Translation for information purpose only. In case of discrepancy between the French and the English versions, the French version shall prevail.

SIMPLIFIED TENDER OFFER FOLLOWED BY A SQUEEZE-OUT

FOR THE SHARES OF THE COMPANY

EULER HERMES
Our knowledge serving your success

INITIATED BY

Allianz

PRESENTED BY

Rothschild Martin Maurel

PRESENTING BANK

AND

SOCIETE GENERALE
Corporate & Investment Banking

PRESENTING AND GUARANTEEING BANK

INFORMATION RELATING, IN PARTICULAR, TO THE LEGAL, FINANCIAL AND ACCOUNTING CHARACTERISTICS OF ALLIANZ SE

AMF | AUTORITÉ DES MARCHÉS FINANCIERS

This document concerning the other information of Allianz SE was filed with the *Autorité des marchés financiers* (the "**AMF**") on April 5, 2018, in accordance with the provisions of Article 231-28 of the AMF general regulations and the AMF Instruction No. 2006-07 of July 25, 2006 relating to tender offers. This document was prepared under the responsibility of Allianz SE.

This document complements the offer document relating to the simplified tender offer followed by a squeeze-out initiated by Allianz SE for the shares of Euler Hermes Group approved by the AMF on April 5, 2018, under No. 18-111, pursuant to a clearance decision issued on the same date (the "**Offer Document**").

This document and the Offer Document are available on the websites of the AMF (www.amf-france.org) and Allianz SE (www.allianz.com) and may be obtained free of charge from:

Rothschild Martin Maurel
29 avenue de Messine,
75008 Paris
France

Société Générale
CORI/COR/FRA
75886 Paris cedex 18
France

A press release will be issued pursuant to Article 231-28 of the AMF general regulations no later than the day before the opening of the simplified tender offer, in order to inform the public of the means by which this document will be made available.

TABLE OF CONTENTS

1. PREAMBLE

This document is established, in accordance with the provisions of Article 231-28 of the AMF general regulations and Article 5 of the AMF Instruction No. 2006-07 of July 25, 2006, by Allianz SE, a European company organized under the laws of the European Union and Germany, having its registered office at Koeniginstrasse 28, 80802 Munich, Germany, registered with the Commercial Register of the local court of Munich under number HRB 164232 ("**Allianz**" or the "**Offeror**"), in the context of its simplified tender offer (the "**Offer**") pursuant to which the Offeror makes an irrevocable offer to the shareholders of Euler Hermes Group, a *société anonyme à directoire et conseil de surveillance* organized under the laws of France with a share capital of 13,645,323.20 Euros, having its registered office at 1 place des Saisons, 92048 Paris-La-Défense Cedex, France, registered with the Nanterre Trade and Companies Register under number 552 040 594 ("**Euler Hermes**" or the "**Company**") and whose shares are admitted to trading on Compartment A of the regulated market of Euronext in Paris ("**Euronext Paris**") under ISIN code FR0004254035, mnemonic "ELE", to acquire all of their shares of Euler Hermes, at the price of 122 Euros per share.

The Offer, which will be immediately followed by a squeeze-out ("*retrait obligatoire*") procedure, pursuant to Articles L. 433-4 III of the French Monetary and Financial Code and 237-14 *et seq.* of the AMF general regulations, will be made under the simplified procedure in accordance with Article 233-1 *et seq.* of the AMF general regulations, including its Article 233-1, 1°. The Offer will be open for a period of ten (10) trading days.

As of the date of the Offer Document, the Offeror holds, directly and indirectly through the companies it controls, 40,024,315 shares of the Company, representing 93.86% of the share capital and theoretical voting rights of the Company.

The Offer covers all of the existing shares of the Company which are not held by the Offeror (directly or indirectly through the companies it controls), and excluding the treasury shares held by the Company[1], i.e. a maximum aggregate number of 1,998,131 shares, representing, as of the date of the Offer Document, 4.69% of the share capital and theoretical voting rights of the Company, on the basis of a total of 42,641,635 shares and 42,641,635 theoretical voting rights

To the Offeror's knowledge, there exists no other equity security or any other financial instrument or right giving access, immediately or in the future, to the share capital or the voting rights of the Company other than the shares of the Company. It is specified that the Restricted Stock Units granted to certain employees and to members of the Board of Management (*Directoire*) of the Company (and/or its subsidiaries) as part of the Euler Hermes Group Long Term Incentive plans, which are described in the response document prepared by the Company, will not give rise to any issuance or allocation of shares of the Company.

Pursuant to Article 231-13 of the AMF general regulations, Rothschild Martin Maurel and Société Générale, acting as presenting banks for the Offer, filed with the AMF, on March 21, 2018, the Offer and a draft offer document, on behalf of the Offeror. It is specified that only Société Générale guarantees the content and the irrevocable nature of the undertakings made by the Offeror in connection with the Offer.

[1] The Offer does not cover the 619,189 treasury shares owned by the Company which, pursuant to the decision of the Supervisory Board of Euler Hermes dated March 21, 2018, will not be tendered into the Offer.

This document incorporates by reference the 2016 and 2017 annual reports of Allianz SE and Allianz Group published respectively on March 10, 2017 and on March 9, 2018, which are available on the website of Allianz SE (www.allianz.com).

2. PRESENTATION OF THE OFFEROR

2.1. GENERAL INFORMATION REGARDING THE OFFEROR

2.1.1. Company name

The corporate name of the Offeror is Allianz SE.

2.1.2. Registered office

The Offeror has its registered office located at Koeniginstrasse 28, 80802 Munich, Germany.

2.1.3. Form and governing law

The Offeror is a European company (*Societas Europaeas*) organized under the laws of the European Union and Germany.

2.1.4. Registration office and term

The Offeror was founded in 1890 and was converted into a European company (*Societas Europaeas*) on October 13, 2006. The Offeror is registered with the Commercial Register of the local court of Munich under number HRB 164232.

