

1Q

Allianz Group
Interim Report First Quarter of 2015

Allianz at a glance

QUARTERLY RESULTS

three months ended 31 March		2015	2014	Change from previous year	More details on page
Income statement					
Total revenues ¹	€ MN	37,769	33,963	11.2%	6
Operating profit ²	€ MN	2,855	2,723	4.8%	7
Net income ²	€ MN	1,937	1,740	11.3%	7
thereof: attributable to shareholders	€ MN	1,822	1,640	11.0%	7
Business segments³					
Property-Casualty					
Gross premiums written	€ MN	17,339	15,217	13.9%	10
Operating profit ²	€ MN	1,285	1,489	(13.7)%	11
Net income ²	€ MN	922	645	42.9%	13
Combined ratio	%	94.6	92.6	2.0%-p	11
Life/Health					
Statutory premiums	€ MN	18,822	17,163	9.7%	16
Operating profit ²	€ MN	1,104	880	25.5%	18
Net income ²	€ MN	739	629	17.5%	20
Margin on reserves	BPS	77	73	5	20
Asset Management					
Operating revenues	€ MN	1,573	1,517	3.7%	25
Operating profit ²	€ MN	555	646	(14.0)%	25
Net income ²	€ MN	329	406	(19.0)%	26
Cost-income ratio	%	64.7	57.4	7.3%-p	25
Corporate and Other					
Total revenues	€ MN	140	139	0.7%	–
Operating result ²	€ MN	(101)	(222)	54.4%	28
Net income (loss) ²	€ MN	(49)	131	n.m.	28
Balance sheet as of 31 March⁴					
Total assets	€ MN	878,313	805,787	9.0%	31
Shareholders' equity	€ MN	68,397	60,747	12.6%	30
Non-controlling interests	€ MN	3,103	2,955	5.0%	30
Share information					
Basic earnings per share	€	4.01	3.62	10.9%	88
Diluted earnings per share	€	4.00	3.55	12.9%	88
Share price as of 31 March ⁴	€	161.85	137.35	17.8%	1
Market capitalization as of 31 March ⁴	€ MN	73,965	62,769	17.8%	–
Other data					
Standard & Poor's rating ⁵		AA Stable outlook	AA Stable outlook	–	–
Conglomerate solvency ratio ^{4,6}	%	190	181	10%-p	30
Total assets under management as of 31 March ⁴	€ BN	1,933	1,801	7.3%	24
thereof: third-party assets under management as of 31 March ⁴	€ BN	1,408	1,313	7.2%	24

1 – Total revenues comprise statutory gross premiums written in Property-Casualty and Life/Health, operating revenues in Asset Management, and total revenues in Corporate and Other (Banking).

2 – The Allianz Group uses operating profit and net income as key financial indicators to assess the performance of its business segments and the Group as a whole.

3 – The Allianz Group operates and manages its activities through four business segments: Property-Casualty, Life/Health, Asset Management, and Corporate and Other. For further information, please refer to note 4 to the condensed consolidated interim financial statements.

4 – 2014 figures as of 31 December 2014.

5 – Insurer financial strength rating, affirmed on 22 December 2014.

6 – Conglomerate solvency ratios as of 31 March 2015 and 31 December 2014 were adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 192% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively. Off-balance sheet reserves are accepted by the authorities as eligible capital only upon request. Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves and adjusted for the upcoming redemption of hybrid capital, the solvency ratios as of 31 March 2015 and 31 December 2014 would be 182% and 172%, respectively.

► To go directly to any chapter, simply click on the headline or the page number

All references to chapters, pages, notes, internet pages, etc. within this report are also linked.

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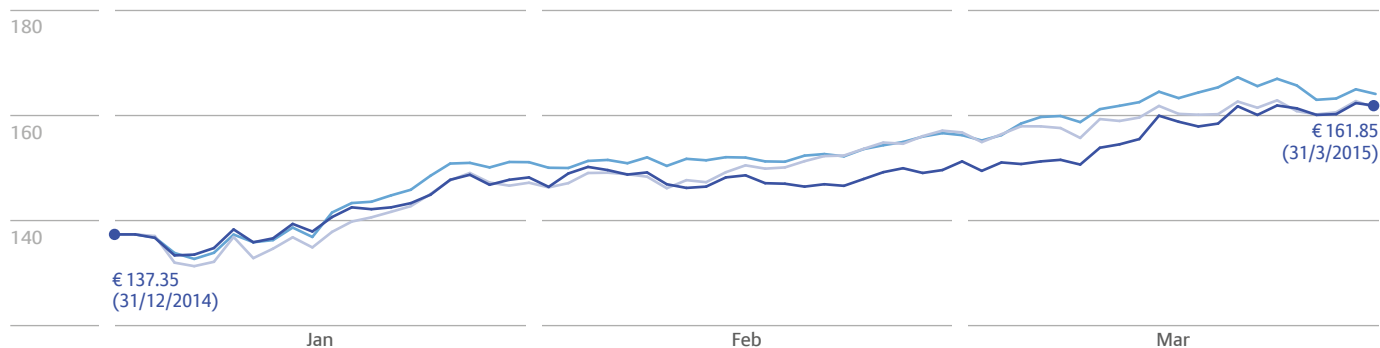
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Allianz Share

DEVELOPMENT OF THE ALLIANZ SHARE PRICE VERSUS STOXX EUROPE 600 INSURANCE AND EURO STOXX 50

indexed to the Allianz share price in €



■ Allianz ■ STOXX Europe 600 Insurance ■ EURO STOXX 50
Source: Thomson Reuters Datastream

Allianz Share price (3M 2015):
High: € 162.35 (30 March 2015) Low: € 133.35 (5 January 2015)

BASIC SHARE INFORMATION

Security codes	WKN 840 400
	ISIN DE 000 840 400 5
Bloomberg	ALV GR
Reuters	0#ALVG.DEU

Disclaimer regarding Roundings

The condensed consolidated interim financial statements are presented in millions of Euros (€ MN) unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. Previously published figures have been adjusted accordingly.

INTERIM GROUP MANAGEMENT REPORT



INTERIM GROUP MANAGEMENT REPORT

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Executive Summary

FIRST QUARTER 2015

- Revenues increased strongly by 11.2% to € 37.8 BN.
- Operating profit grew to € 2,855 MN.
- Net income at € 1,937 MN – an increase of 11.3%.
- Solvency ratio increased by 10 percentage points to 190%.¹

Allianz Group overview

Allianz SE and its subsidiaries (the Allianz Group) have operations in over 70 countries. The Group's results are reported by business segment: Property-Casualty insurance operations, Life/Health insurance operations, Asset Management, and Corporate and Other.

Key figures

KEY FIGURES ALLIANZ GROUP

€ MN	2015	2014
three months ended 31 March		
Total revenues	37,769	33,963
Operating profit	2,855	2,723
Net income	1,937	1,740
Solvency ratio ¹ in %	190	181

Earnings summary

ECONOMIC AND INDUSTRY ENVIRONMENT IN THE FIRST QUARTER OF 2015

Most industrialized countries registered a fairly solid start to 2015. The Eurozone economy benefited from lower oil prices and the depreciation of the Euro. Growth performance in many major emerging market economies remained subdued, among other things for structural reasons. Overall, global economic activity continued to trend moderately upwards.

In March 2015, the European Central Bank started its bond purchasing program and in the United States, the Federal Reserve Bank changed its forward guidance, thus in principle paving the way for an initial rate hike later this year. The increasingly divergent monetary policy stances of the European Central Bank and the Federal Reserve Bank contributed to a further pronounced weakening of the Euro against the U.S. Dollar. The U.S. Dollar to Euro exchange rate was 1.07 at the end of the first quarter (beginning of the year: 1.21).

Yields on 10-year German government bonds continued to decline and closed the quarter at 0.2%, 30 basis points lower than at the beginning of the year. Spreads on government bonds in most Eurozone periphery countries tightened further in the first quarter of 2015. Equity markets in many emerging and mature economies strengthened during the first quarter, with strong gains in the Eurozone in particular.

U.S. winter weather losses, storms in Europe, pricing weakness in the property-casualty sector and big movements on the currency markets all caused headaches in the first quarter of 2015. One challenge stands out, however: the continuous drop in European yields, which has put investment returns under heavy pressure and impacted capital positions. This prompted the industry to shift up a gear in its response: diversifying investments into so-called alternatives, reducing expenses and shifting the business mix, especially in the life segment.

¹ – Conglomerate solvency ratios as of 31 March 2015 and 31 December 2014 were adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 192% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively. Off-balance sheet

reserves are accepted by the authorities as eligible capital only upon request. Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves and adjusted for the upcoming redemption of hybrid capital, the solvency ratios as of 31 March 2015 and 31 December 2014 would be 182% and 172%, respectively.

MANAGEMENT'S ASSESSMENT OF FIRST QUARTER 2015 RESULTS

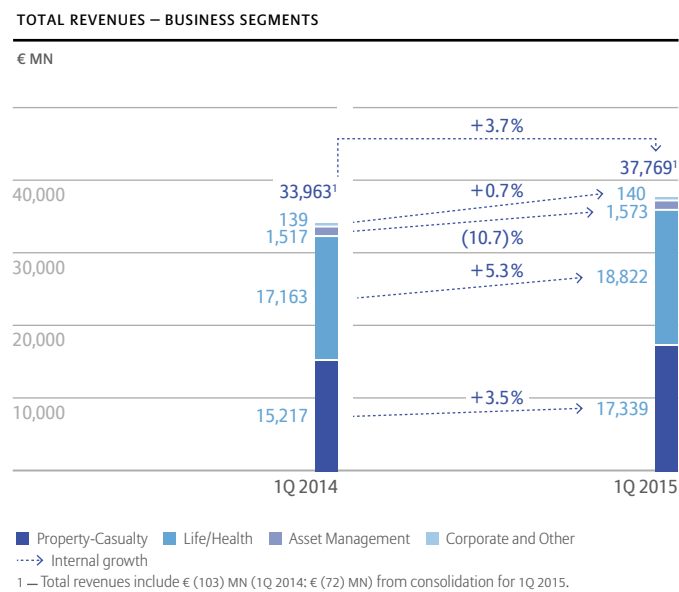
Our *total revenues* grew 11.2% to € 37.8 BN. This equals an increase of 3.7% on an internal basis¹, and was mainly driven by strong revenue growth in our Life/Health business and in our Property-Casualty business. However, lower operating revenues in our Asset Management business segment partly offset this growth.

Our *operating profit* was up 4.8% to € 2,855 MN. The main driver behind this was a higher investment margin in our Life/Health business. An improvement of the result in our Corporate and Other business also contributed to the increase. These positive developments were partly offset by a lower underwriting result and restructuring charges in our Property-Casualty business, while increased operating expenses were the main driver for a decline in operating profit in our Asset Management business.

Net income rose 11.3% to € 1,937 MN, primarily due to our strong operating performance and favorable market developments. *Net income attributable to shareholders* and *non-controlling interests* amounted to € 1,822 MN (1Q 2014: € 1,640 MN) and € 115 MN (1Q 2014: € 100 MN), respectively.

Our *shareholders' equity* amounted to € 68.4 BN, an increase of € 7.7 BN compared to year-end 2014. Our conglomerate solvency ratio grew 10 percentage points to 190%².

Total revenues³



Property-Casualty gross premiums written grew 13.9% and amounted to € 17.3 BN. On an internal basis¹, we recorded an increase in gross premiums written of 3.5%. This was largely driven by positive volume effects. We registered strong growth particularly at AGCS, Allianz Worldwide Partners, in Germany and in Latin America.

Life/Health statutory premiums amounted to € 18.8 BN, an increase of 5.3% on an internal basis¹. Strong growth of single premium unit-linked products in Italy and in the Asia-Pacific region more than compensated for the decreases in France and Benelux, while favorable foreign currency translation effects offset a decrease in the United States.

Asset Management operating revenues increased by € 56 MN – or 3.7% – to € 1,573 MN. Excluding the positive foreign currency translation effects of € 218 MN, operating revenues decreased by 10.7% on an internal basis¹. This decrease was mainly driven by lower net fee and commission income due to continued third-party assets under management net outflows, partly offset by higher performance fees.

Total revenues in our Banking operations (reported in our *Corporate and Other* business segment) were flat at € 140 MN.

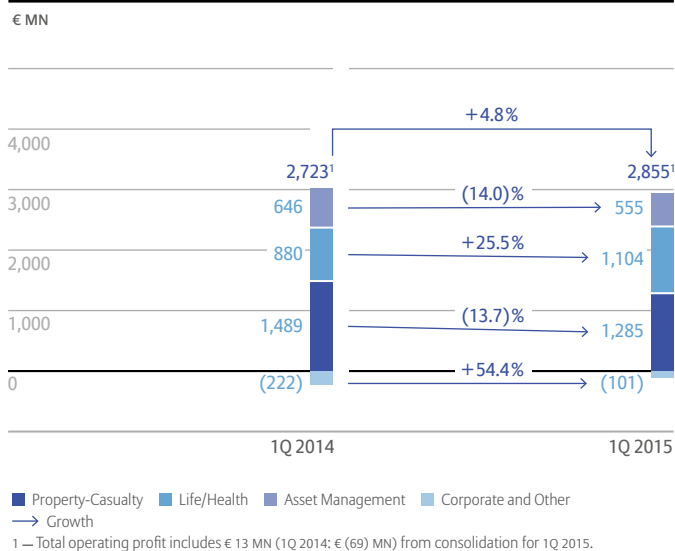
¹ — Internal total revenue growth excludes the effects of foreign currency translation as well as acquisitions and disposals. Please refer to page 37 for a reconciliation of nominal total revenue growth to internal total revenue growth for each of our segments and the Allianz Group as a whole.

² — Conglomerate solvency ratios as of 31 March 2015 and 31 December 2014 were adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 192% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively. Off-balance sheet reserves are accepted by the authorities as eligible capital only upon request. Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves and adjusted for the upcoming redemption of hybrid capital, the solvency ratios as of 31 March 2015 and 31 December 2014 would be 182% and 172%, respectively.

³ — Total revenues comprise statutory gross premiums written in Property-Casualty and in Life/Health, operating revenues in Asset Management and total revenues in Corporate and Other (Banking).

Operating profit

OPERATING PROFIT – BUSINESS SEGMENTS



Our **Property-Casualty** operating profit fell by € 205 MN – or 13.7% – to € 1,285 MN. This was mainly due to a less favorable underwriting result, compared to the first quarter 2014, and restructuring charges. However, our operating investment income (net) went up by € 51 MN to € 799 MN.

Life/Health operating profit increased by € 224 MN – or 25.5% – to € 1,104 MN. This was largely driven by higher net harvesting and favorable fair value effects in Germany, a higher investment margin due to an increased asset base in the United States, and also supported by favorable foreign currency translation effects.

Asset Management operating profit decreased by € 91 MN – or 14.0% – to € 555 MN. Excluding the positive foreign currency translation effects of € 82 MN, operating profit dropped by 26.7% on an internal basis¹. Adjusted for foreign currency translation effects, lower net fee and commission income, resulting from lower average third-party assets under management and lower margins, could not be offset by higher performance fees. PIMCO's Special Performance Award also had an impact on operating profit.

Our operating result in **Corporate and Other** improved by € 121 MN to a loss of € 101 MN. This was mainly due to the adapted cost allocation scheme for the pension provisions between the German subsidiaries and Allianz SE, which led to higher other income in our reportable segment Holding & Treasury.

¹ – Operating profit adjusted for foreign currency translation and (de-)consolidation effects.

Non-operating result

Our **non-operating result** improved by € 56 MN to a loss of € 61 MN, mainly driven by higher non-operating realized gains and losses (net). This was partially offset by lower non-operating income from financial assets and liabilities carried at fair value through income (net) and the absence of a positive one-off effect from a pension revaluation of € 117 MN reported in the first quarter of 2014.

Non-operating income from financial assets and liabilities carried at fair value through income (net) decreased by € 55 MN to a loss of € 124 MN, mainly due to unfavorable impacts from hedging-related activities.

Non-operating realized gains and losses (net) increased from € 126 MN to € 318 MN as a result of higher realizations on debt securities and equities.

Non-operating impairments of investments (net) improved by € 46 MN to a loss of € 20 MN, mainly due to lower impairments on debt securities.

Income taxes

Income taxes decreased by € 9 MN to € 858 MN and the effective tax rate declined to 30.7% (2014: 33.2%). This was mostly due to variations in the regional development of the Group's results, as well as to lower tax expenses relating to previous years.

Net income

Net income increased by € 197 MN to € 1,937 MN, driven primarily by the higher operating result. **Net income attributable to shareholders** and **non-controlling interests** amounted to € 1,822 MN (1Q 2014: € 1,640 MN) and € 115 MN (1Q 2014: € 100 MN), respectively. The largest non-controlling interests in net income related to Euler Hermes and PIMCO.

Basic earnings per share increased from € 3.62 to € 4.01; **diluted earnings per share** increased from € 3.55 to € 4.00. For further information on earnings per share, please refer to note 39 to the condensed consolidated interim financial statements.

TOTAL REVENUES AND RECONCILIATION OF OPERATING PROFIT (LOSS) TO NET INCOME (LOSS)

€ MN	2015	2014
three months ended 31 March		
Total revenues¹	37,769	33,963
Premiums earned (net)	18,272	16,686
Operating investment result		
Interest and similar income	5,404	5,139
Operating income from financial assets and liabilities carried at fair value through income (net)	683	(250)
Operating realized gains/losses (net)	2,519	780
Interest expenses, excluding interest expenses from external debt	(103)	(98)
Operating impairments of investments (net)	(89)	(296)
Investment expenses	(238)	(199)
Subtotal	8,176	5,077
Fee and commission income	2,644	2,408
Other income	77	78
Claims and insurance benefits incurred (net)	(12,804)	(11,809)
Change in reserves for insurance and investment contracts (net) ²	(6,139)	(3,440)
Loan loss provisions	(8)	(9)
Acquisition and administrative expenses (net), excluding acquisition-related expenses and one-off effects from pension revaluation	(6,303)	(5,452)
Fee and commission expenses	(942)	(782)
Operating amortization of intangible assets	(5)	(5)
Restructuring charges	(90)	1
Other expenses	(28)	(30)
Reclassification of tax benefits	5	–
Operating profit	2,855	2,723
Non-operating investment result		
Non-operating income from financial assets and liabilities carried at fair value through income (net)	(124)	(70)
Non-operating realized gains/losses (net)	318	126
Non-operating impairments of investments (net)	(20)	(66)
Subtotal	174	(9)
Income from fully consolidated private equity investments (net)	2	(5)
Interest expenses from external debt	(212)	(205)
Acquisition-related expenses	7	5
One-off effects from pension revaluation	–	117
Non-operating amortization of intangible assets	(28)	(20)
Reclassification of tax benefits	(5)	–
Non-operating items	(61)	(117)
Income (loss) before income taxes	2,794	2,607
Income taxes	(858)	(867)
Net income (loss)	1,937	1,740
Net income (loss) attributable to:		
Non-controlling interests	115	100
Shareholders	1,822	1,640
Basic earnings per share in €	4.01	3.62
Diluted earnings per share in €	4.00	3.55

1 – Total revenues comprise statutory gross premiums written in Property-Casualty and in Life/Health, operating revenues in Asset Management and total revenues in Corporate and Other (Banking).

2 – Includes expenses for premium refunds (net) in Property-Casualty of € (109) MN (2014: € (59) MN).

Risk management

Risk management is an integral part of our business and supports our value-based management. For further information please refer to the Risk and Opportunity Report in our Annual Report 2014. The Allianz Group's management feels comfortable with our overall risk profile and has confidence in the effectiveness of our risk management framework to meet the challenges of a rapidly changing environment as well as day-to-day business needs. The risk profile described in the latest Risk and Opportunity Report remains largely unchanged. We consider the current state of the economy, combined with the persisting low interest rate environment in the Eurozone, as an increasingly challenging risk to our investment targets. Ongoing geopolitical uncertainties also represent risks which we are monitoring closely. In addition, Allianz continues to be exposed to regulatory developments – especially the European solvency directive (Solvency II) and the designation of Allianz as a global systemically important insurer.

FINANCIAL MARKET AND OPERATING ENVIRONMENT DEVELOPMENTS

Many countries within the Eurozone currently face weak economic growth and low inflation rates. The economic malaise is being addressed by the ECB through its expansive monetary policy. As a result, financial markets are characterized by historically low interest rates and risk premia, prompting investors to look for higher yielding – and potentially higher risk – investments. In addition to sustained low interest rates, the weakening of the Eurozone's growth momentum, the challenges of implementing long-term structural reforms in key Eurozone countries, and uncertainty about the future path of monetary policy may lead to higher market volatility accompanied by a flight to quality and a scenario with falling equity and bond prices due to rising spread levels along with even lower interest rates.

Continuing geopolitical risks, including the conflicts in the Middle East and between Russia and Ukraine – and the resulting international sanctions against Russia – are manageable for the Allianz Group because our direct exposure to these regions remains relatively small in the context of our overall portfolio. Nevertheless, we are monitoring these developments since a significant deterioration may lead to spillover effects on global financial markets, triggering indirect effects which may have a negative impact on our business and risk profile. Over the past years Allianz Group and its operating entities have developed operational contingency plans for various crisis scenarios and continue to conduct scenario analyses on a regular basis to bolster our financial and operational resilience to strong shock scenarios. In addition, we continue to optimize our product design and pricing in the Life/Health business segment with respect to guarantees and surrender conditions. Continuous monitoring as well as prudent risk positions and contingency planning remain priorities for our management.

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REGULATORY DEVELOPMENTS

In March 2014, the European Parliament approved the Solvency II “Omnibus II” directive, allowing the new risk-based solvency capital framework for the E.U. to proceed with a planned introduction date of January 2016. Although the European Commission’s draft for the delegated regulation of Solvency II was approved and published in January 2015, the interpretation of some of the important final requirements remains unclear. This situation creates some uncertainty with respect to Allianz’s ultimate Solvency II capital requirements, especially under the application of our internal model in case the final rules deviate from our current understanding of them – for example the application of third-country equivalence for the United States.

In addition to Solvency II uncertainty, the future capital requirements applicable to Global Systemically Important Insurers (so-called G-SIIs) are also unclear, contributing to uncertainty in terms of the ultimate capital requirements for Allianz. Finally, the potential for a multiplicity of different regulatory regimes, capital standards and reporting requirements will increase operational complexity and costs.

In any case, due to the market value balance sheet approach, the Solvency II regime will lead to higher volatility in solvency ratios, compared to Solvency I.

Events after the balance sheet date

For information on events after the balance sheet date, please refer to note 41 to the condensed consolidated interim financial statements.

Other information

RECENT ORGANIZATIONAL CHANGES

For information on recent organizational changes, please refer to note 4 to the condensed consolidated interim financial statements.

STRATEGY

The Allianz Group’s strategy is described in the Strategy and Steering chapter in our Annual Report 2014. There have been no material changes to our Group strategy.

PRODUCTS, SERVICES AND SALES CHANNELS

For an overview of the products and services offered by the Allianz Group, as well as sales channels, please refer to the Business Operations and Markets chapter in our Annual Report 2014. Information on our brand can also be found in the Progress in Sustainable Development chapter in our Annual Report 2014.

Property-Casualty Insurance Operations

FIRST QUARTER 2015

- Gross premiums written amounted to € 17.3 BN – growth of 13.9%.
- Operating profit at € 1,285 MN affected by a lower underwriting result and restructuring charges.
- Combined ratio at 94.6%.

Business segment overview

Our Property-Casualty business offers a wide range of products and services for both private and corporate clients. Our offerings cover many insurance classes such as motor, accident/disability, property and general liability. We conduct business worldwide in more than 70 countries. We are also a global leader in travel insurance, assistance services and credit insurance. We distribute our products via a broad network of agents, brokers, banks and other strategic partners, as well as through direct channels.

Key figures

KEY FIGURES PROPERTY-CASUALTY

€ MN	2015	2014
three months ended 31 March		
Gross premiums written	17,339	15,217
Operating profit	1,285	1,489
Net income	922	645
Loss ratio in %	66.4	64.6
Expense ratio in %	28.2	28.0
Combined ratio in %	94.6	92.6

Gross premiums written¹

On a nominal basis, we recorded *gross premiums written* of € 17,339 MN, an increase of € 2,122 MN or 13.9% compared to the first quarter of 2014. Foreign currency translation effects were positive and amounted to € 715 MN, largely due to favorable effects from the U.S. Dollar, the Swiss Franc, the British Pound and the Australian Dollar against the Euro.² Consolidation/deconsolidation effects were positive at € 853 MN, mainly because of the transfer of the French International Health business to the reportable segment Allianz Worldwide Partners³, the acquisition of a part of the insurance business of UnipolSai, and the takeover of the Property-Casualty insurance business of the Territory Insurance Office in Australia.

On an internal basis, our gross premiums written were up 3.5% driven by favorable volume effects of 2.8% and price effects of 0.7%. We registered strong growth at AGCS, Allianz Worldwide Partners, in Germany and Latin America.

Analyzing internal premium growth in terms of price and volume, we use four clusters based on 1Q 2015 internal growth over 1Q 2014:

Cluster 1:

Overall growth – both price and volume effects are positive.

Cluster 2:

Overall growth – either price or volume effects are positive.

Cluster 3:

Overall decline – either price or volume effects are negative.

Cluster 4:

Overall decline – both price and volume effects are negative.

¹ – We comment on the development of our gross premiums written on an internal basis; meaning adjusted for foreign currency translation and (de-)consolidation effects in order to provide more comparable information.

² – Based on the average exchange rates in 2015 compared to 2014.

³ – In the fourth quarter of 2014, our French International Health business was transferred from France (Life/Health) to the reportable segment Allianz Worldwide Partners effective 1 January 2014.

CLUSTER 1

In *Ireland*, gross premiums were at € 138 MN. The internal growth of 15.5% was largely the result of positive volume effects in our motor business.

In *Australia*, gross premiums were up 9.2% on an internal basis and amounted to € 686 MN. Volume gains in our domestic motor and home business supported by positive price effects in the compulsory third party (CTP) insurance and workers compensation business drove this development.

At *Allianz Worldwide Partners*, gross premiums rose to € 1,601 MN, a growth of 8.3% on an internal basis. This was driven by volume growth in our travel business in the United States, France and Australia.

In *Spain*, gross premiums increased 6.7% on an internal basis and stood at € 655 MN. This was due to positive price and volume effects across all our lines of business.

In the *United Kingdom*, gross premiums amounted to € 747 MN. The internal growth of 5.1% was driven by positive price effects across almost all our lines of business and supported by higher volumes in the pet insurance and our retail motor business.

In *Germany*, gross premiums were at € 4,219 MN – a rise of 2.6% on an internal basis due to favorable price and volume effects in our motor and commercial non-motor business.

CLUSTER 2

In *Latin America*, we recorded gross premiums of € 517 MN – an increase of 26.6% on an internal basis. This strong growth was mainly driven by volume effects in our motor business in Argentina and Brazil.

At *AGCS*¹, gross premiums totaled € 2,382 MN. The internal growth of 5.5% was mainly due to favorable volume effects in our risk transfer business as well as in our aviation and liability lines of business.

In *Asia-Pacific*, we recorded gross premiums of € 211 MN. The increase of 2.8% on an internal basis was largely driven by volume effects in Indonesia and our motor business in Malaysia.

In *Credit Insurance*, gross premiums grew by 1.8% to € 652 MN on an internal basis. This result was mainly generated by positive volume effects in our growth markets in the Americas, Asia and the Middle East.

In *France*, gross premiums were at € 1,530 MN – up 1.0% on an internal basis due to positive price effects in our personal and commercial lines.

¹ – Effective 1 January 2015, Fireman's Fund Insurance Company was integrated into AGCS Group. Previous period figures were not adjusted. 1Q 2015 numbers still include the contribution from personal lines. The sale of the renewal rights for personal lines is effective 1 April 2015. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of Fireman's Fund Insurance Company, have been reported within Reinsurance PC since 1 January 2015.

CLUSTER 3

In *Italy*, gross premiums were down 0.3% on an internal basis to € 1,174 MN. This was mainly driven by our non-motor business which was partly compensated by our motor business due to higher volume effects.

CLUSTER 4

In *Central and Eastern Europe*, gross premiums decreased 14.5% on an internal basis and were at € 569 MN. Negative volume effects in Russia following the downscaling of our motor and other retail business mainly drove this development.

