



Periodical Financial Information

# 3M 2015 RESULTS

# Main messages

Ageas reports a solid start of the year



## Insurance performance

- Insurance net profit of **EUR 198 mio** (+37%)
- Inflow @ 100% of **EUR 10.0 bn** (+28%)
- Life Guaranteed margin at **91 bps** (vs.98 bps)
- Group combined ratio at **96.5%\*** (vs.102.6%)
- Consolidated Life Technical Liabilities at **EUR 77.1 bn\*** (+ 3% vs. FY '14)

## Group result

- Group net profit of **EUR 241 mio**
- General Account net profit of **EUR 44 mio**, largely driven by RPN(i)

## Balance sheet

- Shareholders' equity at EUR 12.0 bn or **EUR 55.04** per share
- UCG/L at **EUR 15.44** per share
- Insurance solvency at **222%**, Group solvency at 226%
- Net cash position General Account at **EUR 1.6 bn** (stable)

## Progress in legacies

- New agreement between ageas & BNP P to purchase **CASHES**

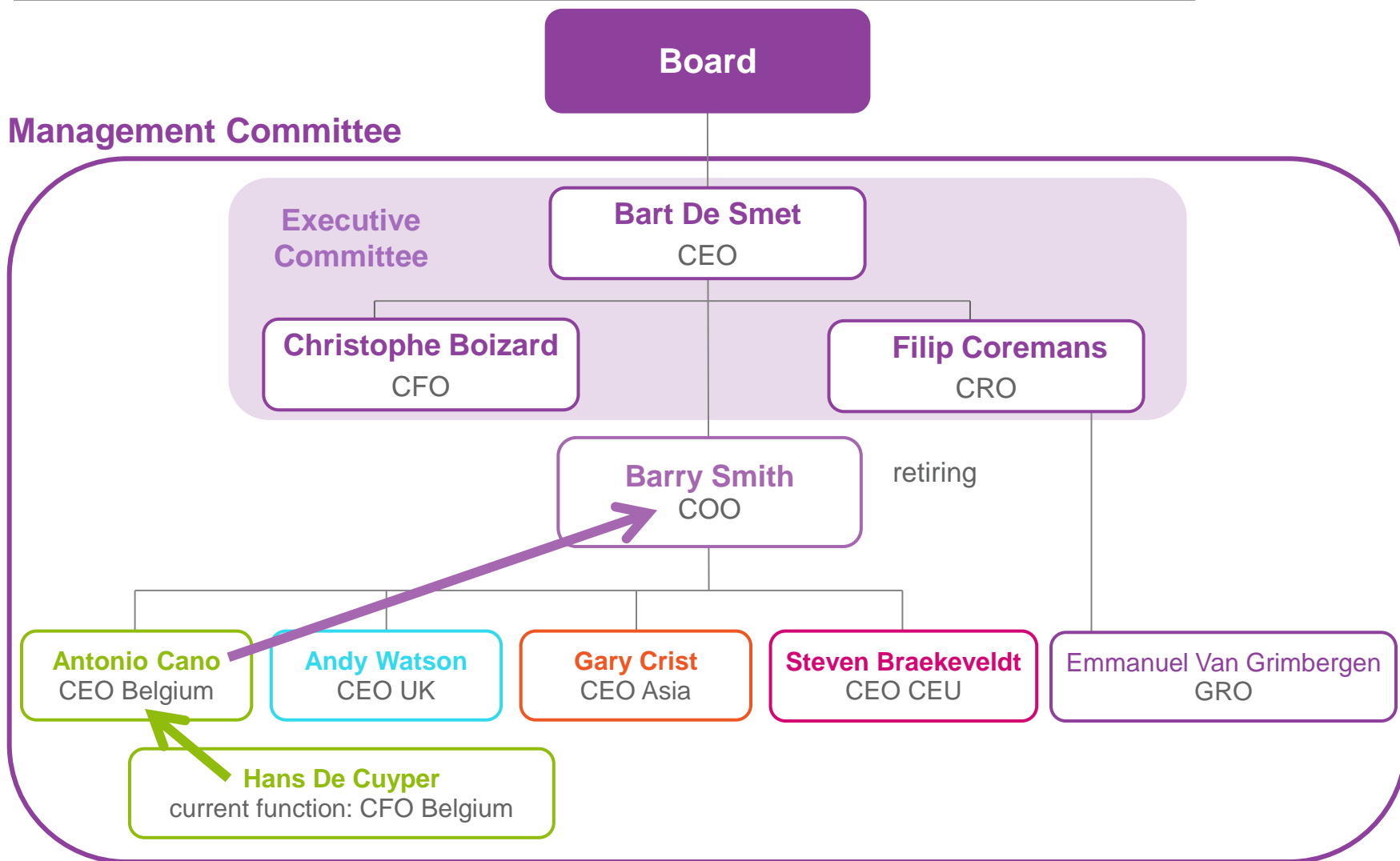
## Dividend

- Gross cash dividend of EUR 1.55 per share approved / paid today

\* Consolidated entities only

# Changes in Management Committee as per 1 October 2015

Antonio Cano becomes COO - replaced as CEO Belgium by Hans De Cuyper

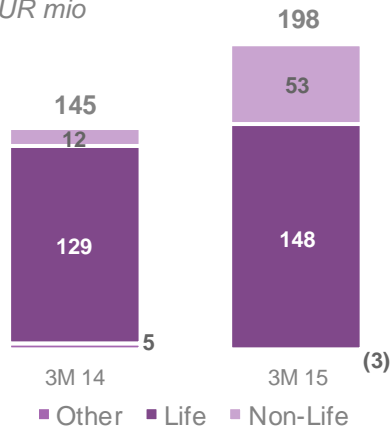


# Total Insurance: Headlines

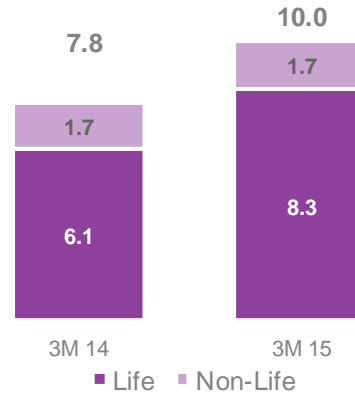


## Inflow @ EUR 10 bn - Net result up in Life & Non-Life

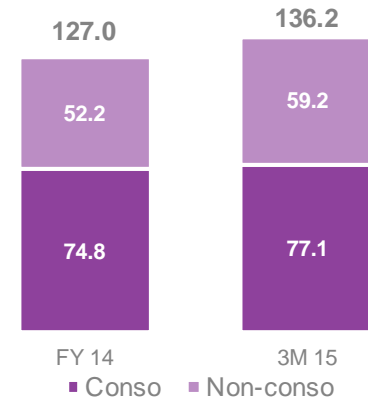
Net result: Life up in non-conso's –  
Non-Life up vs. low 3M 14  
*In EUR mio*



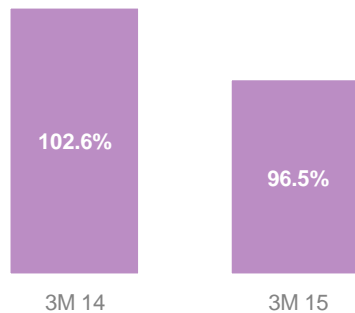
Inflow\*: strong growth in Asia &  
CEU  
*In EUR bn*



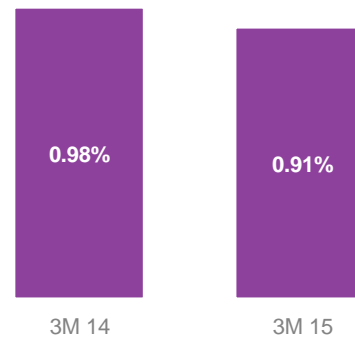
Life Technical liabilities: mainly  
up in non-conso's (China)  
*In EUR bn*



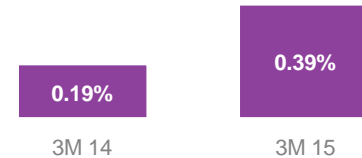
Non-Life combined ratio: all entities  
below 100%  
*In % NEP*



Operating margin Guaranteed:  
lower realized cap gains in BE  
*In % avg technical liabilities*



Operating margin Unit-Linked:  
up in BE & Asia  
*In % avg technical liabilities*



\* incl. non-consolidated partnerships @ 100%

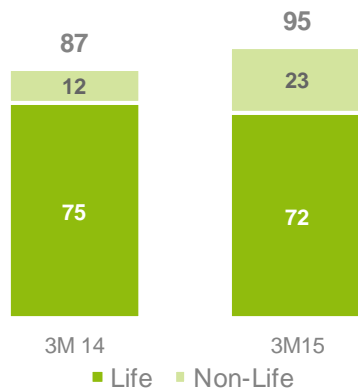
# Belgium : Headlines



Solid overall performance, especially supported by Non-Life

Net result: higher Non-Life result

In EUR mio



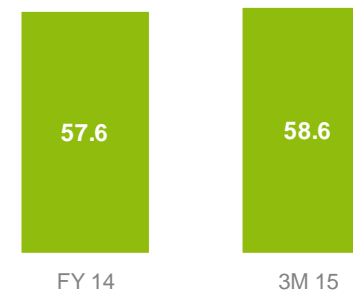
Inflow: anticipated decrease in Life in lasting low i-rate environment

In EUR bn



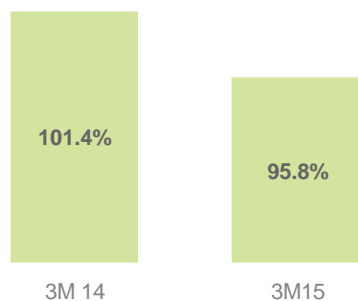
Life Technical liabilities up both in Guaranteed & Unit-Linked

In EUR bn



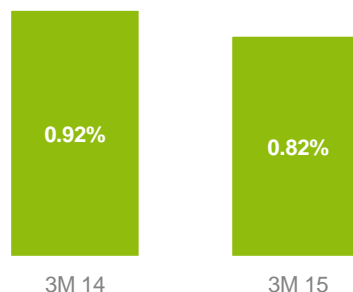
Non-Life combined ratio: improvement across most product lines

In % NEP



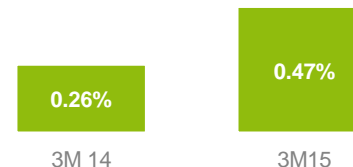
Operating margin Guaranteed: lower cap gains but still within target range

In % avg. technical liabilities



Operating margin Unit-Linked: negative mortality result in 3M 14

In % avg. technical liabilities

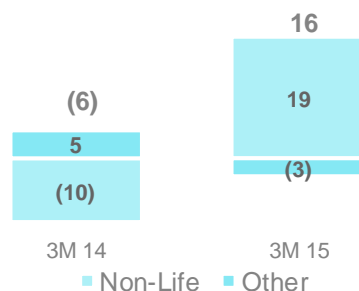


# United Kingdom: Headlines

## Challenging market - Non-Life result up on better weather conditions vs. 3M 14

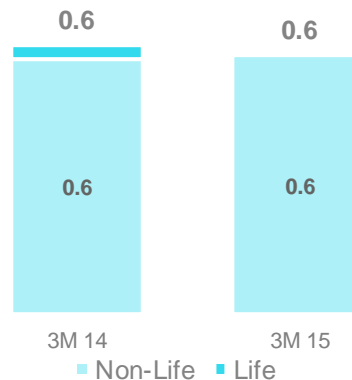
Improved Non-Life operating result offset by Other Insurance

*In EUR mio*



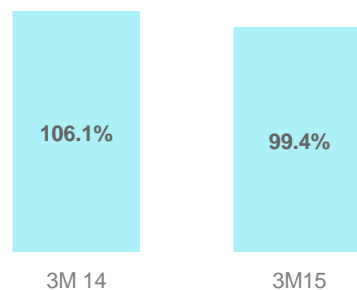
Inflow\* - Challenging Non-Life markets both in Household & Motor

*In EUR bn*



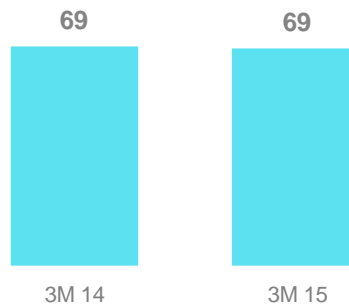
Non-Life combined ratio: Improved Household & Other Lines

*In % NEP*



Other income broadly in line with 2014

*In EUR mio*



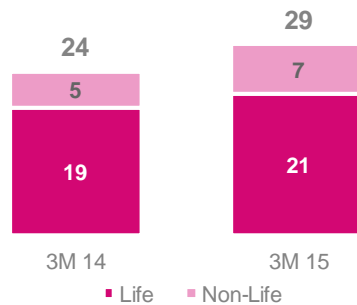
\* incl. non-consolidated partnerships @ 100%

# Continental Europe: Headlines

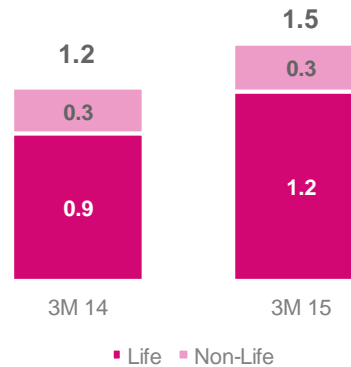


## Strong inflow & increased net profit in Life & Non-Life

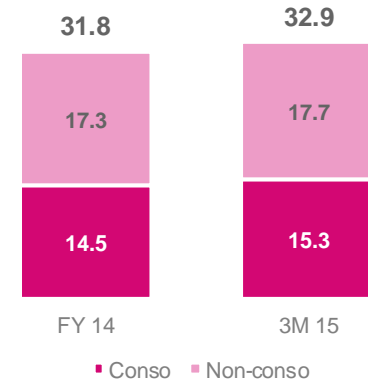
Net profit increase driven by Luxembourg & Portugal Non-Life  
In EUR mio



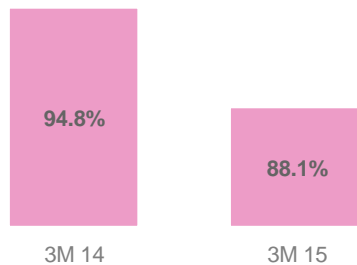
Life Inflow\*: sales up in all entities  
In EUR bn



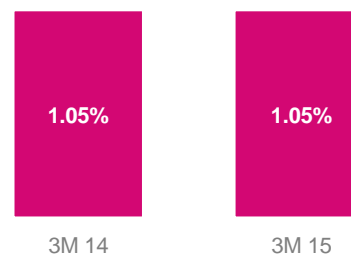
Life Technical liabilities up  
In EUR bn



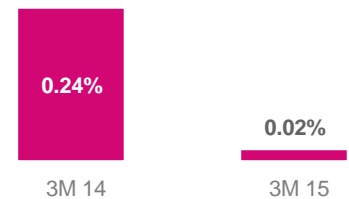
Non-Life combined ratio excellent owing to benign weather  
In % NEP



Operating margin Guaranteed in line with 2014  
In % avg technical liabilities



Operating margin Unit-Linked: lower sales in Portugal  
In % avg technical liabilities



\* incl. non-consolidated partnerships @ 100%

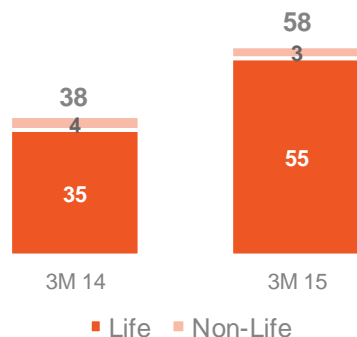
# Asia: Headlines

## Strong Life result driven by new business & renewals



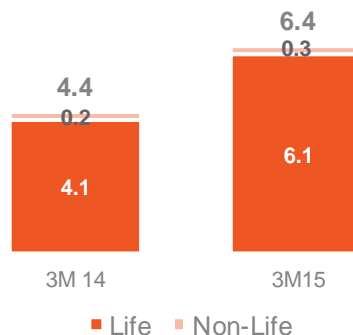
Net result: Better performance in most countries & positive FX

*In EUR mio*



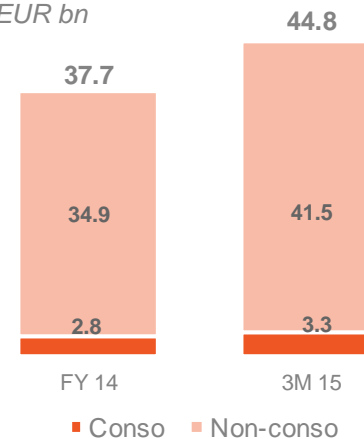
Inflow\* growth fuelled by China & Thailand

*In EUR bn*



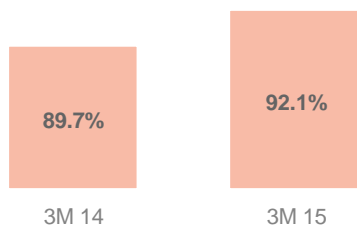
Life Technical liabilities up across all entities

*In EUR bn*



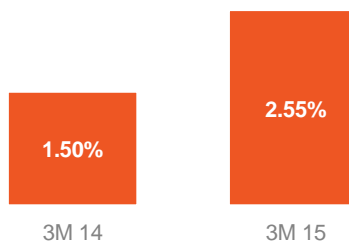
Non-Life combined ratio increased but still excellent

*In % NEP*



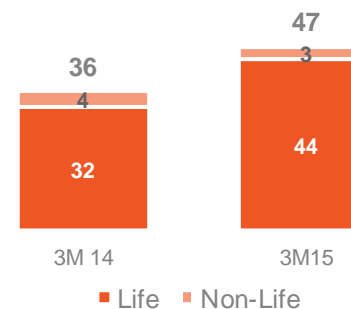
Life operating margin Hong Kong: strong improvement in UL

*In % avg technical liabilities*



Result non-conso partnerships: strong result in China & Thailand

*In EUR mio*



\* incl. non-consolidated partnerships @ 100%



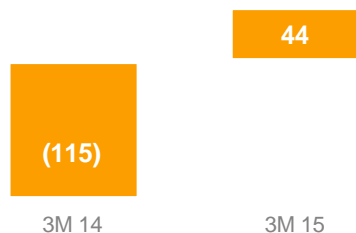
# General Account: Headlines

Impacted by revaluation RPN(i) liability & RPI



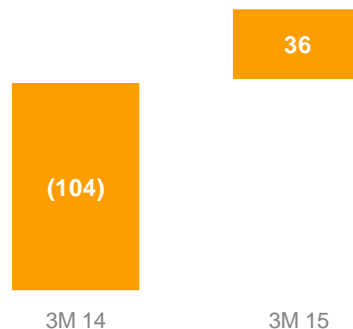
## Net result driven by revaluation RPN(i) & RPI

