

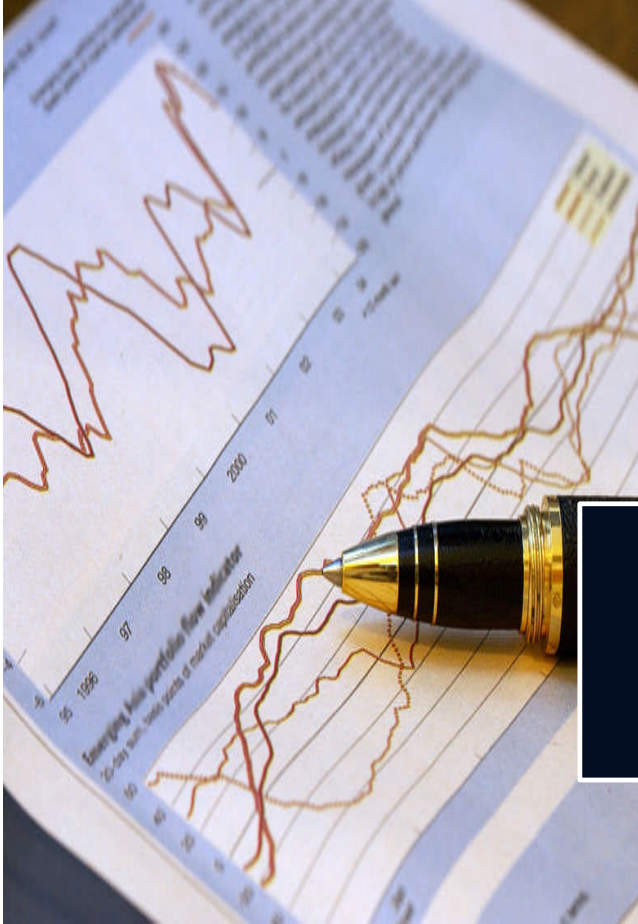


Allianz Malaysia Berhad (12428-W)

Financial Results for 6M 2011

August 2011

Allianz 



1 AMB Group Results

Executive Summary



Operating revenue

- Group operating revenue of RM 1.3 billion increased by 7.2% compared to corresponding period of RM 1.2 billion due mainly to higher gross earned premiums and investment income by RM 63.6 million and RM 26.1 million respectively.
- Life business recorded an operating revenue of RM 619.3 million, 16.3% increased compared to corresponding period.

Profit before tax

- Group consolidated profit before tax of RM 106.7 million increased by 34.4% compared to corresponding period last year of RM 79.4 million.
- General business generated a profit before tax of RM 95.5 million, supported by a net combined ratio of 87.4%.

Investment result

- Stable growth in investment income.

Earnings per share

- Earnings per share (before dilution) improved from 34.3 sen for 6M 2010 to 45.6 sen for 6M 2011.
- Earnings per share (after dilution) was 18.7 sen.

Financial Overview

RM'mil	12M 2008A	12M 2009A	12M 2010A	6M 2010A	6M 2011A
Gross Written Premium	1,766.9	2,071.1	2,353.7	1,185.7	1,299.3
Management Expense	208.7	225.6	232.7	118.1	131.0
Expense Ratio (Non Life) ¹	20.1%	19.1%	18.1%	18.0%	17.7%
Expense Ratio (Life) ¹	10.9%	9.4%	7.7%	8.8%	8.4%
Local consolidated PBT ²	112.3	177.0	191.6	79.4	106.7
Total Assets	3,984.1	5,765.2	6,847.1	6,223.6	7,485.3

Note.1 : Expense Ratio is based on local statutory account basis. Expense ratio for Life weighted for 10% of Single Premium.

2 : 12M 2009 PBT restated to comply with new FRSs. Previously reported RM166.5 mil.

Summary of Unaudited Financial Results

RM 'mil	6M 2010	6M 2011	% Inc/(Dec) A / LY
Operating revenue	1,238.2	1,327.9	7.2%
Gross earned premiums	1,153.9	1,217.5	5.5%
Premium ceded to reinsurers	(272.0)	(211.0)	(22.4%)
Net earned premiums	881.9	1,006.5	14.1%
Net change in benefits and claim paid	(361.2)	(364.9)	1.0%
Net change in contract liabilities	(256.7)	(372.7)	45.2%
Management expenses	(118.1)	(131.0)	10.9%
Net fee and commission expenses	(159.2)	(177.5)	11.5%
Fair value gain and losses	(8.2)	5.2	163.4%
Net investment result	110.8	148.4	33.9%
Net operating income/(expenditure)	(9.9)	(7.3)	(26.3%)
Profit before tax	79.4	106.7	34.4%
Taxation	(26.6)	(36.5)	37.2%
Profit after tax	52.8	70.2	33.0%
Earnings per share before dilution (sen)	34.3	45.6	32.9%

Summary of Unaudited Financial Results (continued)

Information about operating segments (after consolidation adjustment)
for 6M ended

RM 'mil	Investment holding		General business		Life business		Total	
	2010	2011	2010	2011	2010	2011	2010	2011
Operating revenue	2.6	4.5	703.1	704.1	532.5	619.3	1,238.2	1,327.9
Segment profit	0.2	2.6	74.1	95.5	5.1	8.6	79.4	106.7
Segment assets	184.4	285.7	3,319.5	3,726.4	2,719.7	3,473.2	6,223.6	7,485.3
Segment liabilities	522.0	21.6	2,418.8	2,667.6	2,719.7	3,473.2	5,660.5	6,162.4



