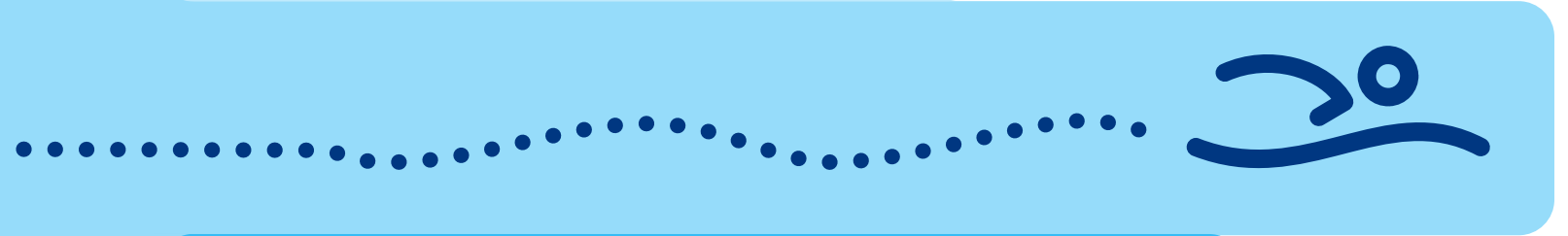


# Acquisition of AVIVA Poland

Additional information

Munich, March 2021



Allianz Investor Relations App

Apple App Store

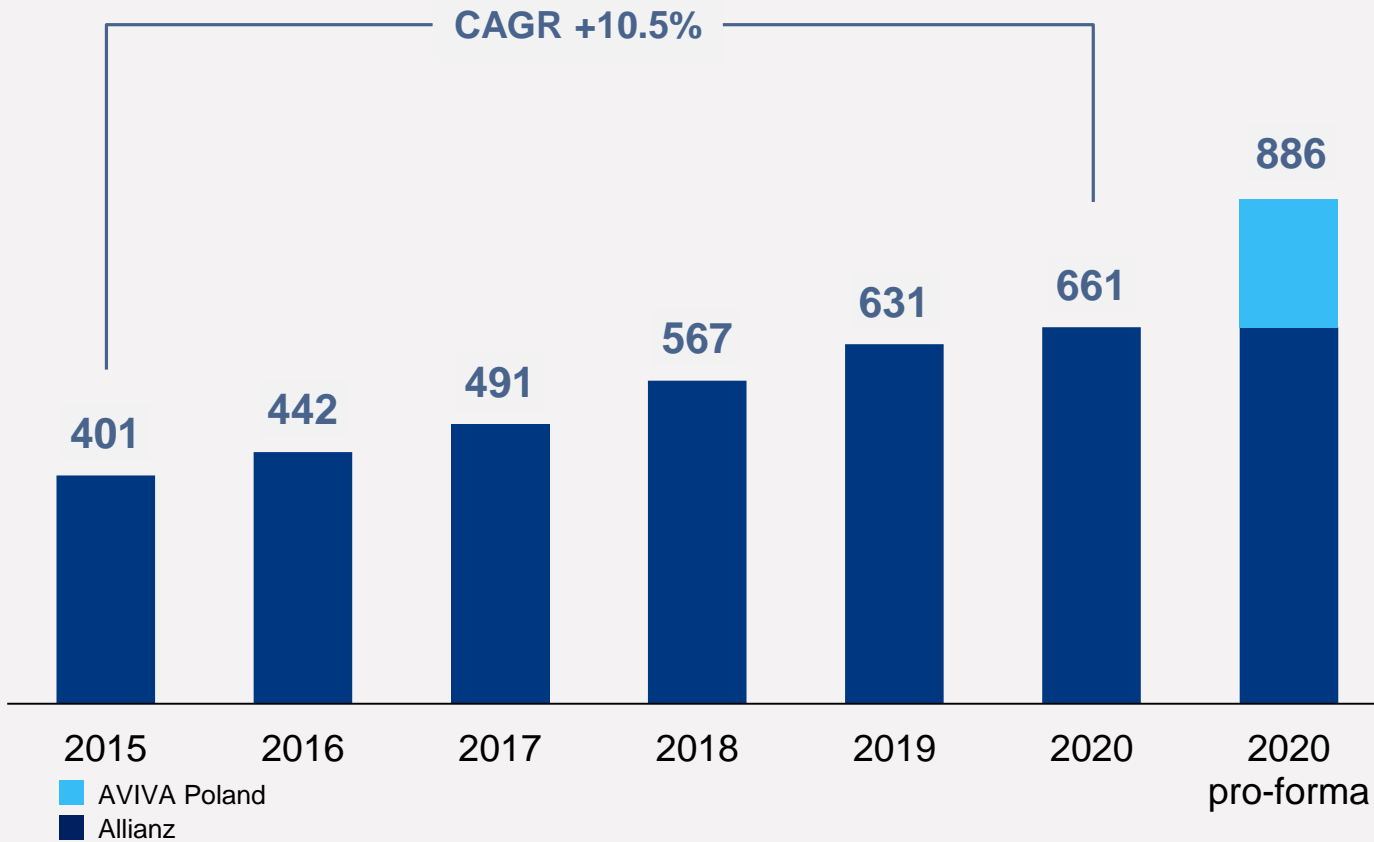
Google Play Store



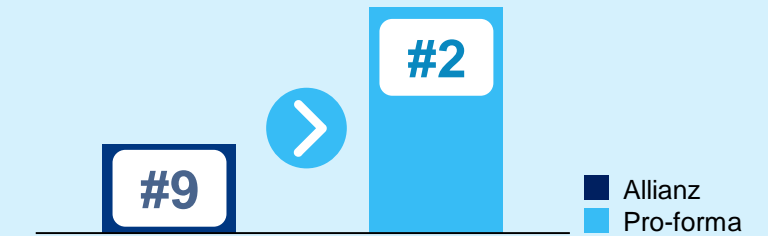


# AVIVA Poland acquisition accelerates CEE success story

## Allianz CEE – operating profit (EUR mn)



## Allianz Poland L/H Ranking by GPW<sup>1</sup>



## Allianz Poland Ranking by GPW<sup>1</sup>



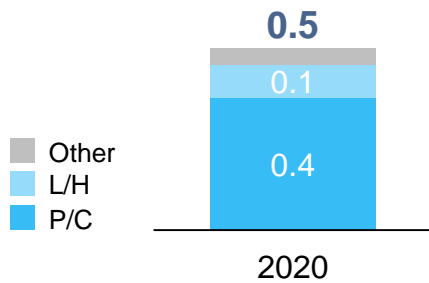
