



# PRESS RELEASE

Regulated information

Brussels, 10 May 2017 - 7:30 (CET)

## Ageas reports Q1 2017 result

### Marked increase in Insurance net result Residual impact of regulatory review in the UK

Q1 2017	
<b>Net Result</b>	<ul style="list-style-type: none"> <li>Insurance net result up 11% to <b>EUR 222 million</b> versus EUR 201 million</li> <li>General Account net result of <b>EUR 112 million negative</b> versus EUR 834 million negative</li> <li>Group net result at <b>EUR 110 million</b> versus EUR 633 million negative</li> </ul>
<b>Inflows</b>	<ul style="list-style-type: none"> <li>Group inflows (at 100%) at <b>EUR 12.7 billion</b>, up 14% (including 2% negative foreign exchange impact) Group inflows (Ageas's part) at EUR 4.7 billion, up 3% (including 2% negative foreign exchange impact)</li> <li>Life inflows up 16% to EUR 10.9 billion and <b>Non-Life</b> up 1% at EUR 1.8 billion (both at 100%)</li> </ul>
<b>Operating Performance</b>	<ul style="list-style-type: none"> <li>Combined ratio at <b>98.3%</b> versus 97.8%</li> <li>Operating Margin Guaranteed at <b>124 bps</b> versus 103 bps</li> <li>Operating Margin Unit-Linked at <b>33 bps</b> versus 25 bps</li> <li>Life Technical Liabilities of the consolidated entities at <b>EUR 74.2 billion</b> and stable compared to the end of 2016</li> </ul>
<b>Balance Sheet</b>	<ul style="list-style-type: none"> <li>Shareholders' equity at EUR 9.3 billion or EUR 45.91 per share vs EUR 9.6 billion or EUR 46.56 per share end 2016</li> <li>Insurance Solvency II<sub>Ageas</sub> ratio at <b>177%</b> and Group Solvency II<sub>Ageas</sub> ratio at <b>186%</b></li> <li>General Account Total Liquid Assets at <b>EUR 1.8 billion</b> versus EUR 1.9 billion at the end of 2016</li> </ul>
<b>Belgium</b>	<ul style="list-style-type: none"> <li>Sustained solid operating performance and capital gains led to substantial profit growth</li> </ul>
<b>UK</b>	<ul style="list-style-type: none"> <li>Residual impact related to the regulatory discount rate review</li> </ul>
<b>Continental Europe</b>	<ul style="list-style-type: none"> <li>Solid results in both Life and Non-Life</li> </ul>
<b>Asia</b>	<ul style="list-style-type: none"> <li>Sustainable increase in net result thanks to continued growth in high quality regular premium products</li> </ul>

All Q1 2017 figures are compared to the Q1 2016 figures unless otherwise stated.

**Ageas CEO Bart De Smet said:** "In the first quarter, all segments achieved solid results with the exception of the UK. The UK's result was affected by the residual impact of the regulatory discount rate revision by the UK government. Although various mitigating actions have already been taken, the impact will continue to be felt throughout the year. The overall Insurance net result reflected a good operating performance and benefitted also from solid capital gains on Ageas's real estate transactions.

The group's balance sheet remained solid with an Insurance Solvency II<sub>Ageas</sub> ratio that slightly decreased but remained above target.

Also during the first quarter an important next step in the Fortis settlement was taken with a public hearing held by the Court of Amsterdam. The Court confirmed that it will take a decision regarding Ageas's request to declare the settlement binding on Friday 16 June 2017."

**Key figures Ageas**

in EUR million	3M 17	3M 16	Change
Gross inflows (incl. non-consolidated partnerships at 100%)	12,672.6	11,111.4	14 %
- of which inflows from non-consolidated partnerships	10,040.0	8,089.4	24 %
Gross inflows Ageas's part	4,706.7	4,561.5	3 %
Net result Insurance attributable to shareholders	222.3	200.6	11 %
<b>By segment:</b>			
- Belgium	141.6	99.7	42 %
- UK	0.5	24.7	(98 %)
- Continental Europe	28.4	14.8	92 %
- Asia	51.5	60.6	(15 %)
- Reinsurance	0.3	0.8	(63 %)
<b>By type:</b>			
- Life	167.9	143.1	17 %
- Non-Life	54.4	57.5	(5 %)
Net result General Account attributable to shareholders	(112.1)	(833.9)	87 %
Net result Ageas attributable to shareholders	110.2	(633.3)	*
Life Technical Liabilities (in EUR bn)	74.2	75.9	(2 %)
Life Operating Margin Guaranteed	1.24%	1.03%	
Life Operating Margin Unit-Linked	0.33%	0.25%	
Combined ratio	98.3%	97.8%	
Total Insurance solvency II <sub>ageas</sub> ratio	177.1%	181.7%	
Total Group solvency II <sub>ageas</sub> ratio	185.6%	180.3%	
Weighted average number of ordinary shares (in million)	204.2	211.2	(3 %)
Earnings per share (in EUR)	0.54	(3.00)	*
Shareholders' equity	9,325	10,324	(10 %)
Net equity per share (in EUR)	45.91	49.10	(6 %)
Net equity per share (in EUR) excluding unrealised gains & losses	34.74	35.41	(2 %)
Return on Equity - Insurance (excluding unrealised gains & losses)	13.5%	11.0%	

**PRESS RELEASE**
**10 May 2017**

3 month 2017 results

**INVESTOR RELATIONS**
**Frank Vandenborre**

+32 (0)2 557 57 33 frank.vandenborre@ageas.com

**Koen Devos**

+32 (0)2 557 57 35 koen.a.devos@ageas.com

**Veerle Verbessem**

+32 (0)2 557 57 32 veerle.verbessem@ageas.com

**Analyst & Investor conference call:**
**10 May 2017 - 09:30 CET (08:30 UK Time)**
**Audiocast:** www.ageas.com

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+44 207 750 99 26 (UK)

+32 2 400 25 25 (Belgium)

+1 914 885 0779 (USA)

**Audio playback number:** +32 2 401 89 89 / 565096#

Available until 10 June 2017

**PRESS**
**Michaël Vandenberg**

+32 (0)2 557 57 36 michael.vandenberg@ageas.com

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# EXECUTIVE SUMMARY

## Marked increase of Insurance net result despite residual Ogden rate impact in the UK

The first quarter of the year is traditionally marked by high volumes, pushed up by the continuously growing Life activities in Asia. The Insurance net result in the first quarter was also strong with solid operating results across all segments, except for the UK. In the UK the change of the Ogden discount rate, often referred to as the Personal Injury Discount rate, caused an additional charge on top of the cost taken in 2016, and it will continue to affect the net result throughout 2017 by EUR 20 to EUR 25 million. The Insurance Solvency II ratio remained strong despite adverse spread movements and the discount rate impact in the UK. The Group Solvency II ratio amounted to 186%.