2.1.5. Financial year

The financial year of the Offeror begins on 1 January and ends on 31 December of each year.

2.1.6. Corporate purpose

Pursuant to article 1.2 of the Offeror's bylaws, the corporate purpose of the Offeror, is the direction of an international group of companies, which is active in the areas of insurance, banking, asset management, and other financial, consulting, and similar services. The Offeror holds interests in insurance companies, banks, industrial companies, investment companies, and other enterprises.

As a reinsurer, the Offeror primarily assumes insurance business from its group companies and other companies in which the Offeror holds direct or indirect interests.

Pursuant to article 1.3 of the Offeror's bylaws, the Offeror is authorized to transact any business and to take any measures which appear appropriate to serve the Offeror's purpose. It may form and acquire companies and acquire interests in companies as well as manage companies or it may confine itself to managing its interests. Within the framework of its object, the Offeror is authorized to raise loans and to issue bonds.

2.2. GENERAL INFORMATION REGARDING THE OFFEROR'S SHARE CAPITAL

2.2.1. Share capital

As of April 5, 2018, the share capital of the Offeror is 1,169,920,000 Euros, divided into 440,249,646 registered and fully paid-up shares with no-par value (the "**Shares**").

2.2.2. Voting rights, rights and obligations attached to the shares

Each Share carries one vote.

All Shares carry the same rights and obligations.

2.2.3. Sale and transfer of shares

Shares may only be transferred with the consent of the Offeror. An approval duly applied for may only be withheld if it is deemed necessary in the Offeror's interest on exceptional grounds. The applicant will be informed of the reasons.

2.2.4. Ownership of share capital – controlling shareholder

As per December 31, 2017, the Offeror had 514,319 shareholders. 82,8% of the issued share capital were held by institutional investors and 17,2% were held by private investors.

Pursuant to Section 21 of the German Securities Trading Act (Wertpapierhandelsgesetz - WpHG), the Offeror has published on its website the notifications made by (i) BlackRock, Inc., Wilmington, USA on July 20, 2017, stating that the holding of BlackRock, Inc. in the Offeror amounted to 6.93% of the voting rights of the Offeror and by (ii) Harris Associates L.P., Wilmington, USA on January 29, 2018 stating that the holding of Harris Associates L.P. in the Offeror amounted to 3.02% of the voting rights of the Offeror.

Except for BlackRock, Inc. and Harris Associates L.P., the Offeror is not aware of any direct or indirect interests in the share capital that exceed 3% of the voting rights.

2.2.5. Other securities/rights giving access to the share capital

In 2011, convertible subordinated notes totaling 500 million euros, which may be converted into Allianz shares, were issued against cash. Within 10 years after the issuance, a mandatory conversion of the notes into shares of the Offeror at the then prevailing share price may apply if certain events occur, subject to a floor price of at least 74.90 euros per share. Within the same period, the investors have the right to convert the notes into shares of the Offeror at a price of 187.26 euros per share.

2.2.6. Listing of the Offeror's shares

Offeror's shares are admitted to trading on the Frankfurt stock exchange (incl. Xetra), the Munich stock exchange, the Stuttgart stock exchange, the Dusseldorf stock exchange, the Hamburg stock exchange, the Hanover stock exchange and the Berlin stock exchange.

The Allianz ADR are traded on OTC-PINK under the ticker symbol AZSEY.

2.3. MANAGEMENT AND STATUTORY AUDITORS OF THE OFFEROR

2.3.1. Board of Management

The Board of Management shall consist of at least two persons. Otherwise, the number of the members of the Board of Management shall be determined by the Supervisory Board.

The Offeror is legally represented by two members of the Board of Management or by one member of the Board of Management together with a person vested with a general power of attorney under German law (*Prokurist*).

The members of the Board of Management shall be appointed by the Supervisory Board for a maximum term of five years. Repeated appointments are permitted.

The Board of Management constitutes a quorum if all members of the Board of Management are invited and if at least half of its members – among them the Chairman or a member of the Board of Management appointed by him – participate in the meeting.

The Board of Management adopts its decisions with a simple majority of the members of the Board of Management participating in adopting the resolution, unless mandatory statutory provisions require otherwise. In case of a vote tie, the vote of the Chairman shall be decisive. The Chairman of the Board of Management has the right to veto a resolution of the Board of Management.

As of the date of this document, the Board of Management of the Offeror is comprised of the following ten (10) members:

Management Board Members	Term of office (year-end)
- Oliver Bäte (Chairman)	- September 30, 2019
- Sergio Balbinot	- 2020
- Jacqueline Hunt	- 2019
- Dr. Helga Jung	- 2019
- Dr. Christof Mascher	- 2020
- Niran Peiris	- 2020
- Iván de la Sota[2]	- 2020
- Giulio Terzariol	- 2020
- Dr. Günther Thallinger	- 2019
- Dr. Axel Theis	- 2020

2.3.2. Supervisory Board

The Supervisory Board consists of twelve members, among which six members shall be employee representatives. They are appointed by the General Meeting (shareholder representatives) and by the European Works Council (employee representatives).

The members of the Supervisory Board are regularly appointed for a term of five years, it being specified that the General Meeting may determine a shorter period as term of office.

From among its members, the Supervisory Board shall elect a Chairman as well as two Deputy Chairmen for a period corresponding to the term of their office on the Supervisory Board.

The Supervisory Board constitutes a quorum if all members are invited or requested to adopt a resolution and if either at least six members, among them the Chairman, or at least nine members, participate in the resolution. Resolutions shall be taken with the majority of the members participating in the vote. In case of a vote tie, the vote of the Chairman or, if he does not participate in the voting, the vote of the Deputy

2 The appointment of Iván de la Sota as member of the Management Board took effect as of April 1, 2018.

Chairman shall be decisive, provided the Deputy Chairman is a shareholder representative (and not an employee representative).