In *Switzerland*, gross premiums amounted to € 1,069 MN – a decrease of 0.7% on an internal basis due to a shift towards more flexible renewal dates in our motor business.

Operating profit

OPERATING PROFIT

€ MN	2015	2014
three months ended 31 March		
Underwriting result	555	704
Operating investment income (net)	799	748
Other result ¹	(69)	38
Operating profit	1,285	1,489

¹ – Consists of fee and commission income/expenses, other income/expenses and restructuring charges.

Operating profit fell by € 205 MN to € 1,285 MN. This was mainly driven by a lower underwriting result and restructuring charges for the Fireman's Fund reorganization.

Affected by significantly higher losses from natural catastrophes as well as higher attritional losses, which were partly offset by a higher run-off result, our *underwriting result* dropped by € 149 MN to € 555 MN and our *combined ratio* worsened by 2.0 percentage points to 94.6%.

UNDERWRITING RESULT

€ MN	2015	2014
three months ended 31 March		
Premiums earned (net)	11,519	10,410
Accident year claims	(8,024)	(6,980)
Previous year claims (run-off)	373	252
Claims and insurance benefits incurred (net)	(7,651)	(6,727)
Acquisition and administrative expenses (net)	(3,249)	(2,912)
Change in reserves for insurance and investment contracts (net) (without expenses for premium refunds) ¹	(64)	(66)
Underwriting result	555	704

¹ – Consists of the underwriting-related part (aggregate policy reserves and other insurance reserves) of "change in reserves for insurance and investment contracts (net)". For further information, please refer to note 29 to the condensed consolidated interim financial statements.

Our **accident year loss ratio** stood at 69.7% – a 2.6 percentage point deterioration compared to the previous year's figure. This included a sharp increase in losses from natural catastrophes from € 54 MN to € 222 MN resulting in an increased impact on our combined ratio from 0.5% to 1.9%.

Excluding losses from natural catastrophes, our accident year loss ratio was 67.7%, up 1.2 percentage points compared to the previous year. This increase was mainly driven by an attritional loss ratio deterioration in our reinsurance operations and our Italian portfolio that could not be compensated by favorable developments in Central and Eastern Europe, Germany and France.

The following operations contributed positively to the development of our accident year loss ratio:

Central and Eastern Europe: 0.2 percentage points. This was largely because of motor downscaling in Russia and a favorable loss development in the Czech Republic.

The following operations contributed negatively to the development of our accident year loss ratio:

Germany: 1.3 percentage points. This was due to a significantly higher impact from natural catastrophes driven by the storms Elon/Felix in January and Niklas/Mike at the end of March. On the other hand, the attritional loss ratio improved, supported by pricing strength and lower overall attritional claims frequency.

Reinsurance: 0.6 percentage points. The deterioration was driven both by higher losses from natural catastrophes as well as a higher attritional loss ratio following a shift in business mix towards a higher share of volume from proportional treaties.

Italy: 0.3 percentage points. The negative impact was mainly from our motor business where average premiums continued to decrease and attritional severity worsened. Furthermore, the share of direct business increased further.

Australia: 0.3 percentage points. Australia's accident year loss ratio was affected by claims from cyclone Marcia in February.

Latin America: 0.2 percentage points. This was mainly driven by Brazil, but a comprehensive turn-around program is underway.

Our **run-off result** increased by € 121 MN to € 373 MN – resulting in a run-off ratio of 3.2% – a 0.8 percentage point higher contribution than in the first quarter of 2014, following reserve releases across most of the portfolio.

Total expenses amounted to € 3,249 MN in the first quarter of 2015, compared to € 2,912 MN in the same period of the previous year. Our **expense ratio** rose slightly to 28.2% with an improved administrative expense ratio more than offset by higher acquisition expenses.

OPERATING INVESTMENT INCOME (NET)¹

€ MN	2015	2014
three months ended 31 March		
Interest and similar income (net of interest expenses)	843	840
Operating income from financial assets and liabilities carried at fair value through income (net)	62	14
Operating realized gains/losses (net)	80	26
Operating impairments of investments (net)	(2)	(5)
Investment expenses	(75)	(69)
Expenses for premium refunds (net) ²	(109)	(59)
Operating investment income (net)	799	748

1 – The operating investment income (net) for our Property-Casualty business segment consists of the operating investment result – as shown in note 4 to the condensed consolidated interim financial statements – and expenses for premium refunds (net) (policyholder participation) as shown in note 29 to the condensed consolidated interim financial statements.

2 – Refers to policyholder participation, mainly from APR (accident insurance with premium refunds) business, and consists of the investment-related part of "change in reserves for insurance and investment contracts (net)". For further information, please refer to note 29 to the condensed consolidated interim financial statements.

Operating investment income (net) totaled € 799 MN – an increase of € 51 MN compared to the first quarter of the previous year.

Interest and similar income (net of interest expenses) was stable at € 843 MN. Lower income on debt securities was almost offset by income on equities. The average asset base¹ went up by 9.8% to € 112.4 BN in the first quarter of 2015 from € 102.3 BN in the first quarter of 2014.

Operating income from financial assets and liabilities carried at fair value through income (net) amounted € 62 MN – up € 48 MN. This was driven by positive foreign currency translation effects net of hedging.

Operating realized gains and losses (net) increased by € 54 MN to € 80 MN compared to the first quarter of 2014. We recorded higher realizations mainly on debt securities in Germany.

Expenses for premium refunds (net) increased by € 50 MN to € 109 MN driven by higher policyholder participation on higher investment results in Germany.

¹ – Including French health business, excluding fair value option and trading.

OTHER RESULT

€ MN	2015	2014
three months ended 31 March		
Fee and commission income	357	307
Other income	15	29
Fee and commission expenses	(344)	(291)
Other expenses	(6)	(6)
Restructuring charges	(90)	(1)
Other result	(69)	38

We incurred restructuring charges of € 90 MN, thereof € 89 MN in conjunction with the reorganization of Fireman's Fund in the United States.

Net income

Net income grew by € 277 MN to € 922 MN compared to the first quarter of 2014. The decreased operating profit was offset by a lower one-off expense from pension revaluation and higher non-operating realized gains in the first quarter of the current year.

PROPERTY-CASUALTY BUSINESS SEGMENT INFORMATION

€ MN	2015	2014
three months ended 31 March		
Gross premiums written¹	17,339	15,217
Ceded premiums written	(1,500)	(1,227)
Change in unearned premiums	(4,320)	(3,580)
Premiums earned (net)	11,519	10,410
Interest and similar income	865	853
Operating income from financial assets and liabilities carried at fair value through income (net)	62	14
Operating realized gains/losses (net)	80	26
Fee and commission income	357	307
Other income	15	29
Operating revenues	12,898	11,638
Claims and insurance benefits incurred (net)	(7,651)	(6,727)
Change in reserves for insurance and investment contracts (net)	(173)	(125)
Interest expenses	(22)	(13)
Operating impairments of investments (net)	(2)	(5)
Investment expenses	(75)	(69)
Acquisition and administrative expenses (net), excluding one-off effects from pension revaluation	(3,249)	(2,912)
Fee and commission expenses	(344)	(291)
Restructuring charges	(90)	(1)
Other expenses	(6)	(6)
Operating expenses	(11,613)	(10,149)
Operating profit	1,285	1,489
Non-operating items	–	(576)
Income before income taxes	1,284	913
Income taxes	(362)	(268)
Net income	922	645
Loss ratio ² in %	66.4	64.6
Expense ratio ³ in %	28.2	28.0
Combined ratio⁴ in %	94.6	92.6

1 – For the Property-Casualty business segment, total revenues are measured based upon gross premiums written.

2 – Represents claims and insurance benefits incurred (net) divided by premiums earned (net).

3 – Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).

4 – Represents the total of acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, and claims and insurance benefits incurred (net) divided by premiums earned (net).

Property-Casualty insurance operations by reportable segments

PROPERTY-CASUALTY INSURANCE OPERATIONS BY REPORTABLE SEGMENTS

€ MN	Gross premiums written				Premiums earned (net)		Operating profit (loss)	
	2015	2014	internal ¹		2015	2014	2015	2014
			2015	2014				
three months ended 31 March								
Germany	4,219	4,090	4,196	4,090	1,909	1,871	218	330
Switzerland	1,069	944	937	944	422	369	69	61
Austria	352	350	352	350	205	209	22	16
German Speaking Countries	5,640	5,384	5,485	5,384	2,535	2,448	309	407
Italy ²	1,174	961	959	961	1,176	957	248	213
France	1,530	1,442	1,523	1,508	993	975	116	128
Benelux	405	399	405	399	266	267	16	22
Turkey	317	290	290	290	239	214	25	23
Greece	28	31	28	31	20	22	2	7
Africa	45	41	45	41	17	16	5	4
Western & Southern Europe³	3,499	3,164	3,249	3,230	2,711	2,453	415	399
Latin America	517	399	505	399	414	410	6	41
Spain	655	614	655	614	462	440	56	67
Portugal	126	116	126	116	69	66	5	5
Iberia & Latin America	1,298	1,129	1,286	1,129	946	916	67	113
Allianz Global Corporate & Specialty ⁴	2,382	1,588	2,109	2,000	1,326	721	45	143
AGCS excl. Fireman's Fund	1,920	1,588	1,729	1,584	848	721	157	143
Fireman's Fund	462	–	380	415	478	–	(112)	–
Reinsurance PC ⁵	2,104	1,568	2,078	1,568	988	748	122	162
Reinsurance PC excl. San Francisco RE	2,104	1,568	2,078	1,568	988	748	114	162
San Francisco RE	–	–	–	–	–	–	8	–
United Kingdom	747	638	671	638	561	560	40	30
Credit Insurance	652	612	623	612	403	378	117	112
Ireland	138	120	138	120	102	90	44	5
United States	–	415	–	–	–	405	–	24
Global Insurance Lines & Anglo Markets⁶	6,023	4,942	5,620	4,938	3,380	2,902	366	474
Russia	81	231	119	231	68	150	(3)	(51)
Poland	109	113	109	113	83	86	1	4
Hungary	86	87	86	87	53	53	4	5
Slovakia	106	107	106	107	65	64	16	20
Czech Republic	80	74	81	74	62	57	8	15
Romania	55	53	55	53	39	36	3	2
Bulgaria	17	16	17	16	18	16	4	5
Croatia	34	28	34	28	18	19	2	3
Ukraine	2	5	3	5	1	2	–	(1)
Central and Eastern Europe⁷	569	713	610	713	408	483	33	–
Asia-Pacific	211	183	188	183	128	100	26	23
Australia ⁸	686	574	627	574	585	520	32	51
Middle East and North Africa	25	20	21	20	16	12	2	1
Growth Markets	1,492	1,490	1,446	1,490	1,137	1,115	93	75
Allianz Worldwide Partners⁹	1,601	785	1,485	1,370	809	575	34	21
Consolidation ¹⁰	(2,215)	(1,679)	(2,215)	(1,741)	–	–	–	–
Total	17,339	15,217	16,356	15,802	11,519	10,410	1,285	1,489

1 – This reflects gross premiums written on an internal basis, adjusted for foreign currency translation and (de-)consolidation effects.

2 – Effective 1 July 2014, the Allianz Group acquired parts of the insurance business of UnipolSai Assicurazioni S.p.A., Bologna.

3 – Contains € 2 MN and € 2 MN operating profit for 2015 and 2014, respectively, from a management holding located in Luxembourg.

4 – Effective 1 January 2015, Fireman's Fund Insurance Company was integrated into AGCS Group. Previous period figures were not adjusted. 1Q 2015 numbers still include the contribution from personal lines. The

sale of the renewal rights for personal lines is effective 1 April 2015. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of Fireman's Fund Insurance Company, have been reported within Reinsurance PC since 1 January 2015.

5 – Effective 1 January 2015, Fireman's Fund Insurance Company was integrated into AGCS Group. The results from the run-off portfolio included in San Francisco Reinsurance Company Corp., a former subsidiary of Fireman's Fund Insurance Company, have been reported within Reinsurance PC since 1 January 2015.

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%	Combined ratio		Loss ratio		Expense ratio	
	2015	2014	2015	2014	2015	2014
three months ended 31 March						
Germany	98.0	90.6	72.5	64.6	25.6	26.0
Switzerland	89.3	89.1	67.2	66.9	22.0	22.2
Austria	94.3	96.1	67.2	68.7	27.1	27.4
German Speaking Countries	96.3	90.8	71.2	65.3	25.1	25.5
Italy ²	83.5	83.7	56.8	57.6	26.6	26.2
France	94.7	93.6	66.6	67.1	28.1	26.6
Benelux	97.3	98.0	68.2	68.3	29.1	29.7
Turkey	101.0	96.0	76.9	72.9	24.2	23.1
Greece	92.3	70.8	56.3	39.2	36.0	31.5
Africa	80.1	77.3	56.6	54.0	23.6	23.2
Western & Southern Europe³	90.6	90.1	63.3	63.7	27.3	26.5
Latin America	106.0	101.4	72.4	70.1	33.5	31.3
Spain	91.6	89.1	71.0	68.6	20.6	20.5
Portugal	96.0	96.2	72.9	74.2	23.0	22.1
Iberia & Latin America	98.2	95.1	71.8	69.7	26.4	25.5
Allianz Global Corporate & Specialty ⁴	99.6	91.9	67.2	64.4	32.4	27.5
AGCS excl. Fireman's Fund	92.4	91.9	63.5	64.4	28.9	27.5
Fireman's Fund	112.5	–	73.9	–	38.7	–
Reinsurance PC ⁵	91.5	81.8	61.5	53.2	30.1	28.6
Reinsurance PC excl. San Francisco RE	91.4	81.8	61.5	53.2	30.0	28.6
San Francisco RE	–	–	–	–	–	–
United Kingdom	97.7	99.7	66.8	68.2	30.9	31.5
Credit Insurance	78.4	77.8	50.8	49.1	27.6	28.7
Ireland	64.6	100.9	34.6	67.1	30.1	33.8
United States	–	107.2	–	70.8	–	36.4
Global Insurance Lines & Anglo Markets⁶	93.4	91.5	62.5	61.2	30.9	30.2
Russia	110.8	139.6	75.3	91.4	35.5	48.2
Poland	103.3	99.6	69.7	65.5	33.7	34.1
Hungary	103.2	105.4	60.1	62.1	43.1	43.3
Slovakia	82.9	75.9	53.1	45.2	29.8	30.6
Czech Republic	91.4	76.1	64.4	48.5	27.1	27.6
Romania	98.0	102.2	68.3	71.6	29.7	30.5
Bulgaria	87.1	71.9	56.6	48.1	30.5	23.8
Croatia	97.8	91.0	59.4	54.5	38.4	36.5
Ukraine	106.7	128.3	56.0	63.1	50.8	65.1
Central and Eastern Europe⁷	98.3	106.1	64.7	68.0	33.6	38.1
Asia-Pacific	92.1	84.2	62.2	54.5	29.9	29.8
Australia ⁸	103.0	99.7	77.0	75.4	26.1	24.3
Middle East and North Africa	93.2	98.7	58.7	61.3	34.5	37.4
Growth Markets	100.0	101.1	70.6	70.1	29.3	30.9
Allianz Worldwide Partners⁹	97.3	96.7	66.1	64.2	31.2	32.5
Consolidation ¹⁰	–	–	–	–	–	–
Total	94.6	92.6	66.4	64.6	28.2	28.0

6 – Contains € 2 MN and € 1 MN operating loss for 2015 and 2014, respectively, from AGF UK.

7 – Contains income and expense items from a management holding and consolidations between countries in this region.

8 – Effective 1 January 2015, the Allianz Group acquired the Property-Casualty insurance business of the Territory Insurance Office (TIO Business), Darwin.

9 – The reportable segment Allianz Worldwide Partners includes the Global Assistance business as well as the business of Allianz Worldwide Care and the reinsurance business of Allianz Global Automotive in

addition to income and expenses from a management holding. At year-end 2014, our French International Health business was reclassified from Life/Health to the Property-Casualty business segment. The premium accounting method changed for this portfolio which is adjusted in the internal growth.

10 – Represents elimination of transactions between Allianz Group companies in different geographic regions.

Life/Health Insurance Operations

FIRST QUARTER 2015

- Statutory premiums grew 9.7% to € 18.8 BN.
- Operating profit strong at € 1,104 MN.

Business segment overview

Allianz offers a broad range of life, health, savings and investment-oriented products, including individual and group life insurance contracts. Via our distribution channels – mainly tied agents, brokers and bank partnerships – we offer life and health products to both retail and corporate clients. As one of the worldwide market leaders in life business, we serve customers in more than 45 countries.

Key figures

KEY FIGURES LIFE/HEALTH

€ MN	2015	2014
three months ended 31 March		
Statutory premiums ¹	18,822	17,163
Operating profit ¹	1,104	880
Net income ¹	739	629
Margin on reserves (BPs) ^{1,2}	77	73

Statutory premiums^{3,4}

In the first quarter of 2015, our *statutory premiums* amounted to € 18,822 MN, an increase of € 1,659 MN. On an internal basis⁴, premiums increased by 5.3% or € 905 MN. This excludes favorable foreign currency translation effects of € 899 MN and adverse consolidation/deconsolidation effects of € 145 MN from the transfer – effective 1 January 2014 – of our French International Health business to the reportable segment Allianz Worldwide Partners in the business segment Property-Casualty in the fourth quarter of 2014.

Overall, we recorded premium growth primarily with unit-linked products – largely driven by our single premium business. In absolute terms, premium growth was particularly strong in Italy and Taiwan, which more than offset the decreases in France, Benelux and Germany. In the United States, favorable foreign currency translation effects more than compensated for a decrease.

In our *German* life business, premiums decreased 3.8% to € 4,788 MN due to a lower single premium business with capitalization products distributed via our agents and bancassurance channel. This was partly offset by higher premiums in our traditional life business and business of products with alternative guarantees. Statutory premiums in our German health business grew 0.7% to € 814 MN. This was mainly due to premium rate increases in full health care coverage in January 2015 and the higher number of policies in our supplementary coverage insurance.

Premiums in the *United States* amounted to € 2,699 MN, representing a decrease of 13.3%. This was driven by lower fixed-indexed annuity sales due to the impact of pricing changes in response to the decreasing interest rate environment.

Premiums in *Italy* increased 56.4% to € 3,706 MN. This was particularly due to the strong growth of our single premium unit-linked business across all distribution channels. Along with a decrease in

¹ – In the fourth quarter of 2014, we transferred our French International Health business to the reportable segment Allianz Worldwide Partners effective 1 January 2014.

² – Represents annualized operating profit divided by the average of the current quarter-end and previous year-end net reserves, where net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.

³ – Statutory premiums are gross premiums written from sales of life and health insurance policies as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction.

⁴ – In the following section, we comment on the development of our statutory gross premiums written on an internal basis, i.e. adjusted for foreign currency translation and (de-)consolidation effects in order to provide more comparable information.

traditional life business, the share of unit-linked premiums of total statutory premiums increased significantly.

Premiums in *France* decreased 8.1% to € 2,140 MN. This was mainly because of less business resulting from cooperation between Allianz companies in France and Luxembourg, compared to the strong first quarter of 2014. The continued strong growth in our protection and health business partially offset this decrease.

In *Asia-Pacific*, premiums grew 8.7% to € 1,703 MN. This was due to favorable developments in all markets with the exception of South Korea. Increased sales of single premium unit-linked products distributed via the bancassurance channel in Taiwan, as well as higher sales of group saving products in Indonesia, more than compensated for the reduced traditional life business distributed via the bancassurance channel in South Korea.

In *Switzerland*, premiums totaled € 1,107 MN. The increase of 2.1% was primarily driven by our regular premium business in group life. Stable individual life business backed this development.

In *Benelux*, we recorded premiums of € 787 MN, a decrease of 27.4%. This was mainly because of a lower single premium business – we actively restricted sales in Luxembourg to mitigate dilution effects from the low interest rate environment – resulting from the cooperation between Allianz companies in France and Luxembourg, compared to the strong first quarter of 2014. In Belgium, premiums decreased as the first quarter of 2014 benefited from a commercial campaign.

Premiums in *Spain* increased 14.3% to € 403 MN. We recorded strong growth in regular premiums in all business lines – mainly driven by traditional life products distributed via the bancassurance channel, which benefited from sales campaigns. This favorable development was also supported by risk and unit-linked products.

Premiums in *Central and Eastern Europe* remained relatively stable, increasing 0.2% to € 232 MN. Growth in unit-linked and group pension business in Bulgaria compensated for a premium decrease of our unit-linked business in Hungary.

Premiums earned (net)

Premiums earned (net) increased by € 476 MN to € 6,753 MN. This was mainly due to the increased traditional life business in Germany. Favorable foreign currency translation effects from most major currencies (U.S. Dollar and Asian currencies) contributed to this growth.

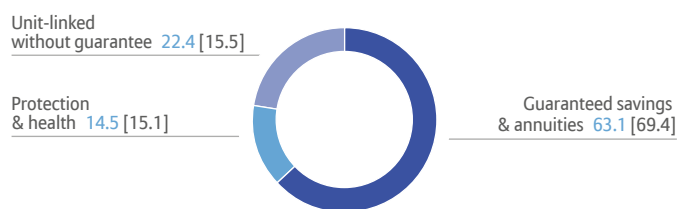
Present value of new business premiums (PVNBP)¹

Present value of new business premiums (PVNBP) increased by € 3,874 MN to € 18,974 MN. This was largely driven by an increase in our single premium unit-linked business in Italy and a higher proportion of regular premium over single premium products in Germany. Due to favorable foreign currency translation effects, our U.S. business contributed to this improvement.

The PVNBP share of guaranteed savings & annuities decreased in favor of the unit-linked without guarantee line of business. In absolute terms, we recorded PVNBP growth across all business lines with particularly strong sales growth of unit-linked products in Italy.

PRESENT VALUE OF NEW BUSINESS PREMIUMS (PVNBP) BY LINES OF BUSINESS

three months ended 31 March 2015 [31 March 2014] in %



¹ – PVNBP before non-controlling interests.

Operating profit

OPERATING PROFIT BY PROFIT SOURCES

The objective of the Life/Health operating profit sources analysis is to explain movements in IFRS results by analyzing underlying drivers of performance on a Life/Health business segment consolidated basis.

OPERATING PROFIT BY PROFIT SOURCES		
€ MN	2015	2014
three months ended 31 March		
Loadings and fees	1,441	1,272
Investment margin	1,002	670
Expenses	(1,659)	(1,522)
Technical margin	301	270
Impact of change in DAC	19	189
Operating profit	1,104	880

Our *operating profit* increased by € 224 MN to € 1,104 MN. This was driven by a significantly higher investment margin, particularly in Germany, and favorable foreign currency translation effects in the United States and Asia-Pacific. While higher performance fees in Italy in the first quarter of 2015 contributed to an increase in our loadings and fees, the positive impact of changes in DAC decreased due to base effects from DAC amortization in the first quarter of 2014 in the United States.

Loadings and fees

Loadings and fees includes premium and reserve based fees, unit-linked management fees and policyholder participation in expenses.

LOADINGS AND FEES		
€ MN	2015	2014
three months ended 31 March		
Loadings from premiums	951	858
Loadings from reserves	284	266
Unit-linked management fees	206	148
Loadings and fees	1,441	1,272
Loadings from premiums as % of statutory premiums	5.1	5.0
Loadings from reserves as % of average reserves ^{1,2}	0.1	0.1
Unit-linked management fees as % of average unit-linked reserves ^{2,3}	0.2	0.1

1 — Aggregate policy reserves and unit-linked reserves.

2 — Yields are pro-rata.

3 — Calculation based on only unit-linked management fees, excluding Asset Management fees, on unit-linked reserves.

Our *loadings and fees* increased by € 169 MN to € 1,441 MN. This was largely due to increased fees earned in Italy, higher sales in Asia-Pacific, and business mix changes in the United States. Favorable foreign currency translation effects accompanied the increase.

The increase in *loadings from premiums* by € 93 MN to € 951 MN was largely due to lower volumes of products with sales inducements in the United States, increased sales in regular premiums business in Germany Life, and higher sales in Asia-Pacific, along with favorable foreign currency translation effects. Loadings from premiums as a percentage of statutory premiums slightly increased by 5 basis points due to a higher weight of regular premiums in Germany.

The increase in *loadings from reserves* by € 18 MN to € 284 MN was mainly driven by higher reserve volume.

The growth in *unit-linked management fees* by € 58 MN to € 206 MN was largely driven by higher performance fees in Italy. Consequently, unit-linked management fees as a percentage of average unit-linked reserves increased by 3 basis points.

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Investment margin

The investment margin is defined as IFRS investment income net of expenses, less interest credited to IFRS reserves and policyholder participation (including policyholder participation beyond contractual and regulatory requirements for German life business).

INVESTMENT MARGIN

€ MN	2015	2014
three months ended 31 March		
Interest and similar income	4,426	4,159
Operating income from financial assets and liabilities carried at fair value through income (net)	585	(268)
Operating realized gains/losses (net)	2,438	827
Interest expenses	(27)	(25)
Operating impairments of investments (net)	(87)	(291)
Investment expenses	(227)	(195)
Other ¹	224	107
Technical interest	(2,282)	(2,163)
Policyholder participation	(4,048)	(1,481)
Investment margin	1,002	670
Investment margin ^{2,3} in basis points	25	19

1 – Other comprises the delta of out-of-scope entities, which are added here with their respective operating profit and different line item definitions compared to the financial statements, such as interest paid on deposits for reinsurance, fee and commission income and expenses excluding unit-linked management fees.

2 – Investment margin divided by the average of current quarter-end and previous year-end aggregate policy reserves.

3 – Yields are pro-rata.

Our *investment margin* increased by € 331 MN to € 1,002 MN, largely due to higher net harvesting in Germany and, aside from positive foreign currency translation effects, a higher investment spread margin due to an increased asset base in the United States. Together with favorable fair value effects, these increases drove the improvement of 7 basis points to 25 basis points in the investment margin as a percentage of reserves.

Higher realizations of both equity and debt investments mainly in Germany – in line with market development –, higher interest income from debt investments largely due to favorable foreign currency translation effects, and lower impairments of investments after higher impairments on emerging markets debt bond funds in the first quarter of 2014 contributed to this increase. Furthermore, the net of foreign currency translation effects and financial derivatives to lengthen duration as well as to protect against equity and foreign currency fluctuations contributed favorably.

The policyholder participation of € 4,048 MN also includes policyholder benefits of € 220 MN beyond contractual or regulatory requirements for the German life business.

Expenses

Expenses include acquisition expenses and commissions (excluding commission clawbacks, which are allocated to the technical margin) as well as administrative and other expenses.

EXPENSES

€ MN	2015	2014
three months ended 31 March		
Acquisition expenses and commissions	(1,249)	(1,151)
Administrative and other expenses	(410)	(370)
Expenses	(1,659)	(1,522)
Acquisition expenses and commissions as % of PVNBP ¹	(6.6)	(7.6)
Administrative and other expenses as % of average reserves ^{2,3}	(0.1)	(0.1)

1 – PVNBP before non-controlling interests.

2 – Aggregate policy reserves and unit-linked reserves.

3 – Yields are pro-rata.

Our *expenses* increased by € 138 MN to € 1,659 MN. This was largely due to adverse foreign currency translation effects from our business in the United States, as well as increases in line with business mix shifts in Germany and sales growth in Italy.

Technical margin

Technical margin comprises risk result (risk premiums less benefits in excess of reserves less policyholder participation), lapse result (surrender charges and commission clawbacks) and reinsurance result.

Our *technical margin* increased by € 31 MN to € 301 MN. Overall, the technical margin remained stable with the exception of an improved risk margin in Switzerland due to lower claims and release of reserves due to a reassessment of the risk profile.

Impact of change in DAC

Impact of change in DAC (deferred acquisition costs) includes effects of change in DAC, unearned revenue reserves (URR) and value of business acquired (VOBA) and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit.

IMPACT OF CHANGE IN DAC		
€ MN	2015	2014
three months ended 31 March		
Capitalization of DAC	457	446
Amortization, unlocking and true-up of DAC	(438)	(257)
Impact of change in DAC¹	19	189

1 — Impact of change in DAC includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit, and therefore deviates from the financial statements.