In EUR mio



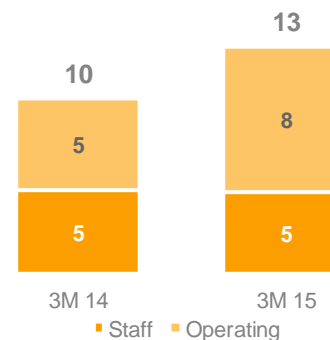
## RPN(i) impact on P&L

In EUR mio



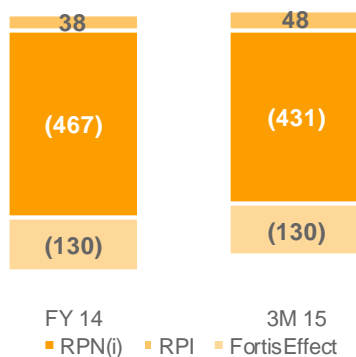
## Staff & Operating expenses

In EUR mio



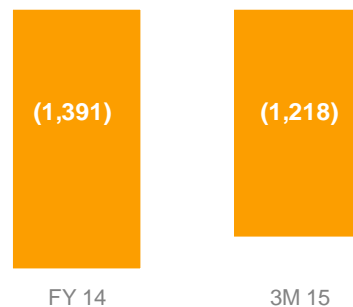
## Accounting value of remaining legacies:

In EUR mio



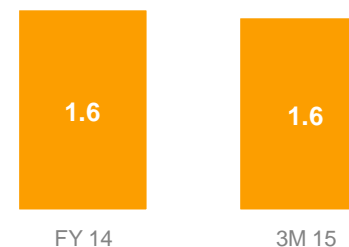
## Accounting value put option on AG Insurance

In EUR mio



## Net cash position stable

In EUR mio



# Progress in solving financial legacies

## Ageas & BNP Paribas close agreement on remaining CASHES

---



### Transaction details

- **BNP P purchases CASHES** @ own discretion re purchase price & timing
- **Conversion** into underlying Ageas shares @ end of each month
- No minimum targets - expiration YE 2016
- Ageas will pay pro-rata RPN(i) value to BNP P @ conversion
- Ageas will receive a break-up fee

### Rationale

- Decreasing volatility of results
- Reduction of interest payments & credit exposure

### Reporting

- Ageas will report monthly on website on progress made re transaction

### CASHES

ISIN BE0933899800

Held by BNP PF

- 12,000 convertible securities issued in 2007 @ 3m Euribor + 200 bps
- 12.5 mio underlying Ageas shares
- After tender 02/12 → 37.06% outstanding: 4,447 CASHES & 4.6 mio underlying shares

### RPN(i)

Held by ageas

- Financial instrument resulting in interest payment 3m Euribor + 90 bps on RPN
- Value RPN(I) liability @ 31/03/15 at EUR 431 mio

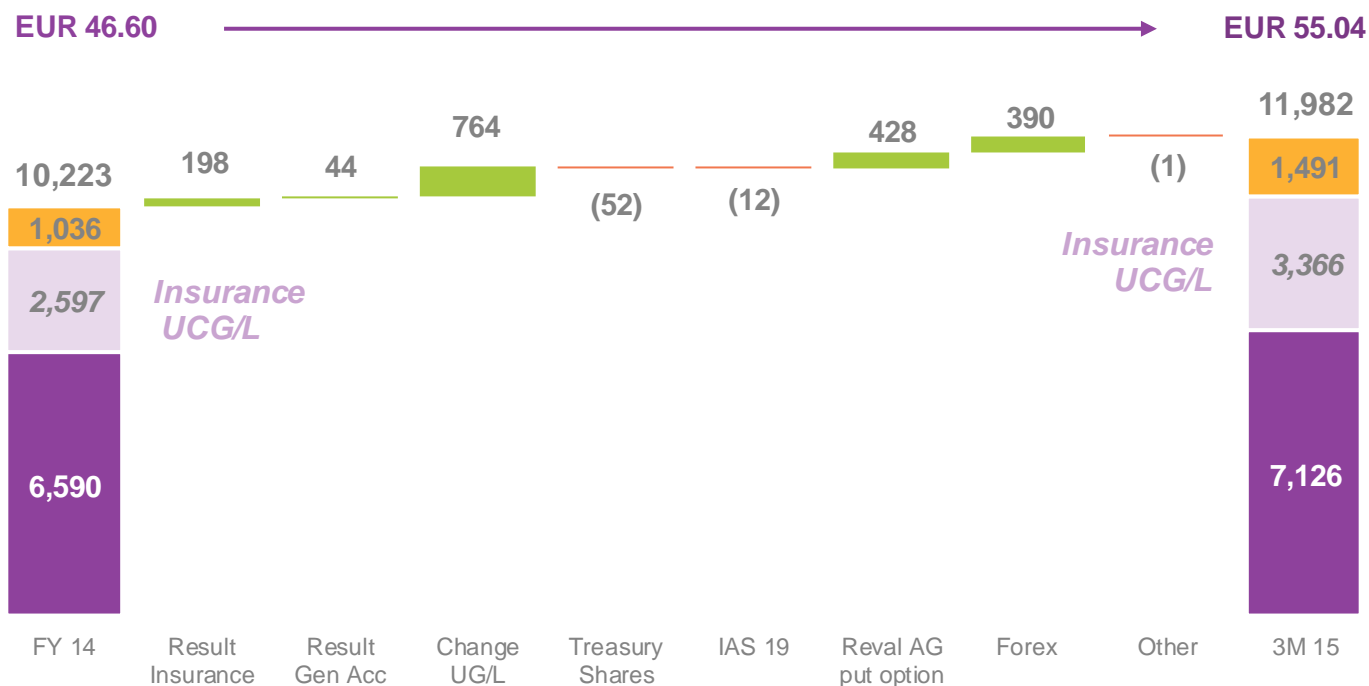
# Shareholders' equity roll forward



Equity up to EUR 12 bn or EUR 55/share with UG/L of EUR 15/share

In EUR mio

Shareholders' equity per share

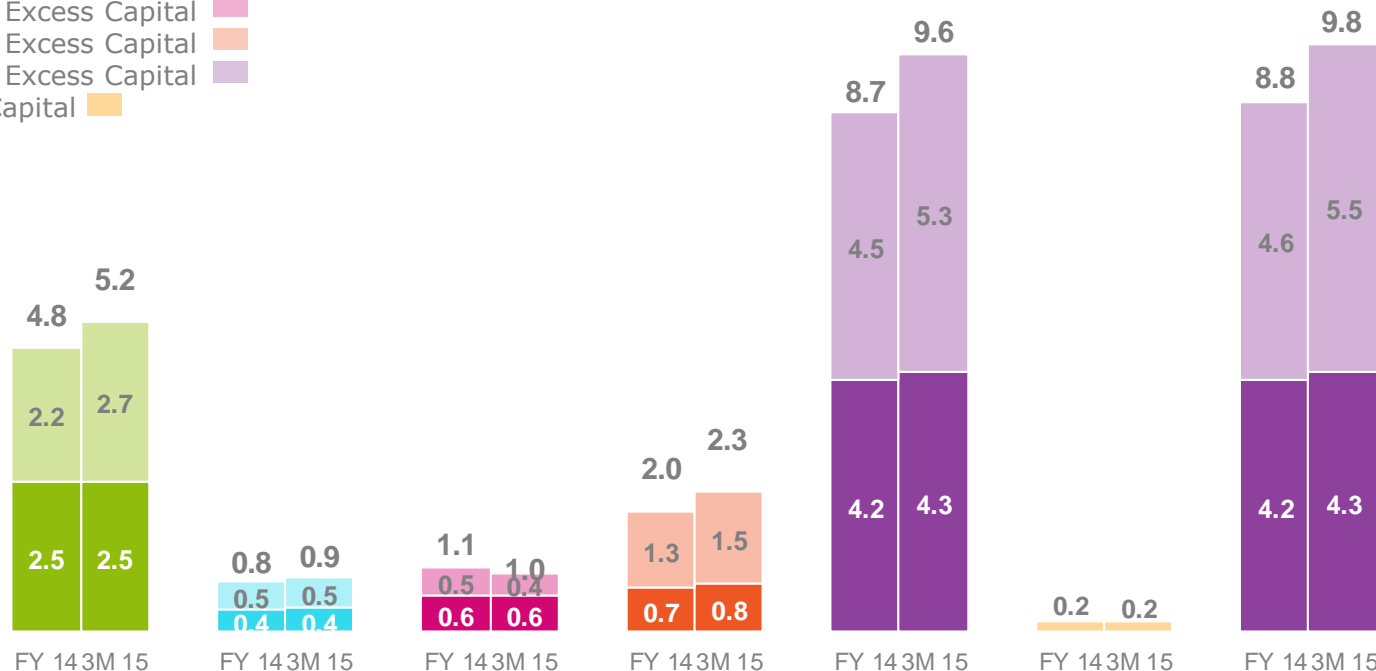


Shareholders' equity per segment	Segment	FY 14		3M 15	
		Value	Change	Value	Change
	<b>Belgium</b>	4,688	▶	5,452	
	<b>UK</b>	1,127	▶	1,238	
	<b>Continental Europe</b>	1,047	▶	1,073	
	<b>Asia</b>	2,325	▶	2,727	
	<b>Insurance</b>	9,187	▶	10,491	
	<b>General Account</b>	1,036	▶	1,491	

# IFRS Insurance Solvency

## Solvency up on higher equity in Belgium & Asia

In EUR bn



Solvency ratio

189% **205%**    231% **235%**    176% **158%**    273% **290%**    206% **222%**    210% **226%**

- **10 bn Inflow** – Asian growth vs European Life volumes
  - **Solid results**
    - both in Life & Non-Life
    - some attention points remain
- Gross **dividend** of EUR 1.55/share paid today





## Annexes

Equity / Solvency

Insurance Activities

Investment portfolio

General Account

General Information

# Key financials

## Strong result in Life, Non-Life & General Account



In EUR mio	3M 14	3M 15	
<b>Gross inflows</b>	<b>7,797</b>	<b>9,993</b>	28%
- of which inflows from non-consolidated partnerships	5,007	7,100	42%
<b>Net result Insurance</b>	<b>145</b>	<b>198</b>	37%
By segment:			
- Belgium	87	95	9%
- UK	(6)	16	-
- Continental Europe	24	29	17%
- Asia	39	58	51%
By type:			
- Life	129	148	15%
- Non-Life	12	53	-
- Other	5	(3)	-
<b>Net result General Account</b>	<b>(115)</b>	<b>44</b>	-
<b>Net result Ageas</b>	<b>30</b>	<b>241</b>	-
Earnings per share (in EUR)	0.13	1.10	-
	FY 14	3M 15	
Insurance Solvency	206%	222%	
<b>Shareholders' equity</b>	<b>10,223</b>	<b>11,982</b>	17%
Net equity per share (in EUR)	46.60	55.04	
Insurance ROE	8.8%	8.0%	
Insurance ROE excl.UG/L	11.4%	11.5%	

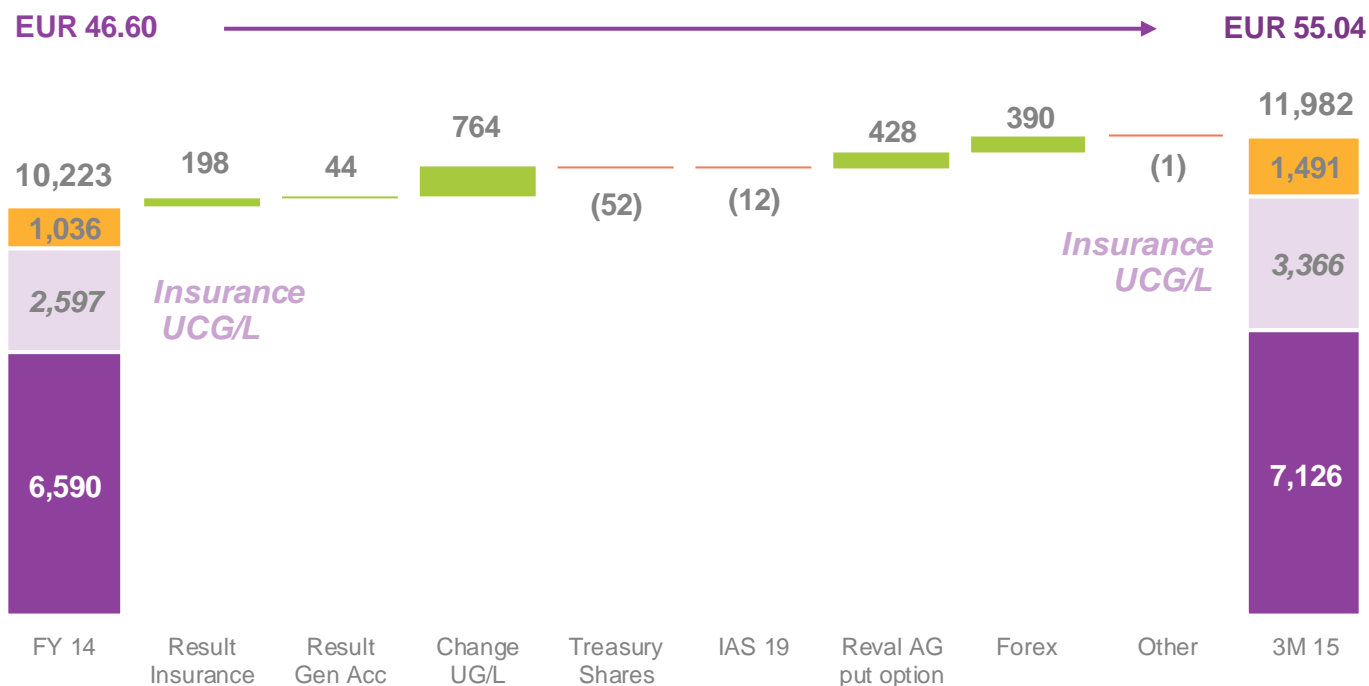
# Shareholders' equity roll forward



Equity up to EUR 12 bn or EUR 55/share with UG/L of EUR 15/share

In EUR mio

Shareholders' equity per share



Shareholders' equity per segment	Segment	FY 14		3M 15	
		Value	Change	Value	Change
	<b>Belgium</b>	4,688	▶	5,452	
	<b>UK</b>	1,127	▶	1,238	
	<b>Continental Europe</b>	1,047	▶	1,073	
	<b>Asia</b>	2,325	▶	2,727	
	<b>Insurance</b>	9,187	▶	10,491	
	<b>General Account</b>	1,036	▶	1,491	



# Tangible net equity

## High quality capital structure

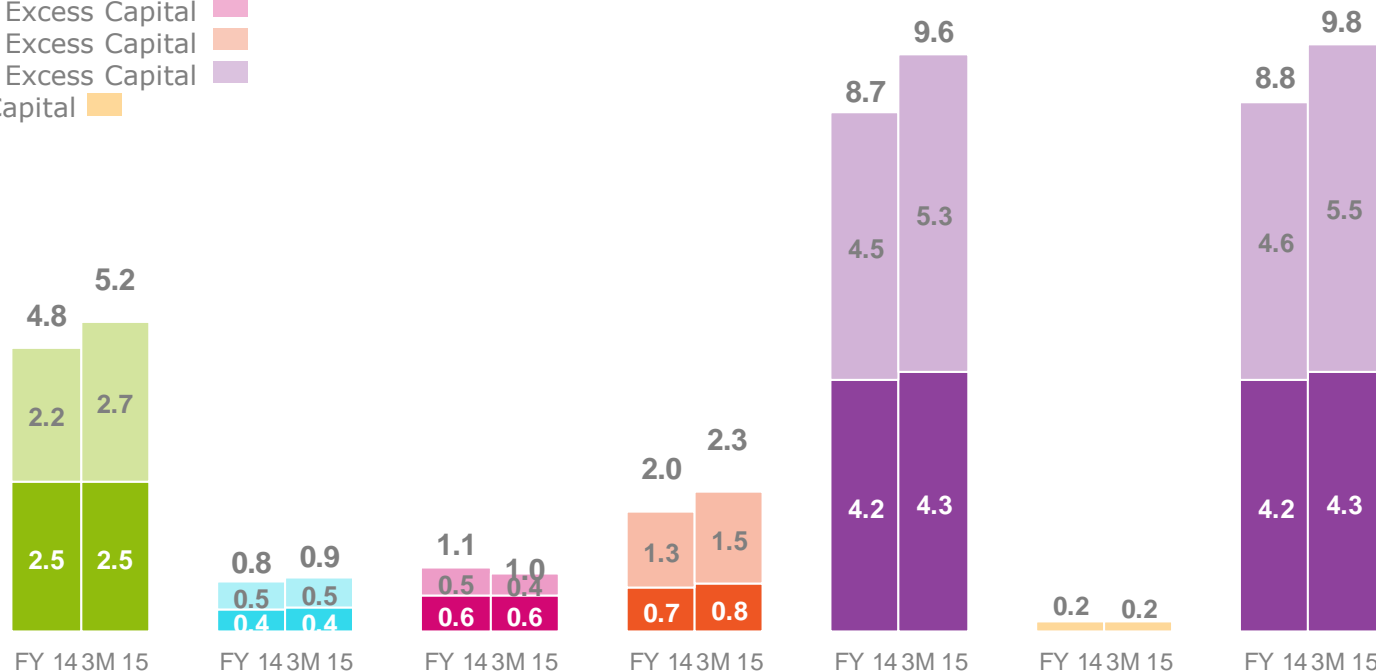


<i>EUR bn</i>	FY 14	3M 15
<b>IFRS Shareholders' Equity</b>	<b>10.2</b>	<b>12.0</b>
Unrealised gains real estate	0.7	0.7
Goodwill	(0.8)	(0.8)
VOBA (Value of Business Acquired)	(0.3)	(0.3)
DAC (Deferred Acquisition Cost)	(0.8)	(0.9)
Other	(0.4)	(0.4)
Goodwill, DAC, VOBA related to N-C interests	0.4	0.3
25% tax adjustment DAC, VOBA & Other	0.3	0.3
<b>IFRS Tangible net equity</b>	<b>9.3</b>	<b>10.9</b>
<b>IFRS Tangible net equity/ IFRS Shareholder's Equity</b>	<b>91%</b>	<b>91%</b>