Pursuant the Offeror's bylaws, the following types of transactions may be entered into only upon the Supervisory Board's approval:

- acquisition of companies, participations in companies, and parts of companies (except for financial investments) if in the individual case the market value or, in the absence of a market value, the book value reaches or exceeds 10% of the equity of the last consolidated balance sheet;

- disposals of participations (except for financial investments) in a Group company, to the extent that it leaves the circle of Group companies by virtue of the disposal and if in the individual case the market value or, in the absence of a market value, the book value of the participation disposed of reaches or exceeds 10% of the equity of the last consolidated balance sheet;

- entering into intercompany agreements (Unternehmensverträge); and

- development of new and abandonment of existing business segments, to the extent such action is of material importance for the Group.

The Supervisory Board may make further types of transactions contingent upon its approval.

As of the date of this document, the Supervisory Board of the Offeror is comprised of the following twelve (12) members:

Supervisory Board Members	**Term of office (end of Annual General Meeting)**
- Michael Diekmann (Chairman)	- 2022
- Jim Hagemann Snabe (Vice Chairman)	- 2022
- Rolf Zimmermann (Vice Chairman)	- 2022
- Sophie Boissard	- 2022
- Christine Bosse	- 2022
- Gabriele Burkhardt-Berg	- 2022
- Jean-Jacques Cette	- 2022
- Dr. Friedrich Eichiner	- 2022
- Martina Grundler	- 2022
- Herbert Hainer	- 2022
- Godfrey Hayward	- 2022
- Jürgen Lawrenz	- 2022

The Supervisory Board has formed the following committees in order to perform its duties efficiently:

- the Standing Committee
- the Personnel Committee
- the Audit Committee
- the Risk Committee
- the Nomination Committee
- the Technology Committee

2.3.3. Statutory auditors

In compliance with special legal provisions that apply to insurance companies, the statutory auditor and the auditor for the review of the annual financial statements and of the half-yearly financial report are appointed by the Supervisory Board, and not by the Annual General Meeting. The audit of the financial statements covers the individual financial statements of Allianz SE and also the consolidated financial statements of the Allianz Group.

The Supervisory Board has appointed KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) as statutory auditor for the annual Allianz SE's financial statements and Allianz Group's consolidated financial statements for the fiscal years 2016 and 2017.

In light of the legally required rotation of the auditors, the Supervisory Board approved to select PriceWaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC) as statutory auditor of Allianz for the fiscal year 2018.

2.4. DESCRIPTION OF THE OFFEROR'S ACTIVITIES

2.4.1. Main activities

Allianz SE is the parent company of the Allianz group (the "**Allianz Group**").

The Allianz Group offers property-casualty insurance, life/health insurance and asset management products and services in over 70 countries, with the largest of our operations located in Europe. The Allianz Group insures 88.0 million customers.

Business activities are organized by product and type of service, based on how these are strategically managed: insurance activities, asset management activities, and corporate and other activities.

(i) Insurance activities

The Allianz Group offers a wide range of property-casualty and life/health insurance products to both retail and corporate customers. For the property-casualty business segment, these include motor, accident, property, general liability, travel insurance and assistance services. The life/health business segment offers savings and investment-oriented products in addition to life and health insurance. The Allianz Group is the leading property-casualty insurer worldwide and ranks among the top five in the life/health insurance business. Key markets (in terms of premiums) are Germany, France, Italy, and the United States.

(ii) Asset management

The two major investment management businesses of the Allianz Group, PIMCO and AllianzGI, operate under Allianz Asset Management (AAM). The Allianz Group is one of the largest asset managers in the world that actively manage assets. Offerings of Allianz cover a wide range of equity, fixed income, and alternative investment products and solutions. Core markets are the United States, Germany, France, Italy, the United Kingdom, and the Asia-Pacific region.

(iii) Corporate and other business

The Corporate and other business segment's activities include the management and support of the Allianz Group's businesses through its central holding functions, as well as banking and alternative investments:

- Holding & Treasury manages and supports the Group's businesses through its strategy, risk, corporate finance, treasury, financial reporting, controlling, communication, legal, human resources, technology, and other functions.

- Banking operations, which place a primary focus on retail clients, support Allianz' insurance business and complement the products offered in Germany (until 7 February 2018), Italy, France, and Bulgaria.

- Alternative Investments provides global alternative investment management services in the private equity, real estate, renewable energy, and infrastructure sectors, mostly on behalf of insurance operations of Allianz.

2.4.2. Exceptional events and significant disputes

To the Offeror's knowledge, there is no non-ordinary course event or material litigation that is likely to have a material adverse effect on its business, results, financial situation or assets.

2.4.3. Employees

In 2017, Allianz SE employed 1,640 people and the Allianz Group employed 140,403 people.

2.5. SIMPLIFIED ORGANIZATIONAL CHART OF THE ALLIANZ GROUP

The chart of the Offeror's group as of December 31, 2017 is included in **Annex 1** of this document.

3. INFORMATION ON THE ACCOUNTING AND FINANCIAL POSITION OF THE OFFEROR

3.1. SELECTED FINANCIAL INFORMATION

The financial information listed below for financial years ended on December 31, 2015, December 31, 2016 and December 31, 2017 should be read in conjunction with Allianz SE's financial statements (and corresponding notes) and Allianz Group's consolidated financial statements (and corresponding notes) presented respectively in the annual report of Allianz SE and in the annual report of the Allianz Group for the relevant financial years.

Allianz Group's consolidated financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS), as adopted under European Union (E.U.) regulations in accordance with §315e(1) of the German Commercial Code (HGB). The annual financial statements of Allianz SE have been prepared in accordance with German law, in particular the HGB.

