

Invitation

to the

Annual General Meeting

of Allianz AG

on May 4, 2005

2005

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Disclaimer

This is a translation of the invitation to and Agenda of the Annual General Meeting of Allianz AG. Only the German version of this document is legally binding on Allianz AG. Every effort was made to ensure the accuracy of this translation, which is provided to shareholders for informational purposes only. No warranty is made as to the accuracy of this translation and Allianz AG assumes no liability with respect thereto.

Invitation to the Annual General Meeting

We hereby invite our shareholders to the **Annual General Meeting of Allianz Aktiengesellschaft**, to be held on **Wednesday, May 4, 2005 at 10:00 a.m.** at the Olympiahalle in the Olympiapark, Coubertinplatz, 80809 Munich, Germany.

Agenda

1. Presentation of the approved Annual Financial Statements, and the approved Consolidated Financial Statements as of and for the fiscal year ended December 31, 2004, and of the Management Reports for Allianz AG and for the Group as well as the Report of the Supervisory Board for the fiscal year 2004

The documents mentioned above are available for inspection at the registered office of the Company, Königinstrasse 28, 80802 Munich, Germany and on the Internet at www.allianz.com/agm as part of the Annual Reports of Allianz AG and the Allianz Group. Copies will be sent to shareholders upon request.

2. Appropriation of Net Earnings

The Board of Management and the Supervisory Board propose that the available net earnings of EUR 852,000,000 for the fiscal year 2004 be appropriated as follows:

- Distribution of a dividend of EUR 1.75 per no-par share entitled to a dividend EUR 674,364,188.75
- Allocation to retained earnings EUR 177,635,811.25

The proposal on the appropriation of net earnings takes into consideration shares held by the Company, directly or indirectly, which are not entitled to dividends pursuant to Sec. 71b of the German Stock Corporation Act. Until the Annual General Meeting, the number of shares entitled to dividends may be reduced or increased by further share repurchases or sales of treasury shares. In such case, the proposed resolution will be adjusted, while the distribution of a dividend of EUR 1.75 per no-par share entitled to a dividend will remain unchanged.

3. Approval of the Actions of the Members of the Board of Management

The Board of Management and the Supervisory Board propose that the actions of the members of the Board of Management for the fiscal year 2004 be approved.

4. Approval of the Actions of the Members of the Supervisory Board

The Board of Management and the Supervisory Board propose that the actions of the members of the Supervisory Board for the fiscal year 2004 be approved.

5. By-Elections to the Supervisory Board

By order of the Local Court (Amtsgericht) of Munich, Mr. Igor Landau and Professor Dr. Dennis J. Snower have been appointed as members of the Company's Supervisory Board, replacing outgoing members Mr. Bertrand Collomb and Professor Jürgen E. Schrempp. The Supervisory Board believes that the Annual General Meeting should approve these appointments. The Supervisory Board therefore proposes that the following resolution be adopted:

The following persons are elected for the remainder of the original term of office of Mr. Collomb and Professor Schrempp – i.e. until the end of the 2008 Annual General Meeting – as shareholder representatives of the Supervisory Board:

Mr. Igor Landau, Paris,
Member of the Board of Directors
of Sanofi-Aventis S.A.

and

Professor Dr. Dennis J. Snower, Kiel,
President of the Kiel Institute for
World Economics

Dr. Albrecht Schäfer and Professor Dr.-Ing. Hermann Scholl have resigned as shareholder representatives to the Supervisory Board as of the end of the Annual General Meeting on May 4, 2005. The Supervisory Board proposes that the following resolution be adopted:

The following persons are elected for the remainder of the original term of office of Dr. Schäfer and Professor Dr.-Ing. Scholl – i.e. until the end of the 2008 Annual General Meeting – as shareholder representatives of the Supervisory Board:

Mr. Franz Fehrenbach, Stuttgart,
Chairman of the Board of Management
of Robert Bosch GmbH

and

Dr. Franz B. Humer, Basel,
Chairman of the Board of Directors
and Chief Executive Officer
of F. Hoffmann-La Roche AG

The Supervisory Board further proposes that the following resolution be adopted:

The following persons are elected as substitute members of the Supervisory Board for Messrs. Franz Fehrenbach, Dr. Franz B. Humer, Igor Landau and Professor Dr. Dennis J. Snower:

Dr. Albrecht Schäfer, Munich,
Corporate Vice President of Siemens AG,
Head of Corporate Personnel World

and

Dr. Jürgen Than, Hofheim a.Ts.,
Attorney-at-law, former General Counsel
of Dresdner Bank AG

These persons will become members of the Supervisory Board in the order as listed above if any of the shareholder representatives to the Supervisory Board up for election as per the above, or any substitute member for such Supervisory Board member, resigns from the Supervisory Board prior to the end of the regular term without the Annual General Meeting electing a successor prior to such resignation. The term of office of substitute members who join the Supervisory Board expires at the end of the Annual General Meeting in which a successor for the substituted Supervisory Board member is elected, and in any event no later than the time at which the regular term of office of such substituted Supervisory Board member would have expired. A substitute member who has joined and then left the Supervisory Board before the end of his term will re-assume his initial position in the order of the substitute members.

The Annual General Meeting is not bound by election proposals. Pursuant to Sec. 96 par. 1, 101 par. 1 of the German Stock Corporation Act and Sec. 7 par. 1 sentence 1 No. 3 of the German Co-Determination Act, the Supervisory Board is composed of ten members to be elected by the Annual General Meeting and ten members to be elected by the employees.

