



PRESS RELEASE

Regulated information

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Ageas reports on Q3 results

Solid year-to-date result

Quarterly result marked by strong operating performance in most businesses combined with strong investment results

Net Result	<ul style="list-style-type: none"> ▪ Nine months net result stood at EUR 877 million versus EUR 656 million thanks to the Asian Life business and the strong Non-Life performance in Belgium and Continental Europe. The revaluation of the RPN(i) liability had a EUR 106 million positive impact on the year-to-date Group net result. ▪ Q3 net result significantly up from EUR 214 million to EUR 271 million ▪ Q3 Life net result doubled from EUR 90 million to EUR 182 million driven by Belgium and Asia <p>Net result in Non-Life fell from EUR 99 million to EUR 86 million mainly due to the challenging UK Motor market</p>
Inflows	<ul style="list-style-type: none"> ▪ Nine months Group inflows (at 100%) of EUR 28.5 billion, up 11%, scope-on-scope ▪ Q3 Group inflows (at 100%) of EUR 7.5 billion, up 13%, scope-on-scope ▪ Life inflows up 14% to EUR 5.9 billion and Non-Life up 9% at EUR 1.7 billion (both at 100% and scope-on-scope) ▪ Q3 Group inflows (Ageas's part) up 2% at EUR 3.2 billion, scope-on-scope
Operating Performance (at nine months)	<ul style="list-style-type: none"> ▪ Combined ratio at 94.7% versus 95.1% ▪ Operating Margin Guaranteed at 81 bps versus 93 bps but on track to reach target range of 85 bps to 95 bps ▪ Operating Margin Unit-Linked stable at 26 bps
Balance Sheet	<ul style="list-style-type: none"> ▪ Shareholders' equity at EUR 11.2 billion or EUR 58.58 per share ▪ Group Solvency II_{Ageas} ratio at 199% despite the continuing decrease in yield curve ▪ General Account Total Liquid Assets at EUR 1.6 billion, of which EUR 0.6 billion is ring-fenced for the Fortis settlement ▪ Life Technical Liabilities excluding shadow accounting of the consolidated entities at 30 September increased by 2% to EUR 73.2 billion

A complete overview of the figures can be viewed on the Ageas website.

Ageas CEO Bart De Smet said: « We delivered another solid operating performance this quarter. The net result continued to benefit from our strict Asset Liability Management in our European operations and the prudent valuation methodology of our assets. Thanks to the positive impact of the Chinese equity markets in the third quarter, we were able to realise important capital gains. We are equally very satisfied with the strong increase in inflows achieved in most segments this quarter and since the beginning of the year.»

KEY FIGURES AGEAS

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result Ageas	877.3	655.6	34 %	271.3	214.4	27 %	606.0
By segment:							
- Belgium	304.6	306.2	(1 %)	109.8	86.4	27 %	194.8
- UK	65.9	61.4	7 %	13.9	30.9	(55 %)	52.0
- Continental Europe	79.7	82.2	(3 %)	23.0	29.2	(21 %)	56.7
- Asia	442.9	210.4	*	111.5	40.4	*	331.4
- Reinsurance	(23.9)	3.8	*	10.1	1.7	*	(34.0)
- General Account & Elimination	8.1	(8.4)	*	3.0	25.8	(88 %)	5.1
of which RPN(I)	105.9	57.5		44.6	48.9		61.3
By type:							
- Life	667.1	463.2	44 %	182.0	89.9	*	485.1
- Non-Life	202.1	200.8	1 %	86.3	98.7	(13 %)	115.8
- General Account & Elimination	8.1	(8.4)	*	3.0	25.8	(88 %)	5.1
Weighted average number of ordinary shares (in million)	193.0	197.4	(2 %)				193.6
Earnings per share (in EUR)	4.54	3.32	37 %				3.13
Gross inflows (incl. non-consolidated partnerships at 100%)	28,541.5	27,387.3	4 %	7,523.2	7,258.6	4 %	21,018.3
- of which inflows from non-consolidated partnerships	20,571.6	20,027.4	3 %	5,232.7	4,970.0	5 %	15,338.9
Gross inflows Ageas's part (incl. non-consolidates entities)	11,680.0	11,216.3	4 %	3,237.9	3,186.9	2 %	8,442.1
By segment:							
- Belgium	3,702.6	3,404.8	9 %	1,030.9	1,013.5	2 %	2,671.7
- UK	1,189.3	1,226.8	(3 %)	400.0	405.3	(1 %)	789.3
- Continental Europe	1,649.7	2,104.8	(22 %)	489.5	720.3	(32 %)	1,160.2
- Asia	5,138.4	4,479.9	15 %	1,317.4	1,047.8	26 %	3,821.0
By type:							
- Life	8,244.5	7,993.2	3 %	2,115.8	2,173.6	(3 %)	6,128.7
- Non-Life	3,435.5	3,223.1	7 %	1,122.1	1,013.3	11 %	2,313.4
Combined ratio	94.7%	95.1%		92.7%	89.7%		95.7%
Operating margin Guaranteed (bps)	81	93		86	60		79
Operating margin Unit-Linked (bps)	26	26		33	21		22