2

Non-life Insurance

Non-Life



Gross Written Premium

- GWP grew by 6.2%

Combined ratio

- Lower claims and expense ratios contributed to better combined ratio

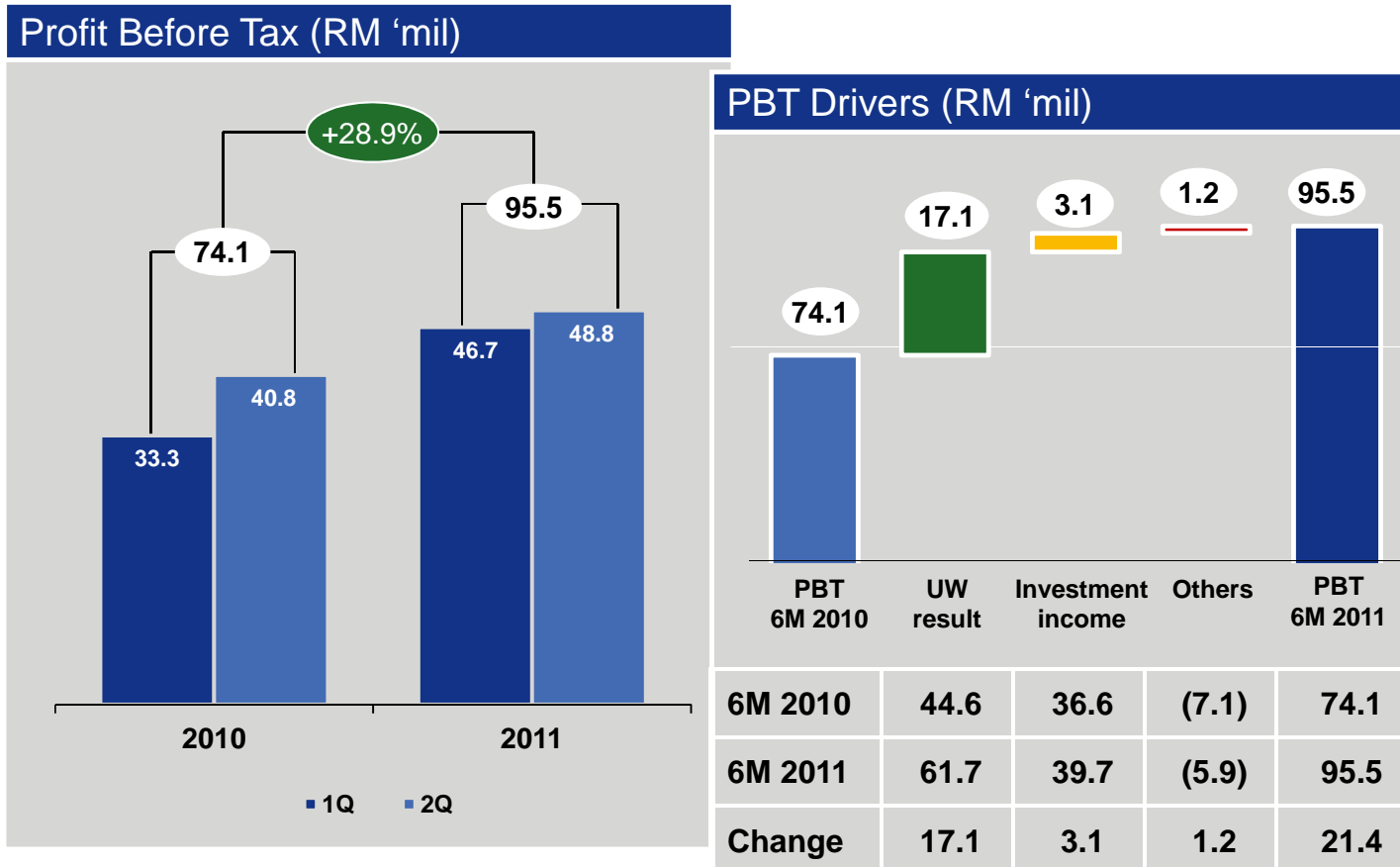
Investment result

- Stable growth in investment income