6. Amendments to the Articles of Association on the Remuneration of Supervisory Board Members

The provisions of the Articles of Association on the remuneration of Supervisory Board members are to be amended taking into consideration the recommendations and proposals of the German Corporate Governance Code. In particular, it is proposed that a component of the remuneration be introduced that is linked to the Company's long-term business performance.

The Board of Management and the Supervisory Board therefore propose that the following resolution be adopted:

Art. 9 of the Articles of Association will be amended and replaced by the following provisions:

„1. Each member of the Supervisory Board will receive

a) an annual fixed remuneration of EUR 50,000;

b) an annual performance-based remuneration of EUR 150 for each one tenth percentage point or part thereof by which the Group's earnings per share increased over the course of one year, such increase being determined by a comparison of the Group's earnings per share for the fiscal year for which the remuneration is to be paid (year of remuneration) with the Group's earnings

per share for the fiscal year preceding the year of remuneration;

c) an annual remuneration, based on the Company's long-term business performance, of EUR 60 for each one tenth percentage point or part thereof by which the Group's earnings per share increased over a period of three years, such increase being determined by a comparison of the Group's earnings per share for the year of remuneration with the Group's earnings per share for the third fiscal year preceding the year of remuneration.

The remuneration based on b) and c) is capped by a maximum amount of EUR 24,000 each. The performance-based remuneration will be calculated based on the Group's earnings for the respective fiscal year prepared in accordance with International Financial Reporting Standards (IFRS). In case of subsequent amendments to the Group's earnings per share amount, the amount as amended will be relevant. If amendments to the accounting standards result in an increase or decrease in the Group's earnings per share, all the Group's earnings per share amounts relevant for the determination of the performance-based remuneration are to be determined in accordance with the standards as amended, in order to ensure comparability. The Group's earnings per share accounted for in the approved Consolidated Financial Statements for the years 2004 and prior are to be adjusted for the regular amortization of goodwill.

If the Group's earnings per share, as determined in accordance with the above rules, for the year preceding the year of remuneration in the case of b) or for the third year preceding the year of remuneration in the case of c), are below EUR 5, the amount relevant for the performance-based remuneration for these fiscal years will be EUR 5.

2. The Chairman of the Supervisory Board will receive two times, and each Vice Chairman one-and-one-half times, the remuneration according to par. 1. Each member of a Supervisory Board committee, except for the mediation committee according to Sec. 27 par. 3 of the Co-Determination Act and the audit committee, will receive an additional 25% of the remuneration according to par. 1, while the chairmen of these committees will receive an additional 50%. Members of the audit committee will receive an additional annual fixed remuneration of EUR 30,000, while the chairman will receive an additional EUR 45,000.

The total annual remuneration of a member of the Supervisory Board shall not exceed two times, and the remuneration of the Chairman of the Supervisory Board shall not exceed three times, the remuneration according to par. 1.

3. In addition, the members of the Supervisory Board will receive an attendance fee of EUR 500 for each personal attendance of meetings of the Supervisory Board and its committees requiring such personal

attendance. Should several such meetings be held on the same or on consecutive days, the attendance fee will be paid only once.

4. Supervisory Board members who served for only part of the fiscal year shall receive one twelfth of the annual remuneration for each month of service or any part of such month. The same applies to membership in Supervisory Board committees.

5. The remuneration according to par. 1 and 2 will be due after the end of the Annual General Meeting, to which the Consolidated Financial Statements for the year of remuneration are submitted or which decides on their approval.

6. The Company reimburses the members of the Supervisory Board for their out-of-pocket expenses and the VAT payable on these salaries. The company provides insurance coverage and technical support to the Supervisory Board members to the extent reasonably adequate to carry out the Supervisory Board duties.

7. The provisions of this art. 9 will first apply for the year of remuneration 2005."

At present, Art. 9 of the Articles of Association reads as follows:

„1. Each member of the Supervisory Board will receive an annual fixed remuneration of EUR 4,000 and, in addition, a remuneration of EUR 500 for every cent by which the

dividend per share declared by the Annual General Meeting exceeds the amount of 15 cents.

2. The Chairman of the Supervisory Board will receive double, and each Vice Chairman one-and-one-half times the remuneration according to par. 1. Each member of a Supervisory Board committee, except for the mediation committee according to Sec. 27 par. 3 of the Co-Determination Act and the audit committee, will receive an additional 25% of the remuneration formed according to par. 1, while the chairmen of these committees will receive an additional 50%. Members of the audit committee will receive an additional annual fixed remuneration of EUR 30,000, while the chairman will receive an additional EUR 45,000. Supervisory Board members who served for only part of the fiscal year shall receive one twelfth of the annual remuneration for each initiated month of service. This applies in the same manner to members of Supervisory Board committees. The total annual remuneration of a member of the Supervisory Board shall not exceed double, and the remuneration of the Chairman of the Supervisory Board shall not exceed triple, the remuneration according to par. 1.

3. The Company reimburses the members of the Supervisory Board for their out-of-pocket expenses and for the VAT payable on these salaries. The company provides insurance coverage and technical support

to the Supervisory Board members to the extent reasonably adequate to carry out the Supervisory Board duties.

4. For the time period until the Annual General Meeting in 2003, the remuneration of the members of the Supervisory Board will be calculated according to the provisions of the Articles of Association governing at that time.”

7. Authorization to Acquire Company Shares for Trading Purposes

The authorization to acquire Company shares for trading purposes according to Sec. 71 par. 1 No. 7 of the German Stock Corporation Act, adopted by last year's Annual General Meeting on May 5, 2004, expires on November 4, 2005, and should therefore be renewed. In particular, the renewal will allow Dresdner Bank AG, which belongs to the Allianz Group, to trade in shares of Allianz AG.

