



# Group financial results 2022

# 3Q

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Munich  
November 10, 2022

# Content/topics

**1** Group financial results  
3Q 2022

**2** Additional information

Glossary

Disclaimer

# Group 9M: EUR 10bn operating profit

Group	Property-Casualty	Life/Health	Asset Management
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**Total revenues 9M 22** in EUR bn (internal growth vs. prior year in %)

<b>116.0</b> (+1.6%)	<b>53.8</b> (+8.8%)	<b>56.6</b> (-3.6%)	<b>6.1</b> (-4.6%)
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**Operating profit 9M 22** in EUR mn (vs. prior year in %)

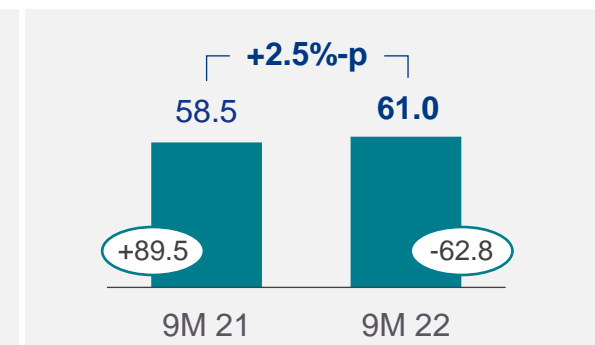
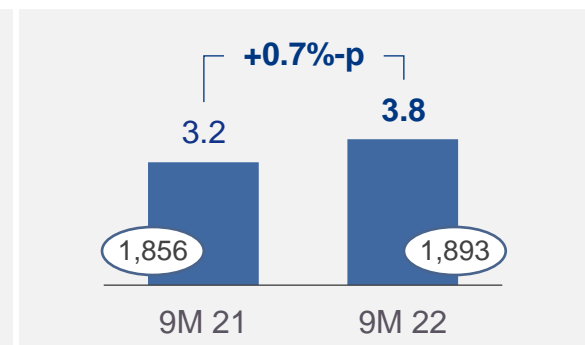
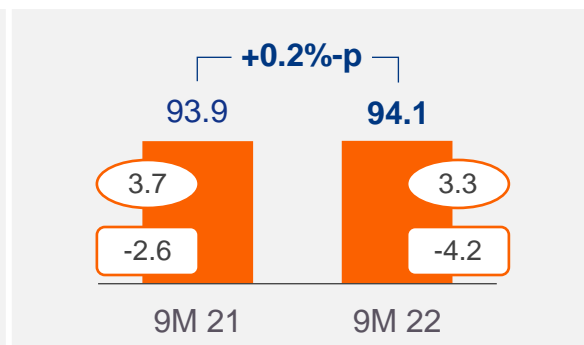
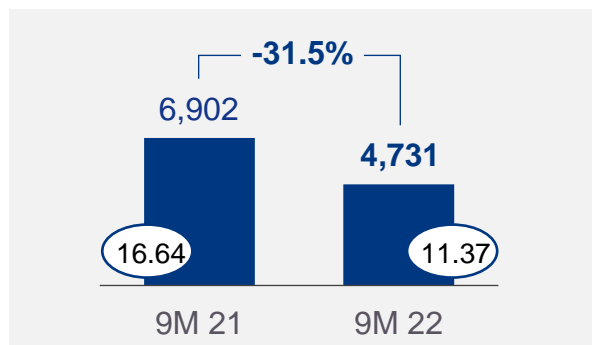
<b>10,209</b> (+3.2%)	<b>4,722</b> (+13.5%)	<b>3,381</b> (-9.8%)	<b>2,393</b> (-2.5%)
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**Shareholders' net income**  
(in EUR mn)

**Combined ratio**  
(in %)

**New business margin**  
(in %)

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



○ EPS (in EUR)

○ NatCat impact<sup>1</sup>

□ Run-off ratio

○ VNB (EUR mn)

○ 3rd party net flows (EUR bn)

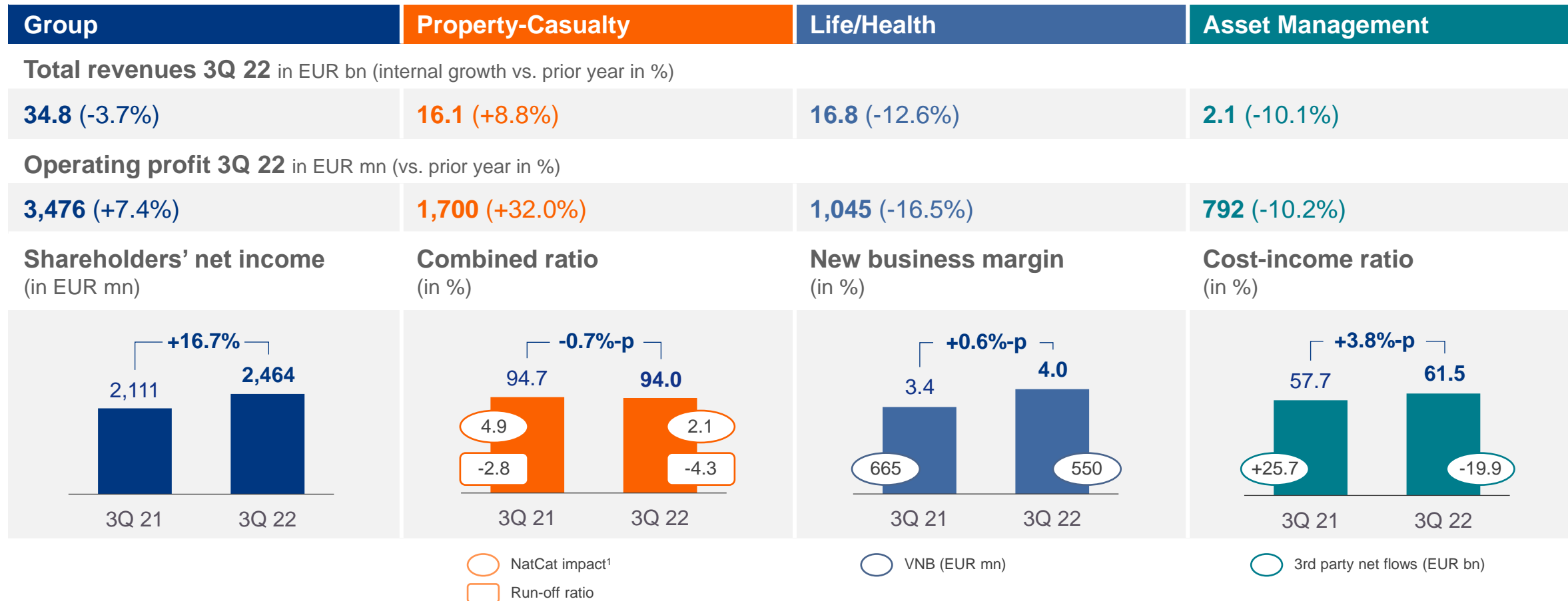
1) NatCat costs (without reinstatement premiums and run-off)

# Group 9M: EUR 10bn operating profit

## Comments

- **Outlook 2022: OP in the upper half of target range**  
For the full year, Allianz expects to arrive in the upper half of its operating profit target range of EUR 13.4bn, plus or minus EUR 1bn, barring unforeseen events, crises or natural catastrophes.
- **Total revenue growth at 5.3%**  
Strong internal growth in P/C (+8.8%). Consolidation (+1.0%) and F/X (+2.7%).
- **Shareholders' net income at EUR 4.7bn**  
Shareholders' net income driven by non-operating result ( $\Delta$  EUR -3.2bn), which was impacted by harvesting result ( $\Delta$  EUR -0.4bn), 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 – very strong performance**  
Operating profit up 14% driven by improvements in underwriting and investment result. Excellent topline growth and sharp rise in investment income.
- **L/H – solid result in volatile markets**  
Lower contribution from USA and Germany Life. Investment margin good at 55bps. VNB grows 2% to EUR 1.9bn with excellent NBM of 3.8%.
- **AM – resilient performance**  
EUR 2.4bn operating profit, at 70% of FY outlook midpoint despite challenging market environment and transfer of AllianzGI U.S. assets to Voya IM.
- **Corporate & Other**  
Operating loss (EUR -293mn) narrows by EUR 172mn driven by higher investment income.

# Group 3Q: operating profit up 7% to EUR 3.5bn



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

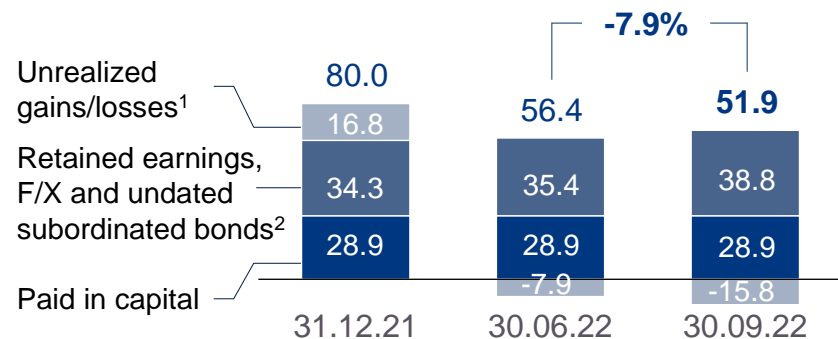
# Group 3Q: operating profit up 7% to EUR 3.5bn

## Comments

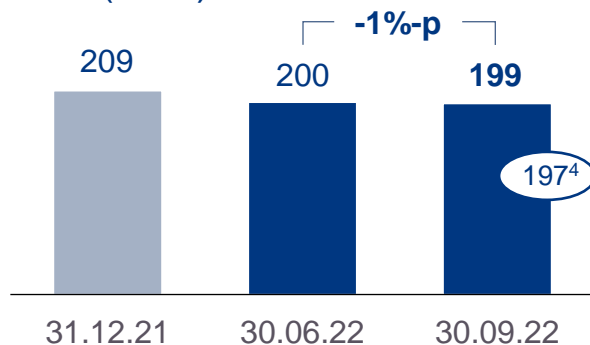
- **Total revenue growth at 1.3%**  
Strong internal growth in P/C (+8.8%). Consolidation (+0.7%) and F/X (+4.3%).
- **Operating profit growth of 7.4%**  
Group operating profit of EUR 3.5bn at 26% of FY outlook midpoint. Operating profit driven by 32% operating profit growth in P/C. Solid operating profit in L/H and AM against the background of a challenging market environment.
- **Shareholders' net income grows 16.7% to EUR 2.5bn**  
Shareholders' net income equally driven by operating profit ( $\Delta$  EUR +0.2bn) and non-operating result ( $\Delta$  EUR +0.2bn), the latter benefitted from a better harvesting result.
- **EUR 1bn share buy-back announced in 4Q**  
In total EUR 2bn share buy-backs initiated in 2022.
- **P/C – excellent performance**  
Operating profit up 32%. Underwriting result ( $\Delta$  EUR +0.2bn) driven by organic growth and better CR. Investment result ( $\Delta$  EUR +0.2bn) rises sharply supported by higher income from debt and equities.
- **L/H – solid result in volatile markets**  
Lower contribution from Germany Life and USA. Investment margin at 17bps. VNB EUR 550mn at good level with excellent NBM of 4%.
- **AM – good result in challenging markets**  
Operating profit of EUR 792mn close to target at 23% of FY outlook midpoint. Negative market impact, stable revenue margin, beneficial F/X impact.
- **Corporate & Other**  
Operating loss (EUR -60mn) narrows by EUR 126mn due to higher investment income, driven by inflation-linked bonds and dividends.