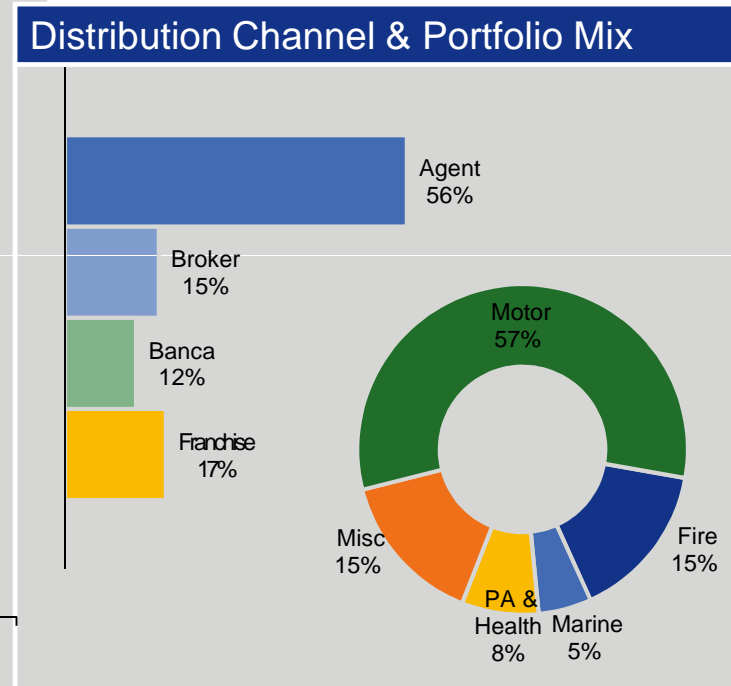
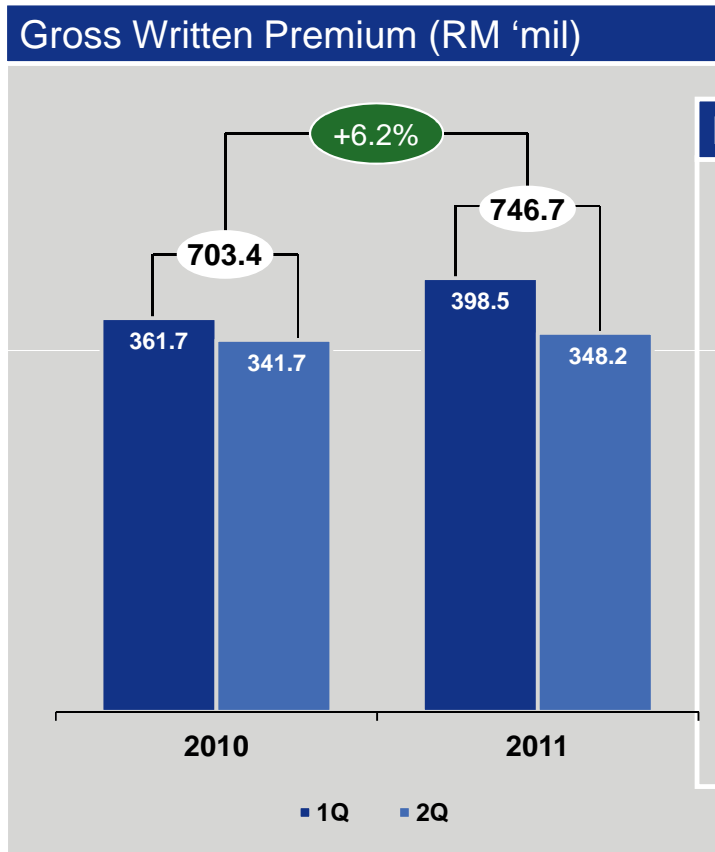
Profit before tax

- Higher profit due to improved underwriting and investment performance

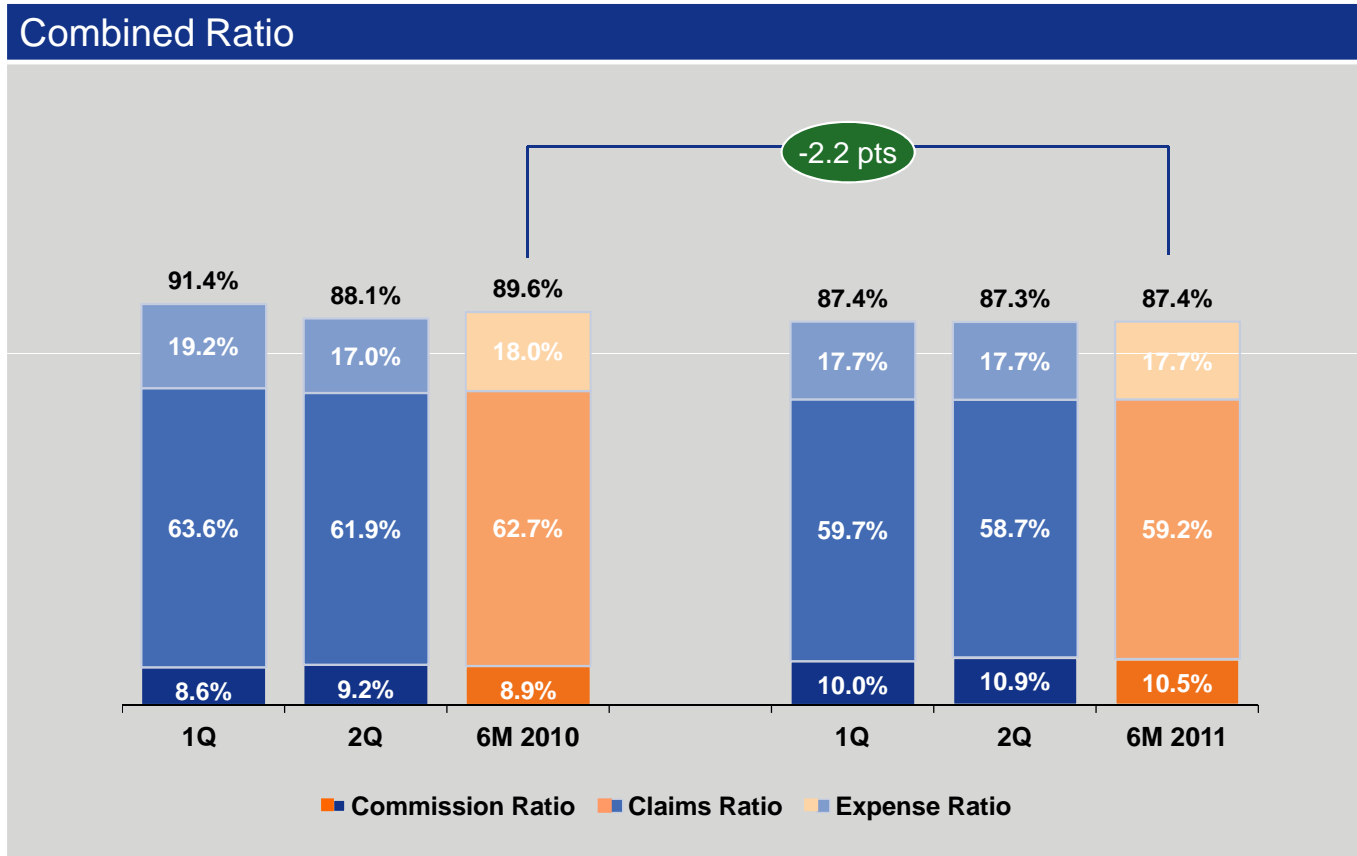
Non-Life: Higher profit due to improved underwriting and investment performance