1) Market share based on KNF 3Q 2020, Group view



# Allianz to become #5 in Polish market

<b>Allianz Poland</b> Key figures 2020	<b>OP</b> <b>82mn</b>	<b>Strong franchise</b> Key figures 2020 pro-forma	<b>OP</b> <b>~300mn</b>	<b>AVIVA Poland</b> Key figures 2020	<b>OP</b> <b>225mn</b>
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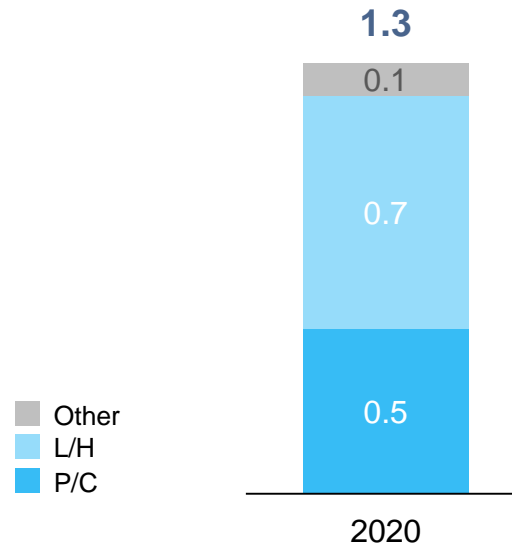
**Total revenues (EUR bn)**



<b>Total</b> <b>#8</b>	<b>P/C</b> <b>#7</b>	<b>L/H</b> <b>#9</b>
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Market position Poland