# Group: solvency ratio at comfortable level

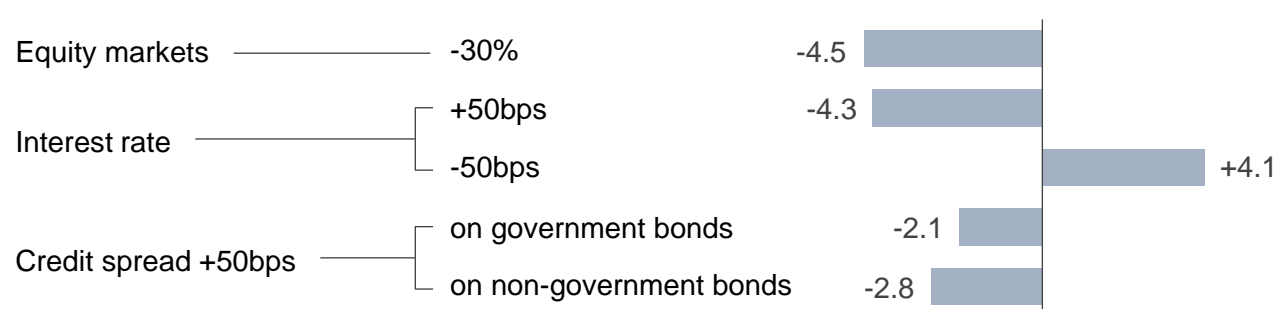
## Shareholders' equity (EUR bn)



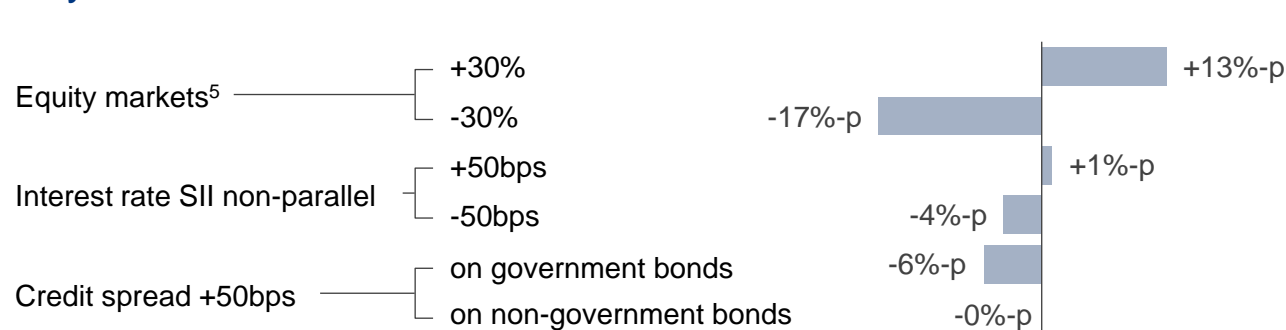
## SII capitalization<sup>3</sup> (in %)



## Key sensitivities (EUR bn)



## Key sensitivities



1) Off-balance sheet unrealized gains on real estate, associates and joint ventures attributable to the shareholders amount to EUR 5.7bn as of 30.06.22 and as of 30.09.22

2) Undated subordinated bonds amounted to EUR 4.9bn as of 30.06.22 and EUR 5.1bn as of 30.09.22

3) Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 227% as of 30.06.22 and as of 30.09.22

4) Pro-forma, taking into account EUR 1.0bn share buy-back announced in 4Q 2022

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

# Group: solvency ratio at comfortable level

## Comments

- **Shareholders' equity**

In 3Q 2022, shareholders' equity decreases by EUR 4.4bn. Main drivers are:

- EUR 7.9bn net unrealized gains/losses
- + EUR 2.5bn s/h net income
- + EUR 1.0bn F/X.

- **SII sensitivities**

Equity sensitivity reduced due to de-risking measures. Lower impact of combined stress scenario; additional impact of cross effects declines to ~-3%-p compared to ~-5%-p end of 2Q 2022.

- **SII ratio**

Decrease by 1%-p to 199%. Main drivers:

- + 7%-p organic capital generation (+5%-p after tax, +2%-p after tax and normalized dividend accrual)
- + 5%-p management actions, mainly de-risking measures
- 8%-p market impact, mainly driven by higher interest rate volatility, changes in credit spread term structure as well as lower equity markets
- 4%-p dividend accrual and subordinated capital transactions
- 1%-p regulatory/model changes.

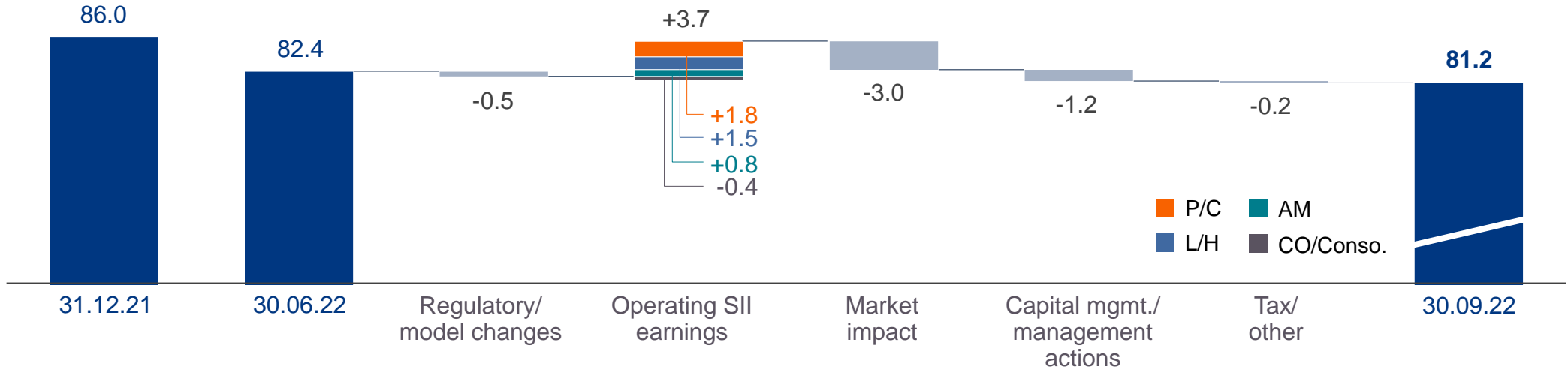
- **Transitionals**

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: capital generation at 7%-p

Own funds  
(EUR bn)

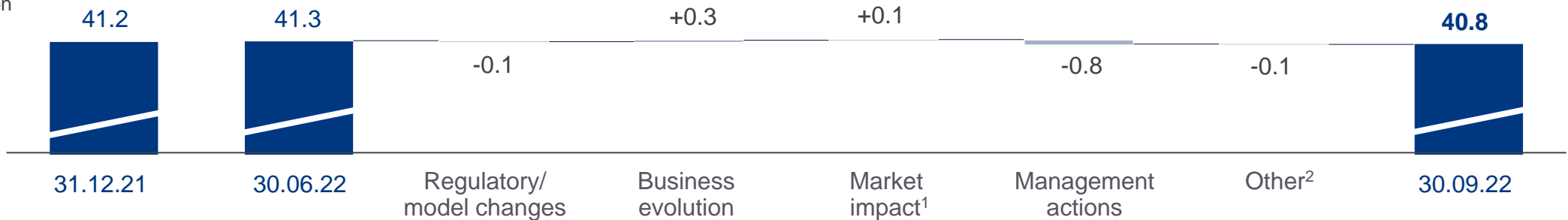


SII capitalization

○ Pre-tax operating capital generation



SCR  
(EUR bn)



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

# Group: capital generation at 7%-p

## 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 -8%-p impact (-6%-p after tax): higher interest rate volatility, changes in credit spread term structure as well as lower equity markets.
- **Capital management/management actions**  
+5%-p impact from de-risking measures and duration management, -4%-p impact from EUR 1.4bn dividend accrual and subordinated capital transactions, overall resulting in a +1%-p movement.
- **Tax/other**  
Different movements with a neutral impact overall.
- **Expected impacts FY / 4Q 2022**  
FY 2022: ~ +9%-p net operating capital generation.  
4Q 2022: ~ -3%-p mainly due to regulatory-driven model updates/changes. The announced share buy-back of EUR 1.0bn will reduce the SII ratio by ~2%-p.

