

3Q 2021

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CONTENT

1

GROUP FINANCIAL RESULTS
3Q 2021

2

ADDITIONAL INFORMATION

GLOSSARY
DISCLAIMER



Group: strong 9M results across all segments

Group	Property-Casualty	Life/Health	Asset Management
Total revenues 9M 21 in EUR bn (internal growth vs. prior year in %)			
110.1 (+6.3%)	47.7 (+2.3%)	56.8 (+8.8%)	5.9 (+15.8%)
Operating profit 9M 21 in EUR mn (vs. prior year in %)			
9,891 (+27.2%)	4,158 (+19.2%)	3,747 (+27.9%)	2,454 (+23.0%)
Shareholders' net income (in EUR mn)	Combined ratio (in %)	New business margin (in %)	Cost-income ratio (in %)
<p>4,990 (12.07) → 6,902 (16.64) +38.3%</p> <p>9M 20 9M 21</p> <p>○ EPS (in EUR)</p>	<p>96.0 (1.8, -1.3) → 93.9 (3.7, -2.6) -2.1%-p</p> <p>9M 20 9M 21</p> <p>○ NatCat impact¹ □ Run-off ratio</p>	<p>2.9 (1,222) → 3.2 (1,856) +0.3%-p</p> <p>9M 20 9M 21</p> <p>○ VNB (EUR mn)</p>	<p>62.1 (+5.0) → 58.5 (+89.5) -3.6%-p</p> <p>9M 20 9M 21</p> <p>○ 3rd party net flows (EUR bn)</p>

1) NatCat costs (without reinstatement premiums and run-off)



Group: strong 9M results across all segments



Comments

- Internal growth strong at 6.3%**
 Consolidation (+0.5%) and F/X (-1.8%) lead to total revenue growth of 5.0%.
- Operating profit grows 27.2%**
 All operating business segments with double-digit operating profit growth. OP at 82% of FY outlook midpoint. Prior-year operating profit impacted by COVID-19 (EUR -1.3bn).
- Outlook 2021: OP at the higher end of target range**
 We now expect to achieve an OP for the full year at the higher end of the outlook range of EUR 12.0bn, plus or minus EUR 1.0bn, barring unforeseen events, crises or natural catastrophes.
- Shareholders' net income grows 38.3%**
 Operating profit (Δ EUR +2.1bn) as largest driver. Support from better non-OP result (Δ EUR +0.4bn).
- RoE annualized at 14.8%**
- EUR 750mn share buy-back finalized in October**
 A total of 3.8mn shares were acquired representing 0.9% of outstanding capital.
- P/C – good underlying development**
 OP up 19% vs. prior year driven by a better underwriting result. CR improves 2.1%-p as a better attritional LR (Δ -2.8%-p) and favorable run-off (Δ -1.3%-p) are partly compensated by higher NatCat (Δ +1.9%-p). CR in 9M 2020 included 2%-p impact from COVID-19. OP at 74% of FY outlook midpoint.
- L/H – very good result**
 Operating profit driven by investment margin (+11bps to 63bps) and UL management fees (+22%). NBM at healthy level of 3.2%. New business volume up 39% driven by strong sales and back-book management in Italy and France. As a result VNB grows 52% to EUR 1,856mn. OP at 85% of FY outlook midpoint.
- AM – excellent performance**
 Outstanding result driven by strong revenue growth. EUR 89bn 3rd party net inflows with EUR 53bn from PIMCO and EUR 36bn from AllianzGI. EUR 2.5bn OP at 88% of FY outlook midpoint.
- CO – better than expected**
 Operating loss narrows by EUR 170mn to EUR -464mn.



Group: double-digit 3Q operating profit growth

Group	Property-Casualty	Life/Health	Asset Management
Total revenues 3Q 21 in EUR bn (internal growth vs. prior year in %)			
34.4 (+9.0%)	14.1 (+7.2%)	18.3 (+9.2%)	2.1 (+16.0%)
Operating profit 3Q 21 in EUR mn (vs. prior year in %)			
3,236 (+11.3%)	1,287 (-2.1%)	1,252 (+11.8%)	882 (+30.2%)
Shareholders' net income (in EUR mn)	Combined ratio (in %)	New business margin (in %)	Cost-income ratio (in %)
<p>2,063 2,111</p> <p>3Q 20 3Q 21</p> <p>+2.3%</p>	<p>94.5 94.7</p> <p>3Q 20 3Q 21</p> <p>+0.2%-p</p> <p>○ NatCat impact¹</p> <p>□ Run-off ratio</p>	<p>2.9 3.4</p> <p>3Q 20 3Q 21</p> <p>+0.5%-p</p> <p>○ VNB (EUR mn)</p>	<p>61.9 57.7</p> <p>3Q 20 3Q 21</p> <p>-4.2%-p</p> <p>○ 3rd party net flows (EUR bn)</p>

1) NatCat costs (without reinstatement premiums and run-off)



Group: double-digit 3Q operating profit growth



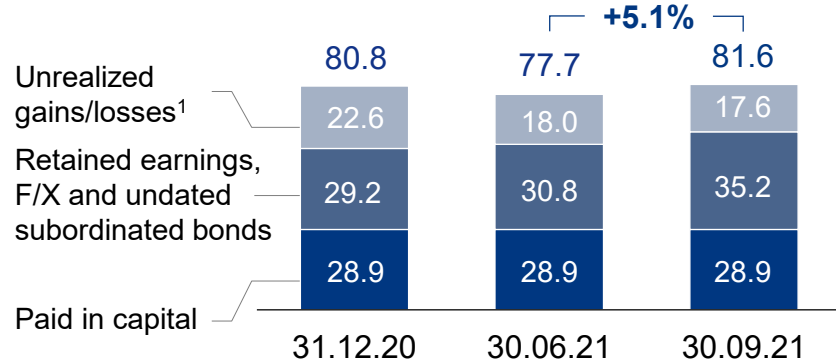
Comments

- **Strong internal growth of 9.0%**
Strong internal growth across all segments. Consolidation (+0.3%) and F/X (+0.1%) lead to total revenue growth of 9.5%.
- **OP growth 11.3%**
Group operating profit of EUR 3.2bn at 27% of FY outlook midpoint. Double-digit operating profit growth in L/H and AM. Operating profit in P/C broadly stable despite higher NatCat load supported by improvement of attritional loss ratio. No significant impact from COVID-19 on operating profit; prior-year operating profit impacted by EUR -0.1bn.
- **Shareholders' net income up 2.3%**
Improved operating profit (Δ EUR +0.3bn) main driver for increase in net income. Decrease in non-operating result (Δ EUR -0.3bn) mainly due to lower harvesting result.
- **P/C – stable OP despite EUR 0.7bn NatCat impact**
Combined ratio up 0.2%-p to 94.7%, negatively impacted by strong NatCat, largely offset by normalization of run-off.
- **L/H – very good result**
Operating profit driven by investment margin (+13%), UL management fees (+20%), loadings from reserves (+14%) and technical margin (+17%). NBM at healthy level of 3.4%. New business volume up 52% supported by a large contract in corporate business. As a result VNB grows by 79% to EUR 665mn.
- **AM – excellent performance**
EUR 26bn 3rd party net inflows. Operating profit increases by 30% to EUR 882mn, 31% of FY outlook midpoint, driven by 12% higher average 3rd party AuM.
- **CO – in line with expectations**
Operating loss narrows to EUR -186mn.

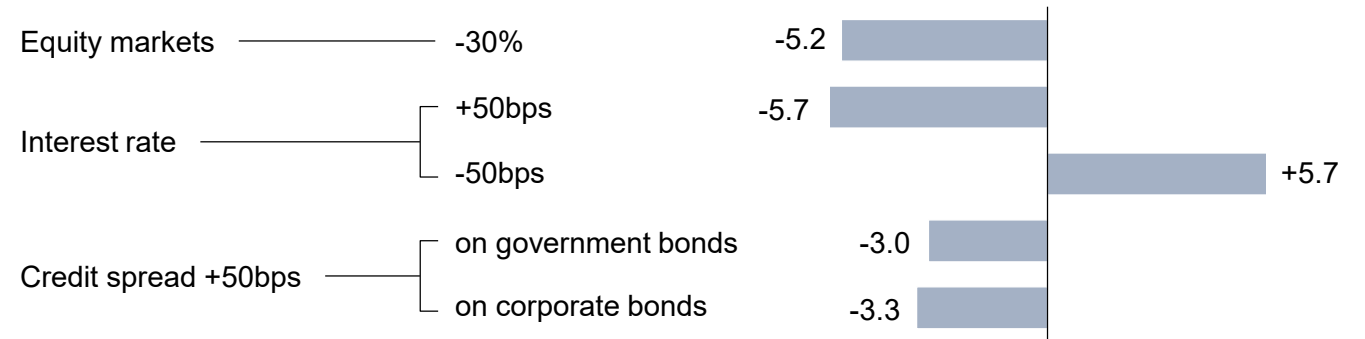


Group: Solvency II ratio stable at 207%

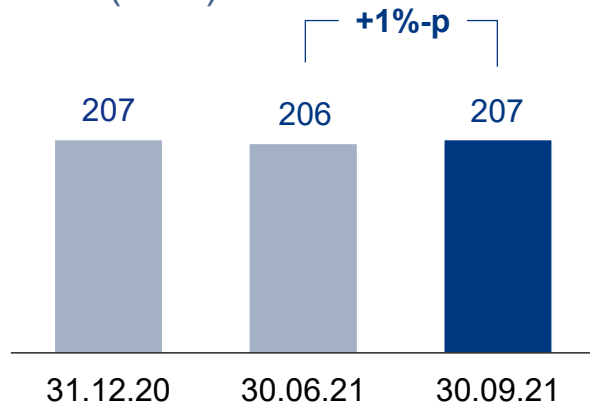
Shareholders' equity (EUR bn)



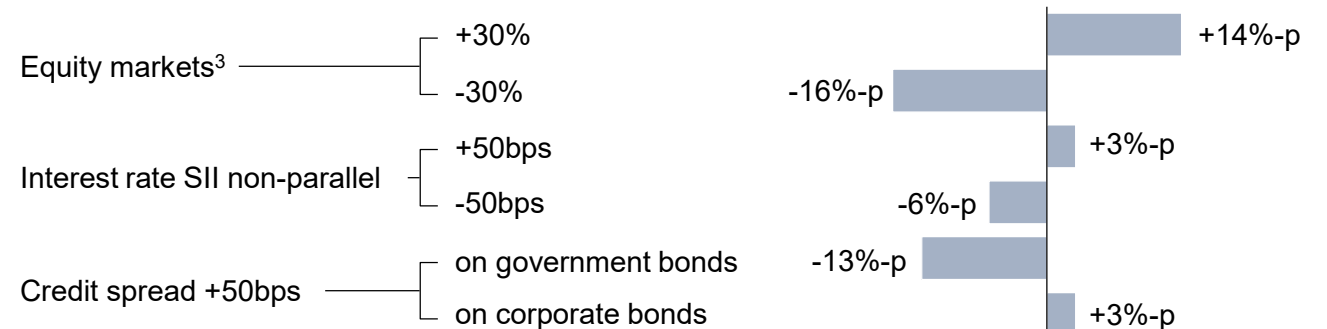
Key sensitivities (EUR bn)



SII capitalization² (in %)



Key sensitivities



1) Off-balance sheet unrealized gains on real estate, associates and joint ventures attributable to the shareholders amount to EUR 4.8bn as of 31.12.20, EUR 4.9bn as of 30.06.21 and EUR 5.0bn as of 30.09.21
 2) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20, to 236% as of 30.06.21 and to 236% as of 30.09.21
 3) If stress applied to traded equities only, sensitivities would be +8%-p/-7%-p for a +/-30% stress



Group: Solvency II ratio stable at 207%



Comments

- **Shareholders' equity**

In 3Q 2021, shareholders' equity increases by EUR 3.9bn. Main drivers are

- + issuance of deeply subordinated RT1 debt (EUR +2.3bn),
- + s/h net income (EUR +2.1bn),
- share buy-back (EUR -0.6bn).