The Board of Management and the Supervisory Board therefore propose that the following resolution be adopted:

- a) Domestic or foreign credit institutions, within the meaning of Sec. 71 par. 1 No. 7 of the German Stock Corporation Act, that are majority-owned by the Company shall be authorized to buy and sell shares of the Company for trading purposes. The total number of shares acquired under this authorization, together with other treasury shares held

by the Company (or that the Company is deemed to hold according to Sec. 71a et seq. of the German Stock Corporation Act), shall at no time exceed 10% of the capital stock of Allianz AG.

- b) Based on this resolution, shares may be acquired only if the consideration paid per share is not more than 10% higher or lower than the average market price of shares of Allianz AG (in the Xetra-trading system or any comparable succeeding system) during the three trading days preceding the acquisition of the shares.
- c) The trading position in shares acquired for this purpose shall not, at the end of any day, exceed 5% of the capital stock of Allianz AG.
- d) This authorization shall be effective until (and including) November 3, 2006. The currently existing authorization to acquire Company shares for trading purposes, adopted by the Annual General Meeting on May 5, 2004 and expiring on November 4, 2005, shall be cancelled upon the new authorization becoming effective.

8. Authorization to Acquire and Utilize Company Shares for Other Purposes

The authorization granted to the Board of Management by the Annual General Meeting on May 5, 2004 to buy Company shares pursuant to Sec. 71 par. 1 No. 8 of

the German Stock Corporation Act expires on November 4, 2005, and should therefore be renewed. The proposed resolution sets forth alternative methods by which the Company may acquire and subsequently use its own shares.

The Board of Management and the Supervisory Board propose that the following resolution be adopted:

- a) The Company shall be authorized to acquire Company shares in an amount of up to 10% of the current capital stock of Allianz AG; the total number of Company shares acquired, together with other treasury shares held by the Company (or shares that the Company is deemed to hold according to Sec. 71a et seq. of the German Stock Corporation Act) shall at no time exceed 10% of the capital stock of Allianz AG. This authorization shall not be used for the purpose of trading in the Company's shares.
- b) This authorization may be exercised in part or in whole and on one or more occasions, to pursue one or several purposes by the Company or by other companies controlled or majority-owned by the Company or by third parties acting for the account of such companies or for the account of the Company. This authorization to acquire Company shares shall be effective until November 3, 2006. The authorization to acquire Company shares for other purposes, granted at the Annual General Meeting of Allianz AG on May 5, 2004, shall be cancelled upon adoption of the new authorization.
- c) The share repurchase may be carried out, at the discretion of the Board of Management, (1) through a stock exchange, (2) through a public tender offer, or (3) through an exchange offer for shares of a listed company within the meaning of Sec. 3 par. 2 of the German Stock Corporation Act.
 - (1) If the shares are repurchased over a stock exchange, the purchase price per share (excluding incidental costs) shall not be more than 15% higher or lower than the opening auction price on the respective trading day in the Xetra-trading system (or any comparable succeeding system).
 - (2) If the shares are repurchased through a public tender offer, the tender price per share (without incidental costs), or the high and low ends of the price range, shall not be more than 20% higher or lower than the closing price in the Xetra-trading system (or any comparable succeeding system) on the third trading day prior to the public announcement of the tender offer. If, after the publication of the public tender offer, material devi-

ations in the relevant market price occur, the offer can be adjusted accordingly. In such a case, the basis of the adjustment will be the stock exchange price on the third trading day prior to the public announcement of the adjustment.

The volume can be restricted. If the offer is over-subscribed, tenders must be accepted proportionately to the number of shares tendered; the right of shareholders to tender shares in proportion to their shareholdings is insofar excluded. Preferential acceptance may be provided for small lots of up to 100 shares per shareholder. The public tender offer may stipulate additional conditions.

- (3) If the shares are acquired through a public tender offer to exchange Allianz AG shares for shares of a listed company within the meaning of Sec.3 par.2 of the German Stock Corporation Act ("exchange shares"), the exchange ratio may be stipulated or may be determined by way of an auction. Consideration in cash may supplement the delivery of exchange shares or may be used to settle fractional amounts. Irrespective of the procedure for the exchange, the exchange price per share or the relevant high and low ends of the exchange price range in form of one or more exchange

shares and fractional amounts, including any cash or fractional amounts (excluding incidental costs), shall not be more than 20% higher or lower than the relevant value of a share in Allianz AG.

The value of the shares of Allianz AG and of the exchange shares shall be determined based on the relevant closing price in the Xetra-trading system (or, if the respective shares are not traded in the Xetra-trading system, the trading system used in the particular market segment that is most similar to Xetra) on the third trading day prior to the public announcement of the exchange offer. If, after the public announcement of the public exchange offer, substantial price deviations occur, the offer can be adjusted. In such a case the basis of the adjustment will be the relevant prices on the third trading day prior to the public announcement of an adjustment.

The volume can be restricted. If the offer is oversubscribed, tenders must be accepted proportionately to the number of shares tendered; the right of shareholders to tender shares in proportion to their shareholdings is insofar excluded. Preferential acceptance may be provided for small lots of up to 100 shares per shareholder. The exchange offer may stipulate additional conditions.