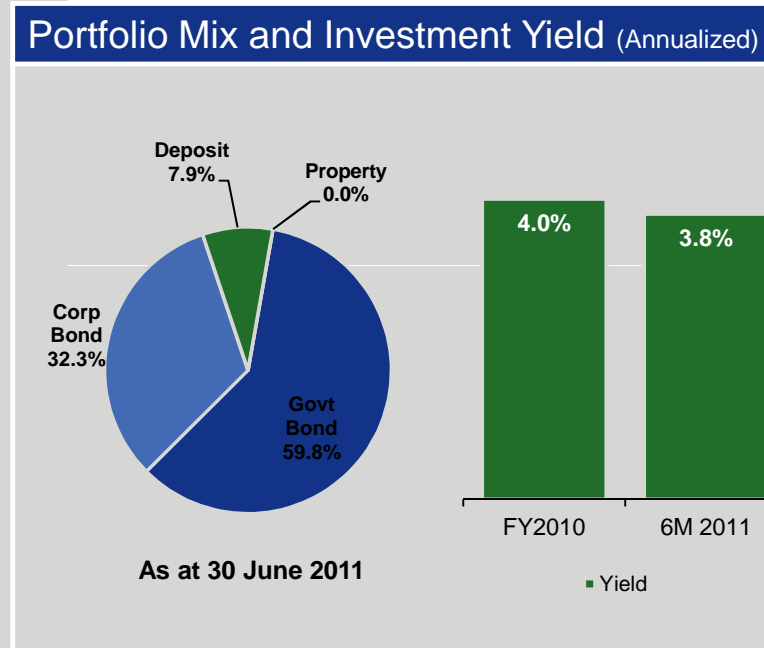
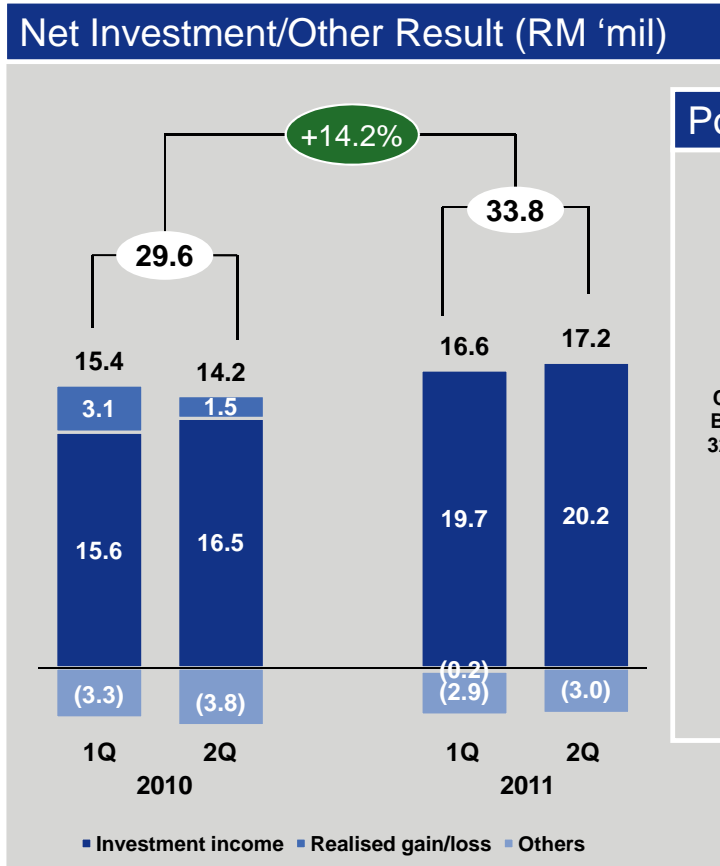
Non-Life: GWP grew by 6.2%



