 4) Average costs per FTE for simple servicing in “traditional” operating entities

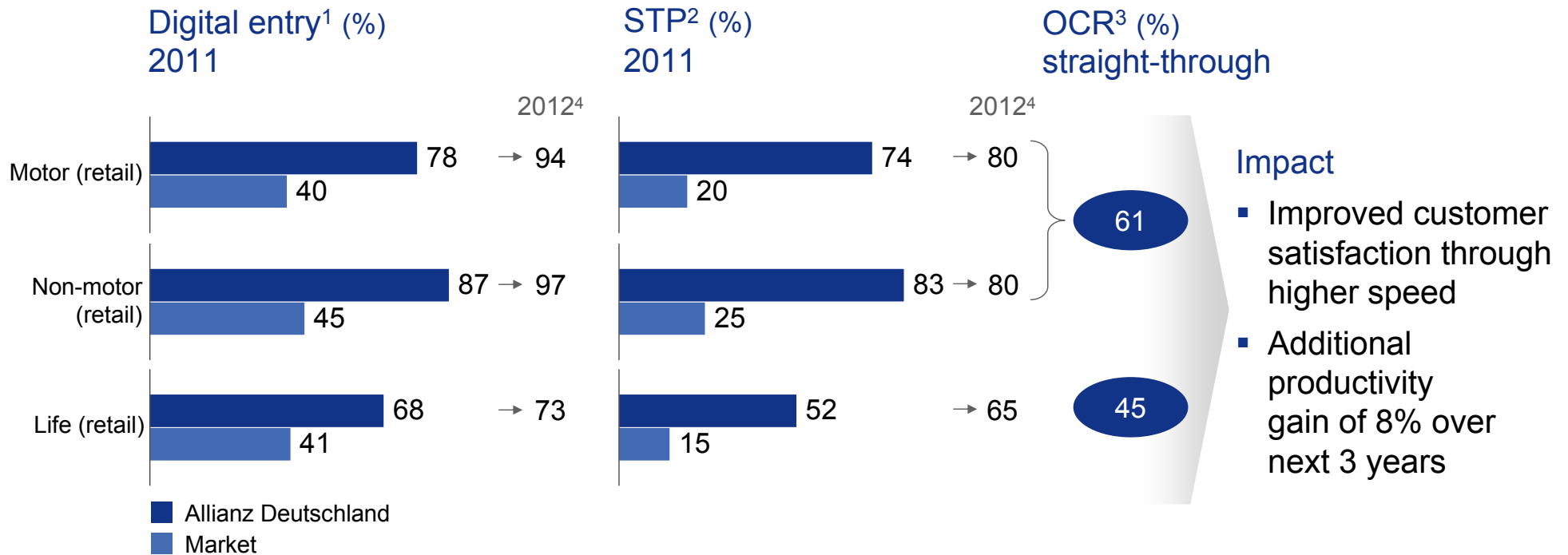
Build-up of service companies (FTEs¹)



Average costs per FTE (indexed)



3 Automation



Additional measures

- Design new products for STP² (especially in individual business), e.g. new product "PrivatSchutz" with >90% STP rate for new contracts
- Improvement of digital entries for all channels (e.g. broker through BiPro⁵)
- Modularity of ABS⁶ product modeling allows for higher automation rates (e.g. to be applied in upcoming corporate product "FirmenSchutz")

1) Source: Verdi report 2011 (data Allianz Deutschland) / BCG "IT-Benchmarking in deutschen Versicherungen 2012" (market data)
 2) STP = straight-through processing, source: Verdi report 2011 (data Allianz Deutschland) / BCG "IT-Benchmarking in deutschen Versicherungen 2012" (market data)
 3) OCR = optical character recognition; OCR-STP: automatic recognition and routing to employee; no manual routing required; data for 2012
 4) Source: Verdi report 2012 (data Allianz Deutschland)
 5) BiPro = Brancheninstitut Prozessoptimierung = industry institute for process optimization
 6) ABS = Allianz Business System

4 Complexity reduction through Allianz Business System

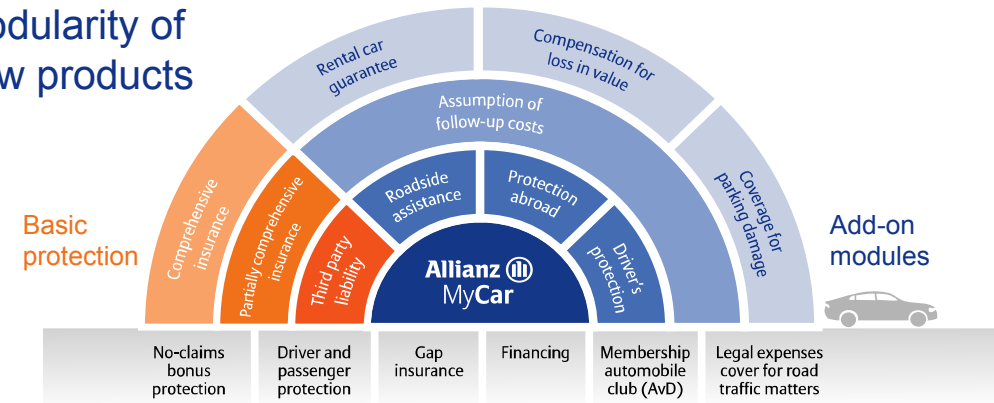
Allianz Business System (ABS)

- ABS = unified administration system across Life, Health and P/C with single customer view
- Benefits for customers: improved service, e.g. one unified contact point, one account for all premium payments; basis for digitalization of customer interaction
- Benefits for agents: comprehensive view on each customer relationship including status of claims, display of incoming mail etc.
- Benefits for market management: unified platform for campaigns, higher speed in launch of new products etc.

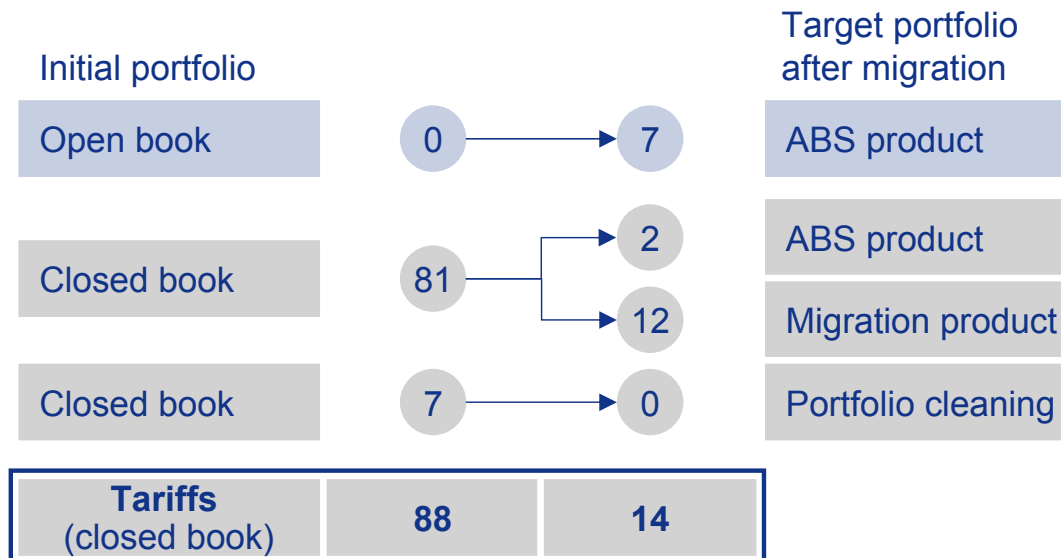
Modularity of new products leading to complexity reduction

- ABS as a precondition for modular products
- Adopted for motor, household, property, 3rd party liability, legal protection
- Combination of single modules allows tailor-made solutions for clients processed at lower costs

Modularity of new products



Pruning of in-force book through intelligent migration

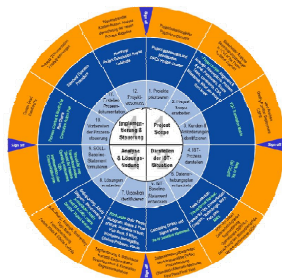


5 Efficiency and capability building through Allianz Lean Six Sigma (OPEX) projects

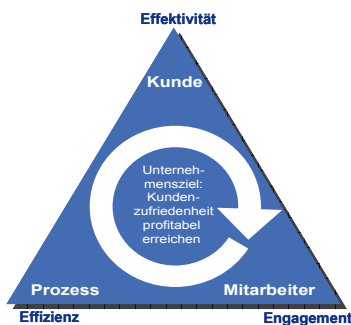
Objectives



- Joint methodology for process improvement throughout organization



- Education of employees to spread methodology and approach



- Significant efficiency and / or quality improvement in operations

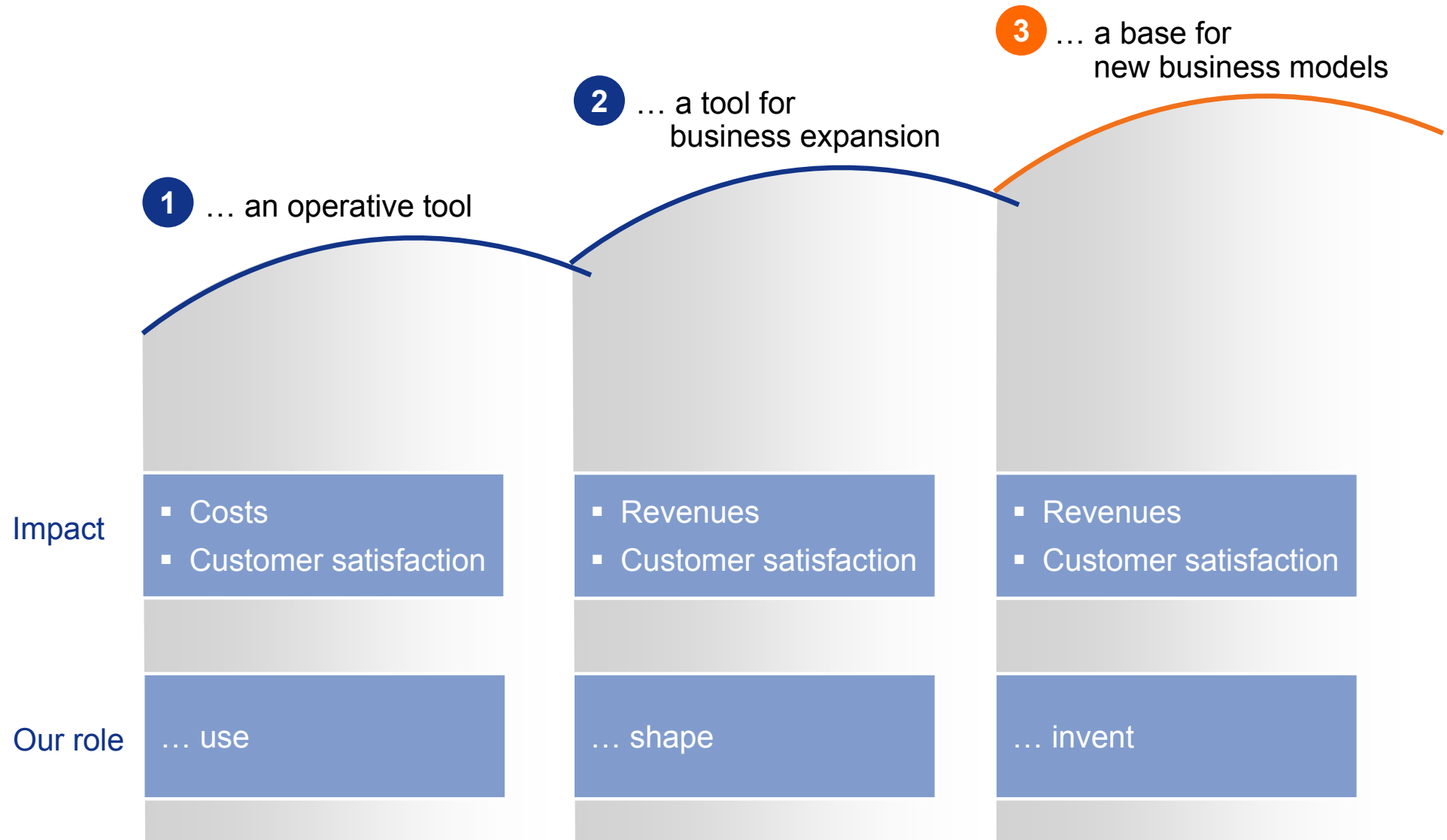
Impact / results

- More than 250 projects since 2007
- >130 certified “blackbelts” (0.7% of employees) educated
- >1,000 FTE-efficiency measures generated (~EUR 100mn annual savings)

Agenda

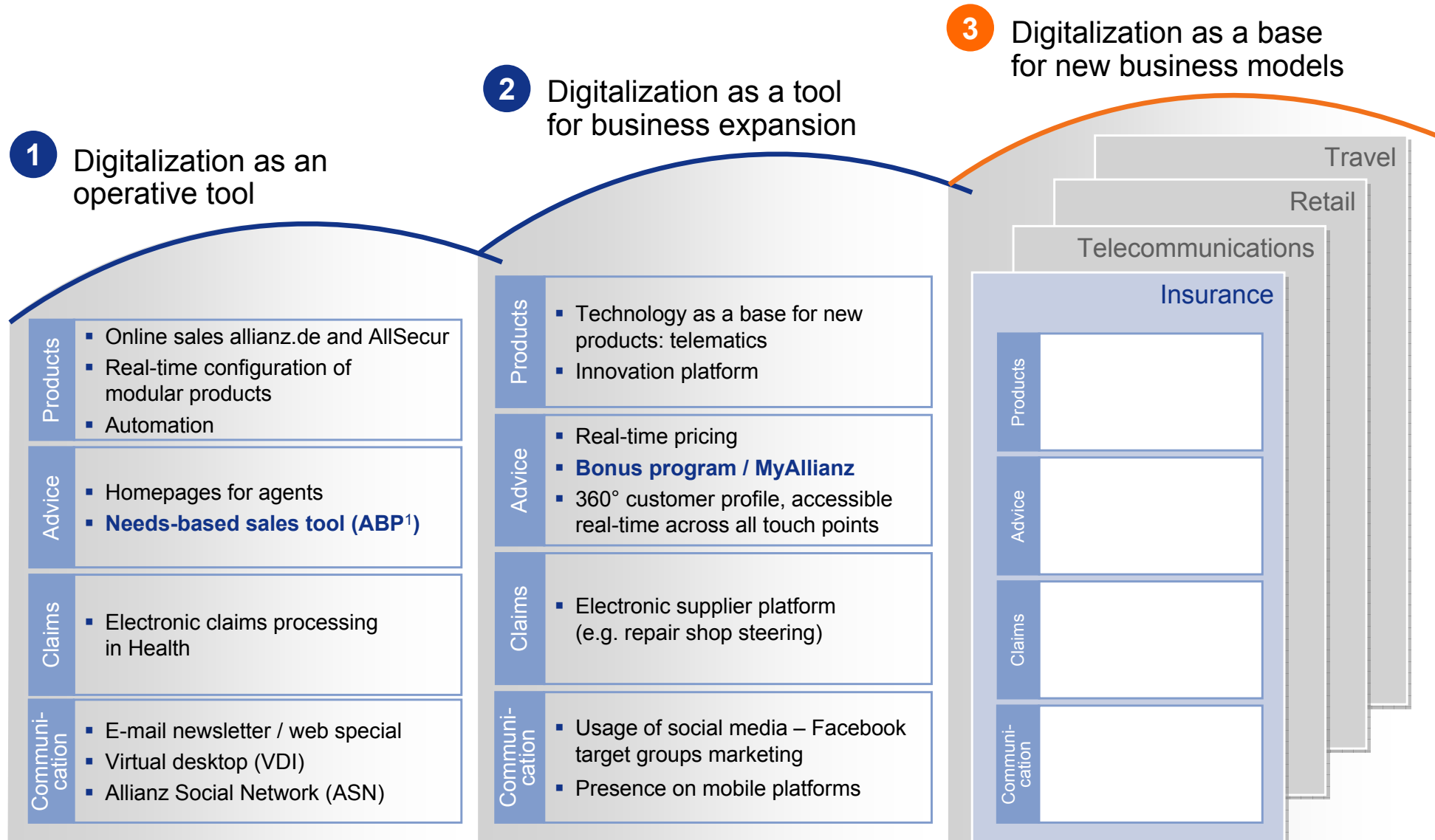
- 1 Overview
- 2 Managing expenses
- 3 Managing digitalization**
- 4 Summary

Digitalization as ...



Digitalization – selected initiatives of Allianz Deutschland

SELECTED EXAMPLES

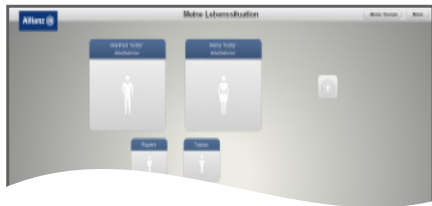


1) ABP = Allianz Beratungs Prozess = Allianz advice process

1 Digitalization as an operative tool – new needs-based advice software ABP¹

Structured process “from need to solution”

1. “My situation & family”



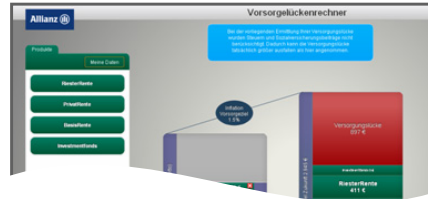
2. “My needs”



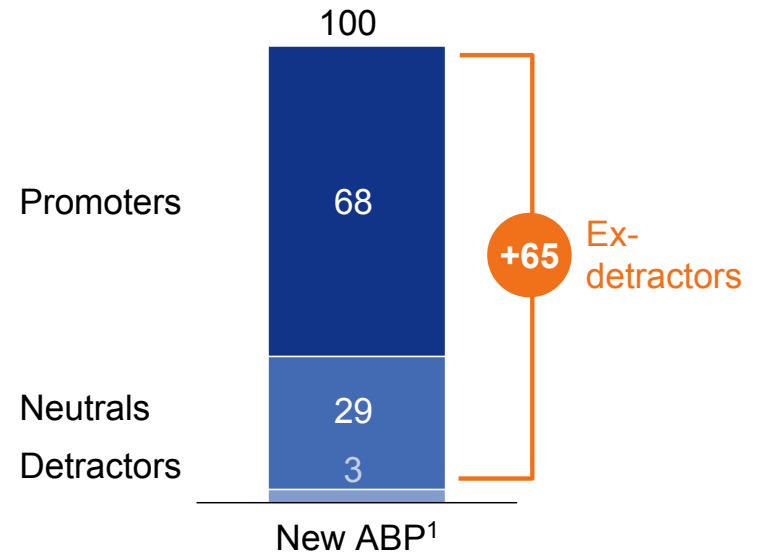
3. “My priorities”



4. “My solutions”



Impact on customer NPS²



- Definition of **market-leading standards** for providing advice to customers
- Comprehensive analysis of individual **needs & priorities**
- Customized **solutions & follow-up** opportunities
- **HTML 5 – device independent, e.g. simple tablet integration**
- Link to **customer portal MyAllianz**

Advantages !

▶ Licensed for Italy and Switzerland

1) ABP = Allianz Beratungs Prozess = Allianz advice process
 2) NPS = Net Promoter Score

2 Digitalization as a tool for business expansion – MyAllianz and Allianz Bonus Program

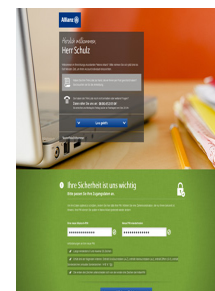
MyAllianz



Targets

- Offering a state-of-the-art online platform with modern and innovative features and design
- Creating clarity and full transparency over insurance contracts & correspondence (electronic insurance folder)
- Rewarding customer loyalty through attractive day-to-day benefits
- Increasing contact frequency and customer retention
- Integrating online and offline customer interaction
- Substantial transaction and cross-selling potential (e.g. next best product, change of address, storing of offers etc.)