Changes in accounting policies concerned the 2016 annual report of the Allianz Group and were disclosed in the annual report 2017 of the Allianz Group.

These financial reports are available on the website of Allianz SE (www.allianz.com).

3.1.1. Allianz SE

In EUR million	**Year ended December 31**		
	2017	**2016**	**2015**
Income Statement			
Gross premium written	10 265	10 820	8 328
Net underwriting result	339	400	224
Net technical result	113	(128)	31
Non-technical result	3 423	2 809	3 167
Net operating income	3 537	2 681	3 198

Net income	3 671	2 948	3 554
Balance Sheet			
Total assets	122 080	119 480	114 310
Investments	116 061	113 079	107 787
Total equity and liabilities	122 080	119 480	114 310
Shareholders' equity	42 014	44 650	44 978
Subordinated liabilities	13 689	13 806	12 340
Insurance reserves net	14 980	14 471	13 168
Average number of employees	1 640	1 615	1 583

3.1.2. Allianz Group

In EUR million	**Year ended December 31**			
	2017	**2016** as restated[3]	**2016** as previously reported	**2015**
Income Statement				
Total revenues	126 149	122 416	122 416	125 190
Operating profit	11 097	11 056	10 833	10 735
Net income	7 207	7 329	7 250	6 987
Basic earnings per share	15.24	15.31	15.14	14.56
Diluted earnings per share	15.23	15.18	15.00	14.55
Balance Sheet				
Total assets	901 300	883 809	883 809	848 942
Investments	546 828	536 869	536 869	511 257
Cash and cash equivalents	17 119	14 463	14 463	14 842
Total liabilities	832 698	813 674	813 417	782 843
Thereof: Reserves for insurance and investment contracts	513 687	505 322	505 460	486 222
Thereof: Reserves for loss and loss adjustment expenses	73 292	72 373	72 373	72 003
Shareholders' equity	65 553	67 083	67 341	63 144
Non-controlling interests	3 049	3 052	3 052	2 955
Share price at end of	191.50	157.00	157.00	163.55

[3] For more information regarding the restatement refer to Section 3.1.3 *Change in accounting policies in 2017*.

period				
Average number of employees	140 403	142 066	142 066	146 726
Solvency II capitalization ratio	229%	218%	218%	200%

Extracts of the audited accounts of Allianz SE and the audited consolidated accounts of the Allianz Group as of December 31, 2017 (excluding notes) are included in **Annex 2** of this document

The audited consolidated accounts of Allianz SE and the audited consolidated accounts as of December 31, 2017 of the Allianz Group, in their full versions, as well as the related statutory auditors' reports are available on the website of Allianz SE (www.allianz.com).

3.1.3. Change in accounting policies in 2017

At the beginning of 2017, the Allianz Group entered into an economic hedging program for its Guaranteed Minimum Income Benefits (GMIBs), which were sold as part of its variable annuity portfolio. In order to mitigate accounting mismatches between the hedging derivatives and the GMIBs, the Allianz Group has started measuring the GMIBs at fair value through profit or loss as of 1 January 2017. This change in measurement is permitted by IFRS 4 and represents an accounting policy change. Accounting policy changes need to be applied retrospectively.

The total effect of the new measurement on prior period numbers is as follows:

CHANGE OF CONSOLIDATED BALANCE SHEET RELATING TO THE CHANGE IN ACCOUNTING POLICIES FOR GMIBS
€ MN

as of 31 December 2016	As previously reported	Change in accounting policies GMIBs	As reported
Financial liabilities carried at fair value through income	10,737	534	11,271
Reserves for insurance and investment contracts	505,460	(138)	505,322
Deferred tax liabilities	4,822	(139)	4,683
Total liabilities	813,417	258	813,674
Shareholders' equity	67,341	(258)	67,083
Non-controlling interests	3,052	-	3,052
Total equity	70,392	(258)	70,135
Total liabilities and equity	**883,809**	**-**	**883,809**

For the year ended 31 December 2016, the implementation of the changed accounting policy lead to a 121 million euros increase of income before income taxes and an increase of income taxes of 42 million euros. In total, the net income increased by 79 million euros. This resulted in an increase of 17 cents in earnings per share.

3.2. COSTS AND FINANCING OF THE OFFER

3.2.1. Costs of the Offer

The overall amount of all fees, costs and external expenses incurred in connection with the Offer by the Offeror, including the fees and expenses of their financial, legal and accounting advisers, as well as publicity costs, is estimated at approximately 2 million Euros[4] (excluding tax).

3.2.2. Financing of the Offer

In the event that all of the shares of the Company covered by the Offer were to be tendered into the Offer, the total cash consideration to be paid by the Offeror to shareholders of the Company having tendered their shares into the Offer (excluding fees and related expenses) would amount to 244 million Euros.

The Offer will be financed through available funds and resources of Allianz.

[4] Amount calculated based on the assumption that all of the shares of the Company covered by the Offer were to be tendered into the Offer.

4. **PERSONS ASSUMING RESPONSIBILITY FOR THIS DOCUMENT**

"We certify that this document which was filed with the Autorité des marches financiers on April 5, 2018 and which will be made available no later than the day before the opening of the simplified tender offer, contains all of the information required by article 231-28 of the General Regulation of the Autorité des marchés financiers and by Instruction 2006-07 of the AMF for the simplified tender offer followed by a squeeze-out initiated by Allianz SE for the shares of Euler Hermes Group. To the best of our knowledge, this information is accurate and is not affected by any omission that could alter the scope thereof."

Munich, April 5, 2018

Oliver Bäte	**Dr. Helga Jung**
Chairman of the Management Board of Allianz SE	*Member of the Management Board of Allianz SE*

Annex 1

Simplified organizational chart of the Allianz Group as of December 31, 2017

This overview is simplified. It focuses on major operating entities and does not contain all entities of the Allianz Group. Also, it does not show whether a shareholding is direct or indirect. This overview shows the status as of 31 December 2017.