### Asian Life driving growth in Inflows

Total inflows increased 14% including a 2% negative currency impact. The highest growth was once again recorded in Asia with total inflows amounting to EUR 9.3 billion (+ EUR 2 billion), up 28% at constant exchange rates with most of the increase registered in China. In Belgium, inflows decreased to EUR 1.5 billion (-20%) marked by expected lower intakes of Guaranteed Life business. In Continental Europe, a good performance in Portugal both in Life and Non-Life, drove up inflows to EUR 1.4 billion, up 6% at constant exchange rates while in the UK Non-Life inflows remained fairly stable at EUR 0.5 billion at constant exchange rates.

### Strong overall results more than offset negative impact from the UK

The **Insurance net profit** for the first quarter amounted to EUR 222 million, compared to EUR 201 million last year. Higher realised net capital gains more than offset the negative Ogden impact of EUR 21 million in the UK whereas last year's net result included the negative impact of the terrorism events in Belgium. The net profit contribution of Asia increased on a scope-on-scope basis (excluding the EUR 12 million contribution from Hong Kong last year). The Life net result amounted to EUR 168 million, up EUR 25 million on last year and mainly driven by Belgium. The Non-Life net result decreased slightly to EUR 54 million as a result of the lower result in the UK.

### General Account net result driven by negative RPN(i) revaluation

The **Group net result** in the first quarter amounted to EUR 110 million with the **General Account** contributing a negative EUR 112 million. This is mainly explained by the negative impact of EUR 96 million related to the evolution of the RPN(i) liability, amounting EUR 371 million at the end of March. Staff and other operating expenses decreased to EUR 17 million (vs. EUR 25 million). Last year's first quarter was significantly impacted by costs related to the Fortis' legal settlement announced in mid March 2016.

### Shareholders' equity and solvency

Total **shareholders' equity** decreased to EUR 9.3 billion or EUR 45.91 per share at the end March (vs. EUR 9.6 billion or EUR 46.56 per share at the end of 2016). The Q1 2017 result (EUR 0.1 billion) was more than offset by lower unrealised gains on the investment portfolio (EUR -0.2 billion), the ongoing share buy back programme (EUR -0.1 billion), and the revaluation of the put option (EUR -0.1 billion).

The Insurance solvency ratio remained above target at 177% (vs. 179%), while the Group solvency ratio decreased to 186%, with Group Insurance own funds EUR 3.7 billion above SCR.

Following the change in the discount rate, the UK Solvency II ratio was under pressure. In the first quarter, Ageas UK already took a number of measures to strengthen its solvency position, including derisking its investment portfolio and the underwriting of a stop loss reinsurance coverage. As a result the Solvency II ratio in the UK stood at 109% at the end of March. In the second quarter, EUR 77 million capital has been injected, which will further strengthen the UK solvency position.

The **total liquid assets in the General Account** amounted to EUR 1.8 billion compared to EUR 1.9 billion at the end of 2016. This decrease is mainly explained by the execution of the ongoing share buyback programme. From this amount EUR 0.8 billion remains ring-fenced for the Fortis settlement.

### Contingent liabilities

There were no fundamental changes in the contingent liabilities compared to the end 2016 disclosures.

In the context of the Fortis settlement procedure, the Amsterdam Court of Appeal held a public hearing in Amsterdam on 24 March 2017, at which the Court confirmed it will take a decision regarding the request to declare the settlement binding after close of business on Friday 16 June 2017.

# DETAILS PER PRODUCT

Life: Strong result driven by solid underlying performance and higher realized capital gains

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Life (incl non-consolidated partnerships at 100%)</b>	<b>10,921.0</b>	<b>9,377.1</b>	<b>16%</b>
<b>Gross Inflows Life (consolidated entities)</b>	<b>1,398.1</b>	<b>1,842.4</b>	<b>(24%)</b>
<b>Operating result</b>	<b>185.4</b>	<b>158.2</b>	<b>17%</b>
Non-allocated other income and expenses	7.8	9.3	(16%)
<b>Result before taxation consolidated entities</b>	<b>193.2</b>	<b>167.5</b>	<b>15%</b>
Result non-consolidated partnerships	57.6	45.5	27%
<b>Result before taxation</b>	<b>250.8</b>	<b>213.0</b>	<b>18%</b>
Income tax expenses	(35.8)	(34.6)	3%
Non-controlling interests	(47.1)	(35.3)	33%
<b>Net result attributable to shareholders</b>	<b>167.9</b>	<b>143.1</b>	<b>17%</b>

KEY PERFORMANCE INDICATORS BY FAMILY		GUARANTEED		UNIT - LINKED		TOTAL	
in EUR million	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	
<b>Gross Inflows Life (consolidated entities)</b>	<b>972.8</b>	<b>1,492.7</b>	<b>425.3</b>	<b>349.7</b>	<b>1,398.1</b>	<b>1,842.4</b>	
Net underwriting Result	(5.4)	12.5	11.6	6.5	6.2	19.0	
Investment Result	178.8	137.7	0.4	1.5	179.2	139.2	
<b>Operating result</b>	<b>173.4</b>	<b>150.2</b>	<b>12.0</b>	<b>8.0</b>	<b>185.4</b>	<b>158.2</b>	
<b>Life Technical Liabilities</b>	<b>59,458.1</b>	<b>63,341.3</b>	<b>14,739.5</b>	<b>12,601.3</b>	<b>74,197.6</b>	<b>75,942.6</b>	

**Inflows**, including non-consolidated partnerships at 100%, increased 16% compared to last year to EUR 10.9 billion. Most of the growth was realised in **Asia** with a 28% increase of inflows at constant exchange rates and originating mainly from China. In **Continental Europe** overall inflows came slightly down, -4% with better inflows in Portugal not entirely offsetting lower sales in France and Luxembourg. In **Belgium**, gross inflows decreased 31% driven by an expected lower intake of new business in short-term investment products.

**Technical Liabilities** for the consolidated activities remained almost stable at EUR 74.2 billion compared to the end of 2016. Life Technical Liabilities in the Asian and Continental European non-consolidated partnerships at 100% amounted to EUR 74.1 billion, compared to EUR 69.6 billion at the end of last year.

The **operating result** increased strongly to EUR 185 million (vs. EUR 158 million last year), essentially driven by higher investment results following higher realised net capital gains compared to last year. The latter were mainly driven by gains on real estate and equity

transactions in Belgium. The impact of these transactions is also visible in the Guaranteed margin that increased from 103 bps to 124 bps.