- **SII sensitivities**

Sensitivities remain stable compared to 2Q 2021.

In a combined stress scenario, we estimate an additional impact due to cross effects of $\sim -8\%$ -p compared to the sum of the individual sensitivities.

- **SII ratio – at a good level**

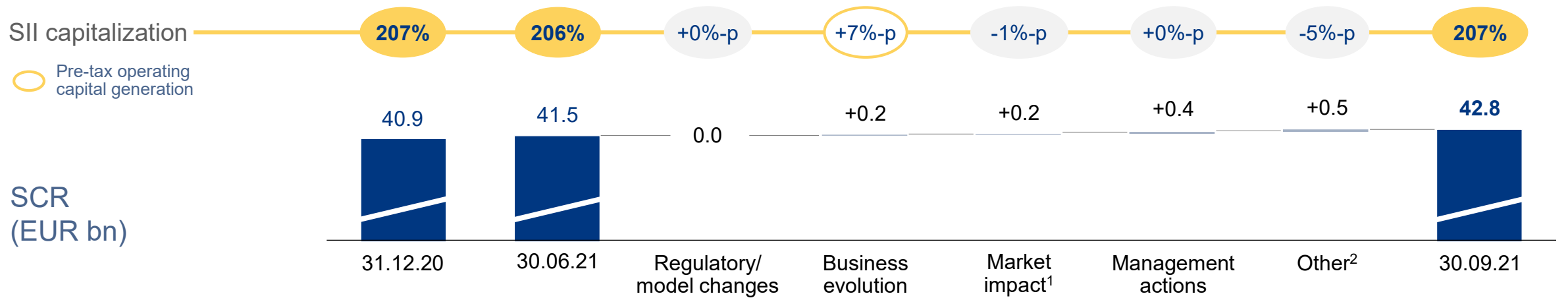
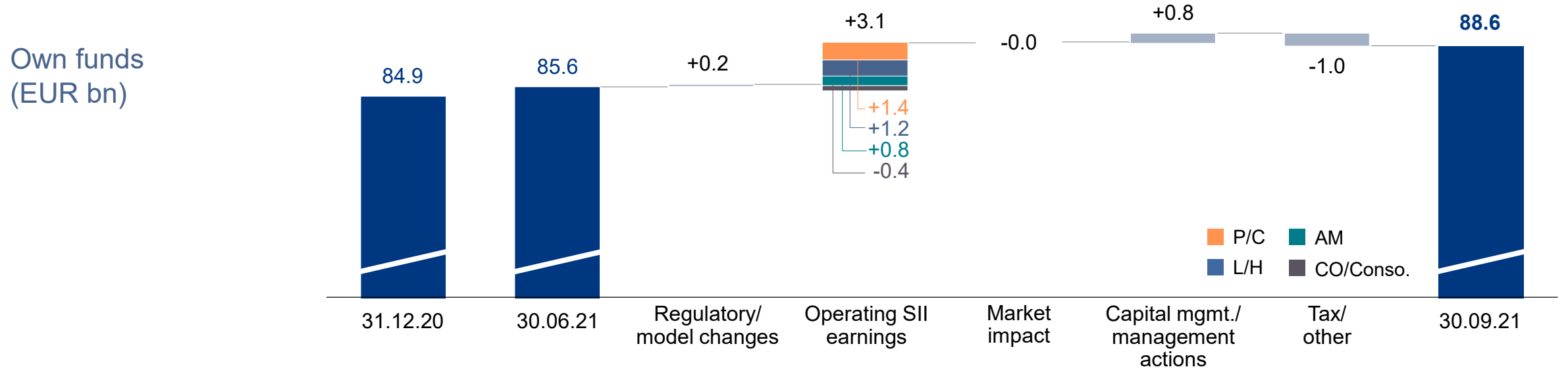
Main positive driver is organic capital generation ($\sim +7\%$ -p, $\sim +2.5\%$ -p after tax and dividend). Negative impacts are tax/other ($\sim -5\%$ -p) and markets ($\sim -1\%$ -p).

- **Transitionals**

Including transitionals, the Group SII ratio stands at 236%. Our general capital steering will continue to focus on the SII ratio excluding the application of transitional measures for technical provisions.



Group: strong operating SII capital generation



1) Including cross effects and policyholder participation
 2) Other effects on SCR include diversification effects



Group: strong operating SII capital generation



Comments

- **7%-p SII capital generation pre-tax/dividend**
SII capital generation net of tax and dividend amounts to ~+2.5%-p in 3Q 2021.
- **Operating SII earnings**
Operating SII earnings roughly in line with IFRS results.
- **Regulatory/model changes**
No noteworthy changes.
- **Market impact**
Different movements add up to a slightly negative impact (~-1%-p).
- **Capital management/management actions**
Issuance of deeply subordinated RT1 capital contributes positively (~+5%-p), compensated by dividend accrual (~-3%-p), share buy-back (~-2%-p) and impact from Westpac acquisition.
- **Tax/other**
Own funds reduction driven by taxes (EUR -0.7bn); SCR increases mainly due to minor annual assumption and exposure updates and a lower tax relief.
- **Outlook**
Aviva Italy and Aviva Poland transactions are expected to have a combined impact on the SII ratio of ~-6 to -7%-p. Model changes and a reinsurance transaction in Switzerland are expected to have a combined impact of ~+3%-p. We anticipate a capital generation net of tax and dividend of approximately 12%-p in FY 2021 (10%-p in 9M 2021).



P/C: internal growth strong at 7.2%

EUR mn		Revenues			YTD change on renewals	
		3Q 21	Total growth Δ p.y.	Internal growth Δ p.y.	9M 21	Momentum
Total P/C segment		14,113	+9.0%	+7.2%	+3.8%	n.a.
Selected OEs	Germany	2,233	+2.2%	+1.9%	+2.1%	stable
	United Kingdom	1,189	+4.3%	-1.4%	+1.9%	stable
	France	1,044	-3.6%	-3.6%	+0.5%	stable
	Australia	920	+20.3%	+5.8%	+5.2%	positive
	Central and Eastern Europe	827	+6.3%	+6.3%	n.a.	n.a.
	Italy	776	-2.6%	-2.6%	-0.0%	stable
	Latin America	549	+8.4%	+10.0%	n.a.	n.a.
	Spain	544	+9.1%	-4.0%	+3.4%	stable
	Turkey	211	-2.3%	+16.3%	n.a.	n.a.
	Global lines	AGCS	2,262	+11.1%	+11.4%	+15.0%
Allianz Partners		1,478	+49.1%	+48.9%	+0.3%	stable
Euler Hermes		694	+8.4%	+8.0%	+5.9%	stable



P/C: internal growth strong at 7.2%



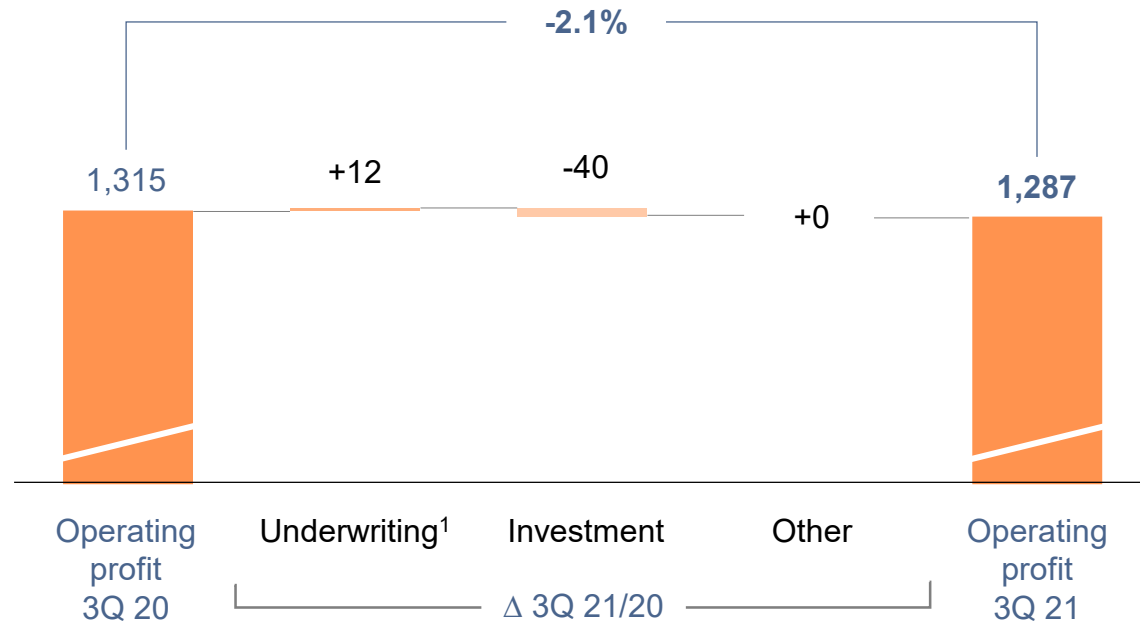
Comments

- Global lines main growth driver**
 Strong internal growth of 7.2% driven by volume (+5.0%), price (+1.5%) and service income (+0.6%). Allianz Partners, AGCS and Euler Hermes are the largest contributors. Consolidations (+1.3%, in particular Westpac and BBVA) and F/X (+0.6%) lead to total growth of +9.0%. Rate change on renewals broadly stable vs. 6M 2021 (+4.3%) driven by AGCS, Euler Hermes and Australia. Internal NPE growth at +2.9%.
- Germany – positive price effect in commercial**
 Good growth in property retail as well as MidCorp.
- UK – lower volume partly offset by price**
 Top-line decline driven by personal motor. Total growth positively impacted by F/X.
- France – strong portfolio actions in commercial lines**
 Commercial property main driver.
- Australia – price and volume contribute**
 Internal growth mainly driven by price actions in commercial. Total growth supported by Westpac consolidation.
- CEE – strong growth driven by price and volume**
 Romania, Austria and Hungary main contributors.
- Italy – lower top-line in motor**
 Decline in MTPL (motor third party liability) partially offset by MOD (motor own damage).
- LatAm – strong growth in Brazil and Colombia**
- Spain – continued portfolio actions**
 Portfolio optimization impacts top-line. Total growth supported by BBVA consolidation.
- Turkey – price and volume positive**
 Retail MOD (motor own damage) as well as health business.
- AGCS – fronting business and property lift top-line**
 Continued strong rate changes across all lines.
- Allianz Partners – higher volume and service fees**
 Strong growth from rapid recovery of U.S. travel business.
- Euler Hermes – higher volume**
 Economic recovery positively impacts policyholders' turnover and lifts top-line.



P/C: good underlying performance

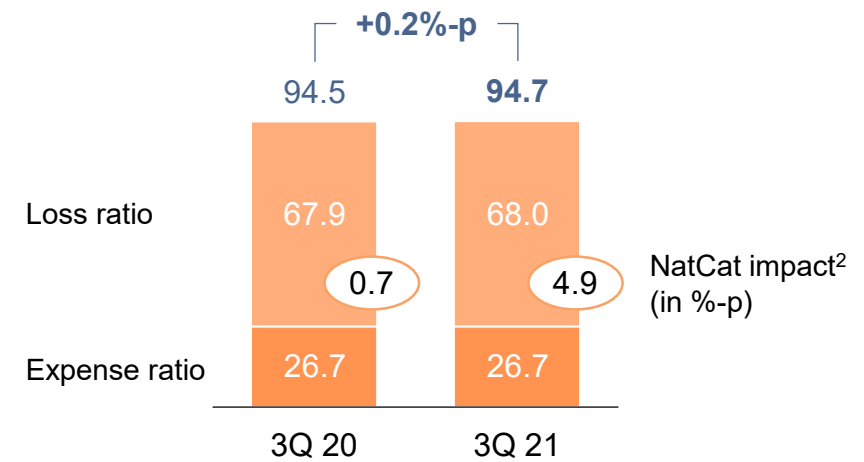
Operating profit drivers (EUR mn)



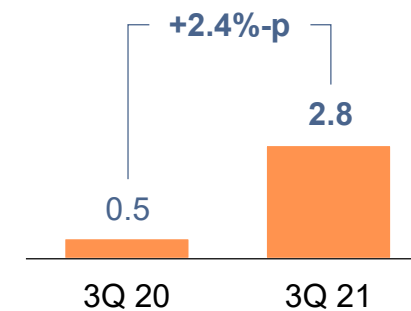
	Underwriting ¹	Investment	Other
3Q 21	645	623	19
3Q 20	634	663	18

1) Underwriting result incl. change in reserves
 2) NatCat costs (without reinstatement premiums and run-off)
 3) Positive run-off ratio implies a positive P&L impact from prior year reserve movements

Combined ratio (in %)



Run-off ratio³ (in %)





P/C: good underlying performance

Comments

- **Operating profit – broadly stable**

Better underwriting result is overcompensated by a lower investment result. CR worsens 0.2%-p due to NatCat (Δ +4.2%-p) largely offset by lower attritional LR (Δ -1.7%-p) and an increase in run-off from very low level in 3Q 2020 (Δ -2.4%-p). Prior year included 0.5%-p/EUR 0.1bn negative impact from COVID-19.