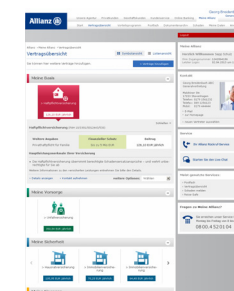
+ Allianz Bonus Program



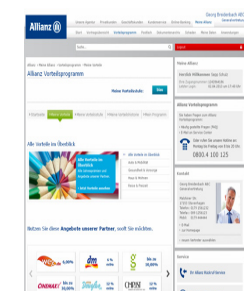
Ease of use



Welcome page with personalized CRM



Contract overview

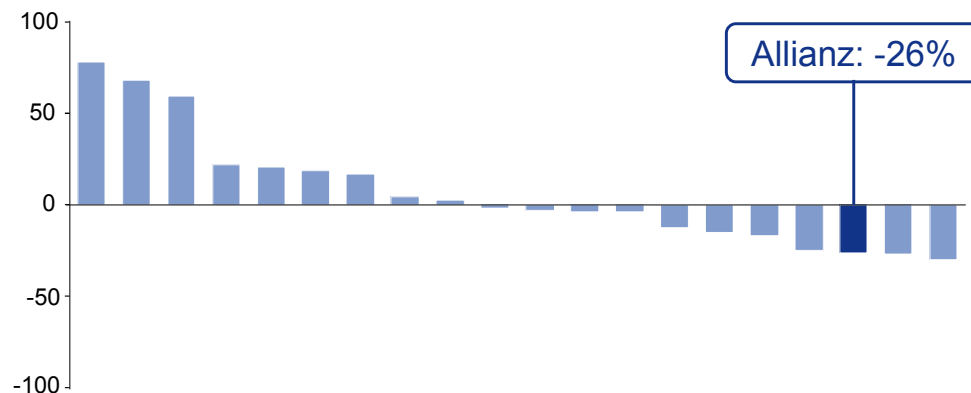


Bonus program

▶ MyAllianz is set to replace the paper-based insurance folder

Technology as a source of competitive advantage

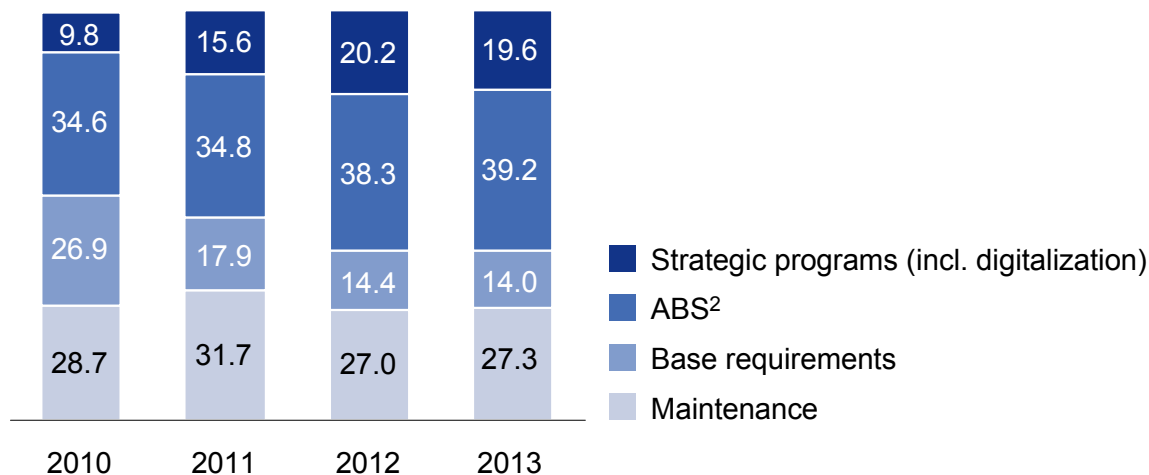
Deviation of IT cost ratios compared to peer average in 2011 (%)¹



Competitive advantages generated by superior digitalization capabilities

- Clear IT strategy (ABS², digital readiness, analytical data) addresses changing customer behavior
- Architectural principles (integrity of data model, product modularity etc.) reduce complexity
- Allianz with low IT cost ratio compared to peers: Allianz 1.7%, peer average 2.3% through economies of scale
- Share of IT investments in digital innovation rises despite large regulatory changes
- Superior position avoids “stuck in the middle” problem
- Competitive position hard to catch by followers due to limited transformation speed

IT budget 2010-2013 (share in %)



1) Source: BCG IT-Benchmarking 2012
 2) ABS = Allianz Business System

Agenda

- 1 Overview
- 2 Managing expenses
- 3 Managing digitalization
- 4 **Summary**

Summary



Achievements

Cost reduction measures of EUR 400mn well on track

Service company established; headquarters' staff reduced

Implementation of ABS while maintaining low IT cost ratio

Increasing number of digital innovations, especially MyAllianz



Strategy / initiatives / ambition

Fully implement measures to achieve expense ratio of 26% by 2014

Achieve market leadership for customer platforms in terms of user experience

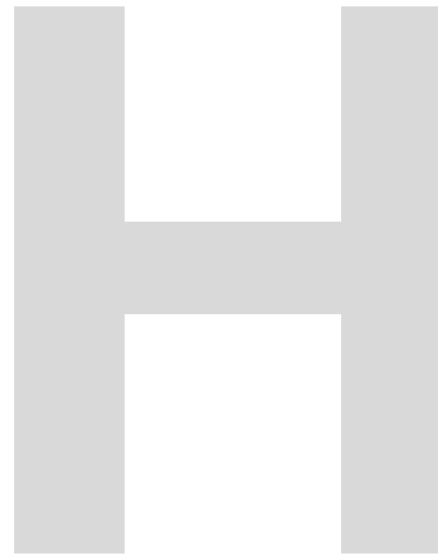
Successfully complete ABS migration and shut down legacy systems

Leverage technical platform as source of competitive advantage

Distribution

Joachim Müller
Member of the Board of Management
Allianz Beratungs- und Vertriebs-AG

Berlin, June 25, 2013

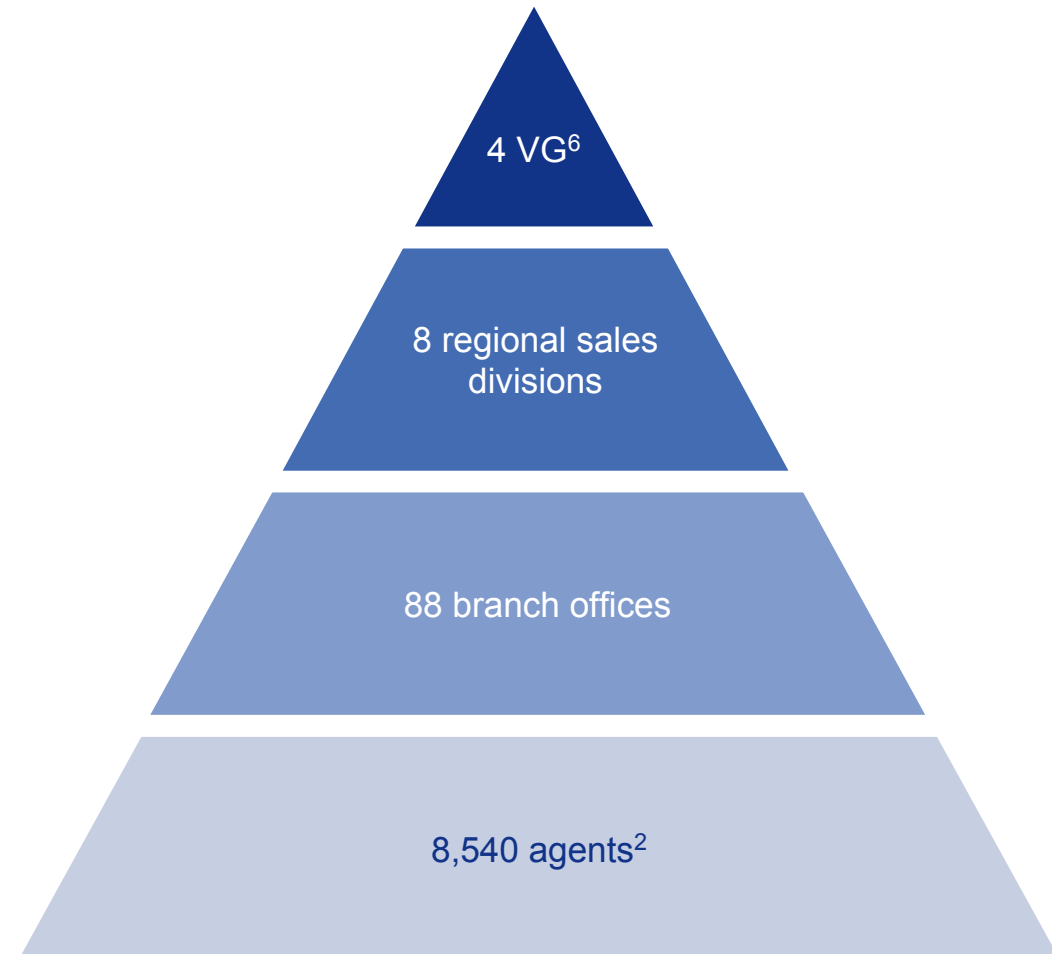


Agenda

- 1 Overview Allianz Deutschland distribution**
- 2 Agency Future Program / Pro3**
- 3 Summary**

ABV¹ – facts and figures 2012

ABV ¹	2012
Sales people	14,228
<i>thereof tied agents</i>	<i>8,540²</i>
P/C new premiums ³ (EUR)	887mn
Life insurance new business ⁴ (EUR)	12,418mn
Health insurance new business ⁵ (EUR)	6.8mn
Customers	15.1mn



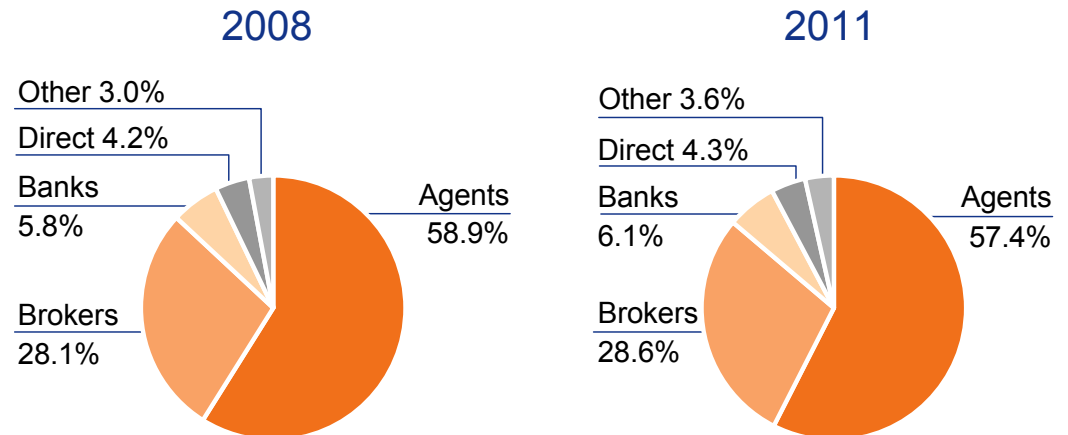
- 1) ABV = Allianz Beratungs- und Vertriebs-AG
- 2) Excluding specialized distribution
- 3) "Neu-/Mehrbeitrag" = GPW of new business
- 4) "Bewertungssumme" = weighted premium sum
- 5) "Monatsbeitrag" = monthly premiums
- 6) VG = "Vertriebsgebiet" = distribution areas

Distribution in German insurance market

Major characteristics

- Market dominated by agent distribution
- Increasing importance of direct business and digital capabilities for distribution of standard products
- Agents and brokers are still the preferred channel for distribution of individualized products with high advisory requirements

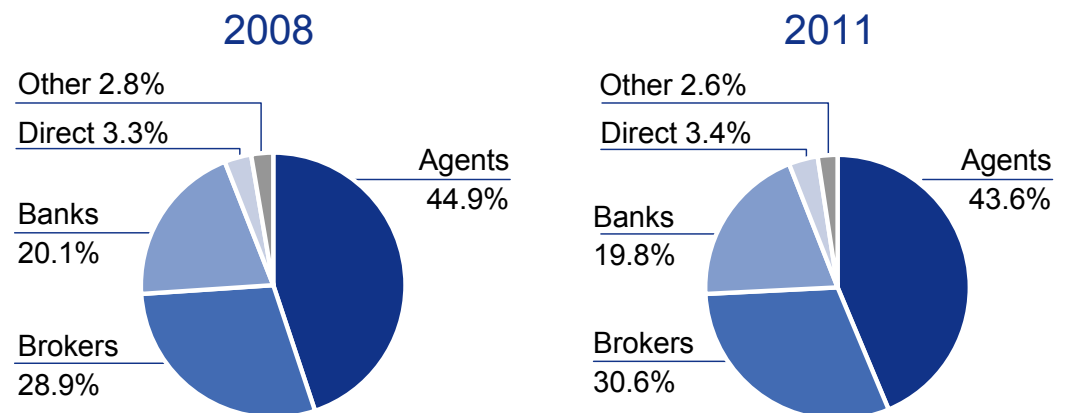
Distribution split P/C (% of GPW)²



Market trends

- Digitalization
- Urbanization
- Demographic change
- Low interest rate environment
- Life: transition from guarantee products to capital market oriented pension schemes
- Regulation / IMD²

Distribution split Life (% of new business)²



1) IMD = Insurance Mediation Directive
 2) Source: German insurance association (GDV); data for 2012 not yet available

Allianz – strong captive distribution

Major characteristics

- Multi-channel strategy
- Strong focus on agents
- Hybrid product offering in car insurance
- Extension of hybrid offerings to other products

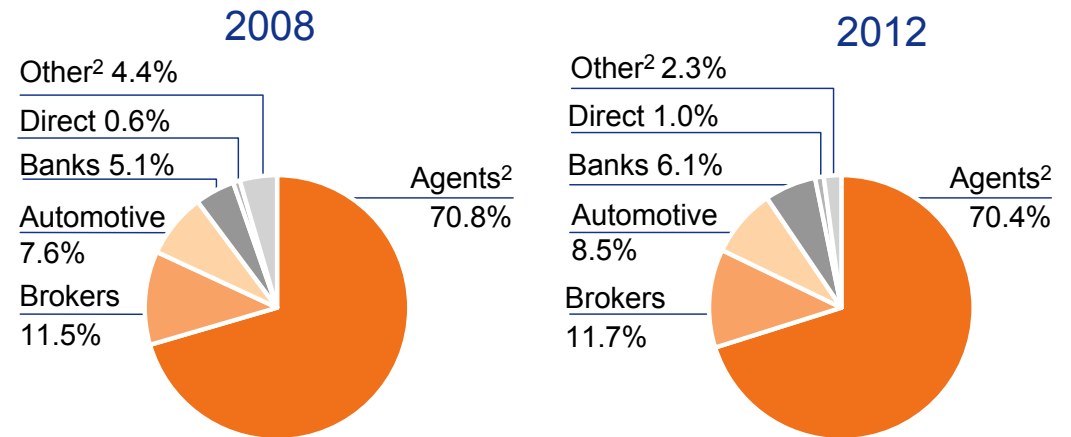
Competitive advantages

- Biggest market player¹
- Strongest sales capacity
- High experience in multi-channel

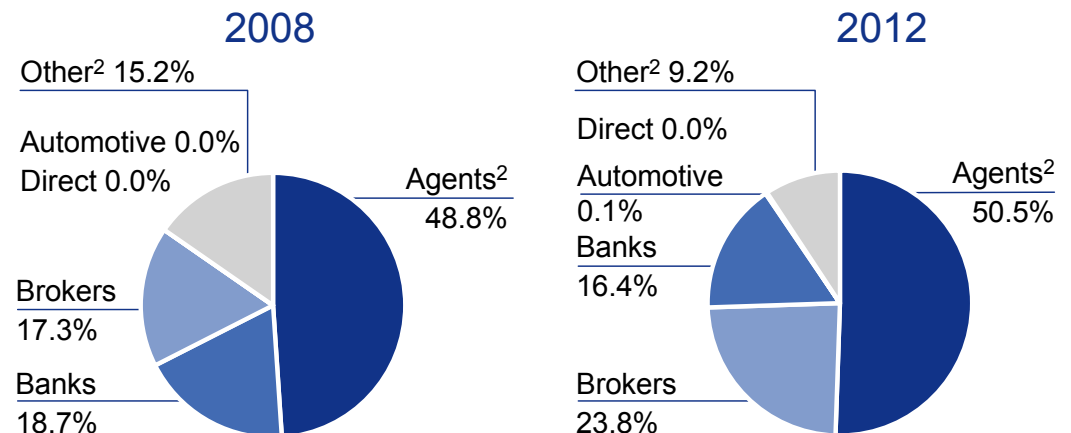
Expected trends

- Increased customer hybridization
- Digitalization

Distribution split P/C (% of GPW)



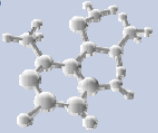



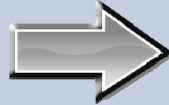

Distribution split Life (% of statutory GPW)



1) By GPW

2) Share of “agents” and “other”: data 2008 / 2012 not fully comparable due to a change in methodology. “Other” in 2008: including agents of specialized distribution

Allianz Deutschland with a strong position in all distribution channels

Agents 	Brokers 	Automotive 	Banks 	Online 	Other 
<ul style="list-style-type: none"> ▪ Largest exclusive distribution system in Germany ▪ ~8,540 agents¹ ▪ ~6,000 employed salesforce ▪ ~24,500 part time agents ▪ Presence: 98% of Allianz clients with an agency within 10km 	<ul style="list-style-type: none"> ▪ Clear market leader in life business ▪ Top insurance partner for brokers 	<ul style="list-style-type: none"> ▪ Dominant player with more than 75% market share ▪ Joint ventures and partnerships with all leading car manufacturers 	<ul style="list-style-type: none"> ▪ Own banking channel (OLB²) ▪ Cooperation with Commerzbank as the private bank with the largest branch network ▪ Cooperation with Bavarian co-operative banks 	<ul style="list-style-type: none"> ▪ AllSecur with a strong growth in 2011 / 2012 ▪ Additional growth via Allianz Auto Online Service (AAOS) 	<ul style="list-style-type: none"> ▪ Other successful partnerships ▪ Sales via employees

Allianz Deutschland clearly with the strongest distribution power in the German insurance market



1) Excluding specialized distribution
 2) OLB = Oldenburgische Landesbank

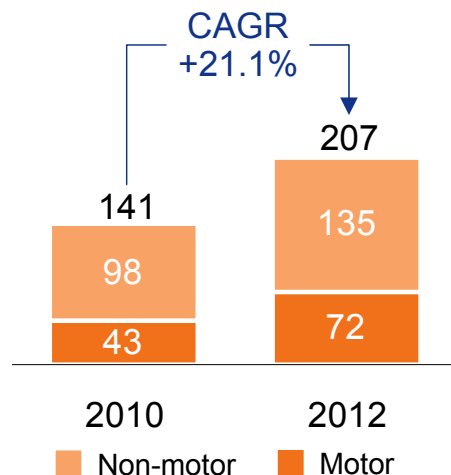
Broker distribution – accelerating growth

P/C – excellent sales results and strong profit improvements

- Ongoing implementation of growth program
- Roll-out of new support concept in operations, claims and underwriting for premium partners
- Introduction of a more sophisticated CRM tool
- Active involvement in setting technical standards for data transfer between insurers and brokers
- KUBUS¹ broker survey 2012 indicates significant improvement of Allianz

Broker channel P/C

New premiums (EUR mn)

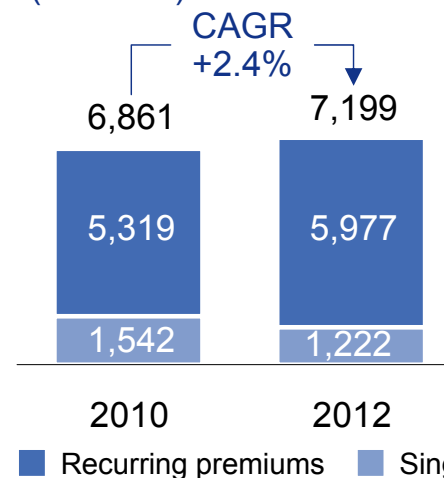


L/H – continuing development of market leadership

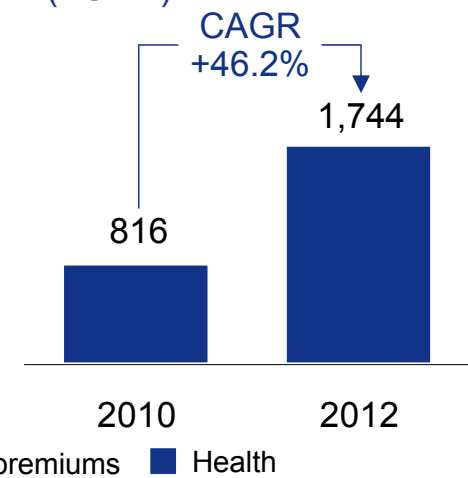
- Successful development of different broker segments based on specific characteristics (size, pools, independent financial advisors)
- Various awards for product portfolio
- Broker qualification program “Allianz Broker Academy”
- Low cost rates due to efficient cost controlling
- KUBUS¹ broker survey 2012: excellent perception of Allianz by brokers