The **net result** increased to EUR 168 million with better results in all segments scope on scope. Aside from the aforementioned improvement in the operating result of the consolidated entities, the non-consolidated partnerships in Luxembourg and Asia also contributed positively to the increase.

In **Belgium**, the net result increased to EUR 106 million. In **Continental Europe**, the first quarter result doubled to EUR 15 million driven by better underwriting results in Portugal and positive fair value adjustments on the Held For Trading assets in Luxembourg.

In **Asia**, the net result came down to EUR 47 million but was up EUR 5 million scope-on-scope, taking into account the deconsolidation of Hong Kong, which contributed EUR 12 million in the first quarter of 2016 and was divested in May 2016.

## Non-Life: Strong performance with the exception of the UK

INCOME STATEMENT				
in EUR million	3M 17	3M 16	Change	
<b>Gross Inflows Non-Life (incl non-consolidated partnerships at 100%)</b>	<b>1,751.6</b>	<b>1,734.3</b>	<b>1%</b>	
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>1,234.4</b>	<b>1,179.6</b>	<b>5%</b>	
<b>Net Earned Premiums</b>	<b>1,024.8</b>	<b>986.5</b>	<b>4%</b>	
<b>Operating result</b>	<b>80.8</b>	<b>76.1</b>	<b>6%</b>	
Non-allocated other income and expenses	4.3	7.5	(43%)	
<b>Result before taxation consolidated entities</b>	<b>85.1</b>	<b>83.6</b>	<b>2%</b>	
Result non-consolidated partnerships	10.5	10.2	3%	
<b>Result before taxation</b>	<b>95.6</b>	<b>93.8</b>	<b>2%</b>	
Income tax expenses	(25.1)	(26.6)	(6%)	
Non-controlling interests	(16.1)	(9.7)	66%	
<b>Net result attributable to shareholders</b>	<b>54.4</b>	<b>57.5</b>	<b>(5%)</b>	

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>287.8</b>	<b>256.6</b>	<b>503.9</b>	<b>481.4</b>	<b>317.5</b>	<b>313.7</b>	<b>125.2</b>	<b>127.9</b>	<b>1,234.4</b>	<b>1,179.6</b>
<b>Net Earned Premiums</b>	<b>216.1</b>	<b>195.6</b>	<b>440.3</b>	<b>426.1</b>	<b>265.9</b>	<b>261.5</b>	<b>102.5</b>	<b>103.3</b>	<b>1,024.8</b>	<b>986.5</b>
Net Underwriting result	7.8	3.9	7.8	17.7	7.9	9.3	(6.6)	(9.7)	16.9	21.2
Combined Ratio	96.4%	98.0%	98.2%	95.9%	97.0%	96.5%	106.5%	109.3%	98.3%	97.8%
of which Prior Year claims ratio									(6.7%)	(9.8%)
Investment Result	11.0	10.9	35.7	28.3	8.8	7.3	12.1	10.9	67.6	57.4
Other Result	(1.6)	(2.4)	(1.8)	(0.0)	(0.5)	(0.1)	0.2	(0.0)	(3.7)	(2.5)
<b>Operating Result</b>	<b>17.2</b>	<b>12.4</b>	<b>41.7</b>	<b>46.0</b>	<b>16.2</b>	<b>16.5</b>	<b>5.7</b>	<b>1.2</b>	<b>80.8</b>	<b>76.1</b>
<b>Reserves Ratio (in %)</b>	<b>295%</b>	<b>280%</b>	<b>209%</b>	<b>182%</b>	<b>85%</b>	<b>83%</b>	<b>309%</b>	<b>295%</b>	<b>205%</b>	<b>187%</b>
<b>Non-Life Technical Liabilities</b>	<b>2,547.5</b>	<b>2,187.4</b>	<b>3,679.5</b>	<b>3,106.6</b>	<b>901.9</b>	<b>866.6</b>	<b>1,265.7</b>	<b>1,218.7</b>	<b>8,394.6</b>	<b>7,379.3</b>

**Gross inflows** remained stable at EUR 1.8 billion, up 6% at constant exchange rates with the inclusion of Ageas Seguros Portugal as main growth driver. Gross inflows in Belgium were up 2% to EUR 595 million. At constant exchange rates, gross inflows in Continental Europe were up 42%, moved slightly up by 1% in the UK, and were down 10% in Asia.

The **Group combined ratio** stood at 98.3% (vs. 97.8%) reflecting an excellent operating performance in Belgium with a combined ratio of 92.7% and in Continental Europe with a combined ratio of 88%. The imposed change in the Ogden discount rate caused an additional negative impact of 7.6% on the UK's combined ratio and reflects the fact that the introduced repricing relates only to new business and renewals and that it will take twelve months to fully reprice the portfolio. The change in the discount rate has a 2.8% impact on the Ageas combined ratio. The prior year claims ratio amounted to 6.7% (vs. 9.8%), marked by a strengthening of reserves in the UK.

The non-consolidated partnerships reported a combined ratio of 95.3% (vs. 98.7%) in Tesco Underwriting (UK), 95.5% (vs. 100%) in Turkey (Continental Europe) and 88.3% (vs. 86.4%) in Asia.

The **net result** of the **Non-Life** activities amounted to EUR 54 million (vs. EUR 58 million). The net negative impact of EUR 21 million related to the change in the Ogden rate in the UK was partly compensated for by the good performance in Continental Europe and a higher amount of capital gains in the UK while 2016 included EUR 19 million related to terrorism events in Belgium..

The internal Non-Life reinsurer **Intreas** reinsured EUR 11 million of premiums from the operating companies within the group and contributed EUR 0.3 million to the Non-Life net result.

# DETAILS BY BUSINESS SEGMENT

## BELGIUM

**Net profit EUR 142 million**

vs. EUR 100 million (+42%). Good net result partly supported by net realised capital gains in Life.

**Gross inflows EUR 1.5 billion**

vs. EUR 1.8 billion (-20%). Expected lower sales of short-term investment products after downward review of the guaranteed rates.

**Combined ratio 92.7%**

vs. 99.7%. Excellent operating performance. Last year's combined ratio impacted by terrorism events.