- **NatCat & weather – NatCat above normal level**

NatCat losses of EUR 659mn/4.9% significantly above prior year's level of EUR 85mn/0.7% and 10Y FY average of 2.0%. Main drivers were the European floods (EUR 0.4bn OP impact), Hurricane Ida (EUR 0.1bn) and a number of storm and hail events across Europe. Weather related losses (excl. NatCat) of 1.3% are below 3Q 2020 (2.2%).

- **Expense ratio – excellent performance**

ER stable vs. prior year at 26.7%. Larger share of high commission business at Allianz Partners offset by ongoing improvements at several OEs (e.g. GER, AUS, ITA).

- **9M 2021 – OP at 74% of FY outlook midpoint**

P/C segment	9M 2020	9M 2021	Δ
Attritional LR	68.9%	66.1%	-2.8%-p
NatCat	1.8%	3.7%	+1.9%-p
Run-off	-1.3%	-2.6%	-1.3%-p
ER	26.6%	26.7%	+0.1%-p
CR	96.0%	93.9%	-2.1%-p
Underwriting result (EUR mn)	1,351	2,185	+61.8%
Investment result (EUR mn)	1,950	1,947	-0.1%
Other result (EUR mn)	189	26	-86.3%
OP (EUR mn)	3,490	4,158	+19.2%



P/C: significant NatCat in Germany

EUR mn		Operating profit		Combined ratio		NatCat impact on CR	
		3Q 21	Δ p.y.	3Q 21	Δ p.y.	3Q 21	Δ p.y.
Total P/C segment		1,287	-2.1%	94.7%	+0.2%-p	4.9%-p	+4.2%-p
Selected OEs	Germany	172	-50.7%	97.9%	+8.6%-p	14.3%-p	+14.7%-p
	United Kingdom	97	+107.7%	94.3%	-2.0%-p	3.7%-p	+3.8%-p
	France	103	+14.7%	95.7%	-1.8%-p	0.5%-p	+0.4%-p
	Australia	126	+46.3%	88.0%	-3.1%-p	-0.1%-p	-4.9%-p
	Central and Eastern Europe	107	+10.3%	87.9%	-0.0%-p	1.7%-p	+1.1%-p
	Italy	113	-29.9%	91.2%	+5.2%-p	3.7%-p	+1.4%-p
	Latin America	18	-68.7%	108.9%	+4.9%-p	0.0%-p	0.0%-p
	Spain	49	-23.6%	93.0%	+3.0%-p	0.9%-p	+0.2%-p
	Turkey	37	-31.2%	99.6%	+7.8%-p	0.0%-p	0.0%-p
	Global lines	AGCS	27	-31.1%	102.5%	-0.4%-p	16.3%-p
Allianz Partners		94	+109.8%	94.8%	-2.1%-p	0.1%-p	+0.1%-p
Euler Hermes		131	n.m. ¹	68.6%	-35.0%-p	–	–

1) In 3Q 20 OP for Euler Hermes was at EUR 3mn (Δ EUR +128mn)



P/C: significant NatCat in Germany



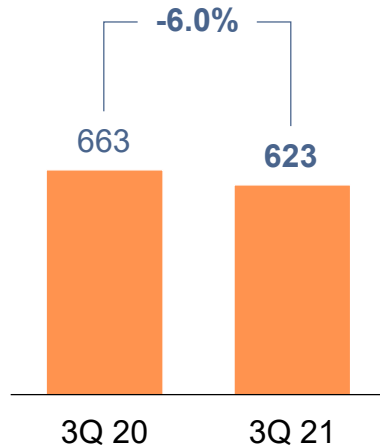
Comments

- **Germany – impacted by NatCat**
Improvement in attritional LR and ER more than offset by NatCat losses.
- **UK – good CR despite NatCat**
Lower underlying LR and large losses more than compensate for higher NatCat. OP also supported by change in internal reinsurance.
- **France – improved performance**
Better run-off result and lower ER.
- **Australia – excellent CR**
Reduced ER and lower large losses. NatCat including weather related losses almost flat.
- **CEE – stable CR at very good level**
- **Italy – strong CR**
LR worsens from normalization of frequency in motor as well as NatCat.
- **LatAm – OP declines driven by Brazil and Mexico**
Underwriting result in Brazil impacted by higher frequency in motor. Lower OP in Mexico from a positive F/X one-off in 3Q 2020.
- **Spain – profitability on good level**
Higher NatCat and weather related losses impact CR.
- **Turkey – solid performance in a difficult environment**
CR driven by normalization of frequency in motor.
- **AGCS – underlying performance well on track**
Strong negative impact from NatCat partly compensated by lower weather related and large losses as well as improved underlying LR.
- **Allianz Partners – OP more than doubles**
Strong recovery of top-line and good CR. Improvement in LR due to favorable claims trend in travel more than offsets higher ER from change in business mix.
- **Euler Hermes – outstanding CR**
Historically low claims environment drives favorable run-off and lower AY LR.



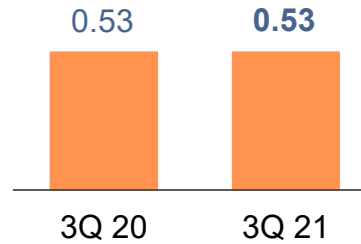
P/C: interest and similar income stabilizes

Operating investment result¹
(EUR mn)

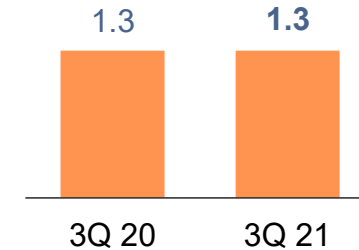


Interest & similar income ²	736	772	36
Net harvesting and other ³	26	-25	-51
Investment expenses	-98	-123	-25

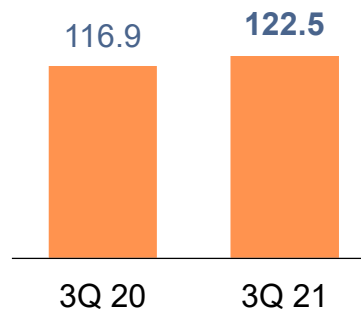
Current yield
(debt securities; in %)



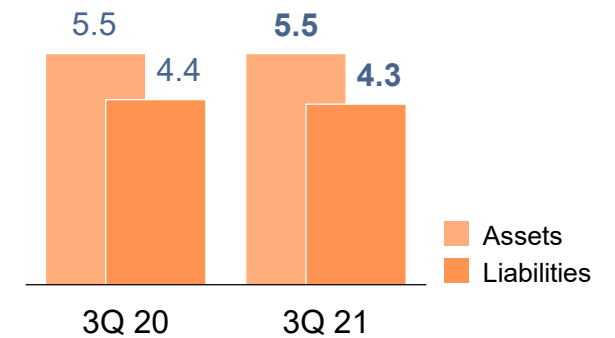
Economic reinvestment yield
(debt securities; in %)



Total average asset base⁴
(EUR bn)



Duration⁵



1) Including policyholder participation
 2) Net of interest expenses
 3) Other comprises fair value option, trading and F/X gains and losses, as well as policyholder participation

4) Asset base includes health business France, fair value option and trading
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the P/C segment.



P/C: interest and similar income stabilizes



Comments

- **Interest & similar income**

Higher income from private equity investments as well as debt securities. The latter is driven by the increased asset base and a stable yield.

- **Net harvesting & other**

Driven by worsening of F/X result net of hedges.

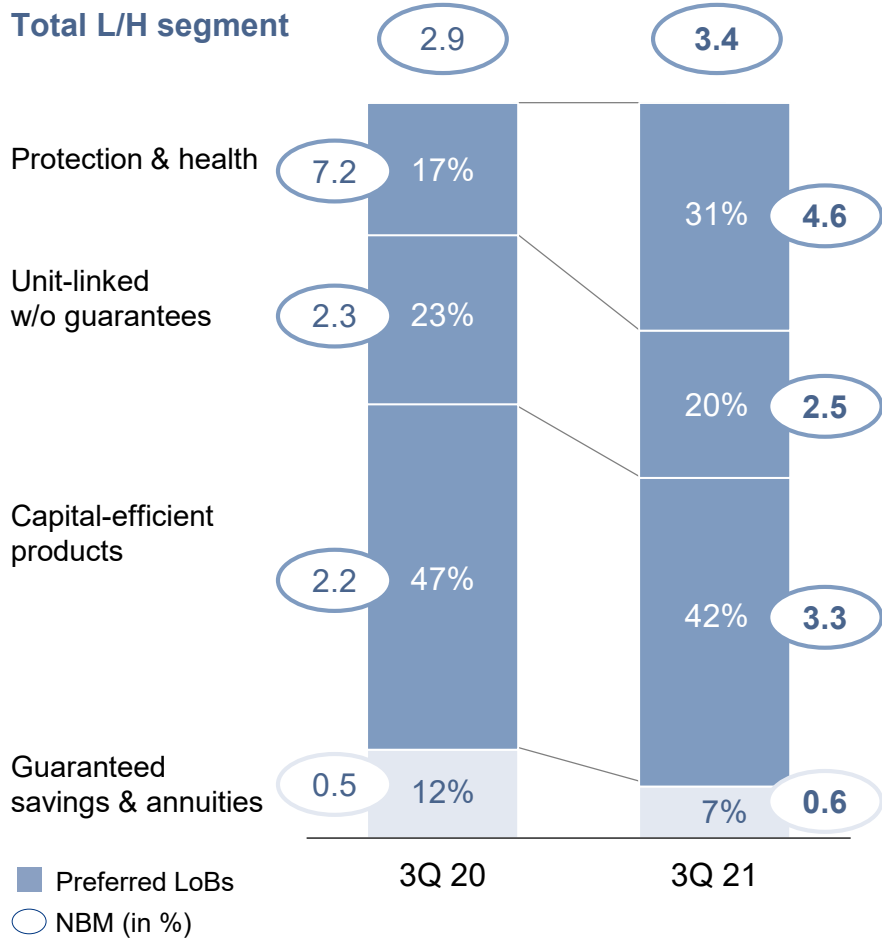
- **Reinvestment yield**

Higher yields for developed markets and securitized debt offset by lower yields for corporate and emerging market bonds.