in EUR million	30 Sep 2019	31 Dec 2018	Change	30 Jun 2019
Shareholders' equity	11,223	9,411	19 %	10,225
Net equity per share (in EUR)	58.58	48.42	21 %	53.07
Net equity per share (in EUR) excluding unrealised gains & losses	37.70	34.98	8 %	35.75
Return on Equity - Ageas Group (excluding unrealised gains)	16.7%	11.9%		17.7%
Group solvency II _{ageas}	198.6%	214.6%	(7 %)	200.9%
Life Technical Liabilities (consolidated entities)	78,361	73,359	7 %	77,803
- Life Technical Liabilities excl. shadow accounting	73,154	71,529	2 %	73,851
- Shadow accounting	5,207	1,830	*	3,952

AGEAS

Another strong quarter driven by a solid operating performance across most businesses combined with strong investment results

The **Group quarterly net result** increased significantly compared to last year thanks to the solid result of the Asian Life operations and a strong operating performance in Non-Life especially in Belgium and Continental Europe. The net result benefitted further from capital gains in Belgium and Asia whereas last year this was affected by equity impairments.

Belgium's net result was driven by a continued very strong Non-Life operating performance and further supported by returns on Real Estate investments. In Continental Europe the decrease in net result related to IT-investments in France and the divestment of the Luxembourg activities in December 2018. The Non-Life net result reflects a strong performance in Portugal and the increased contribution from Turkey. In Asia, the result was driven by a strong operating performance and supported by the impact of the financial markets and positive evolution of the discount rate curve in China. As for the UK, the result suffered from the claims inflation in Motor observed across the UK market.

The recently introduced internal reinsurance agreements between ageas SAVNV and the operating entities in Belgium, UK and Portugal had no material impact on the Group's net result for the quarter. It did however have an effect on the results at segment level.

The revaluation of the RPN(i) liability had a positive impact of EUR 106 million on the **Group net result** that on a **year-to-date** base stood at EUR 877 million, up 34% compared to the first nine months of 2018. The nine-month result was driven by a solid operating performance across regions and products and benefitted from some one-offs in the first half of the year.

Quarterly **inflows**, excluding Luxembourg, were up 15% compared to last year's third quarter, with China the main contributor. Belgium continued on its growth path with Non-Life outperforming the market mostly thanks to Accident & Health whereas inflows in Life remained at the level of last year's third quarter. Notwithstanding the strategic decision to exit underperforming schemes and to maintain a strict pricing policy, volumes in the consolidated entity in the UK stabilised over the quarter. Scope-on-scope and at constant exchange rate, Non-Life inflows in Continental Europe were considerably up whereas Life inflows declined in a challenging low interest rate environment. The inflow growth in Asia was driven by renewals of the regular premium products with persistency levels in China at industry-leading standards, and by new business sales in Thailand and Malaysia. Reinsurance inflows included EUR 207 million from the quota share agreements.

The **Life Technical Liabilities** excluding shadow accounting of the consolidated entities increased 2% compared to the end of 2018, driven by the increase in sales. Life Technical Liabilities in the non-consolidated entities in Asia rose by 22%.

The **Guaranteed operating margin** for the third quarter benefitted from higher investment results in Belgium, while the **Unit-Linked operating margin** improved both in Belgium and in Continental Europe.

The **excellent combined ratio** for the quarter reflects the strong current year operating performance in both Belgium and Portugal, partially offset by the impact of claims inflation in the UK. Thanks to the good second and third quarter performance, the adverse weather impact in Belgium in the first quarter was more than offset. This resulted in a strong year-to-date combined ratio in line with the target level.

The non-consolidated partnerships reported a combined ratio over the quarter of 91.8% (vs. 91.2%) in Tesco Underwriting (UK), 99.4% (vs. 103.2%) in Turkey (Continental Europe) and 101.8% (vs. 94.0%) in Asia.

Total **shareholders' equity** increased to EUR 11.2 billion thanks to the strong net result and the positive impact of the financial markets on the fair value of the bond portfolio more than compensating for the dividend payment.