# P/C: excellent internal growth momentum

EUR mn		Revenues			Rate change on renewals	
		3Q 22	Total growth Δ p.y.	Internal growth Δ p.y.	9M 22	12M 21
<b>Total P/C segment</b>		<b>16,112</b>	<b>+14.2%</b>	<b>+8.8%</b>	<b>+4.3%</b>	<b>+3.6%</b>
<b>Selected OEs</b>	Germany	2,348	+5.1%	+5.1%	+3.2%	+2.0%
	United Kingdom	1,239	+4.2%	+4.3%	+4.2%	+2.8%
	France	1,091	+4.6%	+4.6%	+6.1%	+0.5%
	Australia	1,088	+18.3%	+8.6%	+5.4%	+4.8%
	Central and Eastern Europe	910	+10.0%	+6.2%	n.a.	n.a.
	Italy	894	+15.2%	+4.3%	+1.9%	+0.1%
	Latin America	737	+34.2%	+20.5%	n.a.	n.a.
	Spain	567	+4.3%	+4.3%	+5.7%	+3.6%
	Switzerland	339	+8.7%	-1.8%	+2.0%	+0.8%
	<b>Global lines</b>	AGCS	2,755	+21.8%	+7.5%	+8.0%
Allianz Partners		1,958	+32.5%	+23.5%	+4.7%	+1.1%
Allianz Trade		822	+18.4%	+14.6%	-3.3%	+4.5%

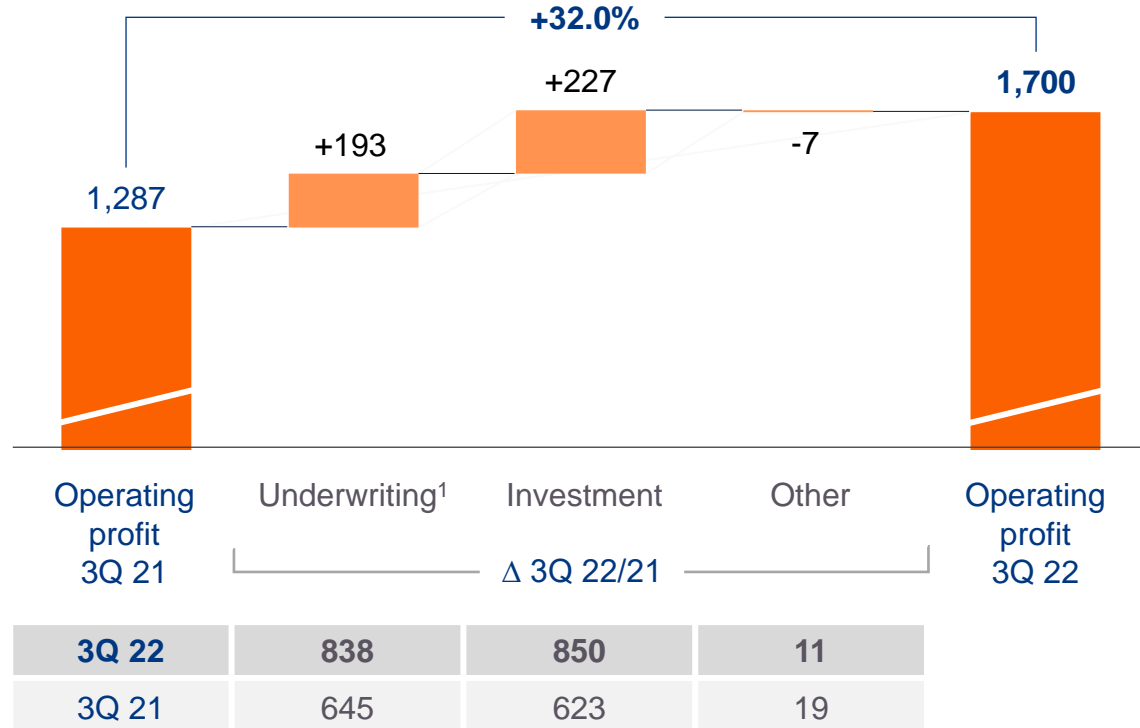
# P/C: excellent internal growth momentum

## Comments

- **Internal growth at 8.8% mainly driven by price**  
Price (+6.7%), volume (+1.7%) and service fees (+0.4%) contribute to internal growth. Consolidations (+1.3%, mainly Aviva Italy, European Reliance in Greece and Aviva Poland) and F/X (+4.0%) lead to total growth of +14.2%, equally driven by retail and commercial lines. Growth in retail (incl. SME and fleet) mainly from motor and non-motor. Growth in commercial supported by AGCS and Allianz Trade. Internal NPE growth at +9.2%.
- **Germany – higher price and volume**  
Higher topline supported by retail lines as well as MidCorp property.
- **UK – positive price effect**  
Motor retail and MidCorp main growth drivers.
- **France – price effect partially offset by volume**  
Growth driven by retail business.
- **Australia – price effect main driver**  
Good growth across the board due to continued hardening of market. Total growth supported by F/X.
- **CEE – good growth across the region**  
Romania, Austria and Czech Republic main contributors. Total growth also driven by Aviva Poland.
- **Italy – growth driven by all lines of business**  
Total growth supported by Aviva portfolio.
- **LatAm – price partially compensated by lower volume**  
Continued strong rate increases from portfolio remediation in Brazil. Total growth supported by F/X appreciation of BRL.
- **Spain – positive price effect partially offset by volume**  
Pricing actions across several lines of business.
- **Switzerland – internal growth driven by motor retail**  
Total growth supported by positive F/X.
- **AGCS – volume and price positive**  
Property and marine main drivers for internal growth. Total growth also supported by positive F/X.
- **Allianz Partners – higher volume main growth driver**  
U.S. travel business and international health lift topline.
- **Allianz Trade – good growth driven by higher volume**  
Strong new business generation and high customer retention.

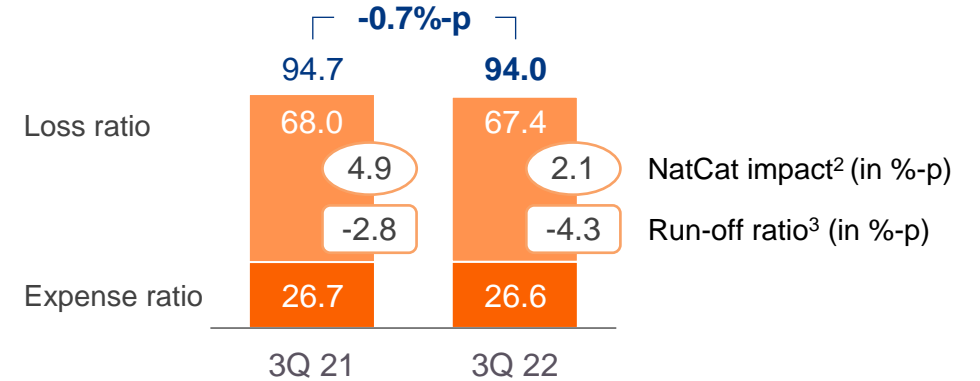
# P/C: operating profit up 32%

Operating profit drivers (EUR mn)

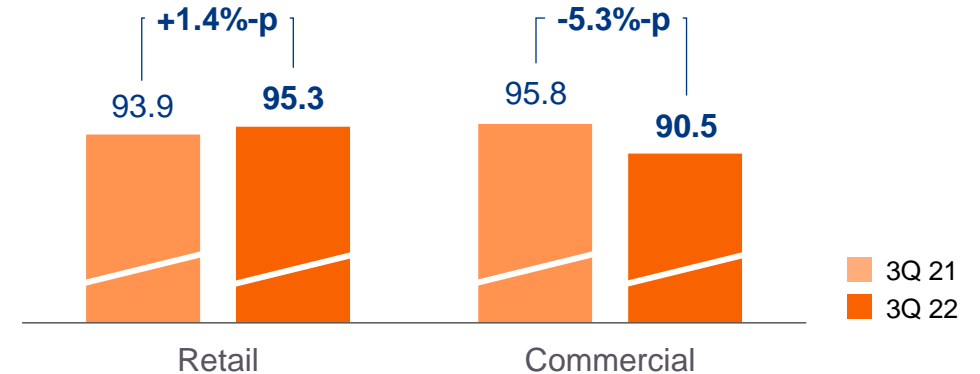


1) Underwriting result incl. change in reserves  
 2) NatCat costs (without reinstatement premiums and run-off)  
 3) Positive run-off ratio implies a negative P&L impact from prior year reserve movements  
 4) Retail including SME and Fleet; Commercial including large Corporate, MidCorp, credit insurance,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

Combined ratio (in %)



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



# P/C: operating profit up 32%

## Comments

- **Operating profit up 32%**

Higher OP driven by better underwriting and investment result. CR improves -0.7%-p as lower NatCat and positive run-off development are partially offset by attritional LR. Investment result rises sharply supported by higher income from debt and equities.

- **Attritional LR – underlying, large and weather**

Deterioration of attritional LR (AY LR excl. NatCat) driven by underlying LR ( $\Delta$  +2.4%-p), higher large losses ( $\Delta$  +0.9%-p) and weather related losses ( $\Delta$  +0.4%-p). Underlying profitability impacted by inflation, especially in Brazil and Türkiye.

- **Run-off – above normal level**

High COVID-19 related reserve releases at Allianz Trade and Allianz Re. Excluding these entities run-off at ~2%.

- **NatCat – on normal level**

Net NatCat losses of EUR 318mn/2.1% clearly below prior year (EUR 659mn/4.9%) and close to 10Y FY average (1.9%). Impact from Hurricane Ian at EUR 0.1bn.

- **Expense ratio – very good level**

Lower admin expenses due to productivity initiatives support ER improvement.

- **Combined ratio by customer segment**

Higher CR in retail (incl. SME and fleet) due to motor. Commercial CR down 5.3%-p mainly driven by strong CR in MidCorp (89.0%) and improvement at AGCS.