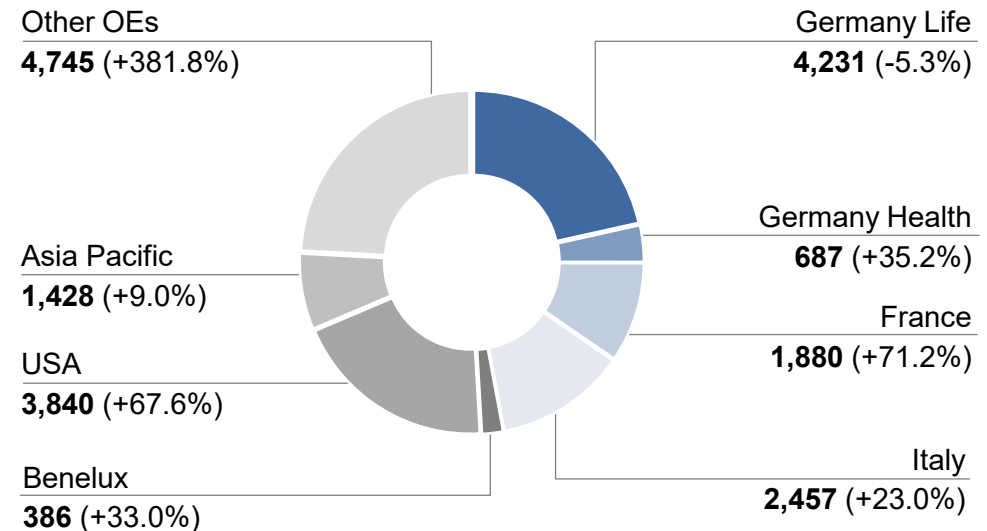
L/H: successful new business management

PVNB share by line



EUR mn	3Q 20	3Q 21	Δ p.y.
PVNB	12,947	19,655	+51.8%
APE	1,444	1,809	+25.3%
Single premium	7,972	10,928	+37.1%
Recurring premium	647	716	+10.7%

PVNB by OE (EUR mn)





L/H: successful new business management



Comments

PVNB by line

- **Strong new business across preferred lines:**
Protection & health increases 177% resp. EUR 3.9bn driven by one large contract in corporate business.
UL is up by 32%, resp. EUR 1.0bn, driven by various countries. Higher sales in France (Δ EUR +0.5bn) were supported by back-book management.
Capital-efficient business is up by 35%, resp. EUR 2.1bn, with largest volume expansion in the USA (Δ EUR +1.5bn). Higher sales in France (Δ EUR +0.5bn) benefit from back-book management.
GS&A is down 20% with lower volume in most countries. Adjusted for the large contract in corporate P&H business total growth is 23% with prior-year sales being affected by lockdown measures.
- **NBM very good at 3.4%**
Strong recovery of NBM for capital-efficient products. NBM of P&H impacted by large contract in corporate business (NBM 3.4%).

PVNB by OE

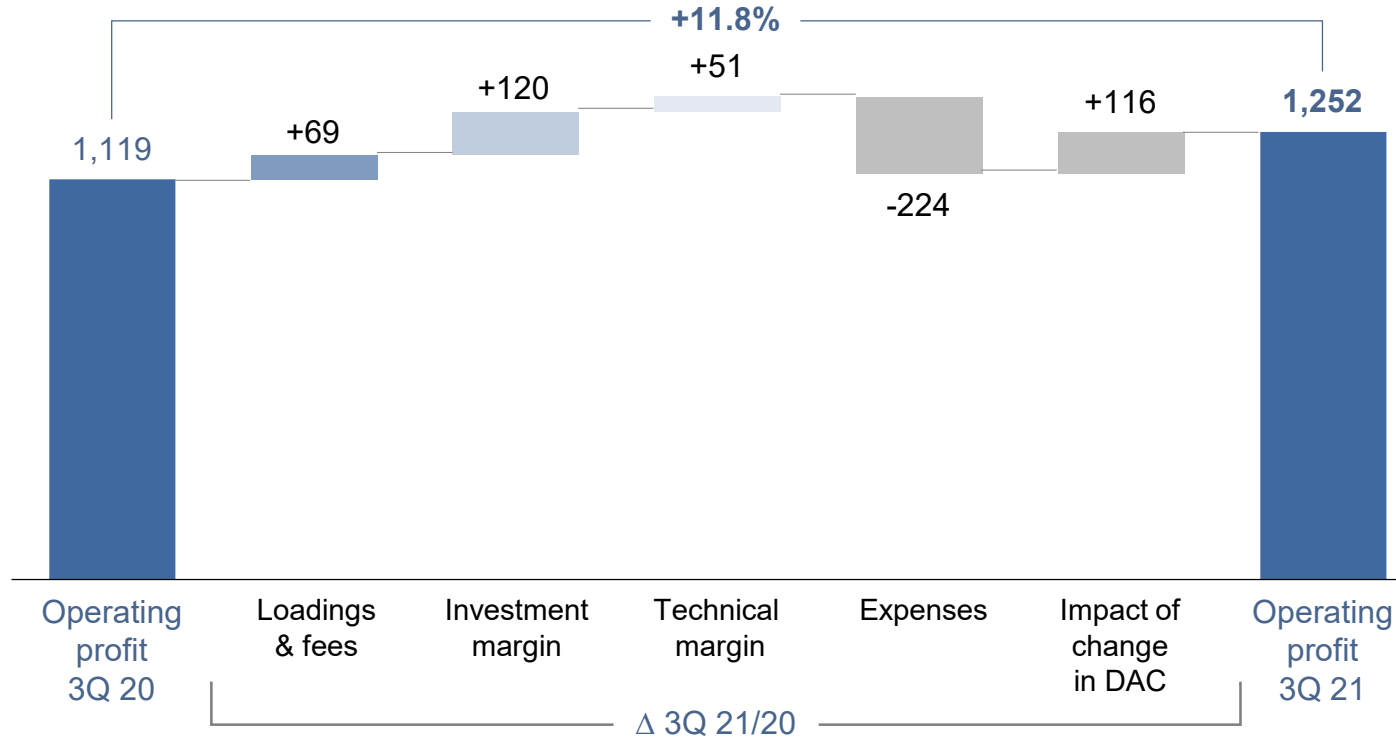
- **Germany Life – new business remains on high level**
Good acceptance of modified products supports recovery of NBM to 3.2%. Share of P&H is up to 12% with NBM 6.9%.
- **USA – strong sales performance across all lines**
All lines with NBM \geq 3%.
- **Asia Pacific – high single-digit growth with 5.5% NBM**
Main contributor is Taiwan with 45% increase in UL business.
- **Italy – capital-efficient business more than doubles**
Capital-efficient business supported by one large contract. UL business grows 9%.
- **France – continuation of back-book management**
Further transfer of in-force business (EUR 0.7bn) into newly launched product with UL and capital-efficient component. Adjusted for the back-book management new business growth is 8%.
- **Other OEs – large contract in corporate business**
Allianz Re with one large contract (EUR ~3.7bn) in corporate P&H business with NBM of 3.4%.



L/H: operating profit very good at EUR 1.3bn

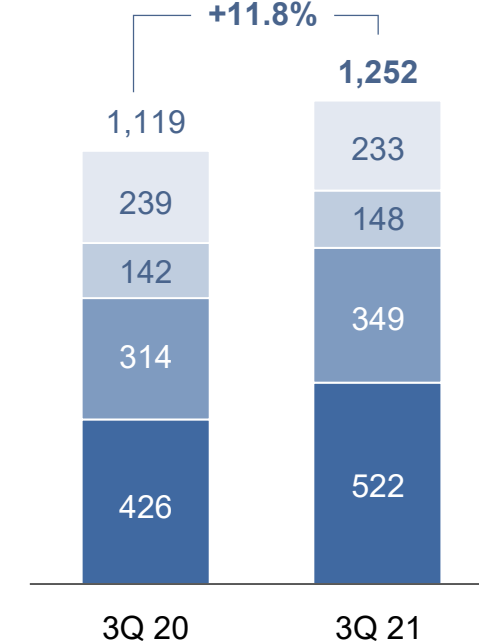
(EUR mn)

Operating profit by source



3Q 21	1,644	1,072	346	-1,925	114
3Q 20	1,576	952	295	-1,701	-1

Operating profit by line



- Protection & health
- Unit-linked w/o guarantees
- Capital-efficient products
- Guaranteed savings & annuities



L/H: operating profit very good at EUR 1.3bn

Comments

- **Operating profit at 28% of FY outlook midpoint**
Operating profit driven by investment margin (+13%), UL management fees (+20%), loadings from reserves (+14%) and technical margin (+17%).
- **Loadings & fees supported by UL business**
Increase driven by higher UL management fees and loadings from reserves.
- **Technical margin – widespread improvement**
- **Investment margin grows by 13%**
Investment margin improves by 2bps to 21bps supported by higher contribution from USA and France.
- **Expenses – new business growth**
Acquisition expenses driven by new business growth. Admin expenses in line with business growth.
- **Impact of change in DAC – new business growth**
Higher capitalization driven by new business growth, e.g. USA and France.

Operating profit by line

- **UL w/o guarantees**
Higher UL management fees in Italy. Lower contribution from Taiwan due to positive p.y. DAC true-up.
- **Capital-efficient products**
Better result from Germany Life mainly due to business growth.
- **Guaranteed savings & annuities**
Improvement mainly due to better investment result from France and U.S. VA business.
- **9M 2021 RoE (annualized) at 12.7%**

L/H segment	9M 2020	9M 2021	Δ
PVNB (EUR bn)	42.5	58.9	+38.5%
NBM	2.9%	3.2%	+0.3%-p
VNB (EUR mn)	1,222	1,856	+51.9%
Investment margin	52bps	63bps	+11bps
Operating profit (EUR mn)	2,930	3,747	+27.9%
RoE (annualized)	12.0%	12.7%	+0.8%-p



L/H: value of new business up 80%

EUR mn	Value of new business		New business margin		Operating profit	
	3Q 21	Δ p.y.	3Q 21	Δ p.y.	3Q 21	Δ p.y.
Total L/H segment	665	+79.5%	3.4%	+0.5%-p	1,252	+11.8%
USA	148	+204.5%	3.8%	+1.7%-p	300	+4.2%
Germany Life	135	+15.7%	3.2%	+0.6%-p	313	+11.9%
Asia-Pacific	79	-4.3%	5.5%	-0.8%-p	99	-24.4%
Italy	45	+40.1%	1.8%	+0.2%-p	127	+51.3%
France	37	+105.3%	2.0%	+0.3%-p	155	+30.1%
Germany Health	29	+63.2%	4.3%	+0.7%-p	54	+17.6%
Central and Eastern Europe	12	+13.7%	4.7%	+0.2%-p	68	+14.1%
Turkey	11	+14.8%	7.3%	+1.0%-p	27	+28.1%
Benelux	11	+76.0%	2.9%	+0.7%-p	35	+2.5%
Switzerland	3	+24.6%	2.6%	+0.7%-p	22	-20.1%
Spain	3	-37.5%	1.7%	-1.1%-p	37	+111.8%



L/H: value of new business up 80%



Comments

New business

- **NBM very good at 3.4%**
Favorable market movements (+0.4%-p) and better business mix (+0.3%-p) result in higher NBM.
- **VNB grows 79.5%**
Combination of higher NBM (Δ +0.5%-p) and increased new business volume (+51.8%).
- **Business mix improves**
Trend towards products with <100% principal protection continues with good acceptance of modified products across almost all countries. Share of GS&A in new business mix below 10%.
- **USA – highest contributor to VNB**
Successful new business management leads to strong sales performance and better NBM.
- **France – continuation of back-book management**
Further transfer of in-force business (EUR 0.7bn) at healthy margin into newly launched product with UL and capital-efficient component.