Broker channel L/H

Life new business (EUR mn)



Health new business² (EUR k)



1) KUBUS = “kundenorientiertes Benchmarking von Prozessen zur Unternehmenssteuerung” = customer oriented benchmarking of processes for business controlling

2) In monthly premiums

Bank distribution – reliable result contribution

Bancassurance strategy

- Additional distribution channel to further improve access to customers and to foster sales
- Channel growth above market average with life and pension products
- Banks still have potential within retail & SME business and offer excellent access opportunities

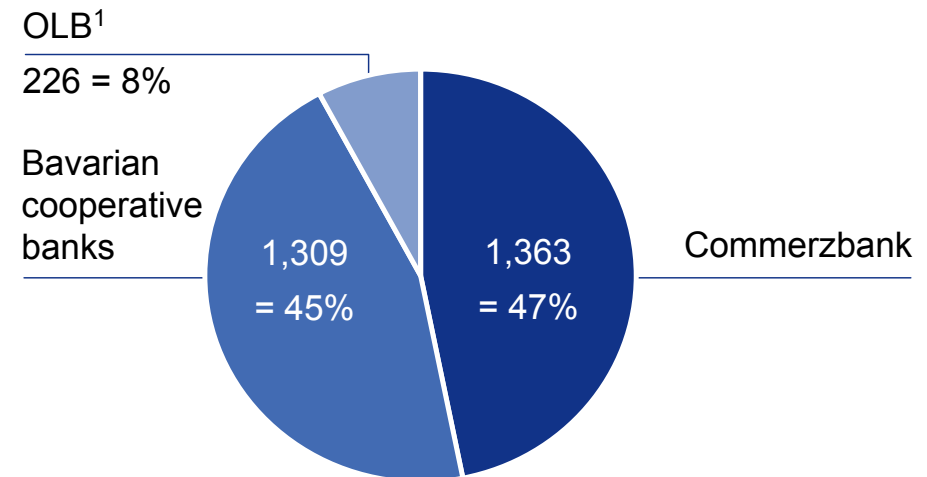
Commerzbank agreement

- Access to a market of >7mn retail clients in ~1,200 branch offices with full range of insurance products
- Exclusive distribution partnership based on a 15 year sales agreement

OLB¹

- OLB¹ – with 177 branches one of the regional leaders in retail and commercial banking in Northern Germany
- Exclusive distribution partner

2012 split of life business (new business in EUR mn)

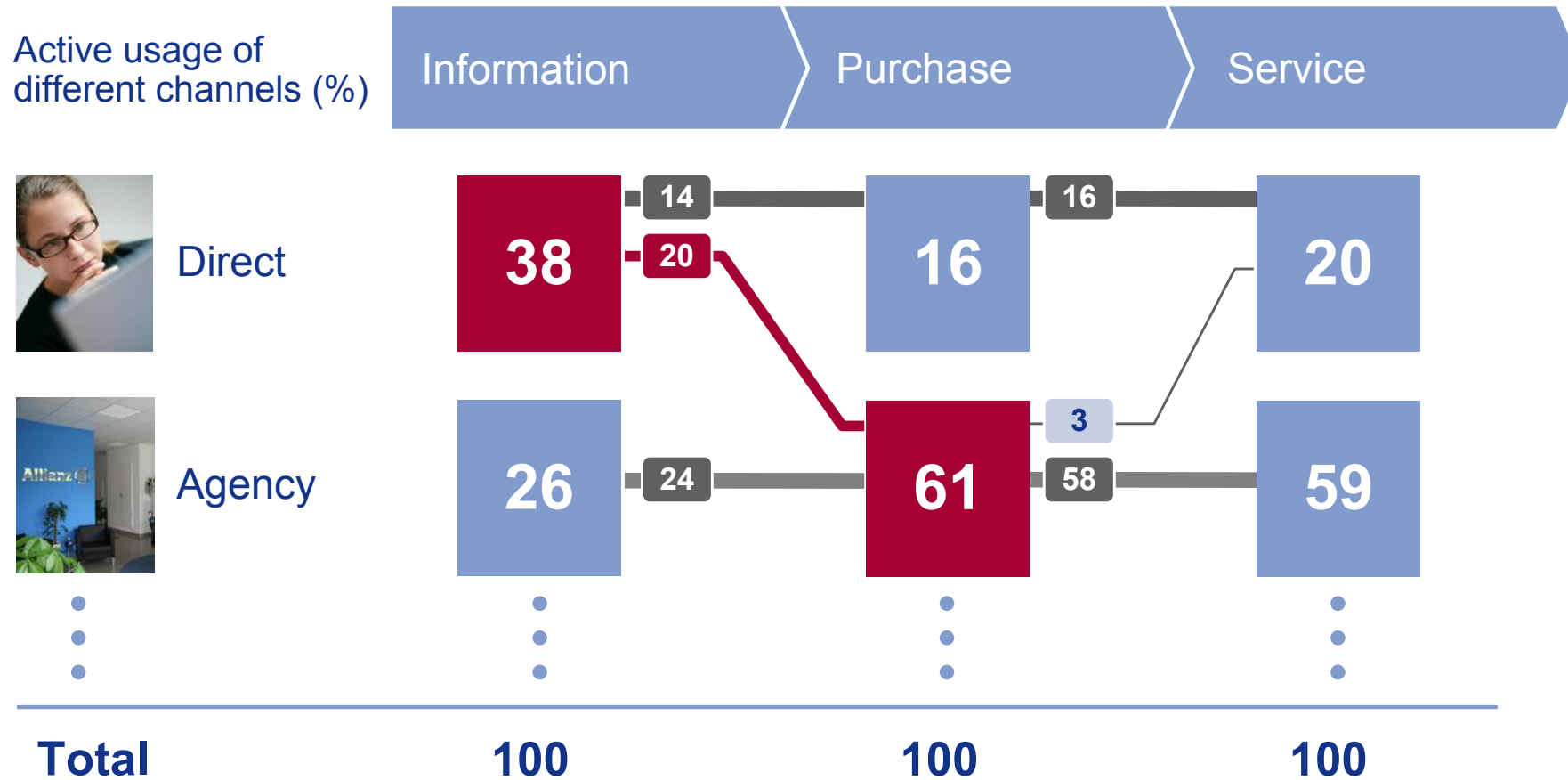


Bavarian cooperative banks

- Very strong position in the Bavarian cooperative banks market – 206 cooperative banks with a total of 2,166 branches

1) OLB = Oldenburgische Landesbank; Allianz stake: 90.2%

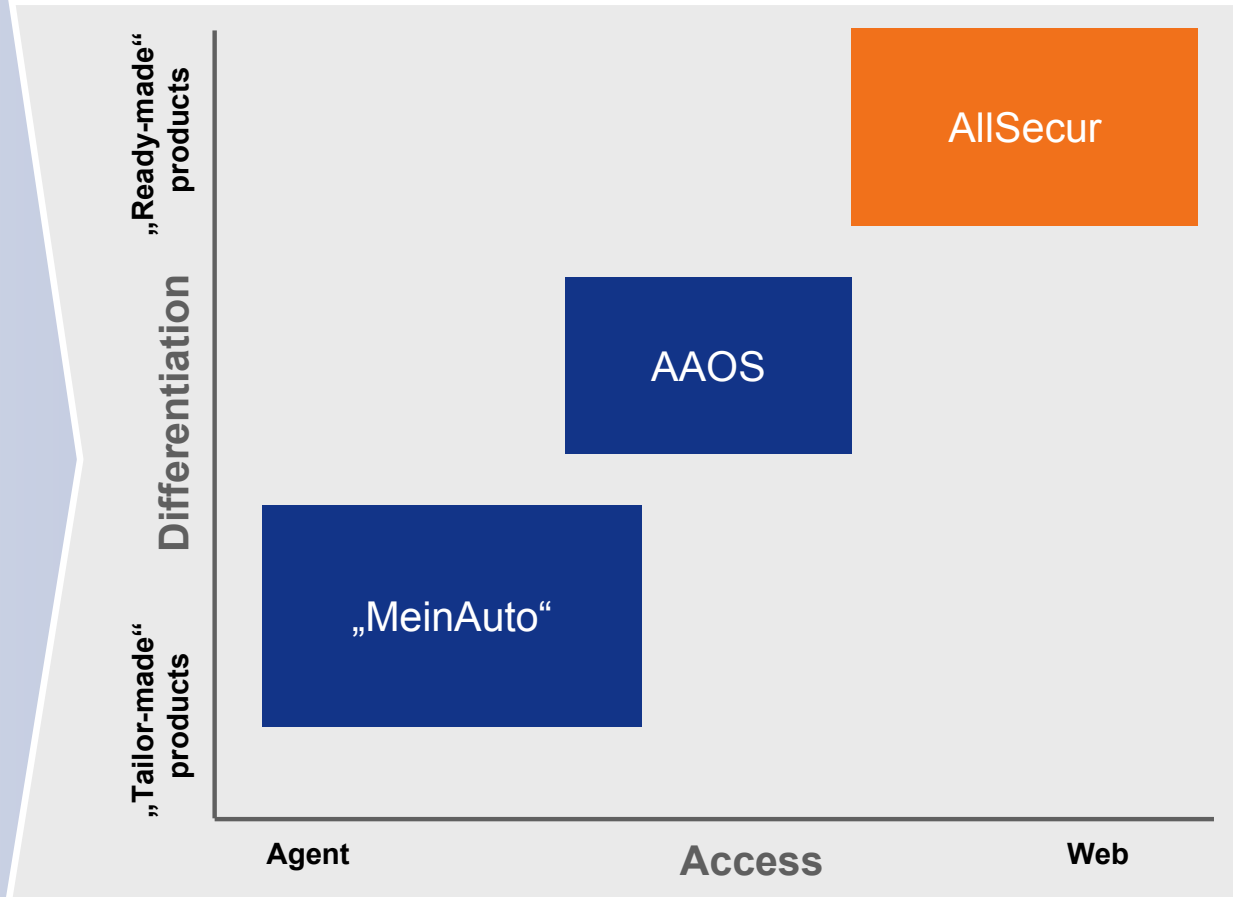
Customers use various channels for information, purchase and service (example motor)



Online distribution – a supplement of traditional channels, following a differentiated approach (example motor)

Market trends

- Customers switch between insurance access points
- 1 out of 3 customers uses more than 1 access point
- This hybrid customer behavior is gaining importance
- Many customers return to personal interaction for advice and service



Tied agents – a channel undergoing positive change

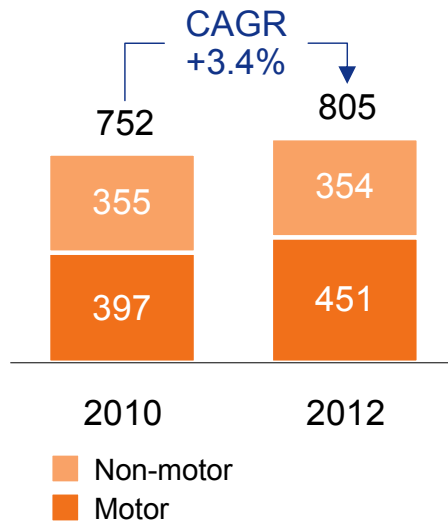
The past

- Eroding customer and contract base
- Reduced productivity
- Rising expense ratio in P/C
- Image as conservative, high-quality and high-cost distribution channel

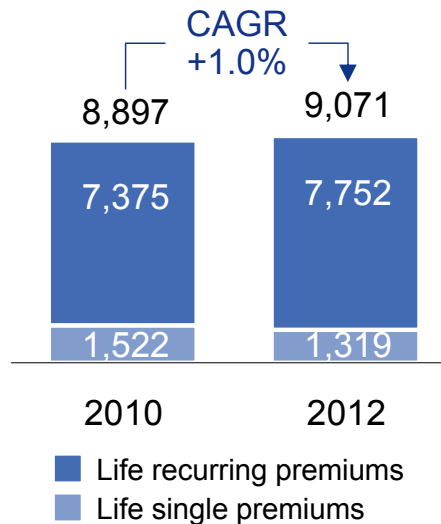
The future

- Strict focus on customer and salesmen satisfaction leads to growth in new business
- Lasting productivity improvement
- Lasting reduction of expense ratio
- A new era with structured and systematic needs-based sales approach

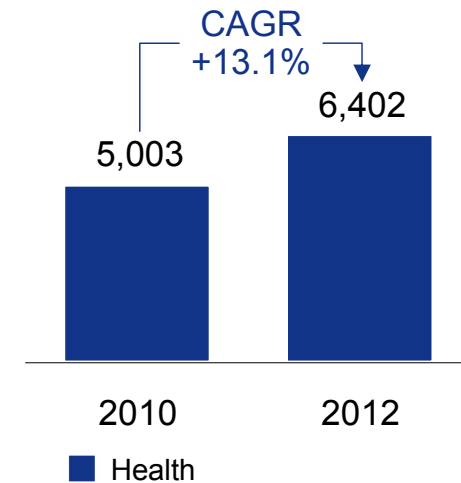
Agent channel P/C
New premiums (EUR mn)



Agent channel Life
New business (EUR mn)



Agent channel Health
New business¹ (EUR k)



1) In monthly premiums

Agenda

- 1 Overview Allianz Deutschland distribution
- 2 Agency Future Program / Pro3**
- 3 Summary

Group wide “Agency Future Program” to enhance tied agent productivity ...

Measures

- Simplification of sales process and product architecture
- Structured, needs-based sales process, also addressing compliance
- Market management data with “one customer view”
- Agency processes and straight-through processing
- Routing of admin tasks and calls to back office
- Structured TA¹ activity planning and coaching

Results

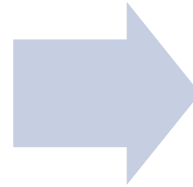
- Sales efficiency
- Cross-selling
- Customer retention
- Sales compliance

Mid-term
ambition
Productivity
+25%

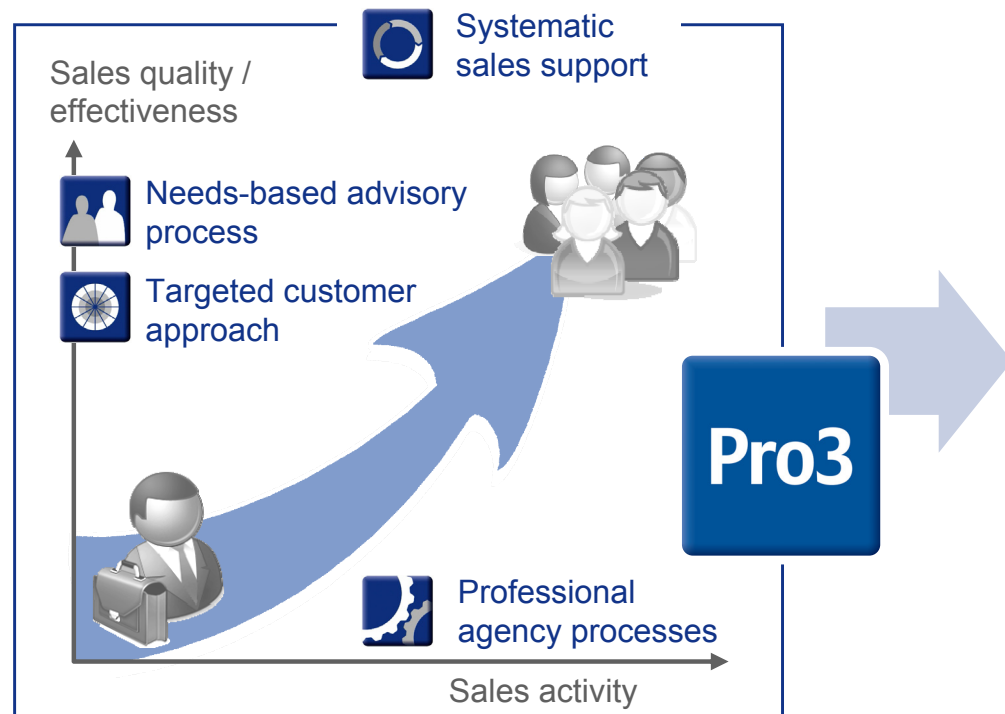
1) TA = tied agent

... in Germany branded as “Pro3”, increasing both sales activity and sales effectiveness

- Pro3 – new distribution concept for the tied agent channel in Germany
- Best practices gathered from our most valued agents
- Pro3 also used by our employed sales force



- Pro3 – benefits for customers, tied agents / employed salesmen as well as for Allianz shareholders
- Needs-based advisory process
- Allianz continues to deliver premium advice and service



Pro3 generates new quality and growth impulses

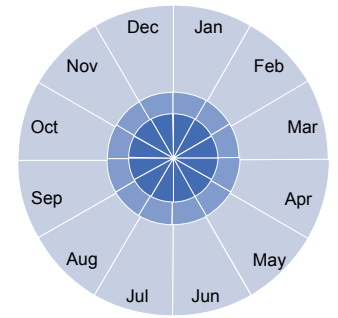
1 Needs-based advisory process

- Standardized advice quality
- Comprehensive survey of needs and customer data
- Active cross-selling



2 Targeted customer approach

- Systematic and regular customer contact
- Reduced cancellation rate
- Focus on customers instead of products



- Focus on 'how' instead of 'how much'
- Future-focused success analysis and optimization
- Integration of the entire executive hierarchy

4 Systematic sales support

- More time for sales-related activities
- Structured weekly planning
- Inbound and / or outbound support

3 Professional agency processes

Live demo

1 New needs-based advisory process provides optimal support

Structured determination of needs

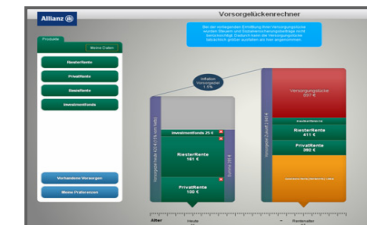


Process

Priorities



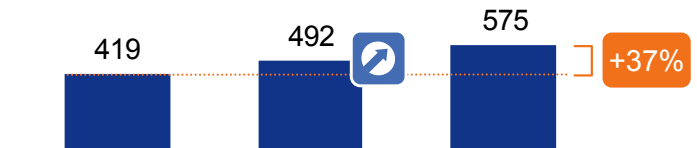
Customized solution packages



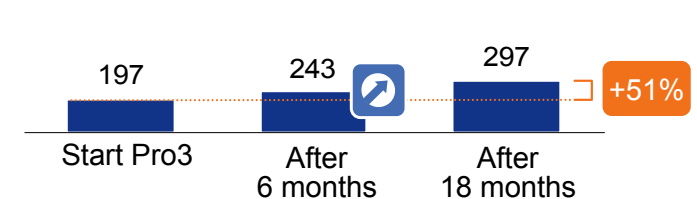
Results

Pro3 agents obtain far more information and data¹

Profession of customers²



Children of customers²



- **Defined advice standards** for all Allianz sales representatives and employees
- Comprehensive **survey of needs and customer data** with cutting edge technology
- Implemented **independently of terminal** using html5
- Opens up countless opportunities to **sell follow-on policies**