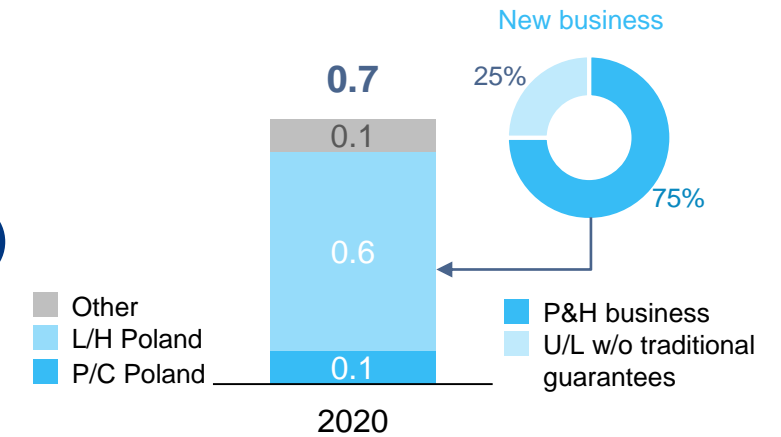
**Total revenues (EUR bn)**



<b>Total</b> <b>#5</b>	<b>P/C</b> <b>#6</b>	<b>L/H</b> <b>#2</b>
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Market position Poland

**Total revenues (EUR bn)**



<b>Total</b> <b>#7</b>	<b>P/C</b> <b>#8</b>	<b>L/H</b> <b>#2</b>
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Market position Poland



# Transaction cash and EPS accretive

	Transaction details	KPIs
Acquisition	<ul style="list-style-type: none"> <li>• 100% of AVIVA Poland Life business including subsidiaries<sup>1</sup></li> <li>• 100% of AVIVA Poland Non-Life business</li> <li>• 100% of AVIVA Pensions and Asset management business</li> <li>• 51% stakes in Banking JV with Santander for Life and Non-life business</li> </ul>	<ul style="list-style-type: none"> <li>• GPW EUR 0.7bn (80% Life)</li> <li>• NBM &gt; 10%</li> <li>• CR ~80%</li> <li>• OP EUR 225mn</li> </ul>
Price	<ul style="list-style-type: none"> <li>• Transaction volume of EUR 2.5bn considering EUR 2.7bn purchase price and immediate dividend payment of EUR &gt;200mn</li> <li>• Synergies EUR ~40mn net of tax</li> </ul>	<ul style="list-style-type: none"> <li>• OP 2025e EUR ~300mn</li> <li>• NI 2025e EUR &gt;200mn<sup>2</sup></li> <li>• Cash RoI 2025e ~8%<sup>2</sup></li> <li>• SII-ratio impact ~ -6%-p</li> </ul>
Timeline	<ul style="list-style-type: none"> <li>• Closing expected end of 2021, subject to regulatory and competition board approval</li> </ul>	<ul style="list-style-type: none"> <li>• Expected consolidation in 1Q 2022</li> </ul>
Group impact	<ul style="list-style-type: none"> <li>• Operating profit uplift</li> <li>• EPS accretion (before / after P-GAAP)</li> <li>• Immediate cash generation</li> </ul>	<ul style="list-style-type: none"> <li>• +2% OP from day one</li> <li>• +2% / 1% EPS accretion</li> <li>• +2% cash remittance</li> </ul>

1) Expander and Maverick as well as AVIVA Lithuania

2) Net income before P-GAAP



# Additional information



## Comments

### Poland

- **Large market size**  
Poland is the largest Central Eastern European market with 38 million inhabitants and USD ~600bn GDP.
- **Low insurance penetration**  
Life insurance penetration is relatively low; in 2019 GPW/GDP was ~1% versus >2% in mature markets.
- **High growth potential**  
High long-term growth potential with expected CAGR 2025 – 2035 between ~6% (savings) and ~8% (protection).

### AVIVA Poland

- **Capital efficient business mix**  
100% preferred lines of business. New business share of Protection and Health at ~75%, Unit linked without traditional guarantees at ~25%.
- **Strong footprint in Asset Management**  
#3 in retirement and pension business in Poland.
- **Balanced distribution**  
Strong tied agents channel (>1,700 agents), long-term bancassurance JV with Santander (top 3 bank in Poland) and partnership with ING.
- **High cash generation**  
High cash generation with expected remittance ratio > 95%. More than EUR 200mn dividend to be paid immediately in 2021. Expected cash remittance in first five years EUR ~1bn.
- **Strong profitability<sup>1</sup>**  
Net income 2021e EUR ~170mn, net income 2025e EUR >200mn, expected synergies EUR ~40mn net of tax.

1) Net income before P-GAAP



# Disclaimer

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.