- d) The Board of Management shall be authorized to use shares of the Company repurchased on the basis of this authorization for any lawful purposes, including any of the following:
- (1) The shares can be sold in ways other than on a stock exchange or through an offer to the shareholders if they are sold for cash at a price not substantially below the stock exchange price of shares of the Company at the time of the sale. This authorization is, however, restricted pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act to the extent that the total number of shares sold under exclusion of pre-emptive rights shall not exceed 10% of the capital stock of Allianz AG, neither at the time of this authorization becoming effective nor at the time of its exercise. In determining this 10%-limit, all shares must be included that are issued during the term of this authorization under exclusion of pre-emptive rights pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act. Furthermore, shares issued or required to be issued to meet obligations arising from bonds carrying conversion or option rights or conversion obligations must also be included in determining this limit, if these bonds are issued during the term of this authorization under exclusion of pre-emptive rights pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act.
 - (2) The shares may be sold for contributions in kind, particularly in the case of acquisitions of companies or interests in companies.
 - (3) The shares may be placed on foreign stock exchanges on which they are not yet admitted for trading. The initial offer price (excluding incidental costs) of these shares may not be more than 5% below the closing price in the Xetra-trading system (or any comparable succeeding system) on the last trading day prior to the listing.
 - (4) The shares may be used to meet the obligations to holders of conversion or option rights which were granted by the Company or any of its Group companies in connection with bond issues, or to meet obligations arising from bonds carrying conversion obligations issued by the Company or any of its Group companies.
 - (5) The shares may be offered for purchase to employees of the Company or any of its Group companies.

- (6) The shares may be redeemed without an additional resolution by the Annual General Meeting authorizing such redemption of shares or its implementation. The redemption will result in a capital decrease. Alternatively, the Board of Management may decide that the capital stock shall remain unchanged, so that the redemption will increase the proportionate share of the remaining shares in the capital stock pursuant to Sec. 8 par. 3 German Stock Corporation Act. In this case, the Board of Management shall be authorized to adjust the number of shares in the Articles of Association.
- e) The authorizations under sub-item d) shall also apply to the use of Company shares repurchased on the basis of earlier authorizations according to Sec. 71 par. 1 No. 8 of the German Stock Corporation Act and to any such shares repurchased by Group companies or in accordance with Sec. 71 d sentence 5 of the German Stock Corporation Act.
- f) The authorizations under sub-item d) may be exercised on one or more occasions, in part or in whole, individually or jointly. The authorizations under items d), (1), (2), (4), (5) may also be exercised by companies controlled or majority-owned by the Company or by third parties acting on the account of such companies or on the account of the Company.
- g) The shareholders' pre-emptive rights on these treasury shares shall be excluded insofar as these shares are used according to the above authorization under sub-item d), (1)–(5). Furthermore, the Board of Management shall be authorized, in the event of a sale of treasury shares through an offer to shareholders, to grant holders of bonds carrying conversion or option rights or conversion obligations issued by the Company or its Group companies pre-emptive rights on these shares to the extent they would be entitled thereto after having exercised the conversion or option right or after any conversion obligation has been fulfilled; to this extent, shareholders' pre-emptive rights shall be excluded.

9. Securing the Right to subscribe for Profit Participation Certificates

In the event of a capital increase with subscription rights for shareholders, the profit participation certificates issued by the Company provide for the right of holders of such certificates to subscribe for further profit participation certificates through a corresponding increase of profit participation capital. The same applies to the issuance of subscription rights for new shares in connection with convertible bonds or warrants, provided that shareholders have a right to subscribe to such bonds or warrants. The Board of Management and the Supervisory Board propose that the following resolution be adopted in order

to secure the subscription rights to profit participation certificates:

- a) The authorization to secure the subscription rights of holders of profit participation certificates granted by the Annual General Meeting on July 12, 2000 and expiring on July 11, 2005 is cancelled.
- b) In order to secure the subscription rights of holders of profit participation certificates the Board of Management is authorized, up to May 3, 2010 and with the approval of the Supervisory Board, to issue profit participation certificates in a total nominal amount of up to EUR 25,000,000 with terms corresponding to those issued by the Company to date. These terms provide for an annual distribution, on each certificate with a nominal value of EUR 5.12, of 240% of the dividend paid by the Company on a no-par-value share, but of no less than 5% of the certificate's nominal value. Profit participation certificates confer no voting rights, no rights of conversion into Allianz shares and no rights to liquidation proceeds. Holders may redeem profit participation certificates every five years upon 12 months notice. The next opportunity to redeem certificates will be on December 31, 2006, provided that 12 months prior notice had been given by the holder. In this case, the terms of the certificates guarantee a redemption price that corresponds to the weighted

average issue price of all issues of profit participation certificates.

The Company may redeem profit participation certificates on an annual basis upon six months notice, with redemption to occur no earlier than at the end of 2006. In such a case, the cash compensation will amount to 122.9% of the average price of the Allianz share during the past three months prior to redemption. Instead of paying such cash compensation, the Company may also offer to convert the profit participation certificates into no-par-value shares at a ratio of ten shares to eight certificates.

- c) In the event of an increase of the capital stock with subscription rights of shareholders, the profit participation capital shall be increased accordingly pursuant to the terms of the profit participation certificates. The same applies to subscription rights for new shares in connection with convertible bonds or warrants, provided that shareholders have a right to subscribe to such bonds or warrants. Holders of profit participation certificates will receive the right to subscribe to new certificates under terms comparable to those applying to shareholders for the capital increase. Shareholders have no right to subscribe to the new profit participation certificates. Any certificates not subscribed to will be sold at the best price possible.

