PRESS RELEASE

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Regulated Information – Ageas Half Year Results 2012

Ageas posts strong half year results

Significant improvement in insurance results across all segments

- **Insurance net profit of EUR 303 million, compared to EUR 111 million[1]**
  - Life net profit at EUR 205 million (vs. EUR 52 million, HY 2011 results, impacted by net impairment charges on Greek bonds)
  - Non-Life net profit at EUR 90 million (vs. EUR 48 million)
  - Group combined ratio at 98.3% vs.100.1% driven by an outstanding second quarter with a Group combined ratio at 94.7%
- **Group inflows at EUR 10.8 billion, up 20%, higher inflows in all segments**
  - Life inflows at EUR 7.8 billion, +20%
  - Non-Life inflows at EUR 3.0 billion, +22%
- **Life Funds under management of consolidated entities at EUR 65.8 billion, scope-on-scope up 2% vs. end of 2011**
- **Increasing corporate bonds investments and entering the corporate loans market**

Group net profit of EUR 305 million, compared to a net loss of EUR 59 million

- General Account net profit of EUR 2 million (vs. a net loss of EUR 170 million)
- Substantial progress in solving legacy issues including the positive impact related to the agreement with ABN AMRO and the Dutch State

Shareholders' equity up and solvency remains strong

- **Shareholders' equity at EUR 8.8 billion, EUR 3.69 per share, + 14% vs. end of 2011**
- **Insurance solvency at 211%; Group solvency ratio at 248%; net cash position of EUR 1.5 billion**
- **Share buy-back programme announced of up to EUR 200 million**

CEO Bart De Smet said:
"We are pleased with our half year results, showing that we are delivering on our strategy. Our insurance activities performed strongly with increased inflow levels and a higher net profit across all segments, continuing the positive momentum of the first quarter. The strong overall combined ratio of 98.3% for the first half and especially the excellent second quarter underline the positive results of the various corrective measures taken. In Life, results came in much higher than last year when results were heavily impacted by the Southern European debt crisis.

By reaching agreements with ABN AMRO and the Dutch State on outstanding legal proceedings and with BNP Paribas on the RPN(I) and the Tier 1 Instrument, we have made substantial progress in solving our legacy issues. This, alongside the recent Shareholders' approval for the simplification of our legal structure, allows us to focus even more on the development of our insurance activities. In light of this recent settlement and taking into account our strong liquidity and solvency position, we believe it is an opportune moment to implement a share buy-back.

Based on our performance in the first half year, we are confident in re-confirming our expected outlook for the inflow levels of 2012 to exceed 2011."

1 *All Half Year 2012 data are compared to the first Half Year of 2011 unless otherwise stated.*

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in EUR million	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross inflows (incl. non-consolidated partnerships)	**10,815.0**	**8,993.0**	**20 %**	**5,164.0**	**4,161.0**	**24 %**	**5,651.0**
- of which inflows from non-consolidated partnerships	5,111.0	3,079.0	66 %	2,281.0	1,414.0	61 %	2,830.0
Net result Insurance attributable to shareholders	**302.4**	**110.9**	*	**147.6**	**(23.6)**	*	**154.8**
By segment:							
- Belgium	143.6	23.1	*	66.0	(58.5)	*	77.6
- UK	50.9	30.4	67 %	34.0	25.5	33 %	16.9
- Continental Europe	33.5	3.7	*	16.2	(14.1)	*	17.3
- Asia	74.4	53.7	39 %	31.4	23.5	34 %	43.0
By type:							
- Life	205.4	51.5	*	79.9	(54.2)	*	125.5
- Non-Life	89.5	48.1	86 %	63.3	23.3	*	26.2
- Other	7.5	11.3	(34 %)	4.4	7.3	(40 %)	3.1
Net result General Account	**2.3**	**(169.7)**	*	**240.9**	**118.4**	*	**(238.6)**
Net result Ageas attributable to shareholders	**304.7**	**(58.8)**	*	**388.5**	**94.8**	*	**(83.8)**
Life Funds under management (in EUR bn)	**65.8**	**65.1**	**1 %**	**65.8**	**65.1**	**1 %**	**65.6**
Operating cost Life/FUM Life ratio	**0.51%**	**0.50%**		**0.50%**	**0.53%**		**0.51%**
Combined ratio	**98.3%**	**100.1%**		**94.7%**	**98.8%**		**101.9%**
Total solvency ratio Insurance	**211%**	**207%**		**211%**	**207%**		**207%**
Weighted average number of ordinary shares (in million)	2,390	2,583	(7 %)	2,390	2,583	(7 %)	2,392
Earnings per share (in EUR)	**0.13**	**(0.02)**	*				**(0.04)**
Shareholders' equity	**8,807**	**7,617**	**16 %**	**8,807**	**7,617**	**16 %**	**8,304**
- Shareholders' equity excl. value call option	8,690	6,923	26 %	8,690	6,923	26 %	8,100
Net equity per share (in EUR)	**3.69**	**2.95**	**25 %**	**3.69**	**2.95**	**25 %**	**3.48**
- Net equity per share excl. value call option (in EUR)	3.64	2.68	36 %	3.64	2.68	36 %	3.39

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Content

Executive summary

Ageas's first half 2012 results improved on last year's performance in all segments both in terms of inflows and net profits. Total inflows, across Life and Non-Life, improved by more than 20% and amounted to EUR 10.8 billion. The positive currency impact contributed 4% to the growth. The Asian segment confirmed its performance of the first quarter for the first six months, reflected by an inflow of nearly EUR 4 billion, 23% up on last year. Continental Europe grew by more than 40%, mainly thanks to the new partnership in Turkey and the merged activities in Luxembourg. Belgium and the UK inflow levels grew by 10% or more. The total non-consolidated partnerships at 100% contributed EUR 5.1 billion to the gross inflows (+65%), part of the increase driven by the aforementioned changes in Continental Europe.

The **net Insurance profit** amounted to EUR 303 million compared to EUR 111 million, an improvement across all segments. Adjusting the 2011 half year result for the net impairment charge of EUR 150 million related to the Greek sovereign exposure, the net profit improved by 16%. Both Life and Non-Life performed better with a net profit of EUR 205 million and EUR 90 million respectively, thanks to prior year releases and better underwriting in Non-Life, especially in the UK, and good Life results in Asia.

The **combined ratio** at group level of 98.3% compares to 100.1% last year. In the second quarter an outstanding combined ratio of 94.7% was realized as a result of improved risk pricing and subsequently better claims ratios, particularly in Motor.

The **Group net profit** for the first half amounted to EUR 305 million compared to a loss of EUR 59 million. The net profit of the **General account** was EUR 2 million: the positive impact of EUR 400 million in the second quarter related to the agreement with ABN AMRO and the Dutch State on the outstanding legal proceedings and a EUR 75 million positive result from the valuation of Royal Park Investments was largely offset by a charge related to the settlement with BNP Paribas in the first quarter and the lower value of the call option on BNP Paribas shares.
The second quarter Group net profit amounted to EUR 389 million, broken down into EUR 148 million in Insurance and EUR 241 million in the General Account.

Total shareholders' equity increased by 14% compared to the end of 2011 and amounted to EUR 8.8 billion or EUR 3.69 per share, driven mainly by higher unrealized gains on the fixed income portfolio and the half year net profit partly offset by the dividends paid out over 2011 of EUR 0.2 billion. The Insurance and Group solvency ratios increased to 211% and 248% respectively, with available capital EUR 5.6 billion above the minimum capital requirements.

Insurance

Life: inflows up across all segments, improved results driven by strong performance in Asia

The **Life** activities contributed EUR 205 million to the **net profit**, compared to EUR 52 million last year, the latter including EUR 143 million net impairment charges related to Greek sovereign bonds.The intrinsic improvement was mainly driven by the strong results in Asia across all countries, reflecting solid growth in the underlying business and supported by an exceptional reserve release of EUR 15 million. But partly offset by slightly lower results in Belgium, on a normalized basis, due to a higher effective tax rate and a lower yield on own funds. The net result in Continental Europe corrected for the Greek impairments remained stable and was helped by strong results in Portugal taking into account the challenging market environment.

Inflows, including non-consolidated partnerships at 100%, reached EUR 7.8 billion, up 20% on last year. Inflows in Asia confirmed the increasing trend observed in the first quarter, up 23%. The proportion of regular premiums increased to 73 % of total inflows. In Continental Europe, inflows grew by more than 25% mainly as a result of higher inflows in Luxembourg, following the merger of Ageas's activities with Cardif Lux at the end of 2011. In Portugal, increased sales of protection products could not offset lower sales of traditional savings products and led to inflows down by 38%. Inflows in Belgium were up 12%, helped by a strong second quarter in Individual Savings and good momentum in Group Life.

Funds under management in the consolidated activities at the end of June were up to EUR 65.8 billion (+2%). Life funds under management in the Asian and Continental European non-consolidated partnerships amounted to EUR 33.9 billion, including EUR 13.2 billion (non-consolidated) from Luxembourg, compared to EUR 31.0 billion end of last year. Total funds under management of consolidated and non-consolidated partnerships amounted to almost EUR 100 billion.

Non-Life: higher inflows and better results driven by an improved operating performance

The **Non-Life** operations reported a **net profit** of EUR 90 million, compared to EUR 48 million (+86%), the latter including a net impairment charge of EUR 7 million related to Greek sovereign bonds. The performance improved across all segments driven by higher prior year releases and better underwriting. The increased net result mainly originates from the UK operations where the net result increased from EUR 20 million to EUR 43 million. Continuing improvement in Motor together with net realized capital gains more than offset marginally higher weather related claims in Household. In Belgium, the Motor division also confirmed its good operational performance while Fire and Workmen's Compensation also performed better than last year. The Continental European and Asian Non-Life activities increased their total contribution to net profit to some EUR 14 million, up 10%, driven by strong operating results in all activities.

Gross written Premiums grew further from EUR 2.4 billion in 2011 to EUR 3.0 billion this year, up by 22%. The positive currency impact contributed 2.7% to this growth. Underwriting improved across all segments but especially in Continental Europe, fuelled by the inclusion of the new Turkish partnership. In mid July, Ageas together with Hacı Ömer Sabanci Holding, the other main shareholder of Aksigorta, completed the programme announced and started in November 2011, to jointly acquire up to 10% of the total outstanding shares. As a result, Ageas's stake in Aksigorta increased from 31% to 36%. The performance of Aksigorta, the 3rd largest Non-Life insurer in Turkey, is in line with our ambition with gross written premiums up 16%. In the UK, gross written premiums increased further to EUR 1.1 billion with higher premium levels both in Ageas Insurance and Tesco Underwriting and strong growth in the profitable Motor division. The Asian Non-Life activities consistently grow quarter on quarter, with good performance in Malaysian MAT (Marine, Aviation, Transport) and Motor business but also in Thailand with growth across all lines of business.

