

London – 05 April 2018

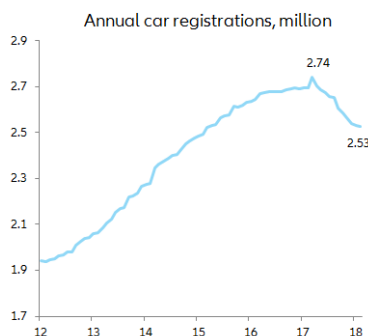
Commenting on the new vehicle sales statistics for March, Maxime LeMerle, Head of Insolvency and Sector Research at Euler Hermes, the world’s leading trade credit insurer, said:

“The expectation of further interest rate rises, Brexit uncertainty and confusion over diesel taxation and air quality regulations will continue to put the pressure on UK new car sales in 2018. We expect to see a -6 per cent drop in new vehicle registrations as confidence data for March indicates a further contraction in future major purchases amongst uncertain consumers, despite their less negative expectations for the economic situation in the next 12 months.

“However, while the UK automotive sector stalls, the EU market will continue to motor ahead with growth in new car sales expected to rise +2.2 per cent this year.”

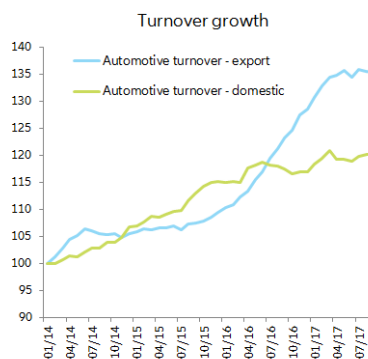
#

UK AUTOMOTIVE: DEPRESSED DOMESTIC MARKET AND STILL HIGH INPUT PRICE PRESSURES



Sources: ONS, Allianz Research

New vehicle sales have been dampened by the loss in purchasing power: -8% since March 2017 to 2.53 million cars. But export demand has been a true buffer

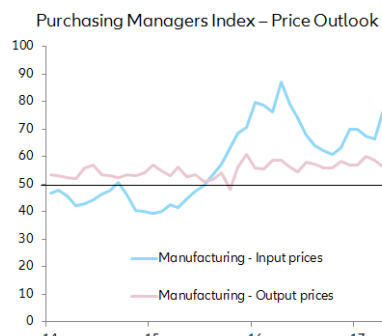


Sources: Markit, Allianz Research

Household credit conditions, risk appetite in the next 3 months

	G1 16	G2 16	G3 16	G4 16	G1 17	G2 17	G3 17	G4 17
Secured lending	0.7	-7.3	1.5	4.2	0.0	-7.7	5.7	2.0
Unsecured lending	-6.0	0.0	-0.5	-0.2	0.7	-7.0	-10.1	-14.5

NE: A positive balance indicates that more unsecured credit is available



Sources: Markit, Allianz Research

Rising input costs have been a drag on margins in 2017, but the good news is that they stand at high levels

Media contacts:

Euler Hermes Media Relations
Adrian Russell +4420 7860 2728
adrian.russell@eulerhermes.com

Citypress
David Bertram +44161 235 0300
David.bertram@eulerhermes.com

Euler Hermes is the global leader in trade credit insurance and a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers business-to-business (B2B) clients financial services to support cash and trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP. Headquartered in Paris, the company is present in 52 countries with 6,050 employees. Euler Hermes is a subsidiary of Allianz, listed on Euronext Paris (ELE.PA) and rated AA by Standard & Poor’s. The company posted a consolidated turnover of €2.6 billion in 2017 and insured global business transactions for €894 billion in exposure at the end of 2017.

Further information: www.eulerhermes.com, [LinkedIn](#) or Twitter [@eulerhermes](#).

Cautionary note regarding forward-looking statements: The statements contained herein may include prospects, 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. Actual results, performance or events may differ materially from those expressed or implied in such forward-looking statements. Such deviations may arise due to, without limitation, (i) changes of the general economic conditions and competitive situation, particularly in the Allianz Group's core business and core markets, (ii) performance of financial markets (particularly market volatility, liquidity and credit events), (iii) frequency and severity of insured loss events, including from natural catastrophes, and the development of loss expenses, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) particularly in the banking business, the extent of credit defaults, (vii) interest rate levels, (viii) currency exchange rates including the euro/US-dollar exchange rate, (ix) changes in laws and regulations, including tax regulations, (x) the impact of acquisitions, including related integration issues, and reorganization measures, and (xi) 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.