Our *impact of change in DAC* decreased from € 189 MN to € 19 MN. This change was primarily due to favorable DAC amortization in the first quarter of 2014 resulting from lowering interest rates – prior to the change of amortization methods related to our variable annuity business in the United States in 2014 – and higher capitalization of DAC driven by increased business in Italy.

OPERATING PROFIT BY LINES OF BUSINESS

OPERATING PROFIT BY LINES OF BUSINESS		
€ MN	2015	2014
three months ended 31 March		
Guaranteed savings & annuities	757	631
Protection & health	224	176
Unit-linked without guarantee	123	73
Operating profit	1,104	880

The operating profit increase in the *guaranteed savings & annuities* line of business was largely driven by higher net harvesting and favorable fair value effects in Germany.

Operating profit in the *protection & health* line of business increased mainly driven by France, partly due to an improved risk margin.

Operating profit in the *unit-linked without guarantee* line of business increased primarily due to higher performance fees in Italy.

MARGIN ON RESERVES

Our annualized *margin on reserves* increased from 73 to 77 basis points, driven by the increased investment margin.

Net income

Our *net income* increased by € 110 MN to € 739 MN in the first quarter of 2015. The higher investment margin was the main driver for the increase. We recorded higher non-operating expenses because of a risk capital hedge in the United States. The effective tax rate was 30.6% (1Q 2014: 28.8%).

LIFE/HEALTH BUSINESS SEGMENT INFORMATION ¹		
€ MN	2015	2014
three months ended 31 March		
Statutory premiums²	18,822	17,163
Ceded premiums written	(154)	(162)
Change in unearned premiums	(73)	(183)
Statutory premiums (net)	18,595	16,818
Deposits from insurance and investment contracts	(11,842)	(10,542)
Premiums earned (net)	6,753	6,276
Loadings and fees	1,441	1,272
Loadings from premiums	951	858
Loadings from reserves	284	266
Unit-linked management fees	206	148
Investment margin (net of policyholder participation)	1,002	670
Expenses	(1,659)	(1,522)
Acquisition expenses and commissions	(1,249)	(1,151)
Administrative and other expenses	(410)	(370)
Technical margin	301	270
Operating profit before change in DAC	1,084	690
Impact of change in DAC³	19	189
Capitalization of DAC	457	446
Amortization, unlocking and true-up of DAC	(438)	(257)
Operating profit	1,104	880
Non-operating items	(39)	4
Income before income taxes	1,065	884
Income taxes	(326)	(255)
Net income	739	629
Margin on reserves ⁴ in basis points	77	73

1 — Profit sources are based on in-scope operating entities with coverage of 97.8% of statutory premiums. Operating profit from operating entities that are not in-scope is included in investment margin.

2 — Statutory premiums are gross premiums written from sales of life and health insurance policies as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction.

3 — Impact of change in DAC includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit, and therefore deviates from the financial statements.

4 — Represents annualized operating profit divided by the average of the current quarter-end and previous year-end net reserves, where net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.

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LIFE/HEALTH OPERATING PROFIT BY PROFIT SOURCES AND LINES OF BUSINESS¹

€ MN	Life/Health		Guaranteed savings & annuities		Protection & health		Unit-linked without guarantee	
	2015	2014	2015	2014	2015	2014	2015	2014
three months ended 31 March								
Loadings from premiums	951	858	490	446	386	353	75	60
Loadings from reserves	284	266	243	237	25	19	16	10
Unit-linked management fees	206	148	78	62	–	–	128	85
Loadings and fees	1,441	1,272	811	744	411	372	219	155
Investment margin (net of policyholder participation)	1,002	670	915	636	70	26	17	9
Acquisition expenses and commissions	(1,249)	(1,151)	(797)	(771)	(316)	(293)	(136)	(88)
Administrative and other expenses	(410)	(370)	(263)	(248)	(105)	(90)	(42)	(32)
Expenses	(1,659)	(1,522)	(1,060)	(1,019)	(422)	(383)	(177)	(119)
Technical margin	301	270	117	110	156	138	28	22
Operating profit before change in DAC	1,084	690	782	471	216	153	86	67
Capitalization of DAC	457	446	296	340	100	77	61	29
Amortization, unlocking and true-up of DAC	(438)	(257)	(321)	(180)	(92)	(54)	(25)	(23)
Impact of change in DAC²	19	189	(25)	160	8	23	36	6
Operating profit	1,104	880	757	631	224	176	123	73

¹ – Profit sources are based on in-scope operating entities with coverage of 97.8% of statutory premiums. Operating profit from operating entities that are not in-scope is included in investment margin.

² – Impact of change in DAC includes effects of change in DAC, URR and VOBA and is the net impact of deferral and amortization of acquisition costs and front-end loadings on operating profit, and therefore deviates from the financial statements.

Life/Health insurance operations by reportable segments

LIFE/HEALTH INSURANCE OPERATIONS BY REPORTABLE SEGMENTS

€ MN	Statutory premiums ¹				Premiums earned (net)		Operating profit (loss)		Margin on reserves ² (BPS)	
			internal ³							
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
three months ended 31 March										
Germany Life	4,788	4,980	4,788	4,980	3,137	2,931	423	275	79	59
Germany Health	814	808	814	808	815	809	53	24	73	37
Switzerland	1,107	951	971	951	239	234	17	21	44	63
Austria	118	117	118	117	103	89	22	12	175	111
German Speaking Countries	6,827	6,856	6,691	6,856	4,294	4,063	516	332	78	58
Italy	3,706	2,370	3,706	2,370	126	131	83	47	55	38
France ⁴	2,140	2,472	2,140	2,327	853	840	135	144	62	74
Benelux	787	1,084	787	1,084	131	130	38	32	91	84
Greece	27	24	27	24	14	14	(2)	–	(228)	– ⁶
Turkey	260	161	237	161	46	31	10	4	141	83
Africa	15	16	15	16	6	8	1	1	192	213
Western & Southern Europe	6,935	6,127	6,912	5,982	1,176	1,153	265	229	63	63
Latin America	88	71	82	71	27	28	5	1	171	31
Spain	403	352	403	352	101	101	46	48	225	276
Portugal	86	52	86	52	20	21	4	3	280	217
Iberia & Latin America	577	476	572	476	148	149	55	52	223	247
United States	2,699	2,556	2,217	2,556	281	227	163	169	68	94
USA	2,699	2,556	2,217	2,556	281	227	163	169	68	94
Reinsurance LH	135	126	133	126	116	82	16	11	365	229
Global Insurance Lines & Anglo Markets	135	126	133	126	116	82	16	11	365	229
South Korea	445	393	376	393	133	120	2	5	7	20
Taiwan	663	502	567	502	66	40	5	3	30	24
Indonesia	182	134	162	134	72	53	18	17	455	578
Malaysia	114	95	103	95	59	50	7	7	206	236
Japan	–	–	–	–	2	1	1	(1)	13	(12)
Other	299	216	247	216	219	161	25	20	228	242
Asia-Pacific	1,703	1,339	1,456	1,339	552	426	60	51	86	91
Poland	50	48	50	48	20	18	5	3	305	252
Slovakia	62	65	62	65	50	49	11	8	347	270
Hungary	30	38	30	38	11	11	4	4	417	397
Czech Republic	35	33	35	33	17	19	4	4	239	272
Russia	8	15	12	15	9	14	4	–	696	– ⁶
Croatia	23	22	23	22	23	22	5	4	609	481
Bulgaria	17	9	17	9	10	8	4	4	919	932
Romania	6	5	6	5	4	3	2	2	1,198	879
Central and Eastern Europe⁵	232	236	236	236	143	145	38	27	413	310
Middle East and North Africa	52	40	45	40	40	30	7	5	330	331
Global Life	2	1	2	1	2	1	1	–	– ⁶	– ⁶
Growth Markets	1,988	1,616	1,738	1,616	736	602	106	83	130	125
Consolidation ⁷	(339)	(594)	(339)	(594)	–	–	(18)	3	– ⁶	– ⁶
Total	18,822	17,163	17,923	17,018	6,753	6,276	1,104	880	77	73

1 – Statutory premiums are gross premiums written from sales of life and health insurance policies as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction.

2 – Represents annualized operating profit (loss) divided by the average of the current quarter-end and previous year-end net reserves, where net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.

3 – Statutory premiums adjusted for foreign currency translation and (de-)consolidation effects.

4 – In the fourth quarter of 2014, we transferred our French International Health business to the reportable segment Allianz Worldwide Partners in the business segment Property-Casualty effective 1 January 2014.

5 – Contains income and expense items from a management holding and consolidations between countries in this region.

6 – Presentation not meaningful.

7 – Represents elimination of transactions between Allianz Group companies in different geographic regions.

Asset Management

FIRST QUARTER 2015

- Operating profit decreased 14.0% to € 555 MN.
- Cost-income ratio at 64.7%.
- Total assets under management at € 1,933 BN – an increase of 7.3%.
- Third-party net outflows of € 62 BN in the first quarter of 2015.

Business segment overview

Allianz offers Asset Management products and services for third-party investors and the Allianz Group's insurance operations. We serve a wide range of retail and institutional clients worldwide with investment and distribution capacities in all major markets. Based on total assets under management, we are one of the largest asset managers in the world that manage third-party assets with active investment strategies.

Key figures

KEY FIGURES ASSET MANAGEMENT

€ MN	2015	2014
three months ended 31 March		
Operating revenues	1,573	1,517
Operating profit	555	646
Cost-income ratio in %	64.7	57.4
Net income	329	406
Total assets under management as of 31 March in € BN	1,933	1,765
thereof: Third-party assets under management as of 31 March in € BN	1,408	1,342

Assets under management

As of 31 March 2015, total assets under management (AuM) amounted to € 1,933 BN. Of this, € 1,408 BN related to our third-party AuM and € 525 BN to Allianz Group assets.

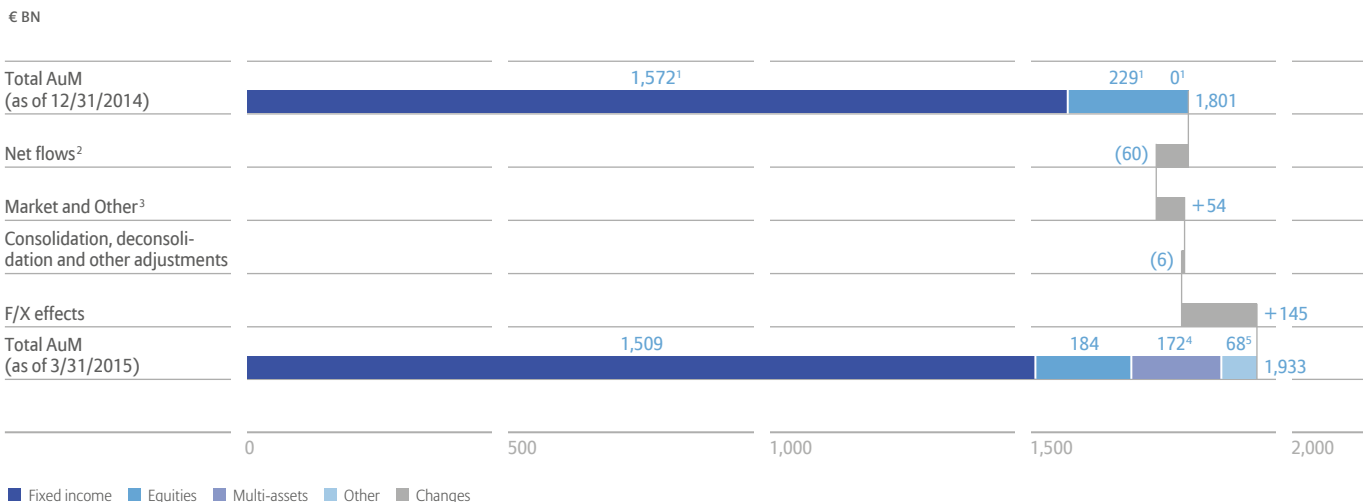
In the first three months of 2015, we recorded net outflows from total AuM of € 60 BN. Net outflows from third-party AuM amounted to € 62 BN strongly driven by PIMCO in the United States, primarily from traditional fixed income products. However, compared to the fourth quarter of 2014, third-party AuM net outflows more than halved. AllianzGI recorded strong third-party net inflows in Europe, resulting in net inflows for the ninth consecutive quarter.

Market and Other effects contributed € 54 BN to total AuM, with € 26 BN at PIMCO and € 28 BN at AllianzGI.

Third-party AuM were adjusted for AuM related to a joint venture. This was the main driver for the decline in total AuM of € 6 BN reported as consolidation, deconsolidation and other adjustments.

We recorded favorable foreign currency translation effects of € 145 BN, mainly as a result of the exchange rate of the U.S. Dollar to Euro, which declined from 1.21 at the beginning of the year to 1.07 at the end of the first quarter.

DEVELOPMENT OF TOTAL ASSETS UNDER MANAGEMENT



- 1 – Fixed income and equity definitions based on legal entity view as of 31 December 2014, therefore, 2015 and 2014 figures are not comparable.
- 2 – From the first quarter of 2015, net flows represent the sum of new client assets, additional contributions from existing clients including dividend reinvestment, withdrawals of assets from, and termination of, client accounts and distributions to investors. Reinvested dividends amounted to € 2.3 BN.
- 3 – From the first quarter of 2015, Market and Other represents current income earned on, and changes in fair value of, securities held in client accounts as well as dividends from net investment income and from net realized capital gains to investors of open ended mutual funds and of closed end funds.

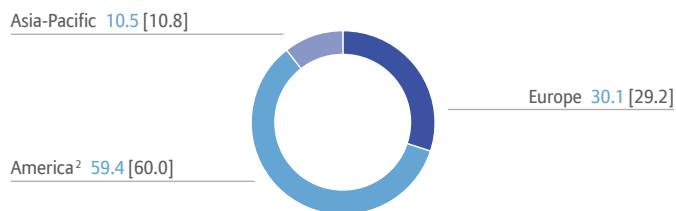
- 4 – Multi-assets is a combination of several asset classes (e.g. bonds, stocks, cash and real property) used as an investment. Multi-assets class investments increase the diversification of an overall portfolio by distributing investments throughout several asset classes.
- 5 – Other is composed of other asset classes than equity, fixed income and multi-assets, e.g. money markets, commodities, real estate investment trusts, infrastructure investments, private equity investments, hedge funds, etc.

In the following section we focus on the development of third-party AuM.

As of 31 March 2015, the share of third-party AuM by business unit was 79.1% attributable to PIMCO and 20.9% to AllianzGI.

THIRD-PARTY ASSETS UNDER MANAGEMENT BY REGION/COUNTRY¹

as of 31 March 2015 [31 December 2014] in %



- 1 – Based on the location of the asset management company.
- 2 – "America" consists of the United States, Canada and Brazil (approximately € 820 BN, € 16 BN and € 2 BN third-party AuM as of 31 March 2015, respectively).

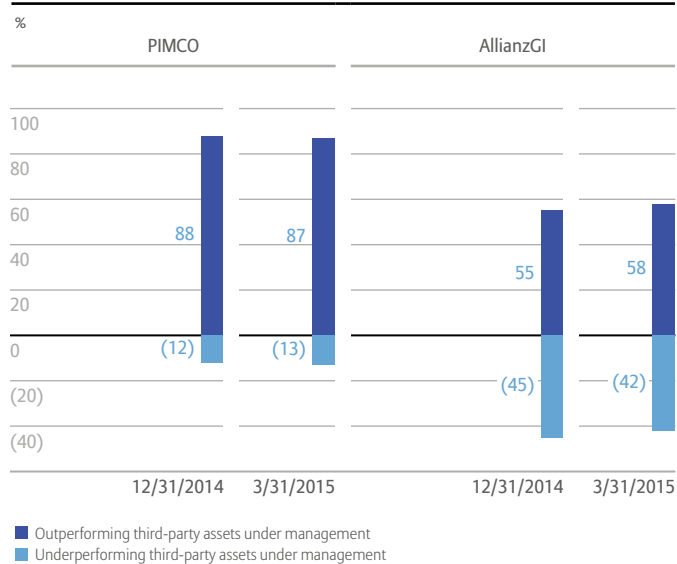
The regional allocation of third-party AuM shifted slightly in favor of Europe, mainly due to foreign currency translation effects at PIMCO in the United Kingdom as well as market effects. Net outflows at PIMCO were overcompensated by an increase in market return and – especially in the United States – by the appreciation of the U.S. Dollar.

At the beginning of 2015 we enhanced our asset class reporting from a legal entity view to a more granular asset class split composed of fixed income, equities, multi-assets, and other. Furthermore, we replaced the retail and institutional asset split by an investment vehicle view, comprised of mutual funds and separate accounts.¹

Based on the asset class split on 31 March 2015, the share of fixed income amounted to 73%, reflecting the high share of fixed income assets at PIMCO, 11% in equity assets due to the notable equity share at AllianzGI, while multi-assets and other accounted for 11% and 5%, respectively.

The share of third-party AuM between mutual funds and separate accounts was stable, with mutual funds at 59% and separate accounts at 41%.

- 1 – Mutual funds are investment vehicles (in the United States, investment companies, subject to the U.S. code; in Germany, vehicles subject to the "Standard-Anlegerichtlinien des Fonds" Investmentgesetz) where the money of several individual investors is pooled into one account to be managed by the asset manager, e.g. open-end funds, closed-end funds. Separate accounts are investment vehicles where the money of a single investor is directly managed by the asset manager in a separate dedicated account (e.g. public or private institutions, high net worth individuals and corporates).

THREE-YEAR ROLLING INVESTMENT PERFORMANCE OF PIMCO AND ALLIANZGI¹

¹ – The investment performance is based on Allianz Asset Management account-based, asset-weighted three-year investment performance of third-party assets versus the primary target including all accounts managed by portfolio managers of Allianz Asset Management. For some retail funds, the net of fee performance is compared to the median performance of the corresponding Morningstar peer group (first and second quartile mean outperformance). For all other retail funds and for all institutional accounts, the gross of fee performance (revaluated based on closing prices) is compared to the respective benchmark based on different metrics.

The overall three-year rolling investment performance of our Asset Management business remained on a high level, with 83% of our third-party assets outperforming their respective benchmarks (31 December 2014: 84%). 87% of PIMCO third-party assets outperformed their respective benchmarks, while 58% of AllianzGI third-party assets did so.

Operating revenues

Our *operating revenues* rose by € 56 MN – or 3.7% – to € 1,573 MN. Excluding the positive foreign currency translation effects, mainly due to the sharp appreciation of the U.S. Dollar against the Euro, operating revenues decreased by 10.7% on an internal basis¹. Average third-party AuM grew by 2.6% compared to the first quarter of 2014. However, the increase was driven by the strong foreign currency translation effects. Before foreign currency translation effects, average third-party AuM decreased by 12.9% over the same period.

Net fee and commission income went up by € 51 MN – or 3.4% – to € 1,567 MN, which is a decrease of 11.7% adjusted for foreign currency translation effects. The decrease is mainly driven by our AuM-driven revenues which dropped by 13.9% before foreign currency translation effects, mainly due to the lower average third-party AuM and a slight decline in our third-party AuM-driven margin. Our *performance fees* grew by € 40 MN – € 30 MN adjusted for foreign currency translation effects – driven by both PIMCO and AllianzGI.

Operating profit

Our *operating profit* decreased by € 91 MN – or 14.0% – to € 555 MN. Excluding the positive foreign currency translation effects, operating profit dropped by 26.7% on an internal basis¹. The main drivers for the decrease were lower AuM-related income and – to a lesser extent – lower margins, which were partly offset by higher performance fees. In the fourth quarter of 2014, PIMCO introduced the Special Performance Award (SPA), to secure performance and retain talent. Therefore the SPA also had an impact on operating profit in the first quarter of 2015.

Administrative expenses rose by € 145 MN – or 16.6% – to € 1,018 MN, a decrease of 0.6% adjusted for foreign currency translation effects, despite the impact of the SPA.

Our *cost-income ratio* went up by 7.3 percentage points to 64.7%, thereof 2.7 percentage points related to the impact of the SPA at PIMCO. This development also reflects the decrease in operating revenues outpacing the decrease in operating expenses before foreign currency translation effects.

¹ – Operating revenues/operating profit adjusted for foreign currency translation and (de-)consolidation effects. In the first quarter of 2015 the average exchange rate of the U.S. Dollar to Euro was 1.13 (1Q 2014: 1.37).

Net income

Our *net income* fell by € 77 MN – or 19.0% – to € 329 MN, which is a decrease of 31.5% adjusted for foreign currency translation effects. This is consistent with our operating profit development, but also includes an effect from pension revaluation.

ASSET MANAGEMENT BUSINESS SEGMENT INFORMATION

€ MN	2015	2014
three months ended 31 March		
Management and loading fees	1,871	1,825
Performance fees	59	19
Other	10	16
Fee and commission income	1,940	1,861
Commissions	(354)	(307)
Other	(18)	(37)
Fee and commission expenses	(373)	(345)
Net fee and commission income	1,567	1,516
Net interest income ¹	(1)	–
Income from financial assets and liabilities carried at fair value through income (net)	5	(1)
Other income	1	2
Operating revenues	1,573	1,517
Administrative expenses (net), excluding acquisition-related expenses	(1,018)	(873)
Restructuring charges	–	2
Operating expenses	(1,018)	(871)
Operating profit	555	646
Non-operating items	(27)	(14)
Income before income taxes	528	631
Income taxes	(199)	(225)
Net income	329	406
Cost-income ratio ² in %	64.7	57.4

1 – Represents interest and similar income less interest expenses.

2 – Represents operating expenses divided by operating revenues.

Corporate and Other

FIRST QUARTER 2015

Operating loss decreased from € 222 MN to € 101 MN, mainly driven by Holding & Treasury.

Business segment overview

Corporate and Other encompasses the reportable segments Holding & Treasury, Banking and Alternative Investments. Holding & Treasury includes the management of and support for the Allianz Group's businesses through its strategy, risk, corporate finance, treasury, financial reporting, controlling, communication, legal, human resources, technology and other functions. Our banking products offered in Germany, Italy, France, the Netherlands and Bulgaria complement our insurance product portfolio. We also provide global alternative investment management services in the private equity, real estate, renewable energy and infrastructure sectors, mainly on behalf of the Allianz Group.

Key figures

KEY FIGURES CORPORATE AND OTHER¹

€ MN	2015	2014
three months ended 31 March		
Operating revenues	551	377
Operating expenses	(652)	(600)
Operating result	(101)	(222)
Net income (loss)	(49)	131

KEY FIGURES REPORTABLE SEGMENTS

€ MN	2015	2014
three months ended 31 March		
HOLDING & TREASURY		
Operating revenues	215	69
Operating expenses	(358)	(316)
Operating result	(143)	(248)
BANKING		
Operating revenues	284	268
Operating expenses	(252)	(251)
Operating result	32	18
ALTERNATIVE INVESTMENTS		
Operating revenues	53	41
Operating expenses	(43)	(33)
Operating result	10	8

¹ – Consolidation included. For further information about our Corporate and Other business segment, please refer to note 4 to the condensed consolidated interim financial statements.

Earnings summary

Our *operating result* improved by € 121 MN to a loss of € 101 MN. While all reportable segments contributed to this improvement, Holding & Treasury contributed € 104 MN.

Our *net result* decreased from an income of € 131 MN to a loss of € 49 MN, mainly driven by lower one-off effects from a pensions revaluation with our German subsidiaries¹.

Operating earnings summaries by reportable segments

HOLDING & TREASURY

Overall, our *operating loss* improved from € 248 MN to € 143 MN. The increase in administrative expenses and a worsening of our net fee and commission result were more than offset by a positive effect in other income.

Other income increased by € 148 MN. This positive impact on income was due to the adapted cost allocation scheme for the pension provisions between the German subsidiaries and Allianz SE.²

Administrative expenses (net), excluding acquisition-related expenses, increased by € 27 MN to € 182 MN. This was mainly because of higher pension costs as a result of lower discount rates.

Our *net fee and commission result* decreased by € 21 MN to a loss of € 76 MN. This was the result of higher strategic IT investment costs.

Our *net interest result* amounted to a loss of € 22 MN, representing an uptick of € 1 MN compared to the previous year's quarter. *Interest and similar income* dipped by € 5 MN to € 49 MN. This was mainly due to the absence of income from associated companies, which is recognized within the insurance business segments from 2015 onwards. Our *interest expenses, excluding interest expenses from external debt*, decreased by € 6 MN to € 71 MN as a result of lower internal borrowing.

Operating income from financial assets and liabilities carried at fair value through income (net) increased from € 0 MN to € 6 MN, mainly due to the increased fair value of certain fund investments.

Investment expenses slightly increased from € 14 MN to € 16 MN. This increase was driven by higher expenses related to rating agencies' services.

BANKING

Our *operating result* increased by € 15 MN to € 32 MN, with all banking units contributing to this development. This improvement was largely driven by higher management and performance fees.

Our *net interest, fee and commission result* remained flat at € 134 MN (1Q 2014: € 135 MN). Our *net interest result* decreased by € 3 MN to € 81 MN as the € 11 MN decline in interest and similar income was substantially compensated for by a decrease in interest expenses. Both effects were primarily driven by lower interest rates. Our *net fee and commission result* increased from € 51 MN to € 54 MN, including € 23 MN higher fee and commission income. Our fee and commission income went up mainly as a result of higher management and performance fee income in line with the growth in assets under management and positive market developments. However, this increase was largely offset by higher fee and commission expenses, which were impacted by an aperiodic transfer from administrative expenses to fee and commission expenses, with no effect on operating profit.

Administrative expenses decreased from € 110 MN to € 100 MN mainly due to the above-mentioned aperiodic expense transfer.

Our *loan loss provisions* remained almost unchanged at € 8 MN.

Our *operating income from financial assets and liabilities carried at fair value through income (net)* increased from € 2 MN to € 6 MN. This was mainly driven by a better non-proprietary trading result within our German banking business.

ALTERNATIVE INVESTMENTS

Our *operating profit* increased by € 3 MN to € 10 MN. This was due to the net effect of € 12 MN higher fee and commission income and € 9 MN increased administrative expenses. Both developments were in line with new investments.

¹ — Respective offsetting effects were recorded within our other business segments, mainly within Property-Casualty. For further information on the one-off effects from pension revaluation, please refer to note 4 to the condensed consolidated interim financial statements.

² — For further information on the adapted cost allocation scheme for the pension provisions, please refer to note 4 to the condensed consolidated interim financial statements.

Outlook

- Global economic activity is likely to expand moderately in 2015.
- Our outlook for the Allianz Group's operating profit is unchanged at € 10.4 BN, plus or minus € 0.4 BN.

Economic outlook

Our *economic* outlook remains unchanged. For full details, please refer to page 105 of the Allianz Group Annual Report 2014.

Insurance industry outlook

Our *insurance* industry outlook remains unchanged. For full details, please refer to pages 105 and 106 of the Allianz Group Annual Report 2014.

Asset management industry outlook

Our *asset management* industry outlook remains unchanged. For full details, please refer to page 106 of the Allianz Group Annual Report 2014.

Outlook for the Allianz Group

We are confident about staying on course towards profitable growth during the rest of 2015 and currently see no need to adjust our published Allianz Group operating profit outlook for 2015 of € 10.4 BN, plus or minus € 0.4 BN. However, unfavorable developments in the business environment can have adverse impacts on aspects of our performance. It would therefore be inappropriate to simply annualize the current quarter's operating profit and net income to arrive at an expected result for the full year.

As always, natural catastrophes and adverse developments in the capital markets, as well as factors stated in our cautionary note regarding forward-looking statements, may severely affect the results of our operations.

Cautionary note regarding 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.

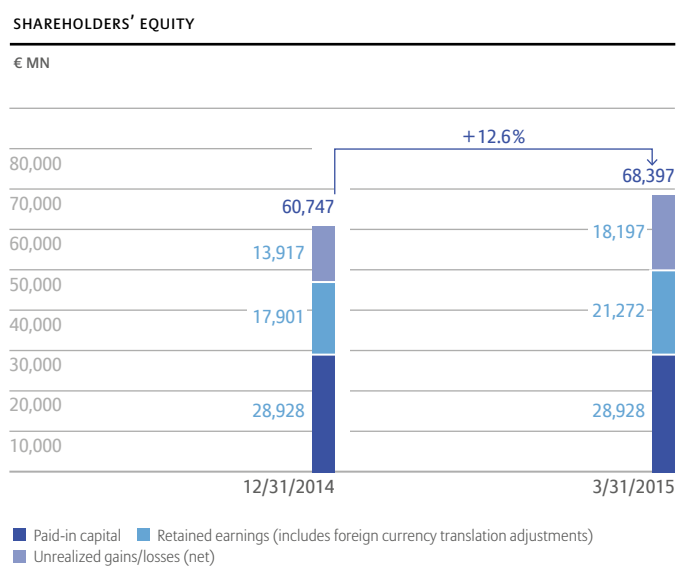
No duty to update

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.

