



# Group financial results 2022

2022

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Munich  
August 5, 2022

# Content/topics

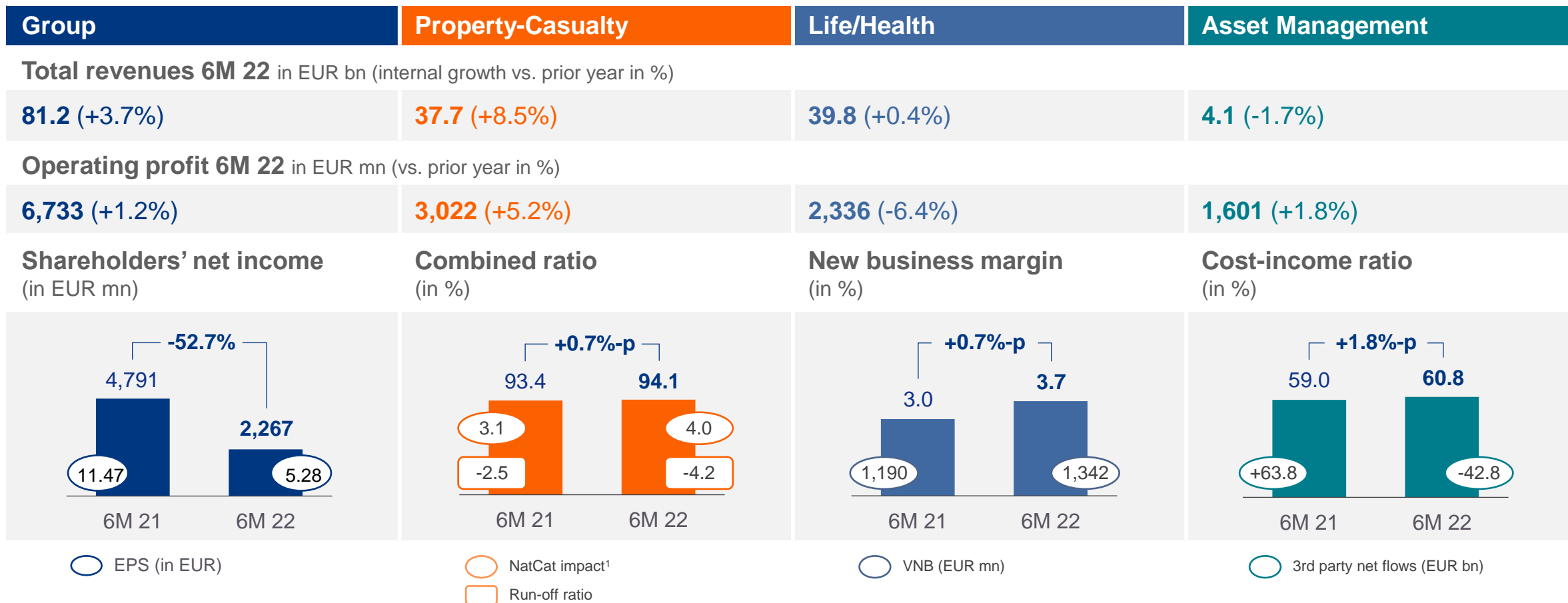
**1** Group financial results  
2Q 2022

**2** Additional information

Glossary

Disclaimer

# Group: 6M with good underlying result



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

# Group: 6M with good underlying result

## Comments

- **Internal growth good at 3.7%**  
Strong internal growth in P/C (+8.5%). Consolidation (+1.1%) and F/X (+2.3%) lead to total revenue growth of 7.2%.
- **Operating profit at 50% of FY outlook midpoint**  
Good operating profit growth of 5% in P/C. Solid operating profit contribution from L/H and AM against the background of a challenging market environment.
- **Shareholders' net income at EUR 2.3bn**  
Shareholders' net income driven by non-operating result ( $\Delta$  EUR -3.3bn), which was impacted by harvesting result ( $\Delta$  EUR -0.7bn), restructuring expenses ( $\Delta$  EUR -0.3bn) and a provision of EUR 1.6bn after tax for the AllianzGI U.S. Structured Alpha matter in 1Q 2022.
- **EUR 1bn share buy-back finalized in July**  
A total of 5.1mn shares were acquired representing 1.3% of outstanding capital. Number of shares to decline to 403.3mn after cancellation at year-end.
- **P/C – good performance**  
Operating profit up 5% driven by higher investment result. Underwriting result broadly stable as impact from higher CR is compensated by strong growth.
- **L/H – good result in volatile markets**  
Lower contribution from USA and Germany Life. Investment margin good at 38bps. VNB grows 13% to EUR 1.3bn with excellent NBM of 3.7%.
- **AM – resilient performance**  
Operating profit above prior year and at 47% of FY outlook midpoint despite challenging market environment.
- **Corporate & Other**  
Operating loss (EUR -233mn) narrows by EUR 45mn driven by higher investment income.

# Group: 2Q operating profit strong at EUR 3.5bn

Group	Property-Casualty	Life/Health	Asset Management
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**Total revenues 2Q 22** in EUR bn (internal growth vs. prior year in %)

<b>37.1</b> (+3.6%)	<b>16.2</b> (+11.1%)	<b>19.1</b> (-0.3%)	<b>2.0</b> (-8.7%)
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**Operating profit 2Q 22** in EUR mn (vs. prior year in %)

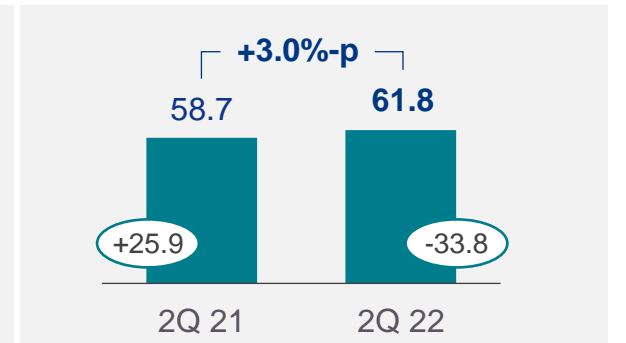
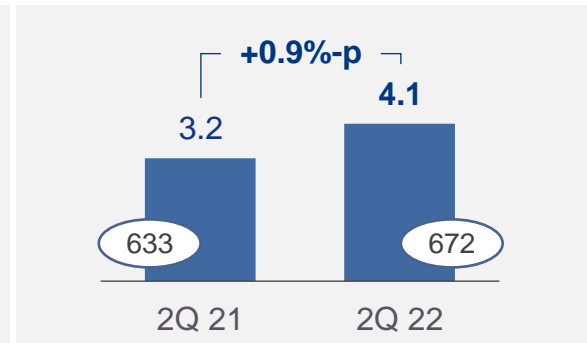
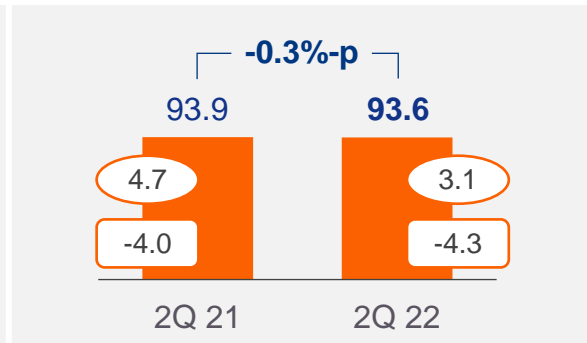
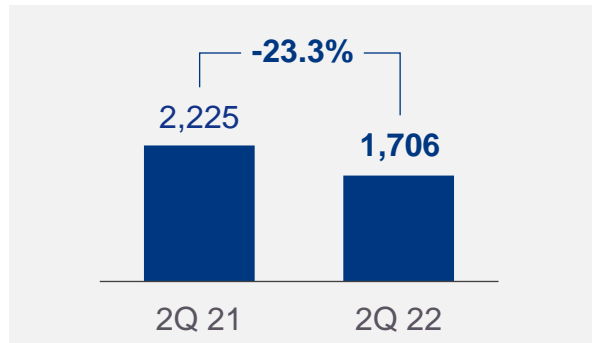
<b>3,495</b> (+5.3%)	<b>1,645</b> (+21.1%)	<b>1,124</b> (-12.5%)	<b>771</b> (-6.6%)
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**Shareholders' net income**  
(in EUR mn)

**Combined ratio**  
(in %)

**New business margin**  
(in %)

**Cost-income ratio**  
(in %)



○ NatCat impact<sup>1</sup>  
□ Run-off ratio

○ VNB (EUR mn)

○ 3rd party net flows (EUR bn)

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

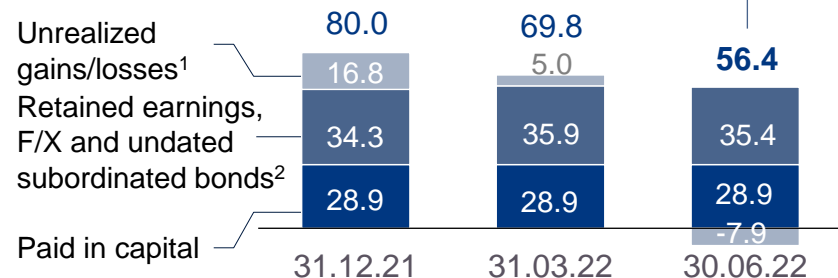
# Group: 2Q operating profit strong at EUR 3.5bn

## Comments

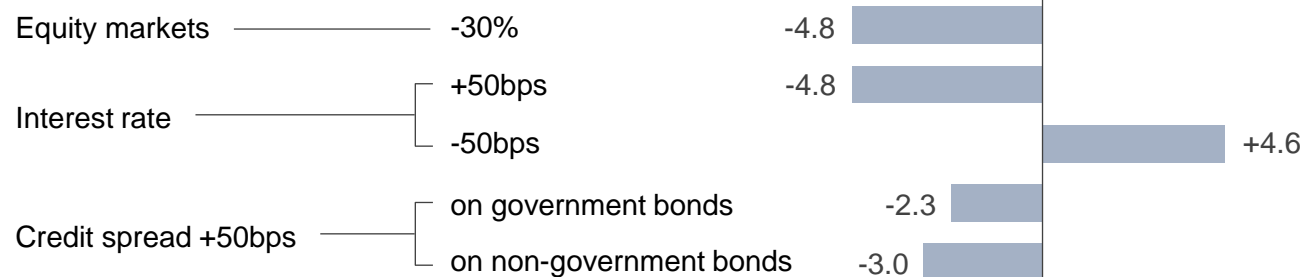
- **Internal growth good at 3.6%**  
Strong internal growth in P/C (+11.1%). Consolidation (+1.2%) and F/X (+3.4%) lead to total revenue growth of 8.2%.
- **Operating profit growth of 5%**  
Group operating profit of EUR 3.5bn 4% ahead of run-rate for FY outlook midpoint. Operating profit driven by 21% operating profit growth in P/C. Solid operating profit in L/H and AM against the background of a challenging market environment.
- **Shareholders' net income at EUR 1.7bn**  
Shareholders' net income driven by non-operating result ( $\Delta$  EUR -1.0bn) which was impacted by lower harvesting result, change to hyperinflation accounting in Türkiye and higher restructuring expenses.
- **EUR 1bn share buy-back finalized in July**  
A total of 5.1mn shares were acquired representing 1.3% of outstanding capital. Number of shares to decline to 403.3mn after cancellation at year-end.
- **P/C – strong performance**  
Operating profit up 21% supported by organic growth and slightly better CR. Underwriting result ( $\Delta$  EUR +0.2bn) and investment result ( $\Delta$  EUR +0.1bn) contribute.
- **L/H – solid result in volatile markets**  
Lower contribution from Germany Life and USA. Investment margin good at 19bps. VNB grows 6% to EUR 672mn with excellent NBM of 4.1%.
- **AM – solid result in challenging markets**  
Operating profit of EUR 771mn close to target at 23% of FY outlook midpoint.
- **Corporate & Other**  
Operating loss (EUR -49mn) narrows by EUR 94mn due to higher investment income, driven by inflation-linked bonds and dividends.