- **9M performance – OP at 79% of FY outlook midpoint**

P/C segment	9M 2021	9M 2022	$\Delta$
Attritional LR (%)	66.1	68.1	+2.0%-p
NatCat (%)	3.7	3.3	-0.4%-p
Run-off (%)	-2.6	-4.2	-1.6%-p
ER (%)	26.7	26.8	+0.1%-p
CR (%)	93.9	94.1	+0.2%-p
Underwriting result (EUR mn)	2,185	2,402	+9.9%
Investment result (EUR mn)	1,947	2,298	+18.0%
Other result (EUR mn)	26	21	-18.4%
<b>Operating profit (EUR mn)</b>	<b>4,158</b>	<b>4,722</b>	<b>+13.5%</b>

# P/C: operating profit at EUR 1.7bn

EUR mn		Operating profit		Combined ratio		NatCat impact on CR	
		3Q 22	Δ p.y.	3Q 22	Δ p.y.	3Q 22	Δ p.y.
<b>Total P/C segment</b>		<b>1,700</b>	<b>+32.0%</b>	<b>94.0%</b>	<b>-0.7%-p</b>	<b>2.1%-p</b>	<b>-2.8%-p</b>
<b>Selected OEs</b>	Germany	393	+128.1%	90.6%	-7.4%-p	1.3%-p	-13.0%-p
	United Kingdom	45	-54.0%	99.0%	+4.7%-p	0.9%-p	-2.8%-p
	France	147	+42.6%	93.5%	-2.2%-p	-0.9%-p	-1.4%-p
	Australia	120	-5.2%	91.9%	+3.9%-p	3.2%-p	+3.3%-p
	Central and Eastern Europe	99	-7.7%	92.1%	+4.2%-p	6.4%-p	+4.6%-p
	Italy	148	+31.2%	90.0%	-1.2%-p	3.3%-p	-0.4%-p
	Latin America	-2	-113.9%	113.0%	+4.1%-p	0.0%-p	0.0%-p
	Spain	38	-22.8%	95.2%	+2.3%-p	0.0%-p	-0.9%-p
	Switzerland	60	-19.8%	91.5%	+5.0%-p	1.6%-p	-2.7%-p
	<b>Global lines</b>	AGCS	170	+533.7%	96.0%	-6.5%-p	5.8%-p
Allianz Partners		74	-21.2%	96.8%	+2.0%-p	0.2%-p	+0.1%-p
Allianz Trade		171	+30.1%	72.8%	+4.2%-p	-	-

# P/C: operating profit at EUR 1.7bn

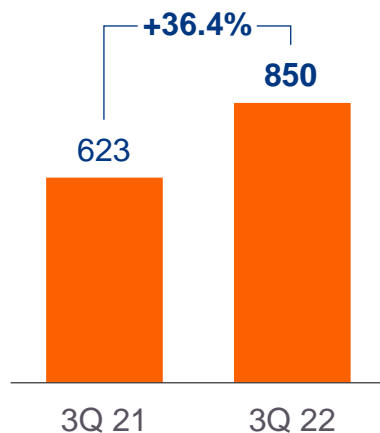
## Comments

- **Germany – very strong profitability**  
Lower NatCat impact partially offset by weather related and large losses as well as higher underlying LR.
- **UK – challenging environment**  
AY LR worsens from reduced frequency benefits in motor, subsidence claims in non-motor and high inflation.
- **France – improved CR**  
Favorable run-off development partially compensated by higher large losses.
- **Australia – very good CR**  
Better ER overcompensated by higher NatCat losses and lower run-off.
- **CEE – profitability on good level**  
Lower OP driven by Hungary following introduction of new extra-profit tax as well as claims from drought.
- **Italy – strong CR**  
Higher weather related claims more than offset by better run-off result and improved ER.
- **LatAm – driven by Brazil**  
OP impacted by deterioration of Brazilian motor business following market trend.
- **Spain – higher expenses**
- **Switzerland – good performance**  
CR driven by increase in weather related claims.
- **AGCS – good CR despite hurricane Ian**  
Lower NatCat losses partially offset by attritional LR.
- **Allianz Partners – solid performance**  
CR impacted by higher ER (partly from changed business mix).
- **Allianz Trade – excellent CR**  
OP up 30% driven by NPE increase (+35%), higher service income and better investment result.



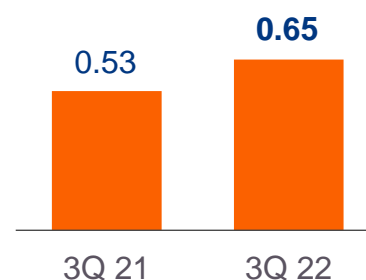
# P/C: investment income rises sharply

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

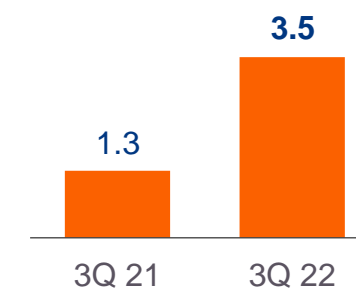


Interest & similar income <sup>2</sup>	772	<b>903</b>	+131
Net harvesting and other <sup>3</sup>	-25	<b>68</b>	+93
Investment expenses	-123	<b>-120</b>	+3

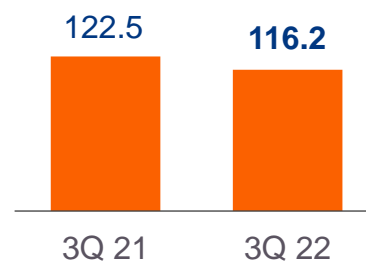
Current yield  
(debt securities; in %)



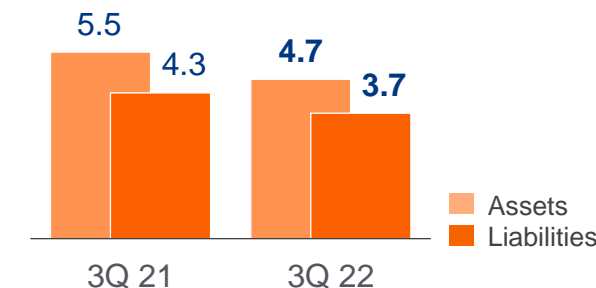
Economic reinvestment yield  
(debt securities; in %)



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: investment income rises sharply

## Comments

- **Interest & similar income**

Driven by surge in income from debt due to inflation-linked bonds and increase in yields as well as higher income from equities.

Approximately 1/3 of the increase in interest & similar income is driven by inflation-linked bonds.

- **Net harvesting & other**

Supported by higher F/X result net of hedges.

- **Reinvestment yield**

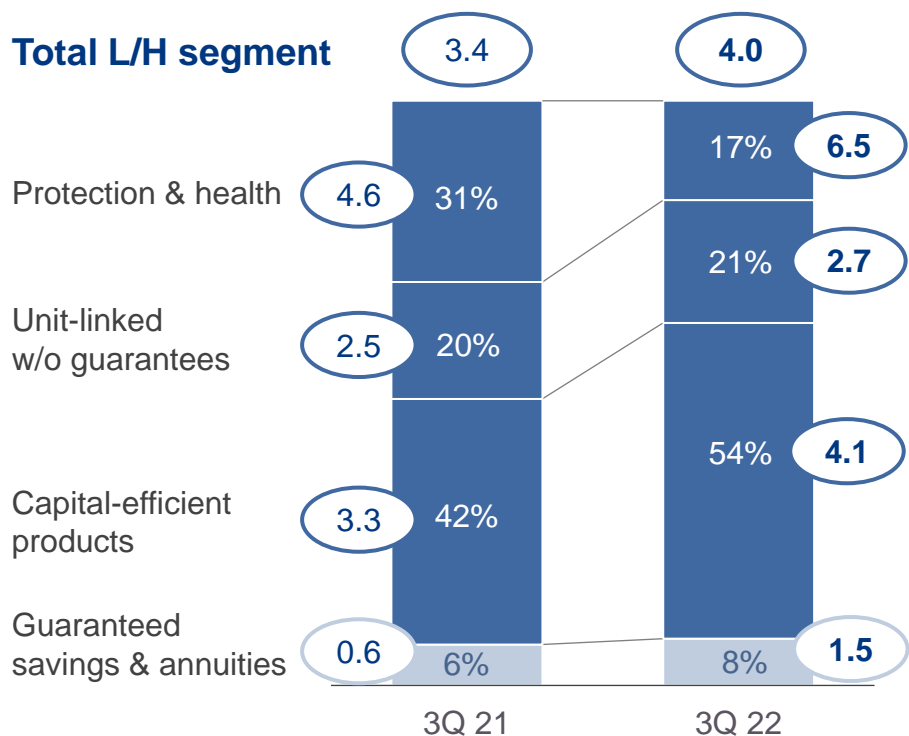
Economic reinvestment yield rises to 3.5% in line with market development.

- **Change in duration**

Duration for assets and liabilities declines due to higher interest rates.

# L/H: NBM excellent at 4.0%

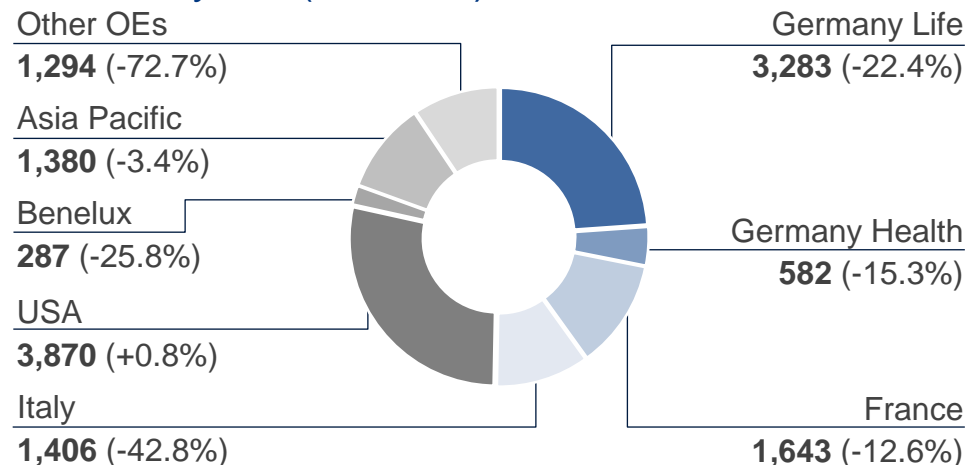
## PVNBP share by line



■ Preferred LoBs  
○ NBM (in %)

EUR mn	3Q 21	3Q 22	Δ p.y.
PVNBP	19,655	<b>13,745</b>	-30.1%
APE	1,809	<b>1,592</b>	-12.0%
Single premium	10,928	9,083	-16.9%
Recurring premium	716	684	-4.4%