Operating profit

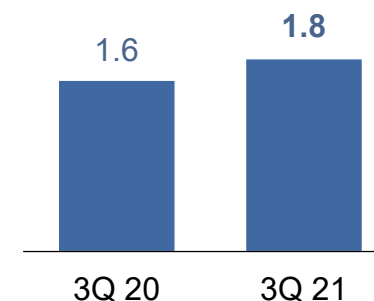
- **Germany Life – very good level**
Increase in operating profit driven by capital-efficient products.
- **USA – strong performance**
Strong underlying performance further supported by stable capital markets.
- **Asia Pacific –Taiwan and Indonesia**
Lower contribution from Taiwan mainly due to positive p.y. DAC true-up. Technical result in Indonesia impacted by claims related to COVID-19.
- **Italy – operating profit driven by higher UL fees**
Operating profit from UL increases by 48%. Share of UL in total operating profit is at 64%.
- **France – good level**
Increase driven by higher investment margin and a positive impact from DAC true-up.
- **Spain – increase driven by positive one-off impact**



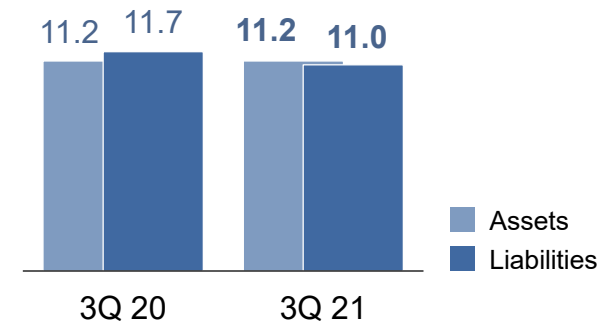
L/H: investment margin grows by 13%

	Investment margin	
	3Q 20	3Q 21
Based on Ø book value of assets¹ (EUR bn)	626	645
Current yield	0.68%	0.75%
Based on Ø aggregate policy reserves (EUR bn)	493	513
Current yield	0.87%	0.95%
Net harvesting and other ²	0.18%	0.05%
Total yield	1.05%	0.99%
- Ø min. guarantee ³	0.46%	0.44%
Gross investment margin (in %)	0.59%	0.55%
- Profit sharing under IFRS ⁴	0.40%	0.34%
Investment margin (in %)	0.19%	0.21%
Investment margin (EUR mn)	952	1,072

Economic reinvestment yield (debt securities; in %)



Duration⁵



1) Asset base under IFRS which excludes unit-linked, FVO and trading
 2) Other comprises fair value option, trading and F/X gains and losses, as well as investment expenses
 3) Based on technical interest

4) Includes bonus to policyholders under local statutory accounting and deferred premium refund under IFRS
 5) The durations are based on a non-parallel shift in line with SII yield curves and scaled by Fixed Income assets. Data excludes internal pensions residing in the L/H segment.



L/H: investment margin grows by 13%



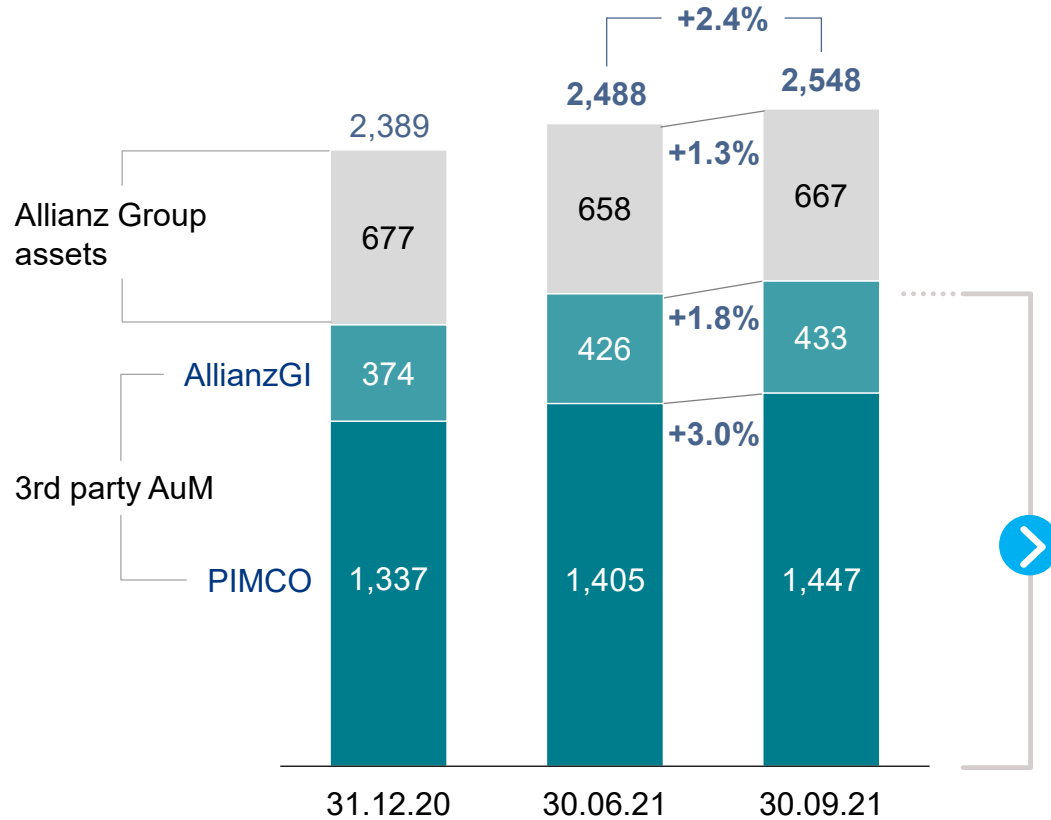
Comments

- **Investment margin up EUR 0.1bn to EUR 1.1bn**
Result of better investment margin (Δ +2bps to 21bps) and growth of reserve base (+4.0%).
- **Higher current yield**
Current yield based on aggregate policy reserves up by 8bps. Increase driven by higher dividends.
- **Net harvesting and other**
Lower trading and F/X result.
- **Average minimum guarantee down by -2bps**
Decline in line with expectations.
- **Gross investment margin at 55bps**
Decline due to normalization of net harvesting result.
- **Investment margin strong at 21bps**
PHP of 78.9% vs. 81.6% in prior year.
- **Reinvestment yield slightly up and in line with 1Q and 2Q**
- **Change in duration**
Duration gap narrows mainly due to higher interest rates and management action.



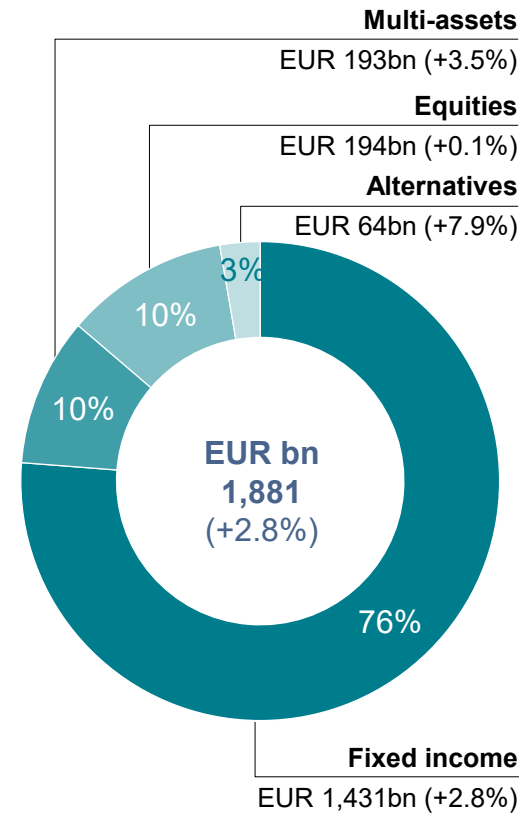
AM: Total AuM exceed EUR 2.5tn (EUR bn)

Total assets under management

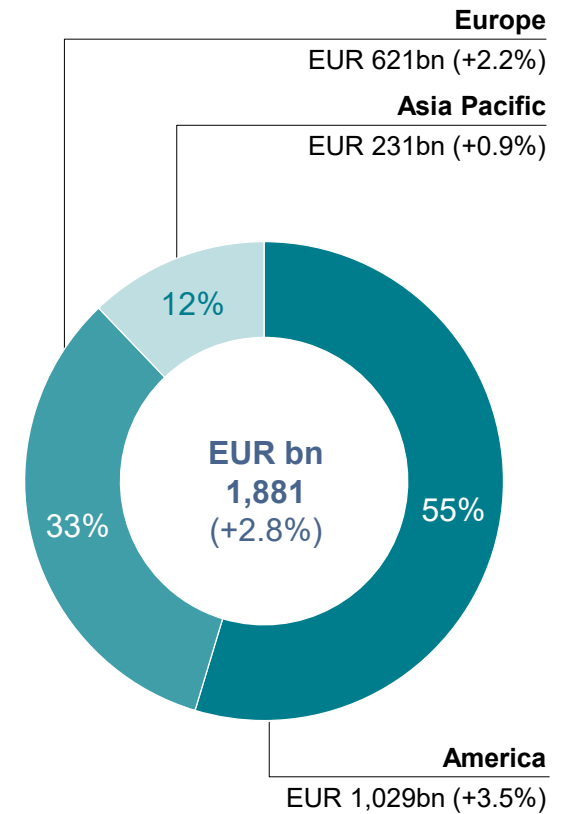


3rd party AuM split

Asset classes



Regions





AM: Total AuM exceed EUR 2.5tn



Comments

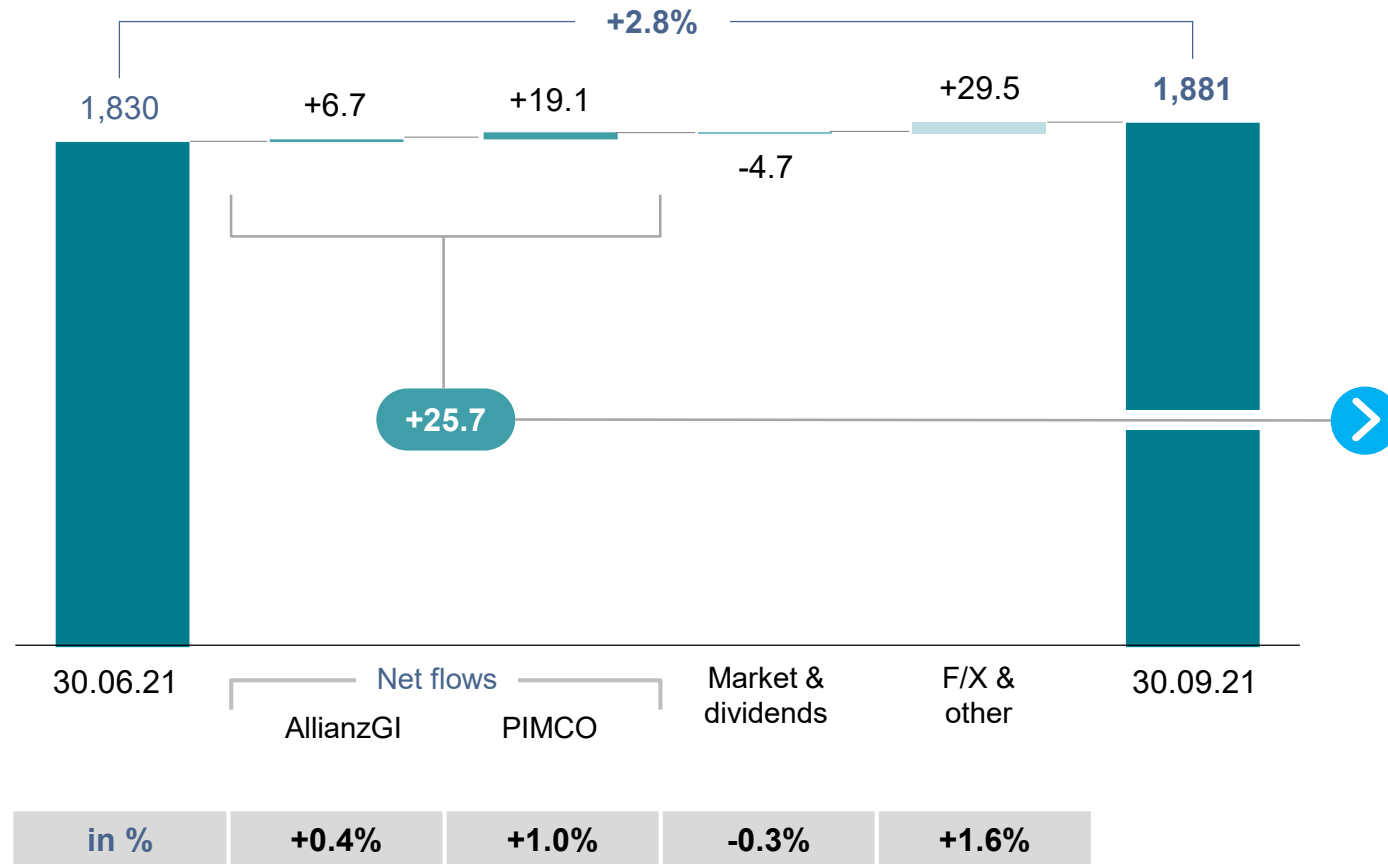
- **Total AuM up 2%**
Increase primarily due to 3rd party assets, driven by 3rd party net inflows and F/X effects.
- **3rd party AuM increase by 3% with growth in all regions**
- **Investment outperformance**
AM segment: 90% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.
- **Alternatives**
Total Alternatives AuM including Allianz assets increase by 5% from EUR 202bn end of 2Q 2021 to EUR 212bn end of 3Q 2021. 3rd party Alternatives AuM rose by 8% to EUR 64bn. Total Alternatives inflows during the quarter amount to EUR 4.8bn, with Allianz and 3rd party clients continuing to invest in private market assets and real estate.