# Group: good capitalization

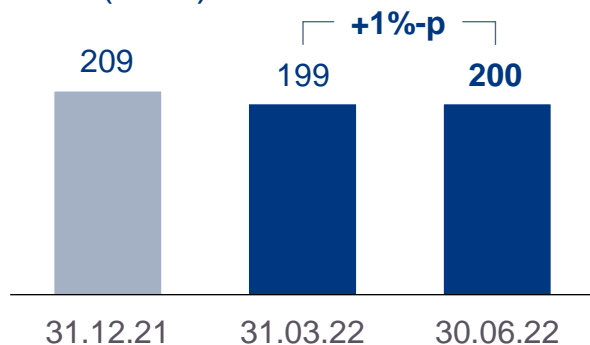
## Shareholders' equity (EUR bn)



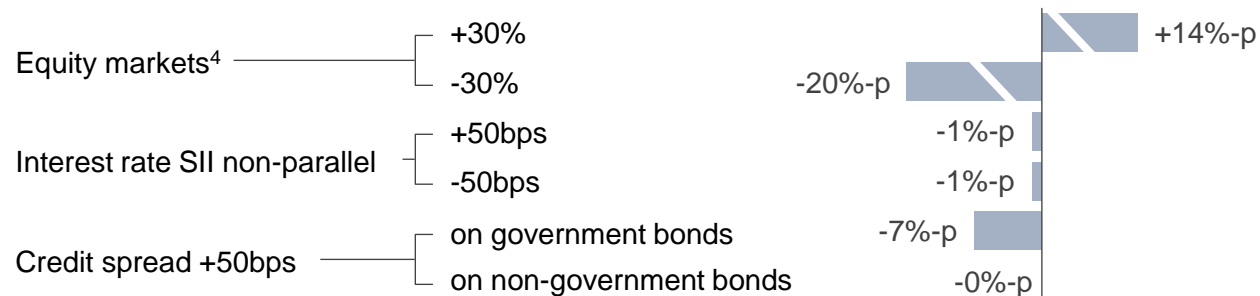
## Key sensitivities (EUR bn)



## SII capitalization<sup>3</sup> (in %)



## Key sensitivities



1) Off-balance sheet unrealized gains on real estate, associates and joint ventures attributable to the shareholders amount to EUR 5.5bn as of 31.03.22 and EUR 5.7bn as of 30.06.22

2) Undated subordinated bonds amounted to EUR 4.7bn as of 31.03.22 and EUR 4.9bn as of 30.06.22

3) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 226% as of 31.03.22 and to 227% as of 30.06.22

4) If stress applied to traded equities only, sensitivities would be +5%-p for a +30% stress and -7%-p for a -30% stress

# Group: good capitalization

## Comments

- **Shareholders' equity**

In 2Q 2022, shareholders' equity decreases by EUR 13.4bn. Main drivers are

- EUR 12.8bn lower net unrealized gains/losses
- EUR 4.4bn dividend payment
- EUR 0.5bn share buy-back
- + EUR 1.7bn s/h net income
- + EUR 1.4bn F/X
- + EUR 1.2bn impact mainly from higher interest rates on defined benefit plans.

- **SII sensitivities**

Very low interest rate sensitivity; remaining sensitivity caused by convexity. Equity sensitivity up due to lower unrealized gains. Overall, slightly lower impact of combined stress scenario, with additional impact of cross effects which is reduced to ~-5%-p compared to ~-6%-p end of 1Q 2022.

- **SII ratio**

Increase of 1%-p to 200%. Main drivers:

- + 7%-p organic capital generation (+5%-p after tax, +2%-p after tax and normalized dividend accrual)
- 6%-p market impact, mainly driven by lower equity markets, higher credit spreads and interest rate volatility, partially compensated by positive impact from higher interest rates.

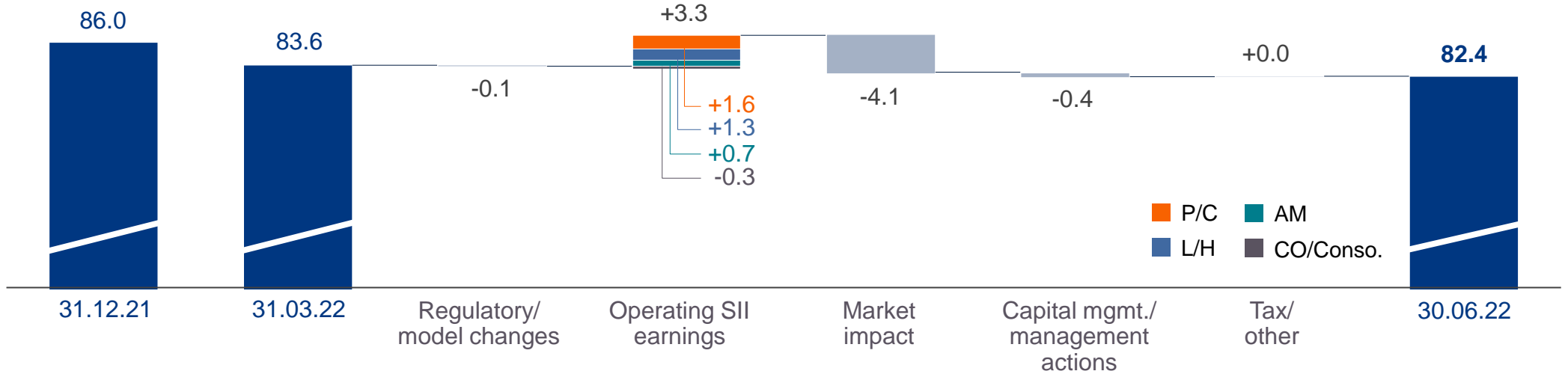
- **Transitionals**

Including transitionals, the Group SII ratio stands at 227%. Our general capital steering will continue to focus on the SII ratio excluding the application of transitional measures for technical provisions.



# Group: solvency ratio at 200%

Own funds  
(EUR bn)



SII capitalization

○ Pre-tax operating capital generation



SCR  
(EUR bn)



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

# Group: solvency ratio at 200%

## Comments

- **7%-p SII capital generation pre-tax/dividend**  
Net of tax +5%-p, after tax and normalized dividend +2%-p.
- **Operating SII earnings**  
Operating SII earnings in P/C and AM in line with IFRS results; L/H higher driven by good VNB.
- **Market impact**  
Drivers of -6%-p impact (-4%-p after tax): Adverse impact from lower equity markets, higher credit spreads on majority of relevant government bonds and higher interest rate volatility, partially compensated by favorable impact from higher interest rates.
- **Capital management/management actions**  
Issuance of subordinated capital (EUR +1.25bn) and dividend accrual (EUR -1.4bn). Minor impacts from hedging and changes in asset allocation. Overall impact close to zero.
- **Tax/other**  
Different movements with a neutral impact overall.
- **Expected impacts 3Q 2022**  
Approximately -3%-p driven by regulatory changes.

# P/C: double-digit internal growth

EUR mn

		Revenues			Rate change on renewals	
		2Q 22	Total growth Δ p.y.	Internal growth Δ p.y.	6M 22	12M 21
<b>Total P/C segment</b>		<b>16,184</b>	<b>+16.2%</b>	<b>+11.1%</b>	<b>+4.2%</b>	<b>+3.6%</b>
<b>Selected OEs</b>	Germany	2,243	+7.4%	+7.4%	+3.1%	+2.0%
	Australia	1,270	+29.2%	+13.0%	+4.8%	+4.8%
	United Kingdom	1,215	+8.1%	+6.4%	+3.0%	+2.8%
	Italy	1,069	+13.4%	+2.2%	+1.6%	+0.1%
	France	1,005	+3.4%	+3.4%	+5.9%	+0.5%
	Central and Eastern Europe	970	+18.9%	+14.3%	n.a.	n.a.
	Latin America	679	+38.3%	+21.4%	n.a.	n.a.
	Spain	601	+0.4%	+0.4%	+5.5%	+3.6%
	Switzerland	252	+8.2%	+1.3%	+1.9%	+0.8%
	<b>Global lines</b>	AGCS	2,717	+21.7%	+11.0%	+10.0%
Allianz Partners		1,868	+38.7%	+30.6%	+4.2%	+1.1%
Allianz Trade		835	+15.5%	+13.0%	-3.1%	+4.5%