**Life: Strong result driven by a good underlying performance and higher capital gains**

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Life</b>	<b>872.7</b>	<b>1,258.8</b>	<b>(31%)</b>
<b>Operating result</b>	<b>157.1</b>	<b>121.8</b>	<b>29%</b>
Non-allocated other income and expenses	16.3	19.6	(17%)
<b>Result before taxation</b>	<b>173.4</b>	<b>141.4</b>	<b>23%</b>
Income tax expenses	(28.5)	(29.4)	(3%)
Non-controlling interests	(38.9)	(30.2)	29%
<b>Net result attributable to shareholders</b>	<b>106.0</b>	<b>81.8</b>	<b>30%</b>

KEY PERFORMANCE INDICATORS BY FAMILY	GUARANTEED		UNIT - LINKED		TOTAL	
	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Life (consolidated entities)</b>	<b>745.8</b>	<b>1,126.2</b>	<b>126.9</b>	<b>132.6</b>	<b>872.7</b>	<b>1,258.8</b>
Net underwriting Result	(11.8)	(5.4)	7.4	3.5	(4.4)	(1.9)
Investment Result	161.5	123.7			161.5	123.7
<b>Operating result</b>	<b>149.7</b>	<b>118.3</b>	<b>7.4</b>	<b>3.5</b>	<b>157.1</b>	<b>121.8</b>
<b>Life Technical Liabilities</b>	<b>51,214.3</b>	<b>52,319.8</b>	<b>7,379.7</b>	<b>5,929.7</b>	<b>58,594.0</b>	<b>58,249.5</b>

**Gross inflows** amounted to EUR 873 million. The 31% decrease is almost entirely due to expected lower sales in short-term investment products, following the consecutive lowering of the guaranteed rate over the course of 2016. The main guaranteed rate currently stands at 0.25%. Unit-Linked inflows amounted to EUR 127 million (-4%). Group Life inflows stood at EUR 258 million (-4%).

The **Life Technical Liabilities** remained almost stable at EUR 59 billion compared to the end of 2016.

The **operating result** increased from EUR 122 million last year to EUR 157 million, thanks to an improved investment result, including higher realised capital gains on real estate and equities, which will be levelled out over the course of the year. The operating margin of the Guaranteed products amounted to 124 bps (vs 98 bps). The Unit-Linked operating margin strongly increased from the exceptionally low 23 bps last year to 41 bps, within the target range.

The **net result** increased from EUR 82 million to EUR 106 million and was positively impacted by the higher realised capital gains that increased by EUR 35 million year-on-year.

## Non-Life: excellent operating performance

INCOME STATEMENT				
in EUR million	3M 17	3M 16	Change	
<b>Gross Inflows Non-Life</b>	<b>594.9</b>	<b>585.2</b>	<b>2%</b>	
<b>Net Earned Premium</b>	<b>456.1</b>	<b>451.2</b>	<b>1%</b>	
<b>Operating result</b>	<b>64.4</b>	<b>31.2</b>	<b>*</b>	
Non-allocated other income and expenses	3.9	4.6	(15%)	
<b>Result before taxation</b>	<b>68.3</b>	<b>35.8</b>	<b>91%</b>	
Income tax expenses	(20.0)	(11.4)	75%	
Non-controlling interests	(12.7)	(6.5)	95%	
<b>Net result attributable to shareholders</b>	<b>35.6</b>	<b>17.9</b>	<b>99%</b>	

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
in EUR million	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>166.6</b>	<b>164.3</b>	<b>171.9</b>	<b>168.7</b>	<b>191.9</b>	<b>189.2</b>	<b>64.5</b>	<b>63.0</b>	<b>594.9</b>	<b>585.2</b>
<b>Net Earned Premiums</b>	<b>118.5</b>	<b>116.4</b>	<b>141.6</b>	<b>140.2</b>	<b>149.1</b>	<b>148.8</b>	<b>46.9</b>	<b>45.8</b>	<b>456.1</b>	<b>451.2</b>
Net Underwriting result	(2.9)	(3.8)	20.1	11.6	10.9	2.9	5.1	(9.6)	33.2	1.1
Combined Ratio	102.4%	103.3%	85.8%	91.7%	92.7%	98.1%	89.3%	120.9%	92.7%	99.7%
of which Prior Year claims ratio									(15.0%)	(16.3%)
Investment Result	9.4	9.0	11.0	10.5	4.4	4.3	6.4	6.3	31.2	30.1
Other Result										
<b>Operating Result</b>	<b>6.5</b>	<b>5.2</b>	<b>31.1</b>	<b>22.1</b>	<b>15.3</b>	<b>7.2</b>	<b>11.5</b>	<b>(3.3)</b>	<b>64.4</b>	<b>31.2</b>
<b>Reserves Ratio (in %)</b>	<b>396%</b>	<b>399%</b>	<b>185%</b>	<b>180%</b>	<b>76%</b>	<b>76%</b>	<b>331%</b>	<b>337%</b>	<b>219%</b>	<b>218%</b>
<b>Non-Life Technical Liabilities</b>	<b>1,877.4</b>	<b>1,857.1</b>	<b>1,049.8</b>	<b>1,006.7</b>	<b>452.2</b>	<b>451.5</b>	<b>621.7</b>	<b>618.4</b>	<b>4,001.1</b>	<b>3,933.7</b>

**Gross inflows** amounted to EUR 595 million, or up 2% compared to last year. This increase was across all business lines.

The **combined ratio** stood at 92.7% (vs 99.7%). Last year's combined ratio was however heavily impacted by the terrorism events of March 2016. The prior year releases remained fairly stable compared to last year at 15.0%. Overall it was an excellent start to the year for most product lines.

The **operating result** more than doubled to EUR 64 million, reflecting a solid operating performance.

The **net result** doubled from EUR 18 million last year to EUR 36 million this year. Excluding the EUR 19 million negative impact of the terrorism events, the net result remained almost stable year on year.

# UNITED KINGDOM

**Net profit of EUR 1 million** vs. a profit of EUR 25 million.  
**Gross inflows EUR 523 million** vs. EUR 578 million (-9%). Inflows up 1% at a constant exchange rates.  
**Combined ratio 110%** vs. 99.0%. of which 7.6% related to the discount rate review.