The **Solvency II_{ageas} ratio** at the end of September stood at a very strong 199% despite the negative impact from the continuing drop in the interest rates. The **operational free capital generation** stood at EUR 391 million over the first nine months, including EUR 98 million in dividends from the non-European Non-Controlled-Participations.

The **total liquid assets in the General Account** amounted to EUR 1.6 billion. The dividend upstream received from the operating companies more than covered the cash-outs related to the EUR 416 million dividend paid to the Ageas shareholders at the end of May, the holding costs, and the share buy-back. Capital management actions added EUR 0.3 billion to the Group's cash position, EUR 0.6 billion of which remains ring-fenced for the Fortis settlement.

Contingent liabilities

On July 28 the claims filing period for the Fortis settlement ended. Claims handling and payments are ongoing. Based on the numbers received from Computershare, the independent claims handler, as at 15 October 2019 some 185,000 claims out of approximately 290,000 claims filed, have received partial compensation for a total amount of about EUR 625 million.

BELGIUM

Strong third quarter net result driven by excellent operating performance in Life and Non-Life

KEY FIGURES BELGIUM

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result attributable to shareholders	304.6	306.2	(1%)	109.8	86.4	27%	194.8
- Life	211.9	221.0	(4%)	66.8	40.1	67%	145.1
- Non-Life	92.7	85.2	9%	43.0	46.3	(7%)	49.7
Gross inflows (incl. non-consolidated partnerships at 100%)	4,936.8	4,539.6	9%	1,374.6	1,351.2	2%	3,562.2
- Life	3,316.5	2,987.3	11%	880.0	877.6	0%	2,436.5
- Non-Life	1,620.3	1,552.3	4%	494.6	473.6	4%	1,125.7
Combined ratio - before QS	95.0%	94.6%		90.0%	86.3%		97.6%
Operating margin Guaranteed (bps)	81	88		78	48		82
Operating margin Unit-Linked (bps)	39	39		48	32		34

in EUR million	30 Sep 2019	31 Dec 2018	Change	30 Jun 2019
Life Technical Liabilities	61,858	57,257	8%	60,451
- Life Technical Liabilities excl. shadow accounting	57,611	55,866	3%	57,309
- Shadow accounting	4,247	1,391	*	3,142

As from 2019 a new internal reinsurance programme became operational, impacting combined ratio and Non-Life net result.

The combined ratio including the effect of the new internal reinsurance agreement stood at 87.2% in the third quarter of 2019.

For more details, please refer to the Investor presentation and the tables on the website.

The **net result over the third quarter** was driven by a higher investment result in Life as well as in Non-Life. The quarterly Life result was substantially supported by real estate returns which more than compensated a lower net underwriting result. The Non-Life result was driven by a very strong operating performance although slightly down compared to last year due to a lower net underwriting result in Accident & Health and Motor.

The **year-to-date net result** is in line with last year with strong Non-Life results and slightly lower Life results. The latter stems from some non-structural items impacting the net underwriting result. The Non-Life result was impacted by the adverse weather events for an amount of EUR 20 million (vs. EUR 29 million last year). The new reinsurance agreement contributed EUR 9 million to the year-to-date result.

Quarterly Non-Life gross inflows increased across all business lines continuing the strong growth of the previous quarters. **Quarterly gross inflows in Life** remained flat compared to last year with increased inflows in Guaranteed products compensating lower Unit-Linked sales. Quarterly inflows in Guaranteed products increased by 11% mostly driven by savings products in the Bank channel.

The year-to-date **Life Technical Liabilities** (excluding shadow accounting) increased mainly as a result of strong growth in Unit-Linked and Group Life.

The **quarterly Guaranteed operating margin** increased strongly thanks to higher investment results (higher level of capital gains). On a year-to-date basis, the operating margin was lower versus last year. This is due to the lower net underwriting result only partially compensated by higher investment result.

The **quarterly Unit-Linked operating margin** is up on last year as 2018 was negatively impacted by one-off charges related to strong inflows. On a year-to-date basis the operating margin is in line with last year and in line with the group target range.

All Non-Life business lines reported a strong operating performance. This translated to a quarterly **combined ratio** of 90.0%, that is continuously improving over the year. The slight increase compared to last year's third quarter was due to Accident & Health and Motor. The year-to-date combined ratio is stable compared to last year and reaches the group target.

UNITED KINGDOM

Sustained strong Household performance offset by the impact of the challenging Motor market

KEY FIGURES UNITED KINGDOM

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result attributable to shareholders	65.9	61.3	8%	13.9	30.8	(55%)	52.0
Gross inflows Non-Life (incl. non-consolidated partnerships at 100%)	1,325.7	1,375.5	(4%)	445.2	454.7	(2%)	880.5
Combined ratio - before LPT and QS	97.0%	97.5%		97.2%	94.4%		96.9%

As from 2019 a new internal reinsurance programme became operational, impacting combined ratio and Non-Life net result.