## PVNBP by OE (EUR mn)



# L/H: NBM excellent at 4.0%

## Comments

### PVNBP by line

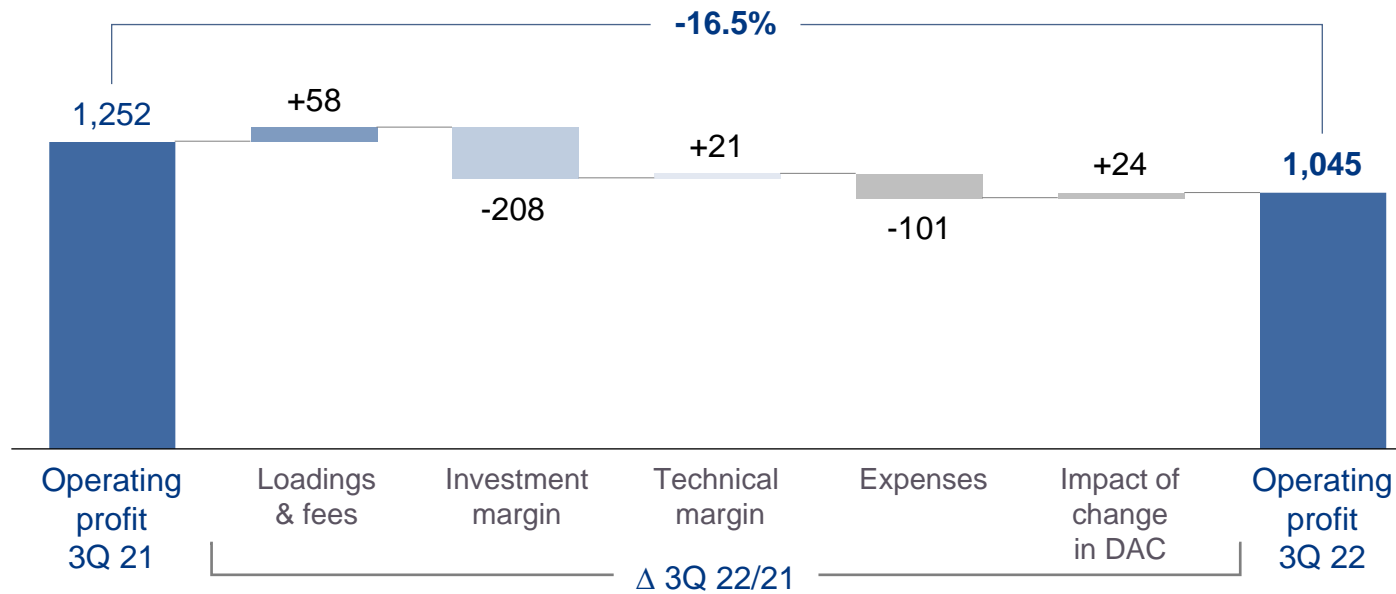
- **High prior year level**  
High prior year level due to one large contract in corporate business (EUR ~3.7bn). Adjusted for this, new business volume was down 14% driven by lower UL sales in Italy and a decline of single premium business in Germany. Share of preferred lines of business above 90%.
- **NBM excellent at 4.0%**  
Improvement due to better business mix and higher interest rates. Significant improvement across all lines of business. NBM of capital-efficient products above 4%.
- **Business mix has normalized**  
Share of Protection & Health new business in the prior year (31%) benefitted from one large contract. Adjusted for this, new business volume in Protection & Health was broadly stable.

### PVNBP by OE

- **Germany Life – share of preferred lines at 87%**  
Decline of PVNBP mainly due to higher discount rates and a decline of single premium business.
- **USA – stable new business volume**  
In USD sales decline 15% mainly due to a marketing campaign in the prior year. NBM FIA at 3.7% and NBM RILA at 4.2%.
- **Asia Pacific – good new business volume**  
UL sales in Taiwan ( $\Delta$  EUR -0.1bn) impacted by adverse market sentiment. NBM Asia Pacific at healthy level of 4.9%.
- **Italy – market sentiment weighs on UL sales**  
UL sales down by EUR 0.8bn. Prior year level supported by one large contract in capital-efficient business.
- **Other OEs – large contract in the prior year**  
Allianz Re with large contract (EUR ~3.7bn) in the prior year.
- **France – share of preferred lines at 86%**  
Less business transferred from in-force business into newly launched product with UL and capital-efficient component.

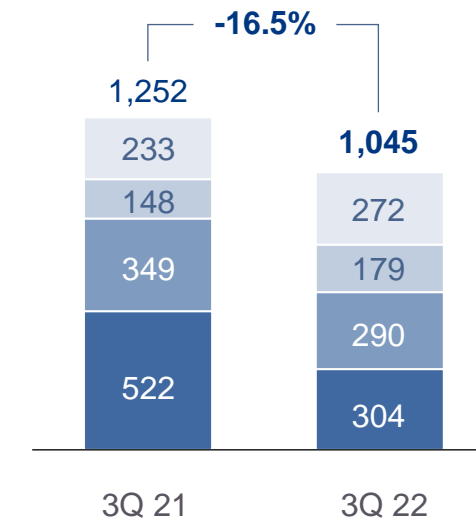
# L/H: solid result in volatile markets

Operating profit by source (EUR mn)



<b>3Q 22</b>	<b>1,702</b>	<b>864</b>	<b>367</b>	<b>-2,026</b>	<b>138</b>
3Q 21	1,644	1,072	346	-1,925	114

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 1.0bn**  
Decline driven by lower contribution from Germany Life and USA. Aviva Poland acquisition contributes EUR 57mn.
- **Impact from U.S. back-book transaction EUR -22mn**  
Several profit sources affected: investment margin EUR -198mn, technical margin EUR +53mn and impact from change in DAC EUR +123mn.
- **Loadings & fees driven by Aviva Poland acquisition**  
In addition positive impact from F/X. Loadings from reserves up 10%.
- **Investment margin at 17bps**  
Lower contribution from USA and Germany Life.
- **Technical margin at good level**
- **Expenses – mainly driven by F/X**
- **Impact of change in DAC**  
Higher capitalization more than offsets increased amortization, the latter driven by 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**  
Lower contribution from Italy offset by better result from Asia. In addition positive impact from consolidation of Aviva Poland.
- **Capital-efficient products**  
Decline driven by German Life, U.S. business and Benelux.
- **Guaranteed savings & annuities**  
Lower results from U.S. VA business, France and Germany Life.
- **9M performance – OP at 70% of FY outlook midpoint**

L/H segment	9M 2021	9M 2022	Δ
PVNB (EUR bn)	58.9	49.6	-15.8%
NBM (%)	3.2	3.8	+0.7%-p
VNB (EUR mn)	1,856	1,893	+2.0%
Investment margin (bps)	63	55	-9bps
<b>Operating profit (EUR mn)</b>	<b>3,747</b>	<b>3,381</b>	<b>-9.8%</b>
RoE (annualized; %)	12.7	8.9	-3.8%-p

# L/H: value of new business at good level

EUR mn	Value of new business		New business margin		Operating profit	
	3Q 22	Δ p.y.	3Q 22	Δ p.y.	3Q 22	Δ p.y.
<b>Total L/H segment</b>	<b>550</b>	<b>-17.3%</b>	<b>4.0%</b>	<b>+0.6%-p</b>	<b>1,045</b>	<b>-16.5%</b>
USA	151	+2.3%	3.9%	+0.1%-p	171	-42.8%
Germany Life	135	+0.2%	4.1%	+0.9%-p	239	-23.7%
Asia Pacific	68	-13.9%	4.9%	-0.6%-p	116	+17.0%
France	49	+32.3%	3.0%	+1.0%-p	152	-2.4%
Italy	31	-30.8%	2.2%	+0.4%-p	107	-16.2%
Central and Eastern Europe	25	+120.3%	7.9%	+3.2%-p	112	+64.1%
Germany Health	24	-19.3%	4.1%	-0.2%-p	58	+9.0%
Benelux	9	-16.2%	3.2%	+0.4%-p	52	+47.5%
Switzerland	7	+103.2%	4.2%	+1.7%-p	24	+12.3%
Spain	4	+25.7%	2.9%	+1.1%-p	3	-93.1%

# L/H: value of new business at good level

## Comments

### New business

- **High prior year level**  
High prior year level due to a large corporate contract at Allianz Re. Adjusted for this, VNB is up 2%.
- **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%.
- **NBM excellent at 4.0%**  
Improvement stems from better business mix and higher interest rates. NBM very good in Germany, USA, Asia Pacific, CEE and Switzerland. NBM in France at target level 3.0%.
- **France – NBM at 3.0%**  
VNB increases by 32% supported by better NBM across all lines of business. Improvement of profitability more than offsets impact from lower new business volume.

### Operating profit

- **Germany Life – lower investment margin**  
Decline of investment margin driven by harvesting result.
- **USA – solid underlying performance**  
Lower result from VA business (EUR  $\Delta$  -0.1bn) driven by unfavorable market movements.
- **Italy – lower contribution from UL**  
Operating profit from UL down in line with market development. Contribution from other lines slightly up.
- **CEE – acquisition of Aviva Poland**  
Contribution of EUR 57mn to operating profit and EUR 11mn to new business value from acquisition of Aviva Poland.
- **Spain – positive one-off in the prior year**  
Underlying result impacted by Protection & Health business.
- **Benelux – driven by better result from Belgium**  
Operating profit benefits from higher investment margin and improved technical margin.