Non-Life: Lower claims and expense ratios contributed to better combined ratio



Non-Life: Stable growth in investment income



Non-Life: Financial results at a glance

RM 'mil	6M 2010	6M 2011	% Inc/(Dec) A / LY
Gross written premium	703.4	746.7	6.2%
Gross earned premium	671.6	664.9	(1.0%)
Net earned premium	431.0	488.8	13.4%
Net change in benefits and claim paid	(245.6)	(259.1)	5.5%
Net change in contract liabilities	(24.8)	(30.1)	21.3%
Management expenses	(77.6)	(86.6)	11.6%
Fee and commission expenses	(38.5)	(51.3)	33.2%
Underwriting result	44.5	61.7	38.6%
Net investment/other result	29.6	33.8	14.2%
Profit before tax (after consolidation adjustment)	74.1	95.5	28.9%
Commission Ratio	8.9%	10.5%	1.6 pts
Claims Ratio	62.7%	59.2%	(3.5 pts)
Expense Ratio	18.0%	17.7%	(0.3 pts)
Combined Ratio	89.6%	87.4%	(2.2 pts)



3

Life Insurance

Life



Gross written Premium

- Double digit growth of 14.6% in gross written premium

Agency

- Agency continued to grow unit linked business
- Continue to enlarge agency force

Alternative Distribution

- Develop alternative distribution capabilities in 2011

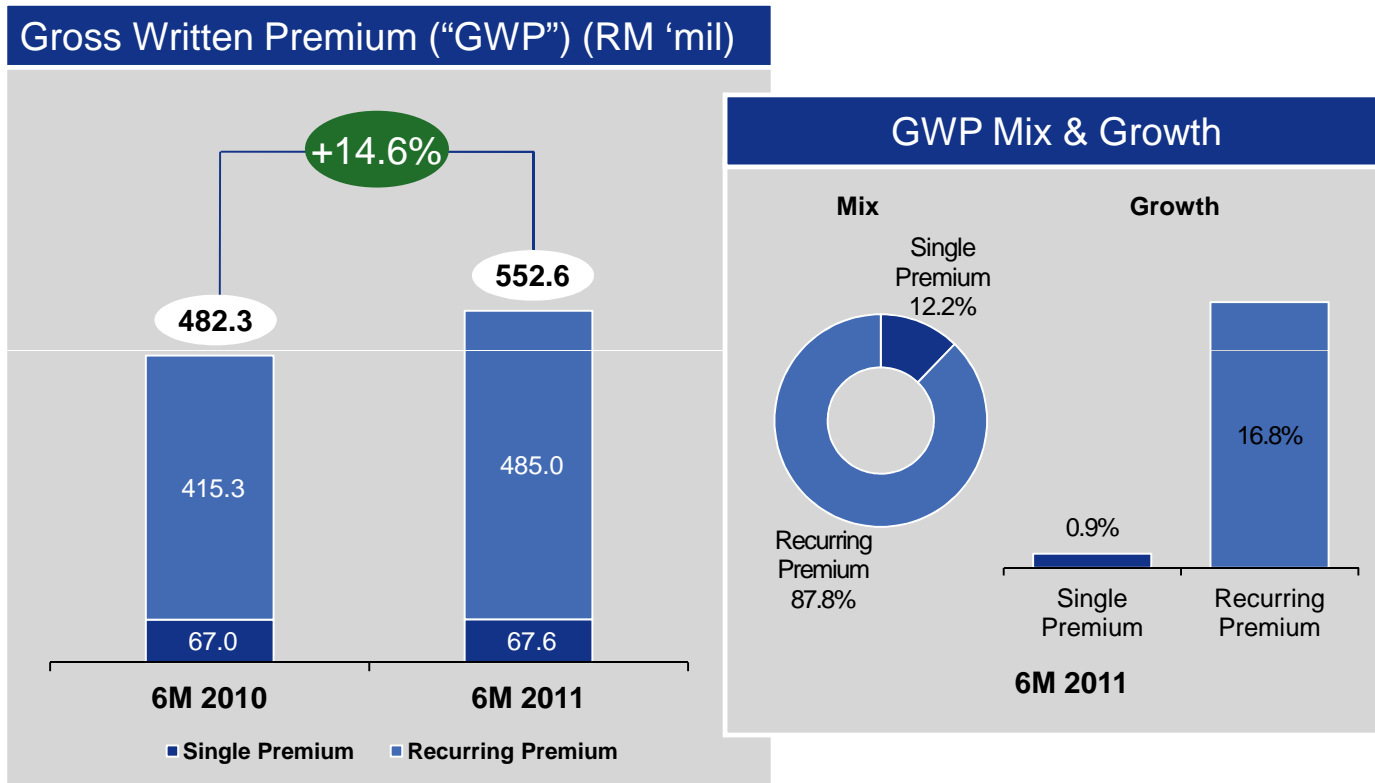
Unit linked

- Grew profitable unit linked business
- Unit linked ANP and GWP growth by 17.2% and 40.6% respectively

