

Allianz Global Corporate &amp; Specialty

# 3M 2022 Results update

Briefing May 2022

This document summarizes the financial results for first quarter 2022 ('3M 2022') for Allianz Global Corporate & Specialty (AGCS) as well as for Allianz Group, both of which were announced on May 12, 2022.

## Further information

Full details of Allianz Group results for 3M 2022, including the analysts' presentation, are available at Allianz Group's Investor Relations [web pages](#).

"The results of this quarter demonstrate that our business can withstand significant geopolitical and economic pressures. This is matched by the strength of our people. Allianz has taken clear business decisions in response to the Russian invasion of Ukraine. Also, we worked hard to achieve fair settlements with investors in the Structured Alpha funds in the U.S. and move toward a final resolution."

**Allianz SE CEO Oliver Bäte.**

<sup>1</sup> 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.

## 1. Allianz Group results 3M 2022

Allianz Group confirms its **full year outlook** of operating profit of €13.4 billion, plus or minus €1 billion.

As at 3M, **total revenues** rose by 6.2 % to €44.0 billion (3M 2021: €41.4 billion).

**Operating profit** decreased by 2.9% to €3.2 billion (3M 2021: €3.3 billion). **Net income attributable to shareholders** was €669 million, down 78.1% (3M 2021: €2.7 billion) reflecting a pre-tax provision for Structured Alpha (see below). **Group Solvency II capitalization ratio** was 199% at the end of the first quarter 2022, compared to 209% at year-end 2021.

In the **Property-Casualty** insurance segment, **total revenues** rose by 9.1% to €21.5 billion (3M 2021: €19.7 billion). Adjusted for foreign exchange and consolidation effects, **internal growth** was strong at 6.6% across all entities and geographies. **Operating profit** declined by 9.0% to €1.4 billion (3M 2021: €1.5 billion) due to a lower underwriting result which was affected by higher claims from natural catastrophes. The **combined ratio** rose 1.7%-p to 94.7% (3M 2021: 93.0%).

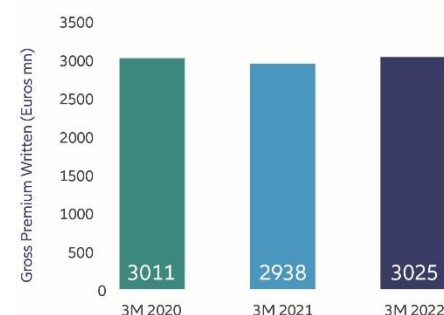
In the **Life/Health** insurance business, **total revenues** were at €20.7 billion (3M 2021: €20.0 billion). The **present value of new business premiums** was stable at to €19.4 billion (3M 2021: €19.5). **Operating profit** remained unchanged at €1.2 billion.

In **Asset Management**, **operating profit** surged by 11.2% to €831 million (3M 2021: €747 million). **Third-party assets under management** were €1.878 trillion. **Net income** in Asset Management was impacted by a **provision of €1.9 billion** before tax, relating to the Structured Alpha funds of Allianz Global Investors to address the remaining financial exposure in relation to compensation payments to investors and any resolution of governmental proceedings.

## 2. AGCS<sup>1</sup> results 3M 2022

In the first quarter 2022, **gross premium written** increased year-on-year by €87 million to €3.025 billion (Q1 2021: €2.938 billion). This was mainly driven by continued Effective Rate Changes of 14% for renewal business (incl. adjustment of terms & conditions) and a positive new business development – mainly driven by Financial Lines, Property and Liability. New business rose to €383million in the first quarter of 2022 (Q1 2021: €251 million).

### AGCS GPW 3M 2020-22



The **combined ratio** for Q1 2022 is 3.3%-p better than prior year and stands at 95.0% (Q1 2021: 98.3%). The improvement over the previous year is mainly driven by a favourable NatCat experience in the first quarter of 2022, supported by positive expense ratio developments. Q1 figures also include a provision for expected claims relating to the ongoing war in Ukraine. Further details on AGCS' limited Ukraine exposure are provided by Chief Claims Officer Thomas Sepp [here](#).

The **operating profit** of €134 million (2021: €81 million) is €53 million above prior year due to the better underwriting performance and relatively benign claims activity in the first quarter of 2021.

## Solvency ratios

AGCS shows solid local solvency ratios as of Q4 2021, which are listed below for the primary operating companies.

<b>AGCS SE</b>	151%
<b>AGCS NA</b>	290%**
<b>ART AG</b>	140%

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

\*\*Not yet audited.

Results for Q2 2022 for Allianz Group and Allianz Global Corporate & Specialty will be available on August 5, 2022. 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 (Mar 22)	A+ (Oct 21)
AGCS NA	AA (Mar 22)	A+ (Oct 21)
ART*	AA (Mar 22)	A+ (Oct 21)
AGCS Japan	AA (Mar 22)	(N/A)
AGCS Re Brazil	(N/A)	A+ (Oct 21)
AGCS South Africa	BB+ global; zaAAA local (Mar 22)	(N/A)

On March 30, 2022, [Standard & Poor](#) (S&P) confirmed the 'AA' ratings on AGCS's core operating entities [AGCS SE](#), [AGCS NA](#), [ART](#) and [AGCS Japan](#), in line with the rating of the holding company Allianz SE. S&P acknowledged that "AGCS' technical results in 2021 demonstrated a turnaround and showed significant improvements compared to the previous year. (...) We expect this positive trend to continue and AGCS to post profitable underwriting results in 2022." [AGCS South Africa](#) as another highly strategic subsidiary remains at BB+, constrained by the sovereign rating on South Africa.

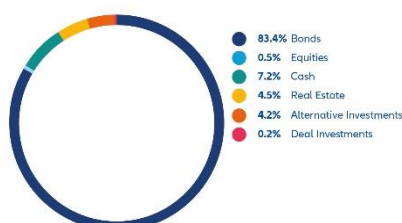
## Asset allocation & investments

In Q1 2022 the [market value](#) of our total invested assets, excluding strategic participations, decreased to €16.2 billion (Q4 2021: €16.4 billion).

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 Q1 2022 remains 7.2% (Q4 2021: 7.2%).

## AGCS asset allocation 3M 2022



## New Global Heads for Financial Lines and Property

[As announced on March 31, 2022.](#)

Vanessa Maxwell will join AGCS as



new Global Head of Financial Lines. She joins from the UK franchise of Berkshire Hathaway Specialty Insurance where she most recently was

Country Manager and previously Head of Executive and Professional Lines UK.



[As announced on Wednesday May 11, 2022](#), Mike Martin will be appointed Global Head of Property effective May 16, 2022. He joins AGCS from AIG where he

was Chief Underwriting Officer - US Retail Property. He will be based in AGCS's Atlanta office.

Both new AGCS executives are reporting to Chief Underwriting Officer Corporate [Shanil Williams](#).

## Global Industry Solutions Director Construction

[Since May 1, 2022](#), Blanca

Berruguete took over the role as



Global Industry Solution Director for Construction. She joins from Zurich and reports to Global Head of Distribution Jeremy Sharpe. She becomes

the third Global Industry Solution Director joining Paul Schiavone (Financial Services) and Jody Yee (Technology, Media and Telecommunications). They work with underwriting and key account management to find the best possible solutions for customers within Allianz.

## 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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