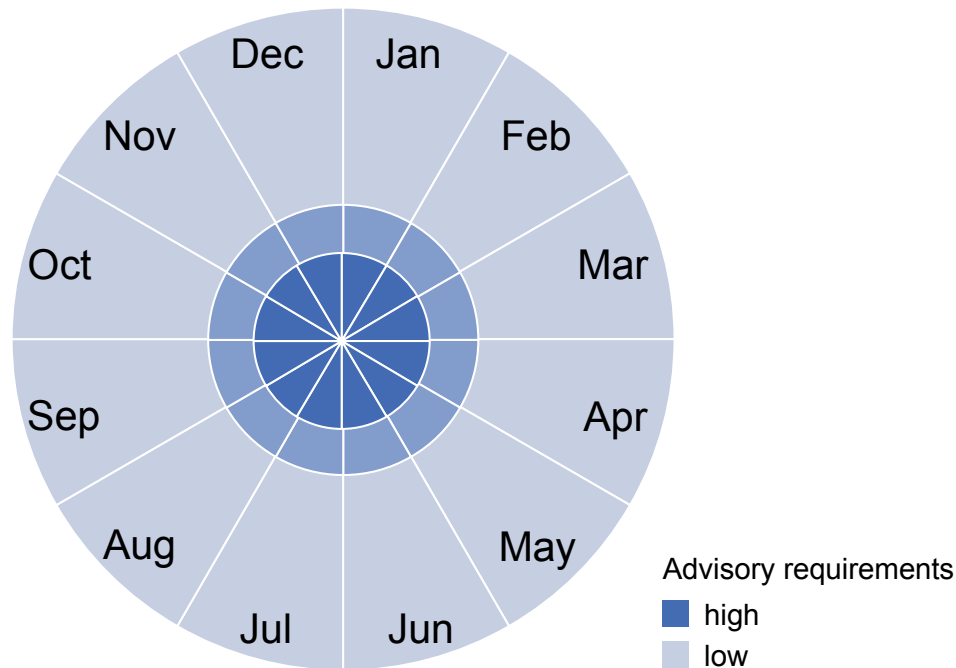
Advantages



1) One sample laboratory agency
2) Number of customers providing respective data

2 Targeted customer approach as a huge success factor

Continuous contact with customers



- Agency contacts¹ each customer at least once a year
- 8 appointments² per week as a standard for agencies without operational support (package 1)
- 12 appointments² per week as a standard for advanced Pro3 agencies with operational support (package 2)

- Systematic customer contacts
- Contact at regular intervals
- More efficient dialogues via more routine



Fewer lapses
Higher contact frequency
More new business

Advantages



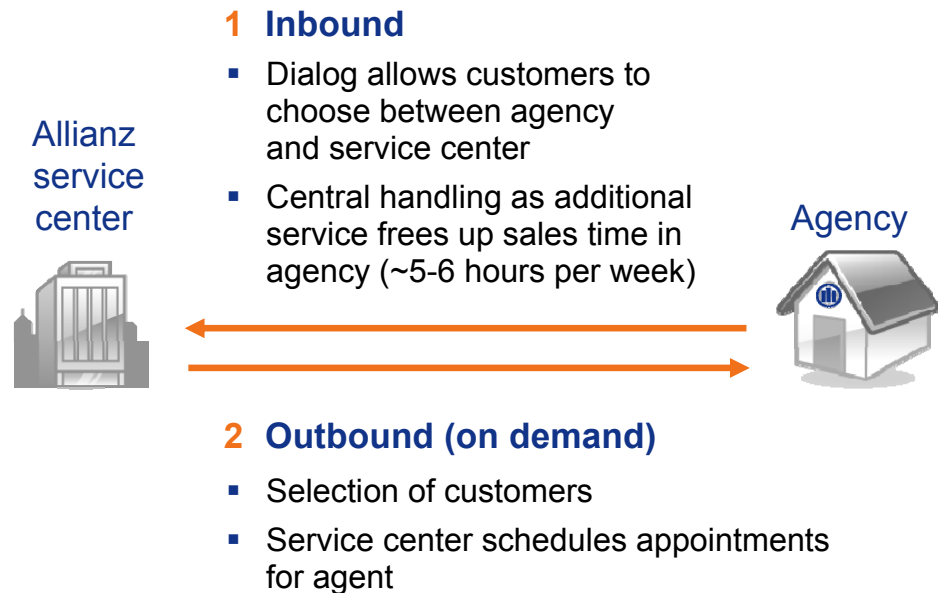
1) Any form, i.e. in person, via e-mail or phone
2) Scheduled in advance (without walk-in customers)

3 Professional agency processes and phone support for our customers

Structured agency processes and remote services

- **Clear organization** (roles & responsibilities, incl. front-office support)
- **Shared calendar** as a basis for collaboration
- **Structured weekly planning** – fixed time slots for important assignments
- **Well organized working environment** (e.g. filings, follow-up tasks)

Pro3 new hires supported via inbound and outbound remote services

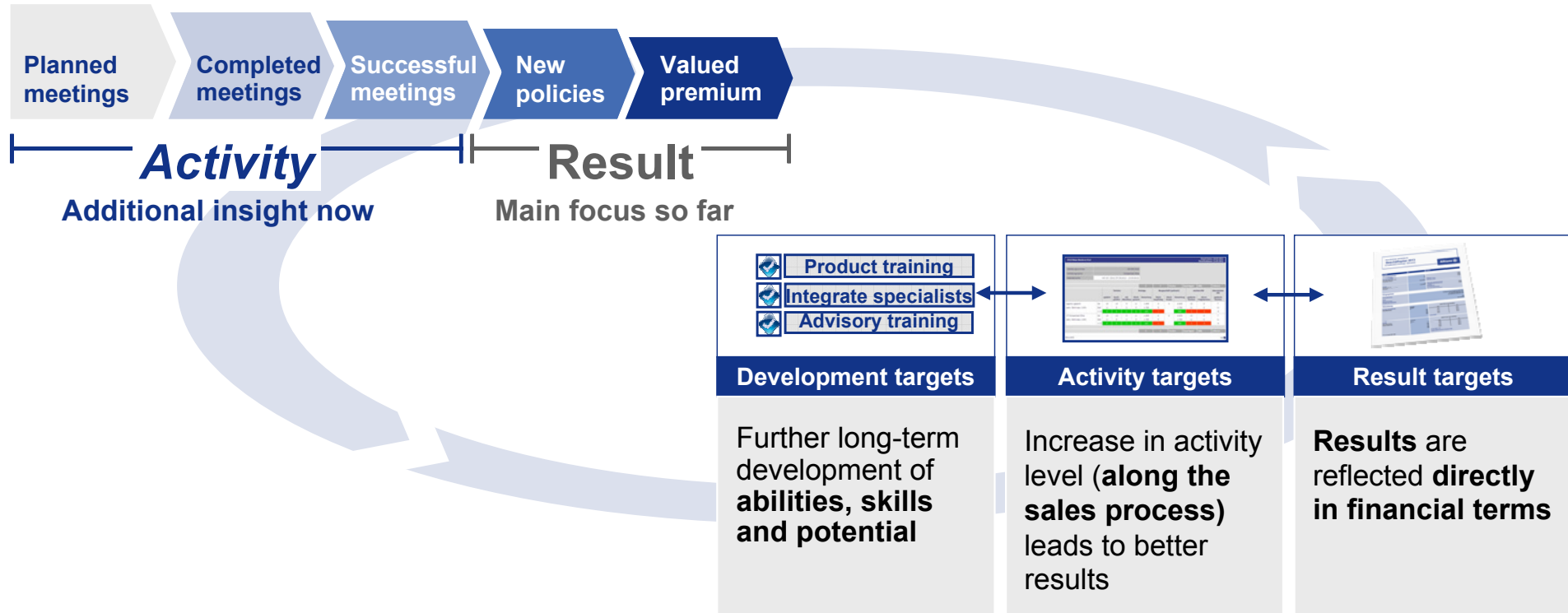


- Resources & skills are leveraged effectively
- Agencies provide high professional standard to our customers
- Customer service from 8 a.m. to 8 p.m.

Advantages

4 Systematic sales support ensures quality and transformation throughout all management levels

Management focus: shift from “how much” to “how”



- Activity planning ensures more systematic results and success
- Agents are being developed long-term resulting in lasting quality
- Sustainability of the new system is guaranteed by systematic and constant support throughout all management levels

Advantages !

Pro3 is being expanded for new agencies by inbound support and the new Pro3 commission model (package 2)

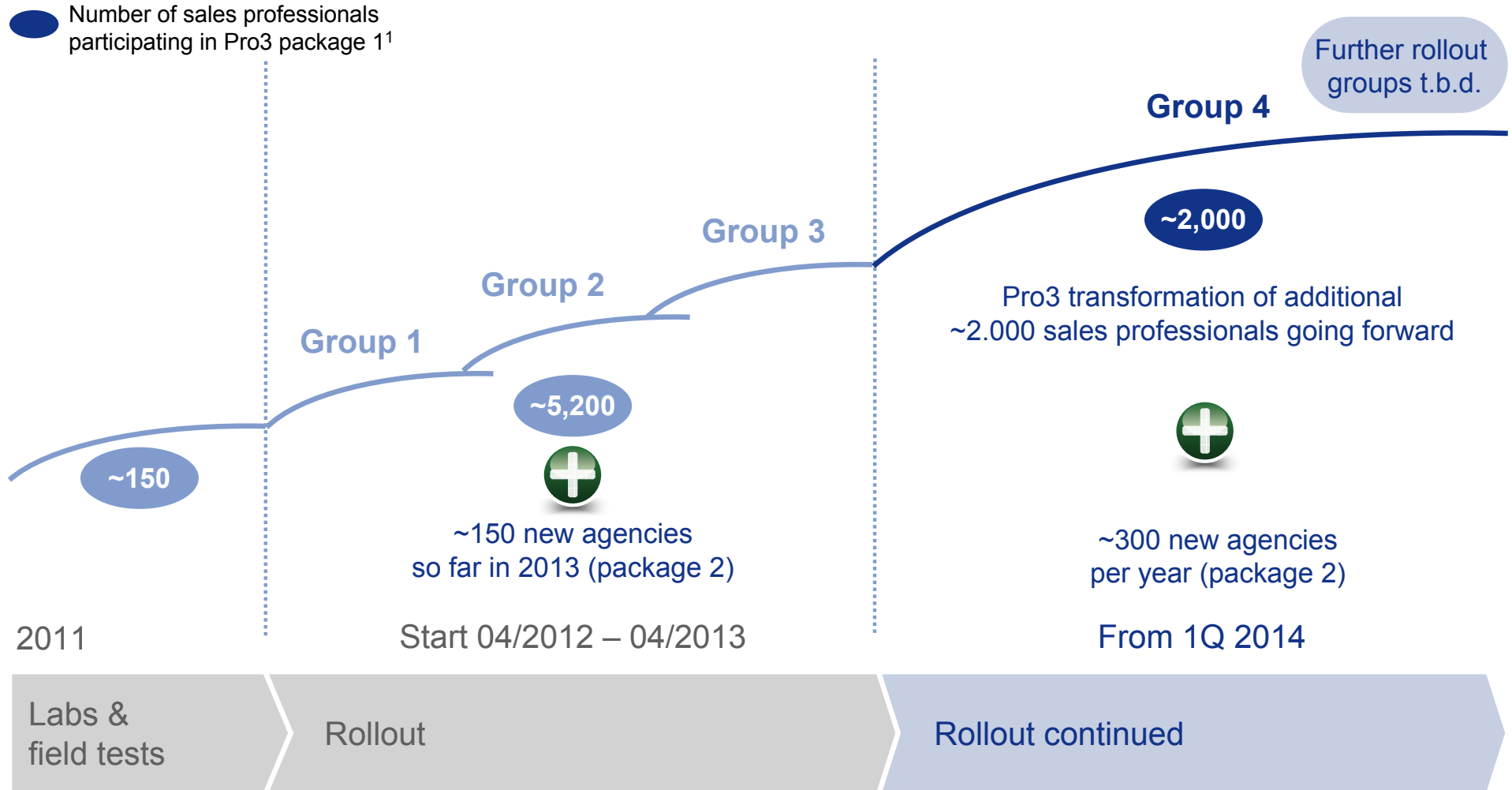


- Needs-based advisory process
- Targeted customer approach
- Professional agency processes
- Systematic sales support
-
- Inbound support** through contract and claims management (via IVR¹) and outbound (optional)
- Pro3 commission model as new remuneration system** (saving sales costs)



1) IVR = Interactive Voice Response

Going forward we will evaluate opportunities for a 4th rollout group – on-boarding of the employed sales force has begun



1) Rollout of package 1 realized in several groups

Tied agents – productivity improvement of Pro3 package 1 gaining pace

Pro3 agents group 1 with good results vs. reference group
(retail business, indexed)

New business



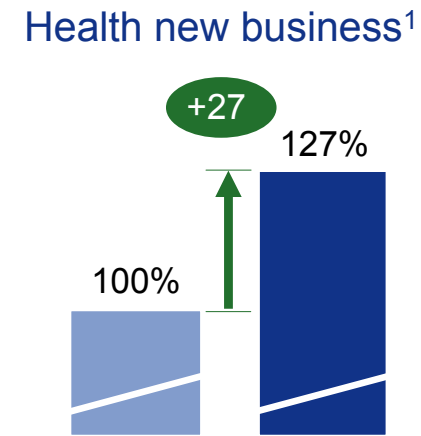
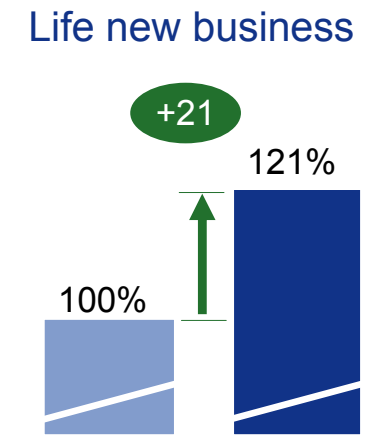
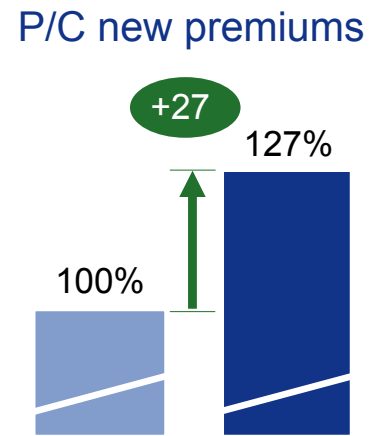
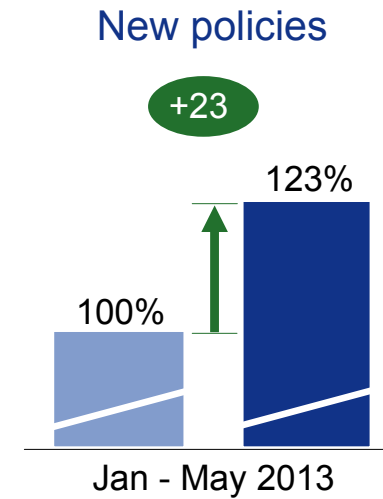
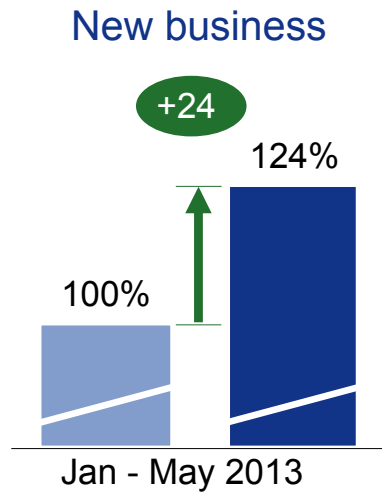
New policies



■ ABV (non-Pro3) ■ Pro3 package 1

Pro3 package 2 with promising first results

New agencies Pro3 package 2 vs. new agencies non-Pro3
(retail business, January – May 2013)

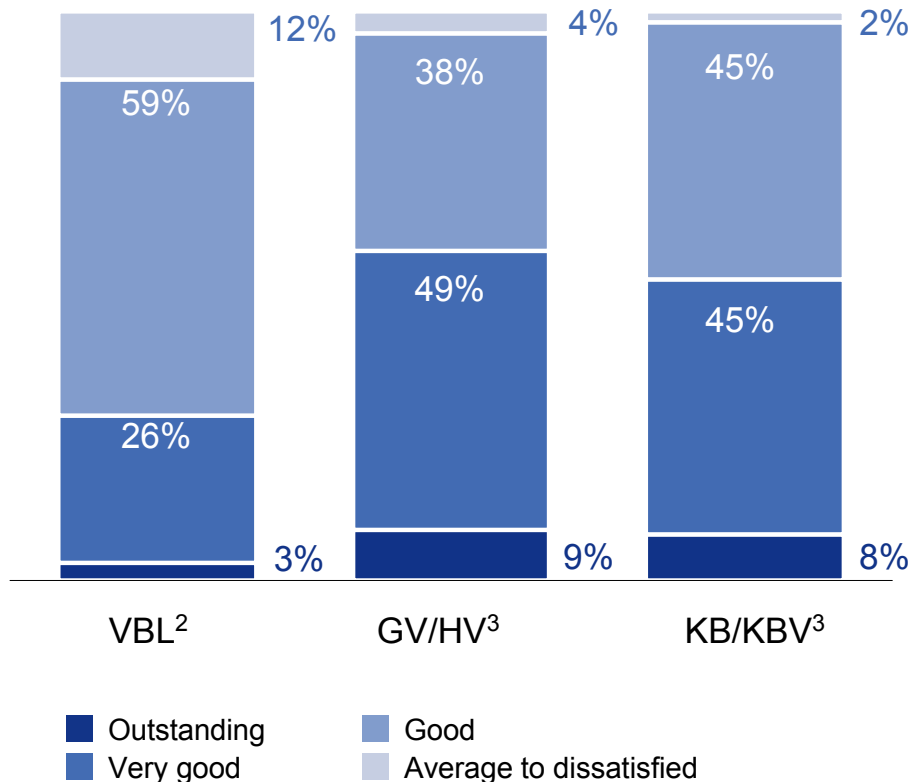


■ ABV (non-Pro3)
■ Pro3 package 2

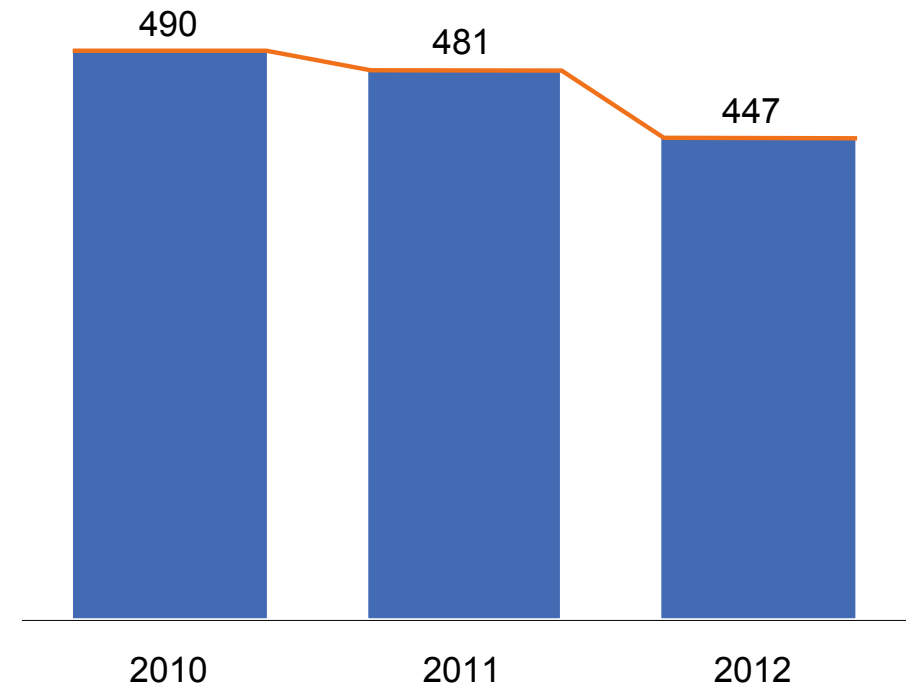
1) Based on monthly premiums

Tied agents – the Agency Future Program convinces all participants, resulting in a reduced external fluctuation

“How do you rate Pro3 overall?”¹



External fluctuation in TA⁴ organization reduced (number of GV/HV³)



1) Source: Allianz Pro3 Survey 2.1, 03/2013, TNS Infratest GmbH
 2) VBL = “Vertreterbereichsleiter” = head of sales division
 3) GV = “Generalvertreter”, HV = “Hauptvertreter”, KB/KBV = “Kundenbetreuer” = sales personnel (without specialized distribution)
 4) TA = Tied agent

Agenda

- 1 Overview Allianz Deutschland distribution
- 2 Agency Future Program / Pro3
- 3 **Summary**

Summary



Achievements

Well-established multi-channel distribution

Agency Future Program Pro3 successfully introduced

First results show promising productivity improvement of Pro3 agencies

High satisfaction of all Pro3 participants



Strategy / initiatives / ambition

Further implementation and continuous development of Pro3

Further increase of customer satisfaction

Further increase of productivity

Revenue and profit growth

Customer orientation

Bernd Heinemann
Member of the Board of Management
Allianz Deutschland AG

Berlin, June 25, 2013

Agenda

- 1 Market Management**
- 2 Customer focus**
- 3 Digital customer interaction**
- 4 Advertising and brand strategy**