# IFRS Insurance Solvency

## Solvency up on higher equity in Belgium & Asia

In EUR bn



Solvency ratio

189% **205%**    231% **235%**    176% **158%**    273% **290%**    206% **222%**    210% **226%**



## Annexes

Equity / Solvency

**Insurance activities**

Investment portfolio

General Account

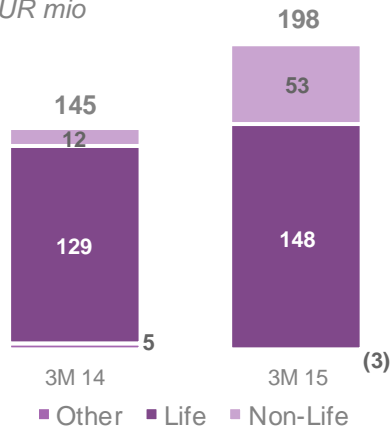
General Information

# Total Insurance: Headlines

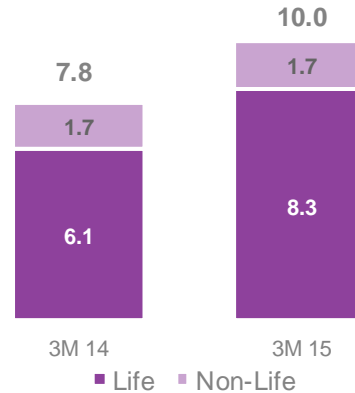


## Inflow @ EUR 10 bn - Net result up in Life & Non-Life

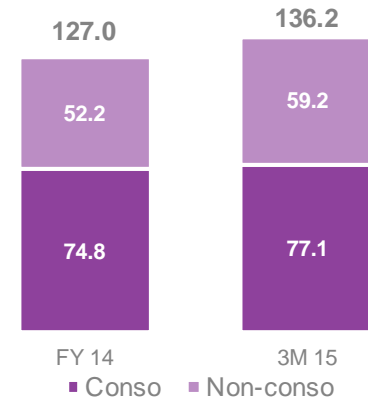
Net result: Life up in non-conso's –  
Non-Life up vs. low 3M 14  
*In EUR mio*



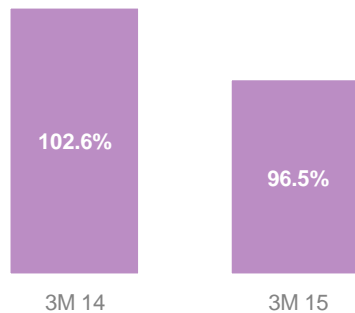
Inflow\*: strong growth in Asia &  
CEU  
*In EUR bn*



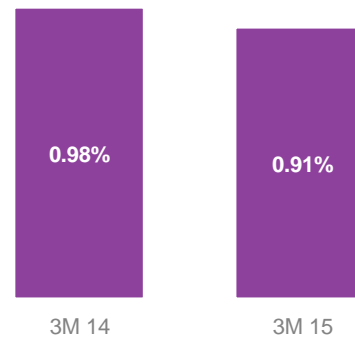
Life Technical liabilities: mainly  
up in non-conso's (China)  
*In EUR bn*



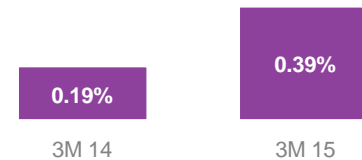
Non-Life combined ratio: all entities  
below 100%  
*In % NEP*



Operating margin Guaranteed:  
lower realized cap gains in BE  
*In % avg technical liabilities*



Operating margin Unit-Linked:  
up in BE & Asia  
*In % avg technical liabilities*



\* incl. non-consolidated partnerships @ 100%

# Inflow @ 100%

EUR 10 bn/quarter mark reached - Growth driven by China, Portugal & Thailand



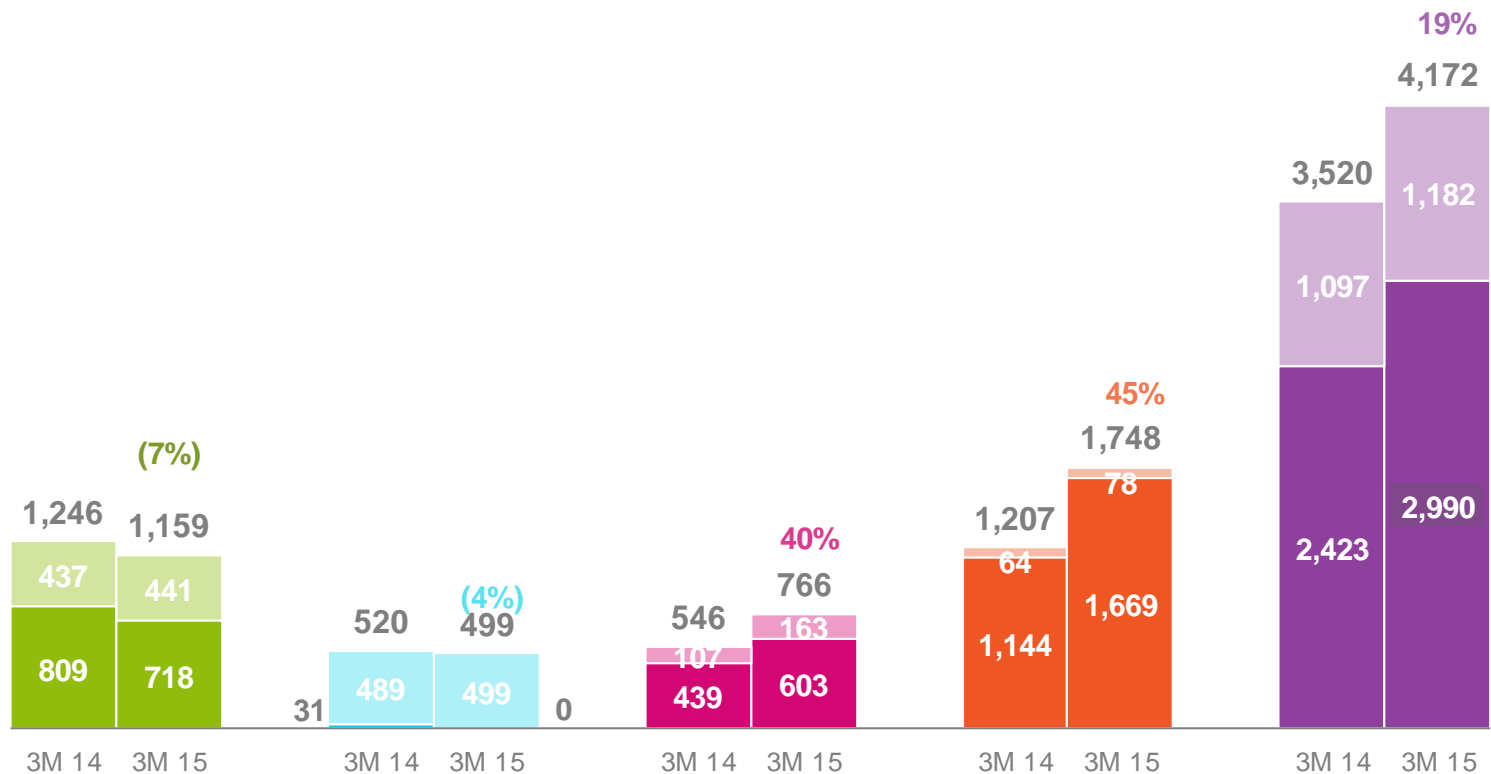
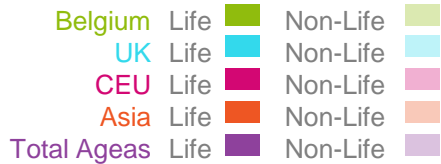
		Life			Non-Life			Total		
<i>EUR mio</i>		3M 14	3M 15		3M 14	3M 15		3M 14	3M 15	
<b>Belgium</b>	75%	<b>1,079</b>	<b>958</b>	(11%)	<b>583</b>	<b>588</b>	1%	<b>1,662</b>	<b>1,545</b>	(7%)
<b>United Kingdom</b>		<b>31</b>	<b>0</b>	-	<b>555</b>	<b>563</b>	1%	<b>586</b>	<b>563</b>	(4%)
Consolidated entities		<b>31</b>	<b>0</b>	-	<b>423</b>	<b>435</b>	3%	<b>454</b>	<b>435</b>	(4%)
Non-consolidated JV's					<b>132</b>	<b>128</b>	(3%)	<b>132</b>	<b>128</b>	(3%)
Tesco	50%				132	128	(3%)	132	128	(3%)
<b>Continental Europe</b>		<b>907</b>	<b>1,168</b>	29%	<b>283</b>	<b>293</b>	4%	<b>1,190</b>	<b>1,461</b>	23%
Consolidated entities		<b>439</b>	<b>657</b>	50%	<b>126</b>	<b>129</b>	3%	<b>564</b>	<b>786</b>	39%
Portugal	51% - 100%	318	459	44%	75	79	6%	393	538	37%
France	100%	120	198	65%				120	198	65%
Italy	50%				51	50	(3%)	51	50	(3%)
Non-consolidated JV's		<b>469</b>	<b>511</b>	9%	<b>157</b>	<b>164</b>	5%	<b>626</b>	<b>675</b>	8%
Turkey (Aksigorta)	36%				157	164	5%	157	164	5%
Luxembourg (Cardif Lux Vie)	33%	469	511	9%				469	511	9%
<b>Asia</b>		<b>4,125</b>	<b>6,132</b>	49%	<b>235</b>	<b>291</b>	24%	<b>4,360</b>	<b>6,423</b>	47%
Consolidated entities		<b>110</b>	<b>126</b>	15%				<b>110</b>	<b>126</b>	15%
Hong Kong	100%	110	126	15%				110	126	15%
Non-consolidated JV's		<b>4,015</b>	<b>6,006</b>	50%	<b>235</b>	<b>291</b>	24%	<b>4,250</b>	<b>6,297</b>	48%
Malaysia	31%	123	142	15%	178	216	21%	302	359	19%
Thailand	31%-15%	446	645	45%	57	75	32%	503	720	43%
China	25%	3,409	5,148	51%				3,409	5,148	51%
India	26%	37	71	94%				37	71	94%
<b>Ageas</b>		<b>6,141</b>	<b>8,257</b>	34%	<b>1,656</b>	<b>1,735</b>	5%	<b>7,797</b>	<b>9,993</b>	28%
Consolidated entities		1,658	1,741	5%	1,132	1,152	2%	2,790	2,893	4%
Non-consolidated JV's		4,484	6,517	45%	524	583	11%	5,007	7,100	42%

# Inflow @ Ageas's part

Strong growth in Asian JV's, Guaranteed Life sales down in Belgium



In EUR mio

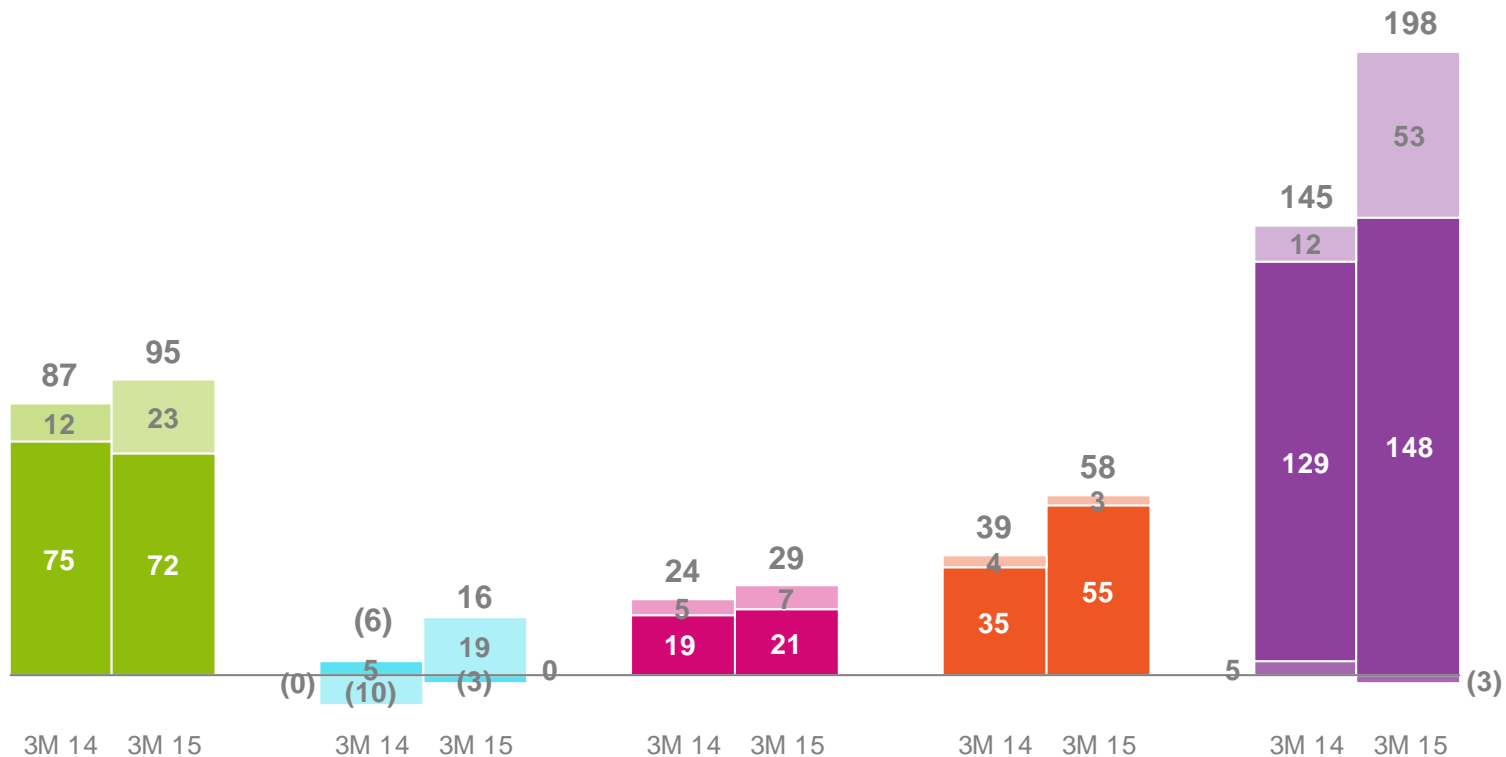


# Insurance net result

Better results across all segments - in both Life & Non-Life



In EUR mio



# Overview of net realised capital gains\* by segment

## Less impact of capital gains on Ageas's net profit

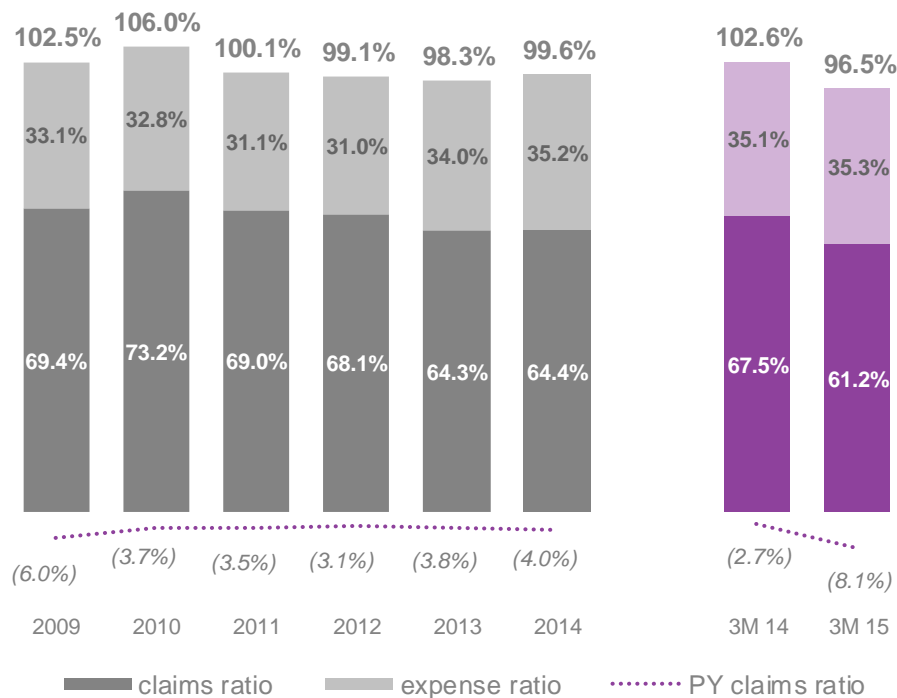
EUR mio	3M 14	3M 15	
Life	34	16	less cap gains mainly in fixed income & to lesser extend in equities
Non-Life	3	1	
<b>Total Belgium</b>	<b>37</b>	<b>17</b>	
Life			
Non-Life	1	5	
Other		0	
<b>Total UK</b>	<b>1</b>	<b>5</b>	
Life	1	2	
Non-Life	(0)	0	
<b>Total CEU</b>	<b>1</b>	<b>2</b>	
Life	9	5	
Non-Life	1		
<b>Total Asia</b>	<b>10</b>	<b>5</b>	
Life	44	23	
Non-Life	5	6	
Other		0	
<b>Total Ageas</b>	<b>49</b>	<b>30</b>	

\* Net capital gains include capital gains, impairment & related changes in profit sharing, net of tax & @ ageas's part – CEU JV's not included



# Insurance Combined ratio

On track to be substantially below 100% across all segments



## Combined ratio

- Benefiting substantially from PY claims
- Household back to normal levels – 3M 14 heavily hit by storms & floods, mainly in the UK
- Accident & Health: strongly improving in BE & CEU
- Motor : unfavourable CY claims experience across all segments

## Claims ratio

- CY claims ratio (69.3% vs. 70.2%) most significant impact in Household
- PY claims ratio significantly higher than usual - coming from positive evolution in all segments, mainly BE
- Expense ratio stable