The **Group combined ratio** improved and ended below 100% at 98.3% compared to 100.1% last year spurred by an excellent 94.7% in the second quarter as a result of improved risk pricing and subsequently a better claims ratio, particularly in Motor. In Belgium, the combined ratio amounted to 99.8% (vs.100.0%), supported by a strong second quarter combined ratio of 95.6%. In the UK the combined ratio reached a level of 98.8% (vs.101.2%). In Continental Europe, the combined ratio remained excellent and improved further to 88.5% on a consolidated basis. Prior year releases increased slightly to 4.8% (vs. 4.2%) and the current year's claims ratio was strong at 72.5%.

As of the first quarter of 2012, Ageas reviewed the calculation methodology of the combined ratios and decided to bring the calculation more in line with market practice for Non-Life products with discounted insurance liabilities in Disability and Workmen's Compensation and especially impacting the Belgian segment.

Non-Life reserves increased 16% to EUR 6.6 billion in line with volume growth.

Other Insurance: income in line with last year, recurring financial performance down in a tough environment

The UK's Other Insurance segment which includes the Retail operations - RIAS, Kwik Fit Financial Services (KFFS), Ageas Insurance Solutions (UKAIS) and Castle Cover – reported total fee and commission **income** of EUR 139 million, in line with last year.
Net profit reduced from EUR 11.3 million to EUR 7.5 million. This reflects the fact that last year's result was boosted by an incentive payment from a commercial partner and that the Retail operations continue to trade in a highly competitive environment linked to general tough economic conditions.

Investment portfolio: fair value significantly up supported by higher unrealized gains on fixed income

Ageas's investment portfolio at the end of June amounted to EUR 63.5 billion compared to EUR 59.5 billion at the end of 2011. The increase is largely thanks to higher market values following the overall yield and spread drop on both sovereigns and corporate bonds.

Given the increase in liquidity and reduction in spreads of Southern European sovereigns, Ageas decided to further reduce its exposure to Greece, Spain and Italy in the first quarter of 2012. The divestments of Southern European sovereigns along with some of the core European countries, were primarily reinvested in Belgian sovereign bonds (EUR 16.5 billion including 'Held to Maturity'). The total net sovereign exposure to Southern European countries ('Available for Sale' and 'Held to Maturity'), i.e. after non-controlling interests, as at 30 June 2012 at amortized cost declined to EUR 2.3 billion (vs. EUR 3.0 billion at the end of 2011).

At the end of June the unrealized gains and losses on the total 'Available for Sale' investment portfolio (including real estate) increased from EUR 1.8 billion at the end of 2011 to EUR 3.6 billion, mainly driven by a positive evolution in bonds (EUR 1.7 billion) and in equities (EUR 0.1 billion).

Ageas continues to further diversify its investment portfolio illustrated by higher investments in corporate bonds and the announced entry of the corporate loans market. Ageas believes these asset classes offer an interesting alternative investment opportunity in the current low-interest environment with the upside of greater portfolio diversification and attractive risk-return profile.

General Account

The **General Account** recorded a net profit of EUR 2 million in the first half, supported by a net profit of EUR 241 million in the second quarter, after a negative first quarter of EUR 239 million. The main drivers of the net half year result are the positive impact of EUR 400 million related to the settlement of the legal proceedings with ABN AMRO and the Dutch State[2], the positive result of EUR 75 million related to Royal Park Investments partly offset by the negative impact of EUR 132 million related to the settlement with BNP Paribas and Fortis Bank on the RPN(I) and Tier 1 Instrument[3], and a charge of EUR 278 million related to the lower value of the call option on the BNP Paribas shares.

Following the partial settlement with BNP Paribas of the RPN(I) liability and the Tier 1 Instrument in the first quarter, the remaining RPN(I) liability is recorded at a floor value of EUR 174 million, an increase of EUR 11 million compared to the end of the first quarter and due to the evolution of the Ageas's share price. The value of the call option on the BNP Paribas shares as at 30 June declined to EUR 117 million, mainly reflecting the negative impact of a decreased volatility from 49% at the end of 2011 to 33% at the end of June 2012.

The contribution of Royal Park Investments (RPI) to the result of Ageas, including impairment of goodwill, amounted to EUR 75 million, compared to EUR 57 million, mainly thanks to lower impairment on goodwill. The value of the equity associate, including fair value movements of hedge reserves, increased from EUR 779 million at the end of 2011 to EUR 856 million as at 30 June 2012.

Net interest income amounted to EUR 29 million compared to EUR 6 million negative last year and included the amortisation of the discount and interest received on the Tier 1 Instrument amounting to EUR 39 million. Total staff and other expenses declined to EUR 23 million.

Contingent liabilities

Please refer to note 29 of the Consolidated Interim Financial Statements as per 30 June 2012 for the entire section of "Contingent liabilities". Certain new elements with respect to the legacy issues emerged in the first half of 2012. These included a.o. the judgment of the Dutch "Ondernemingskamer" rendered on 5 April 2012, stating that there was mismanagement by Fortis N.V. in the course of 2007 and 2008 in respect of certain matters. Ageas filed an appeal against this judgment before the Dutch Supreme Court.

With respect to the so called Mandatory Convertible Securities (MCS), Ageas obtained a favourable judgment on 3 March 2012 from the Brussels' Commercial Court in a legal procedure initiated by certain former MCS holders. These former holders requested validation of the postponement of the maturity date of the MCS until 7 December 2030 and the annulment of the conversion of the MCS into Ageas's shares or, alternatively, the payment of damages. The court dismissed these claims. Certain former MCS holders filed an appeal against this judgment.

On 26 January 2012, Ageas reached an agreement with Fortis Bank and BNP Paribas on a partial settlement of the RPN(I) and an entire call of the Tier 1 Debt securities, issued by Fortis Bank and for 95% held by Ageas. The combined impact on Ageas's net cash position amounted to EUR 666 million (payment done on 26 March 2012).

On 28 June 2012, Ageas, ABN AMRO and the Dutch State concluded a global settlement agreement on their outstanding legal proceedings, resulting in a EUR 400 million cash payment from ABN AMRO to Ageas.

Group

Shareholders' equity up to EUR 3.69 per share, strong solvency

Shareholders' equity at 30 June 2012 amounted to EUR 8.8 billion (EUR 3.69 per share) compared to EUR 7.8 billion (EUR 3.23 per share) at the end of 2011. The increase reflects the Insurance net profit and the increased unrealized capital gains on the investment portfolio but also the positive result in the General Account, driven among others by the settlement with ABN AMRO and the Dutch State, partly offset by the payout of the 2011 annual dividend. But it also reveals the increased unrealized capital gains on the investment portfolio. The revaluation of the liability related to the written put option on the 25% + 1 share of AG Insurance to Fortis Bank EUR to EUR 736 million had a EUR 151 million positive impact on shareholders' equity over the first half year.

Ageas's **total available capital** amounted to EUR 9.4 billion vs. EUR 8.6 billion at the end of 2011, exceeding the total consolidated regulatory minimum requirements of the insurance activities by EUR 5.6 billion, including the available capital within the General count (EUR 1.4 billion). The increase of the excess capital by EUR 0.7 billion is mainly driven by net profit and the positive currency impact. The total available capital of the insurance activities amounted to EUR 7.9 billion, with minimum solvency requirements slightly up to EUR 3.8 billion. The Insurance solvency ratio as a result increased to 211%. The solvency ratios by segments remained strong amounting to 177% for Belgium, 243% for the United Kingdom, 212% for Continental Europe and 283% for Asia.

2 *See press release of 28 June 2012*

3 *See press release of 7 February 2012*

The **net cash position in the General Account** as at 30 June 2012, assuming full redemption of the European Medium Term Notes (EMTN) programme including short term deposits entrusted to banks, amounted to EUR 1.5 billion, compared to EUR 0.7 billion at the end of 2011. The increase reflects the net positive impact of the settlement with BNP Paribas on the RPN(I) and the Tier 1 Instrument (EUR 0.7 billion) early March 2012, the settlement with ABN AMRO and the Dutch State (EUR 0.4 billion) end of June 2012, partly offset by the payment of the 2011 annual dividend (EUR 0.2 billion). A share buy-back programme will be launched as of 13 August 2012 for a period ending on 19 February 2013 at the latest for an amount up to EUR 200 million.[4]

Approval for simplification of legal structure

Ageas received strong shareholders' support to simplify its legal structure on 28 and 29 June 2012. On 3 August, the Board formally acknowledged the fulfilment of the two conditions precedent to which the simplification was subject, and thereby completed the last step before implementation of the merger, the reverse stock split and the reverse VVPR strip split. The Board has now requested the notary to acknowledge the completion of the merger of the two holding companies and the reverse splits on 6 August, after market hours. The simplification is scheduled to be effective at midnight.

4 See press release of 6 August 2012 on share buy-back programme

Details by business

Belgium

- **Strong inflows across Life and Non-Life at EUR 3.6 billion (vs. EUR 3.3 billion)**
  - Life inflows up 12% to EUR 2.6 billion reflecting a strong second quarter in Individual Savings and good momentum in Group Life
  - Non-Life Gross Written Premiums up 5% to EUR 0.9 billion
- **Improving net profit after non-controlling interests at EUR 144 million**
  - Life net profit up to EUR 111 million
  - Non-Life net profit up to EUR 33 million
- **Life funds under management at EUR 50.4 billion (vs. EUR 49.1 billion end 2011)**
- **Overall Combined ratio at 99.8% (vs. 100%)**
  - Excellent second quarter with a combined ratio of 95.6%
  - Continued strong combined ratio in Motor at 97.3% supported by corrective measures
  - Improved performance observed in Fire and Workmen's Compensation

in EUR million

Income Statement - Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums	2,493.2	2,172.3	15 %	1,287.5	950.2	35 %	1,205.7
Investment contracts without dpf	149.0	188.9	(21 %)	95.8	100.5	(5 %)	53.2
Gross inflow Life	**2,642.2**	**2,361.2**	**12 %**	**1,383.3**	**1,050.7**	**32 %**	**1,258.9**
Operating costs	(93.1)	(91.3)	2 %	(46.2)	(45.8)	1 %	(46.9)
Technical result	**170.8**	**109.3**	**56 %**	**93.7**	**44.3**	*	**77.1**
Allocated capital gains	30.4	(62.7)	*	(20.0)	(78.6)	75 %	50.4
Operating margin	**201.2**	**46.6**	*	**73.7**	**(34.3)**	*	**127.5**
Non-allocated other income and expenses	48.8	(21.9)	*	27.0	(59.4)	*	21.8
Result before taxation	**250.0**	**24.7**	*	**100.7**	**(93.7)**	*	**149.3**
Income tax expenses	(99.4)	(12.3)	*	(48.7)	15.8	*	(50.7)
Net result attributable to non-controlling interests	39.6	5.1	*	13.9	(18.6)	*	25.7
Net result attributable to shareholders	**111.0**	**7.3**	*	**38.1**	**(59.3)**	*	**72.9**