The combined ratio including the effect of the new internal reinsurance agreement stood at 78.6% year-to-date.

For more details, please refer to the Investor presentation and the tables on the website.

The **quarterly net result** was marked by a continued strong operating performance in Household offset however by the impact of higher claims inflation in Motor, a market phenomenon observed across the UK market, and the new internal reinsurance programme that had a negative impact of EUR 4 million on the quarter.

The **first nine months net result** benefited from the Ogden rate review (EUR 30 million) and the initiation of the new internal reinsurance programme (EUR 16 million) and included EUR 13 million restructuring costs.

The **quarterly gross inflows** were slightly down compared to last year across all major product lines as a result of the continued focus on pricing discipline in

the highly competitive Motor market and the strategic decision to exit unprofitable distribution relationships. As mentioned in the previous quarter, volumes at the level of the consolidated entity stabilised.

While the Broker channel is the predominant distribution channel in the UK, direct sales through the aggregator platforms is on track and continuously increasing.

The **quarterly combined ratio** was positively impacted by the strong combined ratio in Household offset by Motor classes with increased attrition claims inflation; large loss severity returned to normalised levels balancing the elevated experience in the first and second quarters in 2019.

CONTINENTAL EUROPE

Solid result driven by a strong Non-Life performance while the Life business remains challenging

KEY FIGURES CONTINENTAL EUROPE

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result attributable to shareholders	79.7	82.2	(3%)	23.0	29.2	(21%)	56.7
- Life	23.9	43.5	(45%)	7.5	14.6	(49%)	16.4
- Non-Life	55.8	38.7	44%	15.5	14.6	6%	40.3
Gross inflows (incl. non-consolidated partnerships at 100%)	2,472.7	4,113.4	(40%)	716.2	1,427.9	(50%)	1,756.5
- Life	1,429.8	3,162.2	(55%)	383.3	1,158.7	(67%)	1,046.5
- Non-Life	1,042.9	951.2	10%	332.9	269.2	24%	710.0
Combined ratio - before LPT and QS	90.4%	91.2%		90.9%	90.5%		90.2%
Operating margin Guaranteed (bps)	86	124		127	131		66
Operating margin Unit-Linked (bps)	10	11		13	9		8

in EUR million	30 Sep 2019	31 Dec 2018	Change	30 Jun 2019
Life Technical Liabilities (consolidated entities)	16,513	16,111	2%	17,361
- Life Technical Liabilities excl. shadow accounting	15,552	15,672	(1%)	16,551
- Shadow accounting	961	439	*	810

Scope change: Cardiff Luxembourg Vie that was sold mid December 2018 contributed EUR 6.9 million to the net result of the first 9 months 2018.

As from 2019 a new internal reinsurance programme is operational, impacting combined ratio and Non-Life net result. The combined ratio including the effect of the new internal reinsurance agreement stood at 86.7%. For more details, please refer to the Investor presentation and the tables on the website.

The **quarterly Life** result, which included in the third quarter 2018 a EUR 2.0 million contribution from the divested Cardiff Luxembourg Vie, was impacted by one-off charges related to IT-investments in France. The **Non-Life net result** was driven by the continued strong operating performance in all business lines both in Portugal and in the non-consolidated partnership in Turkey which contributed EU 4.1 million, while the new reinsurance agreement with ageas SA/NV had a negative impact of EUR 2 million.

Year-to-date, the net result increased by 6% scope on scope. The excellent Non-Life performance more than offset the lower Life result that was influenced by the reserves strengthening in Portugal in the second quarter due to the low interest rate environment and by one-off costs in France this quarter.

Life gross inflows declined over the quarter (-9% scope on scope). In **Portugal**, the guaranteed business slowed down as less attractive interest rates create a challenging environment while in **France** the inflows decreased slightly despite the good performance of the broker channel.

The **Non-Life gross inflows** continued to record strong growth in the third quarter with sales up in **Portugal** in all major product lines and a continued excellent commercial performance in **Turkey**.

The **combined ratio**, excluding the impact of the new reinsurance programme in Portugal, stood at a solid 90.9% in the third quarter reflecting a continued excellent operating performance driven by the current year claims ratio across all major product lines.

Life Technical Liabilities of the consolidated entities stood at EUR 16.5 billion. The increase was driven by higher sales of Guaranteed products in the first half of the year being partly offset by the exit of a large Unit-Linked group contract in France in the third quarter. The Unit-Linked business accounted for 41% of total reserves.

