



Allianz Global Corporate & Specialty

Press Release

For immediate release



Allianz Risk Transfer, Nephila Capital announce additional capacity for 2009 wind season

Hamilton, Bermuda, May 11, 2009. Allianz Risk Transfer and Nephila Capital today announced that they have finalized agreements with two investor groups to bring US\$200 million of new risk capacity to the natural catastrophe property reinsurance market.

The first investor group has capitalized a new company, which will be managed by Nautical Management Limited (Nautical), a joint venture of the Allianz Risk Transfer Group (ART) and Nephila Capital Limited (Nephila). Nautical was established in 2007 to provide insurance management services to this and other dedicated natural catastrophe reinsurers such as Prism Re.

Nephila separately announced an additional investment in one of its funds by an existing investor group seeking exposure to the same portfolio of risks. ART, Nephila and Nautical will provide portfolio risk selection, underwriting, claims management and reporting services to both investor groups.

The new vehicle "will bring additional risk capacity on-line just as the June 1 renewal season is getting underway," said Bill Guffey, chief underwriting officer of ART, "capacity which is in great demand given the current economic environment."

"We have longstanding relationships with both ART and this investor group, and are delighted to be able to strengthen both relationships while providing additional capacity to the market," said Frank Majors, portfolio manager at Nephila.

Allianz Risk Transfer

The Allianz Risk Transfer Group was founded in 1997 as the center of competence for the alternative risk transfer business within the Allianz Group. As part of Allianz Global Corporate & Specialty, the industrial arm of the Allianz Group, ART provides industrial, financial and insurance companies worldwide with innovative solutions in the management of insurance risks. ART's Insurance Linked Markets group develops convergence-themed products and services for (re)insurers and investors.

Nephila Capital Limited

Nephila is a leading investment manager specializing in the reinsurance industry with multiple investment products dedicated to investing in instruments such as insurance-linked securities, catastrophe bonds, insurance swaps, and weather derivatives. The company has been managing institutional assets in the insurance-linked securities market since its formation in 1998. In June 2008, Man Group plc, a leading alternative investment management firm, acquired a 25 percent interest in Nephila Capital.

Contact

Andreas Berger
Global Head of Market Management &
Communication
Allianz Global Corporate & Specialty
andreas.berger@allianz.com
Tel. +49 (89) 3800 16534

Greg Hagood
Nephila Capital
ghagood@nephilacapital.com
Tel. +1 (441) 295 2934

Disclaimers

No offer

All the securities referred to herein having been sold, this announcement is a matter of record only. The interests referred to herein have not been and will not be registered under the securities laws of any jurisdiction, and any offer or sale thereof may only be made in a transaction exempt from registration.

Cautionary Note Regarding Forward-Looking Statements

The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Allianz Group's core business and core markets, (ii) performance of financial markets, including emerging markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the euro / US dollar exchange rate, (ix) changing levels of competition, (x) changes in laws and regulations, (xi) changes in the policies of central banks and/or foreign governments, (xii) the impact of acquisitions, including related integration issues, (xiii) reorganization measures, and (xiv) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences.

No duty to update

The company assumes no obligation to update any information contained herein.