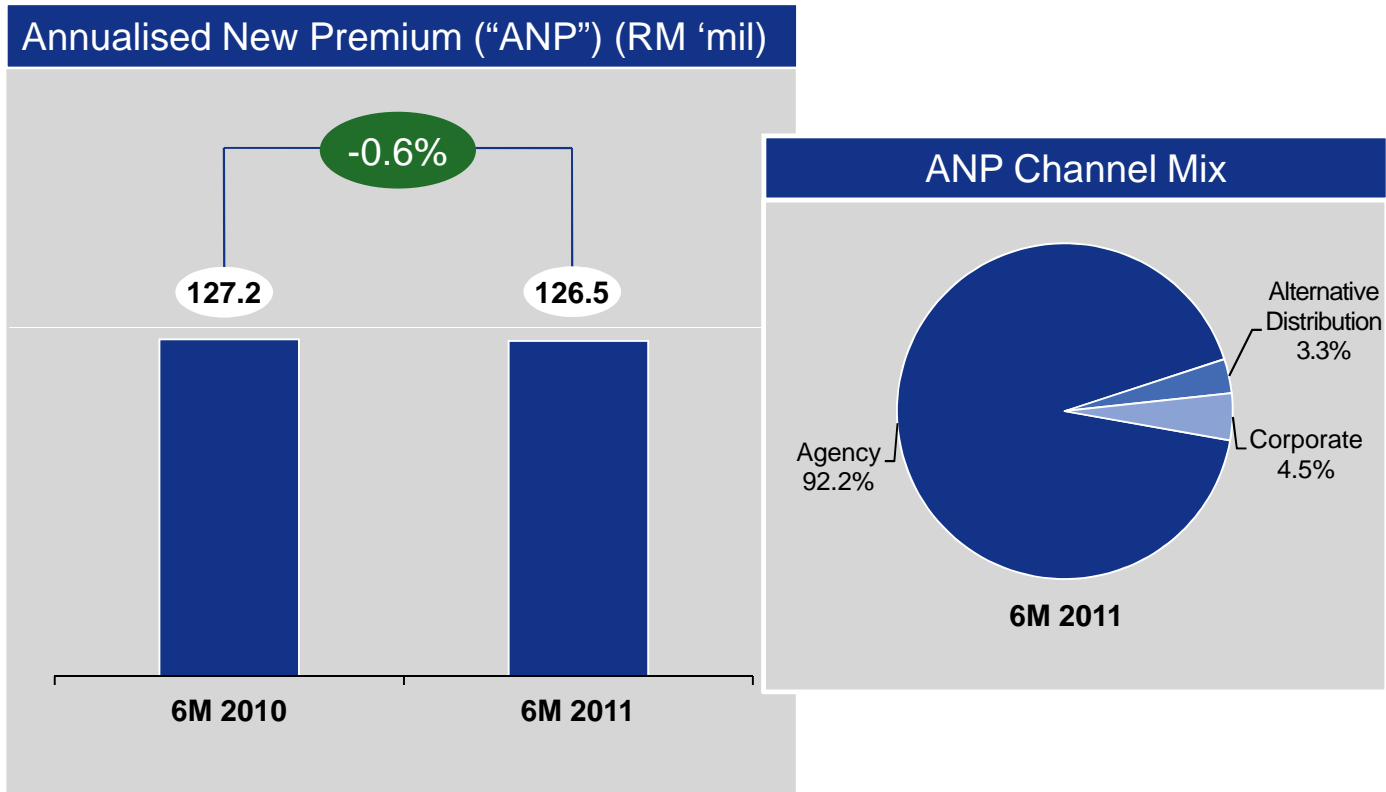
Investment result

- Net investment result for Life fund higher due to realised gains from disposal of equities

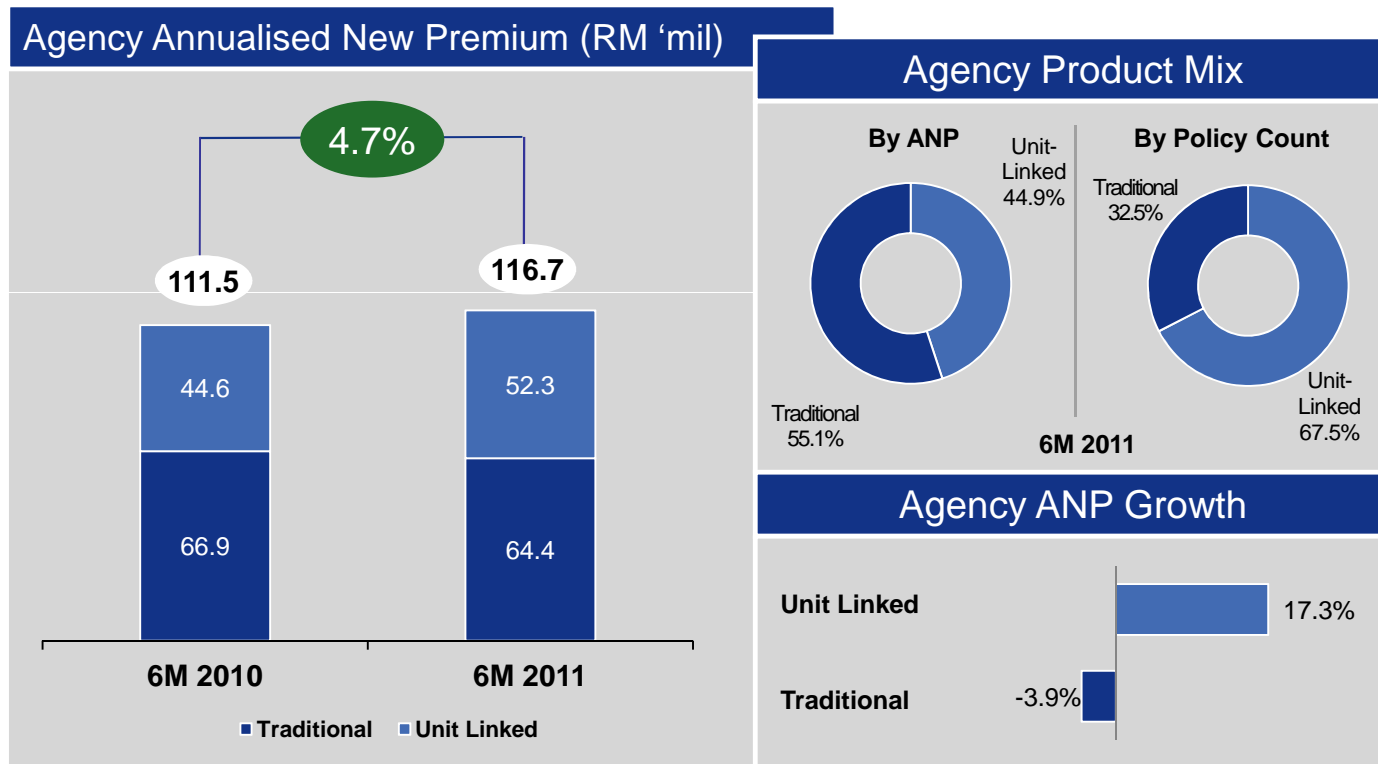
Life: Strong top line growth of 14.6% in GWP