The **Guaranteed operating margin** this quarter was in line with the third quarter 2018. Year-to-date the margin was impacted by reserve strengthening in Portugal in the second quarter. The **Unit-Linked margin** was slightly better this quarter due to an improved underwriting result but remained affected year-to-date by low sales.

ASIA

Very high net result driven by solid operating performance and positive impact of financial markets in China

KEY FIGURES ASIA

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result attributable to shareholders	442.9	210.4	*	111.5	40.4	*	331.4
- Life	431.3	198.5	*	107.7	35.0	*	323.6
- Non-Life	11.6	11.9	(3%)	3.8	5.4	(30%)	7.8
Gross Inflows (incl non-consolidated partnerships at 100%)	19,806.3	17,358.8	14%	4,987.3	4,024.6	24%	14,819.0
- Life	18,762.9	16,699.8	12%	4,595.4	3,816.0	20%	14,167.5
- Non-Life	1,043.4	659.0	58%	391.9	208.6	88%	651.5
Gross Inflows Life (incl non-consolidated partnerships at 100%)	18,762.9	16,699.8	12%	4,595.4	3,816.0	20%	14,167.5
- Single premium	1,438.5	1,169.6	23%	445.1	298.8	49%	993.4
- Regular premium	17,324.4	15,530.3	12%	4,150.3	3,517.3	18%	13,174.1
Combined ratio	100.2%	91.3%		101.8%	94.0%		99.3%
in EUR million	30 Sep 2019	31 Dec 2018	Change	30 Jun 2019			
Life Technical Liabilities	80,243	65,599	22%	76,460			

The **quarterly net result** was very high, driven by a continued solid Life operating performance across the region and a high level of capital gains of EUR 30 million compared to a EUR 40 million negative contribution in the third quarter 2018 due to equity impairments. The result was also supported in China by the positive evolution of the discount rate curve. The third quarter Non-Life result was lower compared to last year due to a one-off tax adjustment in Malaysia in the third quarter of 2018.

In addition to the strong operating performance and the favourable equity markets, the exceptionally high **year-to-date result** also benefitted in the second quarter from a retroactive change in the tax regime relating to the 2018 fiscal year.

The solid growth in **inflows** continued in the third quarter, increasing 19% at constant exchange rates compared to the same quarter of 2018.

Life gross inflows at constant exchange rates increased by 16% in the third quarter driven by strong persistency. Solid growth was recorded in both new business and renewal premiums. Profitable regular premium sales continued to grow and accounted for more than 90% of the Life inflows. In **China** the growth momentum continued with inflows up 18% at constant exchange rates

compared to the third quarter of 2018 with persistency levels at industry-leading standards. In **Malaysia** and **Thailand**, the continued growth of new business led to an increase in inflows of 19% and 3% respectively at constant exchange rates. Inflows in **India** increased by 6% at constant exchange rates, supported by the favourable renewals while **Vietnam** and **the Philippines** continued to grow very rapidly.

Non-Life inflows at constant exchange rates maintained a solid growth in all key business lines. Excluding the contribution of the recently acquired Indian activities, the quarterly inflows were up 15% at constant exchange rates. In **Malaysia**, inflows increased by 17% with continued strong contribution from the Motor business. In **Thailand**, inflows were up 12%, while **India** contributed EUR 137 million to the inflows in the third quarter.

The deterioration of the **combined ratio** in the third quarter reflects the integration of the newly acquired activity in India.

Life Technical liabilities including non-consolidated partnerships at 100% continued to increase, thanks to the continued inflow growth and strong persistency.

REINSURANCE

Strong third quarter net result thanks to positive contribution of quota share treaty in Belgium & Portugal

KEY FIGURES REINSURANCE

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result attributable to shareholders	(23.9)	3.8	*	10.1	1.7	*	(34.0)
Gross Inflows (incl non-consolidated partnerships at 100%)	1,454.1	45.3	*	317.5	16.0	*	1,136.6
Combined ratio - before LPT and QS	97.2%	89.4%		124.6%	86.3%		84.8%

As from 2019 a new internal reinsurance programme became operational, impacting combined ratio and Non-Life net result.

The combined ratio including the effect of the new internal reinsurance agreement stood at 103.2%.

For more details, please refer to the Investor presentation and the tables on the website.

Following the approval of the National Bank of Belgium to operate reinsurance activities within ageas SA/NV, a first reinsurance programme with the objective to enhance capital fungibility in the Group has been established as of the first quarter of 2019, consisting of Non-Life Quota Share Treaties (30% with AG Insurance in Belgium¹ and Ageas Insurance Limited in the UK, and 20% with all Portuguese Non-Life Entities) and Loss Portfolio Transfers (30% with Ageas Insurance Limited in the UK, and 20% with the Portuguese Non-Life Entities). The reinsurance protection programme formerly carried out by Intreas is now managed by ageas SA/NV.