Balance Sheet Review

- Shareholders' equity increased by € 7.7 BN to € 68.4 BN.
- Solvency ratio up 10 percentage points to 190%.¹

Shareholders' equity²



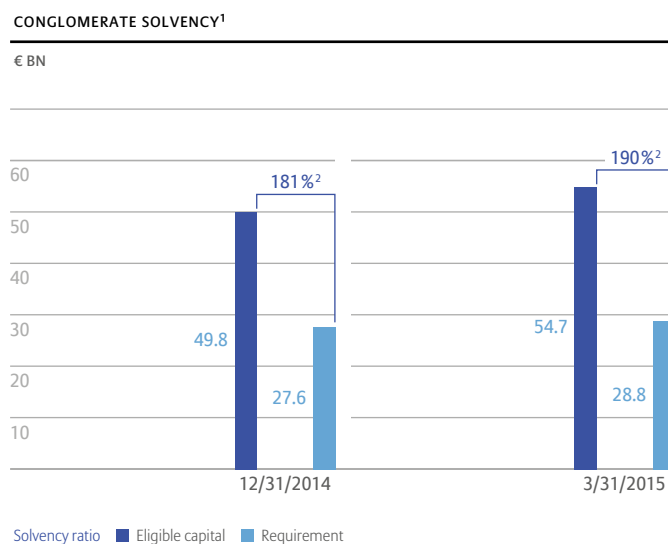
Compared to year-end 2014, *shareholders' equity* increased by € 7,651 MN to € 68,397 MN as of 31 March 2015. This growth was predominantly driven by an increase in unrealized gains, which were up by € 4,280 MN due to higher fair values of both debt securities and – to a lesser extent – equities following market developments. Our net income attributable to shareholders of € 1,822 MN also contributed to this growth. As a result of the significant depreciation of the Euro against various currencies – in particular the U.S. Dollar, but also the Swiss Franc – the € 1,757 MN increase in foreign currency translation adjustments further contributed to the strengthening in shareholders' equity.

¹ – Conglomerate solvency ratios as of 31 March 2015 and 31 December 2014 were adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 192% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively. Off-balance sheet reserves are accepted by the authorities as eligible capital only upon request. Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves and adjusted for the upcoming redemption of hybrid capital, the solvency ratios as of 31 March 2015 and 31 December 2014 would be 182% and 172%, respectively.

² – This does not include non-controlling interests of € 3,103 MN and € 2,955 MN as of 31 March 2015 and 31 December 2014, respectively. For further information, please refer to note 20 to the condensed consolidated interim financial statements. Retained earnings include foreign currency translation adjustments of € (219) MN and € (1,977) MN as of 31 March 2015 and 31 December 2014, respectively.

Regulatory capital adequacy

The Allianz Group is a financial conglomerate within the scope of the E.U. Financial Conglomerates Directive and the related German law in force since 2005. The law requires that financial conglomerates calculate the capital available to meet their solvency requirements on a consolidated basis, which we refer to as “eligible capital”.



¹ – Off-balance sheet reserves are accepted by the authorities as eligible capital only upon request. Allianz SE has not submitted an application so far. Excluding off-balance sheet reserves and adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 182% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively.

² – Conglomerate solvency ratios as of 31 March 2015 and 31 December 2014 were adjusted for an upcoming redemption of hybrid capital (subordinated bonds) of € 0.4 BN in June 2015, for which a call notice was published in April 2015. Excluding these adjustments, the solvency ratios would be 192% and 182% (including off-balance sheet reserves) as of 31 March 2015 and 31 December 2014, respectively.

Compared to year-end 2014, our *conglomerate solvency ratio* increased 10 percentage points to 190%. The Group's eligible capital for solvency purposes was up by € 4.9 BN to € 54.7 BN. The issuance of a new subordinated bond (€ 1.5 BN) and favorable foreign currency translation adjustments (€ 1.4 BN) contributed most to the increase. In addition, the increase was also supported by € 1.1 BN higher unrealized gains on equities and our net income (net of accrued dividends) of € 0.9 BN. These effects were only partly offset by an € 0.4 BN increase in actuarial losses on the valuation of our pension benefit obligation, following a decrease in discount rates. The required funds were up by € 1.2 BN to € 28.8 BN, mainly due to higher aggregate policy reserves in

Life/Health. As a result, our eligible capital surpassed the minimum stipulated level under the current law by € 26.0 BN.

Total assets and total liabilities

As of 31 March 2015, total assets amounted to € 878.3 BN and total liabilities were € 806.8 BN. Compared to year-end 2014, total assets and total liabilities increased by € 72.5 BN and € 64.7 BN, respectively.

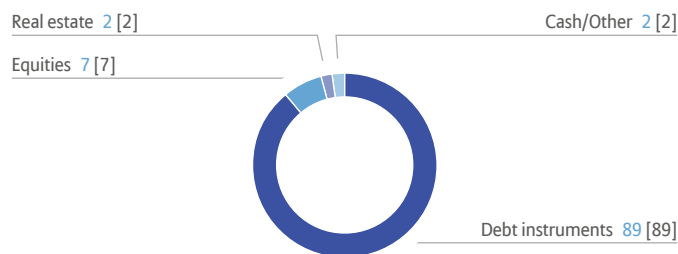
The following section mainly focuses on our financial investments in debt instruments, equities, real estate and cash, since these reflect the major developments in our asset base.

STRUCTURE OF INVESTMENTS – PORTFOLIO OVERVIEW

The following portfolio overview covers the Allianz Group assets held for investment, which are mainly driven by our insurance businesses.

ASSET ALLOCATION

Investment portfolio as of 31 March 2015: € 664.7 BN
[as of 31 December 2014: € 614.6 BN] in %



Compared to year-end 2014, our investment portfolio increased by € 50.1 BN to € 664.7 BN as of 31 March 2015, with no relative change in our overall asset allocation despite some major realizations.

Our direct gross exposure to *equities* amounted to € 47.4 BN – up by € 6.1 BN – as value increases following the very positive market developments more than offset material realizations made to rebalance our overall investment portfolio. In addition, given the significant upswing in equity markets, we substantially increased the hedged portion of this direct gross exposure against share price declines. As a result, our equity gearing¹ decreased four percentage points to 20%.

1 – Equity gearing is defined as the ratio of our equity holdings allocated to the shareholders after policyholder participation and hedges to shareholders' equity plus off-balance sheet reserves less goodwill.

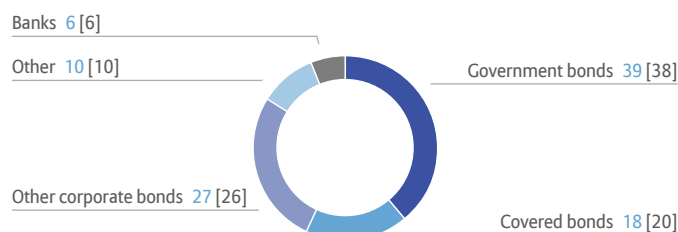
Our direct exposure to *real estate* increased by € 0.6 BN to € 11.9 BN mainly due to new investments.

Our *cash and other investments* decreased by € 0.3 BN to € 11.9 BN.

Our exposure to *debt instruments* grew by € 43.7 BN – or 8% – to € 593.5 BN, but still represented 89% of our investment portfolio. The increase in absolute terms was driven by higher fair values as a result of further declines in interest rates as well as by new investments. It was also supported by positive foreign currency effects.

FIXED INCOME PORTFOLIO

Total fixed income portfolio as of 31 March 2015: € 593.5 BN
[as of 31 December 2014: € 549.8 BN] in %



The allocation of our well-diversified fixed income portfolio remained rather stable, with modest increases in the share of corporate bonds and government bonds accompanied by a minor reduction in the portion of covered bonds. About 94% of this portfolio of debt instruments was invested in investment-grade bonds and loans.²

Over the first quarter of 2015, our *government bond exposure* increased by € 23.2 BN to € 232.5 BN. This increase was primarily driven by fair value increases following the drop in interest rates and the resulting market developments. The allocation of our government and government-related direct bond exposure remained rather stable, with a marginal decrease in the share of German government bonds. Furthermore, the share of Italian government bonds marginally decreased, while the share of Spanish government bonds increased, supported by new investments. Our sovereign debt exposure in Italy and Spain equaled 5.5% and 1.5% of our fixed income portfolio. The corresponding unrealized gains (gross) both increased and amounted to € 7,407 MN in Italy and € 1,395 MN in Spain. Our government bond exposure in Portugal remained limited, with small unrealized gains. We continued to have virtually no exposure to Greek or Ukrainian government bonds. The respective exposure to Russia was relatively small in the context of our overall portfolio and was mainly denominated in U.S. Dollar.

2 – Excluding self-originated German private retail mortgage loans. For 2%, no ratings were available.

Our *covered bond* portfolio amounted to € 106.9 BN, € 0.7 BN below the year-end value, representing 18% of our fixed income portfolio. 43% (31 December 2014: 44%) of this portfolio was German Pfandbriefe, backed by either public sector loans or mortgage loans. Unchanged, another 16%, 10% and 7% of the covered bonds were attributable to France, Spain and Italy, respectively. Covered bonds provide a cushion against real estate price deterioration and payment defaults through minimum required security buffers and over-collateralization.

Our *corporate bonds* exposure increased from € 145.1 BN to € 160.4 BN, and in relative terms from 26% to 27% of our fixed income portfolio. This was primarily driven by positive currency effects as well as new investments. The slight regional shift from Eurozone corporate bonds to bonds of the North-American region, as reported for 2014, continued in the first quarter of 2015. This was again driven by value increases in U.S. Dollar-denominated exposures due to the respective exchange rate movement and new investments.

Our exposure to *bank securities* – including the exposure to subordinated securities in banks – still accounted for 6% of our fixed income portfolio and amounted to € 34.3 BN. This € 1.9 BN increase was mainly the result of positive currency translation effects and interest rate related market movements. The exposure to subordinated securities in banks remained stable at € 5.4 BN (31 December 2014: € 5.3 BN).

Our exposure to asset-backed securities (ABS) went up by € 2.7 BN to € 25.6 BN and still accounted for 4% of our fixed income portfolio. This increase was largely related to new investments as well as positive currency translation effects. About 71% of our ABS portfolio was related to mortgage-backed securities (MBS). MBS issued by U.S. agencies, which are backed by the U.S. government, increased by one percentage point and accounted for 16% of the ABS portfolio. Overall, 97% of the ABS portfolio received an investment grade rating, with 88% rated “AA” or better.

INVESTMENT RESULT

INVESTMENT INCOME (NET)

€ MN	2015	2014	Delta
three months ended 31 March			
Operating investment result			
Interest and similar income (net) ¹	5,301	5,041	260
Operating income from financial assets and liabilities carried at fair value through income (net)	683	(250)	933
Operating realized gains/losses (net)	2,519	780	1,738
Operating impairments of investments (net)	(89)	(296)	207
Investment expenses	(238)	(199)	(39)
Subtotal	8,176	5,077	3,099
Non-operating investment result			
Non-operating income from financial assets and liabilities carried at fair value through income (net)	(124)	(70)	(55)
Non-operating realized gains/losses (net)	318	126	192
Non-operating impairments of investments (net)	(20)	(66)	46
Subtotal	174	(9)	184
Total investment income (net)	8,350	5,068	3,283

¹ – Net of interest expenses (excluding interest expenses from external debt).

Our *total investment income (net)* increased by € 3,283 MN to € 8,350 MN. This was largely driven by higher realized gains and an increase in operating income from financial assets and liabilities carried at fair value through income (net).

Operating investment result

Our *operating investment income (net)* increased by € 3,099 MN to € 8,176 MN.

Operating realized gains and losses (net) were up by € 1,738 MN to € 2,519 MN. This increase was almost equally driven by higher realizations on both equities and debt securities – mainly within our German Life/Health business.

Operating income from financial assets and liabilities carried at fair value through income (net) recovered from a loss of € 250 MN to a gain of € 683 MN. This was mainly driven by gains from the net of foreign currency translation effects – in particular related to the U.S. Dollar increase against the Euro – and financial derivatives, which were used to manage duration and other interest-rate-related exposures and to protect against equity and foreign currency fluctuations.

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*Interest and similar income (net)*¹ increased by € 260 MN to € 5,301 MN. This was mainly due to higher interest income as a result of positive exchange rate effects and a higher asset base. It was also supported by increased income from equities. These effects compensated for the lower yields on fixed income securities.

Our *operating impairments of investments (net)* decreased by roughly two-thirds to a comparatively low level of € 89 MN due to the very benign capital market developments. Approximately one half of the recorded impairments were related to one single debt investment in the financial services industry.

Investment expenses increased by € 39 MN to € 238 MN. This was mainly driven by higher management fees from the increased asset values.

Non-operating investment result

Our *non-operating investment income (net)* improved from a loss of € 9 MN to income of € 174 MN.

Non-operating income from financial assets and liabilities carried at fair value through income (net) decreased by € 55 MN to a loss of € 124 MN, mainly due to unfavorable impacts from hedging-related activities.

Non-operating realized gains and losses (net) increased from € 126 MN to € 318 MN as a result of higher realizations on debt securities and equities.

Non-operating impairments of investments (net) decreased by € 46 MN to € 20 MN, mainly due to lower impairments on debt securities.

ASSETS AND LIABILITIES OF THE PROPERTY-CASUALTY BUSINESS SEGMENT

Property-Casualty assets

Compared to year-end 2014, the Property-Casualty asset base increased by € 7.2 BN to € 116.5 BN. This was driven primarily by higher debt securities, but also by increased equities and cash and cash pool assets.

COMPOSITION OF ASSET BASE – FAIR VALUES¹

€ BN	as of 31 March 2015	as of 31 December 2014
Financial assets and liabilities carried at fair value through income		
Equities	0.3	0.4
Debt securities	0.1	0.1
Other ²	–	–
Subtotal	0.4	0.5
Investments³		
Equities	7.1	6.3
Debt securities	77.5	72.4
Cash and cash pool assets ⁴	6.7	5.6
Other	9.9	9.5
Subtotal	101.2	93.8
Loans and advances to banks and customers	14.8	15.0
Property-Casualty asset base	116.5	109.2

1 – Loans and advances to banks and customers, held-to-maturity investments and real estate held for investment are stated at amortized cost. Investments in associates and joint ventures are stated at either amortized cost or equity, depending on – among other factors – our ownership percentage.

2 – This comprises assets of € 0.1 BN and € 0.1 BN and liabilities of € (0.1) BN and € (0.1) BN as of 31 March 2015 and 31 December 2014, respectively.

3 – These do not include affiliates of € 8.9 BN and € 8.9 BN as of 31 March 2015 and 31 December 2014, respectively.

4 – Including cash and cash equivalents, as stated in our business segment balance sheet of € 4.0 BN and € 3.7 BN and receivables from cash pooling amounting to € 3.6 BN and € 4.2 BN, net of liabilities from securities lending and derivatives of € (0.2) BN and € (0.1) BN, as well as liabilities from cash pooling of € (0.7) BN and € (2.1) BN as of 31 March 2015 and 31 December 2014, respectively.

ABS within the Property-Casualty business segment base amounted to € 4.3 BN, an uptick of € 0.2 BN compared to year-end. This exposure represented an unchanged 3.7% of the business segment's asset base.

1 – Net of interest expenses (excluding interest expenses from external debt).

Property-Casualty liabilities

DEVELOPMENT OF RESERVES FOR LOSS AND LOSS ADJUSTMENT EXPENSES¹

€ BN	Gross	Ceded	Net
As of 1 January 2015	58.9	(6.6)	52.3
Balance carry forward of discounted loss reserves ²	3.6	(0.3)	3.3
Subtotal	62.5	(6.9)	55.6
Loss and loss adjustment expenses paid in current year relating to previous years	(5.5)	0.3	(5.2)
Loss and loss adjustment expenses incurred in previous years	(0.5)	0.1	(0.4)
Foreign currency translation adjustments and other changes	2.6	(0.4)	2.3
Changes in reserves for loss and loss adjustment expenses in current year	6.5	(0.6)	5.9
Subtotal	65.6	(7.4)	58.2
Ending balance of discounted loss reserves ²	(3.8)	0.3	(3.5)
As of 31 March 2015	61.8	(7.0)	54.8

1 – For further information about changes in the reserves for loss and loss adjustment expenses for the Property-Casualty business segment, please refer to note 15 to the condensed consolidated interim financial statements.

2 – Although discounted loss reserves have been reclassified to “Reserves for insurance and investment contracts” in the balance sheet in 2013, the underlying business development of these Property-Casualty reserves is still considered in the loss and loss adjustment expenses and in the loss ratio and is therefore included in the development of the reserves above.

As of 31 March 2015, the business segment’s gross reserves for loss and loss adjustment expenses and discounted loss reserves amounted to € 65.6 BN – an increase of € 3.1 BN compared to year-end 2014. On a net basis, our reserves – including discounted loss reserves – increased from € 55.6 BN to € 58.2 BN. Foreign currency translation effects and other changes were up to € 2.3 BN on a net basis.

ASSETS AND LIABILITIES OF THE LIFE/HEALTH BUSINESS SEGMENT

Life/Health assets

The Life/Health asset base grew by € 51.2 BN – or 9.1% – to € 616.6 BN. This was largely driven by an increased exposure to debt securities, but also by higher equities, and was in line with the developments in our overall investment portfolio. Higher financial assets for unit-linked contracts also contributed to this growth.

COMPOSITION OF ASSET BASE – FAIR VALUES

€ BN	as of 31 March 2015	as of 31 December 2014
Financial assets and liabilities carried at fair value through income		
Equities	2.1	1.8
Debt securities	2.2	2.0
Other ¹	(7.3)	(6.8)
Subtotal	(3.1)	(3.0)
Investments²		
Equities	37.3	32.2
Debt securities	366.0	331.8
Cash and cash pool assets ³	7.1	8.0
Other	10.5	10.4
Subtotal	421.0	382.4
Loans and advances to banks and customers	92.5	91.4
Financial assets for unit-linked contracts⁴	106.2	94.6
Life/Health asset base	616.6	565.4

1 – This comprises assets of € 2.1 BN and € 1.4 BN and liabilities (including the market value liability option) of € (9.5) BN and € (8.2) BN as of 31 March 2015 and 31 December 2014, respectively.

2 – These do not include affiliates of € 0.2 BN and € 0.2 BN as of 31 March 2015 and 31 December 2014, respectively.

3 – Including cash and cash equivalents, as stated in our business segment balance sheet, of € 7.9 BN and € 7.6 BN and receivables from cash pooling amounting to € 2.8 BN and € 3.1 BN, net of liabilities from securities lending and derivatives of € (3.5) BN and € (2.6) BN, as well as liabilities from cash pooling of € (0.1) BN and € (0.0) BN as of 31 March 2015 and 31 December 2014, respectively.

4 – Financial assets for unit-linked contracts represent assets owned by, and managed on behalf of, policyholders of the Allianz Group, with all appreciation and depreciation in these assets accruing to the benefit of policyholders. As a result, the value of financial assets for unit-linked contracts in our balance sheet corresponds to the value of financial liabilities for unit-linked contracts. The International Financial Reporting Standards (IFRS) require the classification of any contract written by an insurance company either as an insurance contract or as an investment contract, depending on whether an insurance component is included. This requirement also applies to unit-linked products. In contrast to unit-linked investment contracts, unit-linked insurance contracts include coverage for significant mortality or morbidity risk.

ABS within the Life/Health asset base increased by € 1.9 BN to € 18.8 BN and still represented 3.0% of the business segment’s asset base.

FINANCIAL ASSETS FOR UNIT-LINKED CONTRACTS¹

€ BN	Unit-linked insurance contracts	Unit-linked investment contracts	Total
As of 1 January 2015	62.7	31.9	94.6
Net premium inflows (outflows)	0.7	1.7	2.4
Changes in fund value	3.5	1.8	5.3
Foreign currency translation adjustments	4.4	0.3	4.6
Other changes	(0.7)	–	(0.7)
As of 31 March 2015	70.5	35.7	106.2

1 – Financial assets for unit-linked contracts represent assets owned by, and managed on behalf of, policyholders of the Allianz Group, with all appreciation and depreciation in these assets accruing to the benefit of policyholders. As a result, the value of financial assets for unit-linked contracts in our balance sheet corresponds to the value of financial liabilities for unit-linked contracts. The International Financial Reporting Standards (IFRS) require the classification of any contract written by an insurance company either as an insurance contract or as an investment contract, depending on whether an insurance component is included. This requirement also applies to unit-linked products. In contrast to unit-linked investment contracts, unit-linked insurance contracts include coverage for significant mortality or morbidity risk.

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Financial assets for unit-linked contracts went up by € 11.6 BN – or 12.3% – to € 106.2 BN. Unit-linked insurance contracts increased by € 7.8 BN to € 70.5 BN due to good fund performance (€ 3.5 BN) and currency effects (€ 4.4 BN). Unit-linked investment contracts increased by € 3.8 BN to € 35.7 BN, with premium inflows exceeding outflows (net € 1.7 BN). Currency effects were mainly driven by the stronger U.S. Dollar (€ 3.2 BN) and Asian currencies (€ 1.1 BN).¹

Life/Health liabilities

Life/Health reserves for insurance and investment contracts increased by € 34.9 BN – or 7.8% – to € 484.2 BN in the first quarter of 2015. The € 6.2 BN increase in aggregate policy reserves was mainly driven by our operations in Germany (€ 3.0 BN), the United States (€ 1.5 BN before currency effects) and Switzerland (€ 0.7 BN). Reserves for premium refund increased by € 15.7 BN due to higher unrealized gains to be shared with policyholders. Currency impacts resulted from the stronger U.S. Dollar (€ 8.7 BN), the Swiss Franc (€ 2.0 BN) and Asian currencies (€ 2.1 BN).¹

ASSETS AND LIABILITIES OF THE ASSET MANAGEMENT BUSINESS SEGMENT

Asset Management assets

The Asset Management business segment's results are derived primarily from asset management for third-party investors and the Allianz Group's insurance operations. In this section, we refer only to the business segment's own assets.²

The business segment's asset base decreased from € 2.6 BN to € 2.0 BN, mainly due to lower cash and cash pool assets – the main component of the business segment's asset base.

Asset Management liabilities

Liabilities in our Asset Management business segment increased by € 0.2 BN to € 2.6 BN.

ASSETS AND LIABILITIES OF THE CORPORATE AND OTHER BUSINESS SEGMENT

Corporate and Other assets

The Corporate and Other asset base increased by € 3.8 BN to € 48.5 BN – almost entirely as a result of an increased volume of debt securities.

COMPOSITION OF ASSET BASE – FAIR VALUES

€ BN	as of 31 March 2015	as of 31 December 2014
Financial assets and liabilities carried at fair value through income		
Equities	0.1	0.1
Debt securities	0.2	0.2
Other ¹	(0.4)	(0.5)
Subtotal	(0.1)	(0.1)
Investments²		
Equities	2.9	2.7
Debt securities	31.5	28.4
Cash and cash pool assets ³	(4.0)	(4.1)
Other	0.3	0.3
Subtotal	30.8	27.3
Loans and advances to banks and customers	17.8	17.5
Corporate and Other asset base	48.5	44.7

1 – This comprises assets of € 0.3 BN and € 0.2 BN and liabilities of € (0.7) BN and € (0.6) BN as of 31 March 2015 and 31 December 2014, respectively.

2 – These do not include affiliates of € 76.3 BN and € 77.2 BN as of 31 March 2015 and 31 December 2014, respectively.

3 – Including cash and cash equivalents, as stated in our business segment balance sheet, of € 2.3 BN and € 2.0 BN and receivables from cash pooling amounting to € 0.4 BN and € 1.7 BN, net of liabilities from securities lending and derivatives of € (0.1) BN and € (0.0) BN, as well as liabilities from cash pooling of € (6.5) BN and € (7.9) BN as of 31 March 2015 and 31 December 2014, respectively.

ABS within the Corporate and Other asset base was up by € 0.6 BN to € 2.6 BN, mainly due to new investments. This represented an increase from 4.5% to 5.3% of the Corporate and Other's asset base.

Corporate and Other liabilities

Compared to year-end 2014, subordinated liabilities increased by € 0.7 BN to € 12.7 BN. This was mainly related to the net effect of the issuance and redemption of subordinated bonds. Other liabilities dipped by € 0.3 BN to € 27.8 BN. Certificated liabilities remained unchanged at € 12.2 BN.³

1 – Based on the closing rates on the respective balance sheet dates.

2 – For further information on the development of these third-party assets, please refer to the Asset Management chapter.

3 – For further information on Allianz SE debt as of 31 March 2015, please refer to notes 18 and 19 to the condensed consolidated interim financial statements.

ALLIANZ SE BONDS¹ OUTSTANDING AS OF 31 MARCH 2015 AND INTEREST EXPENSES FOR THE FIRST QUARTER OF 2015

1. SENIOR BONDS²			2.241 % bond issued by Allianz SE		
4.0 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	€ 1.5 BN	
Volume	€ 1.5 BN		Year of issue	2015	
Year of issue	2006		Maturity date	7/7/2045	
Maturity date	11/23/2016		ISIN	DE 000 A14 J9N 8	
ISIN	XS 027 588 026 7		Interest expenses		€ – MN
Interest expenses		€ 15 MN	4.375 % bond issued by Allianz Finance II B.V., Amsterdam		
1.375 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	€ 1.4 BN	
Volume	€ 0.5 BN		Year of issue	2005	
Year of issue	2013		Maturity date	PERPETUAL BOND	
Maturity date	3/13/2018		ISIN	XS 021 163 783 9	
ISIN	DE 000 A1H G1J 8		Interest expenses		€ 16 MN
Interest expenses		€ 2 MN	5.375 % bond issued by Allianz Finance II B.V., Amsterdam		
4.75 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	€ 0.8 BN	
Volume	€ 1.5 BN		Year of issue	2006	
Year of issue	2009		Maturity date	PERPETUAL BOND	
Maturity date	7/22/2019		ISIN	DE 000 A0G NPZ 3	
ISIN	DE 000 A1A KHB 8		Interest expenses		€ 11 MN
Interest expenses		€ 18 MN	5.5 % bond issued by Allianz SE		
3.5 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	USD 1.0 BN	
Volume	€ 1.5 BN		Year of issue	2012	
Year of issue	2012		Maturity date	PERPETUAL BOND	
Maturity date	2/14/2022		ISIN	XS 085 787 250 0	
ISIN	DE 000 A1G ORU 9		Interest expenses		€ 14 MN
Interest expenses		€ 13 MN	4.75 % bond issued by Allianz SE		
3.0 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	€ 1.5 BN	
Volume	€ 0.75 BN		Year of issue	2013	
Year of issue	2013		Maturity date	PERPETUAL BOND	
Maturity date	3/13/2028		ISIN	DE 000 A1Y CQ2 9	
ISIN	DE 000 A1H G1K 6		Interest expenses		€ 18 MN
Interest expenses		€ 6 MN	3.25 % bond issued by Allianz SE		
4.5 % bond issued by Allianz Finance II B.V., Amsterdam			Volume	CHF 0.5 BN	
Volume	GBP 0.75 BN		Year of issue	2014	
Year of issue	2013		Maturity date	PERPETUAL BOND	
Maturity date	3/13/2043		ISIN	CH 023 483 337 1	
ISIN	DE 000 A1H G1L 4		Interest expenses		€ 5 MN
Interest expenses		€ 15 MN	3.375 % bond issued by Allianz SE		
Total interest expenses for senior bonds		€ 69 MN	Volume	€ 1.5 BN	
			Year of issue	2014	
			Maturity date	PERPETUAL BOND	
			ISIN	DE 000 A13 R7Z 7	
			Interest expenses		€ 13 MN
			Total interest expenses for subordinated bonds		€ 126 MN
2. SUBORDINATED BONDS³			3. ISSUES REDEEMED IN 2015		
5.75 % bond issued by Allianz Finance II B.V., Amsterdam			6.5 % bond issued by Allianz Finance II B.V., Amsterdam		
Volume	€ 2.0 BN		Volume	€ 1.0 BN	
Year of issue	2011		Year of issue	2002	
Maturity date	7/8/2041		Maturity date	1/13/2025	
ISIN	DE 000 A1G NAH 1		ISIN	XS 015 952 750 5	
Interest expenses		€ 29 MN	Interest expenses		€ 2 MN
5.625 % bond issued by Allianz SE			Sum of interest expenses¹		€ 197 MN
Volume	€ 1.5 BN		Interest expenses from external debt		
Year of issue	2012		not presented in the table		€ 15 MN
Maturity date	10/17/2042		Total interest expenses from external debt		€ 212 MN
ISIN	DE 000 A1R E1Q 3				
Interest expenses		€ 21 MN			

1 – For further information on Allianz SE debt (issued or guaranteed) as of 31 March 2015, please refer to notes 18 and 19 to the condensed consolidated interim financial statements.