Allianz SE

H4 – Operations, Allianz Partners

- Allianz Partners S.A.S., France, Saint-Ouen

H5 – Insurance Western & Southern Europe, Asia Pacific, Middle East, Africa, India

- Allianz S.p.A., Italy, Trieste
- Allianz Vie S.A., France, Paris la Défense
- Allianz Benelux S.A., Belgium, Brussels
- Allianz IARD S.A., France, Paris la Défense
- Allianz Nederland Groep N.V., Netherlands, Rotterdam
- Allianz Hellas Insurance Company S.A., Greece, Athens
- Allianz Hayat ve Emeklilik A.S., Turkey, Istanbul
- Allianz Yasam ve Emeklilik A.S., Turkey, Istanbul
- Allianz Sigorta A.S., Turkey, Istanbul
- Allianz MENA (Egypt, Lebanon)
- Allianz Taiwan Life Insurance Co. Ltd., Taiwan, Taipei
- Allianz Malaysia Berhad p.l.c., Malaysia, Kuala Lumpur
- Allianz other Asia Pacific (Indonesia, Thailand)

H6 – Insurance Iberia & Latin America, Legal & Compliance, M & A

- Allianz Compañía de Seguros y Reaseguros S.A., Spain, Barcelona
- Allianz Popular S.L., Spain, Madrid
- Companhia de Seguros Allianz Portugal S.A., Portugal, Lisbon
- Allianz Latin America (Brazil, Argentina, Colombia, Mexico)

H7 – Insurance German Speaking Countries and Central & Eastern Europe

- Allianz Lebens-versicherungs-AG, Germany, Stuttgart
- Allianz Private Kranken-versicherungs-AG, Germany, Munich
- Allianz Versicherungs-AG, Germany, Munich
- Allianz Beratungs- und Vertriebs-AG, Germany, Munich
- Oldenburgische Landesbank AG, Germany, Oldenburg
- Allianz Elementar Versicherungs-AG, Austria, Vienna
- Allianz Suisse Versicherungs-Gesellschaft AG, Switzerland, Wallisellen
- Allianz Elementar Lebens-versicherungs-AG, Austria, Vienna
- Allianz Suisse Lebensversicherungs-Gesellschaft AG, Switzerland, Wallisellen
- TU Allianz Polska S.A., Poland, Warsaw
- Allianz pojistovna a.s., Czech Republic, Prague
- Allianz Hungária Biztosító Zrt., Hungary, Budapest
- Allianz-Slovenská poist'ovna a.s., Slovakia, Bratislava
- Allianz other CEE (Croatia, Bulgaria, Romania)

H8 – Asset Management, US Life Insurance

- Pacific Investment Management Company LLC, United States, Dover (DE)
- PIMCO Deutschland GmbH, Germany, Munich
- Allianz Global Investors GmbH, Germany, Frankfurt am Main
- Allianz Global Investors U.S. Holdings LLC, United States, Dover (DE)
- Allianz Global Investors Asia Pacific Group
- Allianz Life Insurance Company of North America, United States, Minneapolis (MN)

H9 – Global Insurance Lines & Anglo Markets

- Allianz Global Corporate & Specialty SE, Germany, Munich
- Allianz Australia Limited, Australia, Sydney
- Allianz Global Risks US Insurance Company Corp., United States, Chicago (IL)
- Allianz p.l.c., Ireland, Dublin
- Euler Hermes Group SA, France, Paris la Défense
- Allianz Insurance plc, United Kingdom, Guildford
- JSC Insurance Company Allianz, Russia, Moscow

The functional divisions

H1 – Chairman of the Board

H2 – Finance, Controlling, Risk

H3 – Investment Management

do not have major operating entities in their area of responsibilities and are therefore not shown in the overview.

Annex 2

Audited accounts of Allianz SE and audited consolidated accounts of the Allianz Group as of December 31, 2017

Audited accounts of Allianz SE as of December 31, 2017

FINANCIAL STATEMENTS

BALANCE SHEET

€ thou

as of 31 December	Note	2017	2017	2016
ASSETS				
A. Intangible assets	1, 2			
I. Self-created industrial property rights and similar rights and assets		29,187		17,623
II. Licenses acquired against payment, industrial property rights, and similar rights and assets as well as licenses for such rights and assets		1,146		2,928
			30,333	20,551
B. Investments	1, 3 - 6			
I. Real estate, real estate rights, and buildings, including buildings on land not owned by Allianz SE		245,401		250,343
II. Investments in affiliated enterprises and participations		74,176,435		71,354,121
III. Other investments		33,329,072		33,446,657
IV. Funds held by others under reinsurance business assumed		8,310,276		8,028,086
			116,061,184	113,079,207
C. Receivables				
I. Accounts receivable on reinsurance business		528,244		450,606
thereof from affiliated enterprises: € 280,343 thou (2016: € 217,820 thou)				
thereof from participations[1]: € 1,197 thou (2016: € 1,756 thou)				
II. Other receivables	7	4,869,995		5,022,127
thereof from affiliated enterprises: € 4,430,597 thou (2016: € 4,325,105 thou)				
thereof from participations[1]: € 541 thou (2016: € 2,807 thou)				
			5,398,239	5,472,733
D. Other assets				
I. Tangible fixed assets and inventories		15,150		15,632
II. Cash with banks, checks, and cash on hand		234,138		49,528
III. Miscellaneous assets	8	22,835		227,014
			272,123	292,174
E. Deferred charges and prepaid expenses	9			
I. Accrued interests and rent		237,273		474,724
II. Other deferred charges and prepaid expenses		70,072		140,532
			307,345	615,256
F. Excess of plan assets over pension and similar obligations	10		10,811	-
Total Assets			122,080,035	119,479,921

1_Companies in which we hold a participating interest.