The third **quarter net result** of the Reinsurance segment benefited from the positive contribution from Belgium & Portugal offsetting losses in the UK Motor 'Excess of Loss' treaty and the traditional reinsurance protection programme.

The total **year-to-date** contribution of the UK was minus EUR 20 million due to losses in the UK Motor 'Excess of Loss' treaty and the Ogden rate review to - 0.25%, which led to an increase in claims provision as this was previously set at best estimate, taking into account a 0% Ogden rate. The year-to-date net loss is further explained by a EUR 10 million loss resulting from the quota share treaty with AG Insurance in Belgium due to bad weather in the first quarter of the year. The quota share and loss portfolio transfer contracts with Portugal made a positive contribution of EUR 2 million.

The traditional reinsurance protection programme had a positive contribution of EUR 4 million year-to-date.

Year-to-date **gross inflows** include EUR 1,385 million from the new Quota Share and Loss Portfolio Treaties and EUR 69 million from the traditional protection programme.

¹ of which 75% underwritten by ageas SA/NV

GENERAL ACCOUNT

Positive RPN(I) contribution partly offset by higher costs related to the execution of the Fortis Settlement

KEY FIGURES GENERAL ACCOUNT

in EUR million	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Net result including eliminations	8.1	(8.4)	*	3.0	25.8	(88 %)	5.1
Unrealised gain (loss) on RPN(I)	105.9	57.5	84 %	44.6	48.9	(9 %)	61.3
Total expenses	(77.2)	(60.4)	28 %	(28.3)	(21.2)	33 %	(48.9)
- Staff and Intercompany expenses	(19.7)	(22.3)	(12 %)	(5.8)	(7.0)	(17 %)	(13.9)
- Other operating and administrative expenses	(57.5)	(38.1)	51 %	(22.5)	(14.2)	58 %	(35.0)
	30 Sep 2019	31 Dec 2018	Change	30 Jun 2019			
RPN(I)	(253.0)	(358.9)	(30 %)	(297.6)			
Royal Park Investments	6.5	6.9	(6 %)	5.9			
Provision Fortis Settlement	(606.8)	(812.4)	(25 %)	(625.7)			

Net Result

The quarterly net result of the General Account was positively impacted by the revaluation of the RPN(I) liability partly offset by higher costs related to the execution of the Fortis Settlement.

RPN(I)

The RPN(I) reference amount liability decreased to EUR 253 million at the end of the first nine months 2019. This led to a non-cash profit of EUR 45 million during the third quarter or a contribution of EUR 106 million since the start of the year. The change in the reference amount is explained by the movement of the CASHES price to 69.61% and the Ageas share price to EUR 50.88.

Total Liquid Assets

Over the quarter, the total liquid assets in the General Account decreased by EUR 0.1 billion to EUR 1.6 billion, as a consequence of the payment realised in the context of the Fortis settlement and the execution of the share buy-back programme. An amount of EUR 633 million was upstreamed during the year, more than covering the dividend paid to shareholders and the share-buyback.

Contingent Liabilities

On 28 July 2019 the claims filing period for the Fortis settlement ended. The provision for the settlement decreased during the quarter following the payments made to claimants, bringing the total amount paid to claimants to EUR 221 million since the start of the year or approximately EUR 625 million in total.

CAPITAL AND INVESTMENT PORTFOLIO

Robust solvency ratio despite drop in yield curve

CAPITAL AND INVESTMENTS					
in EUR million					
	30 Sep 2019	31 Dec 2018	30 Jun 2019		
Group Solvency II_{ageas}	199%	215%	201%		
- Belgium	209%	235%	223%		
- UK	168%	167%	161%		
- Continental Europe	142%	178%	160%		
- Reinsurance	188%	196%	192%		
Group Solvency II_{pim}	193%	216%	194%		
Shareholders' equity	11,223	9,411	10,225		

in EUR billion					
	30 Sep 2019	31 Dec 2018	30 Jun 2019	30 Sep 2019	31 Dec 2018
Total investments	84.4	79.6	82.9		
of which					
- Government bonds	39.8	36.9	38.7	47%	46%
- Corporate debt securities	21.4	19.9	20.9	25%	25%
- Loans	10.2	9.7	10.2	12%	12%
- Equity portfolio	4.4	4.5	4.2	5%	6%
- Real Estate	5.6	5.6	5.7	7%	7%

Solvency position

The **Own Funds** of the Group amounted to EUR 7.9 billion, EUR 4 billion above SCR resulting in a strong **Group Solvency II_{ageas} ratio** of 199%, only 2pp down over the quarter as the decrease from the continuing drop in the yield curve was partially compensated for by a correction on the treatment of the minority interest related to third party shareholders. The contribution of the operations to the Solvency ratio covers the expected dividend over the period. Since year-end 2018 the SolvencyII_{ageas} ratio has come down 17 pp, mainly as a result of the acquisition of Non-Life activities in India and the decreasing yield curve, impacting the Solvency ratio in Belgium and Continental Europe.