2 – Senior bonds provide for early termination rights in case of non-payment of amounts due under the bond (interest and principal) as well as in case of insolvency.

3 – The terms of the subordinated bonds do not explicitly provide for early termination rights in favor of the bondholder. Interest payments are subject to certain conditions which are linked, inter alia, to our net income, and may have to be deferred. Nevertheless, the terms of the relevant bonds provide for alternative settlement mechanisms which allow us to avoid an interest deferral using cash raised from the issuance of specific newly issued instruments.

Reconciliations

The previous analysis is based on our condensed consolidated interim financial statements and should be read in conjunction with them. In addition to our figures stated according to the International Financial Reporting Standards (IFRS), the Allianz Group uses operating profit and internal growth to enhance the understanding of our results. These additional measures should be viewed as complementary to, and not as a substitute for, our figures determined according to IFRS.

For further information, please refer to note 4 to the condensed consolidated interim financial statements.

Composition of total revenues

Total revenues comprise statutory gross premiums written in Property-Casualty and Life/Health, operating revenues in Asset Management, and total revenues in Corporate and Other (Banking).

COMPOSITION OF TOTAL REVENUES

€ MN	2015	2014
three months ended 31 March		
Property-Casualty		
Gross premiums written	17,339	15,217
Life/Health		
Statutory premiums	18,822	17,163
Asset Management		
Operating revenues	1,573	1,517
consisting of:		
Net fee and commission income	1,567	1,516
Net interest income ¹	(1)	–
Income from financial assets and liabilities carried at fair value through income (net)	5	(1)
Other income	1	2
Corporate and Other		
Total revenues (Banking)	140	139
consisting of:		
Interest and similar income	139	150
Income from financial assets and liabilities carried at fair value through income (net)	6	2
Fee and commission income	139	116
Interest expenses, excluding interest expenses from external debt	(58)	(66)
Fee and commission expenses	(85)	(65)
Consolidation effects (Banking within Corporate and Other)	(1)	2
Consolidation	(103)	(72)
Allianz Group total revenues	37,769	33,963

¹ – Represents interest and similar income less interest expenses.

Composition of total revenue growth

We believe that an understanding of our total revenue performance is enhanced when the effects of foreign currency translation as well as acquisitions, disposals and transfers (or “changes in scope of consolidation”) are analyzed separately. Accordingly, in addition to presenting nominal total revenue growth, we also present internal growth, which excludes these effects.

RECONCILIATION OF NOMINAL TOTAL REVENUE GROWTH TO INTERNAL TOTAL REVENUE GROWTH

%	Internal growth	Changes in scope of consolidation	Foreign currency translation	Nominal growth
three months ended 31 March				
2015				
Property-Casualty	3.5	5.6	4.7	13.9
Life/Health	5.3	(0.8)	5.2	9.7
Asset Management	(10.7)	–	14.4	3.7
Corporate and Other	0.7	–	–	0.7
Allianz Group	3.7	2.1	5.4	11.2
2014				
Property-Casualty	1.9	0.7	(2.5)	0.1
Life/Health	16.4	0.8	(1.5)	15.7
Asset Management	(16.4)	(2.2)	(2.4)	(20.6)
Corporate and Other	(9.0)	2.7	–	(6.3)
Allianz Group	7.4	0.6	(2.0)	6.0

Life/Health Insurance Operations

STATUTORY PREMIUMS

The objective of the Life/Health operating profit sources analysis is to explain movements in IFRS results by analyzing underlying drivers of performance on a Life/Health business segment consolidated basis.

Loadings & fees include premium and reserve-based fees, unit-linked management fees, and policyholder participation on expenses.

OPERATING PROFIT

The reconciling item *scope* comprises the effects from out-of-scope entities in the profit sources reporting compilation. Operating profit from operating entities that are not in-scope entities is included in the investment margin. Currently, 20 entities comprising 97.8% of Life/Health total statutory premiums are in-scope.

Expenses

Expenses comprise acquisition expenses and commissions as well as administrative and other expenses.

The delta shown as *definitions* in acquisition expenses and commissions represents commission clawbacks, which are allocated to the technical margin. The delta shown as *definitions* in administrative and other expenses mainly refers to restructuring charges, which are presented in a separate line item in the group income statement.

ACQUISITION, ADMINISTRATIVE, COMMISSIONS AND OTHER EXPENSES

€ MN	2015	2014
three months ended 31 March		
Acquisition expenses and commissions ¹	(1,249)	(1,151)
Definitions	7	8
Scope	(83)	(71)
Acquisition costs incurred²	(1,325)	(1,215)
Administrative and other expenses ¹	(410)	(370)
Definitions	28	31
Scope	(35)	(31)
Administrative expenses on reinsurance business ceded	2	3
Administrative and other expenses (net)^{2,3}	(415)	(368)

1 — As per Interim Group Management Report.

2 — As per notes to the condensed consolidated interim financial statements.

3 — Excluding one-off effect from pension revaluation. For further details, please refer to note 4 to the condensed consolidated interim financial statements.

Impact of change in Deferred Acquisition Costs (DAC)

Impact of change in DAC includes effects of change in DAC, unearned revenue reserves (URR) and value of business acquired (VOBA), and is the net impact of the deferral and amortization of acquisition costs and front-end loadings on operating profit.

URR capitalized: Capitalization amount of unearned revenue reserves (URR) and deferred profit liabilities (DPL) for FAS 97 LP.

URR amortized: Total amount of URR amortized includes scheduled URR amortization, true-up and unlocking.

Both capitalization and amortization is included in the line item premiums earned (net) in the group income statement.

Policyholder participation is included within change in reserves for insurance and investment contracts (net) in the group income statement.

CAPITALIZATION AND AMORTIZATION OF DAC

€ MN	2015	2014
three months ended 31 March		
Capitalization of DAC ¹	457	446
Definition: URR capitalized	156	120
Definition: policyholder participation ²	257	242
Scope	35	26
Capitalization of DAC³	905	834
Amortization, unlocking and true-up of DAC ¹	(438)	(257)
Definition: URR amortized	(132)	(16)
Definition: policyholder participation ²	(310)	(231)
Scope	(32)	(26)
Amortization, unlocking and true-up of DAC³	(912)	(530)

1 — As per Interim Group Management Report.

2 — For German Speaking Countries, policyholder participation on revaluation of DAC/URR capitalization/amortization.

3 — As per notes to the condensed consolidated interim financial statements.

RECONCILIATION TO NOTES

€ MN	2015	2014
three months ended 31 March		
Acquisition expenses and commissions ¹	(1,249)	(1,151)
Administrative and other expenses ¹	(410)	(370)
Capitalization of DAC ¹	457	446
Amortization, unlocking and true-up of DAC ¹	(438)	(257)
Acquisition and administrative expenses	(1,640)	(1,332)
Definitions	6	153
Scope	(115)	(102)
Commissions and profit received on reinsurance business ceded	26	24
Administrative expenses on reinsurance business ceded	2	3
Acquisition and administrative expenses (net)^{2,3}	(1,722)	(1,254)

1 — As per Interim Group Management Report.

2 — As per notes to the condensed consolidated interim financial statements.

3 — Excluding one-off effect from pension revaluation. For further details, please refer to note 4 to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

B

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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CONSOLIDATED BALANCE SHEETS

CONSOLIDATED BALANCE SHEETS

€ MN	note	as of 31 March 2015	as of 31 December 2014
ASSETS			
Cash and cash equivalents		14,589	13,863
Financial assets carried at fair value through income	5	7,144	5,875
Investments	6	535,638	486,445
Loans and advances to banks and customers	7	118,367	117,075
Financial assets for unit-linked contracts		106,163	94,564
Reinsurance assets	8	15,127	13,587
Deferred acquisition costs	9	22,874	22,262
Deferred tax assets		1,139	1,046
Other assets	10	42,812	37,080
Non-current assets and assets of disposal groups classified as held for sale	11	144	235
Intangible assets	12	14,316	13,755
Total assets		878,313	805,787
LIABILITIES AND EQUITY			
Financial liabilities carried at fair value through income	13	9,824	8,496
Liabilities to banks and customers	14	26,043	23,015
Unearned premiums		25,361	19,800
Reserves for loss and loss adjustment expenses	15	72,234	68,989
Reserves for insurance and investment contracts	16	498,848	463,334
Financial liabilities for unit-linked contracts		106,163	94,564
Deferred tax liabilities		6,402	4,932
Other liabilities	17	40,632	38,609
Liabilities of disposal groups classified as held for sale	11	102	102
Certificated liabilities	18	8,487	8,207
Subordinated liabilities	19	12,716	12,037
Total liabilities		806,813	742,085
Shareholders' equity		68,397	60,747
Non-controlling interests		3,103	2,955
Total equity	20	71,501	63,702
Total liabilities and equity		878,313	805,787

CONSOLIDATED INCOME STATEMENTS

CONSOLIDATED INCOME STATEMENTS

€ MN			
three months ended 31 March	note	2015	2014
Gross premiums written		24,275	21,811
Ceded premiums written		(1,610)	(1,362)
Change in unearned premiums		(4,393)	(3,763)
Premiums earned (net)	21	18,272	16,686
Interest and similar income	22	5,404	5,139
Income from financial assets and liabilities carried at fair value through income (net)	23	559	(319)
Realized gains/losses (net)	24	2,837	906
Fee and commission income	25	2,644	2,408
Other income	26	77	78
Income from fully consolidated private equity investments	27	171	169
Total income		29,964	25,067
Claims and insurance benefits incurred (gross)		(13,345)	(12,332)
Claims and insurance benefits incurred (ceded)		541	523
Claims and insurance benefits incurred (net)	28	(12,804)	(11,809)
Change in reserves for insurance and investment contracts (net)	29	(6,139)	(3,440)
Interest expenses	30	(315)	(302)
Loan loss provisions	31	(8)	(9)
Impairments of investments (net)	32	(109)	(362)
Investment expenses	33	(238)	(199)
Acquisition and administrative expenses (net)	34	(6,296)	(5,330)
Fee and commission expenses	35	(942)	(782)
Amortization of intangible assets		(32)	(24)
Restructuring charges		(90)	1
Other expenses	36	(28)	(30)
Expenses from fully consolidated private equity investments	27	(169)	(174)
Total expenses		(27,170)	(22,461)
Income before income taxes		2,794	2,607
Income taxes	37	(858)	(867)
Net income		1,937	1,740
Net income attributable to:			
Non-controlling interests		115	100
Shareholders		1,822	1,640
Basic earnings per share (€)	39	4.01	3.62
Diluted earnings per share (€)	39	4.00	3.55

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

€ MN	2015	2014
three months ended 31 March		
Net income	1,937	1,740
Other comprehensive income		
Items that may be reclassified to profit or loss in future periods		
Foreign currency translation adjustments		
Reclassifications to net income	–	–
Changes arising during the period	1,853	17
Subtotal	1,853	17
Available-for-sale investments		
Reclassifications to net income	(507)	(94)
Changes arising during the period	4,704	2,313
Subtotal	4,197	2,219
Cash flow hedges		
Reclassifications to net income	(1)	(2)
Changes arising during the period	91	5
Subtotal	89	4
Share of other comprehensive income of associates and joint ventures		
Reclassifications to net income	–	–
Changes arising during the period	128	9
Subtotal	128	9
Miscellaneous		
Reclassifications to net income	–	–
Changes arising during the period	(1)	(29)
Subtotal	(1)	(29)
Items that may never be reclassified to profit or loss		
Actuarial gains and losses on defined benefit plans	(384)	(357)
Total other comprehensive income	5,883	1,863
Total comprehensive income	7,820	3,603
Total comprehensive income attributable to:		
Non-controlling interests	177	142
Shareholders	7,643	3,462

For further details concerning income taxes relating to components of the other comprehensive income, please see note 37.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

€ MN							
	Paid-in capital	Retained earnings	Foreign currency translation adjustments	Unrealized gains and losses (net)	Shareholders' equity	Non-controlling interests	Total equity
Balance as of 1 January 2014	28,869	17,786	(3,313)	6,742	50,083	2,765	52,849
Total comprehensive income ¹	–	1,262	15	2,185	3,462	142	3,603
Paid-in capital	–	–	–	–	–	–	–
Treasury shares	–	2	–	–	2	–	2
Transactions between equity holders	–	(23)	1	–	(22)	6	(16)
Dividends paid	–	–	–	–	–	(78)	(78)
Balance as of 31 March 2014	28,869	19,026	(3,297)	8,926	53,525	2,835	56,360
Balance as of 1 January 2015	28,928	19,878	(1,977)	13,917	60,747	2,955	63,702
Total comprehensive income ¹	–	1,606	1,757	4,280	7,643	177	7,820
Paid-in capital	–	–	–	–	–	–	–
Treasury shares	–	3	–	–	3	–	3
Transactions between equity holders	–	5	–	–	5	45	50
Dividends paid	–	–	–	–	–	(74)	(74)
Balance as of 31 March 2015	28,928	21,491	(219)	18,197	68,397	3,103	71,501

¹ – Total comprehensive income in shareholders' equity for the three months ended 31 March 2015 comprises net income attributable to shareholders of € 1,822 MN (2014: € 1,640 MN).

CONSOLIDATED STATEMENTS OF CASH FLOWS

CONSOLIDATED STATEMENTS OF CASH FLOWS

€ MN	2015	2014
three months ended 31 March		
SUMMARY		
Net cash flow provided by operating activities	10,110	11,818
Net cash flow used in investing activities	(9,373)	(8,593)
Net cash flow used in financing activities	(819)	(2,262)
Effect of exchange rate changes on cash and cash equivalents	808	(2)
Change in cash and cash equivalents	726	960
Cash and cash equivalents at beginning of period	13,863	11,207
Cash and cash equivalents at end of period	14,589	12,167
CASH FLOW FROM OPERATING ACTIVITIES		
Net income	1,937	1,740
Adjustments to reconcile net income to net cash flow provided by operating activities		
Share of earnings from investments in associates and joint ventures	(78)	(37)
Realized gains/losses (net) and impairments of investments (net) of:		
Available-for-sale and held-to-maturity investments, investments in associates and joint ventures, real estate held for investment, loans and advances to banks and customers, non-current assets and disposal groups classified as held for sale	(2,728)	(544)
Other investments, mainly financial assets held for trading and designated at fair value through income	1,414	115
Depreciation and amortization	351	278
Loan loss provisions	8	9
Interest credited to policyholder accounts	1,364	1,060
Net change in:		
Financial assets and liabilities held for trading	(1,759)	632
Reverse repurchase agreements and collateral paid for securities borrowing transactions	(222)	240
Repurchase agreements and collateral received from securities lending transactions	2,184	352
Reinsurance assets	(585)	(351)
Deferred acquisition costs	(553)	(767)
Unearned premiums	4,918	4,069
Reserves for loss and loss adjustment expenses	1,147	(131)
Reserves for insurance and investment contracts	7,481	6,038
Deferred tax assets/liabilities	240	(49)
Other (net)	(5,008)	(836)
Subtotal	8,174	10,078
Net cash flow provided by operating activities	10,110	11,818

CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED

CONSOLIDATED STATEMENTS OF CASH FLOWS

€ MN	2015	2014
three months ended 31 March		
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from the sale, maturity or repayment of:		
Financial assets designated at fair value through income	305	154
Available-for-sale investments	41,388	32,800
Held-to-maturity investments	812	203
Investments in associates and joint ventures	212	151
Non-current assets and disposal groups classified as held for sale	120	16
Real estate held for investment	104	65
Loans and advances to banks and customers (purchased loans)	2,934	2,940
Property and equipment	36	45
Subtotal	45,911	36,375
Payments for the purchase or origination of:		
Financial assets designated at fair value through income	(393)	(241)
Available-for-sale investments	(51,161)	(41,342)
Held-to-maturity investments	(791)	(159)
Investments in associates and joint ventures	(232)	(298)
Non-current assets and disposal groups classified as held for sale	–	(7)
Real estate held for investment	(361)	(266)
Loans and advances to banks and customers (purchased loans)	(1,187)	(1,393)
Property and equipment	(336)	(308)
Subtotal	(54,461)	(44,015)
Business combinations (note 3)¹:		
Proceeds from sale of subsidiaries, net of cash disposed	–	–
Acquisitions of subsidiaries, net of cash acquired	–	–
Change in other loans and advances to banks and customers (originated loans)	(891)	(925)
Other (net)	69	(28)
Net cash flow used in investing activities	(9,373)	(8,593)
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in liabilities to banks and customers	126	(1,063)
Proceeds from the issuance of certificated liabilities and subordinated liabilities	838	896
Repayments of certificated liabilities and subordinated liabilities	(1,700)	(1,980)
Cash inflow from capital increases	–	–
Transactions between equity holders	50	(16)
Dividends paid to shareholders	(74)	(78)
Net cash from sale or purchase of treasury shares	4	2
Other (net)	(63)	(23)
Net cash flow used in financing activities	(819)	(2,262)
SUPPLEMENTARY INFORMATION ON THE CONSOLIDATED STATEMENTS OF CASH FLOWS		
Income taxes paid	(432)	(448)
Dividends received	323	298
Interest received	5,284	5,270
Interest paid	(440)	(521)

¹ – The consideration for the Property-Casualty business of the Territory Insurance Office (TIO) in Darwin has already been paid in 2014 and was therefore included in the consolidated statement of cash flows for the

year ended 31 December 2014. As a consequence, the cash flow for the three months ended 31 March 2015 included in the line "Acquisition of subsidiaries, net of cash acquired" is not reconcilable with note 3.

Notes to the Condensed Consolidated Interim Financial Statements

GENERAL INFORMATION

1 – Basis of presentation

The condensed consolidated interim financial statements of the Allianz Group – comprising the consolidated balance sheets, consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows and selected explanatory notes – are presented in accordance with the requirements of IAS 34, Interim Financial Reporting, and have been prepared in conformity with International Financial Reporting Standards (IFRSs), as adopted under European Union (E.U.) regulations in accordance with § 315a of the German Commercial Code (HGB). IFRSs comprise the International Financial Reporting Standards (IFRSs), the International Accounting Standards (IASs) and the interpretations developed by the IFRS Interpretations Committee (formerly called the IFRIC) or the former Standing Interpretations Committee (SIC).

Within these condensed consolidated interim financial statements, the Allianz Group has applied all IFRSs issued by the IASB that are endorsed by the E.U. and are compulsory as of 1 January 2015. For further information please see note 2.

For existing and unchanged IFRSs, the accounting policies for recognition, measurement, consolidation and presentation applied in the preparation of the condensed consolidated interim financial statements are consistent with the accounting policies that have been applied in the preparation of the consolidated financial statements for the year ended 31 December 2014. These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements included in the Allianz Group Annual Report 2014.

IFRSs do not provide specific guidance concerning all aspects of the recognition and measurement of insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. Therefore, as envisioned in IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to those aspects where specific guidance is not provided by IFRS 4, Insurance Contracts, the provisions embodied under accounting principles generally accepted in the United States of America (US GAAP) as at first-time adoption of IFRS 4 on 1 January 2005 have been applied.

The condensed consolidated interim financial statements are presented in millions of Euros (€ MN), unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. Previously published figures have been adjusted accordingly.

These condensed consolidated interim financial statements of the Allianz Group were authorized for issue by the Board of Management on 11 May 2015.

2 – Recently adopted accounting pronouncements

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

effective 1 January 2015

The following interpretation as well as the amendments and revisions to existing standards became effective for the Allianz Group's consolidated financial statements as of 1 January 2015:

- IFRIC 21, Levies,
- IAS 19, Defined Benefit Plan: Employee Contributions,
- Annual Improvements to IFRSs 2010 – 2012,
- Annual Improvements to IFRSs 2011 – 2013.

No material impact arose on the financial results or the financial position of the Allianz Group.

3 – Consolidation

SIGNIFICANT ACQUISITION

Property-Casualty insurance business of the Territory Insurance Office (TIO), Darwin

Effective 1 January 2015, the Allianz Group acquired the Property-Casualty insurance business of the Territory Insurance Office (TIO Business), Darwin, and entered into a 10-year agreement to manage the compulsory motor accidents compensation scheme (MAC Contract). The acquired TIO Business includes, inter alia, all relevant insurance assets and liabilities, operations, employees and the brand related to the TIO Business.

The acquired TIO Business represents insurance activities with premiums equal to approximately € 88 MN (for the year 2014). As a result of the acquisition, the Allianz Group expects to increase its presence in the Australian market. It also expects to reduce costs through economies of scale and through synergies in the reinsurance area.

The final consideration paid in cash amounts to € 150 MN.

The following table summarizes the recognized amounts of assets acquired and liabilities assumed related to the TIO Business and the MAC Contract:

PROPERTY-CASUALTY INSURANCE BUSINESS OF THE TERRITORY INSURANCE OFFICE (TIO) – IDENTIFIABLE ASSETS AND LIABILITIES	
€ MN	Fair value
Cash and cash equivalents	11
Financial assets carried at fair value through income	79
Investments	50
Loans and advances to banks and customers	2
Reinsurance assets	32
Deferred tax assets	2
Other assets	72
Intangible assets	37
Total assets	285
Unearned premiums	(45)
Reserves for insurance and investment contracts	(107)
Deferred tax liabilities	(18)
Other liabilities	(13)
Total liabilities	(183)
Total net identifiable assets	102

Intangible assets consist mainly of the fair values of the MAC Contract, the TIO brand name, the customer relationships related to the acquired insurance portfolio and the present value of the transferred in-force business.

The fair values of other assets, intangible assets, deferred taxes and goodwill are provisional due to pending receipt of the final valuations for those assets.

The acquired TIO Business comprises a preliminary goodwill which was determined as follows as of 1 January 2015:

PROPERTY-CASUALTY INSURANCE BUSINESS OF THE TERRITORY INSURANCE OFFICE (TIO) – DETERMINATION OF GOODWILL	
€ MN	Fair value
Consideration transferred	150
Total net identifiable assets	102
Goodwill	48

The goodwill of € 48 MN of the business combination largely reflects the benefits associated with cost and reinsurance synergies and the ability to revert to an existing infrastructure in a new geographical market.

None of this goodwill is expected to be deductible for income tax purposes.

In administrative expenses, acquisition-related costs in the amount of € 1 MN were included in fiscal year 2014 and in the amount of € 3 MN in fiscal year 2015.

The impact of the acquired Property-Casualty insurance business of the Territory Insurance Office on the Allianz Group's total revenues and net income since the acquisition was € 17 MN and € (1) MN, respectively.

4 – Segment reporting

IDENTIFICATION OF REPORTABLE SEGMENTS

The business activities of the Allianz Group are first organized by product and type of service: insurance activities, asset management activities and corporate and other activities. Due to differences in the nature of products, risks and capital allocation, insurance activities are further divided into the business segments Property-Casualty and Life/Health. In accordance with the responsibilities of the Board of Management, each of the insurance business segments is grouped into the following reportable segments:

- German Speaking Countries,
- Western & Southern Europe,
- Iberia & Latin America,
- USA (Life/Health only),
- Global Insurance Lines & Anglo Markets,
- Growth Markets,
- Allianz Worldwide Partners (Property-Casualty only).

Asset management activities represent a separate reportable segment. Due to differences in the nature of products, risks and capital allocation, corporate and other activities are divided into three reportable segments: Holding & Treasury, Banking and Alternative Investments. In total, the Allianz Group has identified 16 reportable segments in accordance with IFRS 8, Operating Segments.

The types of products and services from which the reportable segments derive revenue are described below.

Property-Casualty

In the business segment Property-Casualty, reportable segments offer a wide variety of insurance products to both private and corporate customers, including motor liability and own damage, accident, general liability, fire and property, legal expense, credit and travel insurance.

Life/Health

In the business segment Life/Health, reportable segments offer a comprehensive range of life and health insurance products on both an individual and a group basis, including annuities, endowment and term insurance, unit-linked and investment-oriented products, as well as full private health, supplemental health and long-term care insurance.

Asset Management

The reportable segment Asset Management operates as a global provider of institutional and retail asset management products and services to third-party investors and provides investment management services to the Allianz Group's insurance operations. The products for retail and institutional customers include equity and fixed-income funds as well as alternative products. The United States and Germany as well as France, Italy and the Asia-Pacific region represent the primary asset management markets.

Corporate and Other

The reportable segment Holding & Treasury includes the management and support of the Allianz Group's businesses through its strategy, risk, corporate finance, treasury, financial reporting, controlling, communication, legal, human resources, technology and other functions. The reportable segment Banking consists of the banking activities in Germany, France, Italy, the Netherlands and Bulgaria. The banks offer a wide range of products for corporate and retail clients, with a primary focus on the latter. The reportable segment Alternative Investments provides global alternative investment management services in the private equity, real estate, renewable energy and infrastructure sectors, mainly on behalf of the Allianz Group's insurance operations. The reportable segment Alternative Investments also includes a fully consolidated private equity investment. The income and expenses of this investment are included in the non-operating result.

GENERAL SEGMENT REPORTING INFORMATION

Prices for transactions between reportable segments are set on an arm's length basis in a manner similar to transactions with third parties. Transactions between reportable segments are eliminated in the Consolidation. For the reportable segment Asset Management, interest revenues are reported net of interest expenses. Financial information is recorded based on reportable segments. Cross-segmental country-specific information is not determined.

REPORTABLE SEGMENTS MEASURE OF PROFIT OR LOSS

The Allianz Group uses operating profit to evaluate the performance of its reportable segments and the Allianz Group as a whole. Operating profit highlights the portion of income before income taxes attributable to the ongoing core operations of the Allianz Group. The Allianz Group considers the presentation of operating profit to be useful and meaningful to investors because it enhances the understanding of the Allianz Group's underlying operating performance and the comparability of its operating performance over time.

To better understand the ongoing operations of the business, the Allianz Group generally excludes the following non-operating effects:

- acquisition-related expenses and the amortization of intangible assets, as these relate to business combinations,
- interest expenses from external debt, as these relate to the capital structure of the Allianz Group,
- income from fully consolidated private equity investments (net), as this represents income from industrial holdings, which is outside the Allianz Group's normal scope of operating business,
- income from financial assets and liabilities carried at fair value through income (net), as this does not reflect the Allianz Group's long-term performance,
- realized capital gains and losses (net) or impairments of investments (net), as the timing of sales that would result in such realized gains or losses is largely at the discretion of the Allianz Group and impairments are largely dependent on market cycles or issuer-specific events over which the Allianz Group has little or no control and which can vary, sometimes materially, over time,
- one-off effects from pension revaluation. Allianz SE has a joint liability for a large part of the pension provisions of its German subsidiaries. Service costs incurred in this context are borne by the German subsidiaries and disbursed to Allianz SE. In the financial year 2014, the German subsidiaries of Allianz SE changed the application of the option provided by article 67 (1) sentence 1 of the Introductory Act to the German Commercial Code (EGHGB) to distribute the conversion expenses due to the first-time application of the German Accounting Law Modernization Act (BilMoG) in 2010 over a period of up to 15 years in the way that the conversion expenses were fully recognized in the first quarter of 2014. Additionally, effective 1 January 2015, the cost allocation scheme for the pension provisions between the German subsidiaries and Allianz SE was adapted to reflect the changed interest rate environment. For both effects, the resulting one-off expenses at the German subsidiaries and one-off

income at Allianz SE are shown as non-operating items. In case of policyholder participation within the Life/Health insurance business, the one-off expenses and the corresponding one-off income at Allianz SE are presented within operating profit. On the Allianz Group level, the one-off expenses and income offset each other. The only impact on the Allianz Group level is the related policyholder participation, which had a positive impact on income before income taxes of € 148 MN in 2015 and of € 116 MN in 2014.