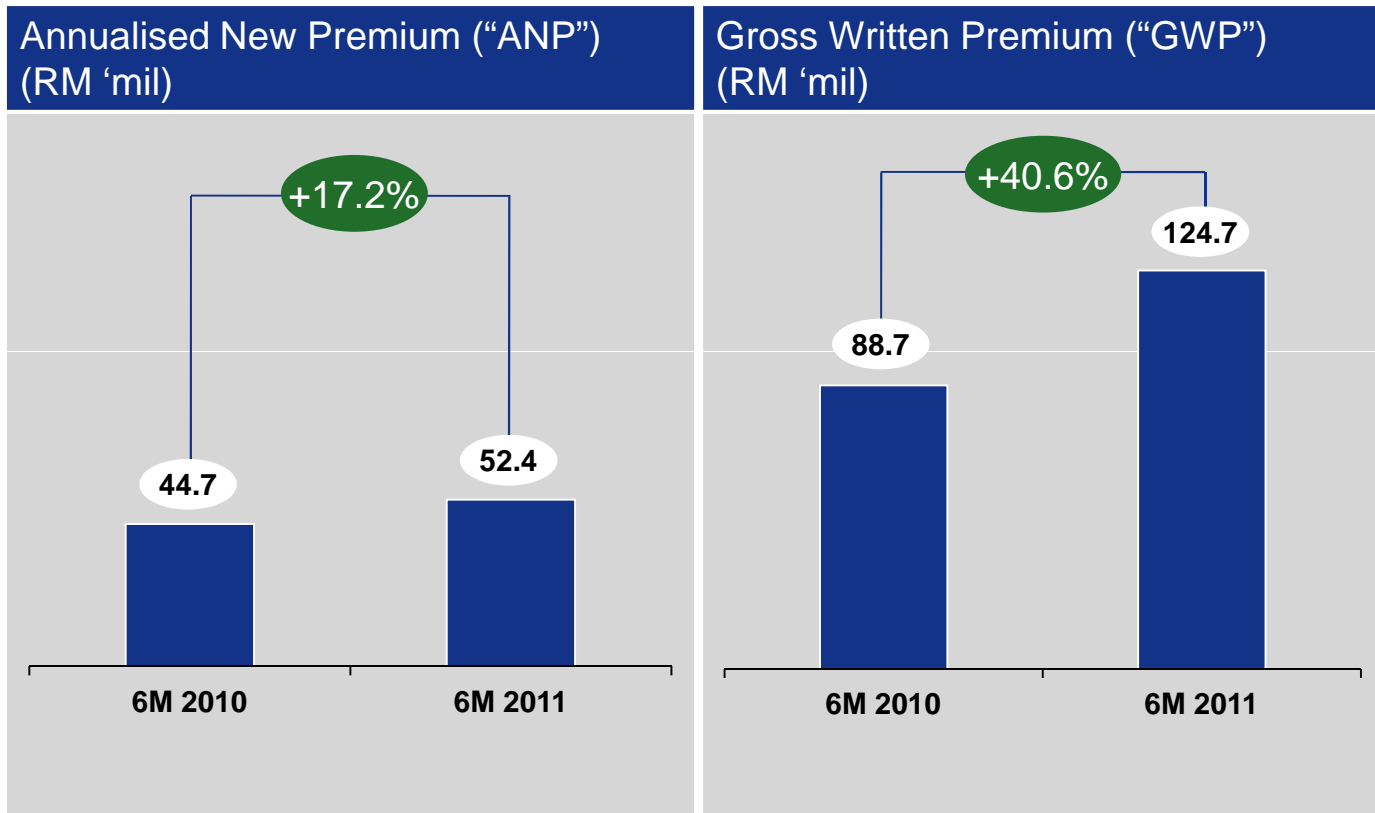
Life: New business lower, agency remains core channel



Life: Agency channel maintained balance mix of product portfolio. Investment linked business continue to grow.