The **operational free capital** for the first nine months stood at EUR 391 million, including a EUR 98 million dividend upstream from the Non-European non-consolidated participations.

Shareholders' equity

Total **shareholders' equity** increased to EUR 11.2 billion thanks to a strong net result and the positive impact of the financial markets on the fair value of the bond portfolio compensating for the dividend payment.

Investment portfolio

Ageas's investment portfolio at the end of the third quarter 2019 amounted to EUR 84.4 billion compared to EUR 79.6 billion at the end of 2018. This increase is related to higher unrealised capital gains and losses. At the end of September 2019, the unrealised gains and losses on the total 'available for sale' investment and real estate portfolio amounted to EUR 12.2 billion compared to EUR 7.7 billion at the end of 2018. The unrealised capital gains on the 'Held to Maturity' portfolio increased to EUR 2.8 billion not reflected in the shareholder's equity.

ANNEXES

Annex 1: Belgium

BELGIUM							
in EUR million							
INCOME STATEMENT - LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow Life (consolidated entities)	3,316.5	2,987.3	11%	880.0	877.6	0%	2,436.5
Operating result	315.0	338.8	(7%)	104.7	63.5	65%	210.3
Non-allocated other income and expenses	51.9	44.7	16%	19.2	11.7	64%	32.7
Result before taxation consolidated entities	366.9	383.5	(4%)	123.9	75.2	65%	243.0
Result equity associates							
Result before taxation	366.9	383.5	(4%)	123.9	75.2	65%	243.0
Income tax expenses	(73.9)	(80.1)	(8%)	(29.7)	(21.8)	36%	(44.2)
Non Controlling interests	(81.1)	(82.4)	(2%)	(27.4)	(13.3)	> 100 %	(53.7)
Net result attributable to shareholders	211.9	221.0	(4%)	66.8	40.1	67%	145.1
INCOME STATEMENT - NON-LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Written Premiums (consolidated entities)	1,620.3	1,552.3	4%	494.6	473.6	4%	1,125.7
Operating result	163.1	149.9	9%	77.2	85.4	(10%)	85.9
Non-allocated other income and expenses	12.6	12.0	5%	5.2	2.6	100%	7.4
Result before taxation consolidated entities	175.7	161.9	9%	82.4	88.0	(6%)	93.3
Result equity associates							
Result before taxation	175.7	161.9	9%	82.4	88.0	(6%)	93.3
Income tax expenses	(48.3)	(45.3)	7%	(23.0)	(26.2)	(12%)	(25.3)
Non Controlling interests	(34.7)	(31.4)	11%	(16.4)	(15.5)	6%	(18.3)
Net result attributable to shareholders	92.7	85.2	9%	43.0	46.3	(7%)	49.7
INCOME STATEMENT - TOTAL	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow (consolidated entities)	4,936.8	4,539.6	9%	1,374.6	1,351.2	2%	3,562.2
Net result attributable to shareholders	304.6	306.2	(1%)	109.8	86.4	27%	194.8

Annex 2: United Kingdom

UNITED KINGDOM							
in EUR million							
INCOME STATEMENT - NON-LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Written Premiums (consolidated entities)	1,052.3	1,077.5	(2%)	354.6	355.5	(0%)	697.7
Operating result	87.4	63.3	38%	14.4	30.3	(52%)	73.0
Non-allocated other income and expenses	(19.0)	4.3	*	(1.6)	5.0	*	(17.4)
Result before taxation consolidated entities	68.4	67.6	1%	12.8	35.3	(64%)	55.6
Result equity associates	10.2	8.8	16%	3.5	4.3	(19%)	6.7
Result before taxation	78.6	76.4	3%	16.3	39.6	(59%)	62.3
Income tax expenses	(12.7)	(15.1)	(16%)	(2.4)	(8.8)	(73%)	(10.3)
Non Controlling interests							
Net result attributable to shareholders	65.9	61.3	8%	13.9	30.8	(55%)	52.0
INCOME STATEMENT - TOTAL	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow (consolidated entities)	1,052.3	1,077.5	(2%)	354.6	355.5	(0%)	697.7
Net result attributable to shareholders	65.9	61.3	8%	13.9	30.8	(55%)	52.0