The following exceptions apply to this general rule:

- In all reportable segments, income from financial assets and liabilities carried at fair value through income (net) is treated as operating profit if the income relates to operating business.
- For life/health insurance business and property-casualty insurance products with premium refunds, all items listed above are included in operating profit if the profit sources are shared with policyholders. This is also applicable to tax benefits, which are shared with policyholders. IFRS requires that the consolidated income statements present all tax benefits in the income taxes line item, even if they belong to policyholders. In the segment reporting, the tax benefits are reclassified and shown within operating profit in order to adequately reflect the policyholder participation in tax benefits.

Operating profit should be viewed as complementary to, and not as a substitute for, income before income taxes or net income as determined in accordance with IFRS.

RECENT ORGANIZATIONAL CHANGES

Effective 1 January 2015, the Allianz Group reorganized the structure of its insurance activities to reflect the changes in the responsibilities of the Board of Management. The property-casualty insurance operations of the former reportable segment USA have been allocated to the reportable segment Global Insurance Lines & Anglo Markets. Furthermore, Australia has been reallocated from the reportable segment Global Insurance Lines & Anglo Markets to the reportable segment Growth Markets. Previously reported information has been adjusted to reflect this change in the composition of the Allianz Group's reportable segments.

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BUSINESS SEGMENT INFORMATION – CONSOLIDATED BALANCE SHEETS

BUSINESS SEGMENT INFORMATION – CONSOLIDATED BALANCE SHEETS

€ MN	Property-Casualty		Life/Health	
	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014
ASSETS				
Cash and cash equivalents	4,026	3,668	7,901	7,555
Financial assets carried at fair value through income	532	601	6,399	5,238
Investments	103,378	97,129	414,048	374,589
Loans and advances to banks and customers	14,843	14,963	92,514	91,411
Financial assets for unit-linked contracts	–	–	106,163	94,564
Reinsurance assets	9,480	8,466	5,729	5,176
Deferred acquisition costs	5,195	4,595	17,679	17,667
Deferred tax assets	1,108	1,013	339	240
Other assets	25,868	23,494	19,163	18,723
Non-current assets and assets of disposal groups classified as held for sale	61	61	–	92
Intangible assets	2,848	2,722	3,087	3,063
Total assets	167,338	156,710	673,021	618,318

€ MN	Property-Casualty		Life/Health	
	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014
LIABILITIES AND EQUITY				
Financial liabilities carried at fair value through income	94	129	9,485	8,240
Liabilities to banks and customers	1,166	878	5,543	4,273
Unearned premiums	22,071	16,595	3,328	3,222
Reserves for loss and loss adjustment expenses	61,805	58,925	10,453	10,081
Reserves for insurance and investment contracts	14,892	14,276	484,161	449,263
Financial liabilities for unit-linked contracts	–	–	106,163	94,564
Deferred tax liabilities	2,864	2,681	5,503	4,226
Other liabilities	17,644	19,445	13,768	13,739
Liabilities of disposal groups classified as held for sale	–	–	–	–
Certificated liabilities	14	38	14	13
Subordinated liabilities	–	–	95	95
Total liabilities	120,550	112,969	638,512	587,714

Asset Management		Corporate and Other		Consolidation		Group	
as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014
1,346	1,449	2,277	2,028	(961)	(838)	14,589	13,863
45	46	629	511	(461)	(521)	7,144	5,875
156	106	111,061	108,669	(93,005)	(94,048)	535,638	486,445
83	72	17,775	17,547	(6,848)	(6,917)	118,367	117,075
-	-	-	-	-	-	106,163	94,564
-	-	-	-	(81)	(55)	15,127	13,587
-	-	-	-	-	-	22,874	22,262
371	177	1,569	1,782	(2,248)	(2,167)	1,139	1,046
2,585	2,951	8,130	8,595	(12,935)	(16,684)	42,812	37,080
-	-	83	83	-	-	144	235
7,704	7,286	678	685	-	-	14,316	13,755
12,291	12,087	142,201	139,900	(116,538)	(121,229)	878,313	805,787

Asset Management		Corporate and Other		Consolidation		Group	
as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014	as of 31 March 2015	as of 31 December 2014
-	-	703	648	(457)	(521)	9,824	8,496
174	174	22,575	20,749	(3,415)	(3,057)	26,043	23,015
-	-	-	-	(38)	(17)	25,361	19,800
-	-	-	-	(23)	(18)	72,234	68,989
-	-	-	-	(204)	(205)	498,848	463,334
-	-	-	-	-	-	106,163	94,564
1	2	282	189	(2,248)	(2,167)	6,402	4,932
2,396	2,231	27,751	28,028	(20,927)	(24,834)	40,632	38,609
-	-	102	102	-	-	102	102
-	-	12,233	12,231	(3,773)	(4,075)	8,487	8,207
-	-	12,671	11,992	(50)	(50)	12,716	12,037
2,571	2,407	76,316	73,938	(31,137)	(34,943)	806,813	742,085
Total equity						71,501	63,702
Total liabilities and equity						878,313	805,787

BUSINESS SEGMENT INFORMATION – TOTAL REVENUES AND RECONCILIATION OF OPERATING PROFIT (LOSS) TO NET INCOME (LOSS)

BUSINESS SEGMENT INFORMATION – TOTAL REVENUES AND RECONCILIATION OF OPERATING PROFIT (LOSS) TO NET INCOME (LOSS)

€ MN	Property-Casualty		Life/Health	
	2015	2014	2015	2014
three months ended 31 March				
Total revenues¹	17,339	15,217	18,822	17,163
Premiums earned (net)	11,519	10,410	6,753	6,276
Operating investment result				
Interest and similar income	865	853	4,426	4,159
Operating income from financial assets and liabilities carried at fair value through income (net)	62	14	585	(268)
Operating realized gains/losses (net)	80	26	2,438	827
Interest expenses, excluding interest expenses from external debt	(22)	(13)	(27)	(25)
Operating impairments of investments (net)	(2)	(5)	(87)	(291)
Investment expenses	(75)	(69)	(227)	(195)
Subtotal	908	807	7,108	4,207
Fee and commission income	357	307	347	229
Other income	15	29	63	49
Claims and insurance benefits incurred (net)	(7,651)	(6,727)	(5,154)	(5,081)
Change in reserves for insurance and investment contracts (net) ²	(173)	(125)	(5,961)	(3,314)
Loan loss provisions	–	–	–	–
Acquisition and administrative expenses (net), excluding acquisition-related expenses and one-off effects from pension revaluation	(3,249)	(2,912)	(1,722)	(1,254)
Fee and commission expenses	(344)	(291)	(151)	(87)
Operating amortization of intangible assets	–	–	(5)	(5)
Restructuring charges	(90)	(1)	–	–
Other expenses	(6)	(6)	(174)	(140)
Reclassification of tax benefits	–	–	–	–
Operating profit (loss)	1,285	1,489	1,104	880
Non-operating investment result				
Non-operating income from financial assets and liabilities carried at fair value through income (net)	(18)	(59)	(50)	–
Non-operating realized gains/losses (net)	228	83	36	26
Non-operating impairments of investments (net)	(17)	(57)	(2)	(5)
Subtotal	193	(33)	(17)	20
Income from fully consolidated private equity investments (net)	–	–	–	–
Interest expenses from external debt	–	–	–	–
Acquisition-related expenses	–	–	–	–
One-off effects from pension revaluation	(181)	(537)	(13)	(7)
Non-operating amortization of intangible assets	(13)	(6)	(10)	(8)
Reclassification of tax benefits	–	–	–	–
Non-operating items	–	(576)	(39)	4
Income (loss) before income taxes	1,284	913	1,065	884
Income taxes	(362)	(268)	(326)	(255)
Net income (loss)	922	645	739	629
Net income (loss) attributable to:				
Non-controlling interests	52	44	40	31
Shareholders	870	601	699	598

¹ – Total revenues comprise statutory gross premiums written in Property-Casualty and Life/Health, operating revenues in Asset Management and total revenues in Corporate and Other (Banking).

² – For the three months ended 31 March 2015, includes expenses for premium refunds (net) in Property-Casualty of € (109) MN (2014: € (59) MN).

Asset Management		Corporate and Other		Consolidation		Group	
2015	2014	2015	2014	2015	2014	2015	2014
1,573	1,517	140	139	(103)	(72)	37,769	33,963
-	-	-	-	-	-	18,272	16,686
2	2	193	208	(82)	(83)	5,404	5,139
5	(1)	10	2	21	3	683	(250)
-	-	-	-	1	(73)	2,519	780
(3)	(3)	(130)	(144)	78	86	(103)	(98)
-	-	-	-	-	-	(89)	(296)
-	-	(18)	(15)	82	81	(238)	(199)
4	(2)	55	50	101	15	8,176	5,077
1,940	1,861	200	167	(199)	(155)	2,644	2,408
1	2	148	-	(150)	(2)	77	78
-	-	-	-	2	-	(12,804)	(11,809)
-	-	-	-	(5)	(1)	(6,139)	(3,440)
-	-	(8)	(9)	-	-	(8)	(9)
(1,018)	(873)	(322)	(296)	7	(116)	(6,303)	(5,452)
(373)	(345)	(174)	(134)	100	75	(942)	(782)
-	-	-	-	-	-	(5)	(5)
-	2	-	-	-	-	(90)	1
-	-	(1)	-	153	116	(28)	(30)
-	-	-	-	5	-	5	-
555	646	(101)	(222)	13	(69)	2,855	2,723
-	-	-	-	-	-	-	-
-	-	(40)	(6)	(17)	(4)	(124)	(70)
-	-	55	18	-	-	318	126
-	-	-	(3)	-	-	(20)	(66)
-	-	15	8	(17)	(4)	174	(9)
-	-	3	(6)	(1)	2	2	(5)
-	-	(212)	(205)	-	-	(212)	(205)
7	3	1	2	-	-	7	5
(31)	(14)	224	675	-	-	-	117
(3)	(3)	(2)	(2)	-	-	(28)	(20)
-	-	-	-	(5)	-	(5)	-
(27)	(14)	27	472	(23)	(2)	(61)	(117)
528	631	(74)	249	(9)	(71)	2,794	2,607
(199)	(225)	25	(118)	5	-	(858)	(867)
329	406	(49)	131	(4)	(71)	1,937	1,740
-	-	-	-	-	-	-	-
17	22	6	4	-	-	115	100
312	385	(55)	127	(5)	(71)	1,822	1,640

REPORTABLE SEGMENTS – PROPERTY-CASUALTY

REPORTABLE SEGMENTS – PROPERTY-CASUALTY

three months ended 31 March	German Speaking Countries		Western & Southern Europe	
	2015	2014	2015	2014
Gross premiums written	5,640	5,384	3,499	3,164
Ceded premiums written	(843)	(817)	(297)	(245)
Change in unearned premiums	(2,261)	(2,119)	(490)	(467)
Premiums earned (net)	2,535	2,448	2,711	2,453
Interest and similar income	269	282	195	194
Operating income from financial assets and liabilities carried at fair value through income (net)	45	4	(2)	1
Operating realized gains/losses (net)	80	26	–	–
Fee and commission income	33	29	21	10
Other income	11	9	3	2
Operating revenues	2,974	2,798	2,928	2,659
Claims and insurance benefits incurred (net)	(1,804)	(1,599)	(1,717)	(1,562)
Change in reserves for insurance and investment contracts (net)	(158)	(106)	(10)	(13)
Interest expenses	(6)	(3)	(4)	(4)
Operating impairments of investments (net)	(2)	(5)	–	–
Investment expenses	(22)	(23)	(23)	(22)
Acquisition and administrative expenses (net), excluding one-off effects from pension revaluation	(636)	(625)	(739)	(649)
Fee and commission expenses	(31)	(27)	(19)	(10)
Restructuring charges	–	–	–	–
Other expenses	(5)	(4)	(1)	(1)
Operating expenses	(2,665)	(2,391)	(2,513)	(2,260)
Operating profit	309	407	415	399
Non-operating income from financial assets and liabilities carried at fair value through income (net)	(41)	(25)	23	(23)
Non-operating realized gains/losses (net)	136	35	14	18
Non-operating impairments of investments (net)	(13)	(8)	(1)	(44)
One-off effects from pension revaluation	(166)	(530)	–	–
Amortization of intangible assets	(1)	(1)	(8)	(3)
Non-operating items	(85)	(529)	28	(52)
Income (loss) before income taxes	224	(122)	443	347
Income taxes	(44)	45	(159)	(124)
Net income (loss)	180	(76)	284	223
Net income (loss) attributable to:				
Non-controlling interests	(1)	–	3	5
Shareholders	181	(76)	281	217
Loss ratio ² in %	71.2	65.3	63.3	63.7
Expense ratio ³ in %	25.1	25.5	27.3	26.5
Combined ratio⁴ in %	96.3	90.8	90.6	90.1

1 – In the fourth quarter of 2014, the French International Health business was reclassified from the reportable segment Western & Southern Europe (Life/Health) to the reportable segment Allianz Worldwide Partners. Previously reported information for the three months ended 31 March 2014 was not adjusted.

2 – Represents claims and insurance benefits incurred (net) divided by premiums earned (net).

3 – Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).

4 – Represents the total of acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, and claims and insurance benefits incurred (net) divided by premiums earned (net).

5 – Presentation not meaningful.

B – Condensed Consolidated Interim Financial Statements

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Iberia & Latin America		Global Insurance Lines & Anglo Markets		Growth Markets		Allianz Worldwide Partners ¹		Consolidation		Property-Casualty	
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
1,298	1,129	6,023	4,942	1,492	1,490	1,601	785	(2,215)	(1,679)	17,339	15,217
(214)	(169)	(1,899)	(1,331)	(332)	(314)	(128)	(30)	2,215	1,679	(1,500)	(1,227)
(138)	(44)	(745)	(708)	(23)	(61)	(664)	(180)	–	–	(4,320)	(3,580)
946	916	3,380	2,902	1,137	1,115	809	575	–	–	11,519	10,410
53	50	238	232	100	90	11	6	(2)	–	865	853
3	8	17	1	–	1	–	–	–	–	62	14
–	–	–	–	–	–	–	–	–	–	80	26
–	–	111	111	46	52	171	116	(25)	(11)	357	307
–	17	–	–	1	1	–	–	–	–	15	29
1,002	990	3,746	3,247	1,283	1,258	992	697	(28)	(11)	12,898	11,638
(679)	(638)	(2,113)	(1,777)	(803)	(782)	(535)	(369)	–	–	(7,651)	(6,727)
(1)	(2)	(5)	(3)	1	(1)	–	–	–	–	(173)	(125)
–	(1)	(12)	(4)	(1)	(1)	–	–	2	–	(22)	(13)
–	–	–	–	–	–	–	–	–	–	(2)	(5)
(4)	(3)	(12)	(9)	(14)	(12)	–	–	–	–	(75)	(69)
(250)	(233)	(1,044)	(877)	(333)	(345)	(252)	(187)	6	4	(3,249)	(2,912)
–	–	(104)	(100)	(40)	(42)	(170)	(119)	19	6	(344)	(291)
–	–	(90)	(1)	–	–	–	–	–	–	(90)	(1)
–	(1)	–	–	–	–	–	–	–	–	(6)	(6)
(935)	(878)	(3,380)	(2,772)	(1,190)	(1,183)	(958)	(676)	28	11	(11,613)	(10,149)
67	113	366	474	93	75	34	21	–	–	1,285	1,489
2	1	(3)	(9)	1	(2)	–	(1)	–	–	(18)	(59)
5	3	55	25	17	2	–	–	–	–	228	83
–	(1)	(2)	(4)	–	–	–	–	–	–	(17)	(57)
–	–	(13)	(7)	–	–	(1)	–	–	–	(181)	(537)
–	–	(1)	(2)	(3)	(2)	–	–	–	1	(13)	(6)
7	3	36	4	15	(3)	(1)	(1)	–	1	–	(576)
74	116	402	478	108	73	33	20	–	1	1,284	913
(22)	(34)	(100)	(129)	(28)	(20)	(9)	(6)	–	–	(362)	(268)
52	82	302	349	80	53	24	14	–	1	922	645
1	1	41	28	8	9	1	–	–	–	52	44
51	81	261	322	73	43	23	14	–	1	870	601
71.8	69.7	62.5	61.2	70.6	70.1	66.1	64.2	– ⁵	– ⁵	66.4	64.6
26.4	25.5	30.9	30.2	29.3	30.9	31.2	32.5	– ⁵	– ⁵	28.2	28.0
98.2	95.1	93.4	91.5	100.0	101.1	97.3	96.7	– ⁵	– ⁵	94.6	92.6

REPORTABLE SEGMENTS – LIFE/HEALTH

REPORTABLE SEGMENTS – LIFE/HEALTH

	German Speaking Countries		Western & Southern Europe ¹	
	2015	2014	2015	2014
three months ended 31 March				
Statutory premiums²	6,827	6,856	6,935	6,127
Ceded premiums written	(30)	(39)	(307)	(596)
Change in unearned premiums	2	(61)	14	(14)
Statutory premiums (net)	6,799	6,755	6,641	5,516
Deposits from insurance and investment contracts	(2,505)	(2,692)	(5,465)	(4,363)
Premiums earned (net)	4,294	4,063	1,176	1,153
Interest and similar income	2,252	2,264	893	891
Operating income from financial assets and liabilities carried at fair value through income (net)	894	31	(36)	(49)
Operating realized gains/losses (net)	1,885	497	515	306
Fee and commission income	21	19	216	118
Other income	56	42	7	5
Operating revenues	9,403	6,917	2,772	2,423
Claims and insurance benefits incurred (net)	(3,558)	(3,519)	(965)	(998)
Changes in reserves for insurance and investment contracts (net)	(4,337)	(2,266)	(888)	(490)
Interest expenses	(19)	(25)	(4)	(5)
Operating impairments of investments (net)	(87)	(113)	1	(177)
Investment expenses	(148)	(128)	(56)	(49)
Acquisition and administrative expenses (net), excluding one-off effects from pension revaluation	(553)	(385)	(483)	(420)
Fee and commission expenses	(10)	(10)	(110)	(53)
Operating amortization of intangible assets	(5)	(5)	–	–
Other expenses	(170)	(134)	(4)	(2)
Operating expenses	(8,887)	(6,585)	(2,507)	(2,194)
Operating profit	516	332	265	229
Non-operating income from financial assets and liabilities carried at fair value through income (net)	–	–	2	(5)
Non-operating realized gains/losses (net)	2	–	21	25
Non-operating impairments of investments (net)	–	–	(2)	(5)
One-off effects from pension revaluation	(13)	(7)	–	–
Non-operating amortization of intangible assets	–	–	(3)	(2)
Non-operating items	(11)	(7)	18	13
Income before income taxes	505	325	283	242
Income taxes	(172)	(109)	(83)	(58)
Net income	333	216	200	184
Net income attributable to:				
Non-controlling interests	–	–	16	9
Shareholders	333	216	184	175
Margin on reserves³ in basis points	78	58	63	63

1 – In the fourth quarter of 2014, the French International Health business was reclassified from the reportable segment Western & Southern Europe (Life/Health) to the reportable segment Allianz Worldwide Partners. Previously reported information for the three months ended 31 March 2014 was not adjusted.

2 – Statutory premiums are gross premiums written from sales of life and health insurance policies, as well as gross receipts from sales of unit-linked and other investment-oriented products, in accordance with the statutory accounting practices applicable in the insurer's home jurisdiction.

3 – Represents annualized operating profit divided by the average of the current quarter-end and previous year-end net reserves, where net reserves equal reserves for loss and loss adjustment expenses, reserves for insurance and investment contracts and financial liabilities for unit-linked contracts less reinsurance assets.

4 – Presentation not meaningful.

Iberia & Latin America		USA		Global Insurance Lines & Anglo Markets		Growth Markets		Consolidation		Life/Health	
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
577	476	2,699	2,556	135	126	1,988	1,616	(339)	(594)	18,822	17,163
(6)	(4)	(35)	(29)	(16)	(13)	(99)	(74)	339	594	(154)	(162)
(33)	(34)	(8)	(3)	(3)	(31)	(45)	(38)	–	–	(73)	(183)
538	438	2,655	2,524	116	82	1,845	1,503	–	–	18,595	16,818
(390)	(289)	(2,374)	(2,297)	–	–	(1,108)	(901)	–	–	(11,842)	(10,542)
148	149	281	227	116	82	736	602	–	–	6,753	6,276
90	94	923	692	14	20	264	215	(10)	(16)	4,426	4,159
16	1	(276)	(245)	(1)	(5)	5	(4)	(18)	3	585	(268)
19	4	6	9	–	–	13	10	–	–	2,438	827
38	34	27	24	–	–	43	35	–	–	347	229
–	–	–	–	–	–	–	2	–	–	63	49
311	282	962	706	129	96	1,061	860	(28)	(13)	14,611	11,271
(165)	(139)	(29)	(25)	(69)	(75)	(368)	(325)	–	–	(5,154)	(5,081)
(17)	(22)	(398)	(338)	(22)	15	(300)	(214)	–	–	(5,961)	(3,314)
–	(1)	(3)	(2)	–	–	(11)	(7)	10	16	(27)	(25)
–	–	(1)	–	–	–	–	(1)	–	–	(87)	(291)
(2)	(1)	(13)	(9)	–	–	(8)	(7)	–	–	(227)	(195)
(51)	(50)	(348)	(158)	(22)	(24)	(265)	(217)	–	–	(1,722)	(1,254)
(21)	(17)	(7)	(5)	–	–	(4)	(3)	–	–	(151)	(87)
–	–	–	–	–	–	–	–	–	–	(5)	(5)
–	–	–	–	–	–	–	(3)	–	–	(174)	(140)
(256)	(230)	(799)	(537)	(113)	(85)	(956)	(778)	10	17	(13,507)	(10,392)
55	52	163	169	16	11	106	83	(18)	3	1,104	880
–	–	(52)	4	–	–	–	–	–	–	(50)	–
–	–	11	–	–	–	1	1	–	–	36	26
–	–	–	–	–	–	–	(1)	–	–	(2)	(5)
–	–	–	–	–	–	–	–	–	–	(13)	(7)
(4)	(4)	–	–	–	–	(2)	(2)	–	–	(10)	(8)
(4)	(4)	(41)	4	–	–	(1)	(2)	–	–	(39)	4
51	48	123	174	16	11	104	81	(18)	3	1,065	884
(13)	(14)	(36)	(54)	(4)	(3)	(18)	(17)	–	–	(326)	(255)
38	33	86	119	13	8	87	64	(18)	3	739	629
10	9	–	–	–	–	15	13	–	–	40	31
28	24	86	119	13	8	72	51	(18)	3	699	598
223	247	68	94	365	229	130	125	– ⁴	– ⁴	77	73

REPORTABLE SEGMENTS – ASSET MANAGEMENT

REPORTABLE SEGMENTS – ASSET MANAGEMENT

€ MN	2015	2014
three months ended 31 March		
Net fee and commission income ¹	1,567	1,516
Net interest income ²	(1)	–
Income from financial assets and liabilities carried at fair value through income (net)	5	(1)
Other income	1	2
Operating revenues	1,573	1,517
Administrative expenses (net), excluding acquisition-related expenses and one-off effects from pension revaluation	(1,018)	(873)
Restructuring charges	–	2
Operating expenses	(1,018)	(871)
Operating profit	555	646
Acquisition-related expenses	7	3
One-off effects from pension revaluation	(31)	(14)
Amortization of intangible assets	(3)	(3)
Non-operating items	(27)	(14)
Income before income taxes	528	631
Income taxes	(199)	(225)
Net income	329	406
Net income attributable to:		
Non-controlling interests	17	22
Shareholders	312	385
Cost-income ratio³ in %	64.7	57.4

1 – Represents fee and commission income less fee and commission expenses.

2 – Represents interest and similar income less interest expenses.

3 – Represents operating expenses divided by operating revenues.

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REPORTABLE SEGMENTS – CORPORATE AND OTHER

REPORTABLE SEGMENTS – CORPORATE AND OTHER

€ MN	Holding & Treasury	
	2015	2014
three months ended 31 March		
Interest and similar income	49	54
Operating income from financial assets and liabilities carried at fair value through income (net)	6	–
Fee and commission income	13	15
Other income	148	–
Operating revenues	215	69
Interest expenses, excluding interest expenses from external debt	(71)	(77)
Loan loss provisions	–	–
Investment expenses	(16)	(14)
Administrative expenses (net), excluding acquisition-related expenses and one-off effects from pension revaluation	(182)	(155)
Fee and commission expenses	(89)	(70)
Other expenses	–	–
Operating expenses	(358)	(316)
Operating profit (loss)	(143)	(248)
Non-operating income from financial assets and liabilities carried at fair value through income (net)	(41)	(5)
Realized gains/losses (net)	48	18
Impairments of investments (net)	–	(3)
Income from fully consolidated private equity investments (net)	–	–
Interest expenses from external debt	(212)	(205)
Acquisition-related expenses	1	2
One-off effects from pension revaluation	230	679
Amortization of intangible assets	(2)	(2)
Non-operating items	23	484
Income (loss) before income taxes	(121)	236
Income taxes	39	(114)
Net income (loss)	(82)	122
Net income (loss) attributable to:		
Non-controlling interests	–	–
Shareholders	(82)	122
Cost-income ratio¹ for the reportable segment Banking in %		

¹ – Represents investment expenses, administrative expenses (net), excluding acquisition-related expenses and one-off effects from pension revaluation, restructuring charges and other expenses divided by interest and similar income, operating income from financial assets and liabilities carried at fair value through

income (net), fee and commission income, other income, interest expenses, excluding interest expenses from external debt, and fee and commission expenses.