Net earned premium in EUR mio

2,497   2,858   3,507   4,178   3,749   3,843   932   985

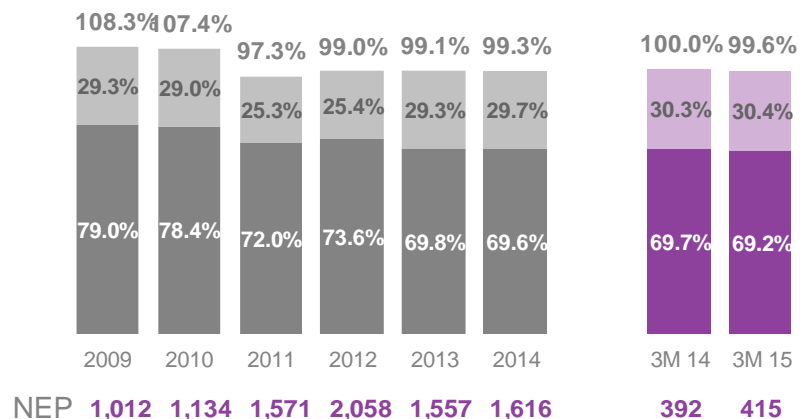
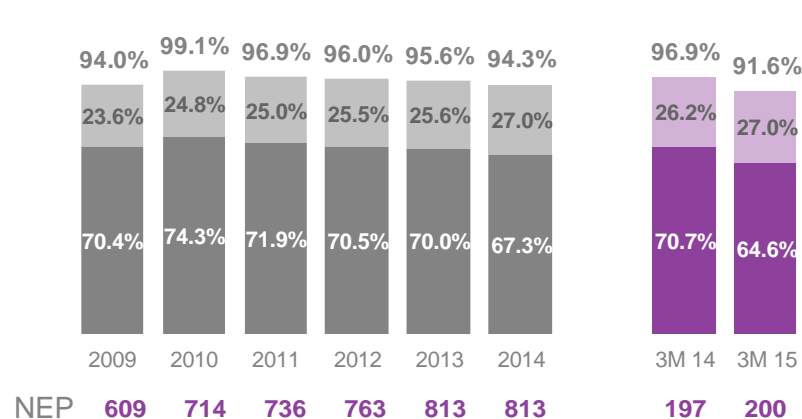
# Insurance Combined ratio per product line

## Improvement across all product lines compared to 3M 14



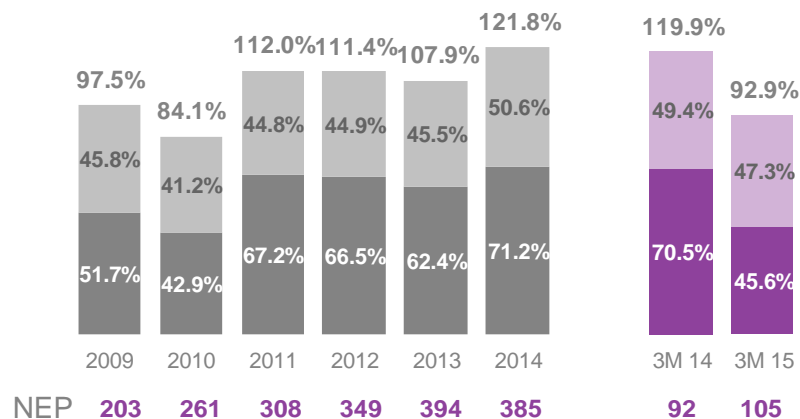
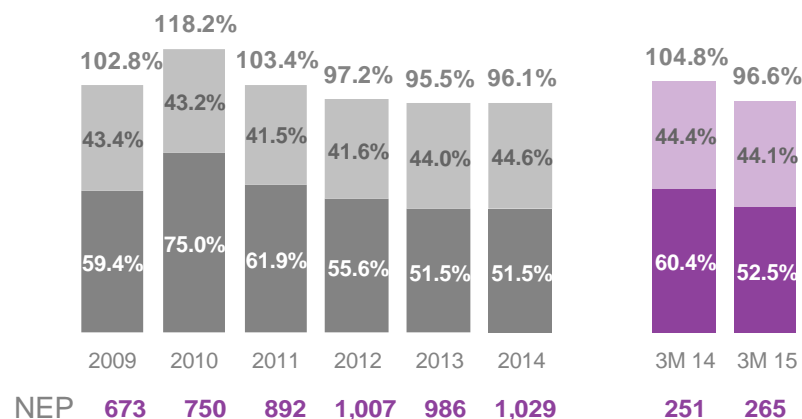
**Accident & Health:** good performance confirmed

**Motor:** stable



**Household:** back to normal levels

**Other:** improvement across all segments

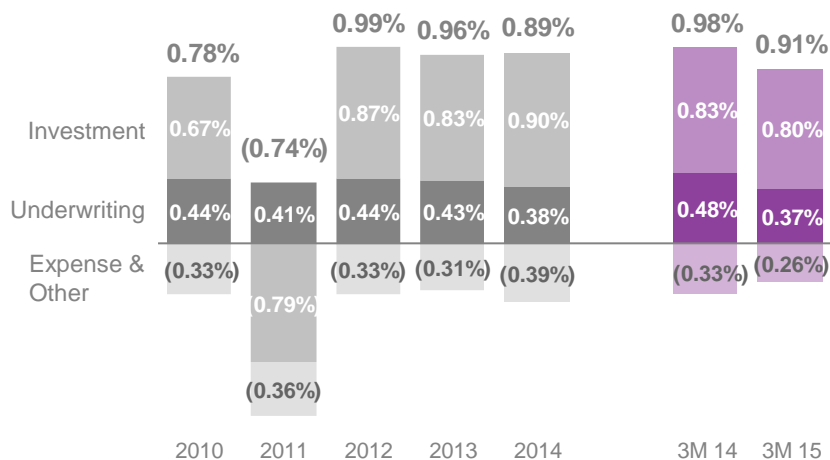


# Insurance Life operating margin per product line

## Margins in Guaranteed above target range



**Guaranteed:** driven by investment margin

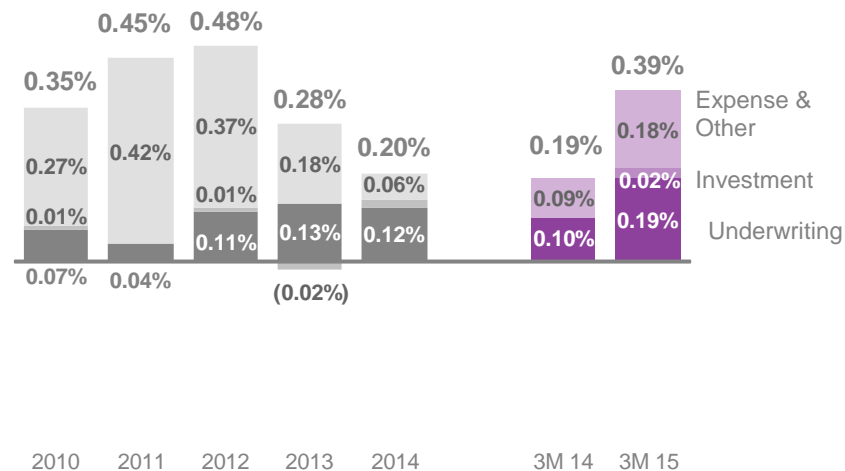


Average technical liabilities

In EUR bn 50.4 52.3 54.0 55.5 56.9 56.0 57.8

- **Investment margin:** lower realized capital gains in BE & Hong Kong
- **Underwriting margin** impacted by lower risk margin in BE & Hong Kong
- **Expense margin** improving due to organic growth in Hong Kong

**Unit-linked:** increase driven by Belgium & Hong Kong



Average technical liabilities

20.2 12.4 11.8 12.3 12.6 12.6 13.3

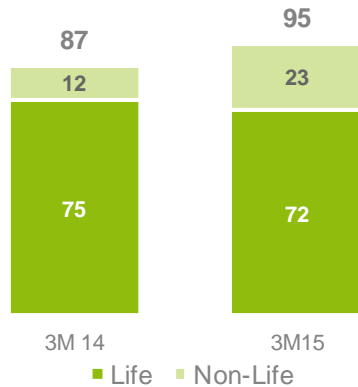
- **Underwriting margin** up in BE & Hong Kong
- **Expense & other margin** increase in BE & Hong Kong more than compensating decrease related to lower sales in Portugal

# Belgium : Headlines

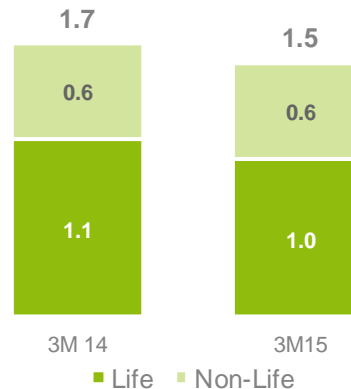


Solid overall performance, especially supported by Non-Life

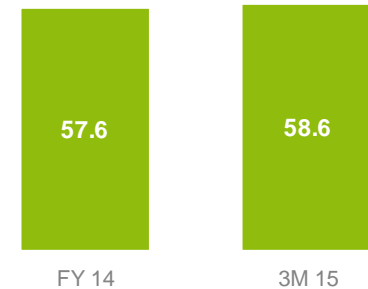
Net result: higher Non-Life result  
In EUR mio



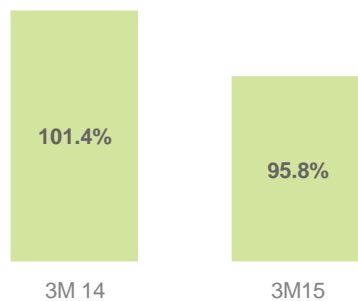
Inflow: anticipated decrease in Life  
in lasting low i-rate environment  
In EUR bn



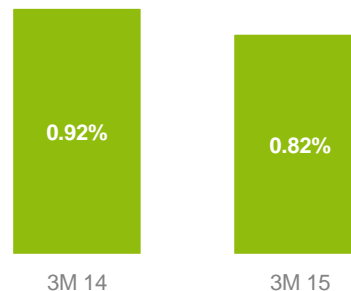
Life Technical liabilities up both  
in Guaranteed & Unit-Linked  
In EUR bn



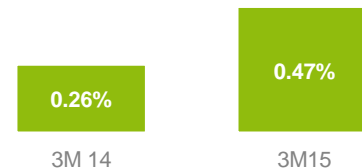
Non-Life combined ratio: improvement  
across most product lines  
In % NEP



Operating margin Guaranteed: lower  
cap gains but still within target range  
In % avg. technical liabilities



Operating margin Unit-Linked:  
negative mortality result in 3M 14  
In % avg. technical liabilities

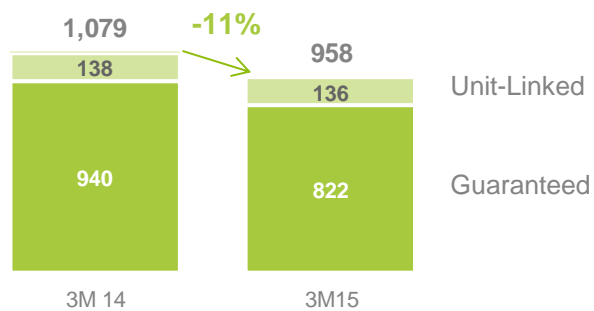


# Belgium: Inflow @ 100%

Guaranteed Individual Life: anticipated decrease in lasting low i-rate environment

## Life

In EUR mio



## Unit-linked

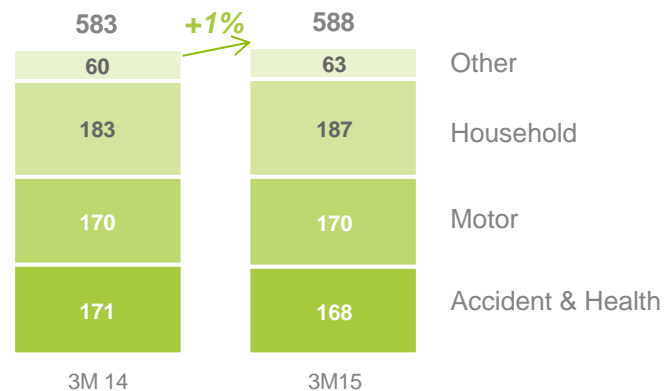
- Inflow in **Unit Linked** remained stable, mainly structured UL

## Guaranteed

- Decrease in short term investment products - anticipated given the lasting low interest environment
- Good performance in Traditional Life products.
- **Group Life** Inflow are 4% above last year

## Non-Life

In EUR mio



## Technical liabilities end-of-period

- Up 2% vs. FY 2014 to EUR 59 bn as result of shadow accounting (Guaranteed) & positive market value evolution (UL)

## Household, Motor, Other

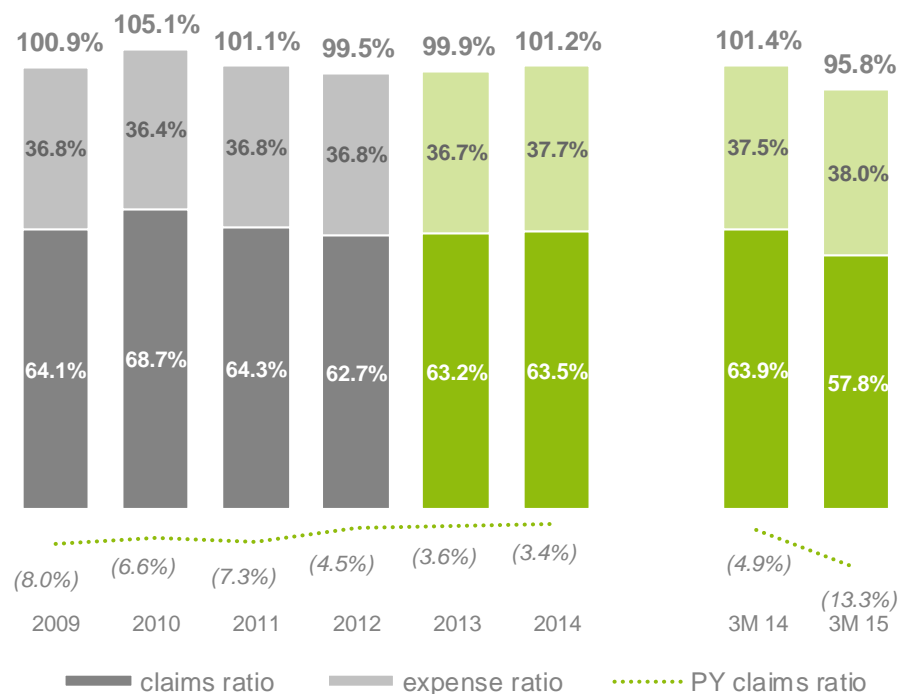
- Steady growth in Household & Other
- Motor remained stable

## Accident & Health

- Pruning actions in Workmen's Compensation

# Belgium: Combined ratio

## Improvement across most product lines



### Combined ratio

- Positively impacted by significant improvement PY claims ratio, more than offsetting increase in CY claims ratio

### Claims ratio

- CY ratio** at 71.1% (vs. 68.8%) - deterioration in Household mainly due to higher large claims – increase of claims frequency in Motor
- PY ratio:** strongly impacted by increase of provision for recoveries (mainly in Household & Workmen's Compensation), good prior year evolution in Motor – consequence PY reserve strengthening in TPL

**Expense ratio** almost stable

### Net earned premium in EUR mio

1,469   1,541   1,601   1,698   1,785   1,815   445   454

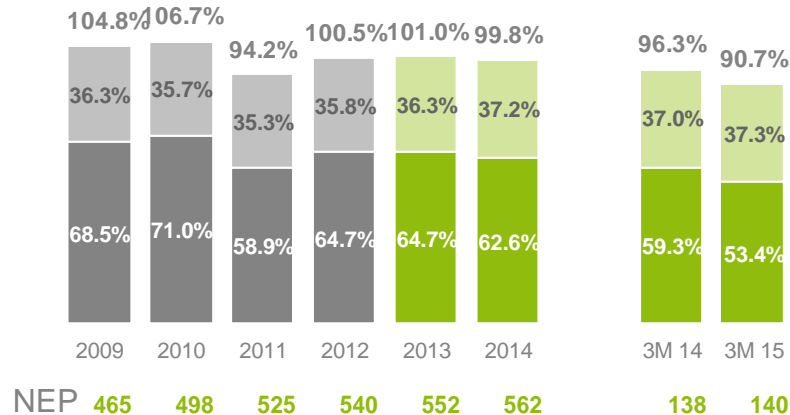
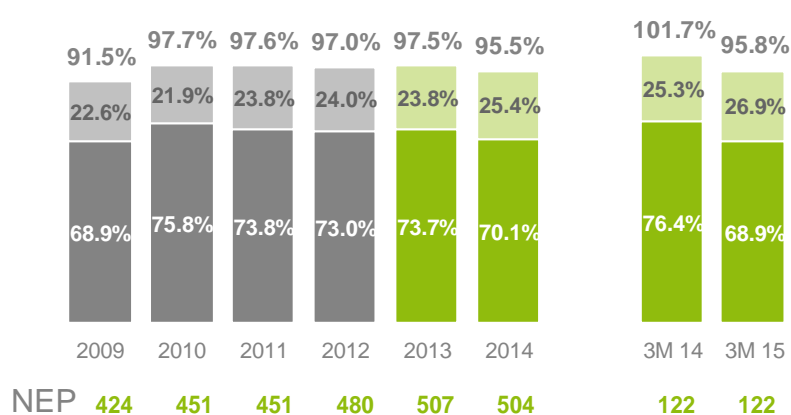
# Belgium: Combined ratio per product line

## Solid combined ratio in all product lines, except Household



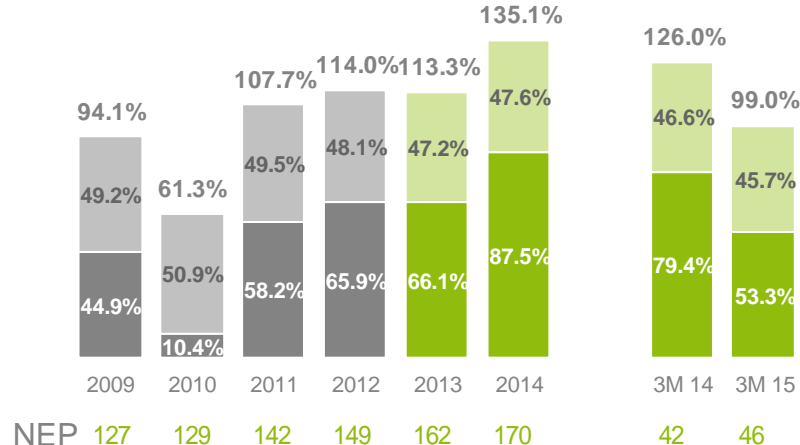
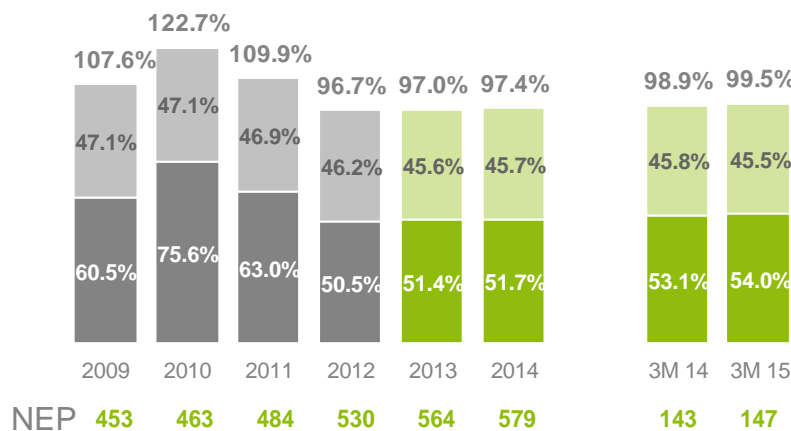
**Accident & Health:** significant decrease thanks to pruning actions & update provision for recoveries

