

6th April 2016

Insurance

**Allianz**

Price EUR135.90

**Sale of the South Korean Life and AM businesses to Anbang**

**Fair Value EUR195 (+43%)**

**BUY-Top Picks**

Bloomberg	ALV GR
Reuters	ALVG.DE
12-month High / Low (EUR)	169.7 / 126.6
Market Cap (EURm)	62,106
Avg. 6m daily volume (000)	1,654

	1 M	3 M	6 M	31/12/15
Absolute perf.	-3.7%	-13.2%	-5.1%	-16.9%
Insurance	-5.5%	-14.4%	-10.2%	-17.0%
DJ Stoxx 600	-4.0%	-8.6%	-8.4%	-10.3%

	2015	2016e	2017e	2018e
P/E	9.3x	9.6x	9.1x	
Div yield (%)	5.4%	5.4%	5.5%	

#### ANALYSIS

- The company has announced the sale of its South Korean Life and Global Investors businesses to the Chinese group Anbang Insurance.
- No official price has been mentioned, but according to the local press it is thought to stand in the EUR200-225m area.
- This is not a major transaction for Allianz, yet the impact is expected to be slightly positive as the Life business in South Korea generated a EUR244m operating loss in 2015 (after a EUR51m loss in 2014).

#### VALUATION

- Based on our current estimates, our SOTP valuation is EUR195.

#### NEXT CATALYSTS

- AGM on 4th May. Q1 2016 numbers to follow on 11th May.

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## Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

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