Annex 3: Continental Europe

CONTINENTAL EUROPE							
in EUR million							
INCOME STATEMENT - LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow Life (consolidated entities)	1,429.8	1,235.6	16%	383.3	418.6	(8%)	1,046.5
Operating result	60.8	81.2	(25%)	29.6	28.0	6%	31.2
Non-allocated other income and expenses	(4.5)	(0.1)	*	(5.9)	1.0	*	1.4
Result before taxation consolidated entities	56.3	81.1	(31%)	23.7	29.0	(18%)	32.6
Result equity associates		6.9	(100%)		2.0	(100%)	
Result before taxation	56.3	88.0	(36%)	23.7	31.0	(24%)	32.6
Income tax expenses	(16.4)	(21.2)	(23%)	(7.8)	(8.5)	(8%)	(8.6)
Non Controlling interests	(16.0)	(23.3)	(31%)	(8.4)	(7.9)	6%	(7.6)
Net result attributable to shareholders	23.9	43.5	(45%)	7.5	14.6	(49%)	16.4
INCOME STATEMENT - NON-LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Written Premiums (consolidated entities)	551.1	507.2	9%	178.2	163.3	9%	372.9
Operating result	59.4	43.3	37%	14.0	16.2	(14%)	45.3
Non-allocated other income and expenses	0.3	(2.3)	*	1.7			(1.3)
Result before taxation consolidated entities	59.7	41.0	46%	15.7	16.2	(3%)	44.0
Result equity associates	12.2	9.2	33%	4.1	3.1	32%	8.1
Result before taxation	71.9	50.2	43%	19.8	19.3	3%	52.1
Income tax expenses	(16.3)	(11.5)	42%	(4.4)	(4.7)	(6%)	(11.9)
Non Controlling interests	0.2			0.1			0.1
Net result attributable to shareholders	55.8	38.7	44%	15.5	14.6	6%	40.3
INCOME STATEMENT - TOTAL	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow (consolidated entities)	1,980.9	1,742.8	14%	561.5	581.9	(4%)	1,419.4
Net result attributable to shareholders	79.7	82.2	(3%)	23.0	29.2	(21%)	56.7

Annex 4: Asia

ASIA							
in EUR million							
INCOME STATEMENT - LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow Life (consolidated entities)							
Operating result							
Non-allocated other income and expenses	(22.4)	(19.8)	13%	(7.1)	(6.9)	3%	(15.3)
Result before taxation consolidated entities	(22.4)	(19.8)	13%	(7.1)	(6.9)	3%	(15.3)
Result equity associates	453.6	218.3	*	114.7	41.9	*	338.9
Result before taxation	431.3	198.5	*	107.7	35.0	*	323.6
Income tax expenses							
Non Controlling interests							
Net result attributable to shareholders	431.3	198.5	*	107.7	35.0	*	323.6
INCOME STATEMENT - NON-LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Written Premiums (consolidated entities)							
Operating result							
Non-allocated other income and expenses							
Result before taxation consolidated entities							
Result equity associates	11.6	11.9	(3%)	3.8	5.4	(30%)	7.8
Result before taxation	11.6	11.9	(3%)	3.8	5.4	(30%)	7.8
Income tax expenses							
Non Controlling interests							
Net result attributable to shareholders	11.6	11.9	(3%)	3.8	5.4	(30%)	7.8
INCOME STATEMENT - TOTAL	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow (consolidated entities)							
Net result attributable to shareholders	442.9	210.4	*	111.5	40.4	*	331.4

Annex 5: Reinsurance

REINSURANCE							
in EUR million							
INCOME STATEMENT - NON-LIFE	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Written Premiums (consolidated entities)	1,454.1	45.3	*	317.5	16.0	*	1,136.6
Operating result	(28.3)	2.6	*	14.9	1.3	*	(43.2)
Non-allocated other income and expenses	5.2	1.2	*	(5.0)	0.4	*	10.2
Result before taxation consolidated entities	(23.1)	3.8	*	9.8	1.7	*	(32.9)
Result equity associates							
Result before taxation	(23.1)	3.8	*	9.8	1.7	*	(32.9)
Income tax expenses	(0.8)			0.3			(1.1)
Non Controlling interests							
Net result attributable to shareholders	(23.9)	3.8	*	10.1	1.7	*	(34.0)
INCOME STATEMENT - TOTAL	9M 19	9M 18	Change	Q3 19	Q3 18	Change	HY 19
Gross Inflow (consolidated entities)	1,454.1	45.3	*	317.5	16.0	*	1,136.6
Net result attributable to shareholders	(23.9)	3.8	*	10.1	1.7	*	(34.0)

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