**Motor:** good COR despite increase claims frequency



**Household:** good results despite higher large claims

**Other:** first positive impact of pruning measures

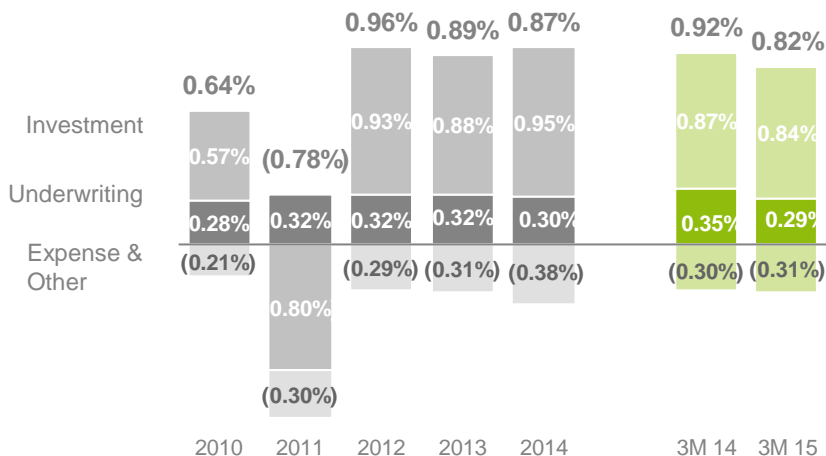


# Insurance Life operating margin per product line

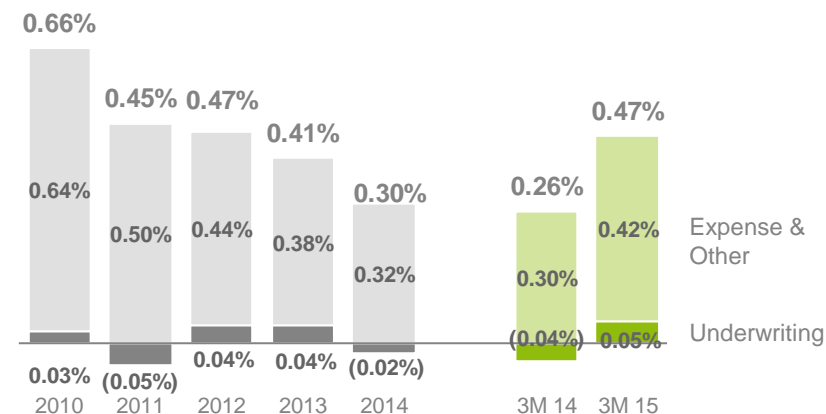


Margins in Guaranteed within target range - UL margin almost doubled

**Guaranteed:** strong despite lower capital gains



**Unit-linked:** return to level of prior years



## Average technical liabilities

In EUR bn 40.7 42.9 42.9 44.9 46.4 47.5 47.0 48.0

- **Operating result** amounted to EUR 98 mio, down 10%
- **Investment margin** decreased mainly due to lower realized capital gains
- **Underwriting margin** down due to risk margin
- **Average Technical Liabilities** up on acquisition Fidea's Group Life portfolio

## Average technical liabilities

6.0 5.6 5.6 5.2 5.4 5.7 5.6 6.0

- **Operating result** almost doubled from EUR 4 mio to EUR 7 mio
- **Expense & other margin** significantly low last year due to good mortality results & one-off
- **Average Technical Liabilities** up 8% driven by market values evolution



# Margin evolution Assets & Liabilities Belgium

Only marginal evolution on back book vs. FY 14

		FY 12	FY 13	FY 14	3M 15
Life Back book	Guaranteed interest rate	2.89%	2.80%	2.71%	2.70%
	Fixed income yield	4.03%	3.97%	3.84%	3.83%
			FY 13	FY 14	3M 15
New money Life & Non-Life	Fixed income yield		3.29%	2.89%	2.00%
	Reinvested amount (EUR bn)		5.5	4.6	1.1

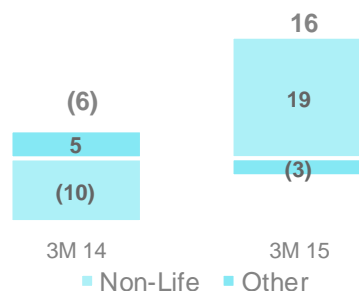
- Loans to Regional entities - state guarantees - bought before QE decisions
- Govies Core countries - long maturity - bought before QE decisions
- Non Financial Corporate bonds
- USD High yield - hedged into EUR

# United Kingdom: Headlines

## Challenging market - Non-Life result up on better weather conditions vs. 3M 14

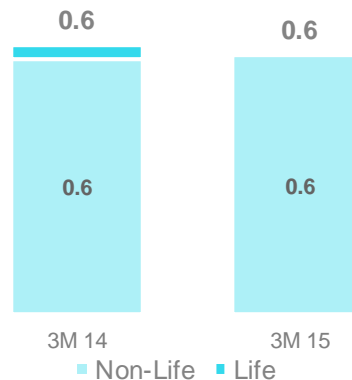
Improved Non-Life operating result offset by Other Insurance

*In EUR mio*



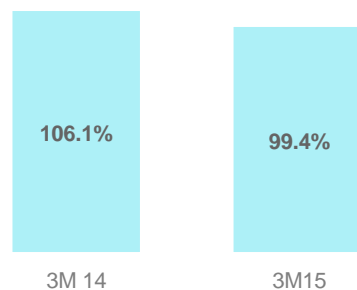
Inflow\* - Challenging Non-Life markets both in Household & Motor

*In EUR bn*



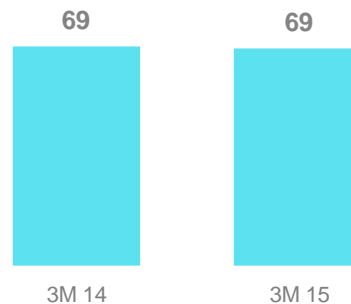
Non-Life combined ratio: Improved Household & Other Lines

*In % NEP*



Other income broadly in line with 2014

*In EUR mio*



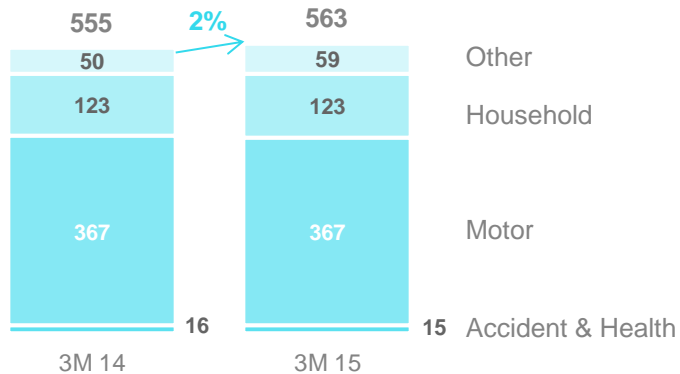
\* incl. non-consolidated partnerships @ 100%

# United Kingdom: Inflow @ 100%

## Non-Life Inflow up 2% thanks to FX

### Non-Life

In EUR mio



### Non-Life

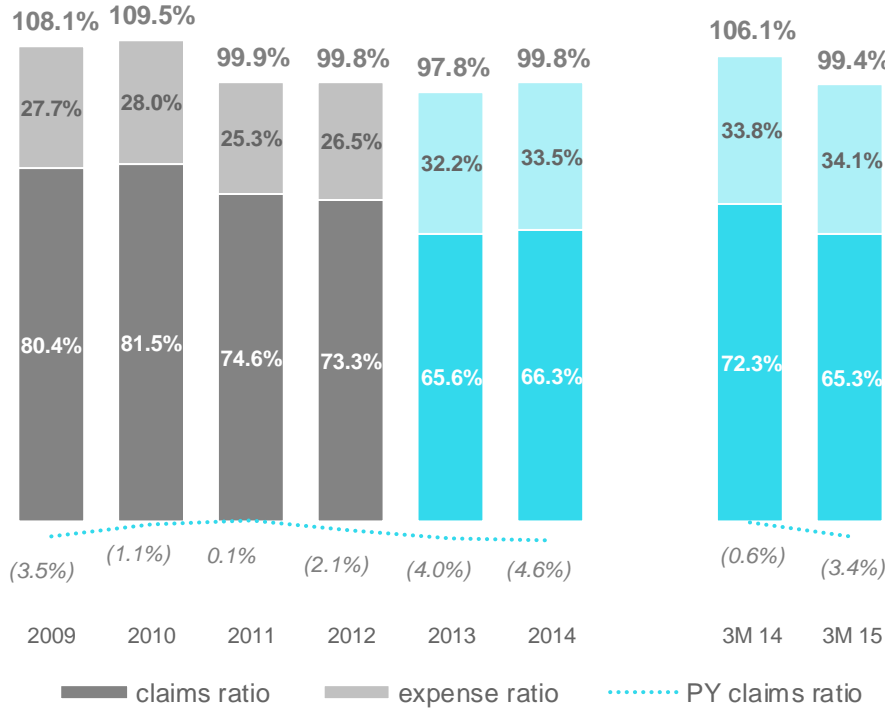
- Up 2%, but down 9% at constant FX reflecting challenging pricing conditions in the market
- **Motor** favourable FX offsets lower volumes as result of deliberate pricing strategy
- **Household** flat to prior years as Ageas maintains pricing discipline compared with competitors
- **Other lines** including Commercial & Special Risks up 19% as a result of several new schemes in late 2014

### Other Insurance (including Retail)

- YTD total income of EUR 69 mio, flat to last year but 11% down @ constant FX due to continued competitive environment – 2014 income benefited from a legal settlement (EUR 6 mio)

# United Kingdom: Combined ratio

Below 100% reflecting good underlying performance in Household & Other Lines



## Combined ratio

- Combined ratio continued sub 100% performance

## Claims ratio

- Claims ratio reflecting improved Household & Other lines performance
- CY ratio at 68.8% (vs. 72.9%) significant reduction primarily due to benign weather partly offset by accidental damage claims in Motor
- PY ratio: driven by a release of reserves in Other lines from yearly Q1 reserving review & favourable development in A&H

## Expense ratio

- Increase driven predominantly by higher commissions because of changed schemes in Accident & Health

Net earned premium in EUR mio

834    948    1,524    2,083    1,562    1,613    386    422

\* Restatement for deconsolidation of Tesco Underwriting since 2013

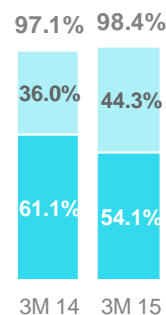
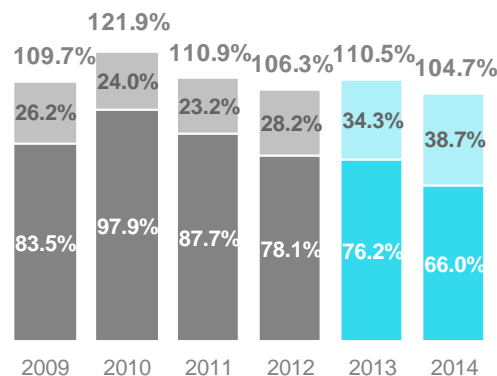
# United Kingdom: Combined ratio per product line

Improved loss ratio in all product lines except Motor



**Accident & Health:** scheme mix & favourable PY

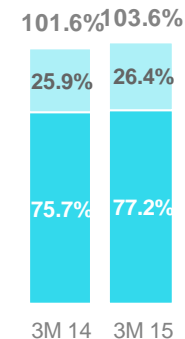
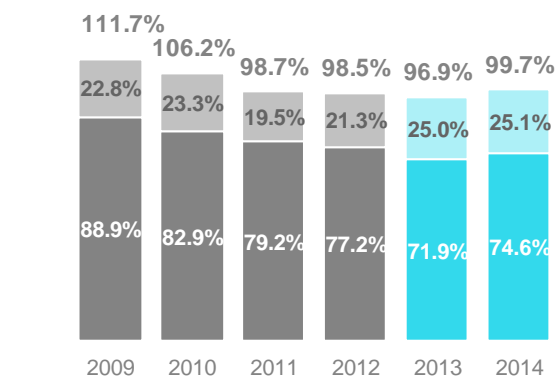
**Motor:** loss ratio deterioration on accidental damage claims



NEP **53** **58** **65** **57** **79** **71**

**17** **15**

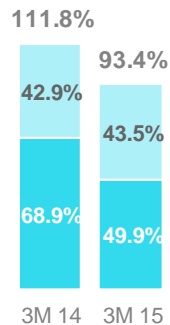
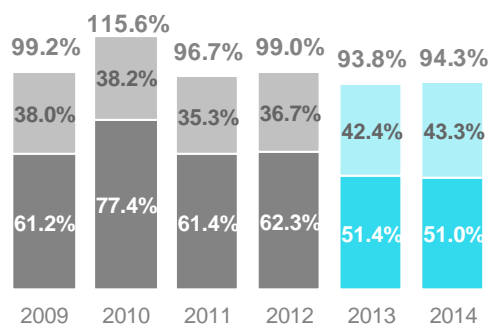
**Household:** benign weather



NEP **524** **532** **949** **1,420** **907** **958**

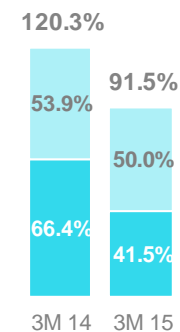
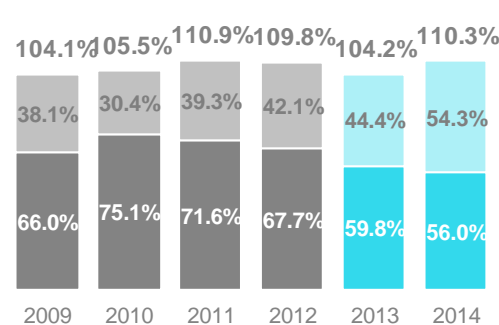
**229** **252**

**Other:** benign weather & lower integration costs



NEP **187** **248** **366** **434** **374** **399**

**97** **104**



NEP **69** **110** **143** **173** **202** **185**

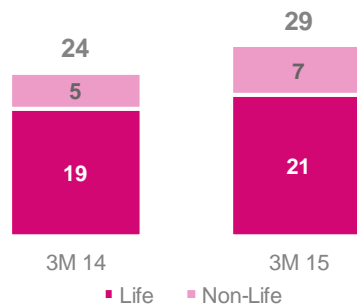
**42** **51**

\* Restatement for deconsolidation of Tesco Underwriting since 2013  
 Periodic financial Information | 3M 15 Results | 8 May 2015

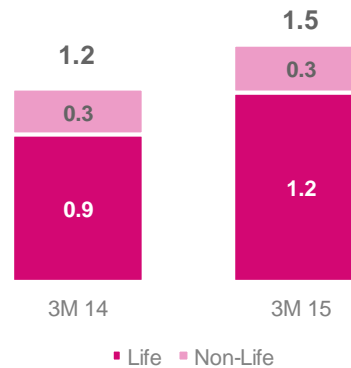
# Continental Europe: Headlines

## Strong inflow & increased net profit in Life & Non-Life

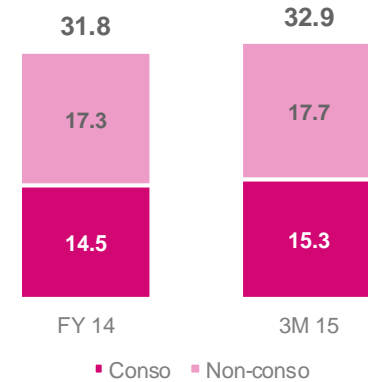
Net profit increase driven by Luxembourg & Portugal Non-Life  
In EUR mio



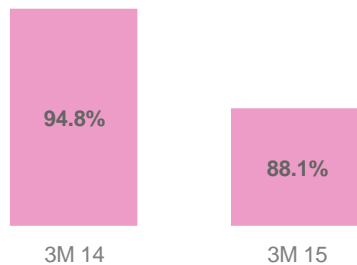
Life Inflow\*: sales up in all entities  
In EUR bn



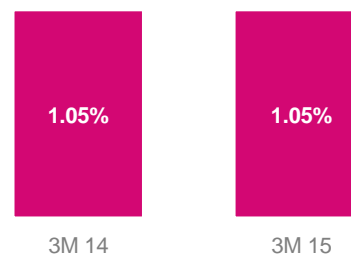
Life Technical liabilities up  
In EUR bn



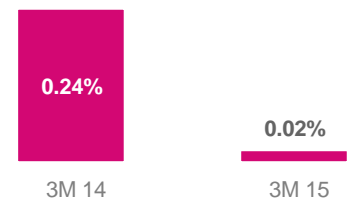
Non-Life combined ratio excellent owing to benign weather  
In % NEP



Operating margin Guaranteed in line with 2014  
In % avg technical liabilities



Operating margin Unit-Linked: lower sales in Portugal  
In % avg technical liabilities



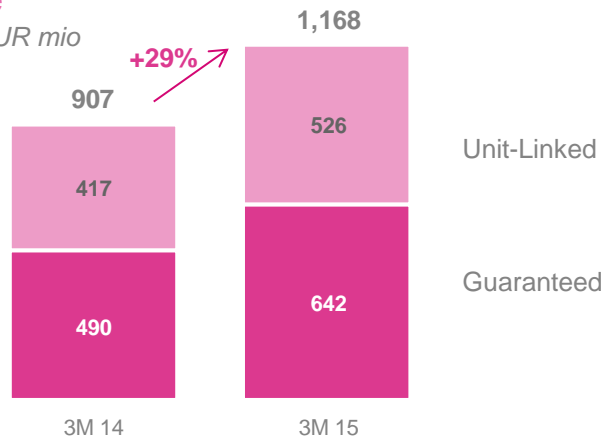
\* incl. non-consolidated partnerships @ 100%