AM: continued strong 3rd party net inflows

(EUR bn)

3rd party assets under management development



3rd party net flow split

Asset classes	Fixed income	+17.3
	Equities	-0.4
	Multi-assets	+5.9
	Alternatives	+3.0
Regions	America	+12.9
	Europe	+11.5
	Asia Pacific	+1.3
Investment vehicles	Mutual funds	+26.6
	Separate accounts	-0.8



AM: continued strong 3rd party net inflows



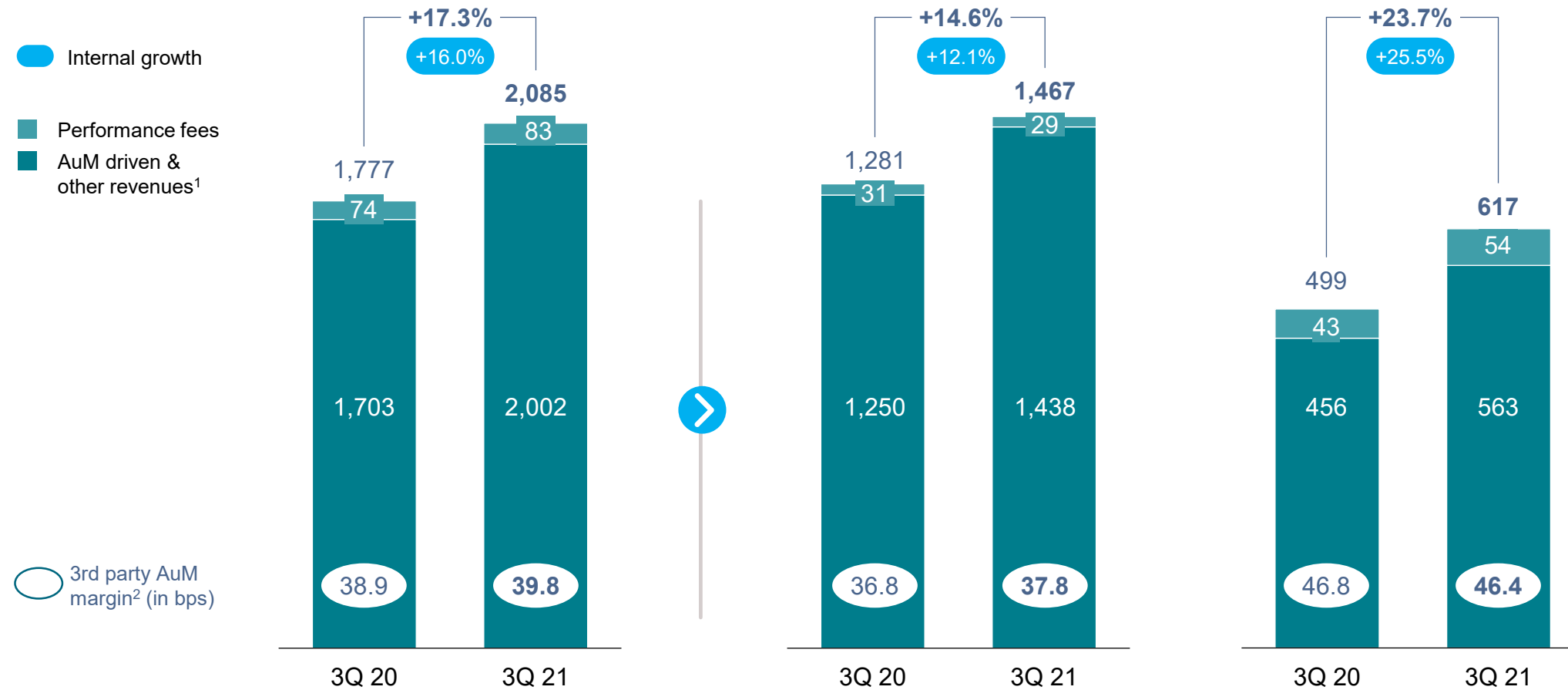
Comments

- **3rd party AuM up 3% to EUR 1.9tn**
3rd party AuM increase by EUR 51bn to a new all-time high. Strong 3rd party net inflows (EUR 26bn) stem from PIMCO (EUR 19bn) and AllianzGI (EUR 7bn).
EUR 1,862bn average 3rd party AuM in 3Q 2021, 12% above 3Q 2020 level of EUR 1,658bn.
- **3rd party net flows PIMCO: EUR +19bn**
3rd party net inflows from a broad range of strategies like income, total return and private funds.
- **3rd party net flows AllianzGI: EUR +7bn**
3rd party net inflows from all asset classes and regions, mainly from multi-assets and Europe.



AM: 17% revenue growth (EUR mn)

Revenues development



1) Thereof other revenues: AM: 3Q 20: EUR -5mn, 3Q 21: EUR -1mn; PIMCO: 3Q 20: EUR -5mn; 3Q 21: EUR +1mn; AllianzGI: 3Q 20: EUR +3mn; 3Q 21: EUR -1mn
 2) Excluding performance fees and other income



AM: 17% revenue growth



Comments

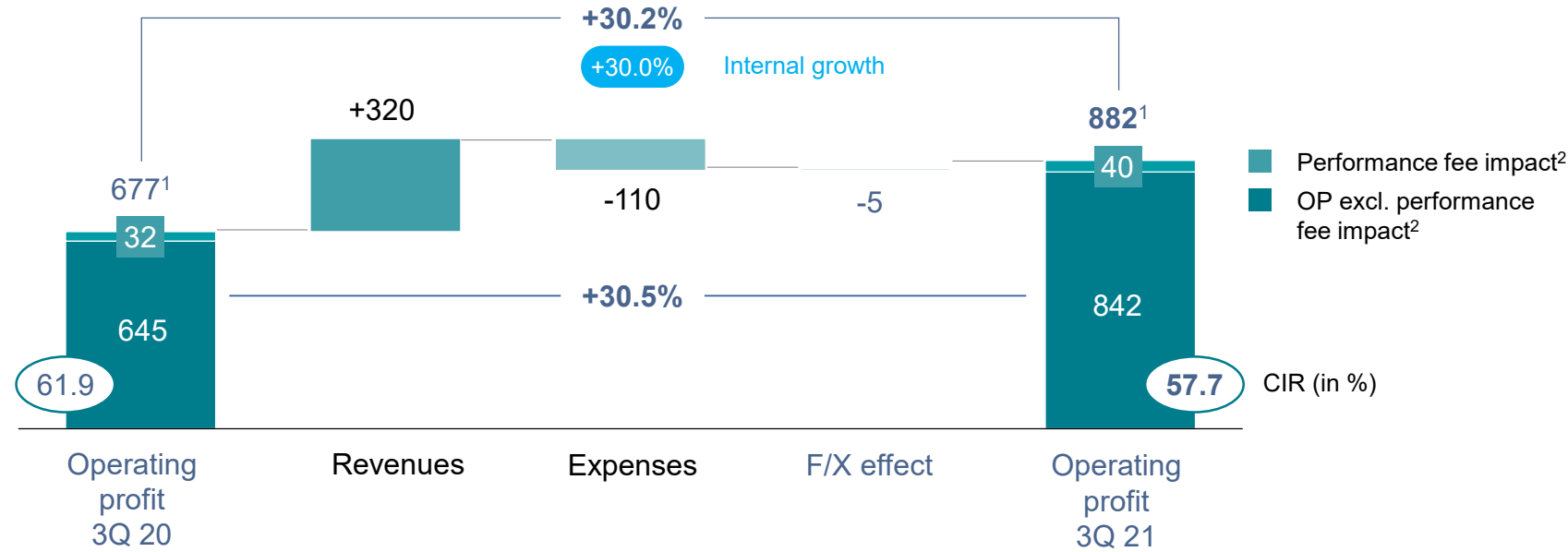
- **Segment revenues – up 17%**
Significant revenue increase by EUR 308mn mainly due to rising AuM driven revenues, following higher average 3rd party AuM. AuM driven revenues additionally supported by a higher AuM margin and by Allianz Real Estate integration with EUR 44mn (PIMCO assumed oversight of Allianz Real Estate in 4Q 2020).
Performance fees increase by 13%/EUR 9mn driven by AllianzGI.
- **Segment margin – up 0.9bps**
Favorable 3rd party AuM margin of 39.8bps, increase driven by PIMCO.
- **PIMCO margin – up 1.0bps**
Margin increases to 37.8bps supported by higher shares of mutual funds.
- **AllianzGI margin – down 0.4bps**
Slight decrease to 46.4bps.



AM: operating profit up 30%

(EUR mn)

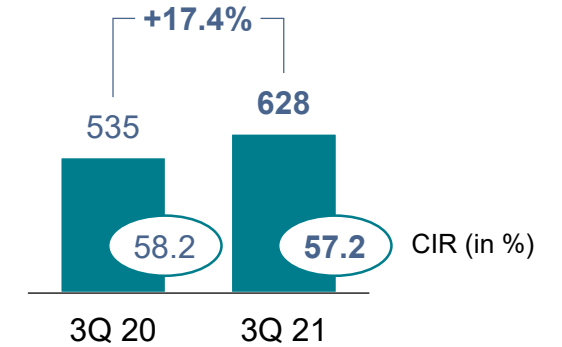
Operating profit drivers



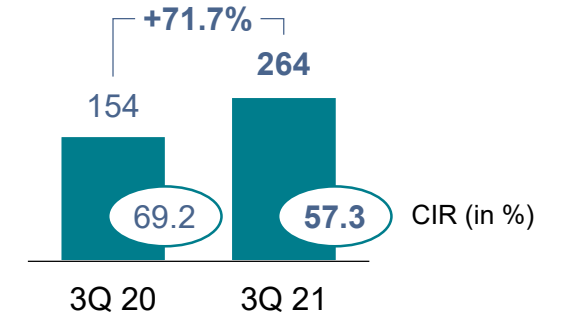
Δ 3Q 21/20

F/X impact	-12	+7
3Q 21	2,085	-1,203
3Q 20	1,777	-1,100

PIMCO



AllianzGI



1) Including operating loss from other entities of EUR -7mn in 3Q 20 and EUR -7mn in 3Q 21
 2) Performance fees of PIMCO and AllianzGI (excl. Allianz Capital Partners), net of 30% variable compensation



AM: operating profit up 30%



Comments

- **Segment – strong result at both OEs**

OP up 30%, at 31% of FY outlook midpoint.

OP grows mainly due to higher average 3rd party AuM (+12%), supported by a slightly higher AuM margin (+0.9bps), resulting in an increase of AuM driven revenues of +17%.

CIR at 57.7%, 4.2%-p better than in 3Q 2020.

- **PIMCO – OP up 17%**

Significant revenue increase mainly due to higher average 3rd party AuM. Allianz Real Estate contributes positively.

CIR at 57.2%, improved by 1.0%-p.

- **AllianzGI – quarterly OP at all-time high**

Higher AuM driven revenues, following a significantly higher business volume (average 3rd party AuM +26%), and more performance fees result in an OP growth of 72%.

CIR improved significantly by 12%-p to 57.3%, due to strong revenue growth and the “Excellence through Optimization and Simplicity” program.