Banking		Alternative Investments		Consolidation		Corporate and Other	
2015	2014	2015	2014	2015	2014	2015	2014
139	150	5	4	–	–	193	208
6	2	(1)	–	–	–	10	2
139	116	48	37	(1)	–	200	167
–	–	–	–	–	–	148	–
284	268	53	41	(1)	–	551	377
(58)	(66)	–	(1)	–	–	(130)	(144)
(8)	(9)	–	–	–	–	(8)	(9)
–	–	(2)	(2)	–	–	(18)	(15)
(100)	(110)	(40)	(31)	–	–	(322)	(296)
(85)	(65)	–	–	–	–	(174)	(134)
(1)	–	–	–	–	–	(1)	–
(252)	(251)	(43)	(33)	1	1	(652)	(600)
32	18	10	8	–	–	(101)	(222)
–	–	1	(1)	–	–	(40)	(6)
7	–	–	–	–	–	55	18
–	–	–	–	–	–	–	(3)
–	–	3	(6)	–	–	3	(6)
–	–	–	–	–	–	(212)	(205)
–	–	–	–	–	–	1	2
(1)	(1)	(5)	(4)	–	–	224	675
–	–	–	–	–	–	(2)	(2)
6	(1)	(2)	(11)	–	–	27	472
38	16	9	(3)	–	–	(74)	249
(12)	(5)	(1)	1	–	–	25	(118)
26	11	7	(2)	–	–	(49)	131
2	2	4	2	–	–	6	4
23	9	4	(4)	–	–	(55)	127
71.7	80.7						

NOTES TO THE CONSOLIDATED BALANCE SHEETS

5 – Financial assets carried at fair value through income

FINANCIAL ASSETS CARRIED AT FAIR VALUE THROUGH INCOME

€ MN	as of 31 March 2015	as of 31 December 2014
Financial assets held for trading		
Debt securities	459	402
Equity securities	205	195
Derivative financial instruments	2,390	1,618
Subtotal	3,055	2,214
Financial assets designated at fair value through income		
Debt securities	2,057	1,887
Equity securities	2,032	1,773
Subtotal	4,090	3,660
Total	7,144	5,875

6 – Investments

INVESTMENTS

€ MN	as of 31 March 2015	as of 31 December 2014
Available-for-sale investments	513,989	465,914
Held-to-maturity investments	4,130	3,969
Funds held by others under reinsurance contracts assumed	1,210	1,154
Investments in associates and joint ventures	4,395	4,059
Real estate held for investment	11,914	11,349
Total	535,638	486,445

AVAILABLE-FOR-SALE INVESTMENTS

AVAILABLE-FOR-SALE INVESTMENTS

	as of 31 March 2015				as of 31 December 2014			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Debt securities								
Government and agency mortgage-backed securities (residential and commercial)	4,248	246	(2)	4,492	3,548	192	(2)	3,738
Corporate mortgage-backed securities (residential and commercial)	15,011	611	(42)	15,581	13,685	546	(44)	14,186
Other asset-backed securities	4,845	307	(52)	5,100	4,313	284	(46)	4,552
Government and government agency bonds								
France	31,415	13,994	(21)	45,388	31,113	9,509	(21)	40,601
Italy	24,803	7,371	(6)	32,169	25,203	5,557	(5)	30,755
Germany	12,447	3,244	(2)	15,688	12,900	2,152	(5)	15,048
United States	12,405	1,121	(16)	13,510	10,574	875	(34)	11,415
South Korea	7,377	1,266	–	8,643	6,156	882	–	7,038
Belgium	6,350	2,481	(1)	8,831	5,866	1,818	–	7,684
Austria	5,415	2,374	(2)	7,788	5,476	1,698	(1)	7,173
Spain	7,718	1,394	(1)	9,110	5,055	944	(1)	5,997
Switzerland	5,348	843	(1)	6,190	4,695	610	–	5,305
Netherlands	4,122	719	(1)	4,839	4,102	506	(1)	4,607
Hungary	896	131	–	1,027	868	105	–	972
Ireland	976	92	–	1,067	620	28	–	648
Russia	375	1	(37)	339	472	–	(71)	401
Portugal	214	38	–	252	198	29	–	227
Greece	1	1	–	2	1	2	–	3
Supranationals	15,655	4,716	(2)	20,369	15,726	3,202	(3)	18,925
All other countries	37,996	2,689	(223)	40,463	33,401	2,013	(196)	35,217
Subtotal	173,513	42,475	(313)	215,675	162,426	29,928	(338)	192,016
Corporate bonds ¹	205,499	21,970	(717)	226,752	193,315	18,807	(837)	211,284
Other	2,799	610	(1)	3,407	2,471	499	(2)	2,968
Subtotal	405,916	66,219	(1,127)	471,007	379,757	50,255	(1,269)	428,743
Equity securities ²	27,872	15,206	(97)	42,982	26,113	11,313	(255)	37,171
Total	433,788	81,425	(1,224)	513,989	405,870	61,568	(1,524)	465,914

1 – Include bonds issued by Spanish banks with a fair value of € 611 MN (2014: € 472 MN), thereof subordinated bonds with a fair value of € 141 MN (2014: € 134 MN).

2 – Include shares invested in Spanish banks with a fair value of € 470 MN (2014: € 408 MN).

7 – Loans and advances to banks and customers

LOANS AND ADVANCES TO BANKS AND CUSTOMERS

€ MN	as of 31 March 2015			as of 31 December 2014		
	Banks	Customers	Total	Banks	Customers	Total
	Short-term investments and certificates of deposit	3,984	–	3,984	3,622	–
Loans	54,773 ¹	58,148	112,921	56,414 ¹	55,950	112,363
Other	1,752	12	1,765	1,372	16	1,388
Subtotal	60,509	58,161	118,669	61,407	55,966	117,373
Loan loss allowance	–	(302)	(302)	–	(298)	(298)
Total	60,508	57,859	118,367	61,407	55,668	117,075

¹ – Primarily include covered bonds.

8 – Reinsurance assets

REINSURANCE ASSETS

€ MN	as of 31 March 2015	as of 31 December 2014
Unearned premiums	2,032	1,519
Reserves for loss and loss adjustment expenses	7,437	6,947
Aggregate policy reserves	5,545	4,998
Other insurance reserves	113	123
Total	15,127	13,587

9 – Deferred acquisition costs

DEFERRED ACQUISITION COSTS

€ MN	as of 31 March 2015	as of 31 December 2014
Deferred acquisition costs		
Property-Casualty	5,195	4,595
Life/Health	16,112	16,089
Subtotal	21,307	20,685
Present value of future profits	861	870
Deferred sales inducements	706	708
Total	22,874	22,262

10 – Other assets

OTHER ASSETS

€ MN	as of 31 March 2015	as of 31 December 2014
Receivables		
Policyholders	6,868	5,846
Agents	5,748	4,348
Reinsurers	2,227	1,951
Other	6,917	4,711
Less allowance for doubtful accounts	(727)	(693)
Subtotal	21,033	16,163
Tax receivables		
Income taxes	1,961	1,996
Other taxes	1,529	1,426
Subtotal	3,490	3,422
Accrued dividends, interest and rent	7,540	7,836
Prepaid expenses		
Interest and rent	19	25
Other prepaid expenses	390	256
Subtotal	409	281
Derivative financial instruments used for hedging that meet the criteria for hedge accounting and firm commitments	895	477
Property and equipment		
Real estate held for own use	2,621	2,566
Software	2,164	2,142
Equipment	1,369	1,291
Fixed assets of alternative investments	1,487	1,465
Subtotal	7,641	7,464
Other assets	1,804	1,437
Total	42,812	37,080

11 – Non-current assets and disposal groups classified as held for sale

NON-CURRENT ASSETS AND DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

€ MN	as of 31 March 2015	as of 31 December 2014
Assets of disposal groups classified as held for sale		
Münsterländische Bank Thie & Co. KG, Münster	83	83
Subtotal	83	83
Non-current assets classified as held for sale		
Real estate held for investment	–	92
Real estate held for own use	61	61
Subtotal	61	152
Total	144	235
Liabilities of disposal groups classified as held for sale		
Münsterländische Bank Thie & Co. KG, Münster	102	102
Total	102	102

DISPOSAL GROUPS CLASSIFIED AS HELD FOR SALE

During the fourth quarter of 2014, the Allianz Group decided to dispose of Münsterländische Bank Thie & Co. KG, Münster. Thus, the assets and liabilities of this consolidated entity allocated to the reportable segment Banking were reclassified as held for sale. As of 31 March 2015, no cumulative gains or losses were recognized in other comprehensive income relating to the disposal group classified as held for sale. The sale is expected to occur during the second quarter of 2015. Upon measurement of the disposal group at fair value less costs to sell, no impairment loss was recognized for the three months ended 31 March 2015.

NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Real estate held for investment classified as held for sale comprised as of 31 December 2014 several office buildings allocated to the reportable segment German Speaking Countries (Life/Health), which were sold as expected during the first quarter of 2015.

As of 31 March 2015, real estate held for own use classified as held for sale comprised several office buildings allocated to the reportable segment Global Insurance Lines & Anglo Markets (Property-Casualty). Upon measurement of these buildings at fair value less costs to sell, no further impairment losses were recognized for the three months ended 31 March 2015. The sale of these buildings will be completed by the end of the third and fourth quarter of 2015, respectively.

12 – Intangible assets

INTANGIBLE ASSETS

€ MN	as of 31 March 2015	as of 31 December 2014
Intangible assets with indefinite useful lives		
Goodwill	12,706	12,166
Brand names ¹	295	289
Subtotal	13,002	12,455
Intangible assets with finite useful lives		
Distribution agreements ²	937	948
Customer relationships ³	219	231
Other ⁴	159	121
Subtotal	1,315	1,300
Total	14,316	13,755

1 – Include primarily the brand name of Selecta AG, Muntelier.

2 – Include primarily the long-term distribution agreements with Commerzbank AG of € 326 MN (2014: € 335 MN), Banco Popular S.A. of € 349 MN (2014: € 353 MN), Yapı Kredi Bank of € 147 MN (2014: € 147 MN) and HSBC Asia, HSBC Turkey and BTPN Indonesia of € 94 MN (2014: € 90 MN).

3 – Include primarily customer relationships from the acquisition of UnipolSai Assicurazioni S.p.A. of € 94 MN (2014: € 100 MN), Selecta of € 77 MN (2014: € 85 MN), Assurances Médicales S.A. of € 17 MN (2014: € 18 MN) and Yapı Kredi of € 7 MN (2014: € 8 MN).

4 – Include primarily acquired business portfolios of € 72 MN (2014: € 64 MN), heritable building rights of € 17 MN (2014: € 17 MN) and lease rights of € 10 MN (2014: € – MN).

INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Goodwill

GOODWILL

€ MN	2015	2014
Cost as of 1 January	13,156	12,534
Accumulated impairments as of 1 January	(990)	(990)
Carrying amount as of 1 January	12,166	11,544
Additions	51	6
Disposals	–	–
Foreign currency translation adjustments	490	(18)
Impairments	–	–
Carrying amount as of 31 March	12,706	11,532
Accumulated impairments as of 31 March	990	990
Cost as of 31 March	13,696	12,522

For the three months ended 31 March 2015, additions are mainly related to goodwill arising from the acquisition of the Property-Casualty insurance business of the Territory Insurance Office, Darwin. For further information please refer to note 3.

13 – Financial liabilities carried at fair value through income

FINANCIAL LIABILITIES CARRIED AT FAIR VALUE THROUGH INCOME

€ MN	as of 31 March 2015	as of 31 December 2014
Financial liabilities held for trading		
Derivative financial instruments	9,823	8,493
Other trading liabilities	2	3
Total	9,824	8,496

14 – Liabilities to banks and customers

LIABILITIES TO BANKS AND CUSTOMERS

€ MN	as of 31 March 2015			as of 31 December 2014		
	Banks	Customers	Total	Banks	Customers	Total
Payable on demand	248	5,013	5,261	69	4,803	4,872
Savings deposits	–	2,700	2,700	–	2,846	2,846
Term deposits and certificates of deposit	926	1,633	2,559	971	1,946	2,916
Repurchase agreements	2,543	–	2,543	1,197	–	1,197
Collateral received from securities lending transactions and derivatives	3,808	–	3,808	2,715	–	2,715
Other	4,643	4,529	9,172	4,278	4,191	8,469
Total	12,168	13,874	26,043	9,230	13,786	23,015

15 – Reserves for loss and loss adjustment expenses

RESERVES FOR LOSS AND LOSS ADJUSTMENT EXPENSES

€ MN	as of 31 March 2015	as of 31 December 2014
Property-Casualty	61,805	58,925
Life/Health	10,453	10,081
Consolidation	(23)	(18)
Total	72,234	68,989

CHANGE IN RESERVES FOR LOSS AND LOSS ADJUSTMENT EXPENSES

The following table reconciles the beginning and ending reserves of the Allianz Group, including the effect of reinsurance ceded, for the Property-Casualty business segment for the quarters ended 31 March 2015 and 2014.

CHANGE IN THE RESERVES FOR LOSS AND LOSS ADJUSTMENT EXPENSES IN THE PROPERTY-CASUALTY BUSINESS SEGMENT

€ MN	2015			2014		
	Gross	Ceded	Net	Gross	Ceded	Net
As of 1 January	58,925	(6,577)	52,348	56,614	(6,070)	50,544
Balance carry forward of discounted loss reserves	3,597	(326)	3,271	3,207	(306)	2,901
Subtotal	62,522	(6,903)	55,619	59,821	(6,376)	53,445
Loss and loss adjustment expenses incurred						
Current year	8,628	(604)	8,024	7,532	(552)	6,980
Prior years	(519)	145	(373)	(398)	146	(252)
Subtotal	8,110	(458)	7,651	7,134	(406)	6,727
Loss and loss adjustment expenses paid						
Current year	(2,163)	48	(2,115)	(2,028)	67	(1,961)
Prior years	(5,484)	297	(5,187)	(5,283)	335	(4,948)
Subtotal	(7,647)	345	(7,302)	(7,311)	402	(6,909)
Foreign currency translation adjustments and other changes	2,633	(357)	2,275	260	(15)	246
Subtotal	65,617	(7,373)	58,244	59,904	(6,395)	53,509
Ending balance of discounted loss reserves	(3,812)	344	(3,469)	(3,426)	295	(3,131)
As of 31 March	61,805	(7,030)	54,775	56,478	(6,100)	50,378

16 – Reserves for insurance and investment contracts

RESERVES FOR INSURANCE AND INVESTMENT CONTRACTS

€ MN	as of 31 March 2015	as of 31 December 2014
Aggregate policy reserves	418,243	399,227
Reserves for premium refunds	79,494	63,026
Other insurance reserves	1,111	1,081
Total	498,848	463,334

17 – Other liabilities

OTHER LIABILITIES

€ MN	as of 31 March 2015	as of 31 December 2014
Payables		
Policyholders	4,271	4,934
Reinsurance	1,751	1,460
Agents	1,781	1,615
Subtotal	7,804	8,009
Payables for social security	577	420
Tax payables		
Income taxes	2,072	1,801
Other taxes	1,759	1,387
Subtotal	3,831	3,187
Accrued interest and rent	497	613
Unearned income		
Interest and rent	24	24
Other	347	283
Subtotal	371	307
Provisions		
Pensions and similar obligations	10,345	9,765
Employee related	2,558	2,327
Share-based compensation plans	414	606
Restructuring plans	175	109
Loan commitments	8	12
Contingent losses from non-insurance business	133	134
Other provisions	1,495	1,684
Subtotal	15,128	14,637
Deposits retained for reinsurance ceded	1,897	1,843
Derivative financial instruments used for hedging that meet the criteria for hedge accounting and firm commitments	528	281
Financial liabilities for puttable equity instruments	1,997	1,793
Other liabilities	7,999	7,520
Total	40,632	38,609

The change in the restructuring provisions is mainly driven by the reorganization of Fireman's Fund Insurance Company in the United States. In this regard, restructuring charges of € 89 MN, thereof restructuring provisions of € 77 MN, were recorded in the reportable segment Global Insurance Lines & Anglo Markets (Property-Casualty) in the three months ended 31 March 2015.

18 – Certificated liabilities

CERTIFICATED LIABILITIES

€ MN	as of 31 March 2015	as of 31 December 2014
Allianz SE ¹		
Senior bonds	6,724	6,653
Money market securities	1,285	1,041
Subtotal	8,009	7,694
Banking subsidiaries		
Senior bonds	478	513
Subtotal	478	513
Total	8,487	8,207

1 – Includes senior bonds issued by Allianz Finance II B.V., guaranteed by Allianz SE and money market securities issued by Allianz Finance Corporation, a wholly-owned subsidiary of Allianz SE, which are fully and unconditionally guaranteed by Allianz SE.

20 – Equity

EQUITY

€ MN	as of 31 March 2015	as of 31 December 2014
Shareholders' equity		
Issued capital	1,170	1,170
Additional paid-in capital	27,758	27,758
Retained earnings ¹	21,491	19,878
Foreign currency translation adjustments	(219)	(1,977)
Unrealized gains and losses (net) ²	18,197	13,917
Subtotal	68,397	60,747
Non-controlling interests	3,103	2,955
Total	71,501	63,702

1 – As of 31 March 2015, include € (219) MN (2014: € (222) MN) related to treasury shares.

2 – As of 31 March 2015, include € 377 MN (2014: € 288 MN) related to cash flow hedges.

19 – Subordinated liabilities

SUBORDINATED LIABILITIES

€ MN	as of 31 March 2015	as of 31 December 2014
Allianz SE ¹		
Subordinated bonds ²	12,035	11,371
Subtotal	12,035	11,371
Banking subsidiaries		
Subordinated bonds	236	221
Subtotal	236	221
All other subsidiaries		
Subordinated bonds	400	400
Hybrid equity	45	45
Subtotal	445	445
Total	12,716	12,037

1 – Includes subordinated bonds issued by Allianz Finance II B.V. and guaranteed by Allianz SE.

2 – Change due to the redemption of a € 1.0 BN bond and the issuance of a € 1.5 BN bond in the first quarter of 2015.

NOTES TO THE CONSOLIDATED INCOME STATEMENTS

21 – Premiums earned (net)

PREMIUMS EARNED (NET)				
€ MN				
three months ended 31 March	Property-Casualty	Life/Health	Consolidation	Group
2015				
Premiums written				
Direct	16,113	6,829	–	22,941
Assumed	1,226	143	(35)	1,334
Subtotal	17,339	6,972	(35)	24,275
Ceded	(1,500)	(146)	35	(1,610)
Net	15,839	6,826	–	22,665
Change in unearned premiums				
Direct	(4,479)	(77)	–	(4,556)
Assumed	(328)	(1)	22	(307)
Subtotal	(4,807)	(79)	22	(4,863)
Ceded	487	6	(22)	470
Net	(4,320)	(73)	–	(4,393)
Premiums earned				
Direct	11,634	6,751	–	18,385
Assumed	899	142	(13)	1,027
Subtotal	12,532	6,893	(13)	19,412
Ceded	(1,013)	(140)	13	(1,140)
Net	11,519	6,753	–	18,272
2014				
Premiums written				
Direct	14,454	6,453	–	20,908
Assumed	763	162	(21)	903
Subtotal	15,217	6,615	(21)	21,811
Ceded	(1,227)	(155)	21	(1,362)
Net	13,990	6,460	–	20,450
Change in unearned premiums				
Direct	(3,819)	(157)	–	(3,976)
Assumed	(94)	(25)	3	(116)
Subtotal	(3,913)	(183)	3	(4,092)
Ceded	333	(1)	(3)	328
Net	(3,580)	(183)	–	(3,763)
Premiums earned				
Direct	10,635	6,296	–	16,931
Assumed	669	136	(17)	788
Subtotal	11,304	6,432	(17)	17,719
Ceded	(894)	(156)	17	(1,033)
Net	10,410	6,276	–	16,686

22 – Interest and similar income

INTEREST AND SIMILAR INCOME		
€ MN		
three months ended 31 March	2015	2014
Interest from held-to-maturity investments	40	43
Dividends from available-for-sale investments	342	298
Interest from available-for-sale investments	3,472	3,296
Share of earnings from investments in associates and joint ventures	78	37
Rent from real estate held for investment	217	207
Interest from loans to banks and customers	1,203	1,216
Other interest income	53	42
Total	5,404	5,139

23 – Income from financial assets and liabilities carried at fair value through income (net)

INCOME FROM FINANCIAL ASSETS AND LIABILITIES CARRIED AT FAIR VALUE THROUGH INCOME (NET)

€ MN	Property-Casualty	Life/Health	Asset Management	Corporate and Other	Consolidation	Group
three months ended 31 March						
2015						
Income (expenses) from financial assets and liabilities held for trading (net)	(176)	(1,757)	–	(208)	4	(2,137)
Income (expenses) from financial assets and liabilities designated at fair value through income (net)	1	278	4	15	–	298
Income (expenses) from financial liabilities for puttable equity instruments (net)	–	(222)	–	(1)	–	(223)
Foreign currency gains and losses (net)	220	2,236	1	163	–	2,621
Total	45	535	5	(30)	4	559
2014						
Income (expenses) from financial assets and liabilities held for trading (net)	(58)	(372)	(1)	1	–	(430)
Income (expenses) from financial assets and liabilities designated at fair value through income (net)	–	52	–	–	–	52
Income (expenses) from financial liabilities for puttable equity instruments (net)	–	(28)	–	–	–	(28)
Foreign currency gains and losses (net)	13	78	(1)	(5)	–	86
Total	(45)	(269)	(1)	(4)	–	(319)

Foreign currency gains and losses are reported within income from financial assets and liabilities carried at fair value through income (net) (2015: income of € 2,621 MN; 2014: income of € 86 MN). These foreign currency gains and losses arise subsequent to initial recognition on all assets and liabilities denominated in a foreign currency that are monetary items and not measured at fair value through income. The Allianz Group uses freestanding derivatives, included in the line item income (expenses) from financial assets and liabilities held for trading (net), to hedge against foreign currency fluctuations (2015: expenses of € 2,468 MN; 2014: expenses of € 67 MN).

Additionally included in the business segment Life/Health are derivative financial instruments from German entities which relate to duration management (2015: income of € 355 MN; 2014: income of € 143 MN) and protection against equity fluctuations (2015: income of € 418 MN; 2014: expenses of € 119 MN), and from U.S. entities which relate to fixed-indexed annuity products and guaranteed benefits under unit-linked contracts (2015: expenses of € 334 MN; 2014: expenses of € 246 MN).

24 – Realized gains/losses (net)

REALIZED GAINS/LOSSES (NET)

€ MN	2015	2014
three months ended 31 March		
REALIZED GAINS		
Available-for-sale investments		
Equity securities	1,404	422
Debt securities	1,359	475
Subtotal	2,763	897
Investments in associates and joint ventures ¹	–	10
Real estate held for investment	49	17
Loans and advances to banks and customers	177	70
Non-current assets classified as held for sale	29	–
Subtotal	3,017	994
REALIZED LOSSES		
Available-for-sale investments		
Equity securities	(58)	(25)
Debt securities	(121)	(55)
Subtotal	(179)	(80)
Investments in associates and joint ventures ²	–	(4)
Real estate held for investment	–	(3)
Loans and advances to banks and customers	(1)	–
Subtotal	(180)	(87)
Total	2,837	906

1 – During the three months ended 31 March 2015 and 2014, include no realized gains from the disposal of subsidiaries and businesses.

2 – During the three months ended 31 March 2015 and 2014, include no realized losses from the disposal of subsidiaries and businesses.

25 – Fee and commission income

FEE AND COMMISSION INCOME

€ MN	2015	2014
three months ended 31 March		
PROPERTY-CASUALTY		
Fees from credit and assistance business	236	197
Service agreements	121	110
Subtotal	357	307
LIFE/HEALTH		
Service agreements	22	23
Investment advisory	324	206
Subtotal	347	229
ASSET MANAGEMENT		
Management fees	1,727	1,655
Loading and exit fees	144	170
Performance fees	59	19
Other	10	16
Subtotal	1,940	1,861
CORPORATE AND OTHER		
Service agreements	16	17
Investment advisory and banking activities	183	150
Subtotal	200	167
CONSOLIDATION	(199)	(155)
Total	2,644	2,408

26 – Other income

OTHER INCOME

€ MN	2015	2014
three months ended 31 March		
Realized gains from disposals of real estate held for own use	8	20
Income from alternative investments	69	57
Total	77	78

27 – Income and expenses from fully consolidated private equity investments

INCOME AND EXPENSES FROM FULLY CONSOLIDATED PRIVATE EQUITY INVESTMENTS

€ MN	2015	2014
three months ended 31 March		
Income		
Sales and service revenues	171	169
Subtotal	171	169
Expenses		
Cost of goods sold	(53)	(54)
General and administrative expenses	(90)	(114)
Interest expenses	(25)	(8)
Subtotal	(168)	(176)
Consolidation ¹	(1)	2
Total	2	(5)

¹ – This consolidation effect results from the deferred policyholder participation recognized in the result from fully consolidated private equity investments within operating profit in the Life/Health business segment that was reclassified to expenses from fully consolidated private equity investments in non-operating profit to ensure the consistent presentation of the Allianz Group's operating profit.

28 – Claims and insurance benefits incurred (net)

CLAIMS AND INSURANCE BENEFITS INCURRED (NET)

€ MN	Property-Casualty	Life/Health	Consolidation	Group
three months ended 31 March				
2015				
Gross				
Claims and insurance benefits paid	(7,647)	(5,240)	13	(12,875)
Change in loss and loss adjustment expenses	(463)	(12)	5	(470)
Subtotal	(8,110)	(5,253)	17	(13,345)
Ceded				
Claims and insurance benefits paid	345	90	(11)	424
Change in loss and loss adjustment expenses	113	9	(5)	118
Subtotal	458	99	(16)	541
Net				
Claims and insurance benefits paid	(7,302)	(5,151)	2	(12,451)
Change in loss and loss adjustment expenses	(349)	(3)	–	(353)
Total	(7,651)	(5,154)	2	(12,804)
2014				
Gross				
Claims and insurance benefits paid	(7,311)	(5,184)	9	(12,486)
Change in loss and loss adjustment expenses	177	(25)	2	154
Subtotal	(7,134)	(5,210)	11	(12,332)
Ceded				
Claims and insurance benefits paid	402	114	(8)	509
Change in loss and loss adjustment expenses	4	14	(4)	14
Subtotal	406	128	(12)	523
Net				
Claims and insurance benefits paid	(6,909)	(5,070)	1	(11,977)
Change in loss and loss adjustment expenses	181	(11)	(2)	168
Total	(6,727)	(5,081)	–	(11,809)

29 – Change in reserves for insurance and investment contracts (net)

CHANGE IN RESERVES FOR INSURANCE AND INVESTMENT CONTRACTS (NET)

€ MN	Property-Casualty	Life/Health	Consolidation	Group
three months ended 31 March				
2015				
Gross				
Aggregate policy reserves	(65)	(2,312)	(1)	(2,379)
Other insurance reserves	–	(3)	–	(3)
Expenses for premium refunds	(109)	(3,739)	(4)	(3,852)
Subtotal	(175)	(6,054)	(5)	(6,233)
Ceded				
Aggregate policy reserves	1	89	–	91
Other insurance reserves	–	2	–	2
Expenses for premium refunds	–	1	–	1
Subtotal	1	93	–	94
Net				
Aggregate policy reserves	(64)	(2,223)	(1)	(2,287)
Other insurance reserves	–	(1)	–	(1)
Expenses for premium refunds	(109)	(3,738)	(4)	(3,851)
Total	(173)	(5,961)	(5)	(6,139)
2014				
Gross				
Aggregate policy reserves	(64)	(1,994)	1	(2,057)
Other insurance reserves	(3)	(54)	–	(57)
Expenses for premium refunds	(59)	(1,323)	(2)	(1,384)
Subtotal	(127)	(3,370)	(1)	(3,498)
Ceded				
Aggregate policy reserves	2	51	1	53
Other insurance reserves	–	3	–	3
Expenses for premium refunds	–	2	–	2
Subtotal	2	56	1	59
Net				
Aggregate policy reserves	(63)	(1,942)	1	(2,004)
Other insurance reserves	(3)	(50)	–	(53)
Expenses for premium refunds	(59)	(1,322)	(2)	(1,382)
Total	(125)	(3,314)	(1)	(3,440)

30 – Interest expenses

INTEREST EXPENSES

€ MN	2015	2014
three months ended 31 March		
Liabilities to banks and customers	(58)	(61)
Deposits retained for reinsurance ceded	(12)	(12)
Certificated liabilities	(75)	(67)
Subordinated liabilities	(143)	(141)
Other interest expenses	(28)	(21)
Total	(315)	(302)

31 – Loan loss provisions

LOAN LOSS PROVISIONS

€ MN	2015	2014
three months ended 31 March		
Additions to allowances including direct impairments	(37)	(28)
Amounts released	28	12
Recoveries on loans previously impaired	1	7
Total	(8)	(9)

32 – Impairments of investments (net)

IMPAIRMENTS OF INVESTMENTS (NET)

€ MN	2015	2014
three months ended 31 March		
IMPAIRMENTS		
Available-for-sale investments		
Equity securities	(34)	(135)
Debt securities	(61)	(226)
Subtotal	(95)	(360)
Real estate held for investment	(4)	–
Loans and advances to banks and customers	(11)	(1)
Non-current assets classified as held for sale	–	(1)
Subtotal	(110)	(362)
REVERSALS OF IMPAIRMENTS		
Loans and advances to banks and customers	1	–
Subtotal	1	–
Total	(109)	(362)

33 – Investment expenses

INVESTMENT EXPENSES

€ MN	2015	2014
three months ended 31 March		
Investment management expenses	(145)	(113)
Depreciation of real estate held for investment	(61)	(56)
Other expenses from real estate held for investment	(32)	(30)
Total	(238)	(199)

34 – Acquisition and administrative expenses (net)

ACQUISITION AND ADMINISTRATIVE EXPENSES (NET)

€ MN	2015	2014
three months ended 31 March		
PROPERTY-CASUALTY		
Acquisition costs		
Incurred	(3,108)	(2,765)
Commissions and profit received on reinsurance business ceded	109	117
Deferrals of acquisition costs	2,097	1,828
Amortization of deferred acquisition costs	(1,615)	(1,421)
Subtotal	(2,517)	(2,242)
Administrative expenses	(912) ¹	(1,207) ¹
Subtotal	(3,429)	(3,449)
LIFE/HEALTH		
Acquisition costs		
Incurred	(1,325)	(1,215)
Commissions and profit received on reinsurance business ceded	26	24
Deferrals of acquisition costs	905	834
Amortization of deferred acquisition costs	(912)	(530)
Subtotal	(1,307)	(886)
Administrative expenses	(428) ¹	(375) ¹
Subtotal	(1,734)	(1,261)
ASSET MANAGEMENT		
Personnel expenses	(673) ¹	(575) ¹
Non-personnel expenses	(368)	(309)
Subtotal	(1,042)	(884)
CORPORATE AND OTHER		
Administrative expenses	(97) ¹	380 ¹
Subtotal	(97)	380
CONSOLIDATION	7	(116)¹
Total	(6,296)	(5,330)

¹ – Include one-off effects from pension revaluation. Please refer to note 4 for further details.