Tasks Market Management – overview

Market Management

Market	Customer	Offer		Marketing
		Products	Sales	
<ul style="list-style-type: none"> Market analyses and innovations Customer data and statistics Market research Customer view and segmentation 	<ul style="list-style-type: none"> Customer standards Measurement and reporting systems Communication <p>Agenda topic 2</p> <p>Customer focus</p>	<ul style="list-style-type: none"> Product development support 	<ul style="list-style-type: none"> Sales planning Sales channel support 	<ul style="list-style-type: none"> Online interaction, CRM platforms and tied agents' homepages Advertising, sponsoring Customer communication CRM and customer processes Sales materials <p>Agenda topic 3</p> <p>Digital customer interaction</p> <p>Agenda topic 4</p> <p>Advertising and brand strategy</p>

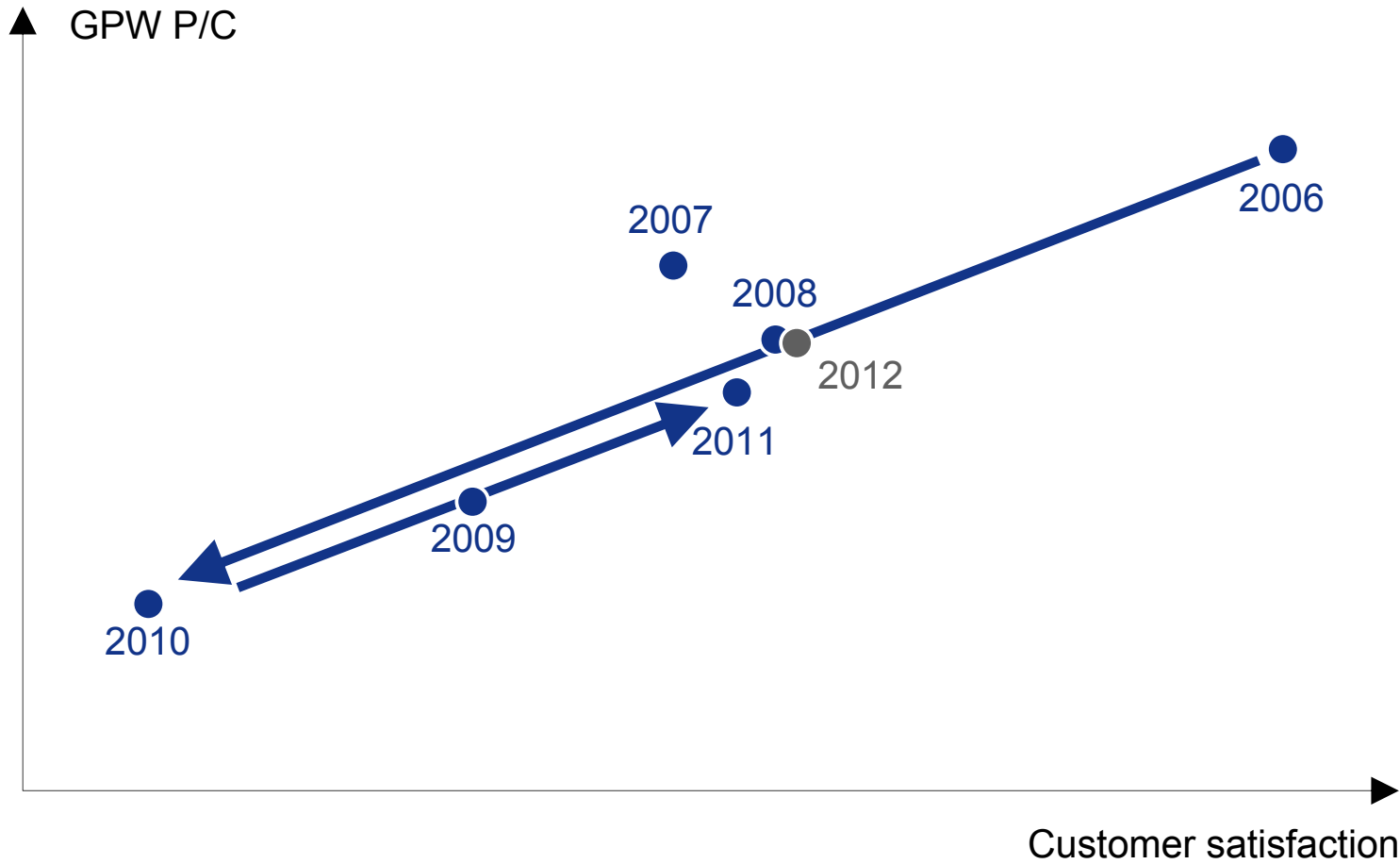
Agenda

- 1 Market Management
- 2 Customer focus**
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- 4 Advertising and brand strategy

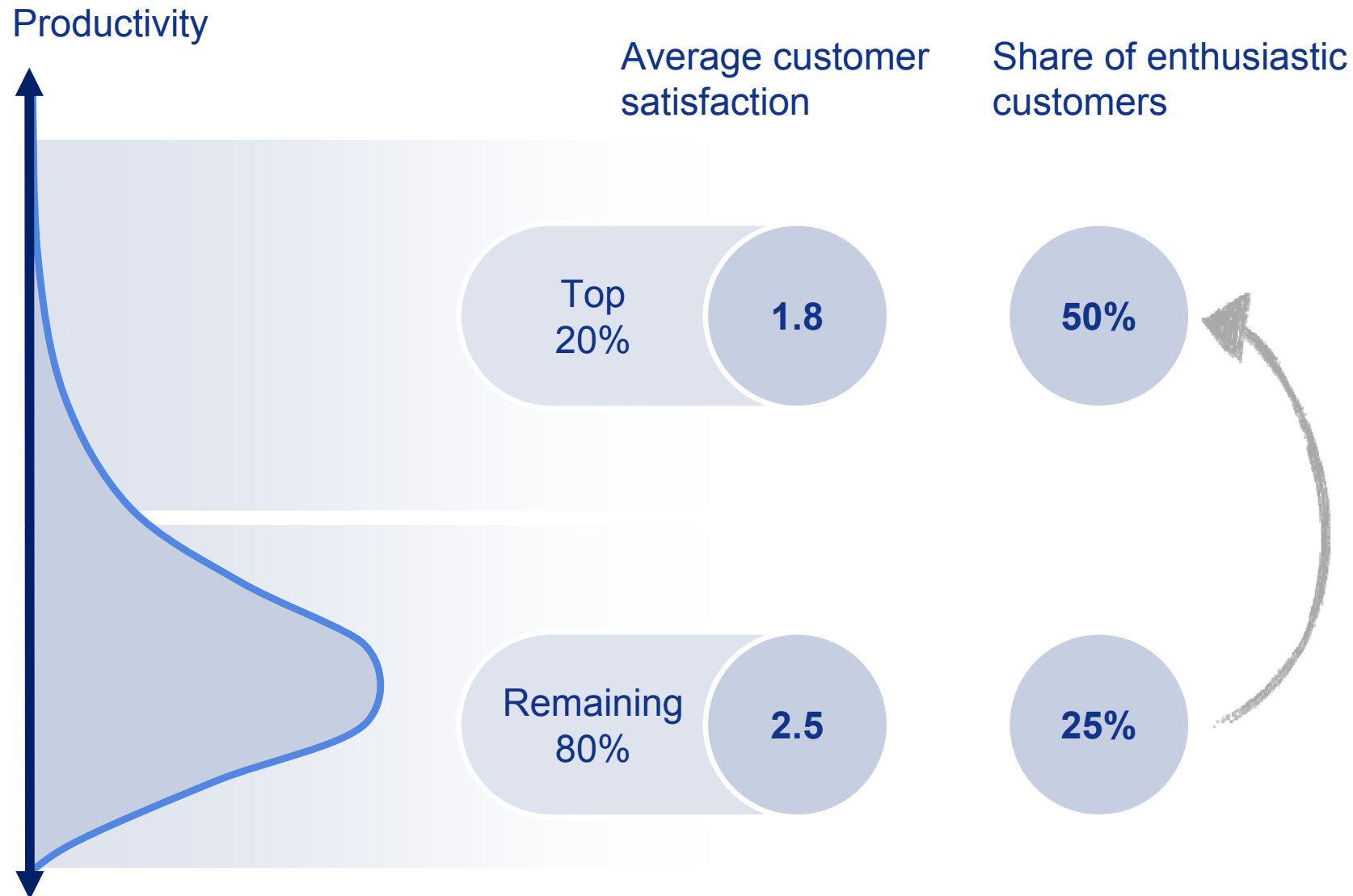
Allianz' success is driven by customer satisfaction



On large scale: satisfaction = new P/C business



On small scale: satisfaction = agents' productivity



Result for the customer 2012



Customer ratings – values and principles

Speed	1.4	Trend ↑
<p>Easy to contact by phone, letter or email. Speedy processing of all issues. Also to be contacted round the clock in the event of a claim – and if needed also quick in getting to the scene with support and help.</p>		
Expertise	1.4	Trend ↑
<p>As an full range insurer providing an effective products via all distribution channels for every customer need. Technical knowledge and excellent advice available from agents as well as the operations and claims team.</p>		
Commitment	1.4	Trend ↑
<p>Making the customer's problem our own. And only being satisfied when it is fully resolved, being able to do more than just pay out money. Really helping and sharing our knowledge.</p>		
Fairness	1.8	Surveyed with new method
<p>Products that deliver what they promise. A claim which takes account of all customer needs. Policy service which allows for changes. And a corporate culture which treats customers as partners.</p>		
Transparency	1.4	Trend ↑
<p>Language used – on the phone, in the product documents and on the website. Covering all aspects with the customer – including information being available and open when dealing with us. Always giving updates on the current situation.</p>		

As white is saying:
We are guided by the above values in everything we do for our customers. Nevertheless, certain features assume particular importance in specific activity such as advice service or claims handling. That's why in the customer reports we show the field of activity how we systematically live up to the values which is the most important in each respective case.

Overall result

1.8

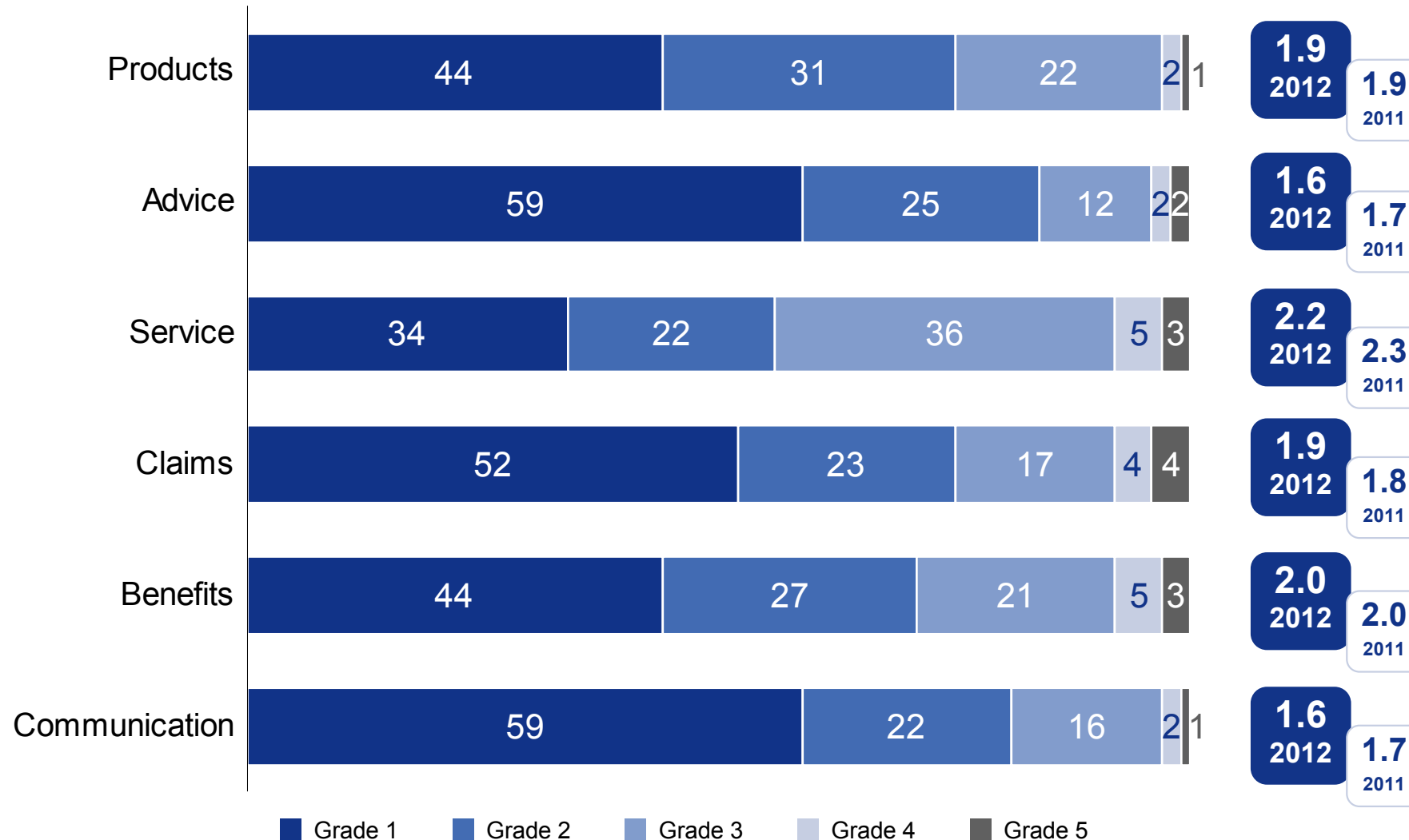
1,9 2011

How we measure
Overall to all the measurements is the satisfaction of our customers. Areas of thousands of individual questionnaires, representative market research exercises, mystery shopper purchases in our agencies and product evaluations by external experts, as well as certifications and various internal measurements provide insights into our performance. And provide us with guidance as to where we can improve even further.

Customers' rating improves on average

Fields of activity

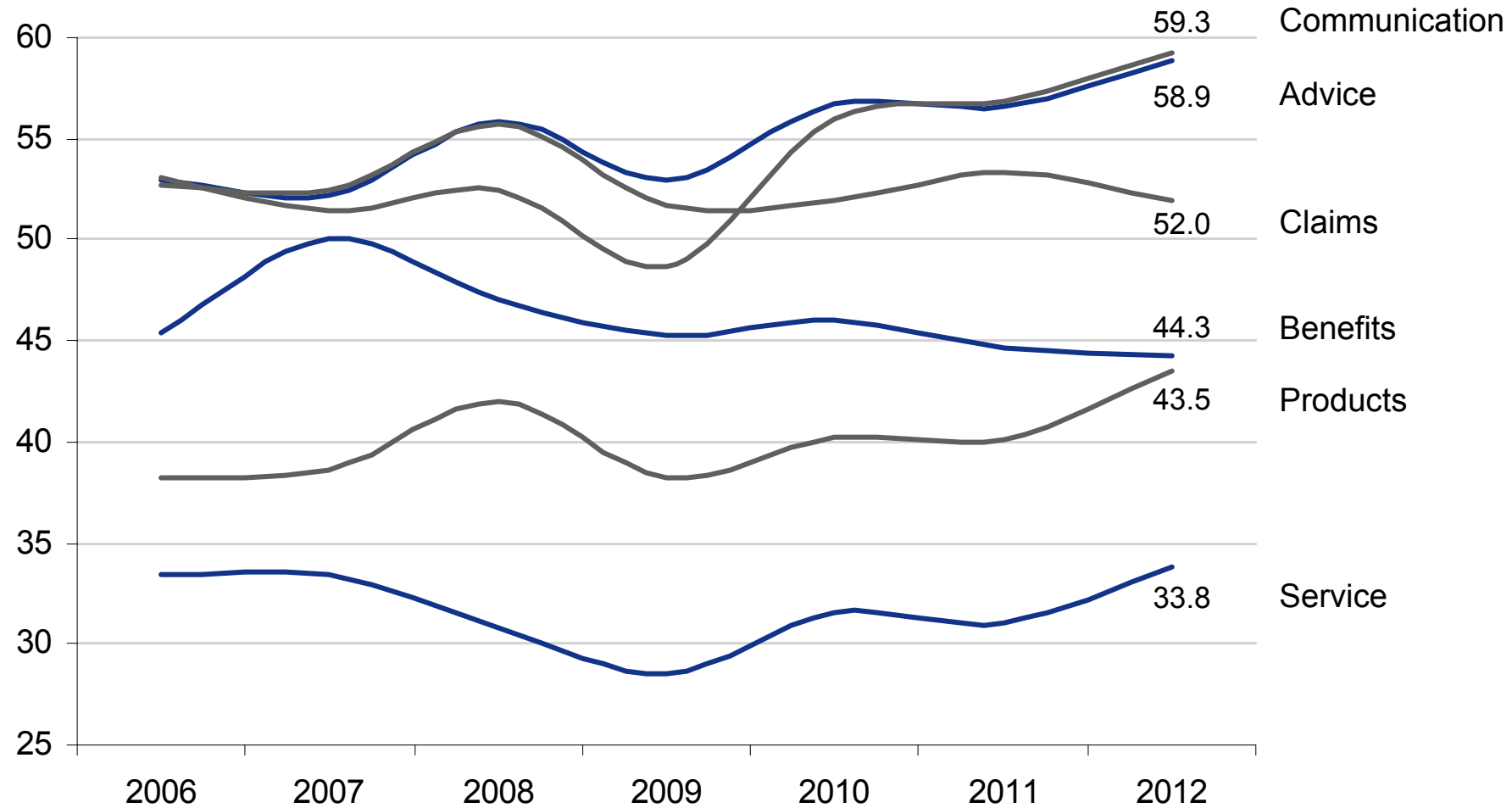
Ø Rating¹



1) Rating according to school grades; 1 = best grade, 5 = worst grade

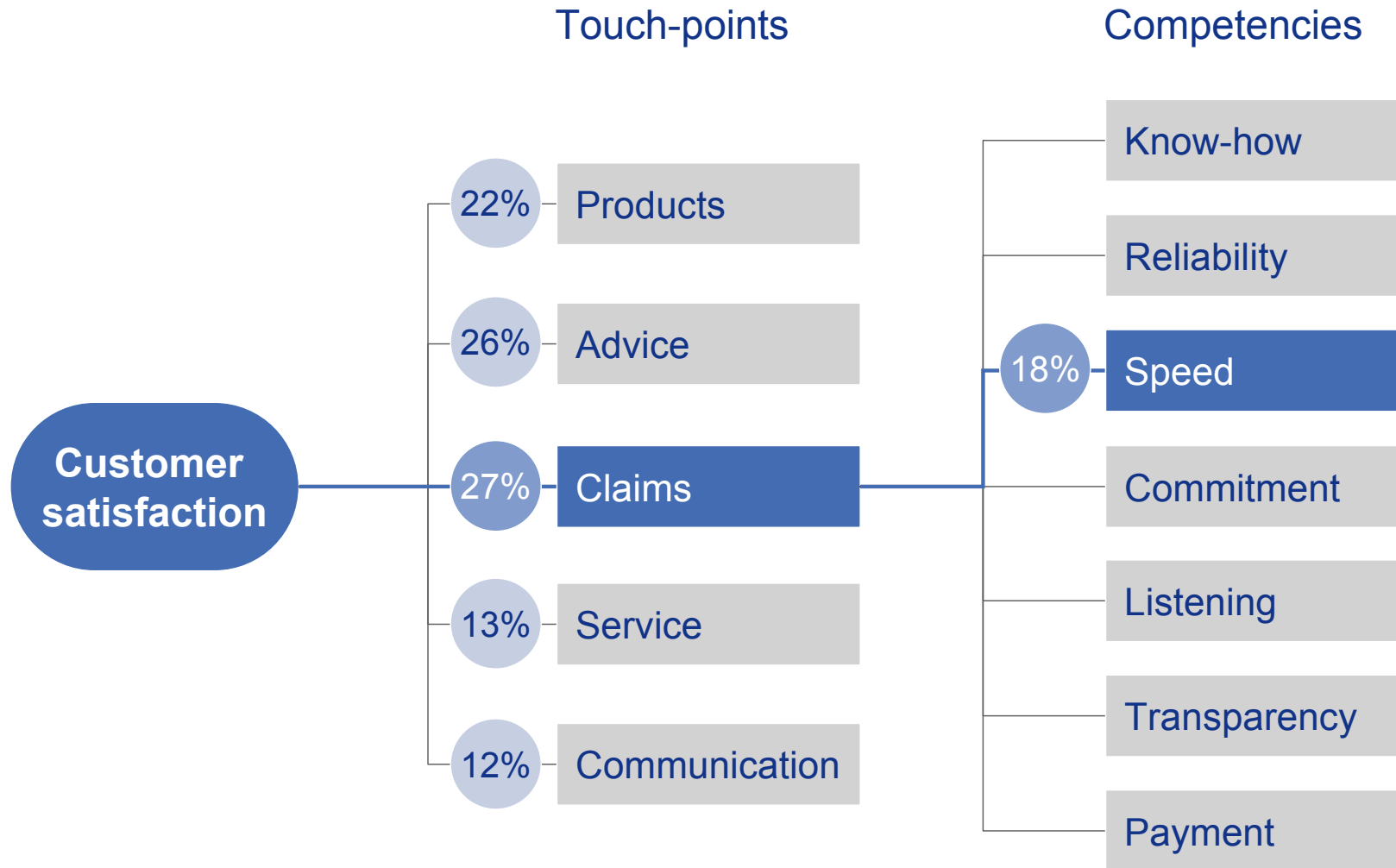
Share of enthusiastic customers increases in the long run