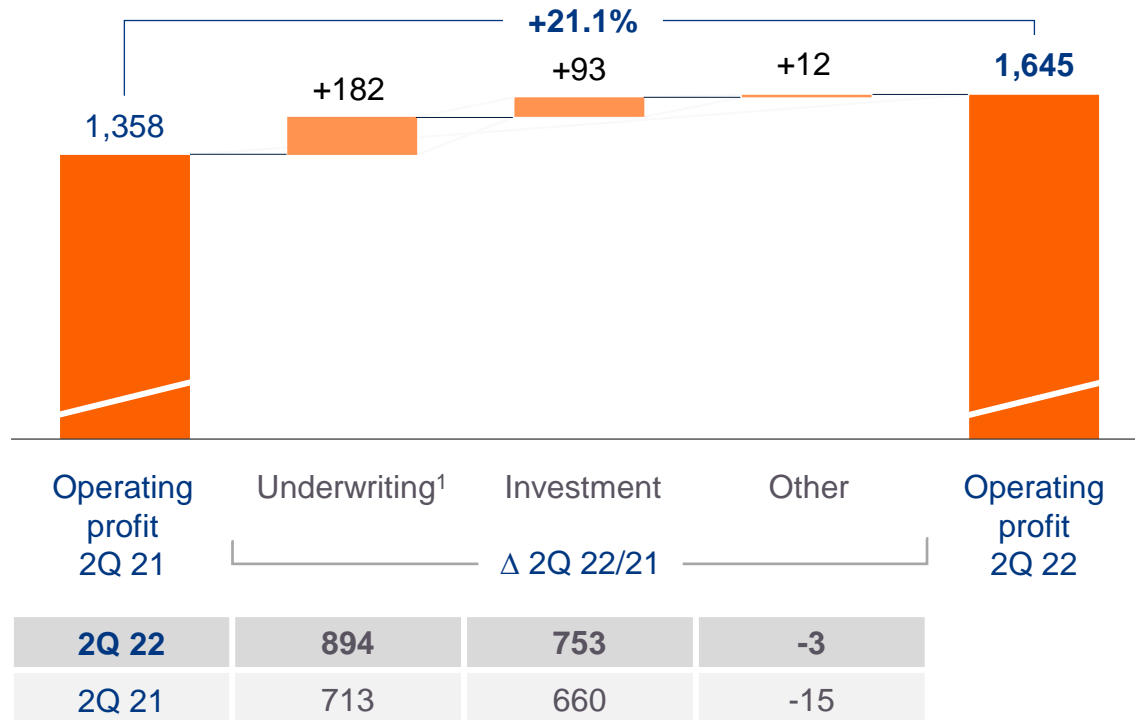
# P/C: double-digit internal growth

## Comments

- **Excellent internal growth of 11.1%**  
Price (+5.8%), volume (+3.9%) and service income (+1.4%) contribute. Consolidations (+1.9%, mainly Aviva Italy, Westpac and Aviva Poland) and F/X (+3.2%) lead to total growth of +16.2%. Total growth in retail (incl. SME and fleet) at 18.0% and in commercial at +13.7%. Internal NPE growth at +9.2%.
- **Germany – higher price, volume and service income**  
Retail, SME and fleet business drive growth.
- **Australia – driven by higher price and volume**  
Retail and commercial lines benefit from rate increases due to continuing hardening of market. Total growth supported by Westpac integration and F/X.
- **UK – positive price effect main driver**  
Growth driven by MidCorp, motor retail and fleet.
- **Italy – mainly driven by price effect**  
Internal growth in MidCorp and SME partly offset by motor retail. Total growth supported by Aviva Italy.
- **France – positive price effect partially offset by volume**  
Lower top-line from portfolio actions in MidCorp overcompensated by good growth in retail, SMC and fleet.
- **CEE – continued strong growth across the region**  
Romania, Austria and Hungary main contributors. Total growth also driven by Aviva Poland.
- **LatAm – price partially compensated by lower volume**  
Strong rate increases from portfolio remediation in Brazil. Total growth supported by F/X appreciation of BRL.
- **Switzerland – total growth supported by positive F/X**
- **AGCS – price and volume positive**  
Energy & construction and financial lines drive internal growth. Total growth benefits from F/X.
- **Allianz Partners – higher volume main driver**  
Continued strong growth of travel business (mainly in the U.S.).
- **Allianz Trade – good growth driven by higher volume**  
Strong new business generation and high retention.

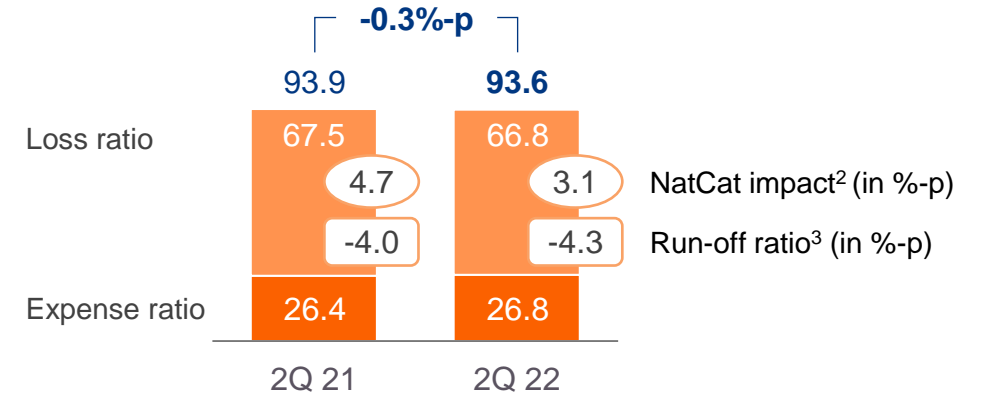
# P/C: operating profit up 21%

Operating profit drivers (EUR mn)

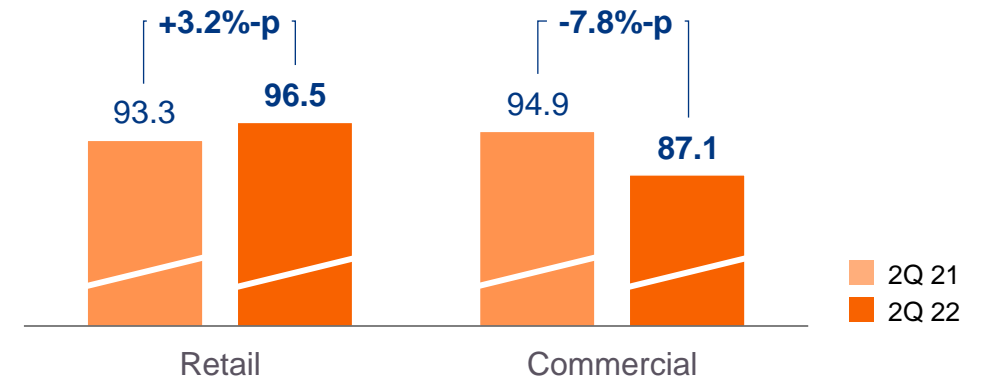


1) Underwriting result incl. change in reserves  
 2) NatCat costs (without reinstatement premiums and run-off)  
 3) Positive run-off ratio implies a negative P&L impact from prior year reserve movements  
 4) Retail including SME and Fleet; Commercial including large Corporate, MidCorp, credit insurance, internal and 3rd party R/I

Combined ratio (in %)



Combined ratio by customer segment<sup>4</sup> (in %)



# P/C: operating profit up 21%

## Comments

- **Operating profit strong at EUR 1.6bn**  
OP supported by better underwriting and investment result. CR improves -0.3%-p as lower NatCat and positive run-off development are partially offset by attritional LR and ER. Investment result benefits from market environment.
- **NatCat – several hail events across Europe**  
Net NatCat losses of EUR 453mn/3.1% below prior year (EUR 607mn/4.7%), but above 10Y FY average (1.9%), due to a series of European hailstorms in May / June.  
**Attritional LR – weather and underlying**  
Weather related losses (excl. NatCat) at 1.1% above prior year (0.6%). Underlying profitability impacted by increase in inflation, especially in Brazil and Türkiye, as well as normalization of frequency.
- **Run-off – above normal level**  
Elevated run-off driven by Allianz Trade and Allianz Re. Excluding these entities run-off at ~2%.

- **Expense ratio – on good level**  
Higher ER driven by Allianz Partners (mainly from change in business mix) and some one-offs (~+0.3%-p).
- **Combined ratio by customer segment**  
Higher CR in retail (incl. SME and fleet) mainly driven by motor. Commercial CR down 7.8%-p supported by MidCorp, AGCS and favorable run-off at Allianz Re and Allianz Trade.
- **1H performance – OP at 50% of FY outlook midpoint**

P/C segment	6M 2021	6M 2022	Δ
Attritional LR (%)	66.2	67.3	+1.1%-p
NatCat (%)	3.1	4.0	+0.9%-p
Run-off (%)	-2.5	-4.2	-1.6%-p
ER (%)	26.7	26.9	+0.3%-p
<b>CR (%)</b>	<b>93.4</b>	<b>94.1</b>	<b>+0.7%-p</b>
Underwriting result (EUR mn)	1,540	1,564	+1.6%
Investment result (EUR mn)	1,324	1,448	+9.3%
Other result (EUR mn)	7	10	+37.9%
<b>Operating profit (EUR mn)</b>	<b>2,871</b>	<b>3,022</b>	<b>+5.2%</b>

# P/C: operating profit at EUR 1.6bn

EUR mn

		Operating profit		Combined ratio		NatCat impact on CR	
		2Q 22	Δ p.y.	2Q 22	Δ p.y.	2Q 22	Δ p.y.
<b>Total P/C segment</b>		<b>1,645</b>	<b>+21.1%</b>	<b>93.6%</b>	<b>-0.3%-p</b>	<b>3.1%-p</b>	<b>-1.6%-p</b>
<b>Selected OEs</b>	Germany	346	+109.9%	91.3%	-7.0%-p	5.0%-p	-6.4%-p
	Australia	117	+100.7%	90.0%	-3.9%-p	0.8%-p	-6.9%-p
	United Kingdom	76	-12.7%	95.9%	+2.3%-p	0.7%-p	+0.7%-p
	Italy	160	-12.4%	87.7%	+4.6%-p	0.0%-p	0.0%-p
	France	60	-51.4%	102.0%	+7.2%-p	13.1%-p	+10.7%-p
	Central and Eastern Europe	131	+22.3%	87.3%	-1.8%-p	1.6%-p	-2.1%-p
	Latin America	-11	n.m. <sup>1</sup>	116.8%	+14.8%-p	0.0%-p	0.0%-p
	Spain	43	-35.5%	94.3%	+4.0%-p	0.0%-p	-0.4%-p
	Switzerland	64	+100.7%	89.8%	-6.5%-p	4.1%-p	-10.2%-p
	<b>Global lines</b>	AGCS	156	+60.0%	95.2%	-2.0%-p	2.2%-p
Allianz Partners		84	+37.3%	95.3%	+2.0%-p	0.0%-p	0.0%-p
Allianz Trade		146	+17.4%	73.9%	+10.7%-p	-	-

1) In 2Q 21 OP for Latin America was at EUR 38mn (Δ EUR -49mn)

# P/C: operating profit at EUR 1.6bn

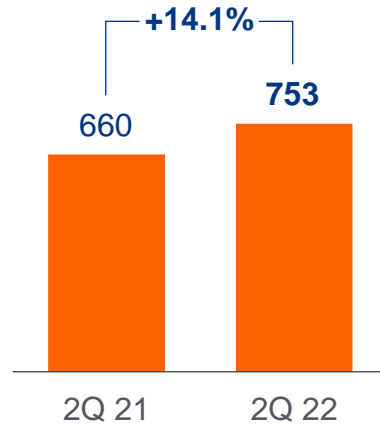
## Comments

- **Germany – strong performance**  
CR improvement driven by lower NatCat impact and better ER.
- **Australia – CR on very good level**  
Lower NatCat and better ER partly compensated by less-favorable run-off result.
- **UK – challenging environment**  
Lower frequency benefits in motor and higher inflation.
- **France – impacted by NatCat and weather**  
AY LR deterioration after a series of severe hailstorms partially offset by favorable run-off.
- **Italy – very strong CR**  
AY LR increases in retail, SMC and fleet.
- **CEE – profitability further improves**  
Lower NatCat impact and better ER ( $\Delta$  -0.7%-p).
- **Spain – solid CR**  
CR worsens driven by ER and AY LR.
- **LatAm – driven by Brazil**  
LR deterioration of Brazilian motor business following market trend.
- **Switzerland – excellent profitability**  
Reduced NatCat and better underlying performance partially offset by lower run-off and higher large losses.
- **AGCS – continued CR improvements**  
Higher NatCat and weather-related losses overcompensated by improvement in underlying LR.
- **Allianz Partners – higher top-line drives OP growth**  
CR impacted by higher ER (mainly from change in business mix) and lower run-off. Strong growth in travel main OP driver.
- **Allianz Trade – outstanding performance**  
CR up 10.7%-p after exceptionally low claims activity in prior year but still on excellent level. OP increase supported by higher NPE (+69%; exit from state schemes).



