1. ALLIANZ GROUP RESULTS 6M 2019
After a successful start into 2019, Allianz Group continued with a very strong operating performance in the second quarter. At the heart of this result is Allianz’ focused strategy, strong execution, and its diversified business portfolio.

In the first half-year of 2019, total revenues of Allianz Group increased 7.7% to €73.5 billion (6M 2018: €68.2 billion). Operating profit grew by 6.4% to €6.1 billion (6M 2018: €5.8 billion), which is above the mid-point of the full-year target range.

Operating profit growth was the main driver for the 7.3% increase in net income attributable to shareholders to €4.1 billion (6M 2018: €3.8 billion). The Group Solvency II capitalization ratio decreased from 218% at the end of the first quarter 2019 to 213% at the end of the second quarter.

In the Property-Casualty insurance segment, total revenues increased to €32.9 billion (6M 2018: €30.9 billion). Adjusted for foreign exchange and consolidation effects, internal growth amounted to 4.5%, mostly driven by AGCS, Germany, and Euler Hermes. Operating profit improved by 4.0% to €2.8 billion (6M 2018: €2.7 billion), due to a higher underwriting result, as Allianz recorded lower claims from natural catastrophes, as well as an improved expense ratio. The combined ratio improved by 0.4 percentage points to 94.0% (6M 2018: 94.4%).

In the Life and Health insurance business, total revenues increased to €37.4 billion (6M 2018: €34.2 billion). Operating profit went up to €2.3 billion (6M 2018: €2.1 billion).

In Asset Management, operating profit rose by 0.4% to €1.2 billion (6M 2018: €1.2 billion). Third-party assets under management increased by 10.8% to €1,591 billion compared to year-end 2018.

2. AGCS\1 RESULTS 6M 2019
In the first half of 2019, AGCS has increased gross premium written to €4.865 billion (6M 2018: €4.371 billion), which is €494 million higher year on year. All AGCS Lines of Business and regions (especially North America and London) have contributed to solid growth. This growth has been driven by a combination of rate increases and a significant inflow of new business (estimated at over €800 million in gross premium written). Across its global portfolio of new business and renewals, AGCS achieved rate increases of 6.3% on average in the first half of 2019, with some segments seeing significantly higher rate increases.

AGCS GROSS PREMIUM WRITTEN
6M 2017-19

The combined ratio for 6M 2019 stands at 100.4% compared to 97.7% for 6M 2018, which is 2.7 percentage points worse than prior year, mainly attributed to deterioration of the loss ratio as a result of a higher number of large losses compared to the first half of 2018. Operating profit reached €185 million for 6M 2019 (6M 2018: €233 million) which is €48 million below prior year driven by a lower underwriting result partly offset by a higher investment income.
SOLVENCY RATIOS
AGCS shows solid local solvency ratios as of Q4 2018, which are listed below for the primary operating companies.

<table>
<thead>
<tr>
<th>AGCS SE</th>
<th>169%</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGCS NA</td>
<td>337%</td>
</tr>
<tr>
<td>ART AG</td>
<td>133%</td>
</tr>
</tbody>
</table>

*S&P and A.M. Best ratings for ART AG and ART Bermuda.

AGCS RATINGS (showing date rating published)

<table>
<thead>
<tr>
<th>AGCS Company</th>
<th>Standard &amp; Poor’s</th>
<th>A.M. Best</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGCS SE</td>
<td>AA (Jun 19)</td>
<td>A+ (Aug 18)</td>
</tr>
<tr>
<td>AGCS NA</td>
<td>AA (Jun 19)</td>
<td>A+ (Aug 18)</td>
</tr>
<tr>
<td>FICC</td>
<td>AA (Jun 19)</td>
<td>A+ (Aug 18)</td>
</tr>
<tr>
<td>ART*</td>
<td>AA- (Jun 19)</td>
<td>A+ (Aug 18)</td>
</tr>
<tr>
<td>AGCS Japan</td>
<td>AA (Jun 19)</td>
<td>(N/A)</td>
</tr>
<tr>
<td>AGCS Re Brazil</td>
<td>(N/A)</td>
<td>A+ (Aug 2018)</td>
</tr>
<tr>
<td>AGCS South Africa</td>
<td>BBB-global; zaAAA local (Jul 19)</td>
<td>(N/A)</td>
</tr>
</tbody>
</table>

In June 2019, Standard & Poor’s published the rating report for AGCS and confirmed the core status and the AA rating with stable outlook for AGCS SE, AGCS NA and AGCS Japan as well as the AA-ratings on the highly strategic subsidiaries ART AG and ART Bermuda.

Subsequently, in July 2019 the rating of the highly strategic subsidiary of AGCS South Africa was raised by one notch to BBB- on the global scale (two notches above the foreign currency rating of South Africa) with no change in the zaAAA rating on the national scale.

ASSET ALLOCATION & INVESTMENTS
In Q2 2019 the market value of our total invested assets, excluding strategic participations, increased to €13.9 billion (Q1 2019: €13.8 billion).

In the current low yield environment, AGCS continues to focus its investment strategy on portfolio diversification across high quality liquid assets, and on yield enhancing measures within well-defined risk limits.

Total assets continue to be primarily invested in bonds. The cash quota in Q2 2019 decreased slightly to 4.7% (Q1 2019: 5.3%).

NEW REGIONAL LEADERS FOR SOUTH AMERICA AND CANADA
As announced on July 17, Glaucia Smithson (pictured left) will join AGCS as CEO of South America in August, succeeding Angelo Colombo, who leaves in October. Based in Sao Paulo, she will report to AGCS Chief Regions and Markets Officer Sinead Browne. Smithson joins AGCS from Zurich Brazil.

Effective on 1 July 2019, Linda Regner Dykeman was appointed Chief Agent of Canada, reporting to Bill Scaldaferrri, AGCS President & CEO for North America. Based in Toronto, she has been Head of MidCorp for AGCS Canada since 2016.

NEW GLOBAL HEADS FOR MARINE AND AVIATION LINES OF BUSINESS
As announced on June 13, 2019, Tom Fadden (pictured right) was appointed as AGCS Global Head of Aviation; Ulrich Kadow took over the role as AGCS Global Head of Marine. Both report to Chief Underwriting Officer Specialty Paul O’Neill who will directly oversee the Energy Line of Business on an interim basis. Kadow was Chief Agent of Canada previously, Fadden was Regional Head of Aviation for Regional Unit London.

CONTACT US
For further information please contact your local AGCS manager or Hugo Kidston, AGCS Global Head of Communications, +44.203.451.3891

Follow AGCS:

www.agcs.allianz.com