- **9M 2021 – OP at 88% of FY outlook midpoint**

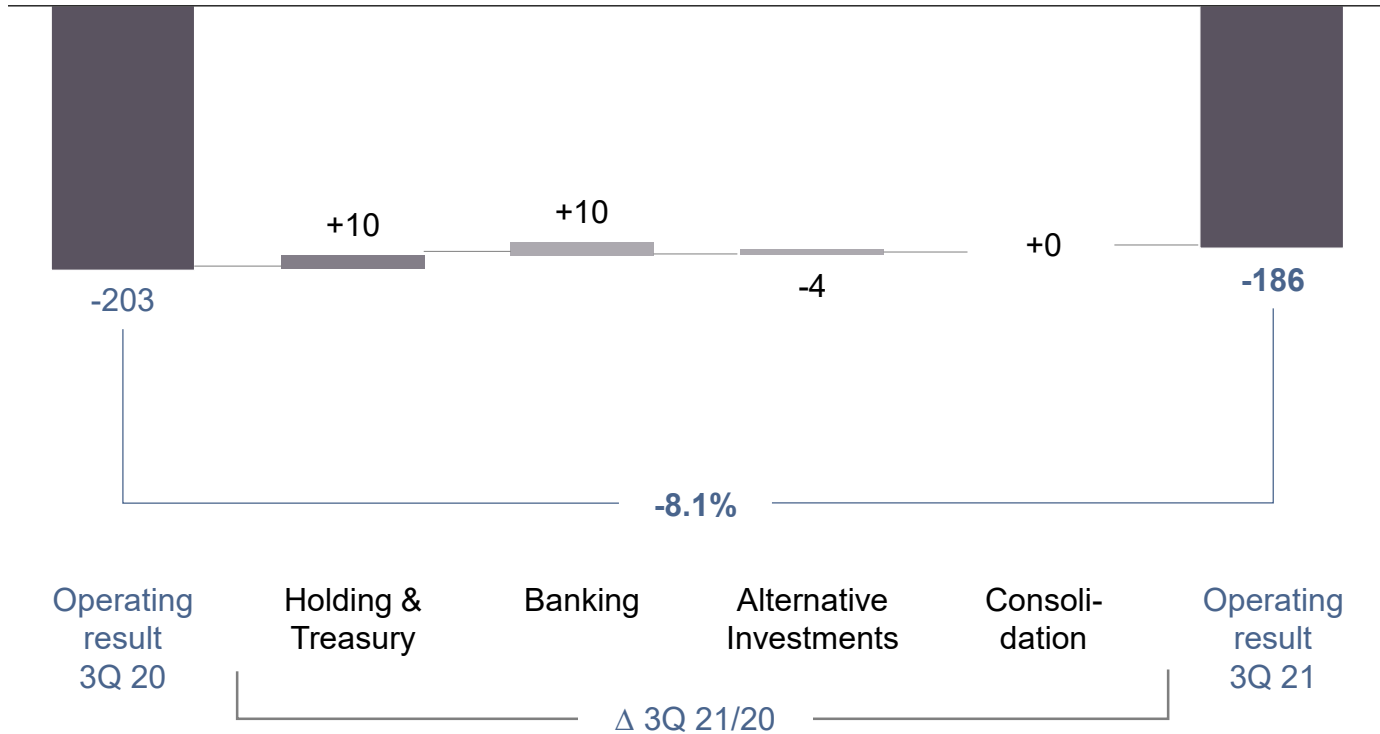
AM segment	9M 2020	9M 2021	Δ
Operating revenues (EUR mn)	5,270	5,920	+12.3%
Operating profit (EUR mn)	1,996	2,454	+23.0%
Average 3rd party AuM (EUR bn)	1,659	1,794	+8.2%
3rd party net flows (EUR bn)	+5.0	+89.5	n.m.
3rd party AuM margin (bps)	38.9	38.9	+0.0bps
CIR (%)	62.1%	58.5%	-3.6%-p



CO: in line with expectations

(EUR mn)

Operating result development and components



	Holding & Treasury	Banking	Alternative Investments	Consolidation
3Q 21	-202	18	3	-5
3Q 20	-212	8	7	-5



CO: in line with expectations

Comments

- **Operating loss at 23% of FY outlook midpoint**
Higher contribution from Banking due to lower loan loss provisions and higher fee and commission income.



Group: shareholders' net income at EUR 2.1bn

EUR mn	3Q 20	3Q 21	Δ p.y.
Operating profit	2,907	3,236	+329
Non-operating items	-21	-287	-267
Realized gains/losses (net)	436	159	-277
Impairments (net)	-98	-89	+9
Income from financial assets and liabilities carried at fair value (net)	19	36	+17
Interest expenses from external debt	-183	-140	+43
Restructuring and integration expenses	-193	-128	+65
Amortization of intangible assets	-48	-67	-19
Change in reserves for insurance and investment contracts (net)	46	22	-24
Other	1	-81	-82
Income before taxes	2,886	2,949	+62
Income taxes	-755	-720	+35
Net income	2,131	2,229	+98
Non-controlling interests	-68	-119	-50
Shareholders' net income	2,063	2,111	+47
Effective tax rate	26%	24%	-2%-p



Group: shareholders' net income at EUR 2.1bn



Comments

- **Shareholders' net income up by 2%**
Increase in operating profit (Δ EUR +0.3bn) more than offsets lower non-operating profit (Δ EUR -0.3bn).
- **Non-OP result decreases by EUR 0.3bn**
Non-operating items driven by lower level of realized gains.
- **Restructuring expenses – IT decommissioning**
Continuous investments in productivity and efficiency. Approx. 40% of restructuring expenses (EUR 50mn) refer to decommissioning of legacy IT-systems.
- **Tax rate in line with expectations**



To sum it up – strong 9M results

Facts
and figures
9M 2021
(EUR)

110bn
+5%

Revenues

9.9bn
+27%

Operating profit

6.9bn
+38%

Shareholders'
net income

207%
Target: $\geq 180\%$

Solvency II ratio



4.7bn

Total payout
2021



CONTENT

1

GROUP FINANCIAL RESULTS
3Q 2021

2

ADDITIONAL INFORMATION

GLOSSARY
DISCLAIMER

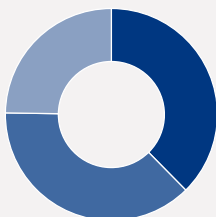


Allianz track record

Operating profit 2020: EUR 10.8bn

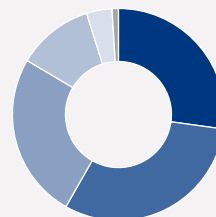
By segments¹

P/C Insurance	38%
L/H Insurance	38%
Asset Mgmt.	25%



By regions:

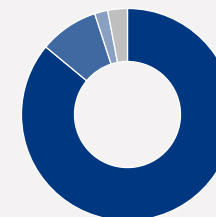
Germany	28%
W & S Europe	32%
USA	26%
Growth Markets ²	12%
Anglo Markets ³	4%
Specialty Ins. ⁴	-1%



Investment portfolio 2020: EUR 790bn

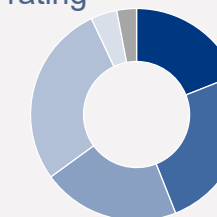
Asset allocation

Debt instruments	86%
• Government	38%
• Covered	10%
• Corporate	42%
• Other	11%
Equities	9%
Real estate ⁵	2%
Other	3%



Debt instruments by rating⁶

AAA	19%
AA	25%
A	21%
BBB	28%
Non inv. grade	4%
Not rated ⁷	3%



In EUR		2016	2017	2018	2019	2020	Δ 20/19	CAGR 4yr
Income statement	Revenues ⁸ (bn)	122.4	126.1	132.3	142.4	140.5	-1.3%	+3.5%
	Operating profit (bn)	11.1	11.1	11.5	11.9	10.8	-9.3%	-0.7%
	Shareholders' net income (bn)	7.0	6.8	7.5	7.9	6.8	-14.0%	-0.7%
Capital	Shareholders' equity (bn)	67.1	65.6	61.2	74.0	80.8	+9.2%	+4.8%
	Solvency II ratio ⁹ (%)	218%	229%	229%	212%	207%	-5%-p	-
Other data	3rd party AuM (tn)	1.36	1.45	1.44	1.69	1.71	+1.5%	+5.9%
	Total AuM (tn)	1.87	1.96	1.96	2.27	2.39	+5.3%	+6.3%
	RoE ¹⁰ (%)	12.3%	11.8%	13.2%	13.6%	11.4%	-2.2%-p	-
Share information	Basic earnings per share	15.3	15.2	17.4	18.9	16.5	-12.8%	+1.9%
	Dividend per share	7.60	8.00	9.00	9.60	9.60	0.0%	+6.0%
	Dividend yield (%) ¹¹	4.8%	4.2%	5.1%	4.4%	4.8%	+0.4%-p	-

1) Excl. "Corporate & Other" and consolidation between segments

2) CEE, Asia-Pacific, Latin America, Middle East and Africa, Turkey, Austria and AZ Direct allocated to Western and Southern Europe

3) UK, Ireland, Australia

4) Allianz Global Corporate & Specialty, Euler Hermes, Allianz Partners, Allianz Re

5) Excluding real estate held for own use and real estate held for sale

6) Excluding seasoned self-originated private retail loans

7) Mostly mutual funds and short-term investments

8) From 2018, total revenues also comprise P/C fee and commission income

9) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 240% as of 31.12.20

10) Definition see glossary

11) Divided by year-end share price

GLOSSARY & DISCLAIMER





Glossary (1)

AFS	Available for sale: Available-for-sale investments are non-derivative financial assets which have been acquired neither for sale in the near term nor to be held to maturity. They are shown at fair value on the balance sheet.
AGCS	Allianz Global Corporate & Specialty
AllianzGI	Allianz Global Investors
AM	(The Allianz business segment) Asset Management
AP	Allianz Partners
APE	Annual premium equivalent: A measure to normalize single premiums to the recurring premiums. It is calculated as the sum of recurring premiums and 10% of single premiums of the respective period.
APR	Accident insurance with premium refund (“Unfallversicherung mit Beitragsrückzahlung”): Special form of accident insurance where the policyholder, in addition to insurance coverage for accidents, has a guaranteed claim to the refund of premiums, either at the agreed maturity date or in the event of death.
Attritional LR	Accident year losses less claims arising from natural catastrophes as per our group-level definition (please refer to “NatCat”) divided by premiums earned (net).
AuM	<p>Assets under management are assets or securities portfolios, valued at current market value, for which Allianz Asset Management companies provide discretionary investment management decisions and have the portfolio management responsibility. They are managed on behalf of third parties as well as on behalf of the Allianz Group.</p> <p>Net flows: 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.</p> <p>Market & dividends: Represents current income earned on and changes in fair value of securities held in client accounts. This also includes dividends from net investment income and from net realized capital gains to investors of open-ended mutual funds and closed-end funds.</p>
AY LR	Accident year loss ratio: Please refer to “LR” (loss ratio).
AZ	Allianz



Glossary (2)

Bps	Basis points: 1 Basis point = 0.01%.
CEE	Central and Eastern Europe
CIR	Cost-income ratio: Operating expenses divided by operating revenues
CO	(The Allianz business segment) Corporate and Other
CR	Combined ratio: 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).
Current yield	Represents interest and similar income divided by average asset base at book value.
DAC	Deferred acquisition costs: The expenses of an insurance company which are incurred in the acquisition of new insurance policies, or the renewal of existing policies, and capitalized in the balance sheet. They include commissions paid, underwriting expenses, and policy issuance costs.
Economic reinvestment yield	Reflects the reinvestment yield, including F/X hedging costs on non-domestic hard-currency F/X bonds as well as expected F/X losses on non-domestic emerging-market bonds in local currencies. The yield is presented on an annual basis.
EIOPA	European Insurance and Occupational Pensions Authority
EPS	Earnings per share: A ratio calculated by dividing the respective period's net income attributable to shareholders, adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity, by the weighted average number of shares outstanding (basic EPS). To calculate diluted earnings per share, the number of common shares outstanding and the net income attributable to shareholders are adjusted to include the effects of potentially dilutive common shares that could still be exercised. Potentially dilutive common shares result from share-based compensation plans (diluted EPS).
ER	Expense ratio: Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).
F/X	Foreign exchange rate
FIA	Fixed index annuity: Annuity contract under which the policyholder can elect to be credited based on movements in equity or in bond market indices, with the principal remaining protected.