€ thou

as of 31 December	Note	2017	2017	2017	2016
EQUITY AND LIABILITIES					
A. Shareholders' equity	12				
I. Issued capital		1,169,920			1,169,920
Less: mathematical value of own shares		3,638			4,945
			1,166,282		1,164,975
II. Additional paid-in capital			27,905,256		27,844,664
III. Revenue reserves					
1. Statutory reserves		1,229			1,229
2. Other revenue reserves		8,823,789			11,782,928
			8,825,017		11,784,157
IV. Net earnings			4,117,339		3,855,866
				42,013,894	44,649,662
B. Subordinated liabilities	13, 16			13,689,227	13,806,280
C. Insurance reserves	14				
I. Unearned premiums					
1. Gross		1,641,405			1,642,350
2. Less: amounts ceded		65,197			81,950
			1,576,208		1,560,400
II. Aggregate policy reserves					
1. Gross		709,801			814,245
2. Less: amounts ceded		27,661			26,734
			682,140		787,511
III. Reserves for loss and loss adjustment expenses					
1. Gross		12,092,668			11,683,973
2. Less: amounts ceded		1,964,574			1,942,252
			10,128,094		9,741,721
IV. Reserves for premium refunds					
1. Gross		22,551			33,968
2. Less: amounts ceded		31			21
			22,520		33,947
V. Claims equalization and similar reserves			2,541,167		2,315,370
VI. Other insurance reserves					
1. Gross		30,154			32,260
			30,154		32,260
				14,980,283	14,471,209
D. Other provisions	15			7,949,981	7,369,141
E. Funds held with reinsurance business ceded				983,272	1,075,022
F. Other liabilities					
I. Accounts payable on reinsurance business			362,729		410,563
thereof to affiliated enterprises: € 214,528 thou (2016: € 269,609 thou)					
thereof to participations[1]: € 325 thou (2016: € 11,968 thou)					
II. Bonds	16		2,353,545		2,575,931
thereof to affiliated enterprises: € 2,353,545 thou (2016: € 2,575,931 thou)					
III. Liabilities to banks	16		490		397,574
IV. Miscellaneous liabilities	16		39,735,524		34,717,195
including taxes of: € 21,445 thou (2016: € 21,626 thou)					
thereof to affiliated enterprises: € 38,397,220 thou (2016: € 33,429,044 thou)					
thereof to participations[1]: € 266 thou (2016: € 3 thou)					
				42,452,289	38,101,263
G. Deferred income				11,091	7,344
Total equity and liabilities				122,080,035	119,479,921

1_Companies in which we hold a participating interst.

INCOME STATEMENT

€ thou

	Notes	2017	2017	2017	2016
I. Technical account					
1. Premiums earned (net)					
a) Gross premiums written	18	10,265,435			10,820,290
b) Ceded premiums written		(777,449)			(787,517)
			9,487,986		10,032,773
c) Change in gross unearned premiums		(50,839)			(425,198)
d) Change in ceded unearned premiums		(3,712)			17,098
			(54,550)		(408,100)
Premium earned (net)				**9,433,436**	**9,624,673**
2. Allocated interest return (net)	19			**20,849**	**21,025**
3. Other underwriting income (net)				**19,249**	**72,789**
4. Loss and loss adjustment expenses (net)	20				
a) Claims paid					
aa) Gross		(6,076,163)			(4,504,389)
ab) Amounts ceded in reinsurance		421,733			(571,225)
			(5,654,430)		(5,075,614)
b) Change in reserve for loss and loss adjustment expenses (net)					
ba) Gross		(776,415)			(2,164,929)
bb) Amounts ceded in reinsurance		169,179			896,657
			(607,236)		(1,268,272)
Loss and loss adjustment expenses (net)				**(6,261,666)**	**(6,343,886)**
5. Change in other insurance reserves (net)	21			**20,093**	**6,725**
6. Expenses for premium refunds (net)				**11,123**	**(13,244)**
7. Underwriting expenses (net)	22			**(2,884,228)**	**(2,946,248)**
8. Other underwriting expenses (net)				**(19,771)**	**(21,864)**
9. Subtotal (Net underwriting result)				**339,084**	**399,970**
10. Change in claims equalization and similar reserves				**(225,797)**	**(527,557)**
11. Net technical result				113,287	(127,587)
II. Non-technical account					
1. Investment income	23	**5,647,514**			**5,084,886**
2. Investment expenses	24	**(1,934,808)**			**(1,795,458)**
3. Investment result			**3,712,706**		**3,289,428**
4. Allocated interest return			**(21,819)**		**(22,131)**
				3,690,886	**3,267,297**
5. Other income			**3,158,500**		**2,718,536**
6. Other expenses			**(3,425,921)**		**(3,177,927)**
7. Other non-technical result	25			**(267,421)**	**(459,391)**
8. Non-technical result				3,423,465	2,807,906
9. Net operating income				**3,536,752**	**2,680,319**
10. Income Taxes	26	**(392,665)**			**(256,718)**
Amounts charged to other Group companies		514,930			522,931
			122,265		**266,213**
11. Other taxes			**12,401**		**1,082**
12. Taxes				**134,666**	**267,295**
13. Net income				**3,671,418**	**2,947,614**
14. Unappropriated earnings carried forward				**445,920**	**908,252**
15. Net earnings	27			**4,117,339**	**3,855,866**