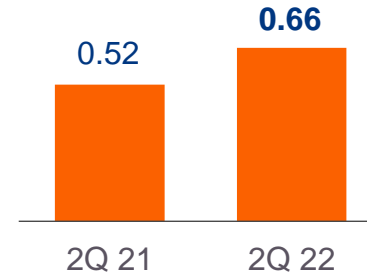
# P/C: market environment lifts investment result

Operating investment result<sup>1</sup>  
(EUR mn)

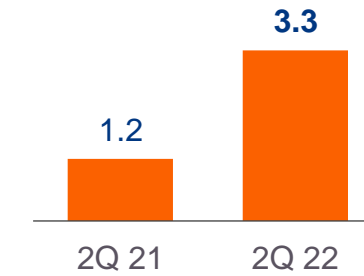


Interest & similar income <sup>2</sup>	761	<b>909</b>	+148
Net harvesting and other <sup>3</sup>	8	<b>-30</b>	-38
Investment expenses	-109	<b>-126</b>	-17

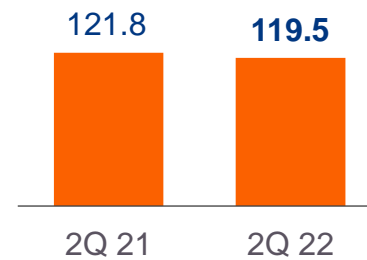
Current yield  
(debt securities; in %)



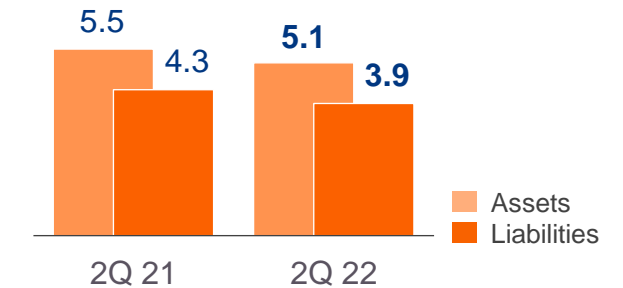
Economic reinvestment yield  
(debt securities; in %)



Total average asset base<sup>4</sup>  
(EUR bn)



Duration<sup>5</sup>



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

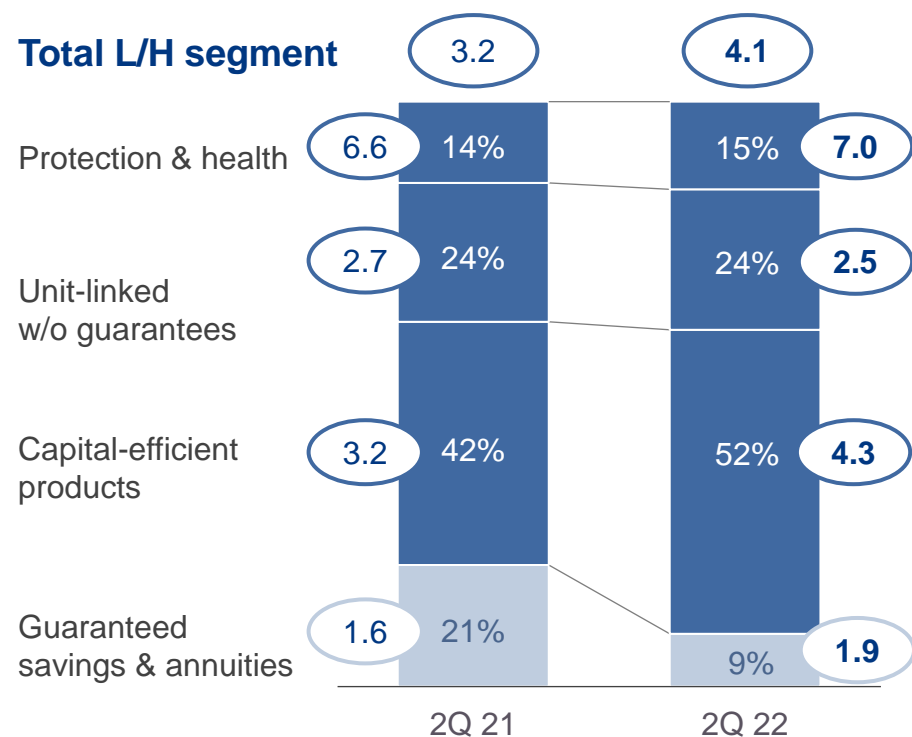
# P/C: market environment lifts investment result

## Comments

- **Interest & similar income**  
Mainly driven by higher income from debt due to inflation-linked bonds and increase in yields.
- **Net harvesting & other**  
Lower investment result for German APR business net of PHP.
- **Reinvestment yield**  
Economic reinvestment yield jumps to 3.3% in line with market development.

# L/H: NBM excellent at 4.1%

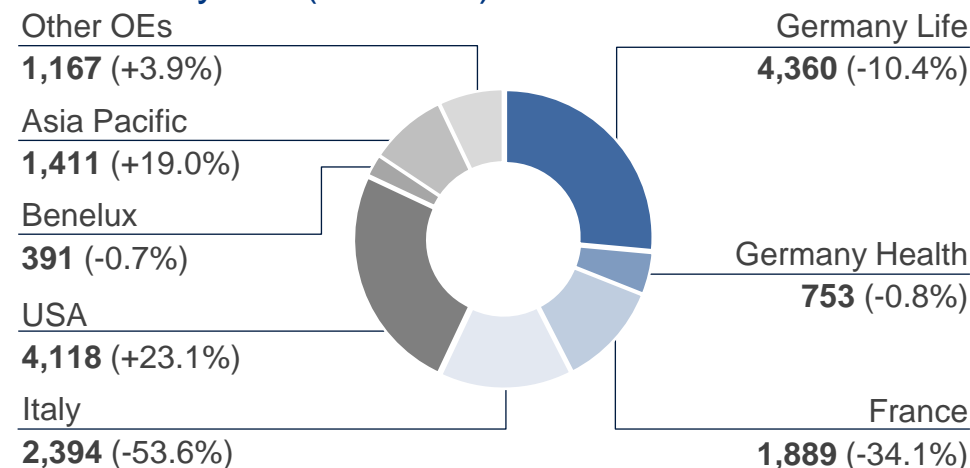
## PVNB share by line



■ Preferred LoBs  
○ NBM (in %)

EUR mn	2Q 21	2Q 22	Δ p.y.
PVNB	19,700	<b>16,482</b>	-16.3%
APE	1,874	<b>1,848</b>	-1.4%
Single premium	11,712	11,158	-4.7%
Recurring premium	703	732	+4.2%

## PVNB by OE (EUR mn)



# L/H: NBM excellent at 4.1%

## Comments

### PVNBP by line

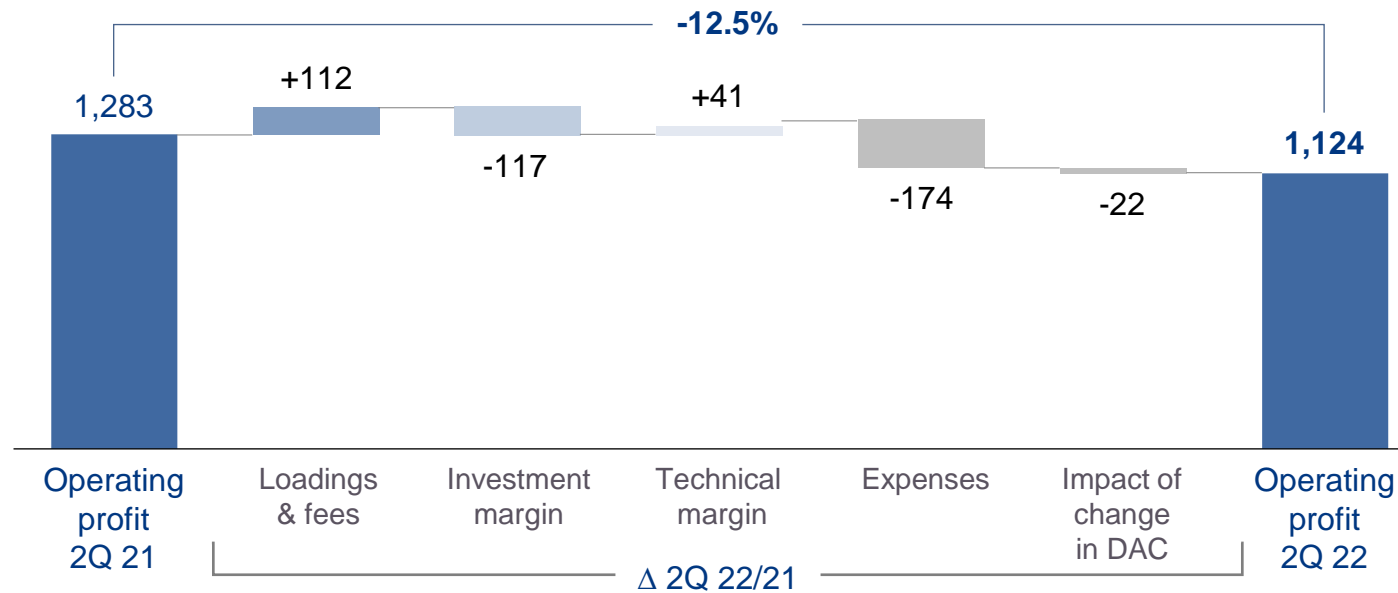
- **New business volume 8% above pre-Covid level**  
High prior-year level due to back-book management in Italy and France. Adjusted for this, new business volume was stable. Share of preferred lines of business above 90%.
- **Large volume increase in USA**  
Volume increase in the U.S. ( $\Delta$  EUR +0.8bn) driven by FIA and Asia Pacific ( $\Delta$  EUR +0.2bn).
- **NBM excellent at 4.1%**  
Improvement due to better business mix and higher interest rates.
- **Capital-efficient business with NBM of 4.3%**  
NBM in capital-efficient business up 1.1%-p driven by better business mix and higher interest rates. NBM of P&H at outstanding level of 7.0%.