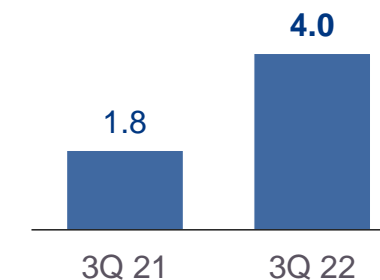


# L/H: investment margin at 17bps

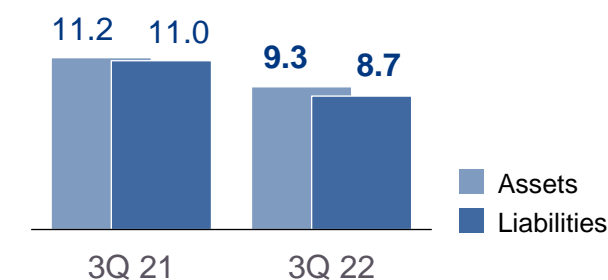
	Investment margin	
	3Q 21	3Q 22
<b>Based on Ø book value of assets<sup>1,2</sup> (EUR bn)</b>	<b>645</b>	<b>541</b>
Current yield <sup>3</sup>	0.75%	0.92%
<b>Based on Ø aggregate policy reserves<sup>4</sup> (EUR bn)</b>	<b>513</b>	<b>512</b>
<b>Current yield<sup>3</sup></b>	<b>0.95%</b>	<b>0.98%</b>
Net harvesting and other <sup>5</sup>	0.05%	-0.20%
<b>Total yield</b>	<b>0.99%</b>	<b>0.77%</b>
- Ø min. guarantee <sup>6</sup>	0.44%	0.41%
<b>Gross investment margin (in %)</b>	<b>0.55%</b>	<b>0.37%</b>
- Profit sharing under IFRS <sup>7</sup>	0.34%	0.20%
<b>Investment margin (in %)</b>	<b>0.21%</b>	<b>0.17%</b>
Investment margin (EUR mn)	1,072	864

- 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

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



## Duration<sup>8</sup>



- 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

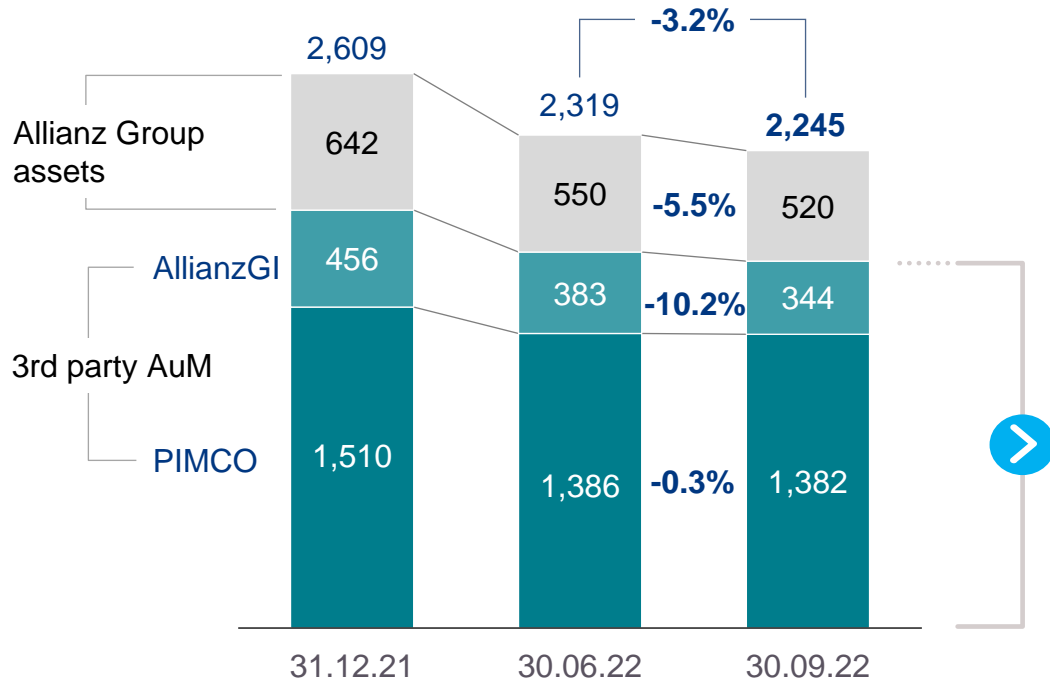
# L/H: investment margin at 17bps

## Comments

- **Investment margin declines by EUR -208mn**  
Decline driven by lower results from Germany Life and U.S., the latter impacted by the U.S. back-book transaction (EUR -198mn). Total operating profit impact of U.S. back-book transaction is EUR -22mn – including offsetting impacts in technical margin (EUR +53mn) and impact from change in DAC (EUR +123mn).
- **Current yield up 3bps**  
Current yield based on aggregate policy reserves up by 3bps. Increase driven by higher income from equities and support from higher reinvestment yield.
- **Average minimum guarantee down by 3bps**  
Decline accelerated by back-book transactions.
- **Net harvesting and other**  
Decrease mainly due to lower harvesting result driven by higher equity impairments in Germany Life which are largely offset by profit sharing under IFRS.
- **Gross investment margin at 37bps**  
Decline due to lower net harvesting result.
- **Investment margin at 17bps**  
PHP of 78.2% vs. 78.9% in prior year. 9M 2022 investment margin at 55bps.
- **Reinvestment yield**  
Higher reinvestment yield in line with market development.
- **Change in duration**  
Duration down mainly due to higher interest rates.

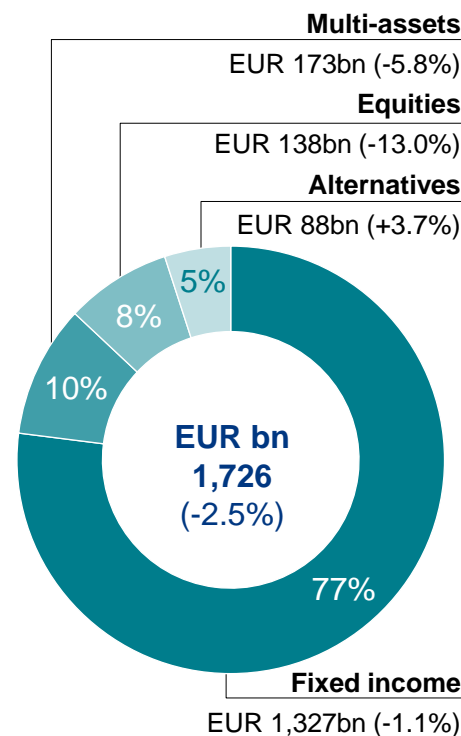
# AM: PIMCO 3rd party AuM stable

Total assets under management<sup>1</sup> (EUR bn)

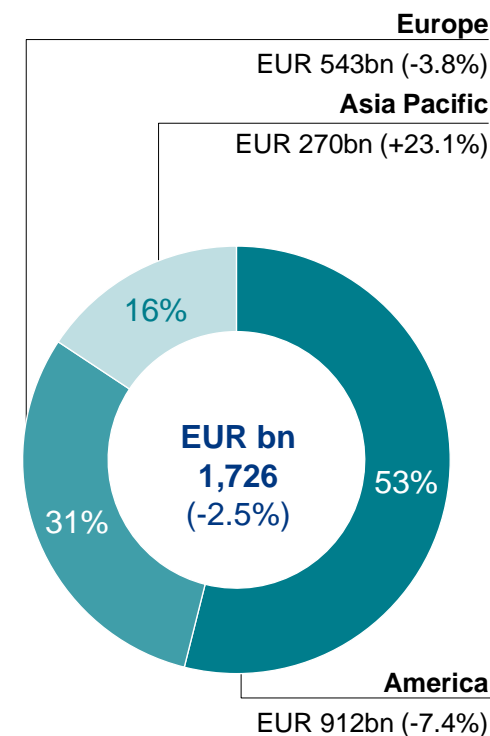


3rd party AuM split<sup>1</sup> (EUR bn)

Asset classes



Regions



1) From 3Q 2022 onwards, amounts are presented in accordance with the amended definition of assets under management and include portfolios sub-managed by third-party investment firms. Comparative periods are not affected by the amendment

# AM: PIMCO 3rd party AuM stable

## Comments

- **Markets drive total AuM**

Total AuM 3% below the level end of 2Q 2022 driven by adverse market effects, transfer of AllianzGI U.S. assets and net outflows, partially compensated by favorable F/X effects. AuM contain EUR 61bn AllianzGI branded assets which are administered and distributed by AllianzGI and sub-managed by Voya IM, resulting in a re-allocation of those assets mainly to Asia Pacific.

- **Business highlights**

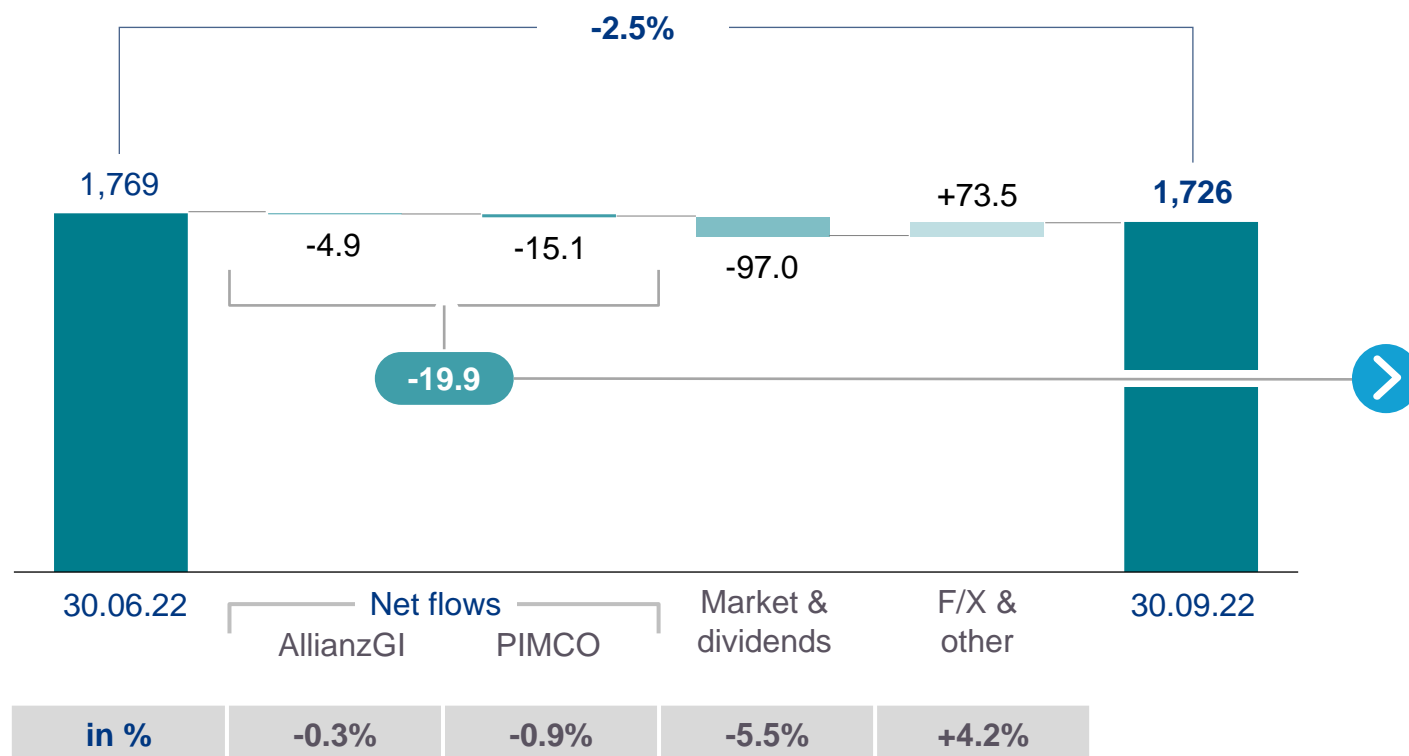
Investment performance: 79% of 3rd party AuM outperform benchmarks on a trailing 3-year basis before fees.

