

Munich, May 12, 2021

oliver.schmidt@allianz.com

+49 89 3800 3963

reinhard.lahusen@allianz.com

+49 89 3800 17224

christian.lamprecht@allianz.com

+49 89 3800 3892

tobias.rupp@allianz.com

+49 89 3800 7151

investor.relations@allianz.com

[www.allianz.com/investor-relations](http://www.allianz.com/investor-relations)

# Allianz starts 2021 with strong first quarter results

- Total revenues of 41.4 billion euros, adjusted for currency and consolidation effects, flat compared to prior year level
- 1Q 2021 operating profit up 44.8 percent to 3.3 billion euros
- 1Q 2021 net income attributable to shareholders increased 83.4 percent to 2.6 billion euros
- Solvency II capitalization ratio of 210 percent<sup>1</sup>
- 2021 operating profit target confirmed at 12.0 billion euros, plus or minus 1 billion euros

---

## Management Summary: Significantly higher operating profit and net income attributable to shareholders

Allianz has had an excellent start into 2021 and continued to successfully navigate the impact of the ongoing pandemic. The group saw a strong performance across all its business segments, with a marked rebound in profitability in its Property-Casualty, as well as in its Life/Health business segment.

**Total revenues** declined 2.6 percent to 41.4 (1Q 2020: 42.6) billion euros and were flat compared to the prior-year level, adjusted for currency and consolidation effects (**internal revenue growth** in 1Q 2021: -0.4 percent). **Operating profit** increased 44.8 percent to 3.3 (2.3) billion euros, with all business segments contributing. In our Property-Casualty business segment, operating profit grew strongly due to a higher underwriting result driven by a normalization of claims from natural catastrophes and lower attritional losses – the latter suffered high COVID-19-related losses in the first quarter of 2020. In our Life/Health business segment, operating profit increased significantly as a result of a recovery of the investment margin. Our Asset Management business segment operating profit growth benefited from higher average third-party assets under management, increased performance fees as well as strong cost discipline. **Net income attributable to shareholders** increased 83.4 percent to 2.6 (1.4) billion euros driven predominantly by operating profit growth and to a smaller extent by a better non-operating result following lower impairments. Higher income taxes had a slightly offsetting effect.

---

<sup>1</sup> Excluding the application of transitional measures for technical provisions.

**Basic Earnings per Share (EPS)** increased 85.2 percent to 6.23 (3.36) euros. Annualized **Return on Equity (RoE)** amounted to 16.7 percent (full year 2020: 11.4 percent). The **Solvency II capitalization ratio** stood at 210 percent at the end of the first quarter of 2021, compared to 207 percent at the end of 2020.<sup>2</sup>

"Allianz started the year with excellent results across all business segments. This is an encouraging kick-off for 2021 and makes us confident to reach our 2021 targets," said Oliver Bäte, Chief Executive Officer of Allianz SE.

"We saw a strong set of results in all business segments. As our well-diversified business has managed the challenges of the pandemic very well, I clearly see a return to our normal earnings power," said Giulio Terzariol, Chief Financial Officer of Allianz SE. "With improving operating conditions and a healthy capital position, Allianz is well equipped to grow profitably."

---

## Property-Casualty insurance: Strong profitability with combined ratio at target of 93 percent

- **Total revenues** reached 19.7 (20.3) billion euros in the first quarter of 2021. Adjusted for foreign currency translation and consolidation effects, **internal growth** totaled -1.6 percent, mainly driven by a negative volume effect of 4.8 percent and a positive price effect of 3.5 percent. The main contributors to this decline were Allianz Partners, United Kingdom, and Germany; in contrast, particularly AGCS, Euler Hermes, and Turkey recorded positive internal growth.
- **Operating profit** rose strongly by 46.6 percent to 1.5 billion euros in the first quarter of 2021 compared to the prior year period. A significantly higher underwriting result benefited from a decrease in losses from natural catastrophes and from negligible COVID-19 effects. The expense ratio also improved slightly.
- The **combined ratio** improved by 4.7 percentage points to 93.0 (97.8) percent in the first quarter of 2021.

"Our Property-Casualty franchise is in good shape as shown by our healthy combined ratio. I see clear progress towards our full-year ambition of 93 percent supported by strong underwriting performance," said Giulio Terzariol. "We stay disciplined in our underwriting and continue to focus on productivity gains."

---

## Life/Health insurance: Strong growth in new business value and operating profit

- **PVNB<sup>3</sup>**, the present value of new business premiums, increased to 19.5 (18.0) billion euros in the first quarter of 2021. This was largely attributable to higher sales of unit-linked products in Italy, as well as in the Asia-Pacific region.
- The **new business margin (NBM)** increased to 2.9 (2.7) percent as the negative effects from the declining interest rates were more than offset by product repricing and an improved business mix, with a

---

<sup>2</sup> Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio amounted to 241 percent at the end of the first quarter of 2021 (240 percent at the end of 2020).

<sup>3</sup> PVNB<sup>3</sup> is shown after non-controlling interests, unless otherwise stated.

continued shift to preferred lines of business. The **value of new business (VNB)** increased to 558 (494) million euros in the first quarter of 2021.

- **Operating profit** increased to 1.2 (0.8) billion euros in the first quarter of 2021, driven predominantly by a recovery of the investment margin. In the United States, positive market developments led mainly to a higher investment income stemming from our fixed index annuity business. In addition, in Germany and in France we saw lower impairments – compared to the high level recorded in the first quarter of 2020. Further contributing factors were the higher unit-linked management fees in Italy.