## Net result impacted by Ogden review

INCOME STATEMENT				
in EUR million	3M 17	3M 16	Change	
<b>Gross Inflows Non-Life (incl non-consolidated partnerships at 100%)</b>	<b>522.9</b>	<b>577.6</b>	<b>(9%)</b>	
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>411.8</b>	<b>454.0</b>	<b>(9%)</b>	
<b>Net Earned Premium</b>	<b>380.7</b>	<b>413.2</b>	<b>(8%)</b>	
<b>Operating result</b>	<b>(5.4)</b>	<b>27.6</b>	<b>*</b>	
Non-allocated other income and expenses	1.9	0.9	<b>*</b>	
<b>Result before taxation consolidated entities</b>	<b>(3.5)</b>	<b>28.5</b>	<b>*</b>	
Result non-consolidated partnerships	3.1	2.1	<b>48%</b>	
<b>Result before taxation</b>	<b>(0.4)</b>	<b>30.6</b>	<b>*</b>	
Income tax expenses	0.9	(5.9)	<b>*</b>	
Non-controlling interests				
<b>Net result attributable to shareholders</b>	<b>0.5</b>	<b>24.7</b>	<b>(98%)</b>	

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
in EUR million	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>7.2</b>	<b>8.9</b>	<b>267.6</b>	<b>289.0</b>	<b>91.7</b>	<b>101.4</b>	<b>45.3</b>	<b>54.7</b>	<b>411.8</b>	<b>454.0</b>
<b>Net Earned Premiums</b>	<b>7.5</b>	<b>9.9</b>	<b>238.7</b>	<b>262.4</b>	<b>89.1</b>	<b>92.9</b>	<b>45.4</b>	<b>48.0</b>	<b>380.7</b>	<b>413.2</b>
Net Underwriting result	0.6	(0.9)	(15.3)	3.4	(7.7)	4.8	(15.8)	(3.0)	(38.2)	4.3
Combined Ratio	92.2%	109.1%	106.4%	98.7%	108.6%	94.9%	134.8%	106.4%	110.0%	99.0%
of which Prior Year claims ratio									3.2%	(4.2%)
Investment Result	0.2	0.3	23.5	16.5	4.1	2.7	5.0	3.8	32.8	23.3
Other Result										
<b>Operating Result</b>	<b>0.8</b>	<b>(0.6)</b>	<b>8.2</b>	<b>19.9</b>	<b>(3.6)</b>	<b>7.5</b>	<b>(10.8)</b>	<b>0.8</b>	<b>(5.4)</b>	<b>27.6</b>
<b>Reserves Ratio (in %)</b>	<b>54%</b>	<b>68%</b>	<b>228%</b>	<b>178%</b>	<b>88%</b>	<b>91%</b>	<b>246%</b>	<b>227%</b>	<b>194%</b>	<b>162%</b>
<b>Non-Life Technical Liabilities</b>	<b>16.1</b>	<b>26.9</b>	<b>2,180.8</b>	<b>1,868.8</b>	<b>314.7</b>	<b>338.4</b>	<b>448.0</b>	<b>436.1</b>	<b>2,959.6</b>	<b>2,670.2</b>

**Gross Inflows, including Tesco Underwriting Ltd**, decreased to EUR 523 million (vs. EUR 578 million). At constant exchange rates, gross inflows increased by 1%.

Motor inflows reduced to EUR 268 million (vs. EUR 289 million), but were up 3% at constant exchange rates. Household inflows were down to EUR 92 million (vs. EUR 101 million), but largely flat at constant exchange rates. Inflows in Other lines were down at EUR 45 million (vs. EUR 55 million), a reduction of 18% in actual terms driven by the run-off in Special Risks.

**Inflows for Tesco Underwriting** reduced to EUR 111 million (vs. EUR 124 million) but on a constant currency basis premiums remained steady.

The **combined ratio** deteriorated to 110.0% (vs. 99.0%), specifically for Motor (106.4% vs 98.7%) and Other lines (134.8% vs 106.4%). Furthermore, the combined ratio in Household remained above 100% due to lower prior year releases.

The combined ratio of **Tesco Underwriting** amounted to 95.3% (vs. 98.7%).

The change to the discount rate has had a profound dislocation effect on the entire UK General Insurance market. In response, premium rates have begun to rise, the benefit of which will be felt over the balance of the year and into 2018. The discount rate revision has also put pressure on the Solvency II ratio of the UK business and will continue to affect the UK results throughout 2017 by EUR 20 to EUR 25 million. In the first quarter, Ageas UK already took a number of measures to strengthen its solvency position, including derisking its investment portfolio and the underwriting of a stop loss reinsurance coverage. As a result the Solvency II ratio in the UK stood at 109% at the end of March. In the second quarter, EUR 77 million capital has been injected, which will further strengthen the UK solvency position.

The UK **consolidated net result** decreased to EUR 1 million compared to EUR 25 million. Realised capital gains almost offset the aforementioned Ogden discount rate related negative impact (EUR 21 million).

The **net result of Tesco Underwriting** amounted to EUR 3 million (vs. EUR 2 million).



# CONTINENTAL EUROPE

**Net profit EUR 28 million**

vs. EUR 15 million (+91%). Solid results in both Life and Non-Life.

**Gross inflows EUR 1.4 billion**

vs. EUR 1.3 billion (+3%). Strong growth in Non-Life primarily as a result of the inclusion of Ageas Seguros.

**Combined ratio 88%**

vs. 87.4%. Excellent combined ratios in all countries.

**Life: Solid operating performance**

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Life (incl non-consolidated partnerships at 100%)</b>	<b>1,000.2</b>	<b>1,045.4</b>	<b>(4%)</b>
<b>Gross Inflows Life (consolidated entities)</b>	<b>525.4</b>	<b>463.4</b>	<b>13%</b>
<b>Operating result</b>	<b>28.3</b>	<b>23.8</b>	<b>19%</b>
Non-allocated other income and expenses	(1.8)	(5.3)	(66%)
<b>Result before taxation consolidated entities</b>	<b>26.5</b>	<b>18.5</b>	<b>43%</b>
Result non-consolidated partnerships	3.8	(2.3)	*
<b>Result before taxation</b>	<b>30.3</b>	<b>16.2</b>	<b>87%</b>
Income tax expenses	(7.3)	(3.8)	92%
Non-controlling interests	(8.2)	(5.1)	61%
<b>Net result attributable to shareholders</b>	<b>14.8</b>	<b>7.3</b>	<b>*</b>

KEY PERFORMANCE INDICATORS BY FAMILY		GUARANTEED		UNIT - LINKED		TOTAL	
in EUR million		3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Life (consolidated entities)</b>		<b>227.0</b>	<b>278.5</b>	<b>298.4</b>	<b>184.9</b>	<b>525.4</b>	<b>463.4</b>
Net underwriting Result	6.4	6.0	4.2	(0.4)	10.6	5.6	
Investment Result	17.3	17.8	0.4	0.4	17.7	18.2	
<b>Operating result</b>	<b>23.7</b>	<b>23.8</b>	<b>4.6</b>		<b>28.3</b>	<b>23.8</b>	
<b>Life Technical Liabilities</b>		<b>8,243.9</b>	<b>8,721.0</b>	<b>7,359.7</b>	<b>5,791.6</b>	<b>15,603.6</b>	<b>14,512.6</b>

Scope change: as from Q2 2016, Ageas Seguros is included in the reporting scope.