Share of grade 1¹ (%)



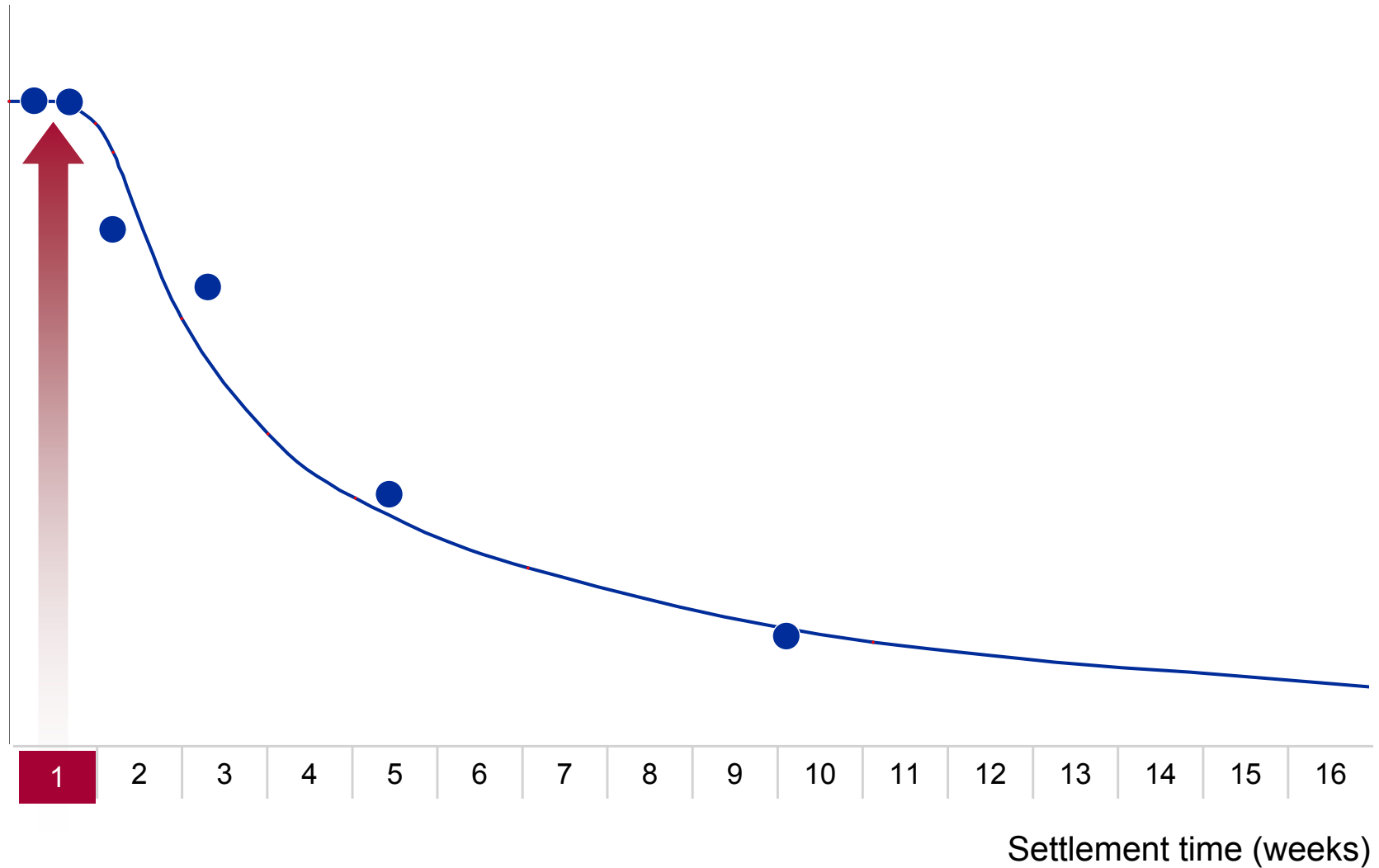
1) Rating according to school grades; 1 = best grade, 5 = worst grade

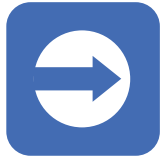
Customer satisfaction breakdown



Claims satisfaction lift – speed

Customer satisfaction impact





Reaching perfection in core processes



Addressing untapped opportunities



Reaching out for the “untouched”

Addressing untapped opportunities



1

Frequent & unknown

2

Destroying enthusiasm

3

But “not our fault”

Mystery calling claims (1/2)

Numbers callers dialed

- Real customers asked to notify a claim
- No further help provided ...

25%
right

Fully
satisfied
customers
drop:
-8%-p

75%
wrong

01802 100117

01802 100105

0800 11224444

0800 11223344

01802 100116

089 3800 - 0

0800 11225555

01802 100104

01802 100107

0180 3003535

07304 456372

0211 1345223

(more local numbers)

Mystery calling claims (2/2)

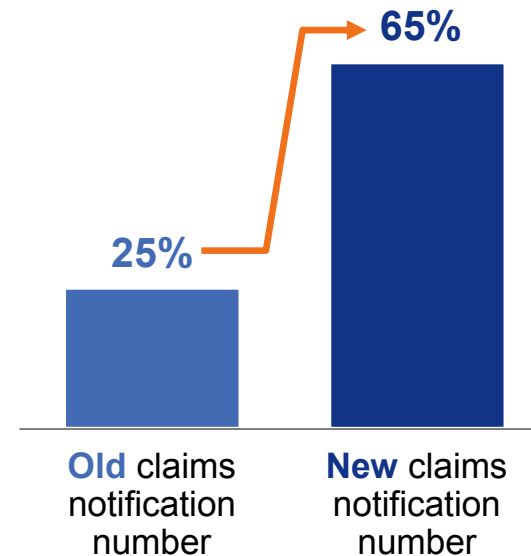
Started 2012:

- Real customers asked to notify a claim
- No further help provided ...

0800 11 22 33 44

One claims notification number

Share of correctly dialed numbers



Reaching out for the “untouched”



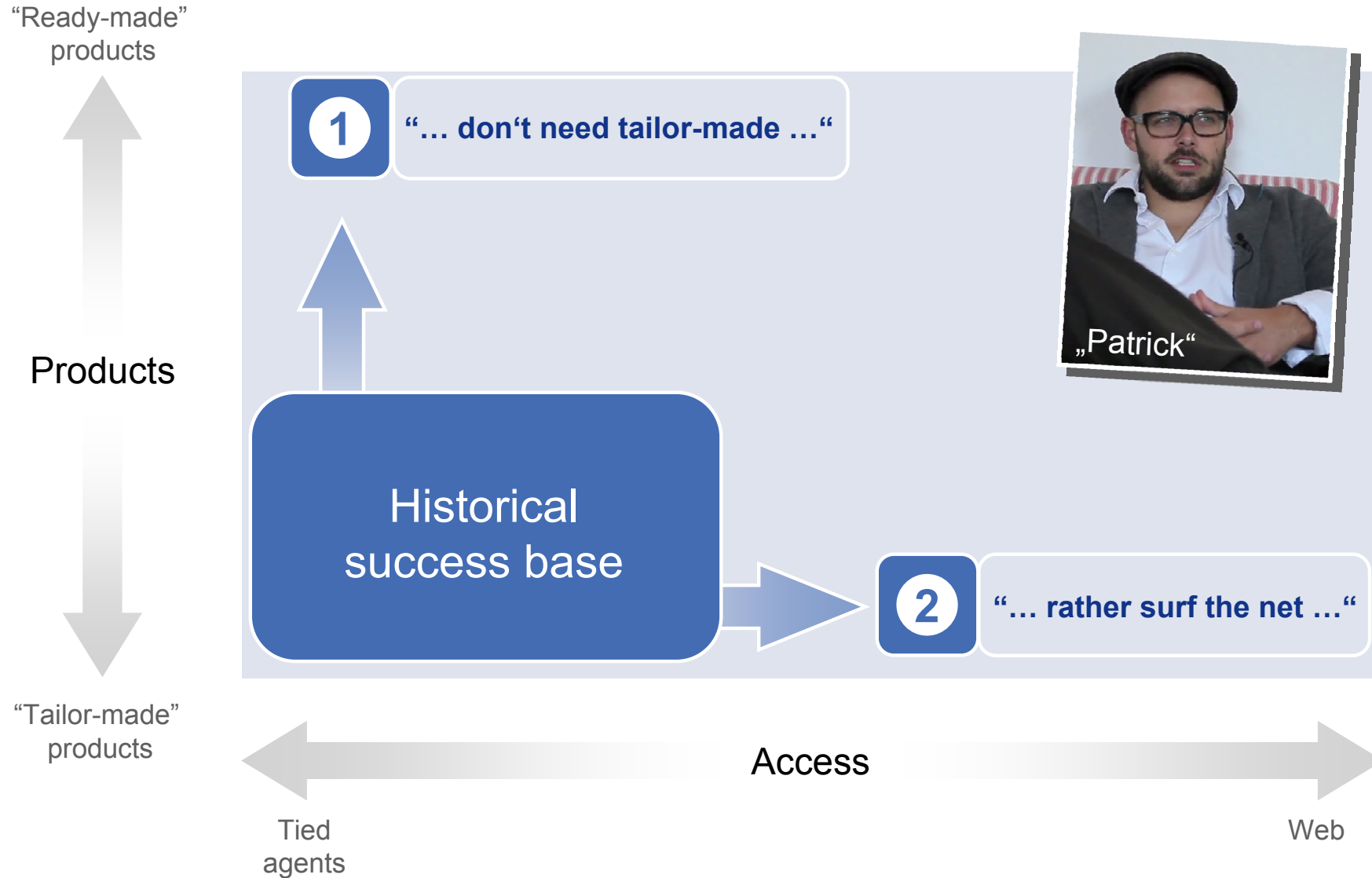
1

“I don’t need tailor-made offers
but **go for the basic standards**”

2

“If I had to buy an insurance,
I would **rather surf the net**”

The multi-channel opportunity (1/2)



The multi-channel opportunity (2/2)

“Ready-made” products



Products



“Tailor-made” products



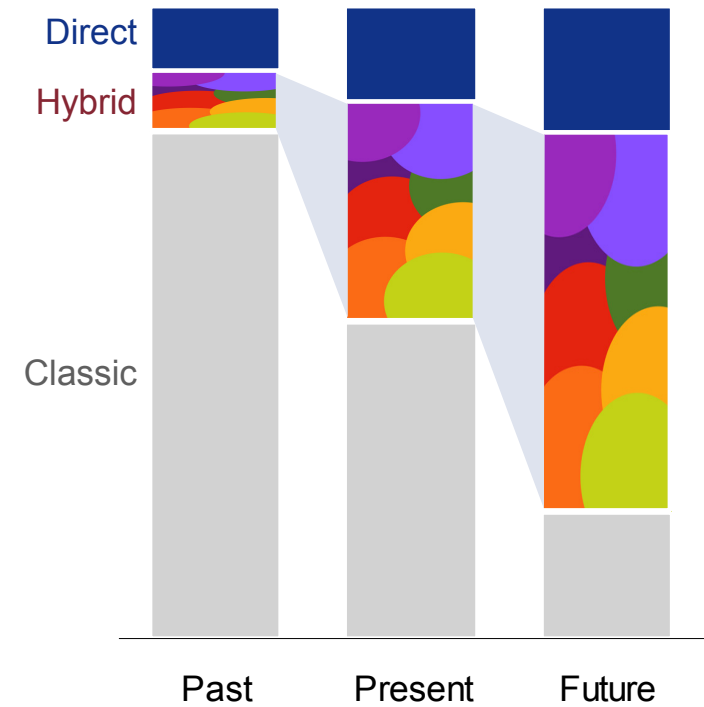
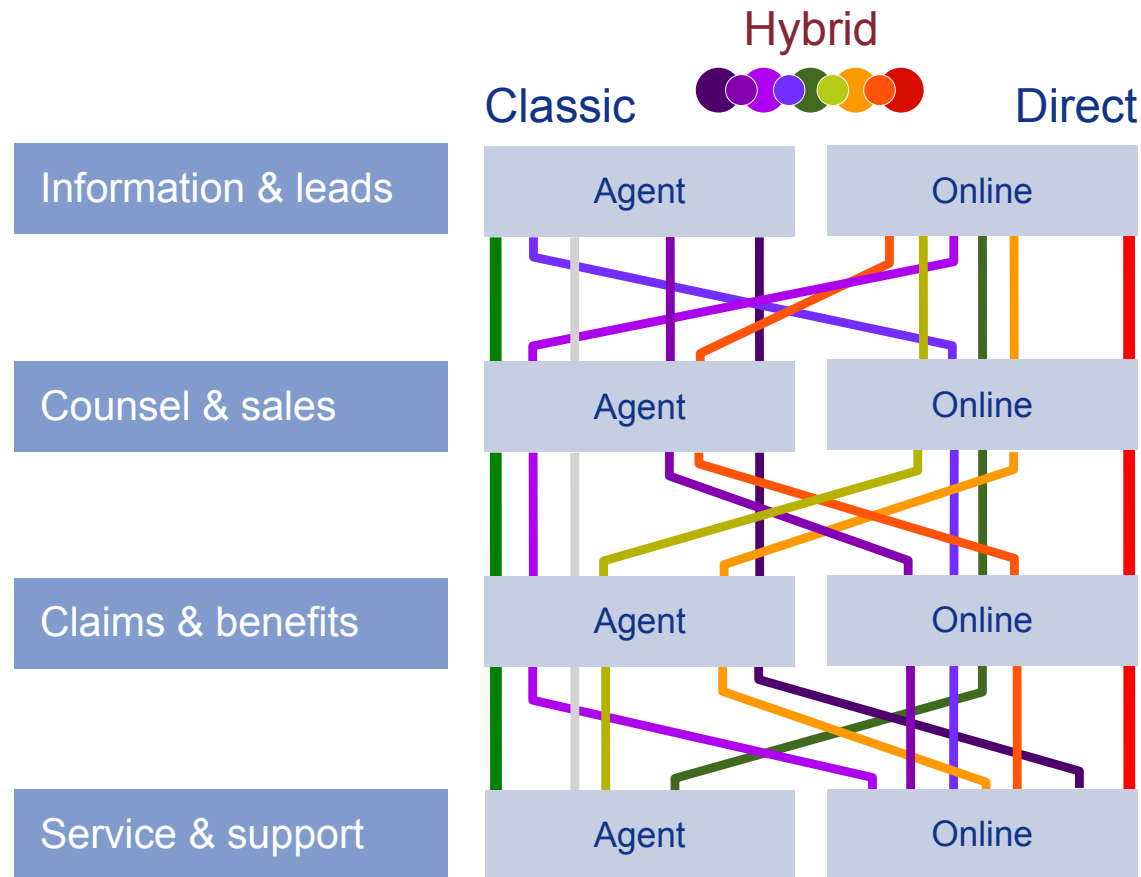
Tied agents

Web

Agenda

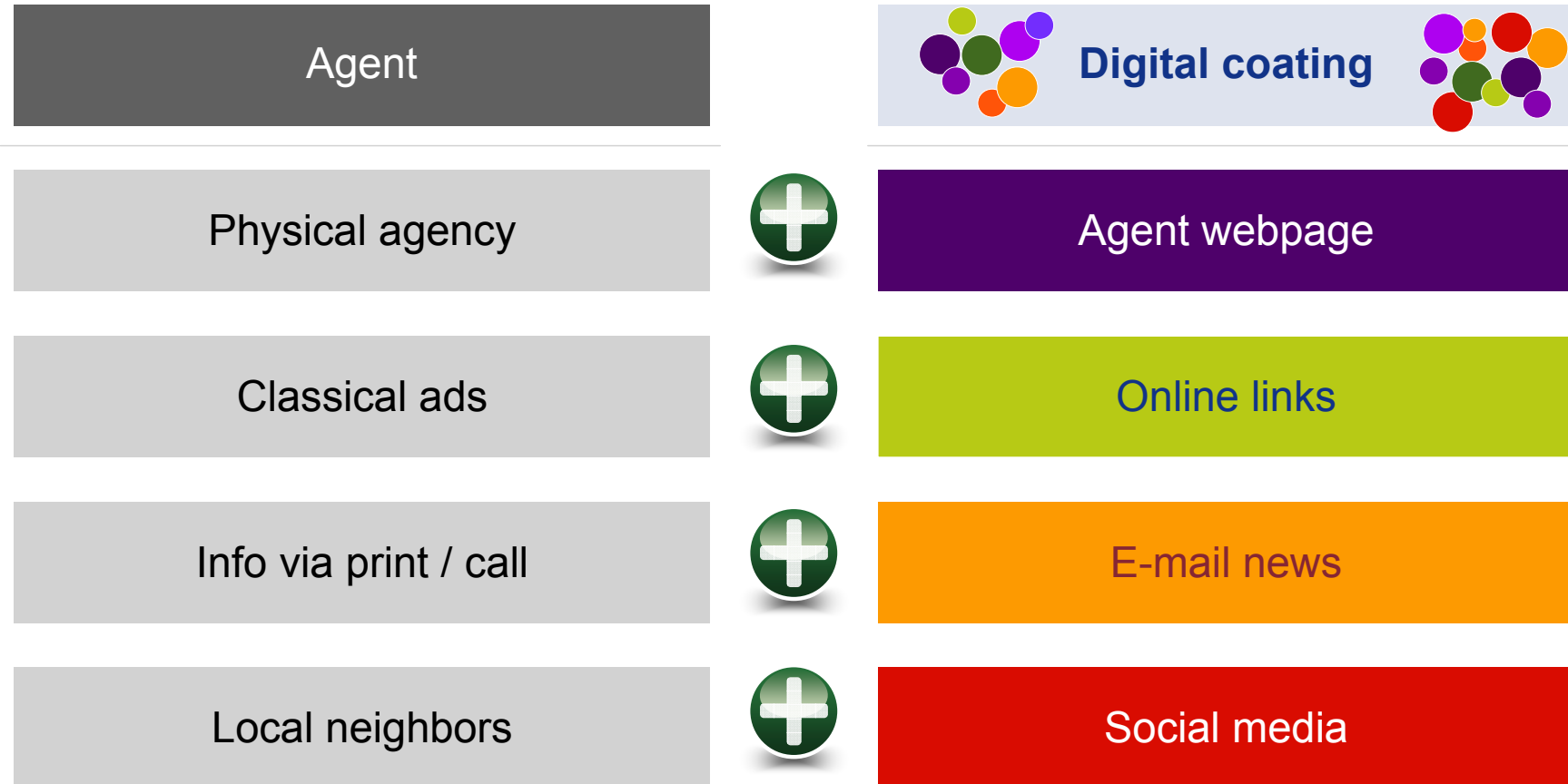
- 1 Market Management
- 2 Customer focus
- 3 Digital customer interaction**
- 4 Advertising and brand strategy