Alternatives: Total alternative AuM including Allianz assets decrease 2% from EUR 250bn end of 2Q 2022 to EUR 244bn end of 3Q 2022. 3rd party alternative AuM rise 4% to EUR 88bn.

AllianzGI: Transfer of selected AllianzGI US investment teams and assets to Voya IM completed in July, reducing total AuM by EUR 42bn.

# AM: 3rd party AuM at EUR 1.7tn

3rd party assets under management development<sup>1</sup> (EUR bn)



3rd party net flow split<sup>1</sup> (EUR bn)

<b>Asset classes</b>	Fixed income	-16.4	
	Equities	-6.1	
	Multi-assets		+1.1
	Alternatives		+1.4
<b>Regions</b>	America	-16.2	
	Europe	-7.9	
	Asia Pacific		+4.1
<b>Investment vehicles</b>	Mutual funds	-9.6	
	Separate accounts	-10.4	

1) From 3Q 2022 onwards, amounts are presented in accordance with the amended definition of assets under management and include portfolios sub-managed by third-party investment firms. Comparative periods are not affected by the amendment

# AM: 3rd party AuM at EUR 1.7tn

## Comments

- **3rd party AuM down 2% to EUR 1.7tn**

3rd party AuM decrease by EUR 43bn driven by market effects (EUR -97bn), asset reduction related to Voya partnership (EUR -26bn) and 3rd party net outflows (EUR -20bn), partially compensated by favorable F/X impact (EUR +100bn).

Average 3rd party AuM at EUR 1,798bn in 3Q 2022, 3% below average 3Q 2021 level of EUR 1,862bn and 2% below average FY 2021 level of EUR 1,826bn.

- **3rd party net flows PIMCO: EUR -15bn**

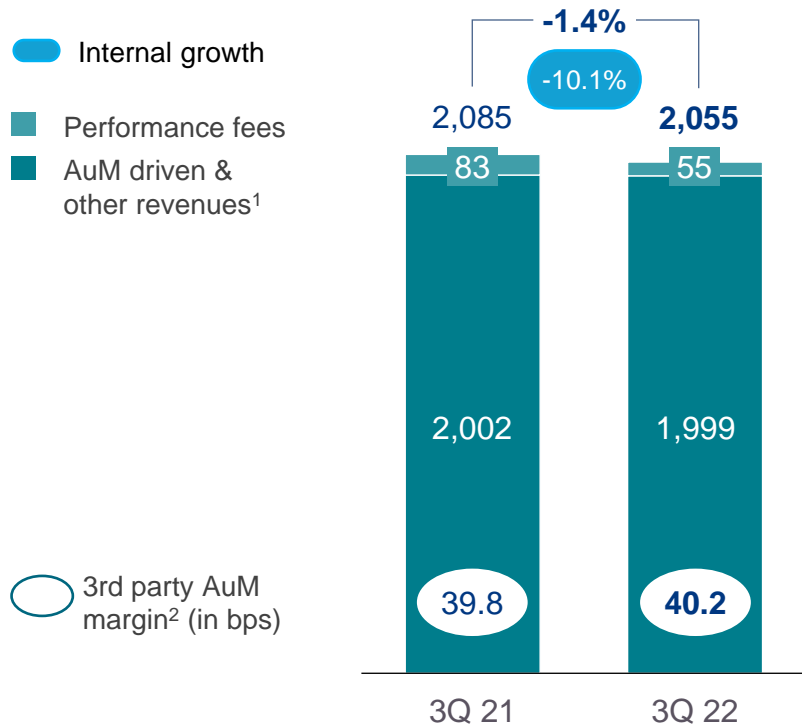
3rd party net outflows mainly stem from fixed income. Small 3rd party net inflows in alternatives.

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

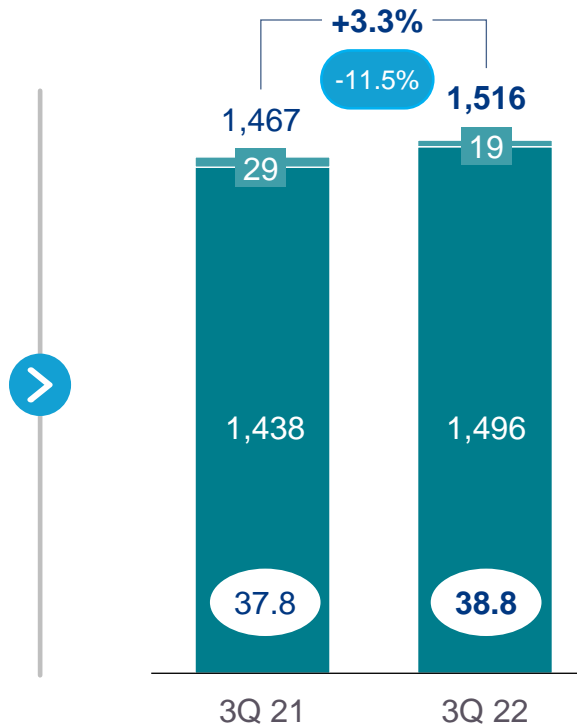
3rd party net outflows from equity and fixed income business, 3rd party net inflows in multi-assets and alternatives.

# AM: revenues resilient

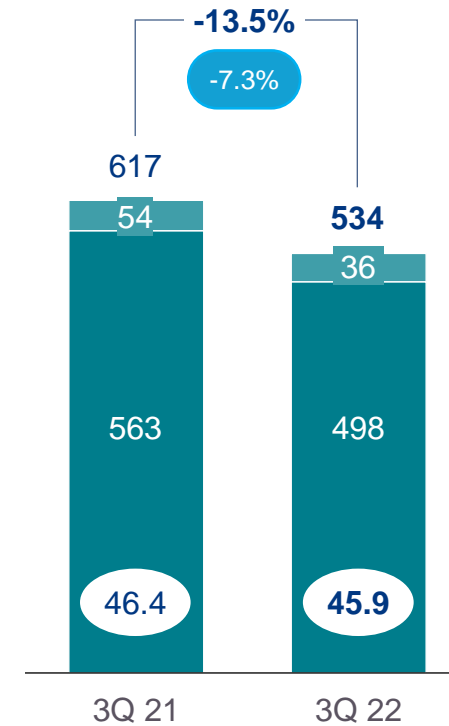
Revenues development (EUR mn)



PIMCO (EUR mn)



AllianzGI (EUR mn)



1) Thereof other revenues: AM: 3Q 21: EUR -1mn; 3Q 22: EUR +29mn; PIMCO: 3Q 21: EUR +1mn; 3Q 22: EUR +10mn; AllianzGI: 3Q 21: EUR -1mn; 3Q 22: EUR +15mn  
 2) Excluding performance fees and other income

# AM: revenues resilient

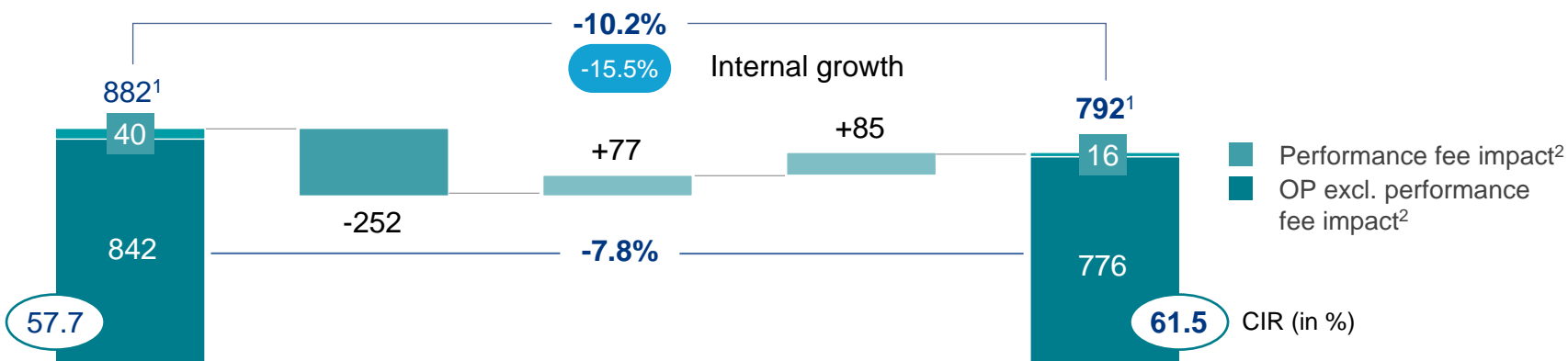
## Comments

- **Segment revenues – resilient**  
Excluding F/X, revenues decrease mainly due to lower average 3rd party AuM and due to lower performance fees.
- **PIMCO margin – up 1.0bps**  
Margin benefits from a higher number of fee days.
- **AllianzGI margin – down by 0.5bps**  
Decrease driven by Voya-related effects, partially compensated by favorable impact from business mix.