**Gross inflows**, including non-consolidated partnerships at 100%, reached EUR 1.0 billion, 4% down year on year. This decrease is due to lower sales in Guaranteed rate products in France and Luxembourg, only partly offset by the inclusion of Ageas Seguros.

In **Portugal**, gross inflows reached EUR 378 million or 32% up on last year's level and outperforming a declining Portuguese market. The higher inflows came from a combination of higher sales in Occidental (+25%) and the inclusion of Ageas Seguros for EUR 21 million.

Gross inflows in **France** reached EUR 147 million, down 17% year on year. The decrease was due to less guaranteed business sales and a higher level of single premium sales last year. Over the first two months of the year, the French market was 11% down compared to last year.

In **Luxembourg** gross inflows ended 18% below last year to reach EUR 475 million, as the sales to High-Net-Worth customers had a slower start.

**Life Technical Liabilities** of the consolidated entities were slightly up to EUR 15.6 billion thanks to the inclusion of Ageas Seguros. The non-consolidated Life Technical Liabilities in Luxembourg increased by 4% amounting to EUR 20.8 billion.

The **operating result** was up 19% to EUR 28 million mostly as a result of an improved net underwriting result in the Unit-Linked business and the inclusion of Ageas Seguros. As a consequence, the operating margin increased to 120 bps on Guaranteed products and to 25 bps on Unit-Linked products.

The first quarter **net profit** doubled compared to last year amounting to EUR 15 million. This increase is explained by the excellent evolution of the operating result and the positive evolution on fair value adjustments on assets classified as 'Held For Trading' in Luxembourg.

## Non-Life: Strong inflows and results in all countries

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Non-Life (incl non-consolidated partnerships at 100%)</b>	<b>384.0</b>	<b>294.0</b>	<b>31%</b>
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>227.7</b>	<b>140.4</b>	<b>62%</b>
<b>Net Earned Premium</b>	<b>184.0</b>	<b>117.7</b>	<b>56%</b>
<b>Operating result</b>	<b>21.9</b>	<b>16.3</b>	<b>34%</b>
Non-allocated other income and expenses	(1.9)	2.2	*
<b>Result before taxation consolidated entities</b>	<b>20.0</b>	<b>18.5</b>	<b>8%</b>
Result non-consolidated partnerships	3.0	1.5	*
<b>Result before taxation</b>	<b>23.0</b>	<b>20.0</b>	<b>15%</b>
Income tax expenses	(6.0)	(9.3)	(35%)
Non-controlling interests	(3.4)	(3.2)	6%
<b>Net result attributable to shareholders</b>	<b>13.6</b>	<b>7.5</b>	<b>81%</b>

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
in EUR million	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>114.0</b>	<b>83.4</b>	<b>64.4</b>	<b>23.7</b>	<b>33.9</b>	<b>23.1</b>	<b>15.4</b>	<b>10.2</b>	<b>227.7</b>	<b>140.4</b>
<b>Net Earned Premiums</b>	<b>90.1</b>	<b>69.2</b>	<b>59.2</b>	<b>23.4</b>	<b>24.5</b>	<b>16.6</b>	<b>10.2</b>	<b>8.5</b>	<b>184.0</b>	<b>117.7</b>
Net Underwriting result	10.1	8.6	3.0	2.5	4.8	1.8	4.1	2.0	22.0	14.9
Combined Ratio	88.7%	87.5%	94.9%	89.3%	80.4%	89.3%	60.0%	77.1%	88.0%	87.4%
of which Prior Year claims ratio									(6.5%)	(5.1%)
Investment Result	1.4	1.6	1.2	1.3	0.3	0.3	0.7	0.7	3.6	3.9
Other Result	(1.6)	(2.4)	(1.8)	(0.0)	(0.5)	(0.1)	0.2	(0.0)	(3.7)	(2.5)
<b>Operating Result</b>	<b>9.9</b>	<b>7.8</b>	<b>2.4</b>	<b>3.8</b>	<b>4.6</b>	<b>2.0</b>	<b>5.0</b>	<b>2.7</b>	<b>21.9</b>	<b>16.3</b>
<b>Reserves Ratio (in %)</b>	<b>184%</b>	<b>110%</b>	<b>187%</b>	<b>247%</b>	<b>120%</b>	<b>105%</b>	<b>481%</b>	<b>485%</b>	<b>193%</b>	<b>164%</b>
<b>Non-Life Technical Liabilities</b>	<b>663.1</b>	<b>304.8</b>	<b>443.8</b>	<b>231.1</b>	<b>117.6</b>	<b>69.7</b>	<b>196.0</b>	<b>164.3</b>	<b>1,420.5</b>	<b>769.9</b>

Scope change: as from Q2 2016, Ageas Seguros is included in the reporting scope.

**Gross Inflows**, including non-consolidated partnerships at 100% amounted to EUR 384 million, up 31% on previous year. At constant exchange rates gross inflows would have been up 42%. A large part of the increase is related to the inclusion of Ageas Seguros but also to an excellent commercial performance of the other entities.

Inflows in **Portugal** were very strong and reached EUR 175 million (vs. EUR 89 million last year), including EUR 77 million inflows from Ageas Seguros. Excluding Ageas Seguros, inflows continued to outpace the market and were up 9%. Growth was mainly related to higher Health Care sales and targeted cross-selling campaigns in Household and Motor. Moreover, the encouraging turnaround observed in Ageas Seguros last year on New Business sales continued its trend this quarter.

In **Italy** inflows increased 4% to EUR 53 million with strong growth in Household, Motor and Consumer Protection Insurance.

Inflows in **Turkey** were up 23% at constant exchange rates (+2% in EUR). All main lines of business supported the growth.

The **operating result** of the consolidated entities increased strongly by 34%. This increase resulted from higher volumes combined with the strong operating performance in Italy and Portugal. The combined ratio remained excellent at 88% (vs. 87.4%).

The positive evolution of the consolidated operating result and the strong improvement in Turkey led to a **net result** of EUR 14 million, up 81% on previous year.

# ASIA

## Net profit EUR 52 million

vs. EUR 61 million (-15%). Solid performance in all major countries. Excluding the 2016 Hong Kong result, Net profit improved by 5%.

## Gross Inflows EUR 9.3 billion

vs. EUR 7.4 billion (+26%). Continued growth in new business in China and in renewal premiums across the region.