Income Statement - Non-Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums Non-Life	**940.1**	**898.1**	**5 %**	**405.4**	**387.0**	**5 %**	**534.7**
Operating costs	(144.8)	(137.2)	6 %	(72.8)	(68.4)	6 %	(72.0)
Technical result	**44.5**	**37.2**	**19 %**	**41.5**	**14.0**	*	**3.0**
Allocated capital gains	17.3	(2.0)	*	13.2	(3.3)	*	4.1
Operating margin	**61.8**	**35.2**	**76 %**	**54.7**	**10.7**	*	**7.1**
Non-allocated other income and expenses	5.9	(2.1)	*	3.2	(6.7)	*	2.7
Result before taxation	**67.7**	**33.1**	*	**57.9**	**4.0**	*	**9.8**
Income tax expenses	(23.9)	(11.7)	*	(20.5)	(2.8)	*	(3.4)
Net result attributable to non-controlling interests	11.2	5.6	100 %	9.5	0.4	*	1.7
Net result attributable to shareholders	**32.6**	**15.8**	*	**27.9**	**0.8**	*	**4.7**

Income Statement Total	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross inflow	**3,582.3**	**3,259.3**	**10 %**	**1,788.7**	**1,437.7**	**24 %**	**1,793.6**
Operating costs	(237.9)	(228.5)	4 %	(119.0)	(114.2)	4 %	(118.9)
Net result attributable to shareholders	**143.6**	**23.1**	*	**66.0**	**(58.5)**	*	**77.6**

Life

Strong inflows, good technical performance

Life inflows amounted to EUR 2.6 billion, 12% above last year's level and reflecting particularly strong sales in Individual Savings via the Bank Channel and good momentum in Group Life. Sales in Individual Savings amounted to EUR 1.8 billion, +20% compared to last year, and benefited from a competitive offering while customers anticipated on lowering interest rates. Individual Unit-linked sales amounted to EUR 148 million, down on last year. Group Life reached EUR 540 million, +5% (EUR 515 million) and driven by an increase in single premiums.

Life Funds under Management increased to EUR 50.4 billion (+3% compared to end 2011). Non Unit-linked Funds under Management amounted to EUR 44.7 billion end of June, up 3.5% (EUR 43.2 billion end 2011). Unit-linked Funds under Management decreased 3% to EUR 5.7 billion, reflecting a low risk appetite. AG Insurance's market position in Life (excluding first pillar) has been reconfirmed with a stable market share of 27.5% in terms of Funds under Management.[5]

The technical result increased from EUR 109 million to EUR 171 million supported by a good technical performance in the second quarter. Excluding last year's impact of the net impairment charge on Greek bonds, the technical result improved by EUR 10 million reflecting better investment margins partly offset by realized losses due to a further derisking of Southern European sovereigns in the first half year. The **operating margin** (EUR 201 million vs. EUR 47 million) increased thanks to higher realized capital gains on bonds partly offset by impairment on shares. Last year's margin was negatively impacted by the Greek impairment charges.

The **net profit** amounted to EUR 111 million vs. EUR 7 million. Normalized for the net impact of the impairment charges on Greek bonds in 2011 of EUR 118 million, the net result declined as a result of a higher effective tax rate and a lower yield on own funds (non-allocated other income & expenses).

Non-Life

Sustained inflows, strong operating performance in the second quarter

Gross written premiums increased further across all segments (from EUR 898 million to EUR 940 million, + 5%), especially in Fire (+9%) both via the Bank and Broker channels. This positive evolution was mainly driven by tariff increases and higher volumes. AG Insurance remains a strong second player in the Belgian Non-Life market with a market share of 14.6%.[6]

The **technical result** improved from EUR 37 million last year to EUR 44 million thanks to a solid operating performance in the second quarter. Motor and Healthcare confirmed the good performance of the first quarter with a technical result in line with the performance of last year. Fire improved substantially in the second quarter driven by a low current year's claims ratio.

The **combined ratio** for the first half amounted at 99.8% vs.100% previous year. The combined ratio of the second quarter stood at 95.6%. Motor confirmed its good performance with a combined ratio of 97.3% vs 96.8% last year. The Fire combined ratio evolved from 107.3% last year to 103.6% this year while Workmen's Compensation, part of Accident and Health, improved to 102.3% thanks to lower claims frequency and a positive run-off from last year.

Net profit improved to EUR 33 million vs. EUR 16 million, the latter including a net impairment charge on Greek bonds of EUR 7 million, reflecting the improved overall operating performance.

5 *Based on Assuralia Q12012 Life Insurance enquiry*

6 *Based on Assuralia Q12012 Premium enquiry*

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United Kingdom

- **Inflows at EUR 1,1 billion, +12%**
  - Non-Life Gross Written Premiums increased 11% reflecting growth in Motor
  - Life Protection inflows up 74%, in line with the distribution strategy
  - Retail income stable
- **Significantly improved net profit at EUR 51 million**
  - Non-Life net profit more than doubled to EUR 43 million (vs. EUR 20 million), driven primarily by ongoing strong Motor performance
  - Life Protection business at break even (vs. EUR 0.9 million negative)
  - Retail ("Other Insurance") net profit at EUR 8 million
- **Combined ratio at 98.8% (vs.101.2%) reflecting a strong second quarter, particularly in Motor**
  - Improved Combined ratio in Motor at 96.4% vs. 99.3%
  - Combined ratio Household stable at 104.3% reflecting higher weather claims

in EUR million **Income Statement - Life**	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums	38.4	22.1	74 %	20.4	11.8	73 %	18.0
Investment contracts without dpf	-	-	*	-	-	*	-
Gross inflow Life	**38.4**	**22.1**	**74 %**	**20.4**	**11.8**	**73 %**	**18.0**
Operating costs	(15.0)	(11.9)	26 %	(7.4)	(5.0)	48 %	(7.6)
Technical result	**(1.1)**	**(2.1)**	**49 %**	**(0.2)**	**(0.7)**	**71 %**	**(0.9)**
Allocated capital gains	-	-	*	-	-	*	-
Operating margin	**(1.1)**	**(2.1)**	**48 %**	**(0.2)**	**(0.7)**	**71 %**	**(0.9)**
Non-allocated other income and expenses	0.7	0.8	(13 %)	0.3	0.4	(25 %)	0.4
Result before taxation	**(0.4)**	**(1.3)**	**68 %**	**0.1**	**(0.3)**	*	**(0.5)**
Income tax expenses	0.4	0.4	(8 %)	-	0.1	*	0.4
Net result attributable to non-controlling interests	-	-	*	-	-	*	-
Net result attributable to shareholders	**0.0**	**(0.9)**	*	**0.1**	**(0.2)**	*	**(0.1)**

Income Statement - Non-Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums Non-Life	**1,101.8**	**993.8**	**11 %**	**567.9**	**522.7**	**9 %**	**533.9**
Operating costs	(91.2)	(64.2)	42 %	(46.7)	(33.3)	40 %	(44.5)
Technical result	**50.9**	**20.2**	*	**42.1**	**23.7**	**78 %**	**8.8**
Allocated capital gains	9.2	1.1	*	1.2	0.2	*	8.0
Operating margin	**60.1**	**21.3**	*	**43.3**	**23.9**	**81 %**	**16.8**
Non-allocated other income and expenses	8.1	5.6	45 %	2.3	3.1	(26 %)	5.8
Result before taxation	**68.2**	**26.9**	*	**45.6**	**27.0**	**69 %**	**22.6**
Income tax expenses	(17.0)	(7.1)	*	(11.4)	(7.1)	(61 %)	(5.6)
Net result attributable to non-controlling interests	7.8	(0.2)	*	4.7	1.5	*	3.1
Net result attributable to shareholders	**43.4**	**20.0**	*	**29.5**	**18.4**	**60 %**	**13.9**

Income Statement - Other Insurance	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Fee and commission income	89.0	84.2	6 %	45.2	44.4	2 %	43.8
Other income	50.0	47.9	4 %	26.2	25.0	5 %	23.8
Staff expenses	(54.0)	(47.6)	13 %	(27.4)	(25.1)	9 %	(26.6)
Other expenses	(74.8)	(69.3)	8 %	(38.1)	(34.7)	10 %	(36.7)
Result before taxation	**10.1**	**15.2**	**(34 %)**	**5.8**	**9.6**	**(40 %)**	**4.3**
Income tax expenses	(2.6)	(3.9)	33 %	(1.4)	(2.3)	39 %	(1.2)
Net result attributable to non-controlling interests	-	-	*	-	-	*	-
Net result attributable to shareholders	**7.5**	**11.3**	**(34 %)**	**4.4**	**7.3**	**(40 %)**	**3.1**

Income Statement Total	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross inflow	**1,140.2**	**1,015.9**	**12 %**	**588.3**	**534.5**	**10 %**	**551.9**
Operating costs	(106.2)	(76.1)	40 %	(54.1)	(38.3)	41 %	(52.1)
Net result attributable to shareholders	**50.9**	**30.4**	**67 %**	**34.0**	**25.5**	**33 %**	**16.9**

Life

Strong inflows, break even return

Gross inflows amounted to EUR 38 million for the first half year, 74% up. This growth reflected the continuing take-up of Ageas's protection products among Independent Financial Advisers (IFAs) together with the broadening of its distribution through affinity partnerships. The company now provides cover to over 225.000 customers, an increase of 47.4%.

The Protection business turned from a net loss of EUR 0.9 million last year into a break even **net result** this first half in line with its stage of development.

Non-Life

Continued growing inflows, outstanding operating performance

Total **gross written premiums** for the first half year of 2012 amounted to EUR 1.1 billion compared to EUR 994 million driven by strong growth in Motor (+20%) more than offsetting marginally lower premium levels in Household and Travel. This breaks down into EUR 758 million for Motor (vs. EUR 635 million), EUR 214 million for Household (vs. EUR 234 million) and EUR 30 million in Travel (vs. EUR 35 million). Inflows in Ageas Insurance Commercial and Special Risks grew by 10% to EUR 99 million (vs. EUR 90 million). Tesco Underwriting's inflows continue to grow and reached EUR 386 million (vs. EUR 359 million or +8%). The currency impact on inflows compared to last year amounted EUR 60 million positive.