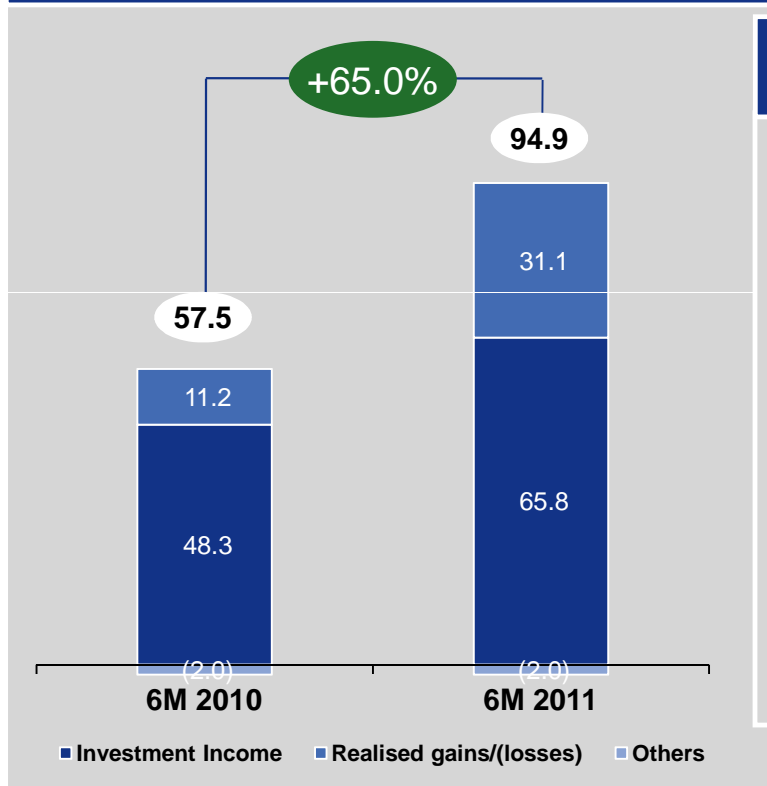


Life: Unit linked business ANP and GWP growth by 17.2% and 40.6% respectively

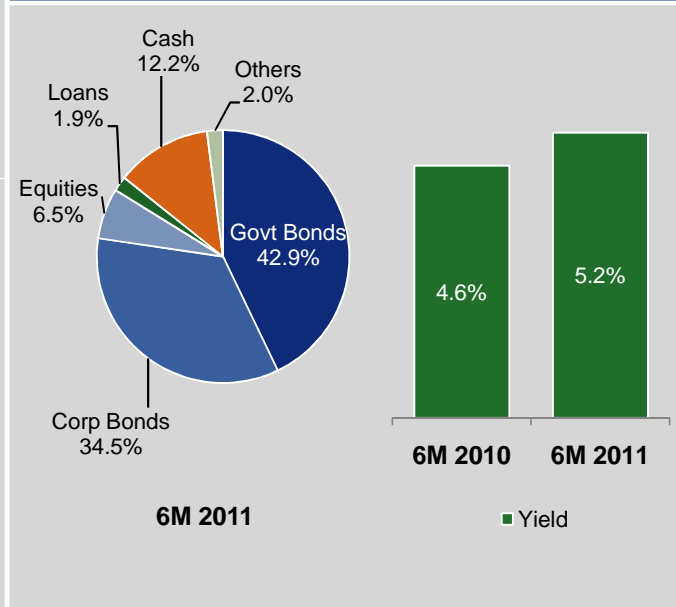


Net investment result improved due to realised gains from disposal of equities in Life fund.

Net Investment Result (RM 'mil) (LF + SHF)



Portfolio Mix and Investment Yield (LF + SHF)



Life: Financial results at a glance

RM 'mil	6M 2010	6M 2011	% Inc/(Dec) A / LY
Gross written premiums	482.3	552.6	14.6%
Premium ceded to reinsurers	(31.3)	(34.9)	11.5%
Net earned premiums	451.0	517.7	14.8%
Net change in benefits and claim paid	(115.7)	(105.8)	(8.6%)
Net change in contract liabilities	(189.4)	(279.6)	47.6%
Management expenses	(38.7)	(43.1)	11.4%
Fee and commission expenses	(120.7)	(127.8)	5.9%
Fair value gain and losses	(8.2)	5.2	163.4%
Net investment result	73.0	105.2	44.1%
Net operating income/(expenditure)	(3.5)	(2.6)	(25.7%)
Surplus before tax (after consolidation adjustment)	47.8	69.2	44.8%
Annualised new business premium	127.2	126.5	(0.6%)
Expenses Ratio	8.8%	8.4%	(0.4 pts)
Local Investment Yield (LF+ SHF)	4.6%	5.2%	0.6 pts
Lapse Ratio (total company)	6.5%	7.8%	(1.3) pts
Persistency (13th month by premium)	84.6%	85.0%	0.4 pts

Allianz Malaysia Berhad (12428-W)

Allianz SE Group




4

Allianz SE

Allianz 2Q 2011

Strong portfolio delivers resilient performance



- Revenues of EUR 24.6bn generating strong operating profit of EUR 2.3bn.
- P/C operating profit up by 15.9 percent to EUR 1.3bn with a combined ratio at 95.0 percent.
- L/H operating profit at EUR 0.7bn with a new business margin of 2.5 percent.
- AM performance with operating profit of EUR 0.5bn continuing at record levels.
- Net income of EUR 1.1bn despite current burden of EUR 326mn from impairments on Greek sovereign bonds.
- Capital position continues to be strong

Note: Details of Allianz SE Group results can be obtained from the following website:
https://www.allianz.com/en/investor_relations/index.html

Disclaimer

This update on Allianz Malaysia Berhad's Financial Results has been prepared for general information purposes. Professional advice should always be sought prior to making any investment related decisions.

The Company shall endeavour to provide quarterly updates on the Company's Financial Results.

Thank You
for Your Attention