### PVNBP by OE

- **Germany Life – share of preferred lines at 86%**  
Decline of PVNBP mainly due to higher discount rates and lower sales of products with 100% principal protection, partially offset by higher share of products with UL component.
- **USA – strong sales performance in FIA**  
In USD growth of 8.5% with NBM FIA 4.5% and NBM RILA 3.7%.
- **Asia Pacific – widespread growth**  
In local currency business grows 11.6%. Good growth across Taiwan, China and Thailand.
- **Italy – high prior-year level**  
Renegotiation of a large contract in corporate business (EUR 2.6bn) in the prior year. Share of preferred lines at 89%.
- **France – high prior-year level**  
Successful transfer of in-force business into newly launched product with UL and capital-efficient component continues – albeit at lower level (EUR 0.6bn vs. EUR 1.5bn in 2Q 2021).

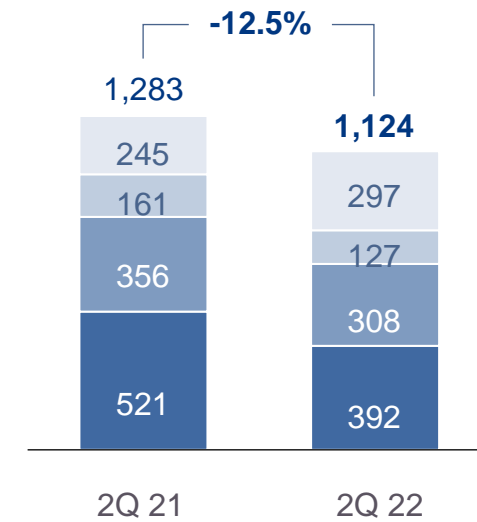
# L/H: solid result in volatile markets

Operating profit by source (EUR mn)



<b>2Q 22</b>	<b>1,766</b>	<b>968</b>	<b>344</b>	<b>-2,070</b>	<b>117</b>
2Q 21	1,654	1,085	302	-1,896	139

Operating profit by line (EUR mn)



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

# L/H: solid result in volatile markets

## Comments

- **Operating profit at EUR 1.1bn**  
OP increase across several countries more than offset by lower contribution from Germany Life and USA. Aviva Poland acquisition contributes EUR 60mn.
- **Impact from U.S. back-book transaction EUR -34mn**  
Several profit sources affected: investment margin EUR -151mn, technical margin EUR +57mn and impact from change in DAC EUR +60mn.
- **Loadings & fees driven by Aviva Poland acquisition**  
Increase due to higher loadings from reserves (+17%) and UL management fees (+15%).
- **Investment margin good at 19bps**  
Lower contribution from Germany Life.
- **Technical margin – higher contribution from USA**  
In addition better results from Poland and Asia Pacific.
- **Expenses – new business growth USA and Poland**  
Acquisition expenses include adverse F/X impact.
- **Impact of change in DAC**  
Higher amortization spurred by adverse true-ups in U.S. business, mainly as a result of lower equity markets.

## Operating profit by line

- **Protection & health**  
Driven by consolidation of Aviva Poland.
- **UL w/o guarantees**  
Adverse market development results in lower contribution from Italy and France. Positive impact from consolidation of Aviva Poland.
- **Capital-efficient products**  
Decline driven by German Life business.
- **Guaranteed savings & annuities**  
Main reason is lower result from U.S. VA business ( $\Delta$  EUR -0.15bn).

L/H segment	6M 2021	6M 2022	$\Delta$
PVNB (EUR bn)	39.2	35.9	-8.6%
NBM (%)	3.0	3.7	+0.7%-p
VNB (EUR mn)	1,190	1,342	+12.8%
Investment margin (bps)	42	38	-4bps
<b>Operating profit (EUR mn)</b>	<b>2,495</b>	<b>2,336</b>	<b>-6.4%</b>
RoE (annualized; %)	13.0	9.6	-2.4%-p

# L/H: value of new business up 6%

EUR mn

	Value of new business		New business margin		Operating profit	
	2Q 22	Δ p.y.	2Q 22	Δ p.y.	2Q 22	Δ p.y.
<b>Total L/H segment</b>	<b>672</b>	<b>+6.2%</b>	<b>4.1%</b>	<b>+0.9%-p</b>	<b>1,124</b>	<b>-12.5%</b>
Germany Life	198	+26.4%	4.5%	+1.3%-p	206	-31.5%
USA	171	+31.6%	4.2%	+0.3%-p	176	-46.4%
Asia Pacific	76	+12.7%	5.4%	-0.3%-p	148	-5.8%
Italy	55	-49.4%	2.3%	+0.2%-p	128	+32.9%
France	44	-39.7%	2.3%	-0.2%-p	160	+4.4%
Germany Health	37	+13.6%	4.9%	+0.6%-p	58	+22.6%
Central and Eastern Europe	27	+153.0%	6.9%	+2.9%-p	129	+116.9%
Benelux	11	+9.8%	2.7%	+0.3%-p	52	+32.6%
Spain	6	-31.5%	4.2%	+0.9%-p	21	-36.6%
Switzerland	4	+23.0%	3.2%	+0.9%-p	23	-10.7%

# L/H: value of new business up 6%

## Comments

### New business

- **NBM excellent at 4.1%**  
Improvement stems from better business mix and higher interest rates.
- **Most countries with NBM >4%**  
NBM >4% in Germany Life, Germany Health, USA, Asia Pacific, CEE, Türkiye and Spain.
- **Business mix improves**  
Trend towards products with <100% principal protection continues with good acceptance of modified products. Share of GS&A in new business below 10%.
- **France – continuation of back-book management**  
Successful transfer of in-force business into newly launched product with UL and capital-efficient component continues - albeit at lower level (EUR 0.6bn vs. EUR 1.5bn in 2Q 2021) which explains drop in VNB. Since launch of initiative EUR 4bn of reserves have been transferred.

### Operating profit

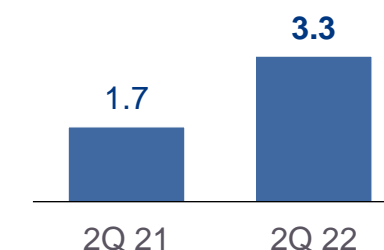
- **Germany Life – lower investment margin**  
Decline of investment margin driven by lower hedging result for interest rates and F/X.
- **USA – good underlying performance**  
Lower result from VA business (EUR  $\Delta$  -0.15bn) driven by less favorable market movements.
- **Italy – higher investment margin**  
Higher investment margin more than offsets lower contribution from UL business. Investment margin benefits from positive one-off item (EUR 38mn).
- **CEE – acquisition of Aviva Poland**  
Contribution of EUR 60mn to operating profit and EUR 13mn to new business value from acquisition of Aviva Poland.
- **Benelux and Germany Health**  
Operating profit benefits from higher investment margin.



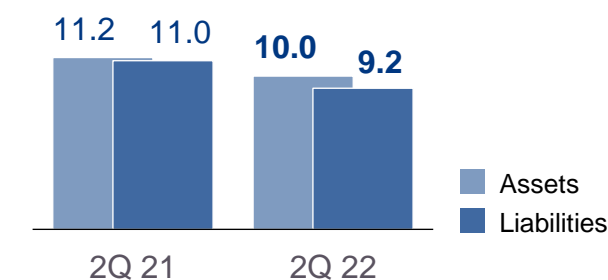
# L/H: investment margin good at 19bps

	Investment margin	
	2Q 21	2Q 22
<b>Based on Ø book value of assets<sup>1,2</sup> (EUR bn)</b>	<b>638</b>	<b>566</b>
Current yield <sup>3</sup>	0.75%	0.90%
<b>Based on Ø aggregate policy reserves<sup>4</sup> (EUR bn)</b>	<b>508</b>	<b>502</b>
<b>Current yield<sup>3</sup></b>	<b>0.95%</b>	<b>1.01%</b>
Net harvesting and other <sup>5</sup>	0.01%	-0.22%
<b>Total yield</b>	<b>0.96%</b>	<b>0.80%</b>
- Ø min. guarantee <sup>6</sup>	0.44%	0.41%
<b>Gross investment margin (in %)</b>	<b>0.52%</b>	<b>0.39%</b>
- Profit sharing under IFRS <sup>7</sup>	0.30%	0.20%
<b>Investment margin (in %)</b>	<b>0.21%</b>	<b>0.19%</b>
Investment margin (EUR mn)	1,085	968

## Economic reinvestment yield (debt securities; in %)



## Duration<sup>8</sup>



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

2) Adjusted by assets related to back-book transactions

3) Excluding P/L impacts from back-book transactions

4) Excluding reinsured reserves from back-book transactions

5) Other comprises fair value option, trading and F/X gains and losses, as well as investment expenses