Participation in the Annual General Meeting

Pursuant to Art. 10 par. 3 of the Articles of Association, shareholders may participate in the Annual General Meeting and exercise their voting rights – personally or by proxy – if they give notice to the Board of Management of the Company by **Wednesday, April 27, 2005**, either in writing to

Hauptversammlung Allianz AG
c/o ADEUS Aktienregister-Service-GmbH
60215 Frankfurt am Main
Germany

or via the Internet according to the procedure laid out by the Company at

www.allianz.com/agm-service

provided the respective shares are registered in the share register. For purposes of determining participation and voting rights, the status of the share register as of April 27, 2005 shall be decisive. Due to the increasing number of participants at our Annual General Meetings in the last few years, each shareholder registered in the share register will be allotted one admission ticket only.

Shareholders registered in the share register may also exercise their voting rights at the Annual General Meeting through a representative, e.g. a credit institution or an association of shareholders. In such a case, the representative itself must notify the Board of Management of its attendance or the shareholder must do so

in time. If the representative is neither a credit institution nor an association of shareholders, the proxy must be granted in writing or via the Internet address shown above.

As a special service, we also offer to all our shareholders the option to authorize persons appointed by the Company to vote on the shareholders' behalf. These representatives can be authorized in writing with the form submitted to shareholders or via the Internet (www.allianz.com/agm-service) in accordance with the procedure laid out by the Company. These representatives will vote solely on the basis of the instructions given by the shareholder. If a separate vote is to be held on an item of the agenda, the instruction given on this item will cover all subitems. Shareholders should note that representatives cannot take instructions to make requests for leave to speak, or to pose questions or to make proposals.

Shareholders who wish to use the Internet to order admission tickets or to authorize a representative appointed by the Company will need their shareholder number and the respective online password. Shareholders who have already signed up to receive the invitation to the Annual General Meeting via e-mail, will receive their shareholder number in the invitation e-mail for the Annual General Meeting, and will be required to use the password they chose when signing up for e-mail delivery. All other shareholders registered in the share register will receive their shareholder number and online password together with the invitation letter for the Annual General Meeting by ordinary mail.

Credit institutions that are registered in the share register may exercise voting rights with respect to shares to which they do not hold title only by proxy of the shareholder.

Holders of American Depositary Shares (ADS) will be provided with proxy documents by JP Morgan Chase (Depositary).

Further information on the registration and on the authorization of representatives is provided in the documents sent to the shareholders or on the Internet at www.allianz.com/agm-service.

Proposals and Questions

Questions regarding the Annual General Meeting as well as shareholder proposals and nominations within the meaning of Sec. 126 and 127 of the German Stock Corporation Act must be sent to the address below. Shareholder proposals and nominations addressed otherwise cannot be taken into consideration.

Allianz AG
Investor Relations
Königinstrasse 28
80802 Munich
Germany

E-Mail: investor.relations@allianz.com
Fax: +49 89.38 00-38 99

Shareholder proposals and shareholder nominations received by us no later than 12 midnight CET, April 19, 2005, as well as any management statements with respect thereto, will be made accessible via Internet at www.allianz.com/agm.

Transmission of the Annual General Meeting via Internet

Shareholders may watch the Annual General Meeting on May 4, 2005 beginning at 10:00 a.m. in its entirety live via Internet (www.allianz.com/agm-service). Shareholders can obtain online access by entering their shareholder number and online password. The opening of the Annual General Meeting by the chairman of the Annual General Meeting and the speech of the Chairman of the Board of Management will be accessible to any interested person live on the Internet (www.allianz.com/agm) and will also be available as replay after the Annual General Meeting. No recording of the entire live transmission will be made.

Munich, March 2005
The Board of Management

Reports of the Board of Management to the Annual General Meeting

1. Report regarding Item 6 of the Agenda (Amendments to the Articles of Association on the Remuneration of Supervisory Board Members)

Pursuant to Item 6 of the Agenda, the Board of Management proposes to amend the remuneration of Supervisory Board members. We thereby follow a proposal by the German Corporate Governance Code, according to which the remuneration of Supervisory Board members should also be based in part on the company's long-term business performance. At the same time, we intend to create a better balance between fixed and variable elements of the remuneration. While the fixed parts of the remuneration will increase, the variable parts will decrease. This will, however, not involve any significant change in the overall remuneration of Supervisory Board members.

In the future, the performance-based remuneration should no longer be based on the dividend but on the Group's earnings per share. Group's earnings per share is an appropriate and well-accepted measure for a company's performance during a given period. As part of the Group's Financial Statements, its accurate computation will be passed upon by certified auditors. Therefore, it is an objective measure which is accessible to all shareholders as well as the general public.

The new concept of a performance-based remuneration provides for both a short-term and a long-term component. The short-term component will be based on the development of the Group's earnings per share during the preceding fiscal year, whereas the long-term component will take into account the Group's earnings per share during the three preceding fiscal years. Thus, an increase in the Group's earnings per share of 8% during the preceding fiscal year (short-term component) or of 20% during the three preceding fiscal years would result in a performance-based remuneration of EUR 12,000 each. A greater or smaller increase in the Group's earnings per share will increase or decrease the performance-based remuneration, with the maximum amount of remuneration being capped at EUR 24,000 for each of the two components. This maximum amount would be achieved if the Group's earnings per share increased by 16% or 40%, respectively. If the Group's earnings per share do not increase at all in the relevant periods, no performance-based remuneration will be paid out at all.

The fixed remuneration is to be increased to EUR 50,000. This will result in a better balance between the fixed and the variable elements of the remuneration. According to the current provisions of the Articles of Association, the fixed part of the remuneration constitutes significantly less than 10% of the total remuneration.