35 – Fee and commission expenses

FEE AND COMMISSION EXPENSES

€ MN	2015	2014
three months ended 31 March		
PROPERTY-CASUALTY		
Fees from credit and assistance business	(245)	(203)
Service agreements	(99)	(88)
Subtotal	(344)	(291)
LIFE/HEALTH		
Service agreements	(13)	(11)
Investment advisory	(139)	(76)
Subtotal	(151)	(87)
ASSET MANAGEMENT		
Commissions	(354)	(307)
Other	(18)	(37)
Subtotal	(373)	(345)
CORPORATE AND OTHER		
Service agreements	(90)	(70)
Investment advisory and banking activities	(84)	(64)
Subtotal	(174)	(134)
CONSOLIDATION	100	75
Total	(942)	(782)

36 – Other expenses

OTHER EXPENSES

€ MN	2015	2014
three months ended 31 March		
Realized losses from disposals of real estate held for own use	–	(4)
Expenses from alternative investments	(27)	(25)
Expenses from non-current assets classified as held for sale	–	(1)
Other	(1)	(1)
Total	(28)	(30)

37 – Income taxes

INCOME TAXES

€ MN	2015	2014
three months ended 31 March		
Current income taxes	(727)	(988)
Deferred income taxes	(131)	121
Total	(858)	(867)

For the three months ended 31 March 2015 and 2014, the income taxes relating to components of other comprehensive income consist of the following:

INCOME TAXES RELATING TO COMPONENTS OF OTHER COMPREHENSIVE INCOME

€ MN	2015	2014
three months ended 31 March		
Items that may be reclassified to profit or loss in future periods		
Foreign currency translation adjustments	148	1
Available-for-sale investments	(1,269)	(920)
Cash flow hedges	(41)	(2)
Share of other comprehensive income of associates and joint ventures	(2)	(1)
Miscellaneous	(7)	(30)
Items that may never be reclassified to profit or loss		
Actuarial gains (losses) on defined benefit plans	160	159
Total	(1,012)	(792)

OTHER INFORMATION

38 – Financial instruments and fair value measurement

FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS

The following table compares the carrying amount with the fair value of the Allianz Group's financial assets and financial liabilities:

FAIR VALUES AND CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS

€ MN	as of 31 March 2015		as of 31 December 2014	
	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL ASSETS				
Cash and cash equivalents	14,589	14,589	13,863	13,863
Financial assets held for trading	3,055	3,055	2,214	2,214
Financial assets designated at fair value through income	4,090	4,090	3,660	3,660
Available-for-sale investments	513,989	513,989	465,914	465,914
Held-to-maturity investments	4,130	5,022	3,969	4,710
Investments in associates and joint ventures	4,395	5,276	4,059	4,820
Real estate held for investment	11,914	17,055	11,349	16,323
Loans and advances to banks and customers	118,367	145,316	117,075	140,238
Financial assets for unit-linked contracts	106,163	106,163	94,564	94,564
Derivative financial instruments and firm commitments included in other assets	895	895	477	477
Real estate held for own use	2,621	3,736	2,566	3,646
FINANCIAL LIABILITIES				
Financial liabilities held for trading	9,824	9,824	8,496	8,496
Liabilities to banks and customers	26,043	26,704	23,015	23,607
Financial liabilities for unit-linked contracts	106,163	106,163	94,564	94,564
Derivative financial instruments and firm commitments included in other liabilities	528	528	281	281
Financial liabilities for puttable equity instruments	1,997	1,997	1,793	1,793
Certificated liabilities	8,487	9,632	8,207	9,293
Subordinated liabilities	12,716	14,328	12,037	13,253

The Allianz Group carries certain financial instruments at fair value and discloses the fair value of most other assets and liabilities. The fair value of an asset or liability is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The maximum exposure to credit risk of financial assets, without taking collateral into account, is represented by their carrying amount, except for available-for-sale financial assets, for which it is represented by the amortized cost amount.

The degree of judgment used in measuring the fair value of financial instruments closely correlates with the level of non-market observable inputs. The Allianz Group maximizes the use of observable inputs and minimizes the use of non-market observable inputs when measuring fair value. Observability of input parameters is influenced by various factors such as type of the financial instrument, whether a market is established for the particular instrument, specific transaction characteristics, liquidity as well as general market conditions.

If the fair value cannot be measured reliably, amortized cost is used as a proxy for determining fair values. As of 31 March 2015, fair values could not be reliably measured for equity investments with carrying amounts totaling € 220 MN (31 December 2014: € 189 MN). These investments are primarily investments in privately held corporations and partnerships.

FAIR VALUE HIERARCHY

Assets and liabilities measured or disclosed at fair value in the consolidated financial statements are measured and classified in accordance with the fair value hierarchy in IFRS 13, which categorizes the inputs to valuation techniques used to measure fair value into three levels.

In general, the subsidiaries assume responsibility for assessing fair values and hierarchies of assets and liabilities. This is consistent with the decentralized organizational structure of the Allianz Group and reflects market insights of local managers. Estimates and assumptions are particularly significant when determining the fair value of financial instruments for which at least one significant input is not based on observable market data (classified within level 3 of the fair value hierarchy). The availability of market information is determined by the relative trading levels of identical or similar instruments in the market, with emphasis placed on information that represents actual market activity or binding quotations from brokers or dealers. If no sufficient market information is available, management's best estimate of a particular input is used to determine the value.

Quoted prices in active markets – Fair value level 1:

The level 1 inputs of financial instruments that are traded in active markets are based on unadjusted quoted market prices or dealer price quotations for identical assets or liabilities on the last exchange trading day prior to or at the balance sheet date, if the latter is a trading day.

Valuation techniques – Market observable inputs – Fair value level 2:

Level 2 applies if the market for a financial instrument is not active or when the fair value is determined by using valuation techniques based on observable input parameters. Such market inputs are observable substantially over the full term of the asset or liability and include references to formerly quoted prices for identical instruments from an active market, quoted prices for identical instruments from an inactive market, quoted prices for similar instruments from active markets and quoted prices for similar instruments from inactive markets. Market observable inputs also include interest rate yield curves, volatilities and foreign currency exchange rates.

Valuation techniques – Non-market observable inputs – Fair value level 3:

Where observable market inputs are not available, the fair value is based on valuation techniques using non-market observable inputs. Valuation techniques include the discounted cash flow method, comparison to similar instruments for which observable market prices exist and other valuation models. Appropriate adjustments are made for credit risks. In particular, when observable market inputs are not available, the use of estimates and assumptions may have a high impact on the valuation outcome.

FAIR VALUE MEASUREMENT ON A RECURRING BASIS

The following financial assets and liabilities are carried at fair value on a recurring basis:

- Financial assets and liabilities held for trading,
- Financial assets and liabilities designated at fair value through income,
- Available-for-sale investments,
- Financial assets and liabilities for unit-linked contracts,
- Derivative financial instruments and firm commitments included in other assets and other liabilities, and
- Financial liabilities for puttable equity instruments.

The following tables present the fair value hierarchy for financial instruments carried at fair value in the consolidated balance sheets as of 31 March 2015 and 31 December 2014.

FAIR VALUE HIERARCHY AS OF 31 MARCH 2015 (ITEMS CARRIED AT FAIR VALUE)

€ MN	Level 1 – Quoted prices in active markets	Level 2 – Market observable inputs	Level 3 – Non-market observable inputs	Total
FINANCIAL ASSETS				
Financial assets carried at fair value through income				
Financial assets held for trading				
Debt securities	98	361	–	459
Equity securities	43	146	16	205
Derivative financial instruments	141	2,127	121	2,390
Subtotal	282	2,635	137	3,055
Financial assets designated at fair value through income				
Debt securities	1,078	956	23	2,057
Equity securities	1,879	42	110	2,032
Subtotal	2,957	998	134	4,090
Subtotal	3,239	3,633	270	7,144
Available-for-sale investments				
Government and agency mortgage-backed securities (residential and commercial)	47	4,445	–	4,492
Corporate mortgage-backed securities (residential and commercial)	25	15,511	46	15,581
Other asset-backed securities	260	4,626	214	5,100
Government and government agency bonds	46,155	169,476	45	215,675
Corporate bonds	26,362	192,837	7,550	226,752
Other debt securities	557	1,905	947	3,407
Equity securities	35,234	968	6,781	42,982
Subtotal	108,639	389,767	15,582	513,989
Financial assets for unit-linked contracts	102,951	3,046	165	106,163
Derivative financial instruments and firm commitments included in other assets	–	895	–	895
Total	214,829	397,341	16,018	628,191
FINANCIAL LIABILITIES				
Financial liabilities held for trading				
Derivative financial instruments	22	1,358	8,443	9,823
Other trading liabilities	–	2	–	2
Subtotal	22	1,361	8,443	9,824
Financial liabilities for unit-linked contracts				
Derivative financial instruments and firm commitments included in other liabilities	–	528	–	528
Financial liabilities for puttable equity instruments	1,957	23	18	1,997
Total	104,929	4,959	8,625	118,513

FAIR VALUE HIERARCHY AS OF 31 DECEMBER 2014 (ITEMS CARRIED AT FAIR VALUE)

€ MN	Level 1 – Quoted prices in active markets	Level 2 – Market observable inputs	Level 3 – Non-market observable inputs	Total
FINANCIAL ASSETS				
Financial assets carried at fair value through income				
Financial assets held for trading				
Debt securities	79	323	–	402
Equity securities	47	133	15	195
Derivative financial instruments	260	1,336	22	1,618
Subtotal	385	1,792	38	2,214
Financial assets designated at fair value through income				
Debt securities	887	981	19	1,887
Equity securities	1,624	38	110	1,773
Subtotal	2,512	1,018	129	3,660
Subtotal	2,897	2,810	167	5,875
Available-for-sale investments				
Government and agency mortgage-backed securities (residential and commercial)	43	3,695	–	3,738
Corporate mortgage-backed securities (residential and commercial)	–	14,146	40	14,186
Other asset-backed securities	259	4,075	218	4,552
Government and government agency bonds	29,810	162,166	39	192,016
Corporate bonds	15,885	188,946	6,452	211,284
Other debt securities	273	1,966	729	2,968
Equity securities	30,077	868	6,226	37,171
Subtotal	76,347	375,862	13,704	465,914
Financial assets for unit-linked contracts	91,885	2,511	166	94,564
Derivative financial instruments and firm commitments included in other assets	2	476	–	477
Total	171,131	381,659	14,037	566,830
FINANCIAL LIABILITIES				
Financial liabilities held for trading				
Derivative financial instruments	49	1,315	7,129	8,493
Other trading liabilities	–	3	–	3
Subtotal	49	1,319	7,129	8,496
Financial liabilities for unit-linked contracts				
Derivative financial instruments and firm commitments included in other liabilities	–	281	–	281
Financial liabilities for puttable equity instruments	1,754	24	15	1,793
Total	93,688	4,135	7,310	105,134

Valuation methodologies of financial instruments carried at fair value

For fair value measurements categorized within level 2 and level 3, the Allianz Group uses valuation techniques consistent with the three widely used classes of valuation techniques listed in IFRS 13:

- **Market approach:** Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- **Cost approach:** Amount that would currently be required to replace the service capacity of an asset (replacement cost).
- **Income approach:** Conversion of future amounts such as cash flows or income to a single current amount (present value technique).

There is no one-to-one connection between valuation technique and hierarchy level. Depending on whether the valuation techniques are based on significant observable or unobservable inputs, financial instruments are classified in the fair value hierarchy.

Financial assets carried at fair value through income

Financial assets held for trading – Debt and equity securities

The fair value is mainly determined using the market approach. In some cases, the fair value is determined based on the income approach using interest rates and yield curves observable at commonly quoted intervals.

Financial assets held for trading – Derivative financial instruments

For level 2, the fair value is mainly determined based on the income approach using present value techniques and the Black-Scholes-Merton model. Primary inputs to the valuation include volatilities, interest rates, yield curves, and foreign exchange rates observable at commonly quoted intervals.

For level 3, derivatives are mainly priced by third-party vendors. Controls are in place to monitor the valuations of these derivatives. Valuations are mainly derived based on the income approach.

Financial assets designated at fair value through income – Debt securities

The fair value is mainly determined using net asset value techniques for funds and the market approach.

Financial assets designated at fair value through income – Equity securities

For level 2, the fair value is determined using the market approach. For level 3, equity securities mainly represent unlisted equity securities measured at cost.

Available-for-sale investments

Available-for-sale investments – Debt securities

Debt securities include:

- Government and agency mortgage-backed securities (residential and commercial),
- Corporate mortgage-backed securities (residential and commercial),
- Other asset-backed securities,
- Government and government agency bonds,
- Corporate bonds, and
- Other debt securities.

The valuation techniques for these debt securities are similar. For level 2 and level 3, the fair value is determined using the market and the income approach. Primary inputs to the market approach are quoted prices for identical or comparable assets in active markets where the comparability between security and benchmark defines the fair value level. The income approach in most cases means a present value technique where either the cash flow or the discount curve is adjusted to reflect credit risk and liquidity risk. Depending on the observability of these risk parameters in the market, the security is classified as level 2 or level 3.

Available-for-sale investments – Equity securities

For level 2, the fair value is mainly determined using the market approach or net asset value techniques for funds. For certain private equity investments, the funds are priced based on transaction prices using the cost approach. As there are only few holders of these funds, the market is not liquid and transactions are only known to participants.

For level 3, the fair value is mainly determined using net asset values. The net asset values are based on the fair value measurement of the underlying investments and are mainly provided by fund managers. For certain level 3 equity securities, the capital invested is considered to be a reasonable proxy for the fair value.

Financial assets for unit-linked contracts

For level 2, the fair value is determined using the market or the income approach. For the income approach, primary observable inputs include yield curves observable at commonly quoted intervals.

For level 3, the fair value is mainly determined based on the net asset value.

Financial liabilities for unit-linked contracts are valued based on their corresponding assets.

Derivative financial instruments and firm commitments included in other assets

The fair value of the derivatives is mainly determined based on the income approach using present value techniques. Primary inputs include yield curves observable at commonly quoted intervals. The derivatives are mainly used for hedging purposes. Certain derivatives are priced by Bloomberg functions, such as Black-Scholes Option Pricing or the swap manager tool.

Financial liabilities held for trading – Derivative financial instruments

For level 2, the fair value is mainly determined using the income approach. Valuation techniques applied for the income approach mainly include discounted cash flow models as well as the Black-Scholes-Merton model. Main observable input parameters include volatilities, yield curves observable at commonly quoted intervals and credit spreads observable in the market.

For level 3, the fair value is mainly determined based on the income approach using deterministic discounted cash flow models. A significant proportion of derivative liabilities represent derivatives embedded in certain life insurance and annuity contracts. Significant non-market observable input parameters include mortality rates and surrender rates.

Financial liabilities held for trading – Other trading liabilities

The fair value is mainly determined based on the income approach using present value techniques. Primary inputs comprise swap curves, share prices and dividend estimates.

Derivative financial instruments and firm commitments included in other liabilities

For level 2, the fair value is mainly determined using the income approach. Primary inputs include interest rates and yield curves observable at commonly quoted intervals.

Financial liabilities for puttable equity instruments

Financial liabilities for puttable equity instruments are generally required to be recorded at the redemption amount with changes recognized in income. For level 2, the fair value is mainly determined based on the market approach and the income approach.

Significant transfers of financial instruments carried at fair value

In general, financial assets and liabilities are transferred from level 1 to level 2 when liquidity, trade frequency and activity are no longer indicative of an active market. Conversely, the same policy applies for transfers from level 2 to level 1.

Significant level 3 portfolios – Narrative description and sensitivity analysis

Available-for-sale investments – Equity securities

Equity securities within available-for-sale investments classified as level 3 mainly comprise private equity fund investments as well as alternative investments of the Allianz Group and are in most cases delivered as net asset values by the fund managers (€ 5.6 BN). The net asset values are calculated using material, non-public information about the respective private equity companies. The Allianz Group has only limited insight into the specific inputs used by the fund managers and hence a narrative sensitivity analysis is not applicable. The fund's asset manager generally prices the underlying single portfolio companies in line with the International Private Equity and Venture Capital Valuation (IPEV) guidelines using discounted cash flow (income approach) or multiple methods (market approach). For certain investments, the capital invested is considered to be a reasonable proxy for the fair value. In these cases, sensitivity analyses are also not applicable.

Available-for-sale investments – Corporate bonds

Corporate bonds within available-for-sale investments classified as level 3 are mainly priced based on the income approach (€ 5.6 BN). The primary non-market observable input used in the discounted cash flow method is an option adjusted spread taken from a benchmark security. A significant yield increase of the benchmark securities in isolation could result in a decreased fair value, while a significant yield decrease could result in an increased fair value. However, a 10% stress of the main non-market observable inputs has only an immaterial impact on fair value.

Financial liabilities held for trading

Financial liabilities held for trading mainly include embedded derivative financial instruments relating to annuity products that are priced internally using discounted cash flow models (€ 8.1 BN). A significant decrease (increase) in surrender rates, mortality rates or the utilization of annuitization benefits could result in a higher (lower) fair value. For products with a high death benefit, surrender rates may show an opposite effect. However, a 10% stress of the main non-market observable inputs has only an immaterial impact on fair value.

Quantification of significant non-market observable inputs

The following table shows the quantitative description of valuation technique(s) and input(s) used for the level 3 portfolios described above.

QUANTITATIVE DESCRIPTION OF VALUATION TECHNIQUE(S) AND NON-MARKET OBSERVABLE INPUT(S) USED

€ MN				
Description	Fair value as of 31 March 2015	Valuation technique(s)	Non-market observable input(s)	Range
Available-for-sale investments				
Equity securities	5,628	Net asset value	n/a	n/a
Corporate bonds	5,600	Discounted cash flow method	Option adjusted spread	100 BPS – 432 BPS
Financial liabilities held for trading				
Derivative financial instruments	8,068			
Fixed-indexed annuities	6,073	Discounted cash flow method	Annuitizations	0% – 25%
			Surrenders	0% – 25%
			Mortality	n/a ¹
			Withdrawal benefit election	0% – 50%
			Volatility	n/a
Variable annuities	1,995	Discounted cash flow method	Surrenders	0.5% – 35%
			Mortality	n/a ¹

¹ – Presentation not meaningful. Mortality assumptions are mainly derived from the Annuity 2000 Mortality Table.

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Reconciliation of level 3 financial instruments

The following tables show a reconciliation of the financial instruments carried at fair value and classified as level 3.

RECONCILIATION OF LEVEL 3 FINANCIAL ASSETS

	Carrying value (fair value) as of 1 January 2015	Additions through purchases and issues	Net transfers into (out of) level 3	Disposals through sales and settlements
FINANCIAL ASSETS				
Financial assets carried at fair value through income				
Financial assets held for trading				
Debt securities	–	–	–	–
Equity securities	15	–	–	–
Derivative financial instruments	22	14	–	(109)
Subtotal	38	14	–	(109)
Financial assets designated at fair value through income				
Debt securities	19	4	–	(2)
Equity securities	110	–	–	–
Subtotal	129	4	–	(2)
Available-for-sale investments				
Corporate mortgage-backed securities (residential and commercial)	40	–	–	(1)
Other asset-backed securities	218	–	–	(38)
Government and government agency bonds	39	2	–	–
Corporate bonds	6,452	401	(10)	(100)
Other debt securities	729	217	–	(21)
Equity securities	6,226	295	–	(246)
Subtotal	13,704	916	(9)	(406)
Financial assets for unit-linked contracts	166	1	–	(1)
Total financial assets at fair value	14,037	935	(9)	(518)

RECONCILIATION OF LEVEL 3 FINANCIAL LIABILITIES

	Carrying value (fair value) as of 1 January 2015	Additions through purchases and issues	Net transfers into (out of) level 3	Disposals through sales and settlements
FINANCIAL LIABILITIES				
Financial liabilities held for trading				
Derivative financial instruments	7,129	441	22	(254)
Financial liabilities for unit-linked contracts	166	1	–	(1)
Financial liabilities for puttable equity instruments	15	3	–	(1)
Total financial liabilities at fair value	7,310	445	22	(256)

Net gains (losses) recognized in consolidated income statement	Net gains (losses) recognized in other comprehensive income	Impairments	Foreign currency translation adjustments	Changes in the consolidated subsidiaries of the Allianz Group	Carrying value (fair value) as of 31 March 2015	Net gains (losses) in profit or loss attributable to a change in unrealized gains or losses for financial assets held at the reporting date
–	–	–	–	–	–	–
–	–	–	–	–	16	–
187	–	–	6	–	121	25
187	–	–	6	–	137	25
–	–	–	–	–	–	–
2	–	–	–	–	23	–
–	–	–	–	–	110	–
2	–	–	–	–	134	–
–	–	–	–	–	–	–
1	1	–	5	–	46	–
8	6	–	17	3	214	–
–	–	–	4	–	45	–
29	148	–	629	–	7,550	–
1	15	(1)	3	3	947	–
14	469	(18)	41	–	6,781	–
53	639	(19)	699	6	15,582	–
(1)	–	–	–	–	165	–
241	639	(19)	705	6	16,018	25

Net losses (gains) recognized in consolidated income statement	Net losses (gains) recognized in other comprehensive income	Impairments	Foreign currency translation adjustments	Changes in the consolidated subsidiaries of the Allianz Group	Carrying value (fair value) as of 31 March 2015	Net losses (gains) in profit or loss attributable to a change in unrealized gains or losses for financial liabilities held at the reporting date
–	–	–	–	–	–	–
228	(18)	–	894	–	8,443	369
(1)	–	–	–	–	165	–
–	–	–	–	–	18	–
227	(18)	–	894	–	8,625	369

FAIR VALUE MEASUREMENT ON A NON-RECURRING BASIS

Certain financial assets are measured at fair value on a non-recurring basis when events or changes in circumstances indicate that the carrying amount may not be recoverable.

If financial assets are measured at fair value on a non-recurring basis at the time of impairment or if fair value less cost to sell is used as the measurement basis under IFRS 5, corresponding disclosures can be found in note 32 – Impairments of investments (net) or note 36 – Other expenses.

RECLASSIFICATION OF FINANCIAL ASSETS

On 31 January 2009, certain USD-denominated CDOs were reclassified from financial assets held for trading to loans and advances to banks and customers in accordance with IAS 39.

As of 31 December 2014, the carrying amount and fair value of the CDOs was € 167 MN and € 169 MN, respectively. As of 31 March 2015, the carrying amount and fair value of the CDOs was € 176 MN and € 179 MN, respectively. For the three months ended 31 March 2015, the net profit related to the CDOs was not significant.

39 – Earnings per share

BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of common shares outstanding for the period.

BASIC EARNINGS PER SHARE		
€ MN	2015	2014
three months ended 31 March		
Net income attributable to shareholders used to calculate basic earnings per share	1,822	1,640
Weighted average number of common shares outstanding	454,251,291	453,740,069
Basic earnings per share (€)	4.01	3.62

DILUTED EARNINGS PER SHARE

Diluted earnings per share are calculated by dividing net income attributable to shareholders by the weighted average number of common shares outstanding for the period, both adjusted for the effects of potentially dilutive common shares. These effects arise from various share-based compensation plans of the Allianz Group.

DILUTED EARNINGS PER SHARE

€ MN	2015	2014
three months ended 31 March		
Net income attributable to shareholders	1,822	1,640
Effect of potentially dilutive common shares	(3)	(20)
Net income used to calculate diluted earnings per share	1,819	1,620
Weighted average number of common shares outstanding	454,251,291	453,740,069
Potentially dilutive common shares resulting from assumed conversion of:		
Share-based compensation plans	151,836	3,033,129
Weighted average number of common shares outstanding after assumed conversion	454,403,127	456,773,198
Diluted earnings per share (€)	4.00	3.55

For the three months ended 31 March 2015, the weighted average number of common shares excludes 2,748,709 (2014: 2,759,931) treasury shares.

40 – Other information

NUMBER OF EMPLOYEES

NUMBER OF EMPLOYEES		
	as of 31 March 2015	as of 31 December 2014
Germany	40,639	40,692
Other countries	107,307	106,733
Total	147,946	147,425

CONTINGENT LIABILITIES AND COMMITMENTS

As of 31 March 2015, there were no significant changes in contingent liabilities compared to the consolidated financial statements for the year ended 31 December 2014.

As of 31 March 2015, commitments outstanding to invest in private equity funds and similar financial instruments amounted to € 4,124 MN (31 December 2014: € 4,388 MN) and commitments outstanding to invest in real estate and infrastructure amounted to € 1,395 MN (31 December 2014: € 1,209 MN). Other commitments – mainly referring to a purchase obligation and sponsoring – increased from € 743 MN as of 31 December 2014 to € 807 MN as of 31 March 2015. All other commitments showed no significant changes.

INSURANCE LAWS (AMENDMENT) BILL IN INDIA

The Insurance Laws (Amendment) Bill has become legally effective in the first quarter of 2015 and provides for raising the foreign investment cap in India from 26 % to 49 %. As per the 2001 joint venture agreement between the Allianz Group and Bajaj, the Allianz Group has the right to increase the stakes in Bajaj at pre-determined prices, if allowed under applicable laws, and subject to regulatory approvals. The Allianz Group is currently in the process of evaluating the contractual situation against the prevailing regulatory background.

41 – Subsequent events**SALE OF FIREMAN'S FUND'S PERSONAL INSURANCE BUSINESS**

During the first quarter of 2015, the Allianz Group received regulatory approval from the California Department of Insurance to sell the Fireman's Fund personal lines business to ACE. The sale was closed on 1 April 2015. As of today, the Allianz Group expects the gain on the sale, net of further restructuring expenses, to approximate € 0.3 BN.

ALLIANZ CALLS EUR 400 MN SUBORDINATED NOTES

On 21 April 2015, Allianz France S.A. called for redemption the € 400 MN 4.625 % fixed to floating rate undated subordinated notes of 2005 to be effected 10 June 2015.

Munich, 11 May 2015

Allianz SE
The Board of Management

Oliver Zilk Sergio Ballinot
 M. Janner M. Frey
 Woscher J. Rely
 Axel Theis, Peter Wimmer
 Zoran M. Zimmerer

REVIEW REPORT

To Allianz SE, Munich

We have reviewed the condensed consolidated interim financial statements of Allianz SE, Munich - comprising the consolidated balance sheets, consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, consolidated statements of cash flows and selected explanatory notes - together with the interim group management report of Allianz SE, Munich, for the period from 1 January to 31 March 2015 that are part of the quarterly financial report according to § 37 x par. 3 WpHG [„Wertpapierhandelsgesetz“: „German Securities Trading Act“]. The preparation of the condensed consolidated interim financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the E.U., and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We performed our review of the condensed consolidated interim financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed consolidated interim financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the E.U., and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the E.U., or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, 11 May 2015

KPMG AG
Wirtschaftsprüfungsgesellschaft



Klaus Becker
Wirtschaftsprüfer
(Independent Auditor)



Dr. Frank Pfaffenzeller
Wirtschaftsprüfer
(Independent Auditor)

Financial calendar

Important dates for shareholders and analysts¹

Interim Report/Financial Results 2Q _____	7 August 2015
Interim Report/Financial Results 3Q _____	6 November 2015
Financial Results 2015 _____	19 February 2016
Annual Report 2015 _____	11 March 2016
Annual General Meeting _____	4 May 2016
Interim Report/Financial Results 1Q _____	11 May 2016

¹ – The German Securities Trading Act (“Wertpapierhandelsgesetz”) obliges issuers to announce immediately any information which may have a substantial price impact. Therefore we cannot exclude that we have to announce key figures related to quarterly and fiscal year results ahead of the dates mentioned above. As we can never rule out changes of dates, we recommend checking them on the internet at www.allianz.com/financialcalendar.