6) Based on technical interest

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

8) 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

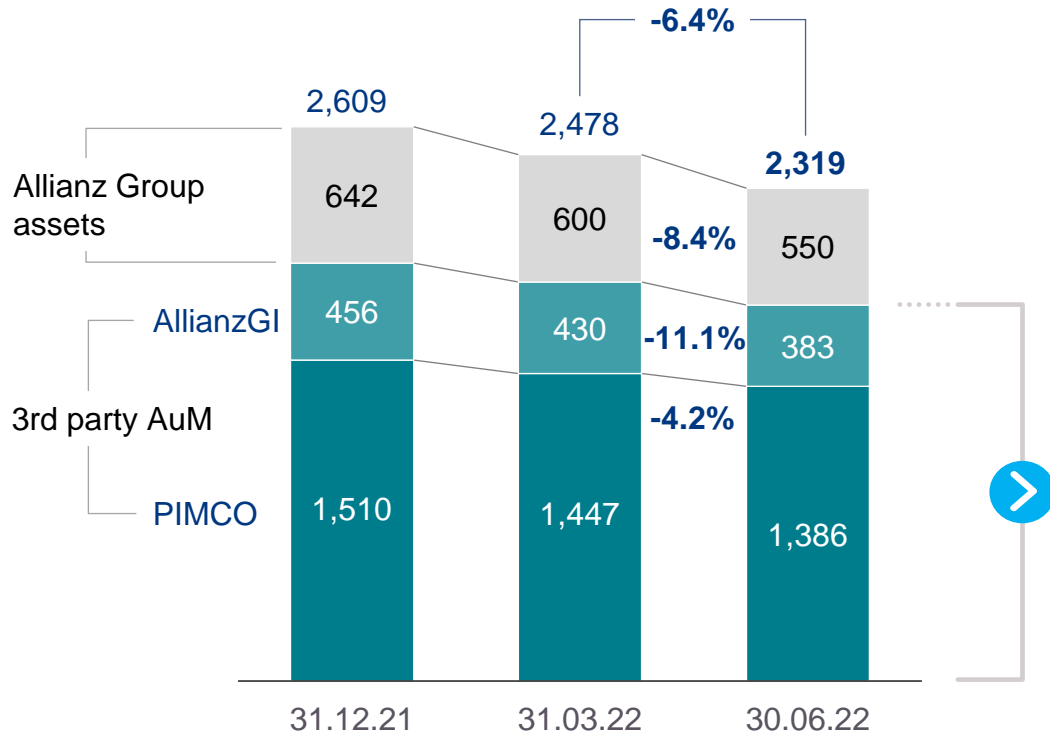
# L/H: investment margin good at 19bps

## Comments

- **Investment margin declines by EUR -117mn**  
Decline due to U.S. back-book transaction (EUR -151mn). Total operating profit impact of U.S. back-book transaction is EUR -34mn – including offsetting impacts in technical margin (EUR +57mn) and impact from change in DAC (EUR +60mn).
- **Current yield up 7bps**  
Current yield based on aggregate policy reserves up by 7bps. Increase driven by higher income from equities and support from higher reinvestment yield.
- **Average minimum guarantee down by 4bps**  
Decline accelerated by back-book transactions.
- **Net harvesting and other**  
Better harvesting result more than offset by a decline in the trading result. The latter is mainly due to a lower hedging result for interest rates and F/X in Germany Life which is largely offset by profit sharing under IFRS.
- **Gross investment margin at 39bps**  
Decline due to lower net harvesting result.
- **Investment margin good at 19bps**  
PHP of 75.8% vs. 77.7% in prior year.
- **Reinvestment yield**  
Higher reinvestment yield in line with market development.
- **Change in duration**  
Duration down mainly due to higher interest rates.

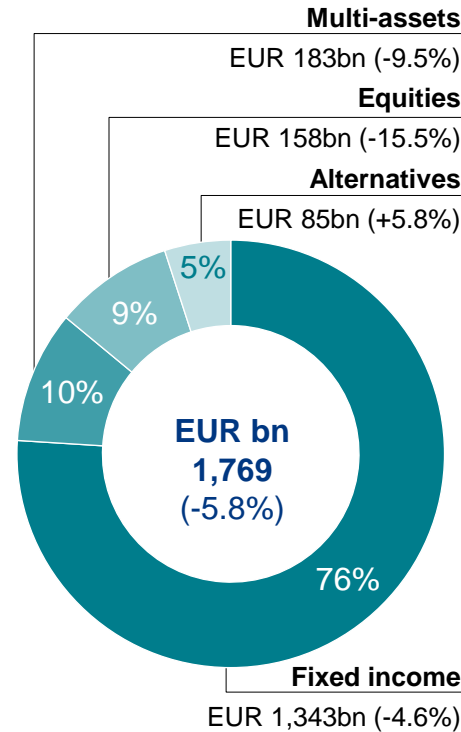
# AM: total AuM at EUR 2.3tn

Total assets under management (EUR bn)

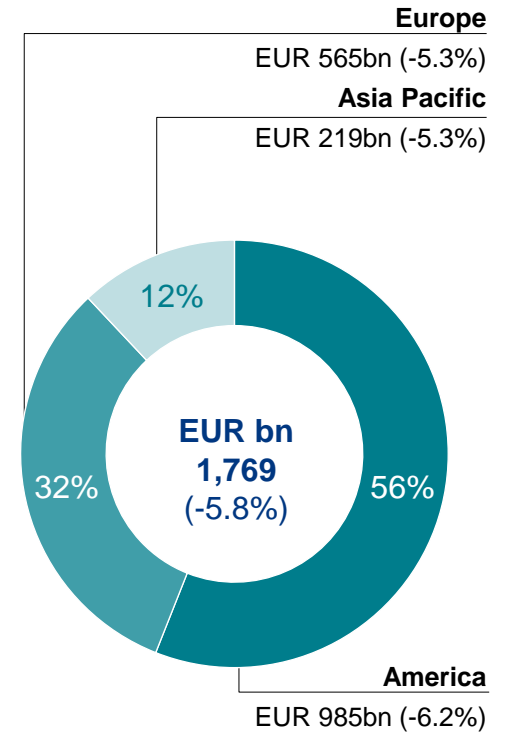


3rd party AuM split (EUR bn)

Asset classes



Regions



# AM: total AuM at EUR 2.3tn

## Comments

- **Markets drive total AuM**

Total AuM 6% below the level end of 1Q 2022 driven by strong market effect and net outflows.

- **Business highlights**

Investment performance: 79% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.

Alternatives: Total alternative AuM including Allianz assets increase 5% from EUR 238bn end of 1Q 2022 to EUR 250bn end of 2Q 2022, benefitting from EUR 7bn total net inflows. 3rd party alternative AuM rise 6% to EUR 85bn.

PIMCO: GIS ESG Income Fund launched in April. Senior Loan Active ETF launched in June.

AllianzGI: Transfer of US investment teams and assets to Voya IM successfully completed in July. USD 101bn assets transferred, representing 95% of previously identified “in scope” assets, indicating minimal client attrition as a result of the transition.

# AM: 3rd party AuM down 6%

3rd party assets under management development (EUR bn)



3rd party net flow split (EUR bn)

<b>Asset classes</b>	Fixed income	-32.0	
	Equities	-5.0	
	Multi-assets		+0.3
	Alternatives		+2.8
<b>Regions</b>	America	-18.6	
	Europe	-12.8	
	Asia Pacific	-2.5	
<b>Investment vehicles</b>	Mutual funds	-25.9	
	Separate accounts	-7.9	

# AM: 3rd party AuM down 6%

## Comments

- **3rd party AuM down 6% to EUR 1.8tn**

3rd party AuM decrease by EUR 109bn. Market effect (EUR -159bn) and 3rd party net outflows (EUR -34bn) are partially compensated by F/X (EUR +88bn).

Average 3rd party AuM at EUR 1,847bn in 2Q 2022, 4% above average 2Q 2021 level of EUR 1,781bn and 1% above average FY 2021 level of EUR 1,826bn.

- **3rd party net flows PIMCO: EUR -29bn**

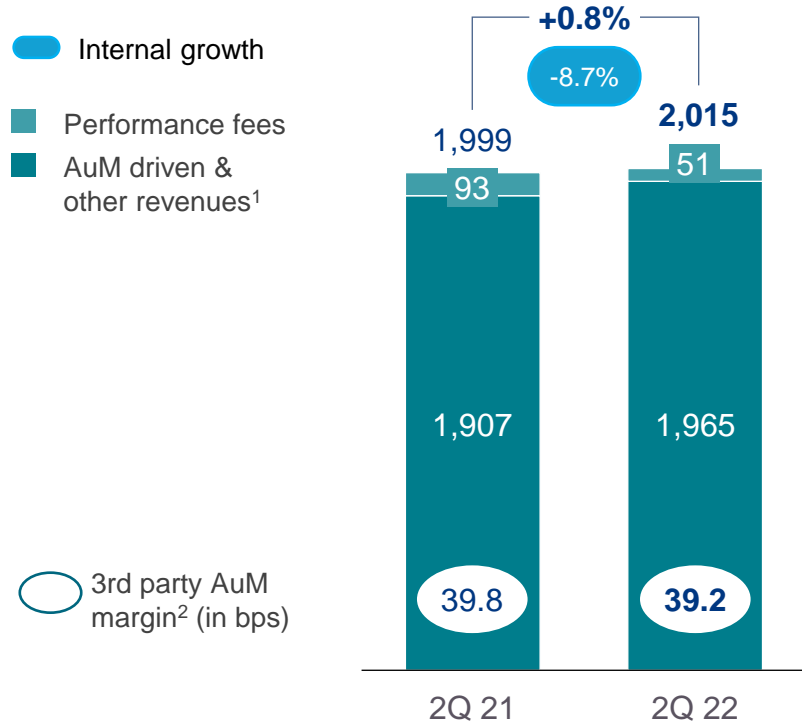
3rd party net outflows mainly from fixed income, in line with overarching market trends. 3rd party net inflows in alternatives.

- **3rd party net flows AllianzGI: EUR -5bn**

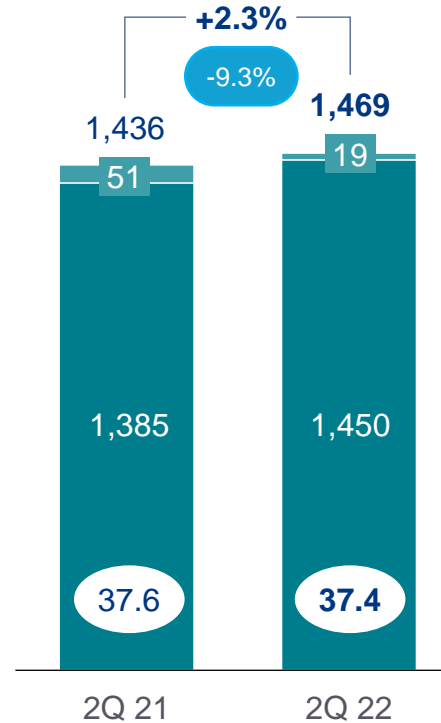
3rd party net outflows from equity and fixed income business, 3rd party net inflows in alternatives and multi-assets.