The operations delivered an outstanding performance, reflected in an increase in the **net profit** of EUR 23 million to EUR 43 million. Key factors were the continuing improvement in Motor together with net realised capital gains on investments (EUR 9 million) offsetting higher weather claims in Household as a result of the rain and flood events impacting the UK market. Within Ageas Insurance, the net profit improved to EUR 36 million (vs. EUR 20 million). The net profit for Tesco Underwriting, after non-controlling interests, amounted to EUR 8 million (vs. a loss of EUR 0.1 million).

The **combined ratio** in the first half ended at 98.8%, compared to 101.2%. Specific management rating actions and increasing sophistication in fraud detection resulted in a strongly progressing Motor combined ratio at 96.4%, an improvement of 3% compared to last year. The combined ratio in Household remained stable at 104.3%, with strong underlying performance offsetting bad weather conditions across the first half of the year.

Other Insurance

The UK's Other Insurance segment which includes the Retail operations - RIAS, Kwik Fit Financial Services (KFFS), Ageas Insurance Solutions (UKAIS) and Castle Cover – reported total fee and commission **income** of EUR 139 million, in line with last year.
Net profit reduced from EUR 11.3 million to EUR 7.5 million. This reflects the fact that last year's result was boosted by an incentive payment from a commercial partner and the Retail operations continue to trade in a highly competitive environment linked to general tough economic conditions.

Continental Europe

- **Inflows, including non-controlling entities at 100%, up to EUR 2.1 billion (vs. EUR 1.5 billion)**
  - Life inflows up to EUR 1.6 billion (+26%), most of the growth stemmed from merged activities in Luxembourg
  - Non-Life inflows more than doubled to EUR 537 million, including new partnership in Turkey
- **Net profit at EUR 34 million (vs. EUR 4 million), driven by improved results both in Life and Non-Life**
  - Life net profit at EUR 25 million vs. breakeven last year (impacted by net impairment charges on Greek bonds)
  - Non-Life net profit at EUR 9 million (vs. EUR 4 million), spurred by an excellent operating performance
- **Combined ratio at 88.5% on a consolidated basis (vs. 96.8%)**
- **Life funds under management scope-on-scope at EUR 13.7 billion, in line with end 2011**
- **Ageas's stake in Aksigorta up from 31% to 36%**

in EUR million

Income Statement - Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums	295.7	426.6	(31 %)	119.4	194.1	(38 %)	176.3
Investment contracts without dpf	249.9	823.4	(70 %)	157.1	386.6	(59 %)	92.8
Gross inflow Life	**545.6**	**1,250.0**	**(56 %)**	**276.5**	**580.7**	**(52 %)**	**269.1**
Operating costs	(35.6)	(54.4)	(35 %)	(17.4)	(27.3)	(36 %)	(18.2)
Technical result	**60.1**	**16.5**	*	**29.0**	**(25.6)**	*	**31.1**
Allocated capital gains	(0.4)	(0.3)	(43 %)	(0.5)	(0.3)	(67 %)	0.1
Operating margin	**59.7**	**16.2**	*	**28.5**	**(25.9)**	*	**31.2**
Non-allocated other income and expenses	6.9	3.1	*	1.5	(0.2)	*	5.4
Result before taxation, consolidated entities	**66.6**	**19.3**	*	**30.0**	**(26.1)**	*	**36.6**
Result before taxation, associates	**2.3**		*	**0.8**		*	**1.5**
Income tax expenses	(22.2)	(7.8)	*	(9.9)	3.7	*	(12.3)
Net result attributable to non-controlling interests	21.8	11.5	90 %	9.9	(5.3)	*	11.9
Net result attributable to shareholders	**24.9**	**0.0**	*	**11.0**	**(17.1)**	*	**13.9**

Income Statement - Non-Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums Non-Life	**234.7**	**231.4**	**1 %**	**116.7**	**111.9**	**4 %**	**118.0**
Operating costs	(37.0)	(38.0)	(3 %)	(19.4)	(19.3)	1 %	(17.6)
Technical result	**31.6**	**13.6**	*	**20.5**	**10.6**	**93 %**	**11.1**
Allocated capital gains	0.7	(0.6)	*	(0.1)	(0.6)	83 %	0.8
Operating margin	**32.3**	**13.0**	*	**20.4**	**10.0**	*	**11.9**
Non-allocated other income and expenses	(0.9)	0.1	*	(1.7)	0.1	*	0.8
Result before taxation, including associates	**33.7**	**13.1**	*	**19.9**	**10.1**	**97 %**	**13.8**
Income tax expenses	(11.6)	(4.5)	*	(6.5)	(3.3)	(97 %)	(5.1)
Net result attributable to non-controlling interests	13.5	4.9	*	8.2	3.8	*	5.3
Net result attributable to shareholders	**8.6**	**3.7**	*	**5.2**	**3.0**	**73 %**	**3.4**

Income Statement Total	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross inflow	**780.3**	**1,481.4**	**(47 %)**	**393.2**	**692.6**	**(43 %)**	**387.1**
Operating costs	(72.6)	(92.4)	(21 %)	(36.8)	(46.6)	(21 %)	(35.8)
Net result attributable to shareholders	**33.5**	**3.7**	*	**16.2**	**(14.1)**	*	**17.3**

Life

Strong growth in inflows

Inflows, including non-consolidated entities at 100%, increased by 26% to EUR 1.6 billion, driven by higher inflows in Luxembourg.

At the end of 2011, Ageas in **Luxembourg** merged with Cardif Life International to form Cardif Lux Vie, the 2nd largest insurance provider in Luxembourg. The merger of the two operating companies proceeds as planned resulting in a EUR 1 billion inflow, mainly from Unit-linked sales and Savings business to high net worth individuals.

In the other countries *Portugal and France*, a combination of a limited appetite for long-term investment products and banks offering very attractive interest rates on deposits resulted in lower inflows compared to last year. In addition, Continental Europe opted to focus on more profitable and capital efficient products leading to a gradual shift in product mix.

In **Portugal,** inflows decreased by 38%. Inflows have been reoriented towards protection and Unit-linked products reflecting Continental Europe's strategy. Unit-linked business remained in line with expectations given the current market environment while sales of Savings products declined to EUR 64 million, and currently represent less than 20% of total inflows.

France booked decent inflows in an overall shrinking market for insurance products. Although Unit-linked sales decreased compared to prior year, these sales still represented 37% of total sales compared to a market average of 12%. In response to market pressure, Ageas France enlarged its product range offering new pension solutions and protection products, the latter through a new partnership with April Santé Prévoyance.

Life Funds under Management on a scope-on-scope and consolidated basis were in line with year-end 2011 (EUR 13.7 billion). In Luxembourg, the non- consolidated Funds under Management ended at EUR 13.2 billion.

The operating margin amounted to EUR 60 million, significantly up on last year (EUR 16 million) reflecting an improved investment result as last year was impacted by net impairment charges on Greek bonds.

Operating costs on a scope-on-scope basis amounted to EUR 36 million, a reduction with 8% thanks to continued cost containment and timing differences.

Net result after non-controlling entities developed positively from breakeven last year to EUR 25 million. Excluding the EUR 25 million net impairment charge on Greek bonds last year, the performance remained solid and in line with last year.

Non-Life

Strong performance with a combined ratio at 88.5%

Non-Life gross written premiums more than doubled to EUR 537 million, including 100% of the gross written premiums from Aksigorta, Turkey. On a consolidated basis, gross written premiums increased by 1% to EUR 235 million. Inflows in Motor increased by 10% to EUR 55 million while Fire grew 4% to EUR 35 million. The other business lines remained fairly stable. Accident & Health continued to be the major business line in the portfolio.

Gross written premiums in **Portugal** were 2% higher than last year in an overall shrinking Portuguese market (-3% by the end of May 2012). Sales in all product lines increased with the exception of Motor and Health Care which remained flat. For both product lines, new campaigns were launched to boost sales for standalone products. In the Motor division, a new brand, Mobis, has been launched.

In **Italy**, premiums amounted to EUR 109 million, up 1% compared to last year that included a number of non-recurring inflows. Despite the impact of a challenging economic environment reflected in higher unemployment rates and weaker credit demands, UBI Assicurazioni managed to maintain inflows slightly above last year's levels. The Motor business grew by 14%. In the Accident and Health business, the new Health insurance package is proving successful.

In **Turkey**, Ageas celebrated the first anniversary of expanding its Non-Life activities through an increased stake in Aksigorta. As of mid-July, Ageas's stake amounted to 36%, from 31% originally, following the completion of the additional 10% acquisition together with Hacı Ömer Sabanci, the other main shareholder of Aksigorta. The partnership has already been very successful in terms of growth and sharing expertise, with the launch of several work streams including programmes to increase the profitability of the Agencies network, to enhance the portfolio mix and to leverage the Bancassurance channel introducing consultants to help drive sales.

Gross written premiums ended at EUR 302 million, up 16% excluding a positive currency impact. Motor remains the largest part in the portfolio representing 47% of premium income with Fire and Private Health volumes increasing by 17% and 15% respectively of total inflows. Underwriting via the Bancassurance agreement with Akbank increased 32% and represents 14% of total inflows.

The operating margin increased substantially to EUR 32 million. This result is driven by a good technical result in all lines of business and is reflected in a combined ratio of 88.5%, excluding Turkey.

Operating costs decreased 2%, both in Italy and Portugal as a result of a continued focus on cost containment.

Net profit, after non-controlling entities, increased from EUR 4 million to EUR 9 million and this improvement is the result of the inclusion of the stake in Aksigorta and strong underwriting results in both Portugal and Italy driven by lower claims and cost containment.