## Life: Solid profit driven by strong growth in gross inflows

INCOME STATEMENT				
in EUR million		3M 17	3M 16	Change
<b>Gross Inflows Life (incl non-consolidated partnerships at 100%)</b>		<b>9,048.1</b>	<b>7,072.9</b>	<b>28%</b>
<b>Gross Inflows Life (consolidated entities)</b>			<b>120.2</b>	<b>*</b>
<b>Operating result</b>			<b>12.6</b>	<b>*</b>
Non-allocated other income and expenses		( 6.8 )	( 5.0 )	36%
<b>Result before taxation consolidated entities</b>		<b>( 6.8 )</b>	<b>7.6</b>	<b>*</b>
Result non-consolidated partnerships		53.9	47.8	13%
<b>Result before taxation</b>		<b>47.1</b>	<b>55.4</b>	<b>(15%)</b>
Income tax expenses			( 1.4 )	<b>*</b>
Non-controlling interests				
<b>Net result attributable to shareholders</b>		<b>47.1</b>	<b>54.0</b>	<b>(13%)</b>

**Gross inflows** amounted to EUR 9.0 billion, up 28% (+29% at constant exchange rates) including non-consolidated partnerships at 100%. Higher sales primarily originated from China as a result of successful sales campaigns and continued channel development, including a further increase in the number of agents. India's growth in the bank channel further contributed to the increase in gross inflows.

Both new business premiums and renewals increased strongly by 15% to EUR 5.2 billion and 52% to EUR 3.8 billion respectively. The increase in new business premiums came mainly from regular premiums, up 57% at EUR 2.8 billion. Single premium inflows amounted to EUR 2.4 billion, 13% lower versus last year following China's strategic choice to focus on the more profitable regular premium business. New business premiums grew specifically in the agency channel to EUR 2.5 billion (+56%) while sales via the bank channel came somewhat down to EUR 2.6 billion (-8%) following China's above mentioned strategic choice.

In **China**, inflows increased by 33% year-on-year to EUR 8.1 billion (+36% at constant exchange rates). New business premiums amounted to EUR 4.9 billion, up 17%, of which EUR 2.6 billion (+70%) was in regular premium business, in line with the commercial strategy. New business through the agency channel grew by 58% amounting to EUR 2.4 billion, with regular premiums increased by 64% to EUR 2.2 billion. This is the result of continued investments in new commercial campaigns and a further expansion of the agency force, currently standing at almost 320,000 agents. The bank channel ran its traditional first quarter sales campaign with total new business premiums of EUR 2.4 billion and with regular premiums up 121%. Renewals increased by

68% to EUR 3.2 billion with persistency levels continuing to be amongst the best in the market.

**Thailand's** inflows were up 7% (+2% at constant exchange rates) to EUR 739 million. Inflows were marked by strong growth in renewal premiums, up 23% to EUR 543 million thanks to continued customer loyalty.

Inflows in **Malaysia** amounted to EUR 169 million, up 12% (+15% at constant exchange rates), reflecting strong renewal business amounting to EUR 91 million (+39% at constant exchange rates).

Inflows in **India** amounted to EUR 82 million up 34% (+28% at constant exchange rates) supported by growth in both new business premiums, up 59%, and renewal premiums.

Inflows in **the Philippines** amounted to EUR 3 million. **Vietnam** started sales as of March 2017.

**Technical Liabilities** increased 8% from the end of last year to EUR 53.4 billion following top line growth and strong persistency.

Total **net profit** in Asia amounted to EUR 47 million (vs. EUR 54 million). Last year's net profit included the Hong Kong Life activities amounting to EUR 12 million. Scope on scope the net result grew 12% year on year.

**Regional headquarters costs** amounted to EUR 7 million (vs. EUR 6 million).

## Non-Life: Growth in profitable business lines at constant exchange rates

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Non-Life (incl non-consolidated partnerships at 100%)</b>	<b>249.8</b>	<b>277.4</b>	<b>(10%)</b>
<b>Gross Inflows Non-Life (consolidated entities)</b>			
<b>Net Earned Premium</b>			
<b>Operating result</b>			
Non-allocated other income and expenses			
<b>Result before taxation consolidated entities</b>			
Result non-consolidated partnerships	4.4	6.6	(33%)
<b>Result before taxation</b>	<b>4.4</b>	<b>6.6</b>	<b>(33%)</b>
Income tax expenses			
Non-controlling interests			
<b>Net result attributable to shareholders</b>	<b>4.4</b>	<b>6.6</b>	<b>(33%)</b>

**Gross inflows** decreased by 10% to EUR 250 million.

**Malaysia** inflows amounted to EUR 163 million (-14% at constant exchange rates). Lower Marine, Aviation and Transport business (MAT) was only partly compensated for by increased profitable Personal Accident (+17% at constant exchange rates) and Fire (+14% at constant exchange rates). As the MAT business is almost fully re-insured, the impact on net earned premiums and net result is very limited.

Inflows in **Thailand** were up 5% to EUR 87 million with growth in both Motor (+2% at constant exchange rates) and Fire (+2% at constant exchange rates).

The **net result** amounted to EUR 4 million (vs. EUR 7 million), marked by continued strong combined ratios at 88.3% (vs. 86.4%) and with last year's result positively impacted by a one-off capital gain on the sale of real estate.

# REINSURANCE (INTREAS)

<b>Net profit</b>	EUR 0.3 million.
<b>Gross inflows</b>	EUR 10.7 million mainly from consolidated Non-Life entities in Europe.
<b>Combined ratio</b>	101.8%.

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
<b>Gross Inflows Non-Life (incl non-consolidated partnerships at 100%)</b>	<b>10.7</b>	<b>10.5</b>	<b>2%</b>
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>10.7</b>	<b>10.5</b>	<b>2%</b>
<b>Net Earned Premium</b>	<b>4.0</b>	<b>4.4</b>	<b>(9%)</b>
<b>Operating result</b>	<b>(0.1)</b>	<b>1.0</b>	<b>*</b>
Non-allocated other income and expenses	0.4	(0.2)	*
<b>Result before taxation consolidated entities</b>	<b>0.3</b>	<b>0.8</b>	<b>(63%)</b>
Result non-consolidated partnerships			*
<b>Result before taxation</b>	<b>0.3</b>	<b>0.8</b>	<b>(63%)</b>
Income tax expenses			*
Non-controlling interests			*
<b>Net result attributable to shareholders</b>	<b>0.3</b>	<b>0.8</b>	<b>(63%)</b>