Customer behavior changes



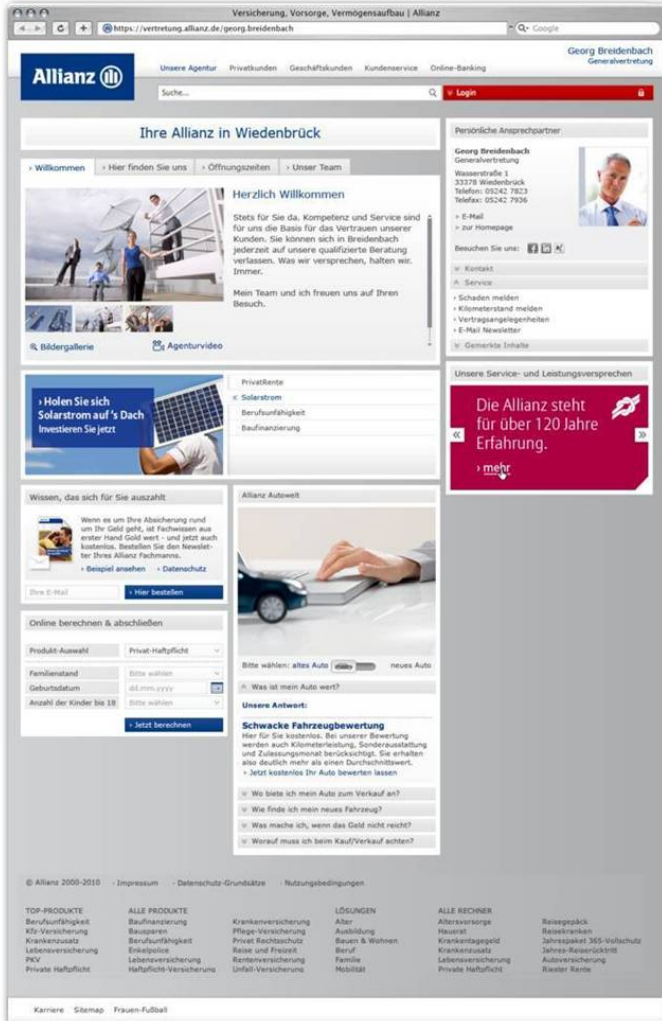
Channel preferences ...
 ... call for a **system of online access points**

Providing the tied agents with a digital coating



Tied agents' homepages (1/3)

Basis

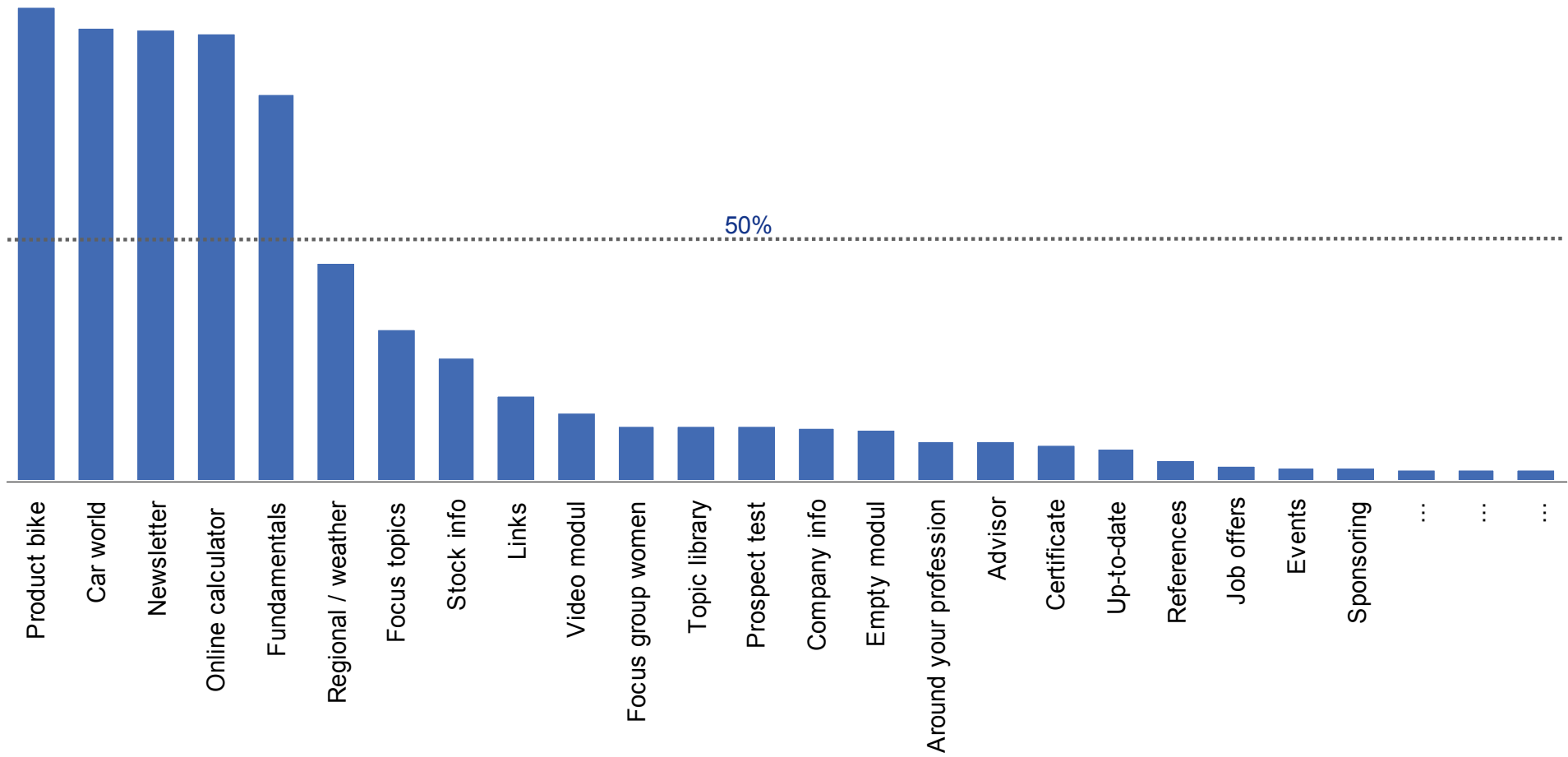


+ focus topic "prototypes"



Tied agents' homepages (2/3)

+ individual modules



Tied agents' homepages (3/3)

KARKOSSA OHG
Generalvertretung

Unsere Agentur
Privatkunden
Geschäftskunden
Kundenservice
Online-Banking

Q

▼ Login

KARKOSSA OHG - Ihre Allianz Generalvertretung

> Willkommen
> Hier finden Sie uns
> Öffnungszeiten
> Team

Seit 35 Jahren in Bad Bentheim - kompetent, engagiert und erfolgreich!

Herzlich Willkommen auf den Seiten der KARKOSSA OHG!
Als Ihr Partner für Vorsorge, Vermögen und Versicherungen tragen wir dazu bei, dass Sie Ihr Leben unbeschwerter genießen können. Informieren Sie sich über unser umfangreiches Leistungsspektrum.
Ganz gleich, ob Sie sich gegen Risiken schützen, Ihre Familie absichern oder für das Alter vorsorgen wollen. Wir sind Ihr kompetenter Ansprechpartner. Weiterhin können Sie von unserer eigenen Bankfiliale profitieren. Vom Girokonto bis zum Darlehen - bei uns bekommen Sie alles aus einer Hand!

Ihre Allianz vor Ort

KARKOSSA OHG
Generalvertretung

Südstr. 60
48455 Bad Bentheim
Telefon: 05922 90250
Telefax: 05922 902525

Besuchen Sie uns auf:

Kontakt

> Fachagentur Firmen
> Bankfiliale
> Private Altersvorsorge

Mit Sicherheit gut beraten:

- ✓ Einzigartige Expertise in Risikobewertung und Schadenverhütung
- ✓ Grenzüberschreitendes Know-how durch internationale Aufstellung
- ✓ Spezielles Wissen rund um Gewerbe, Kapitalmärkte, Steuern und Sozialversicherung

> Jetzt mehr erfahren

Fachagentur Firmen

Frauen sind anders - ihr Versicherungs- und Vorsorgebedarf auch.

Jede Lebenssituation erfordert unterschiedliche Beratungsschwerpunkte

In unserer Beratung für Frauen haben wir unterschiedliche Lebenssituationen exemplarisch aufgearbeitet, um damit noch individueller auf Ihren persönlichen Bedarf eingehen zu können.

Wir haben eine Erfahrung gemacht: Es gibt keine dummen Fragen. Deshalb helfen wir Ihnen bei

Bankfiliale der Allianz

Ein Bankspezialist der Allianz Bank steht Ihnen direkt in unserer Agentur als Ansprechpartner für das Bankgeschäft zur Verfügung.

in den Räumen der Karkossa OHG

Johannes Keutz
Telefon: 05922 / 9025-47
Telefax:

> Nachricht senden

Allianz Bank Services

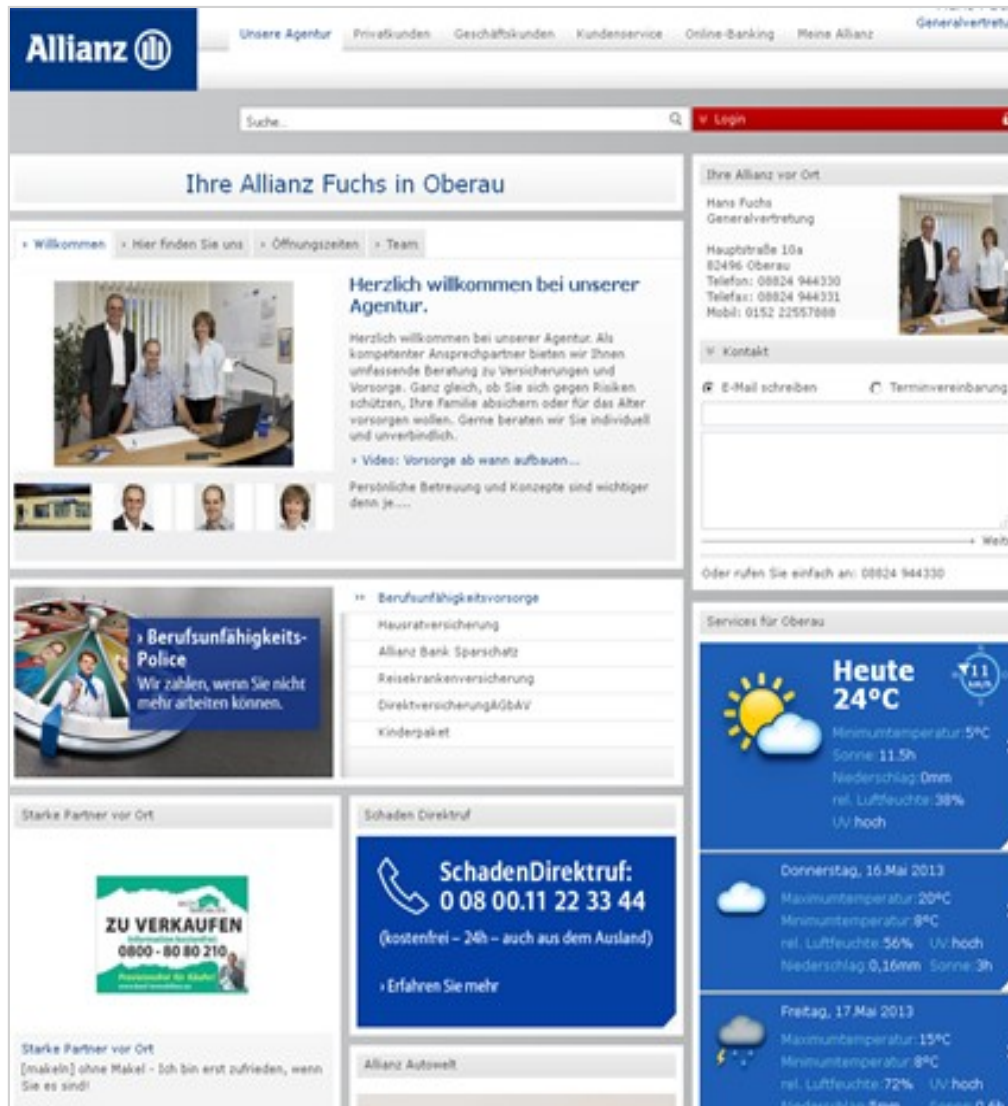
- > Finanzstatus mit Login
- > Formulare & Aufträge
- > Service Informationen
- > Geldautomaten-Suche
- > Antworten auf häufige Fragen

Was ist eigentlich Unisex???

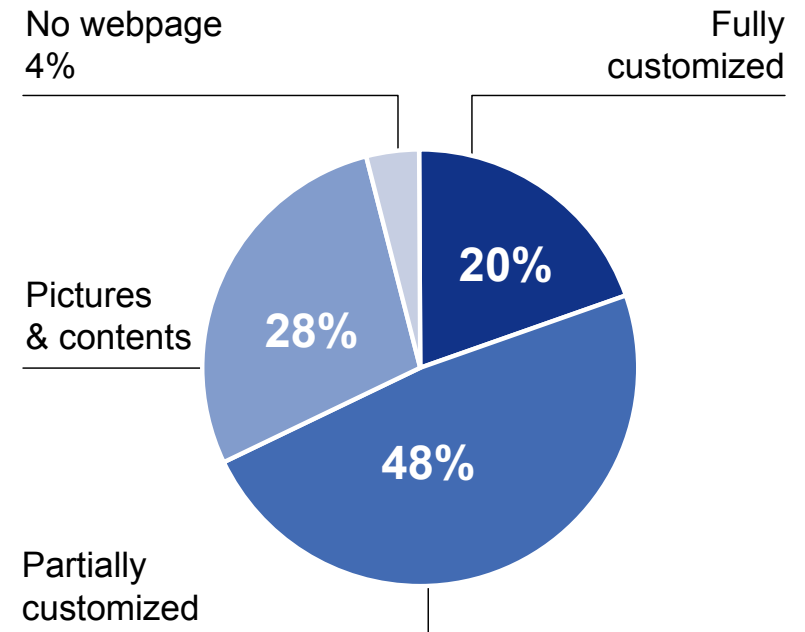
Bis 20.12.2012 läuft die Zeit für Ihren persönlichen Sparkurs

© Allianz SE 2013

Tied agents' homepages – highly accepted

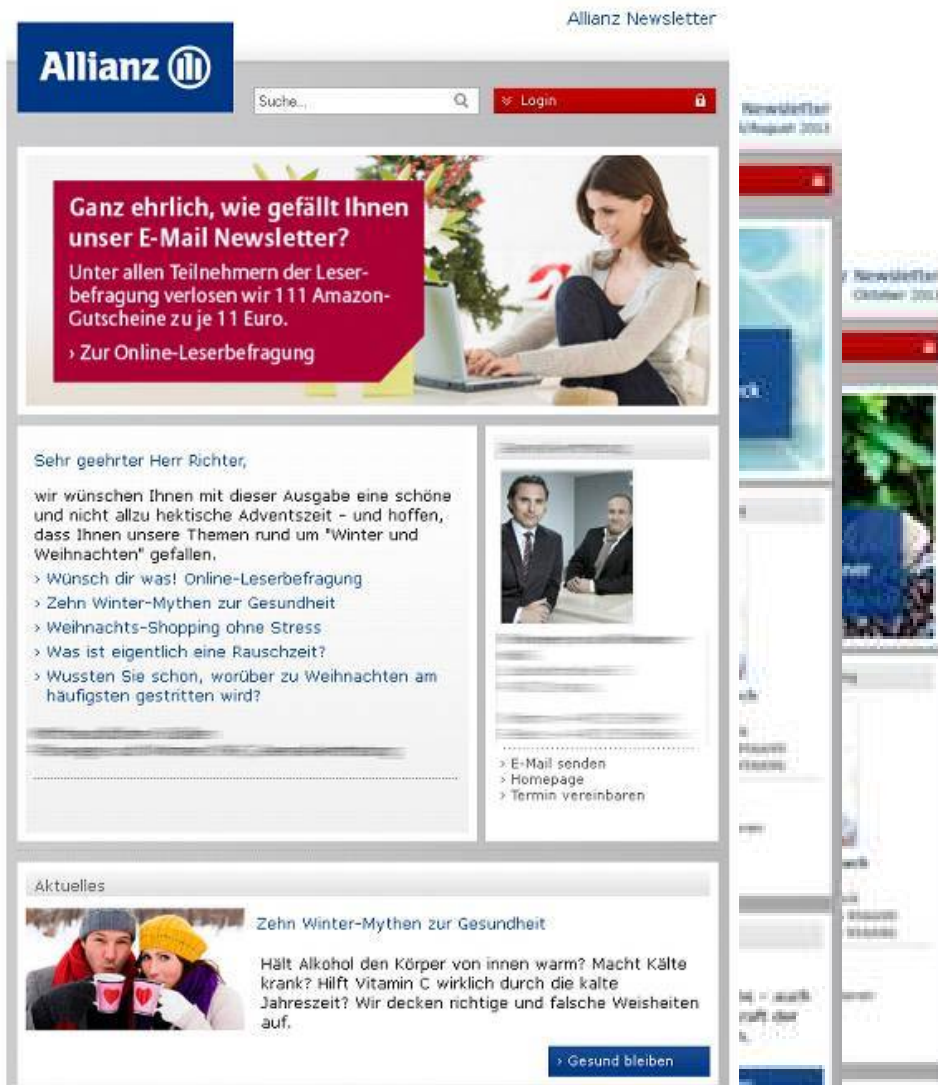


Agents with a personalized webpage (in %)

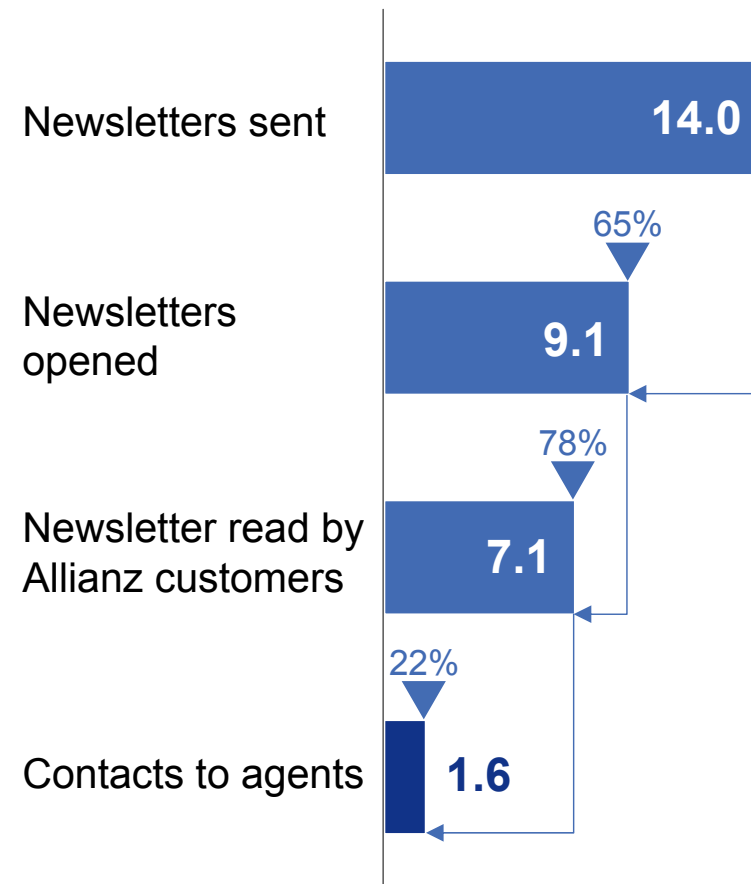


Toolbox online advertisement

E-mail newsletter



Number of yearly contacts, 2011, in mn



Facebook

facebook | siox | René Golze | Stin

Du postest, kommentierst und machst „Gefällt mir“-Angaben im Namen von Allianz Deutschland — Wechseln zu René Golze

Administrationsbereich | Seite bearbeiten | Publikum erweitern | Hilfe | Anzeigen 2

Allianz Arena

Allianz Deutschland
138 „Gefällt mir“-Angaben · 4.698 sprechen darüber · 247 waren hier

Versicherungsgesellschaft
SchadenDirektruf: 0 08 00.11 22 33 44 (kostenfrei – 24 h – auch aus dem Ausland) // www.allianz.de // www.allianz.de/hinweise/impressum/index.html

Info | Fotos | „Gefällt mir“-Angaben | Impressum | Nationalmannschafts...