Asia

- **Excellent inflow levels reaching EUR 4 billion, up 23% (including currency impact)**
  - Life marked by very strong renewals from high-quality regular premium sales combined with good persistency
  - Non-Life boosted by strong post-flood recovery in the Thai market
- **Net profit strongly up to EUR 74 million**
  - Very strong Life results driven by organic growth and supported by EUR 15 million impact from exceptional reserve release
  - Weaker start in Non-Life despite strong underlying performance, due to additional flood losses in Thailand

in EUR million

Income Statement - Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums	127.7	107.0	19 %	70.5	55.8	26 %	57.2
Investment contracts without dpf	73.9	50.4	47 %	42.9	26.7	61 %	31.0
Gross inflow Life	**201.6**	**157.4**	**28 %**	**113.4**	**82.5**	**37 %**	**88.2**
Operating costs	(21.0)	(16.7)	25 %	(11.0)	(8.5)	29 %	(10.0)
Technical result	**15.5**	**14.3**	**8 %**	**4.4**	**6.0**	**(27 %)**	**11.1**
Allocated capital gains	1.0	2.5	(61 %)	0.1	2.1	(95 %)	0.9
Operating margin	**16.5**	**16.8**	**(2 %)**	**4.5**	**8.1**	**(44 %)**	**12.0**
Non-allocated other income and expenses	(5.5)	(5.1)	(8 %)	(2.6)	(2.0)	(30 %)	(2.9)
Result before taxation, consolidated entities	**11.0**	**11.7**	**(6 %)**	**1.9**	**6.1**	**(69 %)**	**9.1**
Result before taxation, associates	**60.0**	**34.6**	**73 %**	**29.7**	**16.9**	**76 %**	**30.3**
Income tax expenses	(1.5)	(1.2)	(26 %)	(0.8)	(0.7)	(14 %)	(0.7)
Net result attributable to non-controlling interests	-	-	*	-	-	*	-
Net result attributable to shareholders	**69.5**	**45.1**	**54 %**	**30.8**	**22.3**	**38 %**	**38.7**

Income Statement - Non-Life	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross written premiums Non-Life	**-**	**-**	*****	**-**	**-**	*****	**-**
Operating costs	-	-	*	-	-	*	-
Technical result	**-**	**-**	*****	**-**	**-**	*****	**-**
Allocated capital gains	-	-	*	-	-	*	-
Operating margin	**-**	**-**	*****	**-**	**-**	*****	**-**
Non-allocated other income and expenses	-	-	*	-	-	*	-
Result before taxation, consolidated entities	**-**	**-**	*****	**-**	**-**	*****	**-**
Result before taxation, associates	**4.9**	**8.6**	**(43 %)**	**0.6**	**1.2**	**(50 %)**	**4.3**
Income tax expenses	-	-	*	-	-	*	-
Net result attributable to non-controlling interests	-	-	*	-	-	*	-
Net result attributable to shareholders	**4.9**	**8.6**	**(43 %)**	**0.6**	**1.2**	**(50 %)**	**4.3**

Income Statement Total	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Gross inflow	**201.6**	**157.4**	**28 %**	**113.4**	**82.5**	**37 %**	**88.2**
Operating costs	(21.0)	(16.7)	26 %	(11.0)	(8.5)	29 %	(10.0)
Net result attributable to shareholders	**74.4**	**53.7**	**39 %**	**31.4**	**23.5**	**34 %**	**43.0**

Life

Strong high-quality regular premium inflows and higher net profit levels

Inflows were up 23% (12% at constant exchange rates) to EUR 3.6 billion despite economic and regulatory uncertainty in some markets. Continued focus on recurring premiums and persistency has resulted in a very strong growth of the regular premium book (up 29% to EUR 2.6 billion). The proportion of single premiums now only amounts to 27% of total Life inflows (vs. 31% last year and 47% in 2010).

Total inflows of the consolidated operations in **Hong Kong** increased by 28% to EUR 202 million. New business premiums increased by 56% following continued strong growth in the IFA channel, the latter representing now 29% of total sales of new business Annual Premium Equivalent. The Agency channel felt the impact of the worldwide financial turmoil on customers' appetite for larger-ticket Unit-linked products, but managed to maintain its production levels.

In **China** inflows increased 21% to EUR 2.4 billion. The strong focus on building a book of higher-margin recurring premiums combined with excellent persistency is paying off in a 33% increase of regular premium income to EUR 1.8 billion. The single premium volumes continue to decline (- 4%). In general the growth of new business premiums in the Bancassurance channel has not yet fully recovered from the changes in regulation for the bank channel announced at the end of 2010 and early 2011.

In **Thailand** the strong growth trend, observed over the past two years continued, with inflows up 33% to EUR 588 million. The growth originated from productivity improvements in both the bank and agency channels and a gradual increase in the number of agents.

Inflows in **Malaysia** increased 26% to EUR 369 million, with new business premiums up 33% to EUR 252 million. The first half was marked by a strong revival of bank channel activity, whereas last year's focus was mostly oriented towards strengthening the bank's balance sheet and deposit base.

Total inflows in **India** declined by 15% to EUR 55 million reflecting continued weak market sentiment. Nevertheless the company continued to stay level vis-à-vis the market.

Funds under Management increased 12% from the end of last year to EUR 22.4 billion, resulting from the continued growth of the Asian entities. Funds under Management of the consolidated operations in Hong Kong increased 10% in the first 6 months to EUR 1.7 billion.

Net profit of the consolidated operations in Hong Kong amounted to EUR 16 million, up 7% despite expense strain from the strong increase in sales from the IFA channel. The **non-consolidated partnerships** realised a net profit of EUR 60 million, an increase of 73%. Excluding the impact of an exceptional reserve release (EUR 15 million), net profit still increased strongly (+30%) thanks to organic growth, and despite the cost of an equity hedge (EUR 4 million) implemented to provide protection against any potential significant decline in the Chinese equities market.

Other regional costs and income amounted to EUR 7 million compared to EUR 5 million last year.

Non-Life

Top line growth with profitable combined ratio, additional impact from last year's Thai floods

Gross written premiums – at 100% and entirely attributable to the non-consolidated partnerships in Malaysia and Thailand – were up 23% (16% at constant exchange rates) to EUR 402 million. In Malaysia premiums increased 19% to EUR 315 million with strong growth in Motor and MAT (Marine, Aviation, Transport) lines of business. Thailand continued its strong growth in all lines of business (+41% to EUR 87 million), boosted by the post-flood economic recovery.

Net profit declined to EUR 5 million, with additional losses incurred from last year's floods in Thailand (EUR 2 million). The intrinsic operational performance, ignoring the impact of the 2011 Thai floods, remained strong with a combined ratio of 95.8% (vs. 96.5%). Including the Thai floods, the combined ratio stood at 100.1%.

General Account

- **Net profit of EUR 2 million: EUR 400 million related to the agreement with ABN AMRO and the Dutch State mainly offset by a lower valuation of the call option of BNP Paribas and the settlement with BNP Paribas in the first quarter**
- **The settlement with ABN AMRO and the Dutch State increased the total net cash position to EUR 1.5 billion**
- **Value of the call option on BNP Paribas shares down by EUR 278 million**
- **Positive result in Royal Park Investments of EUR 75 million, equity value up to EUR 856 million**

in EUR million **Income Statement**	**HY 12**	**HY 11**	**Change**	**Q2 12**	**Q2 11**	**Change**	**Q1 12**
Net interest Income	29.2	(6.2)	*	(3.4)	(3.9)	(13 %)	32.6
Unrealised gain (loss) on Call option BNP Paribas shares	(278.0)	85.0	*	(87.0)	83.0	*	(191.0)
Unrealised gain (loss) on RPN(I)	(282.1)	(118.0)	*	(11.4)	139.0	*	(270.7)
Result on sales and revaluations	123.2	(0.3)	*	1.3	4.0	(68 %)	121.9
Share of result of associates	70.1	(55.4)	*	(42.3)	(43.5)	(3 %)	112.4
Other income	(6.3)	(6.8)	(7 %)	(3.1)	(3.0)	3 %	(3.2)
Total income	**(343.9)**	**(101.7)**	*	**(145.9)**	**175.6**	*	**(198.0)**
Change in impairments and provisions	0.3	(40.2)	*	1.4	(39.8)	*	(1.1)
Net revenues	**(343.6)**	**(141.9)**	*	**(144.5)**	**135.8**	*	**(199.1)**
Impact settlement ABN AMRO	400.0		*	400.0		*	-
Staff expenses	(7.5)	(12.1)	(38 %)	(3.9)	(8.1)	(52 %)	(3.6)
Insurance claims and benefits (net)	0.3	2.2	(86 %)	0.3	0.7	(57 %)	-
Depreciation, amortisation and other expenses	(3.0)	(0.4)	*	(1.1)	(0.2)	*	(1.9)
Other operating and administrative expenses	(15.3)	(18.1)	(16 %)	(9.2)	(10.1)	(9 %)	(6.1)
Total expenses	**374.5**	**(28.4)**	*	**386.1**	**(17.7)**	*	**(11.6)**
Result before taxation	**30.9**	**(170.3)**	*	**241.6**	**118.1**	*	**(210.7)**
Income tax expenses	(28.6)	--	*	(0.7)	0.1	*	(27.9)
Net result for the period	**2.3**	**(170.3)**	*	**240.9**	**118.2**	*	**(238.6)**
Net result attributable to non-controlling interests	-	(0.6)	*	-	(0.2)	*	-
Net result attributable to shareholders	**2.3**	**(169.7)**	*	**240.9**	**118.4**	*	**(238.6)**

Balance Sheet (main items)	**30 June 12**	**31 Dec 11**	**Change**
RPN(I)	(174.0)	(190.0)	8 %
Call Option BNP Paribas shares	117.0	395.0	(70 %)
Royal Park Investments	855.6	779.3	10 %
Tier 1 Instrument		793.5	*

Settlement with ABN AMRO and the Dutch State

On 28 June 2012, Ageas, ABN AMRO and the Dutch State agreed to settle the legal proceedings concerning ABN AMRO Capital Finance Ltd. (former FCC) and the Mandatory Convertible Securities (‘MCS’). This settlement also brings to a close all outstanding disputes between the Dutch State and Ageas in relation to the equity transactions which resulted in the take-over of the Dutch activities of the former Fortis group by the Dutch State on 3 October 2008. NL Financial Investments, the majority shareholder of ABN AMRO, co-signed this agreement on behalf of the Dutch State. The settlement resulted in a one-off cash payment by ABN AMRO to Ageas of EUR 400 million on 29 June 2012, included in the half year results.

RPN (I)

End 2011 the RPN(I) liability was valued at EUR 190 million. The cash tender offer on the CASHES financial instrument in the first quarter 2012 by BNP Paribas reached an acceptance rate of 63%. For the pro rata reduction of the RPN(I) liability, Ageas paid an indemnity to BNP Paribas, as a function of the price of the CASHES and the price of the Ageas’s share at the settlement date.

The indemnity calculation methodology may also apply if the remaining 37% of the RPN(I) is settled in a consecutive CASHES offering; the paid indemnity therefor led to the introduction of a floor in the level 3 valuation of the remaining RPN(I). This floor is considerably less volatile than the RPN(I) liability itself, and will only fluctuate within a limited range related to the Ageas’s share price evolution. In the second quarter of this year, the floor increased EUR 11 million from EUR 163 million at the end of March to EUR 174 million at the end of June.

For further details on the valuation of the RPN(I) we refer to the Half Year 2012 Consolidated Interim Financial Statements.

