1. ALLIANZ GROUP RESULTS 6M 2020

Allianz with its well-diversified business portfolio and robust balance sheet has continued to successfully navigate through the current crisis and has achieved solid results in the second quarter of 2020.

In the first half-year of 2020, total revenues were stable. Operating profit fell by 20.5% to €4.9 billion (6M 2019: €6.1 billion), with COVID-19 having a significant negative impact on our insurance businesses’ operating profit. The decrease in net income attributable to shareholders of -28.8% to €2.9 billion (€4.1 billion) was largely driven by the drop in operating profit. The Solvency II capitalization ratio was at 187% at the end of the second quarter of 2020 (Q1 2020: 190%).

In the Property-Casualty insurance segment, total revenues rose to €33.8 billion euros (6M 2019: €32.9 billion). Adjusted for foreign currency translation and consolidation effects, internal growth totaled 0.3%, mostly driven by AGCS, Asia-Pacific, and Germany. As the underwriting result decreased sharply due to higher claims from natural catastrophes and a severe impact of COVID-19 amounting to €0.8 billion, operating profit deteriorated by 23.4% to €2.2 billion compared to 6M 2019, partly offset by a strong improvement in expense ratio. Overall, the combined ratio for 6M 2020 worsened by 2.7 percentage points to 96.7%.

In the Life/Health insurance business, the present value of new business premiums decreased to €29.6 billion (6M 2019: €32.9 billion). Operating profit decreased to €1.8 billion (6M 2020: €2.3 billion).

In Asset Management, operating profit rose by 5.4% to €1.319 billion (6M 2019: €1.251 billion). Third-party assets under management decreased to €1,658 billion by €28 billion compared to end 2019.

2. AGCS1 RESULTS 6M 2020

In the first half of 2020, AGCS gross premium written increased by €656 million to €5.520 billion (6M 2019: €4.865 billion). This increase is primarily driven by strong performance in the Capital Solutions line of business with higher premiums flows from capital market partners. The premium volume is also supported by strong rate increases of 20.5% on average across the AGCS portfolio (renewal and new business), with strongest increases in Property and Aviation, followed by Financial Lines and Liability.

AGCS' 6M 2020 operating loss of €295 million (6M 2019: profit of €185 million) is €481 million below prior year driven by lower underwriting result and investment income. Excluding the impact from the global pandemic, operating profit would be €213 million which is €28 million above prior year.
SOLVENCY RATIOS
AGCS shows solid local solvency ratios as of Q4 2019, which are listed below for the primary operating companies.

<table>
<thead>
<tr>
<th>Company</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGCS SE</td>
<td>157%</td>
</tr>
<tr>
<td>AGCS NA</td>
<td>264%</td>
</tr>
<tr>
<td>ART AG</td>
<td>149%</td>
</tr>
</tbody>
</table>

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

In June 2020 Standard & Poor’s (S&P) revised the outlook of AGCS SE and AGCS Japan from ‘stable’ to ‘negative’, but affirmed the ‘AA’ financial strength ratings and the group status of AGCS SE and all its rated subsidiaries in the rating report published in July 2020.

ASSET ALLOCATION & INVESTMENTS
In Q2 2020 the market value of our total invested assets, excluding strategic participations, increased to €14.7 billion (Q1 2020: €13.9 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 interest-bearing securities (bonds). The cash quote in Q2 2020 increased to 11.6% (Q1 2020: 10.4%).

AGCS SE BOARD REORGANIZATION
As announced on June 19, 2020 AGCS SE has realigned key roles in its Board of management under its new CEO Joachim Mueller Effective on July 1, 2020, Henning Haagen has assumed responsibility for all AGCS regional units outside North America as Chief Regions & Markets Officer (CRMO) Regional Group 1. As CRMO Regional Group 2, Bill Scaldaferri will continue to head the North America regional unit. The two previous AGCS CRMOs, Sinéad Browne and Hartmut Mai resigned from the AGCS SE Board of Management. As a successor to Haagen’s current role as Chief Underwriting Officer Specialty, AGCS appointed Dr. Renate Strasser, subject to regulatory approval, who will join AGCS at a date to be confirmed. She is currently CEO at NewRe in Switzerland, a Munich Re subsidiary. Dr. Thomas Sepp took over a re-established Board role as AGCS Chief Claims Officer. He is succeeded by Tony Buckle as Chief Underwriting Officer Corporate who joined the AGCS SE Board of Management from AXA XL.

AGCS TRANSFORMATION PROGRAM
As announced on July 1, 2020 AGCS has started a multi-year transformation program to regain profitability and market leadership. Supported by a number of new leadership appointments, the company will strengthen its technical capabilities across its core underwriting and claims functions and streamline its regional organization and processes. Further, a new Global Distribution function with specialized Industry Solutions Directors has been established under the lead of Patrick Thiels AGCS will continue to invest in digitalization and data to further evolve its core business and customer offering.

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

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