The annual total remuneration of a regular Supervisory Board member (i.e. without any additional remuneration for committee functions) will amount to EUR 74,000, if an increase in the Group's earnings per share of 8% or 20%, respectively, is achieved. According to the current provisions of the Articles of Association, the total remuneration amounted to EUR 71,500 (on the basis of last year's dividend of EUR 1.50) or EUR 84,000 (on the basis of the proposed dividend of EUR 1.75).

The regular remuneration of Supervisory Board members can increase to a maximum amount of EUR 98,000, if the performance-based remuneration reaches the maximum amount of EUR 24,000 in both the short-term and the long-term component. The probability of such an increase corresponds to the risk that the remuneration will be reduced to the fixed amount of EUR 50,000 in case no performance-based component is realised at all.

In certain specific cases the above calculation may lead to inappropriate results. Thus, a mere decrease in losses or slight absolute increases in profit (in the case of generally insignificant earnings) could result in a significant performance-based remuneration. This would be inappropriate and should therefore be avoided. Accordingly, in case the Group's earnings per share are below EUR 5 in the relevant period, a default value of EUR 5 will be used. This "technical" default value will avoid inappropriate base

values and will at the same time provide for a minimum threshold for the performance-based remuneration.

The provisions on the remuneration for the Chairman of the Supervisory Board, the Vice Chairman and the additional remuneration for committee functions will generally remain the same. As to the reimbursement of out-of-pocket expenses, the amendments will provide that – in addition to an attendance fee of EUR 500 – travel and accommodation costs will be calculated on an actual cost-incurred basis.

2. Report on Item 8 of the Agenda (Authorization to Acquire and Utilize Company Shares for Other Purposes)

Item 8 proposes authorizing the Company to repurchase its own shares in an amount of up to 10% of the current share capital. This may be done by the Company itself, by other companies controlled by the Company, or by third parties acting for the account of such companies or the account of the Company in the period up to November 3, 2006.

Pursuant to Sec. 71 par. 1 No. 8 of the German Stock Corporation Act, shares may also be repurchased and sold in ways other than via a stock exchange. In addition to buying on a stock exchange, the Company should also be given the alternative to acquire Company shares by a public tender offer to the shareholders of the Company. Thereby, the principle of equal treatment

set forth by the German Stock Corporation Act must be observed. In this instance, the shareholders may decide how many shares they wish to tender and, if a price range has been fixed, at what price.

The Company should also be given the option to offer as consideration shares of a listed company within the meaning of Sec. 3 par. 2 of the German Stock Corporation Act. Pursuant to this provision, a company is deemed to be a listed company if its shares are admitted to trading on a market which is regulated and supervised by state-recognized authorities, has regular trading and is directly or indirectly accessible to the general public. Thus, this provision allows the Company more flexibility than it would have if it were restricted to cash offers. At the same time, the Company would obtain the opportunity to dispose of its shareholdings. Correspondingly, shareholders could exchange their shares in Allianz AG for shares in other companies.

If a public tender or exchange offer is oversubscribed, shares must be repurchased not in proportion to the shareholdings, but proportionately to the number of shares tendered. This provision is intended to simplify the allotment procedure. Preferential acceptance may be provided for small lots of up to 100 shares per shareholder (minimum allotment).

Treasury shares acquired within the scope of this authorization may be used for any lawful purposes, including the following:

The shares can be sold in ways other than through a stock exchange for cash under exclusion of pre-emptive rights. These shares must be sold, however, at a price that is at the time of the sale not substantially below the market price of shares of the Company. This authorization makes use of the exclusion of pre-emptive rights provided for by Sec. 71 par. 1 No. 8 in conjunction with Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act. As shares may be sold only at a price not substantially below the applicable market price, shareholders are duly protected against dilution. The final sales price of the Company's treasury shares will be determined shortly before the sale. The Board of Management will set any potential discount on the share's market price as low as possible, taking into account market conditions prevailing at the time of placement. The discount on the market price will in no event exceed 5% of the current market price. This authorization is, however, restricted pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act to the extent that the total number of shares issued under exclusion of pre-emptive rights shall not exceed 10% of the capital stock of the Company, neither at the time when this authorization takes effect nor at the time when it is exercised. In determining this 10%-limit, all shares must be included that are issued from authorized capital during the term of this authorization under exclusion of pre-emptive rights pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act. Furthermore, shares

issued or required to be issued to meet obligations arising from bonds carrying conversion or option rights or conversion obligations must also be included in determining this 10%-limit, if these bonds were issued under exclusion of pre-emptive rights pursuant to Sec. 186 par. 3 sentence 4 of the German Stock Corporation Act. This limitation, and the fact that the sales price must be based on the market price, adequately protect the economic interests and voting rights of the shareholders. The shareholders have the option to maintain the percentage of their interest in the Company by buying Allianz shares on the stock exchange. This authorization is in the interest of the Company because it gives it more flexibility. It enables the Company, for example, to sell treasury shares to institutional investors or to target new investor groups.

The disposal of treasury shares may also be made against contributions in kind under exclusion of shareholders' pre-emptive rights. As a result, the Board of Management would be able to offer Company shares in appropriate cases as consideration for the acquisition of a company, interests in companies, or other assets. In negotiations, there are situations in which it is necessary to provide Company shares instead of cash as consideration. The ability to offer Company shares as consideration is advantageous when competing for attractive acquisition targets and increases flexibility when exploiting market opportunities to acquire companies, interests in companies

or other assets, while at the same time conserving liquidity. This can be advantageous when optimizing the financing structure. When determining the valuation ratios, the Board of Management will ensure that the interests of shareholders are adequately protected and will take into account the market price of the Allianz share.