Call option on BNP Paribas shares

The call option on BNP Paribas shares decreased EUR 278 million in value over the first half of the year from EUR 395 million at year end 2011 to EUR 117 million at the end of June 2012. The largest part of the decrease of the call option already occurred in the first quarter when the value declined by EUR 191 million to EUR 204 million. Over the second quarter an additional negative impact of EUR 87 million was recorded, on the one hand because of the decreasing time value, but mainly due to the decrease of the BNP Paribas share price from EUR 35.58 end of March to EUR 30.34 end June.

Compared to year end the share price of BNP Paribas was almost the same (EUR 30,35 at year end 2011 versus EUR 30,34 at end of June 2012). Besides the decrease in time value, the main driver for the decline in the value of the call option since the beginning of the year was the substantial volatility decrease from 49% end of 2011 to 33% end of June 2012. This was only partially mitigated by a decrease in dividend yield (from 5.98% end 2011 to 5.4% end June 2012).

For further details on the valuation methodology, we refer to note 10 of the Half Year 2012 Consolidated Interim Financial Statements.

Royal Park Investments (RPI)

The half year result of RPI at 100%, after tax and before impairment of the goodwill amounted to EUR 325 million net profit (vs. EUR 458 million). Lower market to market revaluations of the investment portfolio, compared to last year, and lower interest income due to higher funding costs related to the difficult US dollar Commercial Paper market have driven the decrease.

At the end of each quarter, RPI performs an impairment test on the goodwill recognised under IFRS. Since all proceeds received are used to redeem the funding, and no new business can be generated, the goodwill needs to be impaired over the expected maturity of the portfolio. Based on the review in the first half of the expected business developments, a value in use of the total business was calculated, resulting in a goodwill impairment of EUR 159 million. RPI’s net profit under IFRS, including impairment of goodwill, at 100%, as a result amounted to EUR 167 million positive or Ageas’s share of EUR 75 million positive.

Ageas’s equity associate in RPI increased from EUR 779 million at the end of 2011 to EUR 856 million as at 30 June 2012, driven by the realised results and a movement of the hedge reserve due to the unwinding of a number of SWAPS and the amortisation of the gain on the sale of SWAPS in prior periods.

At the end of June 2012, the fair value of the loan portfolio remained stable at EUR 6.0 billion while total debt came down to EUR 5.5 billion. Total net interest payments and principal collections in the first half amounted to EUR 73 million and EUR 0.7 billion respectively.

For more information on RPI and its assets, please refer to www.royalparkinvestments.com.

Other items

Net interest income amounted to EUR 29 million compared to EUR 6 million negative last year and included the amortisation of the discount and interest received on the Tier 1 Instrument amounting to EUR 39 million.

Total staff and other expenses came down compared to last year to EUR 23 million.

Net cash position

The net cash position of the General Account at the end of June comprises cash & cash equivalents of EUR 1.1 billion, short-term bank deposits of EUR 600 million, adjusted for the remaining outstanding amount of EUR 214 million on the European Medium Term Notes (EMTN) programme for which we are assuming full redemption. The net cash position has increased significantly in the first half of 2012, despite the EUR 0.2 billion dividend paid end of May, from EUR 688 million end 2011 to EUR 1.5 billion as of 30 June 2012. The increase mainly relates to the call of the Tier 1 Instrument, the settlement of the RPN(I) and the agreement with ABN AMRO and the Dutch State increasing the net cash position by respectively EUR 666 million and EUR 400 million.

in EUR million	30 June 12	31 Dec 11
Cash and cash equivalents	1,114	345
Due from banks short term	600	600
Debt certificates	(214)	(257)
Net cash position	**1,500**	**688**

Contingent liabilities

See Executive Summary, page 5.

Investment portfolio and capital position

- **Fair value investment portfolio significantly up supported by higher unrealised gains on fixed income**
- **Increasing investments in corporate bonds and announced entry of corporate loans market**
- **Insurance and Group solvency very strong and up to respectively 211% and 248%**

Investment portfolio

Ageas's investment portfolio at the end of June 2012 amounted to EUR 63.5 billion compared to EUR 59.5 billion at the end of 2011. The increase can largely be explained by growth in volumes of existing business, expansion of new business and by the drop in yields of the core European sovereign and corporate bonds which was partly compensated by a negative evolution in spreads of the Southern European countries (in particular Spain). As a consequence of the above stated market movement, Ageas increased its investments in Belgium (in the first quarter) and invested EUR 800 million in corporate debt instruments, primarily in the sector of Non Financials during the first half of 2012.

Ageas believes corporate loans offer an interesting alternative investment opportunity in the current low-interest environment with the benefit of greater portfolio diversification and attractive risk-return profile. In light of some of these opportunities, Ageas has decided to invest up to 5% of its total investment assets in corporate loans. The major part of this investment will be realised through a partnership concluded with Natixis, with a targeted invested portfolio of EUR 2 billion. Ageas and Natixis aim to reach the targeted amount in 2 to 3 years.[7]

The table below provides a breakdown of Ageas's investment portfolio. All assets are reported at fair value except for the 'Held to Maturity' assets, which are valued at amortized cost. As at per 30 June 2012, the latter amounted to EUR 5.0 billion of which EUR 0.7 billion of Portuguese sovereign and corporate bonds, and EUR 4.3 billion Belgian sovereigns, reclassified in the course of 2011.

Investment portfolio plus real estate	in EUR billion		as %	
	30 June 12	31 Dec 11	30 June 12	31 Dec 11
Fixed Income securities	56.9	53.4	90%	90%
- *Government debt securities*	*33.7*	*31.5*	*53%*	*53%*
- *Corporate debt securities*	*22.8*	*21.4*	*36%*	*36%*
- *Structured credit instruments*	*0.4*	*0.5*	*1%*	*1%*
Equity securities	2.1	1.8	3%	3%
Real estate investment property	3.0	2.8	5%	5%
Real estate for own use	1.5	1.5	2%	2%
Total	**63.5**	**59.5**	**100%**	**100%**

Given the increase in liquidity and reduction in spreads of Southern European sovereigns, Ageas already decided in the first quarter of this year to further reduce its exposure to Greece, Spain and Italy. The Greek bonds were reduced to nearly zero from EUR 354 million recorded at the end of 2011.

The equity portfolio increased to EUR 2.1 billion from EUR 1.8 billion at end of 2011. This can be explained by a mix of increased unrealised gains and new investments.

At the end of second quarter of 2012, the unrealised gains and losses on the total investment portfolio amounted to EUR 3.6 billion positive compared to EUR 1.8 billion positive at the end of 2011, mainly driven by the positive evolution of fixed income securities (EUR 1.7 billion) and equity securities (EUR 0.1 billion).

Fixed income portfolio

Investments in government bonds, 'Available for Sale' at fair value and 'Held to Maturity', increased by EUR 2.2 billion to EUR 33.7 billion compared to the end of 2011. 96% of the total debt portfolio is investment grade and almost 88% of the portfolio is rated A or higher.

Ageas decided to focus its financial investments on the domestic market against the backdrop of a worsening European sovereign crisis. The divestments in Southern European sovereign debt along with some of the core European countries were primarily reinvested in Belgian sovereign bonds during the first half of 2012, leading to a gross exposure of EUR 16.4 billion to Belgium government bonds on amortized cost value basis (including 'Held to Maturity') at the end of June 2012.

The total gross sovereign exposure to Southern European countries ('Available for Sale' and 'Held to Maturity') as at 30 June 2012 at amortized cost and including impairments declined from EUR 4.5 billion at the end 2011 to EUR 3.7 billion. Excluding non-controlling interests, the sovereign debt exposure to Southern European countries at amortized cost reduced from EUR 3.0 billion as on 31 December 2011 to EUR 2.3 billion at the end of June 2012.

7 See press release of 6 August 2012 on corporate loans

Unrealised gains on the total ‘Available for sale’ bond portfolio amounted to EUR 2.3 billion positive, compared to EUR 0.6 billion positive at the end of 2011. The change can mainly be attributed to the drop of yields of most of the invested sovereign and corporate bonds during the first half of 2012.

Unrealised gains on corporate bonds amounted to EUR 1.0 billion compared to EUR 432 million at the end of 2011. The quality of the corporate bond portfolio remained very high with 95% of the corporate bond portfolio classified as investment grade, of which 81% is rated A or higher.

Equities portfolio

The equity investments at fair value increased from EUR 1.8 billion at the end of 2011 to EUR 2.1 billion. Gross unrealised gains increased to EUR 69 million, compared to a small loss of EUR 3 million recorded at the end of 2011. Equities still account for about 3% of the total investment portfolio.

Real estate portfolio

Ageas’s real estate portfolio at fair value increased by EUR 0.2 billion compared to the end of 2011 to an amount of EUR 4.5 billion during the first half of 2012. The increase can be primarily attributed to the Investments in Retail and Offices. The amortized cost value on 30 June 2012 was EUR 3.2 billion broken down into EUR 2.2 billion invested in the “investment property” and EUR 1.0 billion in “buildings held for own use”. Gross unrealised capital gains increased marginally to 1.3 billion. Please note that the unrealised gains are not reflected in net equity, as real estate exposure is booked at amortised cost.

Capital position

Ageas’s **total available capital** amounted to EUR 9.4 billion compared to EUR 8.6 billion at the end of 2011, exceeding the total consolidated regulatory minimum requirements of the insurance activities by EUR 5.6 billion, including the available capital within the General Account (EUR 1.4 billion). The total available capital of the insurance activities amounted to EUR 7.9 billion, with minimum solvency requirements slightly up to EUR 3.8 billion. The Insurance solvency ratio as a result increased to 211%. The solvency ratios by segments remained strong and amounted to 177% for Belgium, 243% for the United Kingdom, 212% for Continental Europe and 283% for Asia. The Group solvency ratio increased to 248%.

Analyst & Investor conference call:
6 August 2012 at 9.30 CET (08.30 UK time)

Audiocast: www.ageas.com
Listen only (Access code 423247#):
+ 44 207 750 9926 (United Kingdom)
+ 32 2 400 25 25 (Belgium)
+ 1 914 885 0779 (US)

Replay: available until
6 September 2012 (Access Code: 403165#)
+ 32 2 401 89 89 (Belgium)

Lines will be open ten minutes before the presentation starts, so please dial in five to ten minutes in advance.

Press Conference:
6 August 2012 at 11:30 CET
Rue du Marquis 1, 1000 Brussels

Disclaimer

The information on which the statements in this press release are based may be subject to change and this press release may also contain certain projections or other forward looking-statements concerning Ageas. These statements are based on current expectations of the management of Ageas and are naturally subject to uncertainties, assumptions and changes in circumstances. The financial information included in this management statement is unaudited.

