

Allianz Global Corporate & Specialty

6M 2021 Results update

Briefing August 2021

This document summarizes the financial results for half of the year 2021 ('6M 2021') for Allianz Global Corporate & Specialty (AGCS) as well as for Allianz Group, both of which were announced on August 6, 2021.

Further information

Full details of Allianz Group results for 6M 2021, including the analysts' presentation, are available at Allianz Group's Investor Relations [web pages](#).

¹ Specifically, Allianz Global Corporate & Specialty SE, Allianz Risk Transfer AG, Allianz Risk Transfer (Bermuda) Ltd., Allianz Global Corporate & Specialty North America (legal names Allianz Global Risks US Insurance Company, Allianz Underwriting Insurance and AGCS Marine Insurance Company), Fireman's Fund Insurance Company and subsidiaries, AGCS Japan (legal name Allianz Fire and Marine Insurance Japan Ltd.), AGCS Re Brazil (legal name Allianz Global Corporate & Specialty Resseguros Brasil S.A.) and Allianz Global Corporate & Specialty South Africa Ltd.

² Adjusted for foreign currency translation effects, an increase of 27.8%.

1. Allianz Group results 6M 2021

Allianz Group has followed up its excellent start into 2021 with another strong performance in the second quarter of the year. With its diversified business portfolio, the Group benefited from the global economic recovery with strong growth in total revenues and operating profit.

Total revenues for 6M 2021 increased 3.1% to €75.7 billion (6M 2020: €73.5 billion). **Operating profit** grew by 36.7% to €6.7 billion (6M 2020: €4.9 billion), driven by all business segments. The Solvency II **capitalization ratio** was at 206% at the end of the second quarter of 2021, compared to 210% at end of Q1 2021.

In the **Property-Casualty** segment, total revenues for 6M 2021 reached €33.6 billion (6M 2020: €33.8 billion). Adjusted for foreign currency effects, internal growth totaled 0.5%, mostly driven by Asia-Pacific, Turkey, and Australia. Despite a rise in natural catastrophe losses, the **operating profit** increased considerably by 32.0% to €2.9 billion (6M 2020: €2.2 billion). This was caused by a significantly higher underwriting result, mostly due to the absence of COVID-19 related losses. Overall, the **combined ratio** for the first half-year improved by 3.2 percentage points to 93.4% (6M 2020: 96.7%).

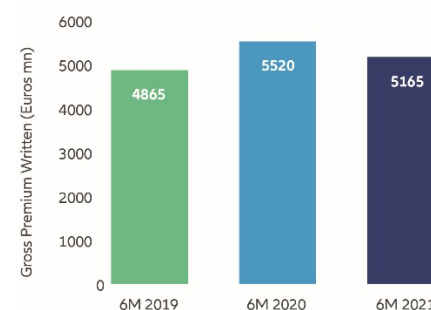
In the **Life/Health** insurance segment, the **present value of net business premiums** increased to €39.2 billion (6M 2020: €29.6 billion) driven by a recovery in sales. **Operating profit** grew to €2.5 billion (6M 2020: €1.8 billion) largely due to an improved investment margin.

In **Asset Management**, **operating profit** rose by 19.2%² to €1.572 billion (6M 2020: €1.319 billion). **Third-party assets under management** rose to €1,830 billion - an increase of €118 billion or 6.9 %, compared to year-end 2020.

2. AGCS¹ results 6M 2021

In Q2 2021, AGCS **gross premium written** decreased year-on-year by €355 million to €5.165 billion (6M 2020: €5.520 billion). Positive impact from effective rate changes of 22% for renewal business across the portfolio was offset by selected underwriting actions, targeting loss making accounts and segments. Most Lines of Business observed strong momentum on rate improvement, with strongest increases in Financial Lines, Property and Entertainment.

AGCS GPW 6M 2019-21



The **combined ratio** for 6M 2021 stands at 97.8% (6M 2020: 117.2%), which is 19.4% percentage points better than prior year, mainly benefitting from a lower claims volume related to Covid-19. As at Q2 2021, Covid-19 related reserves booked amounted to €35 million compared to €488 million for the first half of 2020.

AGCS' 6M 2021 **operating profit** of €179 million (6M 2020: operating loss of €295 million) is €474 million above prior year driven by a significantly lower impact from Covid-19 losses and a positive underwriting performance.

Solvency ratios

AGCS shows solid local solvency ratios as of Q4 2020, which are listed below for the primary operating companies.

AGCS SE	161%
AGCS NA	290%**
ART AG	148%

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

**Not yet audited.

Results for Q3 2021 for Allianz Group and Allianz Global Corporate & Specialty will be available on November 10, 2021. For further details please see Allianz Group's [Investor Relations](#) website pages.

AGCS ratings

(showing date rating published)

AGCS Company	Standard & Poor's	A. M. Best
AGCS SE	AA (April 21)	A+ (Sept 20)
AGCS NA	AA (April 21)	A+ (Sept 20)
ART*	AA- (April 21)	A+ (Sept 20)
AGCS Japan	AA (April 21)	(N/A)
AGCS Re Brazil	(N/A)	A+ (Sept 20)
AGCS South Africa	BB+ global; zaAAA local (April 21)	(N/A)

In April 2021 S&P confirmed the AA rating for the core entities **AGCS SE**, **AGR US** and **AGCS Japan**. The AA-rating with stable outlook of **ART AG** and **ART Bermuda** as highly strategic subsidiaries has also been confirmed. **AGCS South Africa** as another highly strategic subsidiary remains at BB+, constrained by the sovereign rating on South Africa.

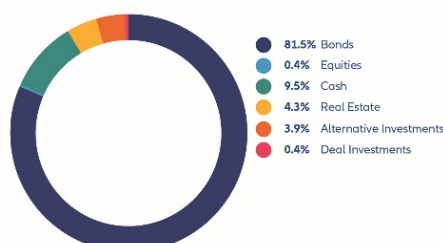
Asset allocation & investments

In Q2 2021 the market value of our total invested assets, excluding strategic participations, increased to €16.1 billion (Q1 2021: €15.5 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 quota** in Q2 2021 decreased to 9.5% (Q1 2021: 10.7%).

AGCS asset allocation 6M 2021



New Leadership of Allianz Cyber Center of Competence

As announced on June 1, 2021 Scott Sayce will join Allianz Global Corporate & Specialty on September 1 as Global Head of Cyber, based in London. He will steer AGCS's cyber



underwriting business, reporting to Shanil Williams, Global Head of Financial Lines, and will also lead the group-wide Cyber Center of

Competence of Allianz which is embedded into AGCS.

He will succeed **Dr. Catharina Richter**, who moved to a new role within Allianz Group. Scott Sayce joins AGCS from AXA, where he has held a variety of increasingly senior leadership roles after joining in 2017.

Contact Us

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