# Continental Europe: Inflow @ 100%

## Higher Life sales - Non-Life driven by Portugal & Turkey

### Life

In EUR mio

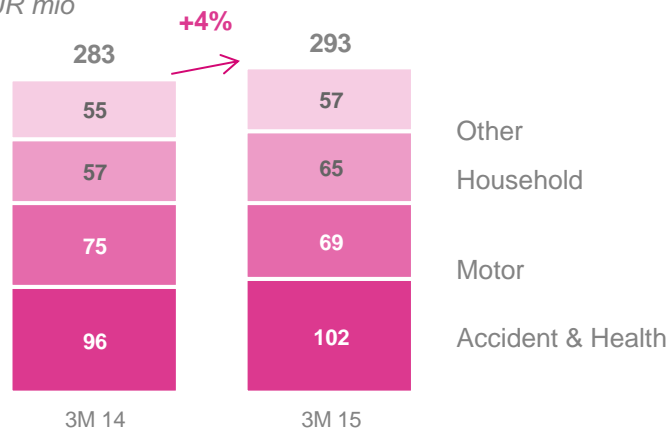


### Life

- Inflow +29%, including non-controlling interests @ 100%, reflecting higher sales in all operating companies
- Consolidated Inflow up 50%
- ✓ **Portugal:** volumes up 44% pushed by Savings & Pension business compensating for lower Unit-linked volumes
- ✓ **France:** up 65% benefiting from significant sale of UL single premium through broker network

### Non-Life

In EUR mio



### Technical liabilities end-of-period

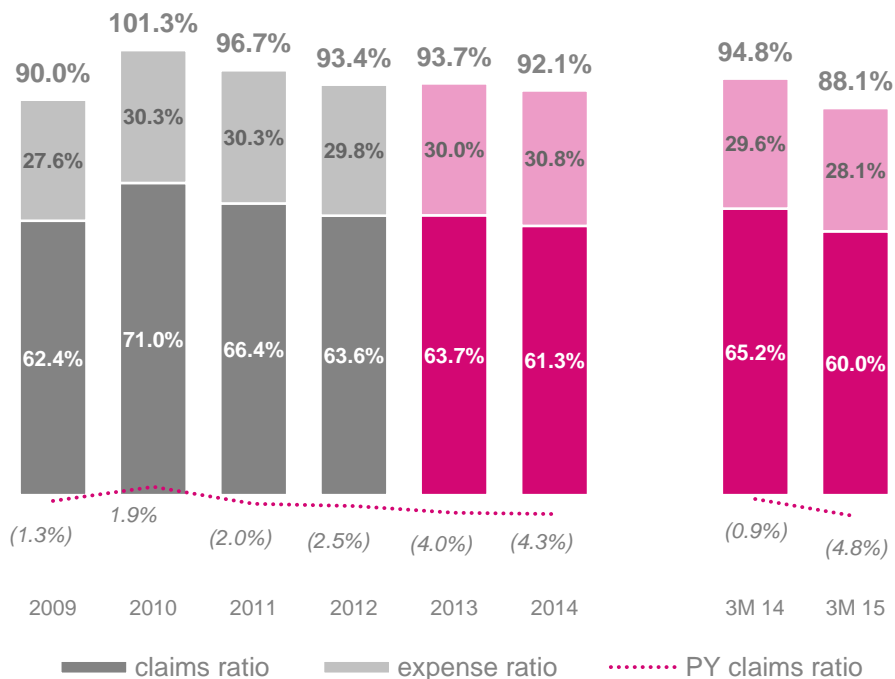
- Consolidated up 6% vs. year-end to EUR 15 bn
- Including non-consolidated JVs @ 100%: EUR 33bn, up 3% vs FY 2014

### Non-Life

- Inflow consolidated entities up 3%
- **Turkey** (Aksigorta) at EUR 164 mio, down 4% @ constant FX as result of strategic shift towards more profitable growth business (reduction in Motor Third Party Liability)
- **A&H & Motor** remain the major business lines in the portfolio.

# Continental Europe: Combined ratio

## Excellent combined ratio well below group target



### Combined ratio

- Combined significantly lower due to benign weather conditions compared to 3M 14
- Combined ratio Turkey at 106.8% (vs. 90.8%) increased due to bad weather & poor MTPL results

### Claims ratio

- CY ratio at 64.8% (vs 66.1%) decrease driven by Household in Portugal
- PY ratio driven by release provision for old claims in Portugal & positive run-off in Italy

### Expense ratio

- Expense ratio continued focus on cost containment, commission ratio remained stable

Net earned premium in EUR mio

194    369    382    397    403    415    101    108

\* Scope: only consolidated companies: 2009 Portugal; as from 2010 Portugal & Italy



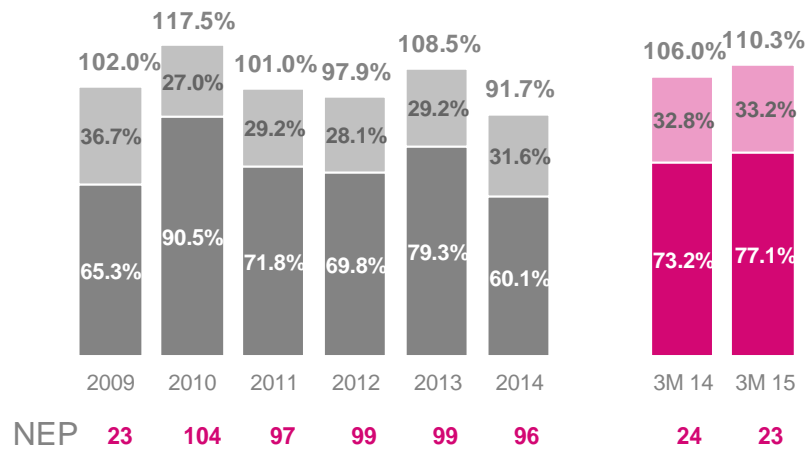
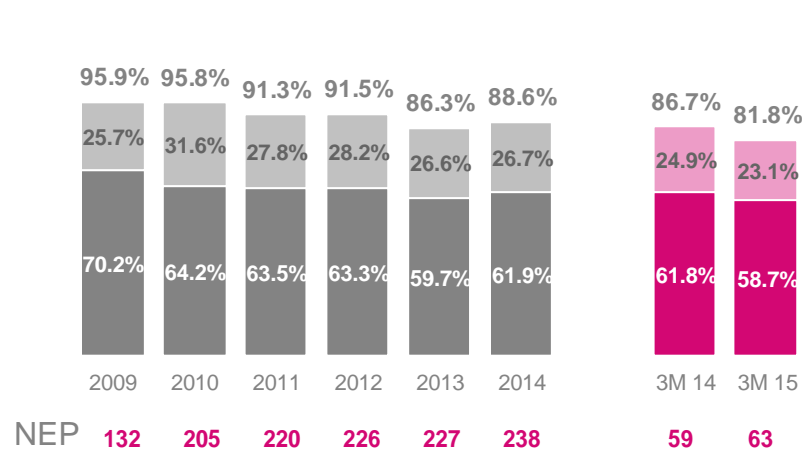
# Continental Europe: Combined ratio per product line



Overall combined ratio within expectations

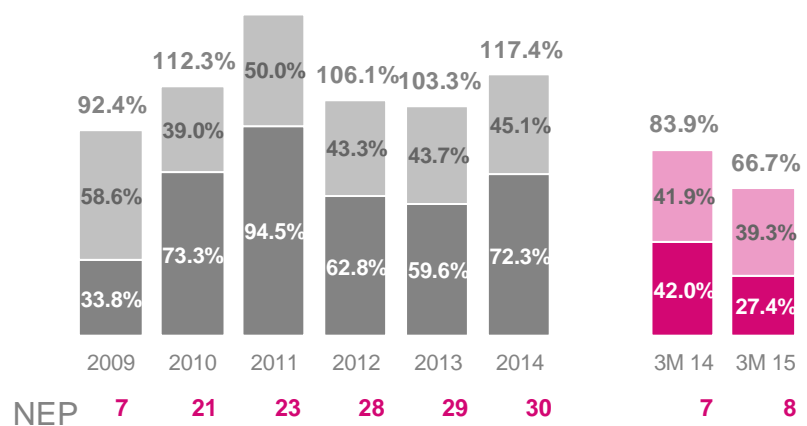
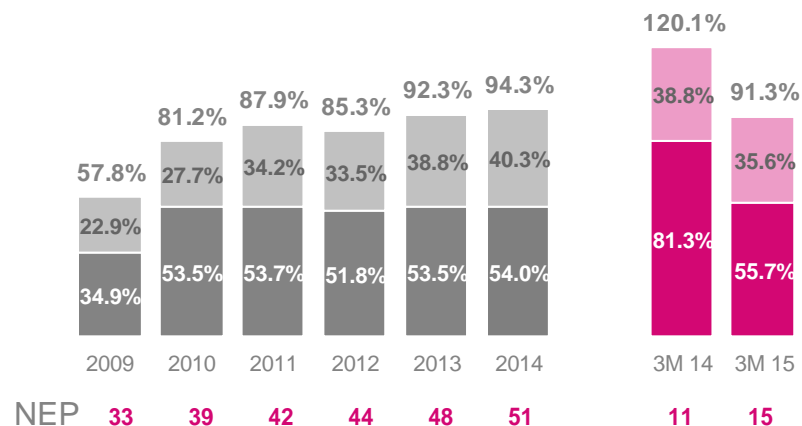
**Accident & Health:** favourable claims experience

**Motor:** unfavourable claims trend both in Portugal & Italy



**Household:** benign weather compared to 3M 14

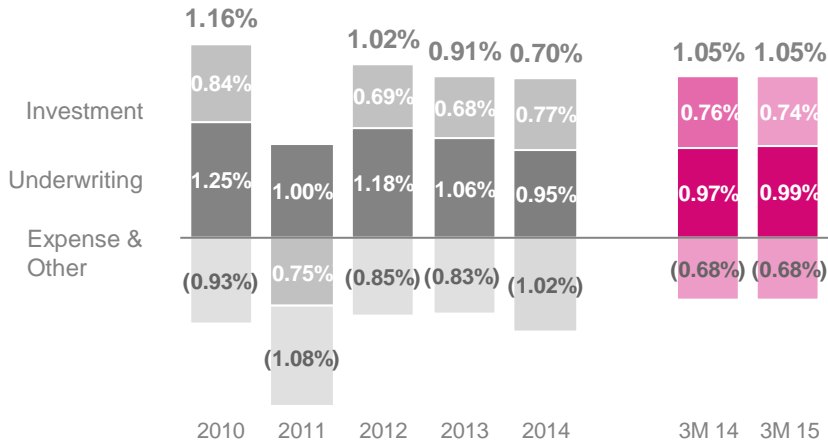
**Other:** claims low due to release provision on 2 old claims



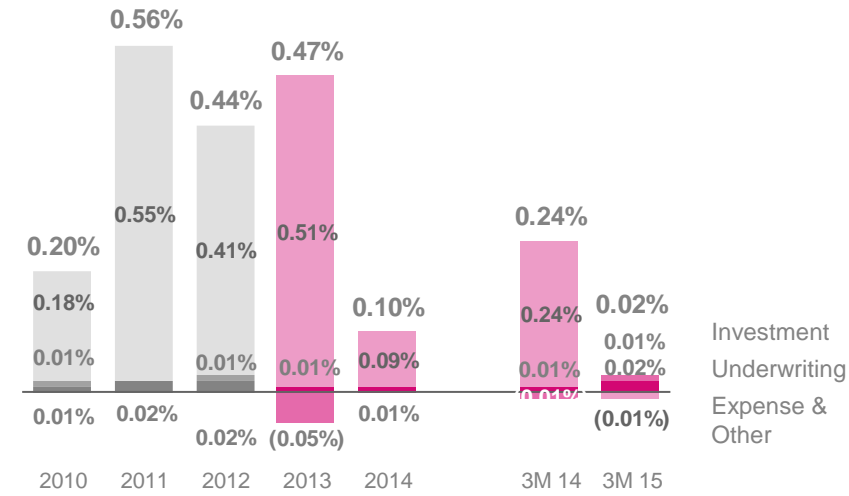
# Continental Europe Life operating margin per product line



**Guaranteed:** operating margin in line with Last Year



**Unit-linked:** decreasing expense & other margin



## Avg techn liabilities

In EUR bn    8.7    8.3    7.8    7.6    7.7    7.6    8.0

- Investment margin slightly below last year
- Underwriting margin YTD : in line with last year
- Expenses & other margin: stable on last year

## Avg techn liabilities

13.9    6.4    6.1    6.3    6.2    6.4    6.3

- Decreased expense & other margin related to less fees following lower UL sales

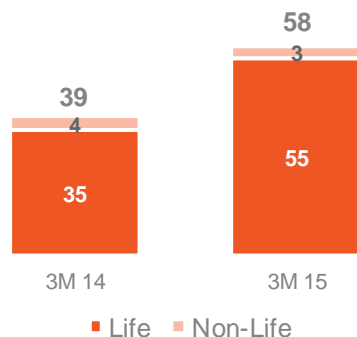
# Asia: Headlines

## Strong Life result driven by new business & renewals



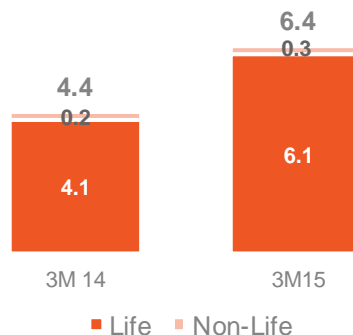
Net result: Better performance in most countries & positive FX

*In EUR mio*



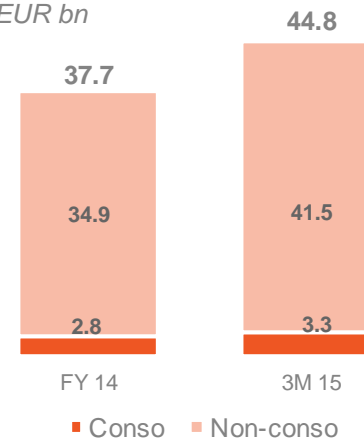
Inflow\* growth fuelled by China & Thailand

*In EUR bn*



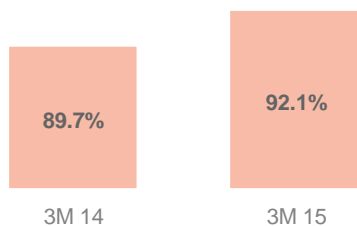
Life Technical liabilities up across all entities

*In EUR bn*



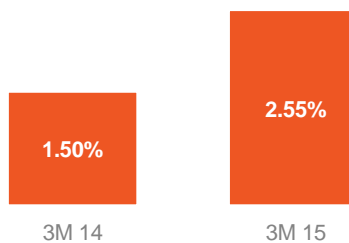
Non-Life combined ratio increased but still excellent

*In % NEP*



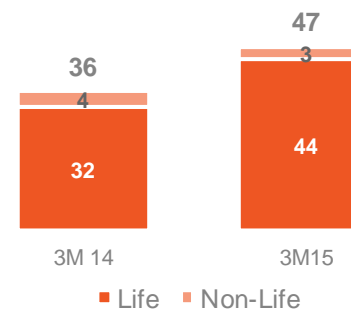
Life operating margin Hong Kong: strong improvement in UL

*In % avg technical liabilities*



Result non-conso partnerships: strong result in China & Thailand

*In EUR mio*



\* incl. non-consolidated partnerships @ 100%

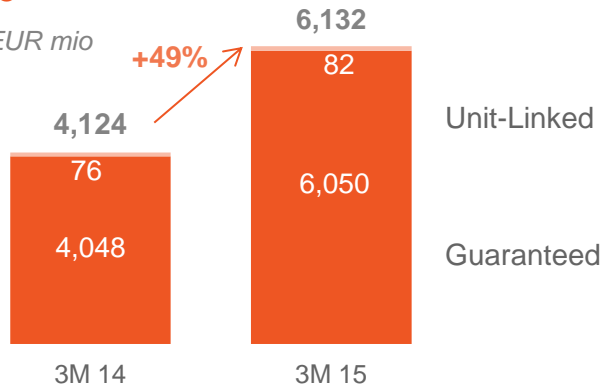
# Asia: Inflow @ 100%

Strong growth new business, boosted by successful sales campaigns



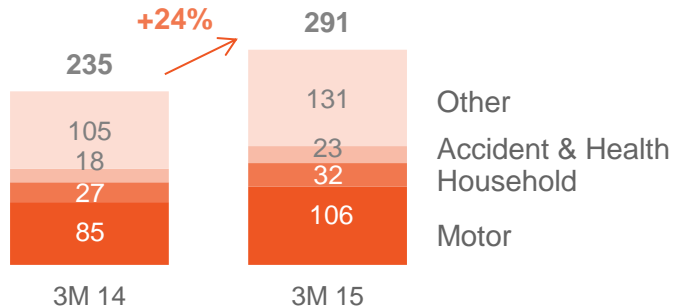
## Life

In EUR mio



## Non-Life

In EUR mio



## Life

- New business premiums up 47% with EUR 2.8 bn single premium (+34%) & EUR 1.1 bn regular premium (+92%).
- Renewal premiums increased to EUR 2.2 bn (+52%) benefiting from prior year strong sales & continued good persistency
- **Hong Kong**, +15%, New business down 19% - market impacted by new regulations mainly in Broker channel
- **China**, +51%, New business premium up 50% with very successful sales campaigns & increased number of agents
- **Malaysia**, +15%, big impact of positive FX - New business premium Banca up 24%; strong campaign with focus on retirement products
- **Thailand**, +45%, New business premiums up 34%; strong performance in regular premium in both Banca & Agency channels.
- **India**, +94%, Good performance in Banca with strong focus on group retirement product & single premium UL

## Technical liabilities – end-of-period

- **Hong Kong** : EUR 3.3bn, up 18% vs FY 2014
- **Including non-consolidated JVs @ 100%**: EUR 45bn, up 19% vs FY 14