The forward-looking statements are no guarantee of future performance and involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Ageas's ability to control or estimate precisely, such as future market conditions and the behaviour of other market participants. Other unknown or unpredictable factors beyond the control of Ageas could also cause actual results to differ materially from those in the statements and include but are not limited to the consent required from regulatory and supervisory authorities and the outcome of pending and future litigation involving Ageas. Therefore undue reliance should not be placed on such statements. Ageas assumes no obligation and does not intend to update these statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable law.

Annexes

Please note that the historical segment information and key performance indicators by segment have been removed from the press release. They have been added to the quarterly results Excel-workbook, downloadable on http://www.ageas.com/en/Pages/quarterlyresults.aspx.

Annex 1: Consolidated Statement of financial position as per 30 June 2012

	30 June 2012	31 December 2011
Assets		
Cash and cash equivalents	2,699.0	2,701.5
Financial investments	59,046.0	55,231.4
Investment property	2,194.1	2,045.7
Loans	5,231.5	5,683.4
Investments related to unit-linked contracts	12,860.6	12,771.4
Investments in associates	2,120.8	1,959.5
Reinsurance and other receivables	1,940.4	4,111.1
Current tax assets	125.9	127.1
Deferred tax assets	159.1	358.8
Call option BNP Paribas shares	117.0	395.0
Accrued interest and other assets	2,381.1	2,386.2
Property, plant and equipment	1,109.4	1,098.3
Goodwill and other intangible assets	1,590.8	1,594.3
Assets held for sale		138.5
Total assets	**91,575.7**	**90,602.2**
Liabilities		
Liabilities arising from life insurance contracts	25,028.5	24,370.4
Liabilities arising from life investment contracts	27,900.1	27,201.5
Liabilities related to unit-linked contracts	12,917.5	12,823.8
Liabilities arising from non-life insurance contracts	6,644.8	6,203.9
Debt certificates	213.8	256.7
Subordinated liabilities	2,972.2	2,973.6
Borrowings	2,009.6	2,277.0
Current tax liabilities	143.7	59.2
Deferred tax liabilities	940.3	614.6
RPN(I)	174.0	190.0
Accrued interest and other liabilities	2,289.4	2,094.1
Provisions	39.7	2,403.4
Liability related to written put option	736.0	655.8
Liabilities related to assets held for sale		110.5
Total liabilities	**82,009.6**	**82,234.5**
Shareholders' equity	8,806.9	7,760.3
Non-controlling interests	759.2	607.4
Total equity	**9,566.1**	**8,367.7**
Total liabilities and equity	**91,575.7**	**90,602.2**

Annex 2 : Income Statement

	HY 12	HY 11	Change	Q2 12	Q2 11	Change	Q1 12
Income							
- *Gross premium income*	*5,231.4*	*4,850.4*	*8 %*	*2,587.7*	*2,233.4*	*16 %*	*2,643.7*
- *Change in unearned premiums*	*(140.5)*	*(395.1)*	*(64 %)*	*(1.4)*	*(128.0)*	*(99 %)*	*(139.1)*
- *Ceded earned premiums*	*(161.8)*	*(141.7)*	*14 %*	*(72.7)*	*(61.5)*	*18 %*	*(89.1)*
Net earned premiums	4,929.1	4,313.6	14 %	2,513.6	2,043.9	23 %	2,415.5
Interest, dividend and other investment income	1,538.1	1,536.6	0 %	758.7	786.0	(3 %)	779.4
Unrealised gain (loss) on Call option BNP Paribas shares	(278.0)	85.0	*	(87.0)	83.0	*	(191.0)
Unrealised gain (loss) on RPN(I) (incl. settlement on RPN(I)/CASHES)	(282.1)	(118.0)	*	(11.4)	139.0	*	(270.7)
Result on sales and revaluations	271.4	88.3	*	48.4	27.7	75 %	223.0
Investment income related to unit-linked contracts	769.7	72.1	*	(11.0)	(46.5)	(76 %)	780.7
Share of result of associates	140.8	(8.1)	*	(6.5)	(24.1)	(73 %)	147.3
Fee and commission income	197.7	220.9	(11 %)	93.8	107.3	(13 %)	103.9
Other income	119.2	111.6	7 %	64.5	61.3	5 %	54.7
Total income	**7,405.9**	**6,302.0**	**18 %**	**3,363.1**	**3,177.6**	**6 %**	**4,042.8**
Expenses			*			*	
- *Insurance claims and benefits, gross*	*(4,840.0)*	*(4,359.4)*	*11 %*	*(2,397.2)*	*(2,004.4)*	*20 %*	*(2,442.8)*
- *Insurance claims and benefits, ceded*	*64.5*	*72.7*	*(11 %)*	*29.3*	*22.6*	*30 %*	*35.2*
Insurance claims and benefits, net	(4,775.5)	(4,286.7)	11 %	(2,367.9)	(1,981.8)	19 %	(2,407.6)
Charges related to unit-linked contracts	(756.9)	(66.7)	*	14.8	50.5	(71 %)	(771.7)
Finance costs	(130.6)	(156.4)	(16 %)	(62.1)	(77.6)	(20 %)	(68.5)
Change in impairments	320.0	(362.9)	*	339.6	(356.7)	*	(19.6)
Change in provisions	0.9	(40.2)	*	1.8	(40.6)	*	(0.9)
Fee and commission expense	(627.8)	(592.8)	6 %	(319.7)	(290.1)	10 %	(308.1)
Staff expenses	(393.1)	(366.1)	7 %	(198.0)	(186.1)	6 %	(195.1)
Other expenses	(437.9)	(414.6)	6 %	(237.0)	(222.3)	7 %	(200.9)
Total expenses	**(6,800.9)**	**(6,286.4)**	**8 %**	**(2,828.5)**	**(3,104.7)**	**(9 %)**	**(3,972.4)**
Result before taxation	**605.0**	**15.6**	*	**534.6**	**72.9**	*	**70.4**
Income tax expenses	(206.4)	(48.1)	*	(99.9)	3.5	*	(106.5)
Net result for the period	**398.6**	**(32.5)**	*	**434.7**	**76.4**	*	**(36.1)**
Attributable to non-controlling interests	93.9	26.3	*	46.2	(18.4)	*	47.7
Net result attributable to shareholders	**304.7**	**(58.8)**	*	**388.5**	**94.8**	*	**(83.8)**
Per share data (EUR)							
Basic earnings per share	0.13	(0.02)					
Diluted earnings per share	0.13	(0.02)					

Annex 3 : Comparable inflows data

By segment *in EUR million*	HY 12	HY 11	%	Q2 12	Q2 11	%	Q1 12
Belgium							
Gross written premiums	*2,493*	*2,172*	*15%*	*1,287*	*950*	*35%*	*1,206*
Investment contracts without DPF	*149*	*189*	*(21%)*	*96*	*100*	*(4%)*	*53*
Gross inflow Life	**2,642**	**2,361**	**12%**	**1,383**	**1,050**	**32%**	**1,259**
Gross written premiums Non-Life	**940**	**898**	**5%**	**405**	**387**	**5%**	**535**
Total inflow Belgium	**3,582**	**3,259**	**10%**	**1,788**	**1,437**	**24%**	**1,794**
United Kingdom							
Gross written premiums	*38*	*22*	*74%*	*20*	*12*	*73%*	*18*
Investment contracts without DPF	*-*	*-*	*	*-*	*-*	*	*-*
Gross inflow Life	**38**	**22**	**74%**	**20**	**12**	**73%**	**18**
Gross written premiums Non-Life	**1,102**	**994**	**11%**	**568**	**523**	**9%**	**534**
Total inflow United Kingdom	**1,140**	**1,016**	**12%**	**588**	**535**	**10%**	**552**
Continental Europe							
Gross written premiums	*295*	*427*	*(31%)*	*119*	*194*	*(38%)*	*176*
Investment contracts without DPF	*250*	*823*	*(70%)*	*157*	*387*	*(59%)*	*93*
Gross inflow Life	**545**	**1,250**	**(56%)**	**276**	**581**	**(53%)**	**269**
Gross written premiums Non-Life	**235**	**231**	**2%**	**117**	**111**	**5%**	**118**
Total inflow consolidated entities	**780**	**1,481**	**(47%)**	**393**	**692**	**(43%)**	**387**
Non-consolidated partnerships at 100%	**1,331**	**-**	*	**590**	**-**	*	**741**
Total inflow Continental Europe	**2,111**	**1,481**	**43%**	**983**	**692**	**42%**	**1,128**
Asia							
Gross written premiums	*128*	*107*	*19%*	*71*	*56*	*26%*	*57*
Investment contracts without DPF	*74*	*50*	*47%*	*43*	*27*	*61%*	*31*
Gross inflow Life	**202**	**157**	**28%**	**114**	**83**	**39%**	**88**
Gross written premiums Non-Life	**-**	**-**	*	**-**	**-**	*	**-**
Total inflow consolidated entities	**202**	**157**	**29%**	**114**	**83**	**37%**	**88**
Non-consolidated partnerships at 100%	**3,780**	**3,079**	**23%**	**1,691**	**1,414**	**20%**	**2,089**
Total inflow Asia	**3,982**	**3,236**	**23%**	**1,805**	**1,497**	**21%**	**2,177**
Total inflow	**10,815**	**8,992**	**20%**	**5,164**	**4,161**	**24%**	**5,651**

By type *in EUR million*	HY 12	HY 11	%	Q2 12	Q2 11	%	Q1 12
Life							
Belgium	**2,642**	**2,361**	**12%**	**1,383**	**1,050**	**32%**	**1,259**
United Kingdom	**38**	**22**	**73%**	**20**	**12**	**67%**	**18**
Continental Europe	**1,574**	**1,250**	**26%**	**721**	**581**	**24%**	**853**
Fully consolidated	*545*	*1,250*	(56%)	*276*	*581*	(52%)	*269*
Non-consolidated partnerships at 100%	*1,029*	-	*	*445*		*	*584*
Asia	**3,580**	**2,910**	**23%**	**1,619**	**1,299**	**25%**	**1,961**
Fully consolidated	*202*	*157*	*29%*	*114*	*83*	*37%*	*88*
Non-consolidated partnerships at 100%	*3,378*	*2,753*	*23%*	*1,505*	*1,216*	*24%*	*1,873*
Total inflow Life	**7,834**	**6,543**	**20%**	**3,743**	**2,942**	**27%**	**4,091**
Non-Life							
Belgium	**940**	**898**	**5%**	**405**	**387**	**5%**	**535**
United Kingdom	**1,102**	**994**	**11%**	**568**	**523**	**9%**	**534**
Continental Europe	**537**	**231**	*	**262**	**111**	*	**275**
Fully consolidated	*235*	*231*	*2%*	*117*	*111*	*5%*	*118*
Non-consolidated partnerships at 100%	*302*	-	*	*145*		*	*157*
Asia	**402**	**326**	**23%**	**186**	**198**	**(6%)**	**216**
Fully consolidated	-	-	*	-	-	*	-
Non-consolidated partnerships at 100%	*402*	*326*	*23%*	*186*	*198*	(6%)	*216*
Total gross written premiums Non-Life	**2,981**	**2,449**	**22%**	**1,421**	**1,219**	**17%**	**1,560**
Total inflow	**10,815**	**8,992**	**20%**	**5,164**	**4,161**	**24%**	**5,651**