# AM: revenues up 1%

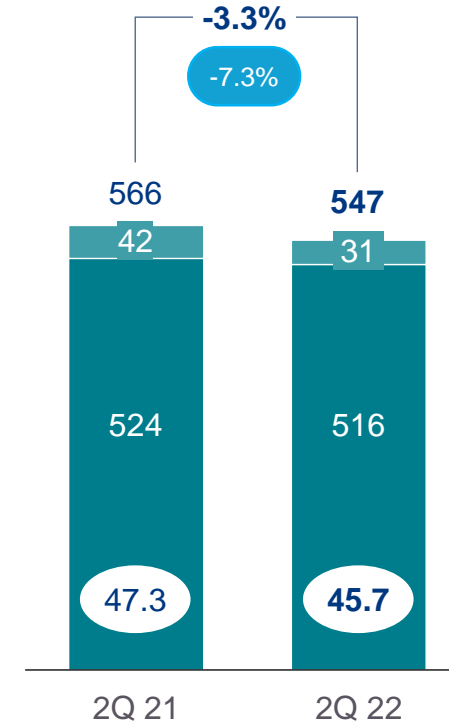
Revenues development (EUR mn)



PIMCO (EUR mn)



AllianzGI (EUR mn)



○ 3rd party AuM margin<sup>2</sup> (in bps)

1) Thereof other revenues: AM: 2Q 21: EUR -5mn; 2Q 22: EUR -2mn; PIMCO: 2Q 21: EUR -3mn; 2Q 22: EUR 8mn; AllianzGI: 2Q 21: EUR 1mn; 2Q 22: EUR -8mn  
 2) Excluding performance fees and other income

# AM: revenues up 1%

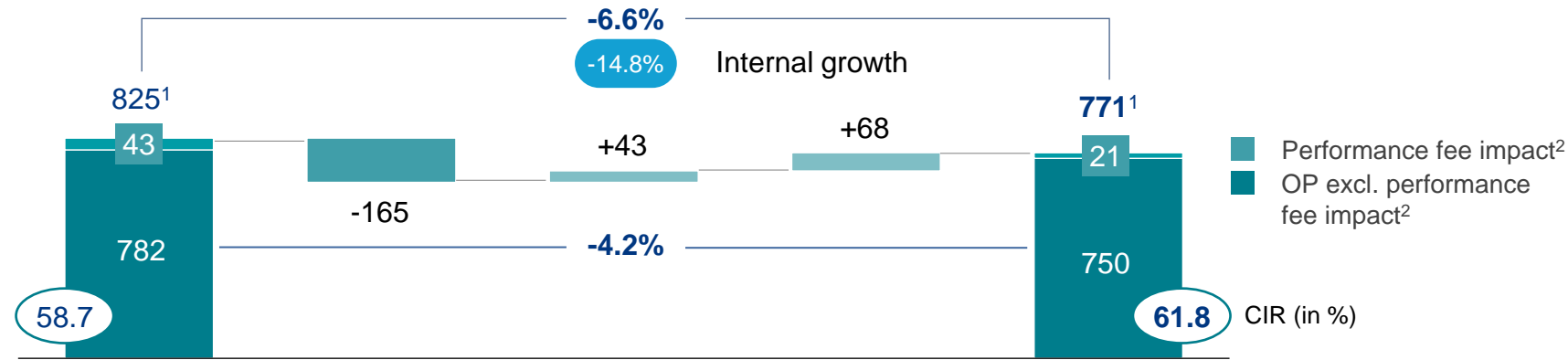
## Comments

- **Segment revenues – up 1%**  
Excluding F/X, revenues decrease due to lower average 3rd party AuM and lower performance fees.
- **PIMCO margin – nearly stable ( $\Delta$  -0.2bps)**
- **AllianzGI margin – down by 1.6bps**  
Decrease driven by changes in product mix and distribution fee structures.



# AM: operating profit at EUR 0.8bn

## Operating profit drivers (EUR mn)

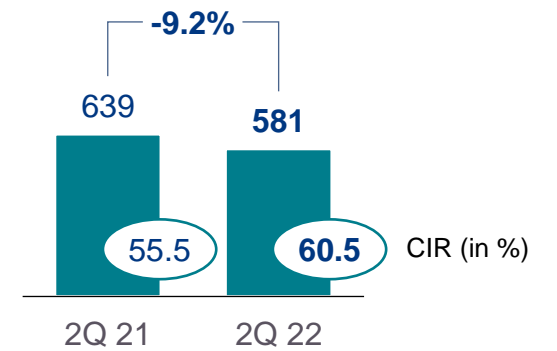


	Revenues	Expenses	F/X effect
Operating profit 2Q 21	825 <sup>1</sup>	-1,174	
Δ 2Q 22/21	+43	-114	+68
Operating profit 2Q 22	868	-1,245	

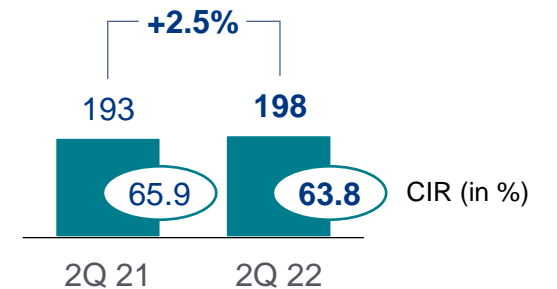
  

	Revenues	Expenses
2Q 22	2,015	-1,245
2Q 21	1,999	-1,174

## PIMCO



## AllianzGI



1) Including operating loss from other entities of EUR -7mn in 2Q 21 and EUR -8mn in 2Q 22  
 2) Performance fees of PIMCO and AllianzGI (excl. Allianz Capital Partners), net of 30% variable compensation

# AM: operating profit at EUR 0.8bn

## Comments

- **Segment – OP down 7%**

OP of EUR 771mn at 23% of FY outlook midpoint, supported by F/X.

Excluding F/X, lower AuM driven revenues and performance fees are partially compensated by lower expenses.

- **PIMCO – OP down 9%**

OP at EUR 581mn. Excluding F/X, AuM driven revenues and performance fees decrease, expenses are nearly flat.

- **AllianzGI – OP up 3%**

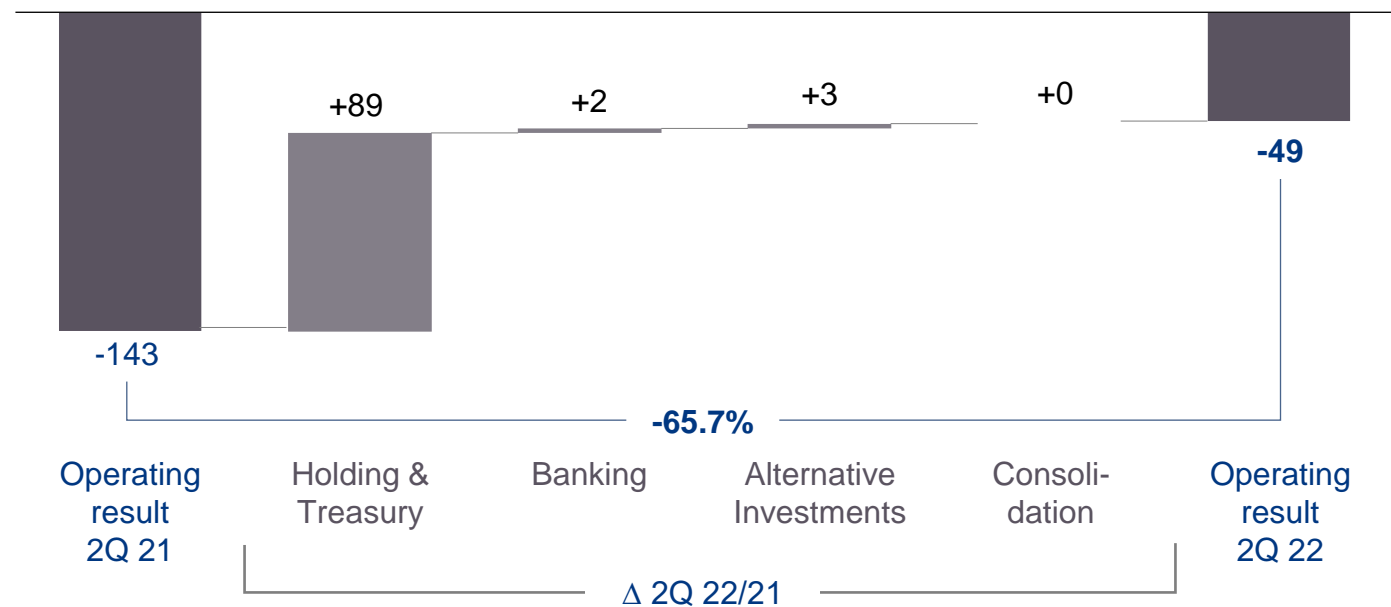
OP at EUR 198mn. Lower F/X adjusted revenues and expenses.

- **6M 2022 – OP up 2%, at 47% of FY outlook midpoint**

AM segment	6M 2021	6M 2022	Δ
Operating revenues (EUR mn)	3,835	4,082	+6.4%
Operating profit (EUR mn)	1,572	1,601	+1.8%
Average 3rd party AuM (EUR bn)	1,760	1,884	+7.0%
3rd party net flows (EUR bn)	+63.8	-42.8	n.m.
3rd party AuM margin (bps)	38.4	38.7	+0.3bps
CIR (%)	59.0	60.8	+1.8%-p

# CO: strong improvement

## Operating result development and components



<b>2Q 22</b>	<b>-69</b>	<b>16</b>	<b>4</b>	<b>0</b>
2Q 21	-158	14	0	0

# CO: strong improvement

## Comments

- **Higher investment income**  
Lower operating loss due to higher investment income, driven by inflation-linked bonds and dividends, all reflected in result from Holding & Treasury.

# Group: shareholders' net income at EUR 1.7bn

EUR mn	2Q 21	2Q 22	Δ p.y.
Operating profit	3,319	3,495	+176
<b>Non-operating items</b>	<b>-195</b>	<b>-1,178</b>	<b>-984</b>
Realized gains/losses (net)	120	-98	-218
Impairments (net)	-55	-282	-227
Income from financial assets and liabilities carried at fair value (net)	54	-226	-279
Interest expenses from external debt	-157	-132	+25
Restructuring and integration expenses	-147	-263	-116
Amortization of intangible assets	-85	-77	+8
Change in reserves for insurance and investment contracts (net)	41	-86	-127
Other	34	-15	-49
<b>Income before taxes</b>	<b>3,124</b>	<b>2,317</b>	<b>-808</b>
Income taxes	-770	-507	+263
<b>Net income</b>	<b>2,355</b>	<b>1,810</b>	<b>-545</b>
Non-controlling interests	-129	-104	+25
<b>Shareholders' net income</b>	<b>2,225</b>	<b>1,706</b>	<b>-519</b>
Effective tax rate	25%	22%	-3%-p

# Group: shareholders' net income at EUR 1.7bn

## Comments

- **Shareholders' net income at EUR 1.7bn**  
Increase of operating profit ( $\Delta$  EUR +0.2bn) is more than offset by lower non-operating profit ( $\Delta$  EUR -1.0bn).
- **Non-OP result down by EUR -1.0bn**  
Lower non-operating result mainly driven by harvesting result ( $\Delta$  EUR -0.4bn), income from financial assets and liabilities ( $\Delta$  EUR -0.3bn) and restructuring expenses ( $\Delta$  EUR -0.1bn).
- **Income from financial assets and liabilities**  
Change to hyperinflation accounting in Türkiye (EUR -0.1bn) and lower result from hedging instruments.
- **Restructuring expenses**  
Continued investments in productivity and efficiency, mainly Italy, France and Allianz Trade. Increase in restructuring expenses driven by transfer of AGI U.S. business to Voya Investment Management (impact EUR -0.1bn).
- **Change in reserves for insurance and investment contracts**  
Swing driven by reclassification of PHP related to fluctuation in tax rate from operating profit to non-operating profit. Net impact negligible.
- **Tax rate supported by tax exempted investment income and country mix**
- **Sale of majority stake in Russian operations**  
Sale of majority stake in Russian operations expected to result in a P&L impact of approx. EUR -0.4bn in 3Q 2022, largely driven by recycling of negative OCI reserves from historic F/X changes; no material impact on cash and no impact on SII.
- **Transfer of AGI U.S. business**  
Transfer of AGI U.S. business expected to result in a positive low triple-digit net income impact in 3Q 2022. No impact on cash position and Group SII.