## Non-Life

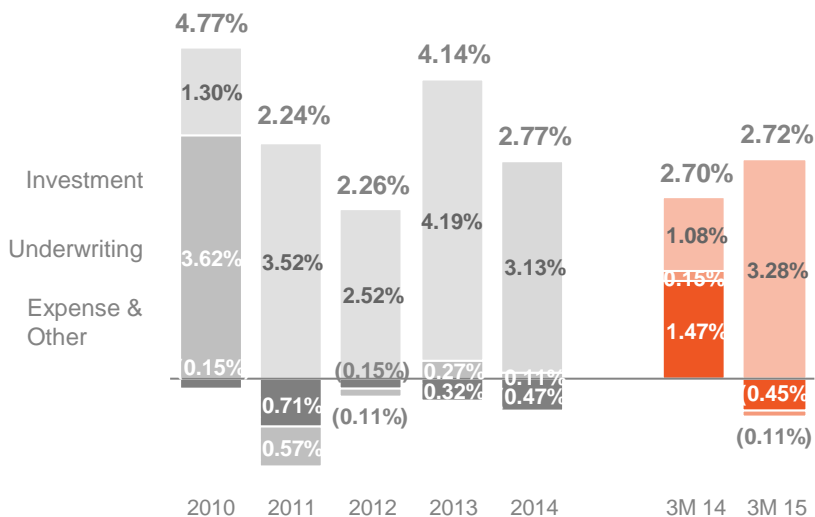
- **Malaysia**, +21%, Mainly driven by Motor & MAT
- **Thailand**, +32%, All product lines growing; especially Motor & Personal Accident

# Hong Kong Life operating margin per product line

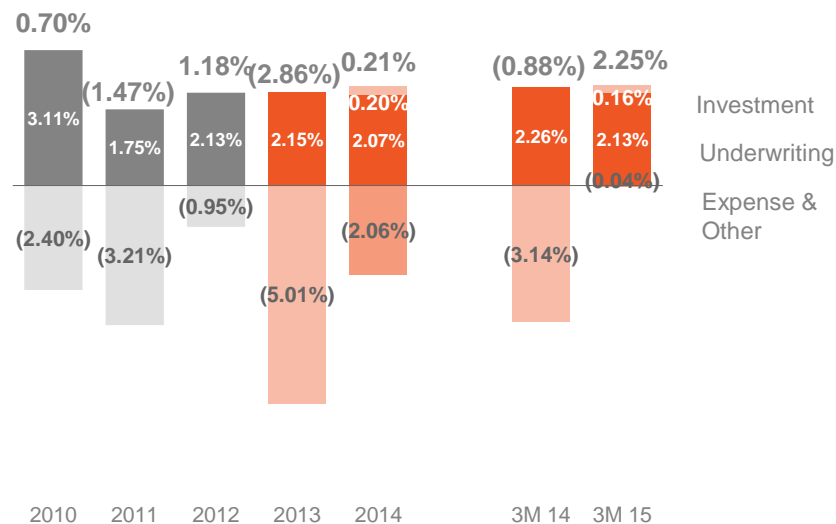
## Organic growth & change in product mix supporting expense margins



**Guaranteed:** improving expense margin



**Unit-linked:** lower new business strain



Avg techn liabilities

In EUR bn      1.0    1.1    1.3    1.3    1.4                    1.3    1.8

- **Underwriting margin** deteriorated due to less favourable claims experience (net of reinsurance)
- **Investment margin** deteriorated due to lower realised capital gains
- **Expense & Other margin** improved due to organic growth

Avg techn liabilities

0.3    0.4    0.5    0.6    0.7                    0.7    1.0

- **Underwriting result** higher due to organic growth @ comparable margin
- **Expense & Other margin** improved significantly following shift towards products with lower new business strain



## Annexes

Equity / Solvency

Insurance Activities

**Investment portfolio**

General Account

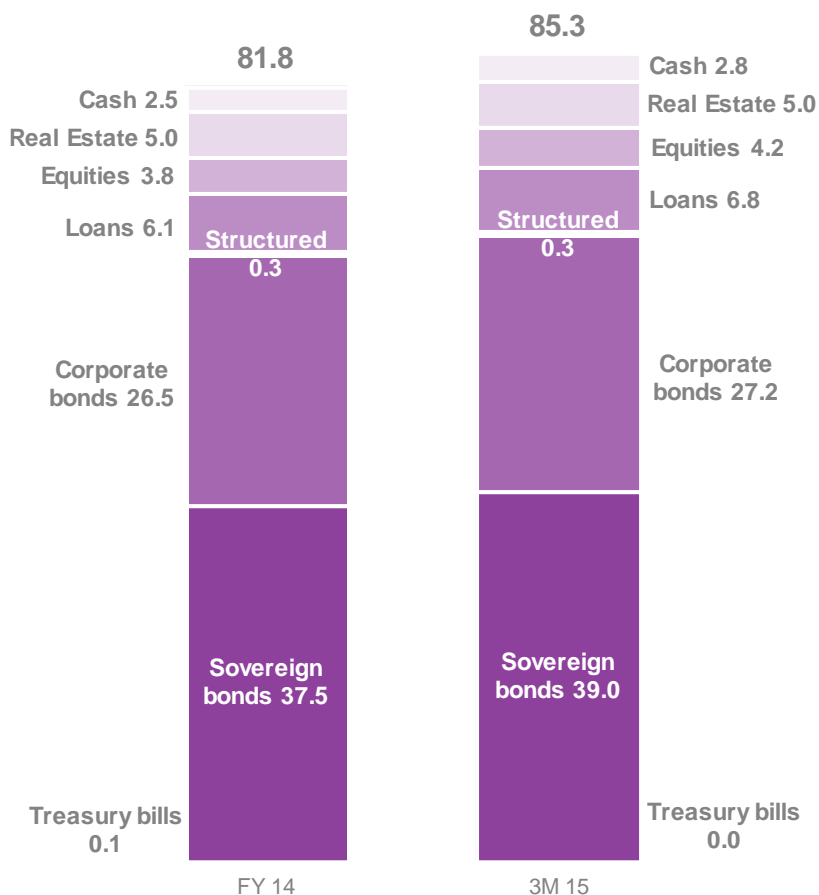
General Information

# Investment portfolio

## Investment portfolio up on unrealized gains on fixed income & equities



In EUR bn



### Asset mix

- Asset allocation remained stable
- **Increased** market value **bonds** because of lower interest rates & spreads – **cash** only temporarily up

### Gross unrealized gains/losses on Available for Sale

- Total portfolio: up to **EUR 11.3bn** (EUR 9.0 bn FY 14); up in fixed income & equities
- Fixed income: at **EUR 10.4 bn** (EUR 8.5 bn FY 14)
  - ✓ Sovereigns at EUR 7.7 bn (vs. EUR 6.1 bn)
  - ✓ Corporates at EUR 2.7 bn (vs. EUR 2.4 bn)
- Equities: up to **EUR 0.8 bn** (vs. EUR 0.5 bn)

**Gross UG/L on Real Estate:** stable at **EUR 1.4 bn** - not reflected in shareholders' equity

**EUR 2.9 bn** unrealized gains/losses on **Held to Maturity** (EUR 2.2 bn FY 14) - not reflected in shareholders' equity

\* All assets at fair value except the 'Held to Maturity' assets; loans & real estate which are valued at amortized costs

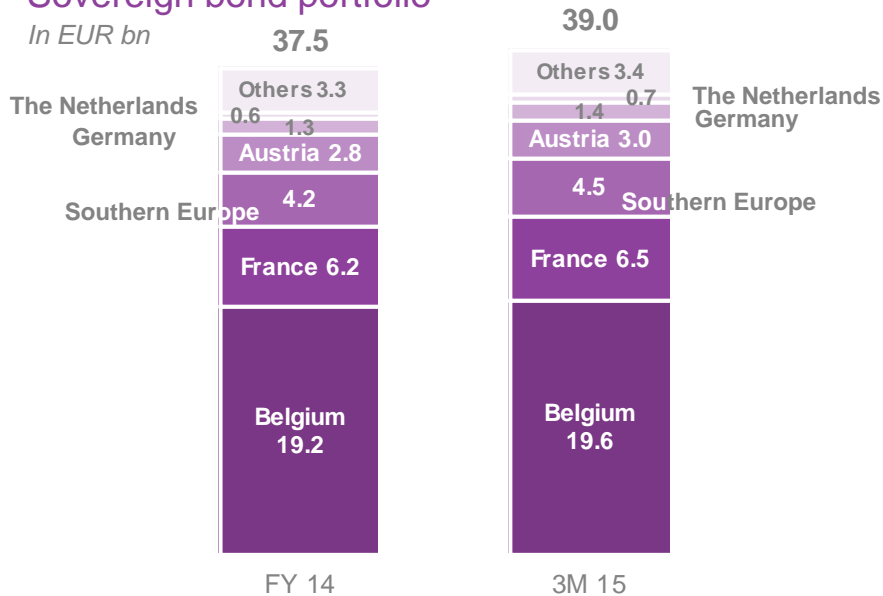
# Sovereign & Corporate bond portfolio

Value fixed income portfolio impacted by evolution unrealized gains



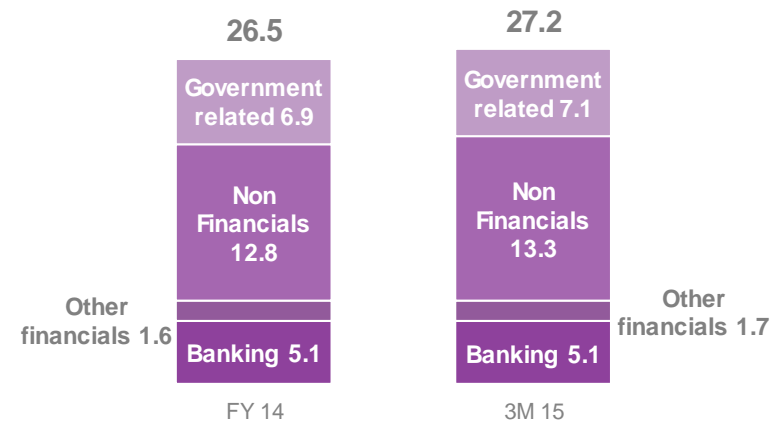
## Sovereign bond portfolio\*

In EUR bn



## Corporate bond portfolio\*

In EUR bn



- Increase portfolio fully driven by lower rates & spreads
- Gross UG/L at **EUR 7.7 bn** (vs. EUR 6.1 bn)
- **95%** investment grade; 89% rated A or higher
- **Maturity** sovereign bond portfolio unchanged & close to maturity liabilities – duration gap close to zero – limited interest rate sensitivity
- Gross UG/L at **EUR 2.7 bn** (vs. EUR 2.4 bn)
- Priority to **investment grade industrials** has led to a slight increase within corporate bond portfolio to 49% (vs. 48% FY 14)
- Credit quality remains very good with **95%** investment grade; 68% rated A or higher

\* All assets at fair value except the 'Held to Maturity' assets; loans & real estate which are valued at amortized costs



# Loan & Equity portfolio

## More loans with guarantee

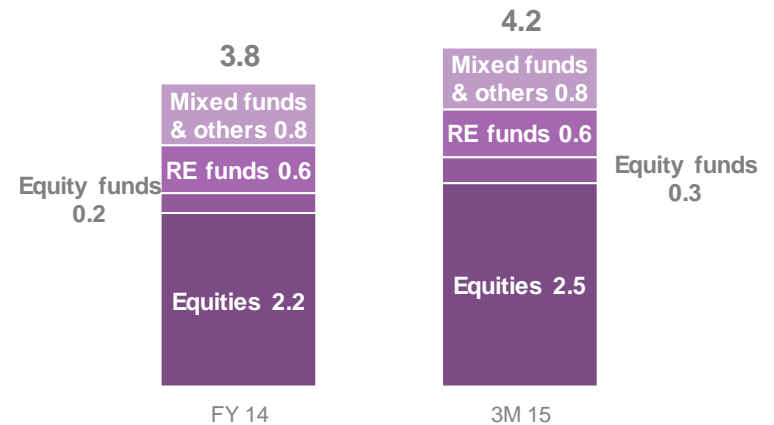
### Loan portfolio (customers + banks)\*

In EUR bn



### Equity portfolio\*

In EUR bn



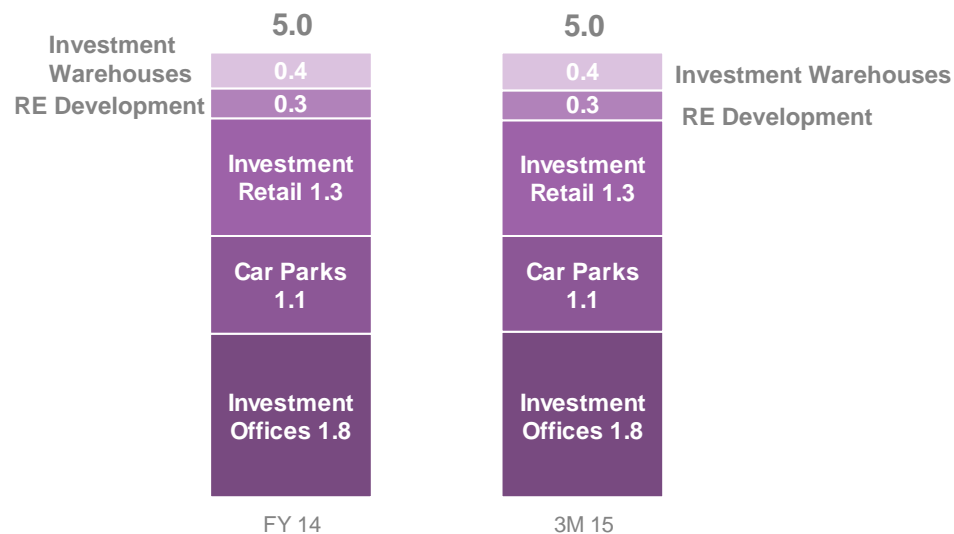
- Increase in **other**: long term lending to social housing agencies in Belgium, benefiting from explicit guarantee by the region
- Loans to **banks** up – mainly short term bank deposits

- Gross UG/L up to **EUR 0.8 bn**
- Increase in equity portfolio supported by **investments** & equity **markets**

\* All assets at fair value except the 'Held to Maturity' assets; loans & real estate which are valued at amortized costs

## Real Estate portfolio\*

In EUR bn



- Gross UG/L stable at **EUR 1.4 bn** (not reflected in shareholders' equity but contributing to available capital for solvency calculation)
- Real Estate exposure mainly in Belgium



\* All assets at fair value except the 'Held to Maturity' assets, loans & real estate which are valued at amortized costs



## Annexes

Equity / Solvency

Insurance Activities

Investment portfolio

**General Account**

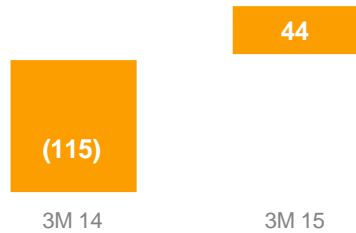
General Information

# General Account: Headlines

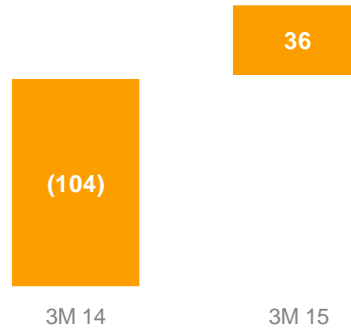
Impacted by revaluation RPN(i) liability & RPI



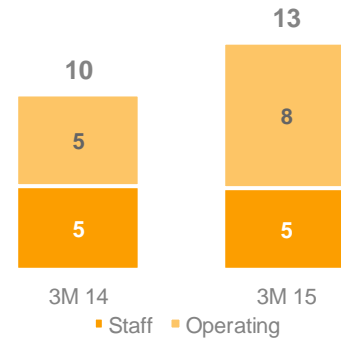
Net result driven by revaluation RPN(i) & RPI  
In EUR mio



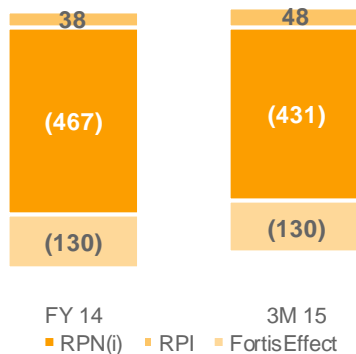
RPN(i) impact on P&L  
In EUR mio



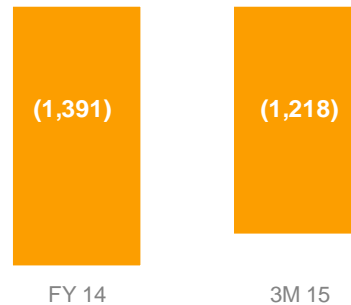
Staff & Operating expenses  
In EUR mio



Accounting value of remaining legacies:  
In EUR mio



Accounting value put option on AG Insurance  
In EUR mio



Net cash position stable  
In EUR mio

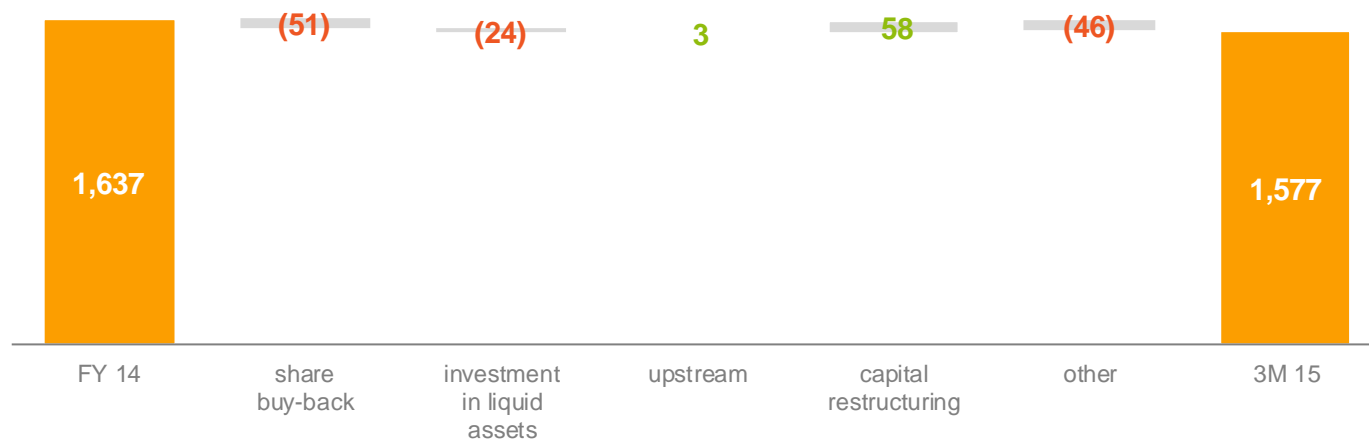


# Net cash position General Account

Net cash position roughly stable



In EUR bn



- Around EUR 300 mio of **liquid assets** with original maturity longer than 1 year are **not included** in net cash position
- **Share buy-back** – another EUR 23 mio spend as per 30/04/2015
- Capital restructuring relates to repayment internal loans