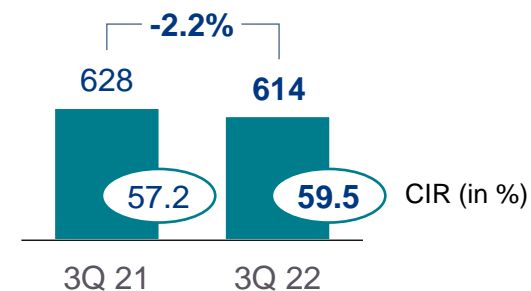
# AM: operating profit at EUR 0.8bn

## Operating profit drivers (EUR mn)

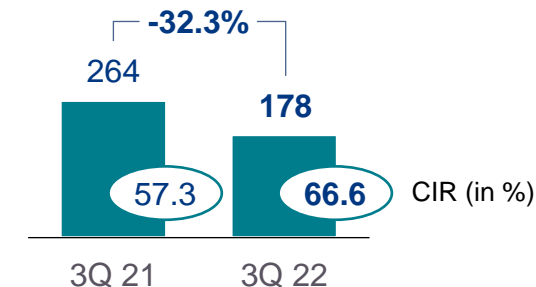


	Revenues	Expenses
Δ 3Q 22/21	+222	-137
3Q 22	2,055	-1,263
3Q 21	2,085	-1,203

## PIMCO



## AllianzGI



1) Including operating result from other entities of EUR -7mn in 3Q 21 and EUR +5mn in 3Q 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

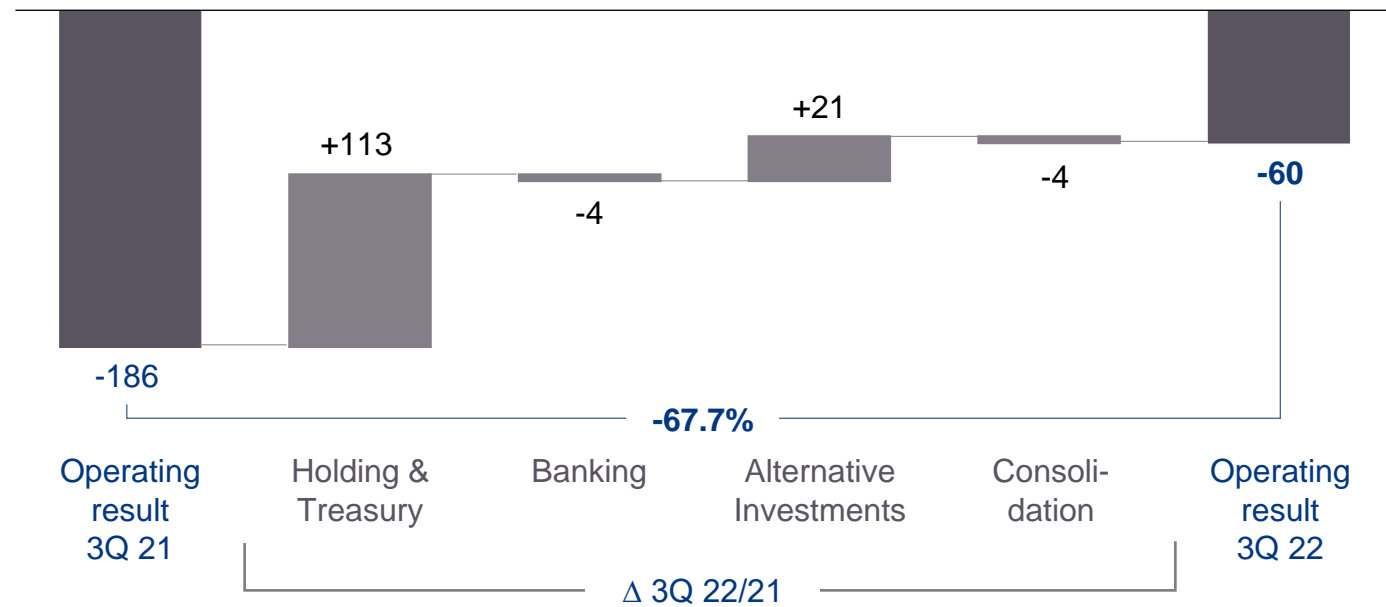
- Segment – OP at EUR 0.8bn**  
 OP of EUR 792mn at 23% of FY outlook midpoint.  
 Excluding F/X, lower AuM driven revenues and performance fees are partially compensated by lower expenses.  
 CIR up 3.8%-p to 61.5% due to lower business volume and resulting revenue decline.
- PIMCO – resilient OP, down 2%**  
 OP at EUR 614mn. Excluding F/X, lower expenses do not compensate for lower AuM driven revenues and performance fees, the former following lower average F/X adjusted 3rd party AuM.  
 CIR up 2.3%-p, slightly below target level of 60%.

- AllianzGI – OP down 32%**  
 OP at EUR 178mn, driven by lower revenues and Voya-related impacts.  
 CIR up 9.3%-p to 66.6%, driven by market development and lower business volume following the transfer of assets to Voya IM (impact of the latter: ca. +3%-p).
- 9M 2022 – OP at 70% of FY outlook midpoint**

AM segment	9M 2021	9M 2022	Δ
Operating revenues (EUR mn)	5,920	6,136	+3.7%
<b>Operating profit (EUR mn)</b>	<b>2,454</b>	<b>2,393</b>	<b>-2.5%</b>
Average 3rd party AuM (EUR bn)	1,794	1,857	+3.5%
3rd party net flows (EUR bn)	+89.5	-62.8	n.m.
3rd party AuM margin (bps)	38.9	39.2	+0.3bps
CIR (%)	58.5	61.0	+2.5%-p

# CO: strong improvement

## Operating result development and components



<b>3Q 22</b>	<b>-89</b>	<b>13</b>	<b>24</b>	<b>-8</b>
3Q 21	-202	18	3	-5

# CO: strong improvement

## Comments

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

# Group: shareholders' net income at EUR 2.5bn

EUR mn	3Q 21	3Q 22	Δ p.y.
Operating profit	3,236	3,476	+240
<b>Non-operating items</b>	<b>-287</b>	<b>-120</b>	<b>+167</b>
Realized gains/losses (net)	159	656	+497
Impairments (net)	-89	-293	-204
Income from financial assets and liabilities carried at fair value (net)	36	-74	-109
Interest expenses from external debt	-140	-151	-12
Restructuring and integration expenses	-128	-126	+2
Amortization of intangible assets	-67	-78	-11
Change in reserves for insurance and investment contracts (net)	22	-25	-47
Other	-81	-30	+51
<b>Income before taxes</b>	<b>2,949</b>	<b>3,356</b>	<b>+408</b>
Income taxes	-720	-761	-41
<b>Net income</b>	<b>2,229</b>	<b>2,595</b>	<b>+366</b>
Non-controlling interests	-119	-132	-13
<b>Shareholders' net income</b>	<b>2,111</b>	<b>2,464</b>	<b>+353</b>
Effective tax rate	24%	23%	-2%-p

# Group: shareholders' net income at EUR 2.5bn

## Comments

- **Shareholders' net income grows 16.7% to EUR 2.5bn**  
Increase equally driven by operating profit ( $\Delta$  EUR +0.2bn) and non-operating profit ( $\Delta$  EUR +0.2bn).
- **Non-operating result up by EUR 0.2bn**  
Higher non-operating result mainly supported by harvesting result ( $\Delta$  EUR +0.3bn). Harvesting result benefits from transfer of AGI U.S. business to Voya Investment Management (EUR 0.5bn) and sale of minority stake in Zagrebacka Banka (EUR 0.2bn).
- **Income from financial assets and liabilities**  
Change mainly due to hyperinflation accounting ( $\Delta$  EUR -0.1bn) and lower result from hedging instruments.
- **Tax rate supported by tax exempted investment income**
- **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 4Q 2022 or 1Q 2023, largely driven by recycling of negative OCI reserves from historic F/X changes; no material impact on cash and no impact on SII.

# Summary – OP in the upper half of target range<sup>1</sup>

**Facts  
and figures  
9M 2022  
(EUR)**

**116.0**bn

Revenues

**10.2**bn

Operating profit

**13.4**bn  
+/- 1bn

OP expected in upper  
half of target range<sup>1</sup>

**4.7**bn

Shareholders'  
net income

**199**%

Solvency II ratio

**2.0**bn

Share buy-backs

1) For the full year, Allianz expects to arrive in the upper half of its operating profit target range of EUR 13.4bn, plus or minus EUR 1bn, barring unforeseen events, crises or natural catastrophes

# Content/topics

1 Group financial results  
3Q 2022

2 Additional information

Glossary

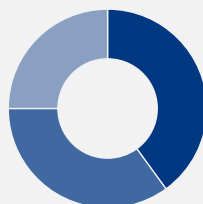
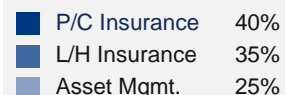
Disclaimer



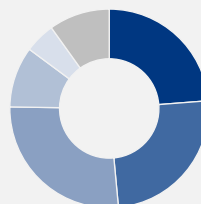
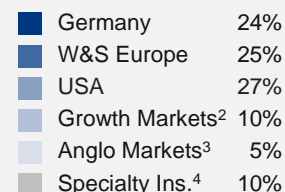
# Allianz track record

## Operating profit 2021: EUR 13.4bn

By segments<sup>1</sup>

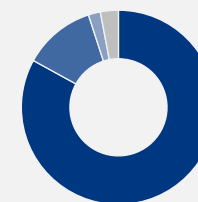
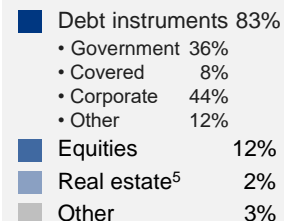


By regions<sup>1</sup>

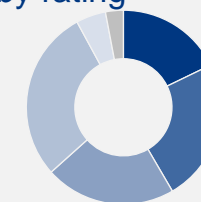
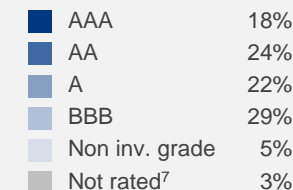


## Investment portfolio 2021: EUR 808.5bn

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  
3Q 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. Assets under management include portfolios sub-managed by third-party investment firms. The portfolios 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

(The Allianz business segment) Life and Health insurance

L/H lines of business

**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

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

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.

## 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)

<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  
3Q 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.