Glossary (3)

FV	Fair value: 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.
FVO	Fair-value option: Financial assets and liabilities designated at fair value through income are measured at fair value, with changes in fair value recorded in the consolidated income statement.
Goodwill	Difference between the cost of acquisition and the fair value of the net assets acquired.
Government bonds	Government bonds include government and government agency bonds.
GPW	Gross premiums written: Please refer to “Premiums written/earned” as well as “Gross/net”.
Gross/net	In insurance terminology the terms “gross” and “net” mean before and after consideration of reinsurance ceded, respectively. In investment terminology the term “net” is used where the relevant expenses have already been deducted.
Harvesting	Includes realized gains/losses (net) and impairments of investments (net).
Held for sale	A non-current asset is classified as held for sale if its carrying amount will principally be recovered through a sale transaction rather than continued use. On the date a non-current asset meets the criteria for being considered as held for sale, it is measured at the lower of its carrying amount and its fair value less costs to sell.
IFRS	International Financial Reporting Standards: As of 2002, the term IFRS refers to the total set of standards adopted by the International Accounting Standards Board. Standards approved before 2002 continue to be referred to as International Accounting Standards (IAS).
IMIX	Our Inclusive Meritocracy Index (IMIX) measures the progress of the organization on its way towards inclusive meritocracy. This internal index is based on ten items from the Allianz Engagement Survey (AES) which deal with leadership, performance, and corporate culture.
Internal growth	Total revenue performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
JV	Joint venture
KPI	Key performance indicator



Glossary (4)

L/H	(The Allianz business segment) Life and Health insurance
L/H lines of business	<p>Guaranteed savings & annuities: Life insurance products linked to life expectancy, offering life and / or death benefits in the form of single or multiple payments to beneficiaries and possibly including financial and non-financial guarantees.</p> <p>Capital-efficient products: Products that are based on the general account but involve a significantly lower market risk, either through comprehensive asset/liability management or through significant limitation of the guarantee. This also includes hybrid products which, in addition to conventional assets, invest in a separate account (unit-linked). Capital-efficient products offer a guaranteed surrender value at limited risk, due to, e.g. precise asset-liability management or market value adjustment.</p> <p>Protection & health: Insurance products covering the risks associated with events that affect an individual's physical or mental integrity.</p> <p>Unit-linked [products] without guarantees: With conventional unit-linked products, all benefits under the contract are directly linked to the value of a set of assets which are pooled in an internal or external fund and held in a separate account by the insurer. In this constellation, it is the policyholder rather than the insurer who bears the risk.</p>
L/H operating profit sources	<p>The objective of the "Life/Health operating profit sources" analysis is to explain movements in IFRS results by analyzing underlying drivers of performance, consolidated for the Life/Health business segment.</p> <p>Loadings & fees: Includes premium and reserve-based fees, unit-linked management fees, and policyholder participation in expenses (if and as applicable).</p> <p>Investment margin: Is defined as IFRS investment income, net of expenses, less interest credited to IFRS reserves as well as policyholder participation in the investment result.</p> <p>Expenses: Includes commissions, acquisition, and administration expenses.</p> <p>Technical margin: Comprises risk result (risk premiums less benefits in excess of reserves), lapse result (surrender charges and commission clawbacks) and reinsurance result, all net of policyholder participation (as applicable).</p> <p>Impact of change in DAC: Represents the net impact of the deferral and amortization of both acquisition costs and front-end loadings on operating profit. Includes effects of changes in DAC and URR.</p>
LatAm	Latin America: South America and Mexico



Glossary (5)

LoB	Line of business
LR	Loss ratio: Represents claims and insurance benefits incurred (net), divided by premiums earned (net). The calendar year (CY) loss ratio includes the results of the prior year's reserve development in addition to the accident year (AY) loss ratio.
LTC	Long-term care
MCEV	Market-consistent embedded value: A measure of the consolidated value of shareholders' interests in the covered business. It is defined as the excess of the market value of assets over the market value of liabilities as of the valuation date. As such, the MCEV excludes any item not considered shareholder interest, such as the Going Concern Reserve and Surplus Fund.
NatCat	Accumulation of claims that are all related to the same natural or weather/atmospheric event during a certain period and where the estimated gross loss for the Allianz Group exceeds EUR 20mn.
NBM	New-business margin: Performance indicator to measure the profitability of new business in the Life/Health business segment. It is calculated as the value of new business, divided by the present value of new-business premiums, both based on the same assumptions to ensure a valid and meaningful indicator.
Non-controlling interests	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
NPE	Net premiums earned: Please refer to "premiums written/earned" as well as "gross/net".
NPS	Net promoter score: A measurement of customers' willingness to recommend Allianz. Top-down NPS is measured regularly according to global cross-industry standards and allows benchmarking against competitors in the respective markets.
OE	Operating entity
Ogden rate	Discount (Ogden) rate is used by British courts to calculate the discounted values of future losses in bodily injury claims paid out as lump-sum payments. It largely impacts motor, but also liability lines.
OP	Operating profit: Earnings from ordinary activities before income taxes and non-controlling interests in earnings, excluding (if and as applicable for each business segment) all or some of the following items: income from financial assets and liabilities carried at fair value through income (net), realized gains/losses (net), impairments of investments (net), interest expenses from external debt, amortization of intangible assets, acquisition-related expenses, restructuring and integration expenses, and profit/loss of substantial subsidiaries held for sale, but not yet sold.



Glossary (6)

Operating SII earnings	<p>Operating SII earnings represent the change in own funds, before tax and dividend accrual, that is attributable to the Allianz Group's ongoing core operations. As such, operating SII earnings comprise: expected return from existing business, new business value, operating variances and changes in assumptions, and interest expense on external debt.</p> <p>Operating SII earnings exclude the following effects, which are disclosed separately in our analysis of own-funds movements: regulatory / model changes, economic variances driven by changes in capital market parameters, including F/X rates, taxes, non-operating restructuring charges, capital management (e.g. issuance or redemption of subordinated debt, dividend accruals and payments, share buy-back programs), one-off impacts from, e.g., the acquisition and disposal of subsidiaries, changes in transferability restrictions, and tier limits.</p>
Own funds	The capital eligible to cover the regulatory solvency capital requirement.
P/C	(The Allianz business segment) Property and Casualty [insurance]
PHP	Policyholder participation
PIMCO	Pacific Investment Management Company Group
PPE	Provision pour participation aux excédents: The portion of the profit participation that is unpaid and has to be credited to policyholders in the future – either by virtue of statutory or contractual obligations or at the insurer's discretion.
Pre-tax operating capital generation	<p>Represents the change in SII capitalization following regulatory and model changes and which is attributable to</p> <p>a) changes in own funds as a consequence of operating SII earnings and</p> <p>b) changes in SCR as a consequence of business evolution.</p> <p>Factors such as market developments, dividends, capital management activities, taxes, etc. are not taken into account.</p>
Premiums written/earned (IFRS)	<p>“Premiums written” refers to all premium revenues recorded in the respective year.</p> <p>“Premiums earned” refers to the part of the premiums written used to provide insurance coverage in that year. In the case of life insurance products that are interest-sensitive (e.g. universal life products) or where the policyholder carries the investment risk (e.g. variable annuities), only the part of the premiums that is used to cover the risk insured and the costs involved is treated as premium income.</p>
PVNB	Present value of new business premiums: I.e. the present value of future premiums on new business written during the period in question, discounted at a reference rate. This includes the present value of projected new regular premiums plus the total amount of single premiums received. PVNB is shown after non-controlling interests, unless otherwise stated.



Glossary (7)

Reinsurance	Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies.
Retained earnings	In addition to the reserve legally required in the group parent company's financial statements, this item mainly comprises the undistributed profits of group entities as well as the amounts transferred from consolidated net income.
RfB	Reserves for premium refunds ("Rückstellungen für Beitragsrückerstattung"): The portion of the surplus that that is to be distributed to policyholders in the future – either by virtue of statutory or contractual obligations or obligations under the company bylaws, or at the insurer's discretion.
RILA	Registered index-linked annuities
RoE	<p>Return on equity – Group: Represents the annualized ratio of net income attributable to shareholders to the average shareholders' equity at the beginning of the period and at the end of the period. The net income attributable to shareholders is adjusted for net financial charges related to undated subordinated bonds classified as shareholders' equity. From the average shareholders' equity undated subordinated bonds classified as shareholders' equity and unrealized gains/losses on bonds net of shadow accounting are excluded.</p> <p>Return on equity P/C OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, deducting goodwill and deducting participations in affiliates not already consolidated in this OE, at the beginning and at the end of the period.</p> <p>Return on equity L/H OE: Represents the ratio of net income to the average total equity excluding unrealized gains/losses on bonds, net of shadow accounting, and deducting goodwill at the beginning and at the end of the period.</p>
Run-off ratio	The run-off result (result from reserve developments for prior (accident) years in P/C business) as a percentage of premiums earned (net).
SII	Solvency II
SII capitalization	Ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
SCR	Solvency capital requirement
SE	Societas Europaea: European stock company
SFCR	Solvency and Financial Condition Report



Glossary (8)

Statutory premiums	Gross premiums written from the sales of life and health insurance policies, as well as gross receipts from sales of unit-linked and other investment-related products, in accordance with the statutory accounting principles applicable in the insurer's home jurisdiction.
Total equity	The sum of shareholders' equity and non-controlling interests.
Total revenues	The sum of P/C total revenues (gross premiums written & fee and commission income), L/H statutory premiums, operating revenues in AM and total revenues in CO (Banking).
UFR	Ultimate forward rate: The UFR is determined using the EIOPA methodology and guidelines, and is used for extrapolation of periods after the last liquid point defined by the SII regulation. The UFR is calculated for each currency based on expected real rates and inflation for the respective region. The UFR is subject to revision in order to reflect fundamental changes in long term expectations.
UL	Unit-linked: Please refer to "L/H lines of business".
Unrealized gains/losses (net) (as part of shareholders' equity)	Include unrealized gains and losses primarily from available-for-sale investments, net of taxes and of policyholder participation.
URR	Unearned revenue reserves: These comprise premium components (other than expense loadings) that refer to future periods. They are reserved and released over the lifetime of the corresponding contracts.
VA	Variable annuities: The benefits payable under this type of life insurance depend primarily on the performance of the investments in a mutual fund. The policyholder shares equally in the profits or losses of the underlying investments. In addition, the contracts can include separate guarantees, such as guaranteed death, withdrawal, accumulation or income benefits.
VNB	Value of new business: The additional value to shareholders that results from the writing of new business. The VNB is determined as present value of future profits, adjusted for acquisition expenses overrun or underrun, minus the time value of financial options and guarantees, minus a risk margin, all determined at issue date. Value of new business is calculated at point of sale, interpreted as at beginning of each quarter assumptions. In the case of the USA a more frequent valuation, using updated assumptions, is performed (bi-weekly).



Disclaimer

This document includes forward-looking statements, such as prospects or expectations, that are based on management's current views and assumptions and subject to known and unknown risks and uncertainties. Actual results, performance figures, or events may differ significantly from those expressed or implied in such forward-looking statements.

Deviations may arise due to changes in factors including, but not limited to, the following: (i) the general economic and competitive situation in the Allianz's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) adverse publicity, regulatory actions or litigation with respect to the Allianz Group, other well-known companies and the financial services industry generally (iv) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses,

(v) mortality and morbidity levels and trends, (vi) persistency levels, (vii) the extent of credit defaults, (viii) interest rate levels, (ix) currency exchange rates, most notably the EUR/USD exchange rate, (x) changes in laws and regulations, including tax regulations, (xi) the impact of acquisitions including and related integration issues and reorganization measures, and (xii) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level. Many of these changes can be exacerbated by terrorist activities.

No duty to update

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