

Our investment management philosophy

Stability and reliability

Allianz Life Insurance Company of North America





True to our promises

Message from Gary C. Bhojwani President and Chief Executive Officer

At Allianz Life Insurance Company of North America (Allianz), every decision we make is guided by a single principle: We're true to the people we serve, each and every day.

That commitment is at the heart of every decision we make – from the products we offer, to how we manage our assets.

We're proud to be a leading provider of innovative financial products – including fixed annuities, variable annuities, and life insurance – that help our customers pursue their financial goals.

We're also proud of our disciplined investment approach. We focus on stability, reliability, and long-term gains, which helps us guarantee the benefits we offer and the money you entrust to our care.

The detailed information in the following pages will show you how we earn that trust ... and how we're true to our promises, so you can be true to yours. After all, a promise is a promise.

A handwritten signature in black ink, appearing to be 'GCB', written in a cursive style.

We focus on results.

At Allianz, we understand that the savings you work hard to accumulate have a value beyond the numbers. Your savings represent your dreams for the future, your goals, and the security you need to enjoy the life you want.

That's why we've built our company around a commitment to being true: We're true to our customers. We're true to our promises. And we're true to our investment philosophy.

We've designed our conservative investment management approach to weather all market conditions and achieve long-term gains. We seek steady, reliable performance based on:

- Diversification across high-quality, fixed-income asset types
- High credit rating requirements
- Efficient asset-liability matching and strong risk modeling
- A high level of liquidity

We're experts in risk management.

We use our extensive, in-house risk-management capabilities to monitor and control risk in real time. This allows us to hedge against potentially extreme market events, from general market turbulence to periodic financial crises. We've been successfully hedging our products since 1996.

Our approach to risk management also allows us to design innovative products. As a leader in fixed and variable annuities, we create products that help consumers to build their assets over the long term – and receive income for life – while managing risk.

We're part of a global financial powerhouse.

We're proud to be part of Allianz SE, a global financial services group. Founded in 1890 in Germany, Allianz SE serves nearly 75 million customers in 70 countries.



P I M C O

Allianz SE is the world's:

- 20th largest company ¹
- 3rd largest company in the insurance industry based on sales ²
- 4th largest company in the insurance industry based on assets ²
- 2nd largest money manager ³

We're also part of the Allianz SE family of companies in North America, including [Fireman's Fund](#)[®] and [Allianz Global Investors](#). Fireman's Fund has been selling insurance for more than 140 years, and Allianz Global Investors is a network of companies that includes [PIMCO \(Pacific Investment Management Company LLC\)](#), one of the world's leading fixed-income managers.

¹ "Fortune Global 500," *Fortune*, July 26, 2010. *Fortune's* ranking is based on revenue.

² Data from "Forbes Global 2000," *Forbes*, April 21, 2010.

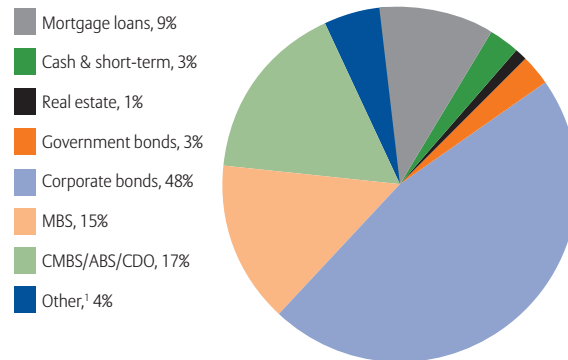
³ "The P&I/Watson Wyatt World 500: The World's Largest Money Managers," *Pensions & Investments*, October 5, 2009 (www.pionline.com). Ranked by total assets under management.

We focus on steady, reliable performance.

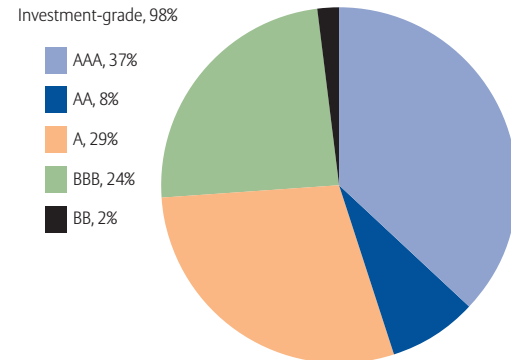
We carefully manage our general account to achieve results over time, not overnight. Our portfolio of nearly \$60 billion is comprised of 99% fixed-income securities, of which 98% are investment grade.