- 1 page
- 200,000 fans
- General / public postings

Bank/Finanzdienstleistungen
Kalker Hauptstr. 150, Cologne, DE.
0221 9852890

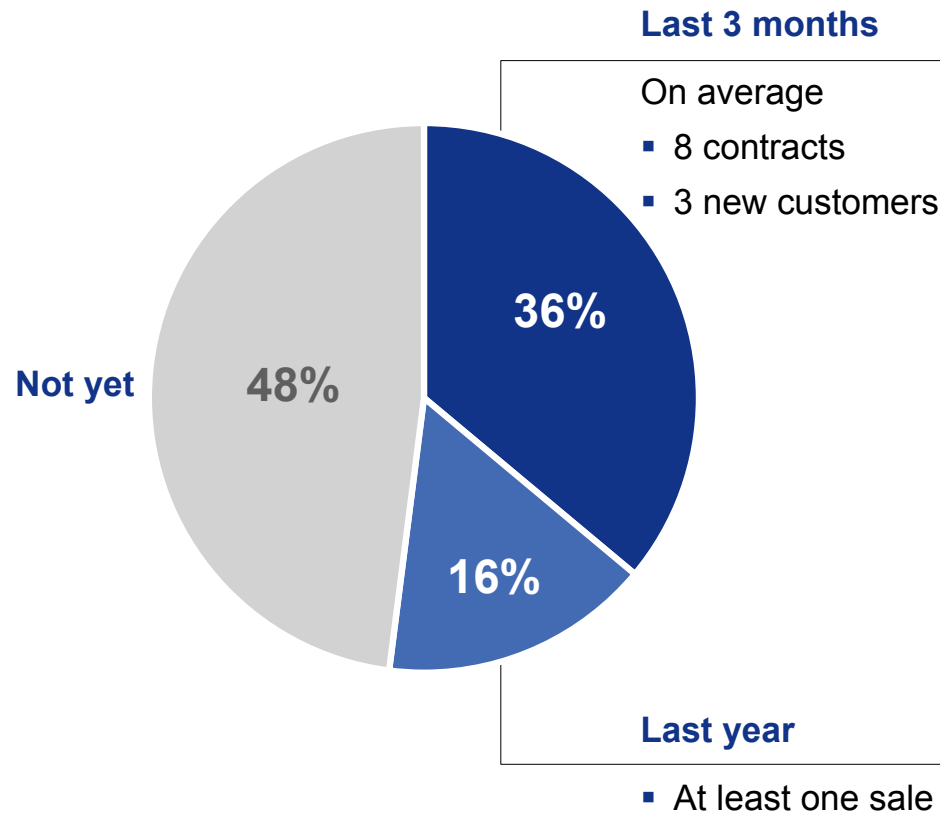
Allianz Köln Volker Büscher Hauptvertretung
1.882 „Gefällt mir“-Angaben · 116 sprechen darüber · 2 waren hier

Info | Fotos | Autowelt | Kundenservice | Allianz.Impressum

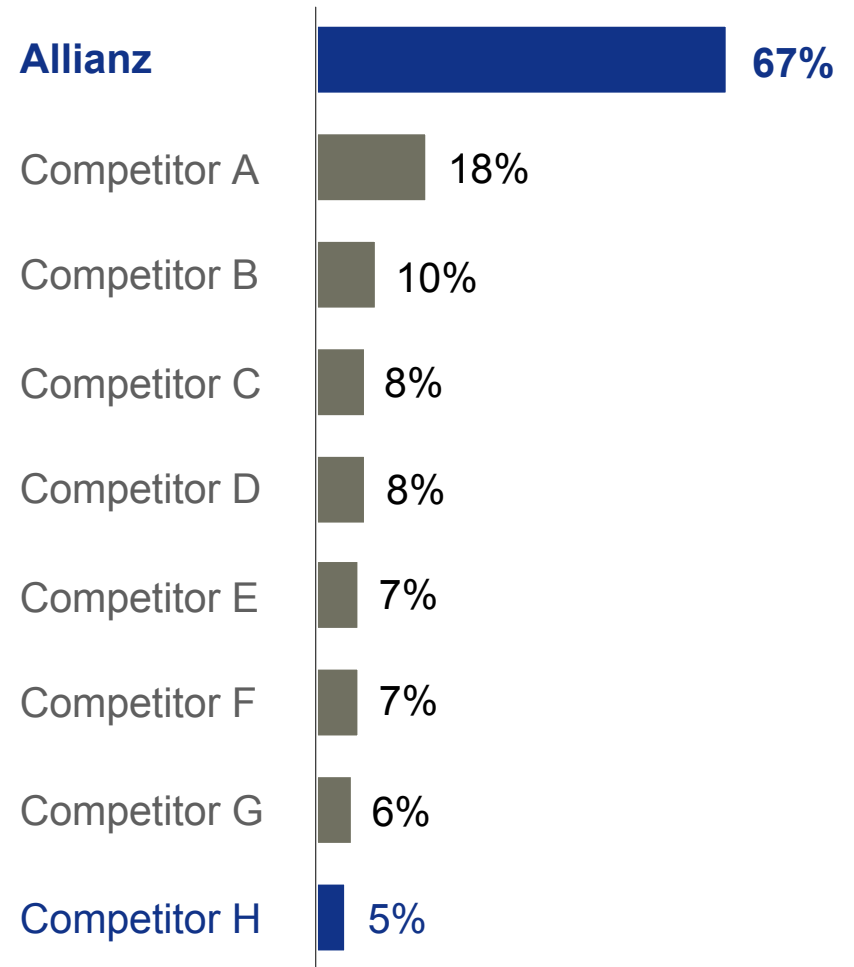
- 1,200 agents' pages (!)
- \emptyset 80 fans per page x 1,200 pages = ~100,000 fans
- Local / individual communities

Facebook for tied agents – commercial relevance

Agents: Facebook sales



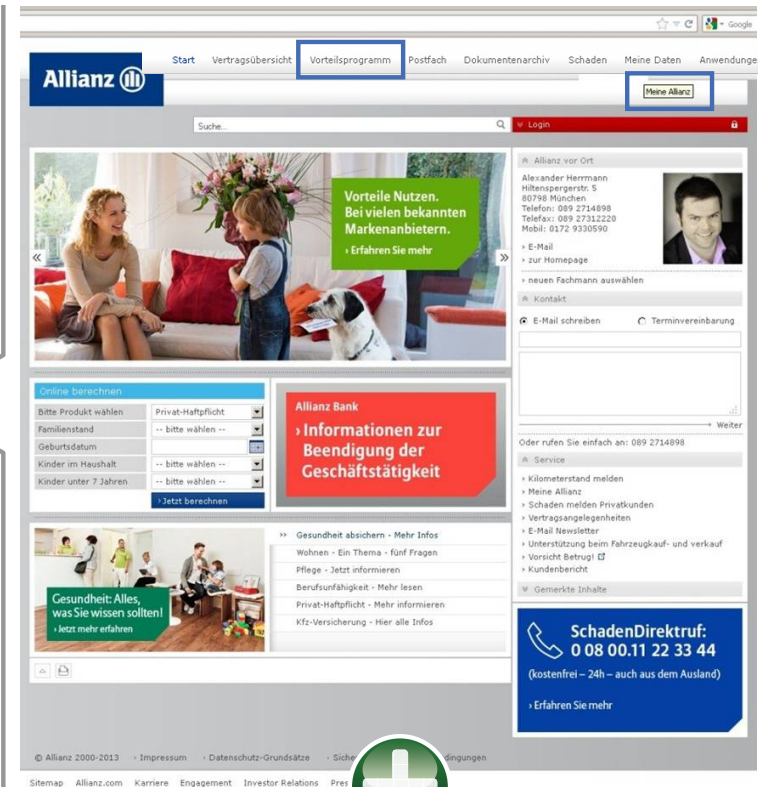
Fans: insurance



Digital customer interface – MyAllianz and Allianz Bonus Program

MyAllianz

- State-of-the-art interaction platform for customers
- Innovative communication and consulting services



Social support via
Facebook apps and Twitter planned

Allianz Bonus Program

- Earn-and-spend customer loyalty program
- Trigger for customer interaction and drive-to-web by regular benefits for customers

Allianz Bonus Program

The screenshot shows the Allianz Bonus Program website. At the top right, the user is identified as 'Georg Breidenbach ABC' with the role 'Generalvertretung'. The navigation menu includes 'Unsere Agentur', 'Privatkunden', 'Geschäftskunden', 'Kundenservice', 'Online-Banking', 'Meine Allianz', and 'Generalvertretung'. Below this, there are links for 'Start', 'Vertragsübersicht', 'Vorteilsprogramm', 'Postfach', 'Dokumentenarchiv', 'Schaden', 'Meine Daten', and 'Anwendungen'. A search bar is located below the navigation. The main content area is titled 'Allianz > Meine Allianz > Vorteilsprogramm > Meine Vorteile'. The 'Allianz Vorteilsprogramm' section shows the user's current status as 'blau'. A breadcrumb trail includes 'Startseite', 'Meine Vorteile', 'Meine Vorteilsstufe', 'Meine Vorteilshistorie', and 'Mein Programm'. The 'Alle Vorteile im Überblick' section features a graphic of colored pencils and a list of benefit categories: 'Auto & Mobilität', 'Gesundheit & Vorsorge', 'Haus & Wohnen', and 'Reise & Freizeit'. A call to action says 'Wählen Sie Ihre Jahresprämie aus unseren Versicherungen oder Sachgeschenken!'. The 'Jahresprämien Versicherungen' section is partially visible at the bottom. On the right side, the 'Meine Allianz' section displays a welcome message for 'Sepp Schulz' with access number '1242864186' and last login on '02.04.2013 um 17:40 Uhr'. The 'Allianz Vorteilsprogramm' section provides contact information for the hotline: '0800.4 100 125' (Monday to Friday, 8 to 20 hours). The 'Kontakt' section lists the address 'Malchiner Str. 17153 Stavenhagen' and contact numbers: 'Telefon: 0179 1561232', 'Telefax: 089 1256123', and 'Mobil: 0179 444444'. A photo of a man in a suit is also shown.

Agenda

- 1 Market management
- 2 Customer focus
- 3 Digital customer interaction
- 4 **Advertising and brand strategy**

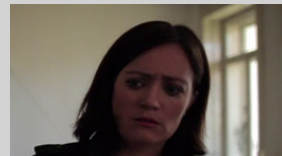
Evolution of the successful “one”-campaign: product communication and customer interaction

“One”-campaign launch in Germany with focus on re-enforcing the traditional Allianz value proposition

2010

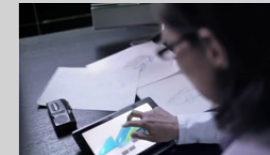


2011



Product innovation and modularity

2012



Customer needs and interaction

2013



Existing products

Perspective: past

Real cases

Allianz customers

Value proposition “being there when it counts“

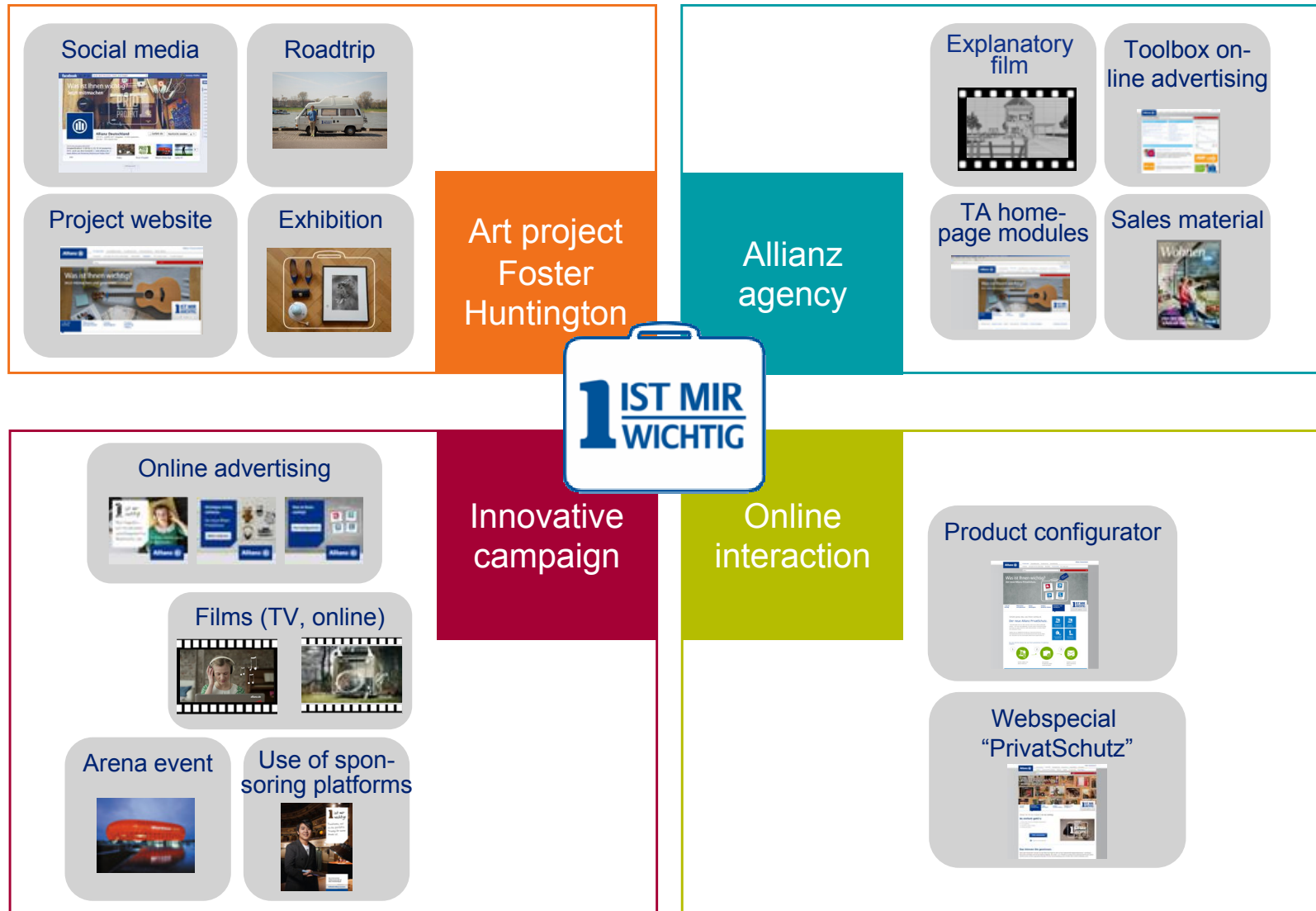


Product innovation

Perspective: future

Invitation to interact with Allianz

Integrated communication supporting the “PrivatSchutz” launch



Art project Foster Huntington: creating emotions and “earned” media communication

Roadtrip through Germany



Online documentation and participation



Exhibition in September



“Earned” media / “branded content”

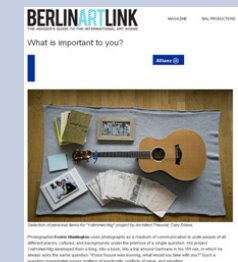


Welt, lifestyle-section, coverage appr. 230,000



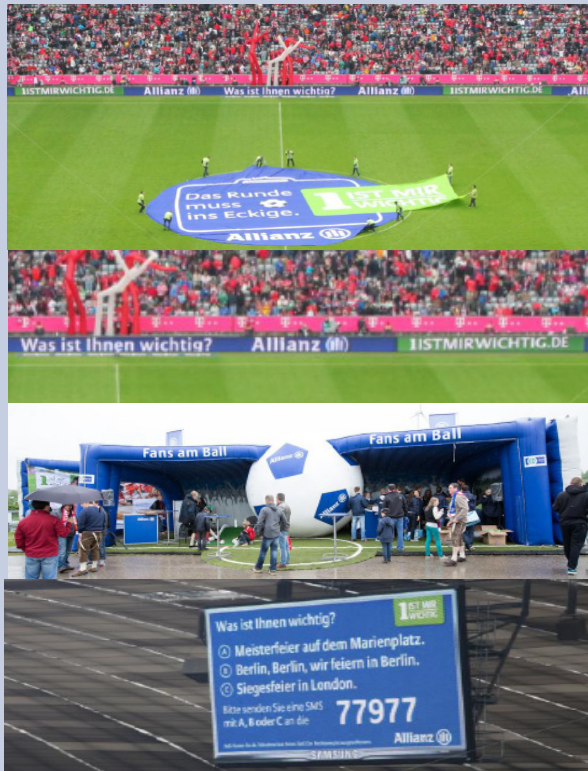
DFB Facebook posting, 1,819,901 fans

Art blogs

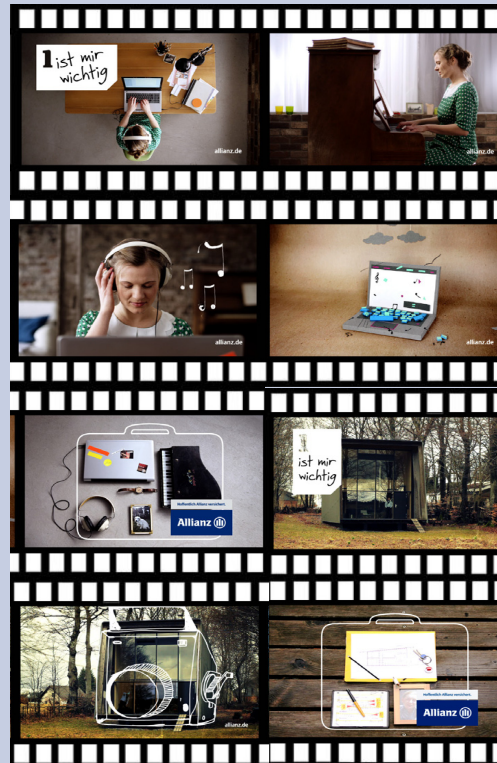


Innovative campaign – integrating all platforms

Arena event



Product story films, fresh look & feel (TV and online TV)



Target group / context specific online advertising (e.g. on immoscout24, ebay)



Online product configurator: “playful” interaction with the product and lead generation for the agent



Schützt genau das, was Ihnen wichtig ist.

Der neue Allianz PrivatSchutz.

Versicherungen sind nur dann sinnvoll, wenn sie zu Ihrem Lebensstil passen – und zwar wie angegossen. Mit dem neuen PrivatSchutz bietet die Allianz für jeden Menschen, jede Lebenssituation und jeden Bedarf den passenden Schutz.

Wählen Sie aus Haftpflichtversicherung, Hausratversicherung, Wohngebäudeversicherung und Rechtsschutzversicherung das Paket aus, das genau auf Ihre individuellen Bedürfnisse zugeschnitten ist.



Nur drei Schritte trennen Sie von Ihrem persönlichen PrivatSchutz Angebot:



Jetzt persönliches Schutz auswählen

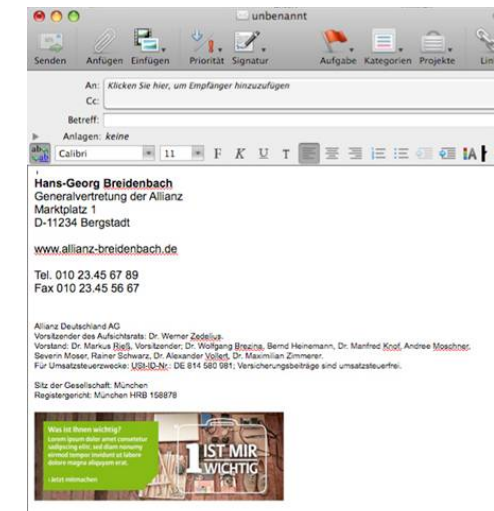
Hier unverbindliches Angebot anfordern und Postergutschein sichern*

Jetzt zusammenstellen

Agency fully integrated

Modular tied agent homepage

Toolbox online advertising and e-mail signature



Marketing toolbox with tied agent individual print advertising

Agency decoration



Summary



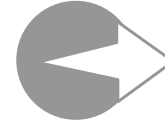
Achievements

Improved customer satisfaction

Provided tied agents with digital coating

Multi-access as a response to changing customer behavior

New ways of customer interaction and reward



Strategy / initiatives / ambition

Anchor customer orientation in company's DNA

Further strengthen and expand digitalization

Expand multi-access logic to broader product range

Use of innovative ways to increase customer interaction

Allianz Capital Markets Day

Dieter Wemmer
CFO

Allianz SE

Berlin, June 25, 2013

To sum it up

P/C

Back to profitable growth

Life

Resilient business model and attractive growth opportunities

Life investments

Extra value for customers and shareholders

Health

Reliable earnings contribution

Operations

Competitive edge through scale and state of the art IT

Distribution

Ongoing enhancement of sales channels and processes

Customer orientation

Customer focus drives customer satisfaction

Allianz Germany

On track to reach 2014 targets

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.

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