“The strong new business value and the growth in operating profit clearly show that our Life and Health business segment is in good shape,” said Giulio Terzariol. “Our business mix has further improved and contributes positively to our healthy margins. I expect continuing solid operating performance in this business segment.”

---

## Asset Management: Third-party assets under management at record level

- **Third-party assets under management (AuM)** increased by 63 billion euros to 1,775 billion euros in the first quarter of 2021, compared to the end of 2020. The development was driven by positive foreign currency translation effects of 49.6 billion euros and net inflows of 37.8 billion euros – the highest quarterly inflows since 4Q 2017. These positive developments were partly offset by opposite market effects of 20.7 billion euros.
- **Total assets under management** increased to 2,432 billion euros in the first quarter of 2021, a development in line with the third-party assets under management.
- Compared to the first quarter of 2020, **operating profit** increased by 10.0 percent to 747 (679) million euros in the first quarter of 2021 as revenues grew – mainly driven by higher average third-party AuM, increased performance fees and the integration of Allianz Real Estate. Adjusted for foreign currency translation effects, operating profit increased by 17.9 percent. The **cost-income ratio (CIR)** improved 2.4 percentage points to 59.3 percent at the end of the first quarter 2021 compared to the first quarter of 2020.

“Our Asset Management business continues to grow and to perform very well,” said Giulio Terzariol. “Record assets under management and our proven ability to manage our cost base effectively bode very well for a healthy development of our operating profitability throughout the year.”

## Allianz Group - key figures 1st quarter 2021

			1Q 2021	1Q 2020	Delta
<b>Total revenues</b>		€ bn	<b>41.4</b>	<b>42.6</b>	<b>-2.6%</b>
-	Property-Casualty <sup>1</sup>	€ bn	19.7	20.3	-3.1%
-	Life/Health	€ bn	20.0	20.5	-2.4%
-	Asset Management	€ bn	1.8	1.8	3.5%
-	Corporate and Other	€ bn	0.1	0.1	9.5%
-	Consolidation	€ bn	-0.2	-0.1	40.5%
<b>Operating profit / loss</b>		€ mn	<b>3,336</b>	<b>2,304</b>	<b>44.8%</b>
-	Property-Casualty	€ mn	1,513	1,032	46.6%
-	Life/Health	€ mn	1,212	819	48.0%
-	Asset Management	€ mn	747	679	10.0%
-	Corporate and Other	€ mn	-135	-228	-40.7%
-	Consolidation	€ mn	-1	2	n.m.
<b>Net income</b>		€ mn	<b>2,686</b>	<b>1,483</b>	<b>81.1%</b>
-	attributable to non-controlling interests	€ mn	120	84	42.6%
-	attributable to shareholders	€ mn	2,566	1,400	83.4%
<b>Basic earnings per share</b>		€	<b>6.23</b>	<b>3.36</b>	<b>85.2%</b>
<b>Diluted earnings per share</b>		€	<b>6.20</b>	<b>3.21</b>	<b>93.1%</b>
<b>Additional KPIs</b>					
-	Group Return on equity <sup>2,3</sup>	%	16.7%	11.4%	5.3% -p
-	Property-Casualty Combined ratio	%	93.0%	97.8%	-4.7% -p
-	Life/Health New business margin	%	2.9%	2.7%	0.1% -p
-	Life/Health Value of new business	€ mn	558	494	13.0%
-	Asset Management Cost-income ratio	%	59.3%	61.7%	-2.4% -p
			03/31/2021	12/31/2020	Delta
<b>Shareholders' equity<sup>3</sup></b>		€ bn	<b>78.3</b>	<b>80.8</b>	<b>-3.1%</b>
<b>Solvency II capitalization ratio<sup>4</sup></b>		%	<b>210%</b>	<b>207%</b>	<b>3% -p</b>
<b>Third-party assets under management</b>		€ bn	<b>1,775</b>	<b>1,712</b>	<b>3.7%</b>

**Please note:** The figures are presented in millions of Euros, unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

1\_ Total revenues comprise gross premiums written and fee and commission income.

2\_ 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. Annualized figures are not a forecast for full year numbers. For 1Q 2020, the return on equity for the respective full year is shown.

3\_ Excluding non-controlling interests.

4\_ Risk capital figures are group diversified at 99.5% confidence level. Including the application of transitional measures for technical provisions, the Solvency II capitalization ratio is 241% as of 31 March 2021.

These assessments are, as always, subject to the disclaimer provided below:

**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 Group's core business and core markets, (ii) the performance of financial markets (in particular market volatility, liquidity, and credit events), (iii) the frequency and severity of insured loss events, including those resulting from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates, most notably the EUR/USD exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions including and related integration issues and reorganization measures, and (xi) 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**

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

**Other**

The figures regarding the net assets, financial position and results of operations have been prepared in conformity with International Financial Reporting Standards. This Quarterly Earnings Release is not an Interim Financial Report within the meaning of International Accounting Standard (IAS) 34.

This is a translation of the German Quarterly Earnings Release of the Allianz Group. In case of any divergences, the German original is binding.

**Privacy Note**

Allianz SE is committed to protecting your personal data. Find out more in our [Privacy Statement](#).