Annex 4 : Inflows by region

Key Figures per region *in EUR million*	% ownership	Gross inflow Life				Gross written premiums Non- Life				Total			
		HY 12	HY 11	Q2 12	Q2 11	HY 12	HY 11	Q2 12	Q2 11	HY 12	HY 11	Q2 12	Q2 11
Belgium	75%	**2,642**	**2,361**	**1,383**	**1,050**	**940**	**898**	**405**	**387**	**3,582**	**3,259**	**1,788**	**1,437**
United Kingdom	100%	**38**	**22**	**20**	**12**	**1,102**	**994**	**568**	**523**	**1,140**	**1,016**	**588**	**535**
Continental Europe		***1,574***	***1,250***	***721***	***581***	***537***	***231***	***262***	***111***	***2,111***	***1,481***	***983***	***692***
Consolidated entities		***545***	***1,250***	***276***	***581***	***235***	***231***	***117***	***111***	***780***	***1,481***	***393***	***692***
Portugal	51%	407	659	221	291	126	124	56	56	533	783	277	347
France	100%	138	171	55	82					138	171	55	82
Luxembourg	50%		400		198						400		198
Germany	100%		20		10						20		10
Italy	25%					109	107	61	55	109	107	61	55
Non-consolidated partnerships at 100%													
Turkey (Aksigorta)	36%					302		145		302	-	145	-
Luxembourg (Cardif Lux Vie)	33%	1,029		445						1,029	-	445	-
Asia		***3,580***	***2,910***	***1,619***	***1,299***	***402***	***326***	***186***	***198***	***3,982***	***3,236***	***1,805***	***1,497***
Consolidated entities		***202***	***157***	***114***	***83***					***202***	***157***	***114***	***83***
Hong Kong	100%	202	157	114	83					202	157	114	83
Non-consolidated partnerships at 100%													
Malaysia	31%	369	293	199	153	315	264	145	168	684	557	344	321
Thailand	31%/15%	588	443	310	231	87	62	41	30	675	505	351	261
China	25%	2,366	1,953	981	813					2,366	1,953	981	813
India	26%	55	64	15	19					55	64	15	19
Grand Total		**7,834**	**6,543**	**3,743**	**2,942**	**2,981**	**2,449**	**1,421**	**1,219**	**10,815**	**8,992**	**5,164**	**4,161**

Annex 5 : Solvency by region

Key Capital Indicators	30 June 12	31 Dec 11
Belgium		
Shareholders' equity	3,074	2,381
Total available capital	4,110	3,940
Minimum solvency requirements	2,328	2,263
Amount of total capital above minimum solvency requirements	1,782	1,677
Total solvency ratio	177%	174%
United Kingdom		
Shareholders' equity	1,103	1,007
Total available capital	961	858
Minimum solvency requirements	396	367
Amount of total capital above minimum solvency requirements	565	491
Total solvency ratio	243%	234%
Continental Europe		
Shareholders' equity	1,082	929
Total available capital	1,209	973
Minimum solvency requirements	570	565
Amount of total capital above minimum solvency requirements	639	408
Total solvency ratio	212%	172%
Asia		
Shareholders' equity	1,851	1,687
Total available capital	1,408	1,291
Minimum solvency requirements	498	442
Amount of total capital above minimum solvency requirements	910	849
Total solvency ratio	283%	292%
Consolidation adjustment total available capital	298	467
Total Insurance		
Shareholders' equity	7,110	6,004
Total available capital	7,986	7,529
Minimum solvency requirements	3,792	3,637
Amount of total capital above minimum solvency requirements	4,194	3,892
Total solvency ratio	211%	207%
General Account (after eliminations)		
Shareholders' equity	1,697	1,756
Total available capital	1,445	1,095
Total solvency ratio Ageas	248%	237%

Annex 6 : Statement of financial position split into Life, Non-Life and Other Insurance

30 June 2012	Life	Non-life	Other Insurance	General Account	Eliminations	Total
Assets						
Cash and cash equivalents	1,207.8	328.4	48.7	1,114.1		2,699.0
Financial investments	52,408.8	6,549.4		100.1	(12.3)	59,046.0
Investment property	1,982.7	211.4				2,194.1
Loans	3,551.9	181.4	119.9	2,703.3	(1,325.0)	5,231.5
Investments related to unit-linked contracts	12,917.0				(56.4)	12,860.6
Investments in associates	926.3	309.7		875.8	9.0	2,120.8
Reinsurance and other receivables	700.2	1,032.7	319.2	4.7	(116.4)	1,940.4
Current tax assets	96.4	26.9	2.6			125.9
Deferred tax assets	86.7	29.4	3.2	39.8		159.1
Call option BNP Paribas shares				117.0		117.0
Accrued interest and other assets	1,846.2	496.6	12.3	43.6	(17.6)	2,381.1
Property, plant and equipment	941.9	148.5	17.5	1.5		1,109.4
Goodwill and other intangible assets	1,109.2	175.1	306.5			1,590.8
Total assets	**77,775.1**	**9,489.5**	**829.9**	**4,999.9**	**(1,518.7)**	**91,575.7**
Liabilities						
Liabilities arising from life insurance contracts	25,031.5				(3.0)	25,028.5
Liabilities arising from life investment contracts	27,900.1					27,900.1
Liabilities related to unit-linked contracts	12,917.5					12,917.5
Liabilities arising from non-life insurance contracts		6,644.8				6,644.8
Debt certificates				213.8		213.8
Subordinated liabilities	838.5	256.6	123.4	2,974.0	(1,220.3)	2,972.2
Borrowings	1,725.9	203.6	160.6	80.7	(161.2)	2,009.6
Current tax liabilities	82.9	54.2	6.3	0.3		143.7
Deferred tax liabilities	798.2	98.6	3.7	39.8		940.3
RPN(I)				174.0		174.0
Accrued interest and other liabilities	1,599.3	561.9	165.6	96.5	(133.9)	2,289.4
Provisions	16.2	11.6		11.9		39.7
Liability related to written put option on NCI				736.0		736.0
Total liabilities	**70,910.1**	**7,831.3**	**459.6**	**4,327.0**	**(1,518.4)**	**82,009.6**
Shareholders' equity	5,530.6	1,208.7	370.3	1,697.6	(0.3)	8,806.9
Non-controlling interests	1,334.4	449.5		(1,024.7)		759.2
Total equity	**6,865.0**	**1,658.2**	**370.3**	**672.9**	**(0.3)**	**9,566.1**
Total liabilities and equity	**77,775.1**	**9,489.5**	**829.9**	**4,999.9**	**(1,518.7)**	**91,575.7**
Number of employees	**4,879**	**4,883**	**2,964**	**104**		**12,830**

Annex 7: Income Statement split into Life, Non-Life and Other Insurance

HY 12	Life	Non-life	Other Insurance	General incl Eliminations	Total
Income					
- *Gross premium income*	*2,955.0*	*2,276.6*		*(0.2)*	*5,231.4*
- *Change in unearned premiums*		*(140.5)*			*(140.5)*
- *Ceded earned premiums*	*(48.5)*	*(113.3)*			*(161.8)*
Net earned premiums	2,906.5	2,022.8		(0.2)	4,929.1
Interest, dividend and other investment income	1,322.6	135.8	(6.9)	86.6	1,538.1
Unrealised gain (loss) on Call option BNP Paribas shares				(278.0)	(278.0)
Unrealised gain (loss) on RPN(I) (incl. settlement on RPN(I)/CASHES)				(282.1)	(282.1)
Result on sales and revaluations	107.5	40.7		123.2	271.4
Income related to investments for unit-linked contracts	769.7				769.7
Share of result of associates	63.8	6.9		70.1	140.8
Fee and commission income	121.5	14.2	89.0	(27.0)	197.7
Other income	45.1	41.9	47.9	(15.7)	119.2
Total income	**5,336.7**	**2,262.3**	**130.0**	**(323.1)**	**7,405.9**
Expenses					
- *Insurance claims and benefits, gross*	*(3,416.9)*	*(1,423.4)*		*0.3*	*(4,840.0)*
- *Insurance claims and benefits, ceded*	*29.4*	*35.1*			*64.5*
Insurance claims and benefits, net	(3,387.5)	(1,388.3)		0.3	(4,775.5)
Charges related to unit-linked contracts	(756.9)				(756.9)
Finance costs	(58.3)	(9.3)	(5.7)	(57.3)	(130.6)
Change in impairments	(73.6)	(6.6)		400.2	320.0
Change in provisions	1.0	(0.2)		0.1	0.9
Fee and commission expenses	(251.4)	(402.9)		26.5	(627.8)
Staff expenses	(181.3)	(150.3)	(54.1)	(7.4)	(393.1)
Other expenses	(239.3)	(130.1)	(60.1)	(8.4)	(437.9)
Total expenses	**(4,947.3)**	**(2,087.7)**	**(119.9)**	**354.0**	**(6,800.9)**
Result before taxation	**389.4**	**174.6**	**10.1**	**30.9**	**605.0**
Tax income (expenses)	(122.7)	(52.5)	(2.6)	(28.6)	(206.4)
Net result for the period	**266.7**	**122.1**	**7.5**	**2.3**	**398.6**
Attributable to non-controlling interests	61.3	32.6			93.9
Net result attributable to shareholders	**205.4**	**89.5**	**7.5**	**2.3**	**304.7**
Total income from external customers	5,320.2	2,260.2	56.4	(230.9)	7,405.9
Total income internal	16.5	2.1	73.6	(92.2)	
Total income	**5,336.7**	**2,262.3**	**130.0**	**(323.1)**	**7,405.9**
Non-cash expenses (excl. depreciation & amortisation)	(186.1)	(29.4)			(215.5)
Gross premium income	2,955.0	2,276.6		(0.2)	5,231.4
Inflow deposit accounting	472.8				472.8
Gross inflow	**3,427.8**	**2,276.6**		**(0.2)**	**5,704.2**