Investment-grade securities are generally of higher quality and are more likely to repay principal than non-investment-grade securities. We manage our investment-grade bonds to a credit quality of AA, or Very Strong, according to Standard & Poor's.

Investment portfolio mix



Quality of fixed-income securities



¹ Other includes Derivatives, Equities, Partnerships, and Loans.

Terms:

- ABS Asset-backed security
- MBS Mortgage-backed security
- CMBS Commercial mortgage-backed security
- CDO Collateralized debt obligation

We offer financial strength.

Any financial product is only as strong as the company behind it. That's why it's important that you work with a company you can trust for the long term.

Allianz has maintained enviable cash reserves and a strong operating margin, in spite of continued economic turbulence.

ALLIANZ LIFE		ALLIANZ SE	
2009	(USD in millions)	2009	(Euros in billions)
Statutory premium	8,997	Total revenue	97.4
Total assets	88,941	Total assets	584.0
Total liabilities	82,689	Total liabilities	541.8
Total equity	6,252	Total equity	42.2

Total revenues include statutory gross premiums written in property-casualty and life/health, operating revenues in asset management, and total revenues in corporate and other (banking). Balance sheet numbers reported as of 12/31/09 and are based on International Financial Reporting Standards (IFRS).

We enjoy solid ratings.

Our consistently high ratings from independent rating agencies – including A.M. Best, Standard & Poor’s, and Moody’s – reflect our stability, integrity, and our strong balance sheet.

RATING AGENCY	ALLIANZ LIFE	ALLIANZ SE
STANDARD & POOR’S	AA (Very Strong)	AA (Very Strong)
A.M. BEST	A (Excellent)	A+ (Superior)
MOODY’S	A2 (Good)	Aa3 (Excellent)

For a full description of how rating categories are assigned, please refer to the rating agencies’ websites:
www.AMBest.com
www.standardandpoors.com
www.moody.com

The Standard and Poor’s rating of AA (Very Strong) is the 3rd highest of 21 possible ratings, and was affirmed for Allianz Life in August 2010, and for Allianz SE on September 7, 2010.

The A.M. Best rating of A (Excellent) is the 3rd highest of 16 possible ratings, and was affirmed for Allianz Life in February 2010. The A.M. Best rating of A+ (Superior) is the 2nd highest of 16 possible ratings, and was affirmed for Allianz SE on March 11, 2009.

The Moody’s rating of A2 (Good) is the 6th highest of 21 possible ratings, and was affirmed for Allianz Life in August 2009. The Moody’s rating of Aa3 (Excellent) is the 4th highest of 21 possible ratings, and was affirmed for Allianz SE on February 26, 2009.

These independent agency ratings are based on an analysis of financial results and an evaluation of management objectives and strategies. The ratings do not indicate approval by the analysts and are subject to change.

We’re well-positioned for what’s ahead.

Thanks to a combination of careful planning, disciplined investing, and expert risk management, Allianz is well-positioned to meet its challenges and fulfill its promises.

**If you’re looking for stability and reliability, look to Allianz.
We’re true to our promises, so you can be true to yours.®**



True to our promises ... so you can be true to yours.®

A leading provider of annuities and life insurance, Allianz Life Insurance Company of North America (Allianz) bases each decision on a philosophy of being true: True to our strength as an important part of a leading global financial organization. True to our passion for making wise investment decisions. And true to the people we serve, each and every day.

Through a line of innovative products and our network of trusted financial professionals, Allianz helps more than 1.2 million people as they seek to achieve their financial and retirement goals. Founded in 1896, Allianz is now proud to play a vital role in the success of our global parent, Allianz SE, one of the world's largest financial services companies.

While we pride ourselves on our financial strength, we're made of much more than our balance sheet. We believe in making a difference with our clients by being true to our commitments and keeping our promises. People rely on Allianz today and count on us tomorrow – when they need us most.

Guarantees are backed solely by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America. Variable annuity guarantees do not apply to the performance of the variable subaccounts, which will fluctuate with market conditions.

Not FDIC insured • May lose value • No bank or credit union guarantee • Not a deposit • Not insured by any federal government agency or NCUA/NCUSIF

Products are issued by Allianz Life Insurance Company of North America. Variable annuities are distributed by its affiliate, Allianz Life Financial Services, LLC, member FINRA, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. www.allianzlife.com

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