Audited consolidated accounts of the Allianz Group as of December 31, 2017

CONSOLIDATED BALANCE SHEETS

Consolidated balance sheets

€ mn

As of 31 December	note	2017	2016[1]
ASSETS			
Cash and cash equivalents		17,119	14,463
Financial assets carried at fair value through income	5	8,177	8,333
Investments	6	546,828	536,869
Loans and advances to banks and customers	7	104,224	105,369
Financial assets for unit-linked contracts		119,141	111,325
Reinsurance assets	8	16,375	15,562
Deferred acquisition costs	9	23,184	24,887
Deferred tax assets	32	931	1,003
Other assets	10	37,731	38,050
Non-current assets and assets of disposal groups classified as held for sale	3	14,329	14,196
Intangible assets	11	13,262	13,752
Total assets		**901,300**	**883,809**
LIABILITIES AND EQUITY			
Financial liabilities carried at fair value through income[2]		11,291	11,271
Liabilities to banks and customers	12	12,746	13,038
Unearned premiums	13	21,442	21,360
Reserves for loss and loss adjustment expenses	14	73,292	72,373
Reserves for insurance and investment contracts	15	513,687	505,322
Financial liabilities for unit-linked contracts	16	119,141	111,325
Deferred tax liabilities	32	4,906	4,683
Other liabilities	17	39,639	39,867
Liabilities of disposal groups classified as held for sale	3	13,662	13,290
Certificated liabilities	18	9,596	7,615
Subordinated liabilities	18	13,295	13,530
Total liabilities		832,698	813,674
Shareholders' equity		65,553	67,083
Non-controlling interests		3,049	3,052
Total equity	19	68,602	70,135
Total liabilities and equity		**901,300**	**883,809**

1_Due to the change in accounting policies for GMIBs, the figures as of 31 December 2016 have been adjusted retrospectively. For further information please refer to note 2.
2_Include mainly derivative financial instruments.

CONSOLIDATED INCOME STATEMENTS

Consolidated income statements
€ mn

	note	2017	2016
Gross premiums written		77,345	76,331
Ceded premiums written		(4,912)	(4,901)
Change in unearned premiums (net)		(1,007)	(1,073)
Premiums earned (net)	20	71,427	70,357
Interest and similar income	21	21,848	22,149
Income from financial assets and liabilities carried at fair value through income (net)	22	(1,204)	(850)
Realized gains/losses (net)	23	6,546	8,403
Fee and commission income	24	10,937	10,491
Other income		36	100
Total income		109,590	110,649
Claims and insurance benefits incurred (gross)		(56,644)	(55,914)
Claims and insurance benefits incurred (ceded)		5,427	2,758
Claims and insurance benefits incurred (net)	25	(51,218)	(53,156)
Change in reserves for insurance and investment contracts (net)	26	(14,427)	(13,201)
Interest expenses	27	(1,149)	(1,207)
Loan loss provisions		(25)	(46)
Impairments of investments (net)	28	(1,160)	(1,940)
Investment expenses	29	(1,269)	(1,306)
Acquisition and administrative expenses (net)	30	(25,702)	(25,301)
Fee and commission expenses	31	(3,857)	(3,734)
Amortization of intangible assets		(154)	(154)
Restructuring charges		(477)	(186)
Other expenses		(5)	(5)
Total expenses		(99,442)	(100,236)
Income before income taxes		**10,148**	**10,413**
Income taxes	32	(2,941)	(3,085)
Net income		**7,207**	**7,329**
Net income attributable to:			
Non-controlling interests		404	367
Shareholders		6,803	6,962
Basic earnings per share (€)		15.24	15.31
Diluted earnings per share (€)		15.23	15.18

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Consolidated statements of comprehensive income
€ mn

	2017	2016
Net income	**7,207**	**7,329**
Other comprehensive income		
Items that may be reclassified to profit or loss in future periods		
Foreign currency translation adjustments		
Reclassifications to net income	1	13
Changes arising during the year	(2,036)	135
Subtotal	(2,035)	148
Available-for-sale investments		
Reclassifications to net income	(986)	(1,678)
Changes arising during the year	1,358	2,552
Subtotal	373	875
Cash flow hedges		
Reclassifications to net income	(55)	(17)
Changes arising during the year	31	74
Subtotal	(24)	57
Share of other comprehensive income of associates and joint ventures		
Reclassifications to net income	-	13
Changes arising during the year	(78)	(4)
Subtotal	(78)	9
Miscellaneous		
Changes arising during the year	19	(127)
Subtotal	19	(127)
Items that may never be reclassified to profit or loss		
Changes in actuarial gains and losses on defined benefit plans	100	(335)
Total other comprehensive income	(1,645)	626
Total comprehensive income	**5,563**	**7,955**
Total comprehensive income attributable to:		
Non-controlling interests	393	405
Shareholders	5,170	7,551

For further information on the income taxes associated with different components of other comprehensive income, please see note 32.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Consolidated statements of changes in equity

€ mn

	Paid-in capital	Retained earnings	Foreign currency translation adjustments	Unrealized gains and losses (net)	Share-holders' equity	Non-controlling interests	Total equity
Balance as of 1 January 2016[1]	**28,928**	**23,894**	**(926)**	**10,920**	**62,815**	**2,955**	**65,771**
Total comprehensive income[2]	-	6,476	160	914	7,551	405	7,955
Paid-in capital	-	-	-	-	-	-	-
Treasury shares	-	2	-	-	2	-	2
Transactions between equity holders[3]	-	35	4	(4)	35	17	52
Dividends paid	-	(3,320)	-	-	(3,320)	(325)	(3,646)
Balance as of 31 December 2016	**28,928**	**27,087**	**(762)**	**11,830**	**67,083**	**3,052**	**70,135**
Total comprehensive income[2]	-	6,820	(1,973)	323	5,170	393	5,563
Paid-in capital	-	-	-	-	-	-	-
Treasury shares	-	41	-	-	41	-	41
Transactions between equity holders[3,4]	-	(3,340)	(13)	21	(3,331)	(145)	(3,476)
Dividends paid	-	(3,410)	-	-	(3,410)	(251)	(3,661)
Balance as of 31 December 2017	**28,928**	**27,199**	**(2,749)**	**12,175**	**65,553**	**3,049**	**68,602**