# Status on various legal procedures

## Administrative & criminal proceedings\*

### May 07

Press release re bid on ABN AMRO

### August 07

Communication Q2 figures

### September 07

Capital increase, Prospectus,  
Communication about subprime  
exposure

### January 08

Press release on subprime & solvency

### May/June 08

Communication re solvency & EC  
remedies

### September - October 08

Rescue operations & Split  
up of Fortis Group,  
spread over 2 WE's

2007

2008

## Administrative proceedings

- **AFM II**: final - acquittal

- **AFM I**: final - fine imposed
- **FSMA**: appeal filed before Court of Appeal

## Criminal proceedings

- **Criminal Investigation**: referral to court asked for 7 individuals - additional investigation ongoing

\* For a complete overview of all legal procedures, please check the contingent liabilities in the Annual Report

# Status on various legal procedures

## Civil proceeding initiated by (associations of) shareholders

### May – September 07

Press release re bid on ABN AMRO  
Communication Q2 figures  
Capital increase, Prospectus, Subprime

### January – June 08

Press release on subprime & solvency  
Communication re solvency & EC  
remedies

### September - October 08

Split up of Fortis Group,  
spread over 2 WE's

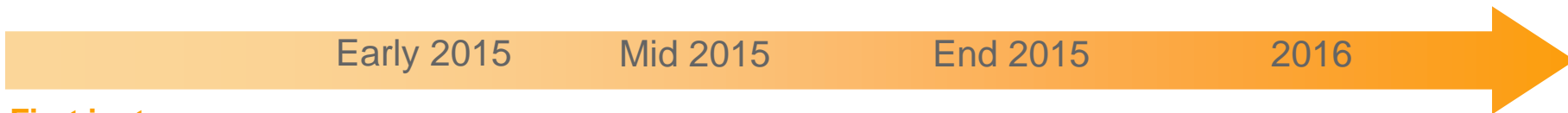
2007

2008

- **BE - 1 professional investor** re damages following rights issue; exchange of written arguments
- **Mr. Arnauts** representing several claimants against ageas & 2 banks; suspended pending criminal proceedings
- **VEB** collective action against ageas, former directors / executives & banks; exchange of written arguments
- **Mr. Bos** representing **7 shareholders** against ageas, board members & executive; 1° instance mainly in favour of claimants, appeal filed
- 2 separate proceedings - **Mr Meijer** representing in each case 1 claimant against ageas, awaiting decision consolidation SICAF
- *Enterprise Court (Ondernemingskamer) re certain facts relating to 2007-2008, Final judgement 06/12/13 mainly in favour plaintiffs*
- **Stichting Investor Claims Against Fortis** (SICAF) against Ageas ML & BNPPF; 2° proceeding also against board members & executives, awaiting ruling preliminary procedural questions
- **Deminor** against ageas & 2 banks; interim judgment 28/4/14 ruling +/- 25% claimants not eligible; exchange of written arguments ongoing
- **BE – 2 claimants** against ageas: awaiting decision consolidation with Deminor
- **Mr Lenssens** representing several claimants against ageas, 1 bank, Belgian state & several executives, suspended pending criminal proceedings

# Best estimate of timings as of to date

Impossible to provide accurate timing for next steps



## First instance

Pleadings	<ul style="list-style-type: none"> <li>▪ VEB</li> </ul>	<ul style="list-style-type: none"> <li>▪ BE – 1 professional investor</li> <li>▪ Mr.Modrikamen</li> </ul>		<ul style="list-style-type: none"> <li>▪ Deminor</li> </ul>
Judgment on the merits			<ul style="list-style-type: none"> <li>▪ VEB</li> <li>▪ BE – 1 professional investor</li> <li>▪ NL 2 separate proceedings – Mr Meijer</li> <li>▪ NL – 1 shareholder</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mr.Modrikamen</li> </ul>

## Appeal

Pleadings	<ul style="list-style-type: none"> <li>▪ FSMA</li> </ul>		
Judgment preliminary matters			
Judgment on the merits		<ul style="list-style-type: none"> <li>▪ FSMA fine</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mr. Bos</li> </ul>

## Supreme Court

Pleadings	<ul style="list-style-type: none"> <li>▪ FortisEffect</li> </ul>
Judgment	<ul style="list-style-type: none"> <li>▪ Modrikamen – on court's competence</li> </ul>



# Main characteristics Hybrids

Leverage optimized at holding level & at AG Insurance



In EUR mio	Ageas		AG Insurance (Belgium)			Fortis Bank (now BNP PF)
	Ageasfinlux Fresh	Ageas Hybrid Financing Hybrone	Fixed-to- Floating Rate Callable	Fixed Rate Reset Perpetual Subordinated Loans	Fixed Rate Reset Dated Subordinated Notes	CASHES
%	3m EUR + 135 bps	5.125%	5.25%	6.75%	3.5%	3m EUR +200 bps
Amount outstanding	1,250	<del>856</del> 95	450	550 USD	400	1,110
ISIN	XS0147484074	XS0257650019	BE6261254013	BE6251340780	BE6277215545	BE0933899800
Call date	Undated, strike 315.0 mandatory 472.5	Jun 16 Step up to 3M Euribor +200 bps	Jun 24 Step up to 3M Euribor +413 bps	Mar 19 Step up to 6yr USD swap + 533 bps	June 2027 Step up after 12 years of 100bps	Undated, strike 239.4, mandatory 359.1
Other		On lent to AG Insurance	Subscribed by Ageas & BNP Paribas Fortis	Public issue	Public issue	Coupon served by FBB, trigger ACSM linked to Ageas dividend
Market Price (31/03/15)	56.00	101.25	100.00	107.25	99.41	76.04

# Changes in hybrid debt composition

## Tender on Hybrone & succesful debt placement by AG Insurance

---

### Tender by Ageas Hybrid Financing

- Hybrone
  - ✓ Perpetual Securities - EUR 500 mio @ 5.125% - issued in 2006
  - ✓ Supported & guaranteed on subordinated basis by Ageas
  - ✓ On-loan to AG Insurance
  - ✓ Tender March 2013 → EUR 336 mio remained outstanding
- Tender March 2015
  - ✓ EUR 241 mio Hybrone Securities tendered @ 103%
  - ✓ EUR 95 mio outstanding

### Debt issue by AG Insurance

- Subordinated securities with 32 years maturity, callable after 12
- EUR 400 mio @ 3.5%
- Solvency II compliant – Tier 2 capital
- Part of proceeds used to redeem Hybrone on-loan
- P&L impact ≈ EUR 4 mio negative

### Rationale

- Lower financing costs
- Solvency II compliant



## Annexes

Equity / Solvency

Insurance Activities

Investment portfolio

General Account

**General Information**

# Total number of outstanding shares

AGM has approved cancellation of another 7.2 mio shares



situation 31/12/2014

situation 30/04/2015

**Cancellation 7.2 mio  
bought back shares / 3%  
of outstanding**

## Total Issued Shares

**230,996,192** → **223,778,433**

Shares not entitled to dividend & voting rights	16,229,514	11,556,224
---	------------	------------

**Cancellation bought back  
shares + new buy back**

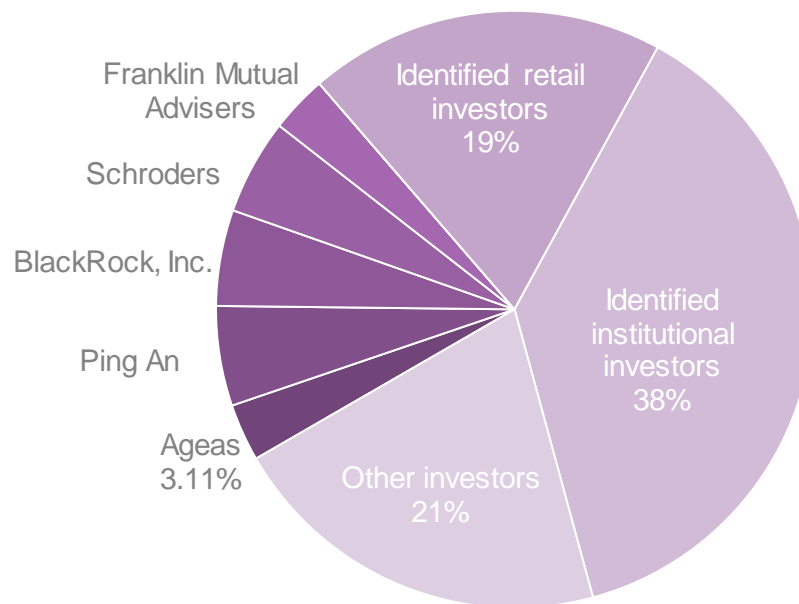
1. TREASURY SHARES	Share buy-back	7,217,759	→	2,544,469
	FRESH	3,968,254		3,968,254
	Other treasury shares	399,597		399,597

2. CASHES		4,643,904		4,643,904
-----------	--	-----------	--	-----------

Shares entitled to dividend & voting rights	214,766,678	212,222,209
---	-------------	-------------

# Shareholders structure

Based on number of shares as at 30 April 2015



Ageas Based upon press release 4 May 2015

Ping An Based upon the number of shares mentioned in the notification received 6 May 2013

BlackRock, Inc. Based upon the number of shares mentioned in the notification received 17 March 2014

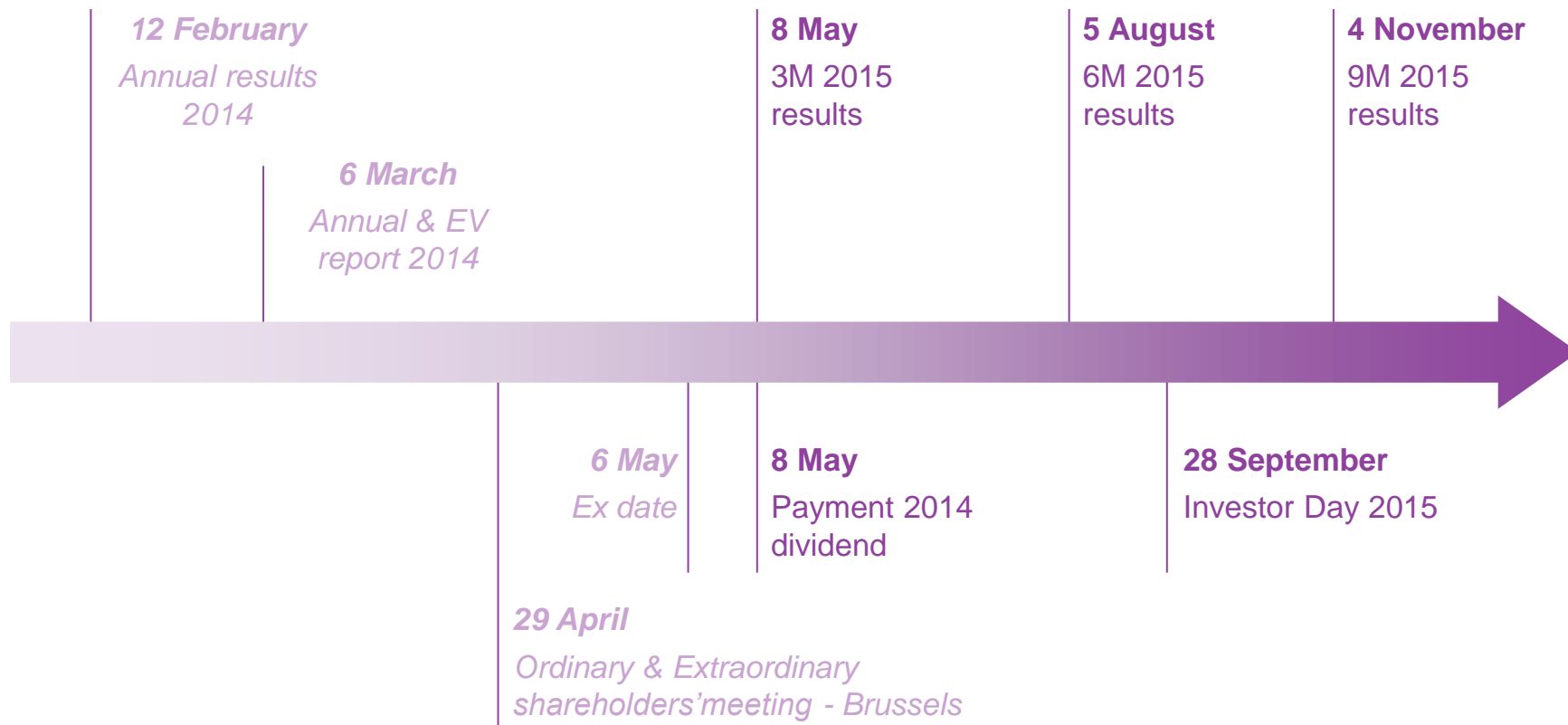
Schroders Based upon the number of shares mentioned in the notification received 16 January 2015

Franklin Mutual Advisers Based upon the number of shares mentioned in the notification received 2 June 2014

Identified retail investors Estimate by **NASDAQ OMX**

Identified institutional investors Estimate by

Other investors



# Rating

## Improved rating for operating entities & holding



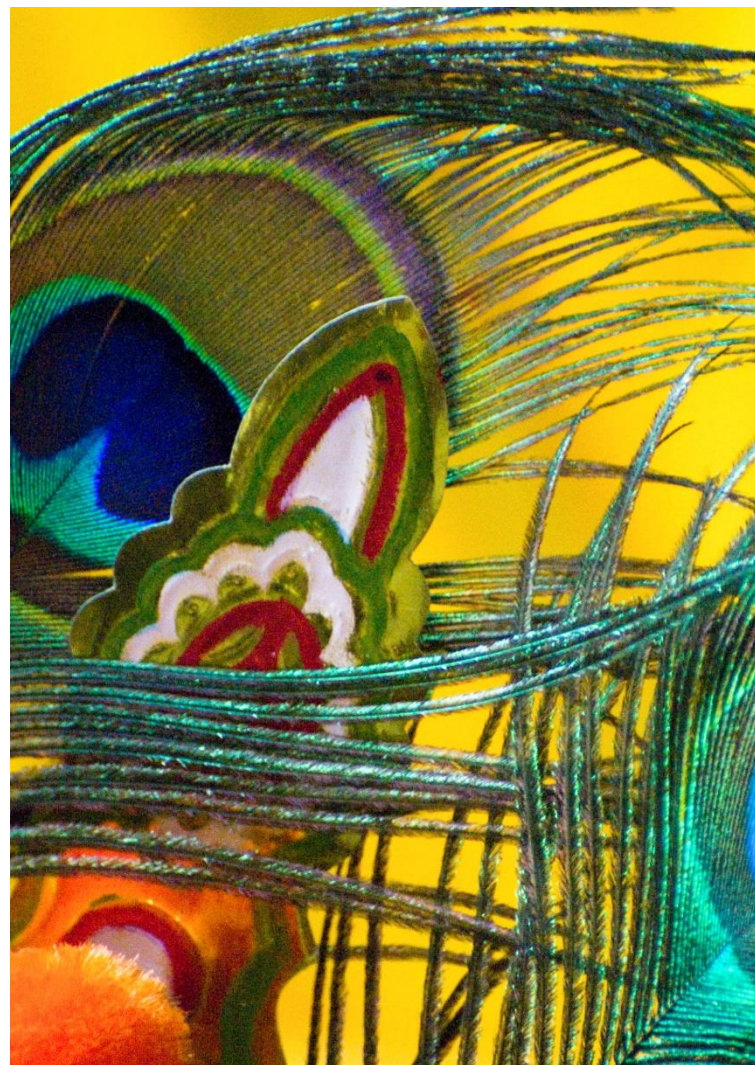
	S&P	MOODY'S	FITCH	
Operating entities	<b>AG Insurance (Belgium)</b>			
	A- / positive	A2 / stable*	A+ / stable	
	Last change	30/03/15	10/03/15	
	<b>Ageas Insurance Limited</b>			
			A+ / stable	
	Last change		30/03/15	
	<b>Millenniumbcp Ageas Occidental Vida (Portugal)</b>			
	BB / positive			
	Last change	25/03/15		
	<b>Millenniumbcp Ageas Occidental (Portugal)</b>			
BBB / stable				
Last change	31/10/14			
<b>Millenniumbcp Ageas Médis (Portugal)</b>				
BBB / stable				
Last change	31/10/14			
<b>Ageas Insurance Co. (Asia)</b>				
		Baa1 / stable	A / stable	
Last change		16/01/13	26/03/13	
<b>Muang Thai Life</b>				
	BBB+ / stable		BBB+ / stable	
Last change	29/12/10		16/12/10	
<b>Etiqa Insurance Berhad (Malaysia)</b>				
			A / stable	
Last change			25/09/11	
Holding	<b>ageas SA/NV</b>			
	Long-term	BBB- / A-3	Baa3 / P-3 *	BBB+ / F2
	Outlook	positive	negative	stable
	Last change	30/03/15	10/03/15	10/12/14

\* Ageas has requested in early 2009 that this rating should be withdrawn. Ageas no longer participates in Moody's credit rating process.

Ageas does not provide, for purposes of Moody's rating, access to the books, records and other relevant internal documents of these rated entities.

# Disclaimer

Certain of the statements contained herein are 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. Future 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 Ageas's core markets, (ii) performance of financial markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates, (viii) increasing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the Economic and Monetary Union, (x) changes in the policies of central banks and/or foreign governments and (xi) general competitive factors, in each case on a global, regional and/or national basis. In addition, the financial information contained in this presentation, including the pro forma information contained herein, is unaudited and is provided for illustrative purposes only. It does not purport to be indicative of what the actual results of operations or financial condition of Ageas and its subsidiaries would have been had these events occurred or transactions been consummated on or as of the dates indicated, nor does it purport to be indicative of the results of operations or financial condition that may be achieved in the future.





**Tel:** + 32 2 557 57 34

---

**E-mail:** [ir@ageas.com](mailto:ir@ageas.com)

---

**Website:** [www.ageas.com](http://www.ageas.com)



Investor Relations