# Summary – good underlying result

**Facts  
and figures  
6M 2022  
(EUR)**

**81.2**bn

Revenues

**6.7**bn

Operating profit

**13.4**bn  
+/- 1bn

OP target 2022  
confirmed

**2.3**bn

Shareholders'  
net income

**200**%

Solvency II ratio

**1.0**bn

Share buy-back  
completed<sup>1</sup>

# Content/topics

1 Group financial results  
2Q 2022

2 Additional information

Glossary

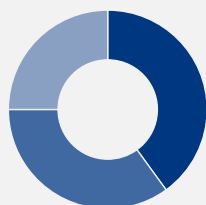
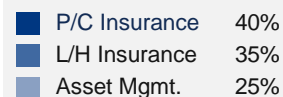
Disclaimer



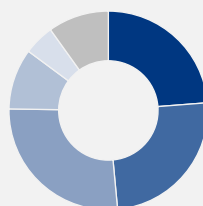
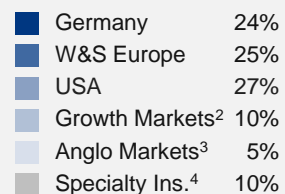
# Allianz track record

## Operating profit 2021: EUR 13.4bn

By segments<sup>1</sup>

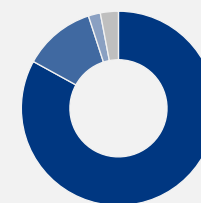
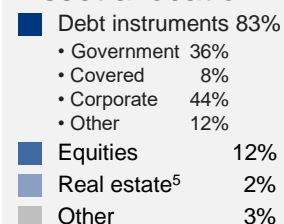


By regions<sup>1</sup>

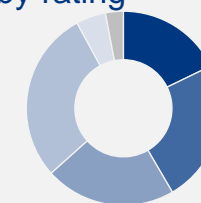
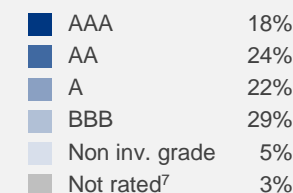


## Investment portfolio 2021: EUR 808.5bn

Asset allocation



Debt instruments by rating<sup>6</sup>



In EUR		2016	2017	2018	2019	2020	2021	Δ 21/20	CAGR 5yr
Income statement	Revenues <sup>8</sup> (bn)	122.4	126.1	132.3	142.4	140.5	148.5	+5.7%	+3.9%
	Operating profit (bn)	11.1	11.1	11.5	11.9	10.8	13.4	+24.6%	+3.8%
	Shareholders' net income (bn)	7.0	6.8	7.5	7.9	6.8	6.6	-2.9%	-1.2%
Capital	Shareholders' equity (bn)	67.1	65.6	61.2	74.0	80.8	80.0	-1.1%	+3.6%
	Solvency II ratio <sup>9</sup> (%)	218%	229%	229%	212%	207%	209%	+1%-p	-
Other data	3rd party AuM (tn)	1.36	1.45	1.44	1.69	1.71	1.97	+14.9%	+7.6%
	Total AuM (tn)	1.87	1.96	1.96	2.27	2.39	2.61	+9.2%	+6.8%
	RoE <sup>10</sup> (%)	12.3%	11.8%	13.2%	13.6%	11.4%	10.6%	-0.7%-p	-
Share information	Basic earnings per share	15.31	15.24	17.43	18.90	16.48	15.96	-3.2%	+0.8%
	Dividend per share	7.60	8.00	9.00	9.60	9.60	10.80	+12.5%	+7.7%
	Dividend yield (%) <sup>11</sup>	4.8%	4.2%	5.1%	4.4%	4.8%	5.2%	+0.4%-p	-

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

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

3) UK, Ireland, Australia

4) Allianz Global Corporate & Specialty, Allianz Trade, 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 239% as of 31.12.21

10) Definition see glossary

11) Divided by year-end share price

# Content/topics

1 Group financial results  
2Q 2022

2 Additional information

Glossary

Disclaimer

# Glossary (1)

<b>AFS</b>	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.
<b>AGCS</b>	Allianz Global Corporate & Specialty
<b>AllianzGI</b>	Allianz Global Investors
<b>AM</b>	(The Allianz business segment) Asset Management
<b>AP</b>	Allianz Partners
<b>APE</b>	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.
<b>APR</b>	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.
<b>Attritional LR</b>	Accident year losses less claims arising from natural catastrophes as per our group-level definition (please refer to “NatCat”) divided by premiums earned (net).
<b>AuM</b>	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.  <b>Net flows:</b> 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.  <b>Market &amp; dividends:</b> 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.
<b>AY LR</b>	Accident year loss ratio: Please refer to “LR” (loss ratio).
<b>AZ</b>	Allianz

# Glossary (2)

<b>Bps</b>	Basis points: 1 Basis point = 0.01%.
<b>CEE</b>	Central and Eastern Europe
<b>CIR</b>	Cost-income ratio: Operating expenses divided by operating revenues
<b>CO</b>	(The Allianz business segment) Corporate and Other
<b>CR</b>	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).
<b>Current yield</b>	Represents interest and similar income divided by average asset base at book value.
<b>DAC</b>	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.
<b>Economic reinvestment yield</b>	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.
<b>EIOPA</b>	European Insurance and Occupational Pensions Authority
<b>EPS</b>	Earnings per share: 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).
<b>ER</b>	Expense ratio: Represents acquisition and administrative expenses (net), excluding one-off effects from pension revaluation, divided by premiums earned (net).
<b>F/X</b>	Foreign exchange rate
<b>FIA</b>	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)

<b>FV</b>	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.
<b>FVO</b>	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.
<b>Goodwill</b>	Difference between the cost of acquisition and the fair value of the net assets acquired.
<b>Government bonds</b>	Government bonds include government and government agency bonds.
<b>GPW</b>	Gross premiums written: Please refer to “Premiums written/earned” as well as “Gross/net”.
<b>Gross/net</b>	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.
<b>Harvesting</b>	Includes realized gains/losses (net) and impairments of investments (net).
<b>Held for sale</b>	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.
<b>IFRS</b>	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).
<b>IMIX</b>	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.
<b>Internal growth</b>	Total revenue performance excluding the effects of foreign-currency translation as well as of acquisitions and disposals.
<b>JV</b>	Joint venture
<b>KPI</b>	Key performance indicator

# Glossary (4)

L/H

L/H lines of business

(The Allianz business segment) Life and Health insurance

**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.

**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.

**Protection & health:** Insurance products covering the risks associated with events that affect an individual's physical or mental integrity.

**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.

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.

L/H operating profit sources

**Loadings & fees:** Includes premium and reserve-based fees, unit-linked management fees, and policyholder participation in expenses (if and as applicable).

**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.

**Expenses:** Includes commissions, acquisition, and administration expenses.

**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).

**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.

LatAm

Latin America: South America and Mexico

# Glossary (5)

<b>LoB</b>	Line of business
<b>LR</b>	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.
<b>LTC</b>	Long-term care
<b>MCEV</b>	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.
<b>NatCat</b>	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.
<b>NBM</b>	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.
<b>Non-controlling interests</b>	Those parts of the equity of affiliates which are not owned by companies of the Allianz Group.
<b>NPE</b>	Net premiums earned: Please refer to "premiums written/earned" as well as "gross/net".
<b>NPS</b>	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.
<b>OE</b>	Operating entity
<b>Ogden rate</b>	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.
<b>OP</b>	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

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.

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.

## Own funds

**P/C** The capital eligible to cover the regulatory solvency capital requirement.

(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

Represents the change in SII capitalization following regulatory and model changes and which is attributable to

a) changes in own funds as a consequence of operating SII earnings and

b) changes in SCR as a consequence of business evolution.

Factors such as market developments, dividends, capital management activities, taxes, etc. are not taken into account.

## Premiums written/earned (IFRS)

“Premiums written” refers to all premium revenues recorded in the respective year.

“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.

## PVNBP

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. PVNBP is shown after non-controlling interests, unless otherwise stated.



# Glossary (7)

<b>Reinsurance</b>	Insurance companies transfer parts of the insurance risk they have assumed to reinsurance companies.
<b>Retained earnings</b>	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.
<b>RfB</b>	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.
<b>RILA</b>	Registered index-linked annuities
<b>RoE</b>	<p><b>Return on equity – Group:</b> 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><b>Return on equity P/C OE:</b> Represents the annualized 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><b>Return on equity L/H OE:</b> Represents the annualized 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>
<b>Run-off ratio</b>	The run-off result (result from reserve developments for prior (accident) years in P/C business) as a percentage of premiums earned (net).
<b>SII</b>	Solvency II
<b>SII capitalization</b>	Ratio that expresses the capital adequacy of a company by comparing own funds to SCR.
<b>SCR</b>	Solvency capital requirement
<b>SE</b>	Societas Europaea: European stock company
<b>SFCR</b>	Solvency and Financial Condition Report

# Glossary (8)

<b>Statutory premiums</b>	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.
<b>Total equity</b>	The sum of shareholders' equity and non-controlling interests.
<b>Total revenues</b>	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).
<b>UFR</b>	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.
<b>UL</b>	Unit-linked: Please refer to "L/H lines of business".
<b>Unrealized gains/losses (net)</b> (as part of shareholders' equity)	Include unrealized gains and losses primarily from available-for-sale investments, net of taxes and of policyholder participation.
<b>URR</b>	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.
<b>VA</b>	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.
<b>VNB</b>	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).

# Content/topics

1 Group financial results  
2Q 2022

2 Additional information

Glossary

Disclaimer

# Cautionary note regarding forward-looking statements

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 in-

dustry 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**

Allianz assumes no obligation to update any information or forward-looking statement contained herein, save for any information we are required to disclose by law.