1_Due to the change in accounting policies for GMIBs, the balance as of 1 January 2016 has been adjusted retrospectively. For further information please refer to note 2.
2_Total comprehensive income in shareholders' equity for the year ended 31 December 2017 comprises net income attributable to shareholders of € 6,803 mn (2016: € 6,962 mn).
3_Includes income taxes within retained earnings.
4_For further information regarding the share buy-back program 2017, please refer to note 19.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Consolidated statements of cash flows

€ mn

	2017	2016
SUMMARY		
Net cash flow provided by operating activities	33,188	21,461
Net cash flow used in investing activities	(24,755)	(19,765)
Net cash flow used in financing activities	(5,027)	(1,732)
Effect of exchange rate changes on cash and cash equivalents	(749)	52
Change in cash and cash equivalents	2,656	16
Cash and cash equivalents at beginning of period	14,463	14,842
Cash and cash equivalents reclassified to assets of disposal groups classified as held for sale	-	(395)
Cash and cash equivalents at end of period	**17,119**	**14,463**
CASH FLOW FROM OPERATING ACTIVITIES		
Net income	**7,207**	**7,329**
Adjustments to reconcile net income to net cash flow provided by operating activities		
Share of earnings from investments in associates and joint ventures	(506)	(288)
Realized gains/losses (net) and impairments of investments (net) of:		
Available-for-sale and held-to-maturity investments, investments in associates and joint ventures, real estate held for investment, loans and advances to banks and customers, non-current assets and disposal groups classified as held for sale	(5,452)	(6,540)
Other investments, mainly financial assets held for trading and designated at fair value through income	(2,481)	2,710
Depreciation and amortization	1,544	1,345
Loan loss provisions	25	46
Interest credited to policyholder accounts	4,868	4,563
Net change in:		
Financial assets and liabilities held for trading	5,144	(3,026)
Reverse repurchase agreements and collateral paid for securities borrowing transactions	130	(696)
Repurchase agreements and collateral received from securities lending transactions	108	(1,278)
Reinsurance assets	(2,455)	(587)
Deferred acquisition costs	(546)	(588)
Unearned premiums	841	909
Reserves for loss and loss adjustment expenses	3,300	622
Reserves for insurance and investment contracts	15,233	16,569
Deferred tax assets/liabilities	806	404
Other (net)	5,421	(33)
Subtotal	25,981	14,132
Net cash flow provided by operating activities	**33,188**	**21,461**
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from the sale, maturity or repayment of:		
Financial assets designated at fair value through income	2,079	2,224
Available-for-sale investments	147,599	156,085
Held-to-maturity investments	305	466
Investments in associates and joint ventures	945	850
Non-current assets and disposal groups classified as held for sale	420	156
Real estate held for investment	152	407
Fixed assets of renewable energy investments	-	3
Loans and advances to banks and customers (purchased loans)	6,333	8,409
Property and equipment	153	128
Subtotal	157,986	168,728

CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED

Consolidated statements of cash flows

€ mn

	2017	2016
Payments for the purchase or origination of:		
Financial assets designated at fair value through income	(1,931)	(2,193)
Available-for-sale investments	(167,932)	(174,302)
Held-to-maturity investments	(616)	(151)
Investments in associates and joint ventures	(2,852)	(1,557)
Non-current assets and disposal groups classified held for sale	(199)	(1)
Real estate held for investment	(680)	(409)
Fixed assets of renewable energy investments	(218)	(720)
Loans and advances to banks and customers (purchased loans)	(2,214)	(3,007)
Property and equipment	(1,374)	(1,335)
Subtotal	(178,016)	(183,676)
Business combinations (note 3):		
Proceeds from sale of subsidiaries, net of cash disposed	-	(8)
Change in other loans and advances to banks and customers (originated loans)	**(4,517)**	**(4,848)**
Other (net)	**(209)**	**38**
Net cash flow used in investing activities	**(24,755)**	**(19,765)**
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in liabilities to banks and customers	(60)	911
Proceeds from the issuance of certificated liabilities and subordinated liabilities	7,463	7,059
Repayments of certificated liabilities and subordinated liabilities	(5,173)	(6,155)
Transactions between equity holders	(3,477)	52
Dividends paid to shareholders	(3,661)	(3,646)
Net cash from sale or purchase of treasury shares	42	44
Other (net)	(162)	4
Net cash flow used in financing activities	**(5,027)**	**(1,732)**
SUPPLEMENTARY INFORMATION ON THE CONSOLIDATED STATEMENTS OF CASH FLOWS		
Income taxes paid	(2,099)	(2,933)
Dividends received	2,249	1,809
Interest received	18,335	19,263
Interest paid	(1,251)	(1,185)
SIGNIFICANT NON-CASH TRANSACTIONS		
Transfer of profit participating notes		
Investments in associates and joint ventures	-	815
Loans and advances to banks and customers	-	(815)

Cash and cash equivalents

€ mn

As of 31 December	2017	2016
Balances with banks payable on demand	8,745	6,855
Balances with central banks	1,973	1,273
Cash on hand	71	94
Treasury bills, discounted treasury notes, similar treasury securities, bills of exchange and checks	6,331	6,241
Total	**17,119**	**14,463**

Changes in liabilities arising from financing activities

€ mn

	Liabilities to banks and customers	Certificated and subordinated liabilities	Total
As of 1 January 2017	**8,998**	**21,145**	**30,143**
Net cash flows	(60)	2,291	2,231
Non-cash transactions			
Changes in the consolidated subsidiaries of the Allianz Group	(180)	-	(180)
Foreign currency translation adjustments	59	(8)	50
Fair value and other changes	109	(536)	(427)
As of 31 December 2017	**8,925**	**22,891**	**31,817**