The authorization is also intended to enable the Company to place its own shares for trading on foreign exchanges where it is not yet listed. The listing of Allianz shares on foreign exchanges widens its shareholder base abroad and enhances the demand for its shares as an investment.

The Annual General Meeting on May 5, 2004 authorized the Board of Management under Item 7 of the agenda to issue bonds carrying conversion or option rights against contributions in cash or in kind. In order to fulfil the obligations resulting from the bondholders' rights to obtain Allianz shares, it may also be reasonable to use, in part or in whole, treasury shares, rather than have a capital increase. This is also contained in the authorization.

The acquired Company shares may also be offered for sale to the employees of Allianz AG and its Group companies. This may be an economically viable alternative to a capital increase. Offering shares to the employees is in the best interest of the Company and its shareholders, because it enhances employee identification with the Company and encourages them to take

responsibility for the Company. For treasury shares to be offered to employees, the shareholders' pre-emptive rights must be excluded. In determining the price to be paid by the employees, a customary discount on offers of shares to employees may be granted.

Finally, for the benefit of holders of bonds carrying conversion or option rights or conversion obligations, the authorization allows for the partial exclusion of shareholders' pre-emptive rights in the case of a sale of shares by offering them to the shareholders. This provides the alternative of granting to holders of already existing conversion or option rights a pre-emptive subscription right instead of a reduction of the conversion or option price in order to protect them against dilution.

The Company may redeem treasury shares acquired on the basis of this authorization and previous authorizations without obtaining another resolution by the Annual General Meeting. This basically leads to a decrease in the capital stock. Alternatively, the Board of Management is authorized to carry out the redemption without changing the capital stock pursuant to Sec. 237 par. 3 No. 3 of the German Stock Corporation Act. In this case, the proportionate share in the capital stock of the remaining shares shall be increased pursuant to Sec. 8 par. 3 of the German Stock Corporation Act.

The alternatives described above for utilizing Company shares also apply to shares acquired pursuant to Sec. 71 par. 1 No. 8 of the German Stock Corporation Act on the basis of authorizations granted by previous Annual General Meetings, and shares purchased by Group companies or acquired pursuant to Sec. 71 d sentence 5 of the German Stock Corporation Act.

The Board of Management will report on the use of the Authorization at the subsequent Annual General Meeting.

3. Report on Item 9 of the Agenda (Securing the Right to Subscribe for Profit Participation Certificates)

The Company has issued profit participation certificates, which shareholders had a right to subscribe to during the first issuance in 1986. Holders may redeem these profit participation certificates every five years upon 12 months notice. In such case, the guaranteed redemption price currently amounts to a uniform EUR 72.39 per certificate. The Company may redeem, upon giving 6 months notice, profit participation certificates on an annual basis with the redemption to occur no earlier than at the end of 2006.

In the event of a capital increase with subscription rights for shareholders, holders of profit participation certificates are entitled to subscribe to further profit participation certificates on comparable terms. The same applies to subscription rights for new shares

in connection with convertible bonds or warrants, provided that shareholders have a right to subscribe to such bonds or warrants. In order to grant holders of profit participation certificates these subscription rights in the future, a renewal of the authorization to issue new profit participation certificates is required. At the same time, the right of shareholders to subscribe to new profit participation certificates must be excluded in order to satisfy the subscription rights of holders of profit participation certificates. The amount of EUR 25,000,000 proposed for this purpose is intended to secure sufficient subscription rights for holders of profit participation certificates in the event that the authorization for authorized and conditional capital were fully exercised.

Munich, March 2005
The Board of Management

Notice according to Sec. 128 par. 2 of the German Stock Corporation Act

Four Members of the Supervisory Board of Allianz AG are also employees of the following credit institution:

Dresdner Bank AG

Two Members of the Board of Management of Allianz AG are also members of the Supervisory Board of the following domestic credit institution:

Dresdner Bank AG (intra-group mandates)

The following credit institution subscribed to the most recent issuance of securities of Allianz AG within the past five years:

JP Morgan Securities Ltd.

We have not received information on participations of financial institutions in the Company, which must be reported pursuant to Sec. 21 of the German Securities Trading Act.

By-Elections to the Supervisory Board

Information about the proposed candidates:

Franz Fehrenbach, Stuttgart,
Chairman of the Board of Management
of Robert Bosch GmbH



Personal details

Date of birth: July 1, 1949
Place of birth: Kenzingen, Germany
Marital Status: Married, three children

Education

- Studied industrial engineering at the University of Karlsruhe
- Degree as an Industrial Engineer

Professional development

Career within the Bosch Group:

- 1975 Trainee program, Assistant in the Office of the Executive Management
- 1978 Director of Materials Planning and Logistics
- 1980 Commercial Plant Manager
- 1982 Vice President, Corporate Department for Planning and Controlling
- 1985 Vice President Finance and Administration, Robert Bosch Corporation, Automotive Group, USA
- 1988 Executive Vice President, Robert Bosch Corporation, Automotive Group, USA
- 1989 Executive Vice President Finance and Administration, Starters and Alternators Division
- 1994 President, Starters and Alternators Division
- 1996 Executive Vice President Finance and Administration, Diesel Fuel Injection Systems Division
- 1997 President, Diesel Fuel Injection Systems Division
- 1999 Deputy Member of the Management Board, Robert Bosch GmbH
- 2001 Member of the Management Board, Robert Bosch GmbH
- since July 1, 2003 Chairman of the Management Board, Robert Bosch GmbH

Membership in comparable supervisory bodies

- Robert Bosch Corporation, USA (Group mandate)

Dr. Franz B. Humer, Basel,
Chairman of the Board of Directors and Chief Executive Officer,
F. Hoffmann-La Roche AG



Personal details

Date of birth: July 1, 1946
Place of birth: Salzburg, Austria
Marital Status: Married

Education

- University of Innsbruck, Doctor of Law
- MBA from INSEAD

Professional development

- 1971–1973 ICME Consulting, Zurich
- 1973–1981 Schering Plough Corporation – i. a. General Manager Ecuador, Great Britain, Portugal
- 1981–1995 Glaxo Holdings plc – i. a. Area Manager Southern Europe, Director of Marketing Development and Product Licensing, at last Chief Operating Director
- since 1995 F. Hoffmann-La Roche AG – Member of the Board of Directors Roche Holding AG, Basel, and Head of the Pharmaceuticals Division
- 1996 F. Hoffmann-La Roche AG – Chief Operating Officer
- 1998 Roche Holding AG – Chief Executive Officer
- 2001 Roche Holding AG – Chairman of the Board of Directors and Chief Executive Officer

Membership in other statutory supervisory boards in Germany

- Hoffmann-La Roche AG (Group Mandate, Chairman)
- Roche Deutschland Holding GmbH (Group Mandate, Chairman)
- Roche Diagnostics GmbH (Group Mandate, Chairman)

Membership in comparable supervisory bodies

- DIAGEO plc, London
- Chugai Pharmaceutical Co. Ltd., Tokyo (Group Mandate)
- Roche Holding AG, Basel (Group Mandate, Chairman)

Igor Landau, Paris,
Member of the Board of Directors of Sanofi-Aventis S.A.

Personal details

Date of birth: July 13, 1944
Place of birth: Saint-Flour (Cantal), France
Marital Status: Married, one child

Education

- Graduated from HEC (Ecole des Hautes Etudes Commerciales)
- MBA from INSEAD, Fontainebleau



Professional development

- 1968–1970 Roneo GmbH Frankfurt – General Manager
- 1971–1975 McKinsey & Co. – Consultant
- 1975–1981 Rhône-Poulenc – Deputy to the President of the Health Division
- 1981–1992 Rhône-Poulenc – President of the Health Division, beginning 1986 Member of the Executive Committee
- 1992–2000 Directeur Général (CEO) and Member of the Board of Directors
- 2000–2002 Aventis S.A. – Member of the Management Board
- 2002–2004 Aventis S.A. – Chairman of the Management Board

Membership in other statutory supervisory boards in Germany

- adidas-Salomon AG
- Dresdner Bank AG

Membership in comparable supervisory bodies

- Crédit Commercial de France (CCF)
- Essilor S.A.
- Sanofi-Aventis S.A.
- Thomson

Prof. Dr. Dennis J. Snower, Kiel,
President of the Kiel Institute for World Economics



Personal details

Date of birth: October 14, 1950
Place of birth: Vienna, Austria
Marital Status: Married, two children

Education

Studies and doctorate in economics:

- 1968–1971: New College, Oxford University; BA 1971
- 1971–1975: Princeton University; MA 1973, PhD 1975

Professional development

- 1974–1975 Teaching Assistant, Princeton University
- 1975–1979 Assistant Professor, University of Maryland
- 1979–1981 Assistant Professor, Institute for Advanced Studies (IHS), Vienna
- 1980–1988 Lecturer/Reader (starting 1983), Birkbeck College, University of London
- 1989–2004 Professor of Economics, Birkbeck College, University of London
- 1991–1999 Program Director “Human Ressources” and “Public Policy”,
Centre for Economic Policy Research (CEPR), London
- since 1999 Program Director “Welfare State and Labour Markets” and
“Labour Markets and Institutions” respectively, Institute for the Study
of Labour (IZA), Bonn
- since October 1, 2004 President of the Kiel Institute for World Economics

No membership in other supervisory boards or comparable supervisory bodies

Substitute Members:

Dr. Albrecht Schäfer, Munich,
Corporate Vice President Siemens AG,
Head of Corporate Personnel World



Personal details

Date of birth: August 3, 1948
Place of birth: Buckenhof, Germany
Marital Status: Married, two children

Education

- 1967–1976 Studied law at the Universities of Erlangen-Nürnberg, Hamburg and at the University of Georgia, Athens, Georgia, USA (LL.M)
Passed first and second “Staatsexamen” (state examination for lawyers)

Professional development

- 1976 Joined the legal department of Siemens AG
- 1983–1987 Head of the legal and tax department of Siemens S.A., Sao Paulo, Brazil
- 1992–2004 General Counsel of Siemens AG
- since 2004 Head of Corporate Personnel World, Siemens AG

No membership in other supervisory boards or comparable supervisory bodies

Dr. Jürgen Than, Hofheim a. Ts.,
Attorney-at-Law, Former General Counsel
of Dresdner Bank AG

Personal details

Date of birth: July 25, 1941
Place of birth: Chemnitz, Germany
Marital Status: Married

Education

- “Abitur” (equivalent to high school diploma)
- Bank apprenticeship
- Studied law
- Awarded Doctorate in Law

Professional development

- 1972–1992 In-house counsel of Dresdner Bank AG
- 1992–1997 Deputy General Counsel of Dresdner Bank AG
- 1997–2004 General Counsel of Dresdner Bank AG

Membership in other statutory supervisory boards in Germany

- CSC Ploenzke AG (Chairman)
- KarstadtQuelle AG