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Gross Inflows Non-Life (consolidated entities)</b>	<b>(0.0)</b>	<b>0.1</b>	<b>1.3</b>		<b>9.4</b>	<b>9.3</b>		<b>1.1</b>	<b>10.7</b>	<b>10.5</b>
<b>Net Earned Premiums</b>	<b>(0.0)</b>	<b>0.1</b>	<b>0.8</b>		<b>3.2</b>	<b>3.2</b>		<b>1.1</b>	<b>4.0</b>	<b>4.4</b>
Net Underwriting result		0.1			(0.1)	(0.2)		1.1	(0.1)	1.0
Combined Ratio	16.2%	12.1%	92.4%		104.2%	105.3%		3.3%	101.8%	78.4%
of which Prior Year claims ratio										
Investment Result										
Other Result										
<b>Operating Result</b>	<b>(0.0)</b>	<b>0.1</b>	<b>(0.0)</b>		<b>(0.1)</b>	<b>(0.2)</b>		<b>1.1</b>	<b>(0.1)</b>	<b>1.0</b>
<b>Reserves Ratio (in %)</b>			<b>150%</b>		<b>137%</b>	<b>55%</b>			<b>143%</b>	<b>40%</b>
<b>Non-Life Technical Liabilities</b>	<b>0.5</b>		<b>5.0</b>		<b>17.3</b>	<b>7.1</b>			<b>22.8</b>	<b>7.1</b>

Compared to Q1 2016, the figures of Other lines have been integrated in Motor as the majority of the concerned reinsurance contracts relates to Motor Third Party Liability.

**Gross inflows**, amounted to EUR 10.7 million (vs. EUR 10.5 million). As in 2016, inflows mainly related to the fully consolidated Non-Life entities in Europe and to Household and Motor Third Party Liability & other Liability business.

Net earned premiums amounted to EUR 4 million (vs. EUR 4.4 million) taking into account higher outward reinsurance premiums (EUR 0.3 Million) and adjustment premiums (EUR 0.3 million) based on the ceding companies' final premium income statements for the full year 2016.

The **operating result** amounted to EUR 0.1 million negative (vs EUR 1 million), with a combined ratio of 101.8% (last year 78.4%). The reasons for the lower operating result were the adjustment premiums, an increase of claims reserves and higher expenses (increase of staff and investments for IT).

Intreas' first quarter **net result** amounted to EUR 0.3 million (vs. EUR 0.8 million) in a continued soft reinsurance market. The net insurance liabilities, after reinsurance, amounted to EUR 11.8 million, including EUR 6.1 million IBNR<sup>1</sup>.

<sup>1</sup> IBNR : Incurred but not reported

# GENERAL ACCOUNT

**Net loss of EUR 112 million**

vs. net loss of EUR 834 million with last year's result impacted by the Fortis Settlement.

**Total Liquid Assets EUR 1.8 billion**

vs. EUR 1.9 billion of which 0.8 billion ring-fenced for the Fortis settlement.

INCOME STATEMENT			
in EUR million	3M 17	3M 16	Change
Net interest Income	1.5	3.0	(50 %)
Unrealised gain (loss) on RPN(I)	(95.5)	73.1	*
Result on sales and revaluations	(0.3)	(4.4)	(93 %)
Share in result of associates	1.4	12.3	(89 %)
Other income	-	0.2	*
<b>Total income</b>	<b>(92.9)</b>	<b>84.2</b>	<b>*</b>
Change in impairments and provisions	(0.1)	(892.6)	*
<b>Net revenues</b>	<b>(93.0)</b>	<b>(808.4)</b>	<b>(88 %)</b>
Staff expenses	(7.1)	(5.9)	20 %
Other operating and administrative expenses	(11.5)	(21.0)	(45 %)
Intercompany Staff & Other expenses	1.3	1.9	(32 %)
<b>Total expenses</b>	<b>(17.3)</b>	<b>(25.0)</b>	<b>(31 %)</b>
<b>Result before taxation</b>	<b>(110.3)</b>	<b>(833.4)</b>	<b>87 %</b>
Income tax expenses	(1.8)	(0.5)	*
<b>Net result for the period</b>	<b>(112.1)</b>	<b>(833.9)</b>	<b>87 %</b>
Net result attributable to non-controlling interests	-	-	
<b>Net result attributable to shareholders</b>	<b>(112.1)</b>	<b>(833.9)</b>	<b>87 %</b>

  

BALANCE SHEET (MAIN ITEMS)			
in EUR million	31 Mar 2017	31 Dec 2016	Change
RPN(I)	(370.5)	(275.0)	35 %
Royal Park Investments	44.0	41.9	5 %
Provision Fortis Settlement	(1,024.4)	(1,024.4)	0 %

The General Account Q1 2017 net result amounted to EUR 112 million negative compared to EUR 834 million negative in 2016. The change primarily reflects last year's provision of EUR 894 million made for the Fortis settlement announced on 14 March 2016, and the negative value difference on the RPN(I) (EUR 96 million) in this year's first quarter.

## RPN(I)

The RPN(I) reference amount liability increased from EUR 275 million at year end 2016 to EUR 371 million at the end of March 2017. This led to a loss of EUR 96 million in the first quarter of 2017 (non-cash impact). The change in the reference amount is explained by the movement of the CASHES price from 66.40% to 76.06% and the Ageas share price from EUR 37.61 to EUR 36.64 over the period.

## Royal Park Investments (RPI)

RPI sold its asset portfolio in April 2013. The remaining activity of RPI is essentially limited to the management of litigations initiated on a number of US assets. Ageas's part in the first quarter 2017 net profit of RPI, accounted for under 'Share of result of associates' amounted to EUR 2.1 million which was mainly driven by the resolution of certain outstanding US proceedings.

## Other items

Net interest income amounted to EUR 1.5 million.

Staff and other operating expenses, after recharges decreased from EUR 25 million last year, to EUR 17 million mainly due to lower legal expenses.

## Total Liquid Assets

The total liquid assets in the General Account, including liquid assets with maturity over 1 year, amounted to EUR 1.8 billion, EUR 0.1 billion lower than end of 2016. The decrease is primarily due to the share buy back programme. The remaining future cash out of EUR 0.8 billion related to the Fortis settlement has been ring-fenced.

## Contingent Liabilities

On 14 March 2016 Ageas announced a settlement with Deminor, VEB, Stichting FortisEffect, and Stichting Investor Claims Against Fortis with respect to the civil proceedings related to the former Fortis group for events in 2007 and 2008. On 23 May 2016, Ageas and the claimants' organisations jointly submitted a request to the Amsterdam Court of Appeal to declare the Fortis settlement agreement binding.

As a part of this procedure, the Amsterdam Court of Appeal held a public hearing in Amsterdam on 24 March 2017. Ageas and the other petitioners argued that the settlement should be declared binding, as it fulfils the legal requirements of representativeness and fairness. They also responded to the arguments raised by the parties that lodged a defence. The Amsterdam Court of Appeal will take a decision regarding the request to declare the settlement binding on Friday 16 June 2017, after closing of business.

# SOLVENCY POSITION AND INVESTMENT PORTFOLIO

**Insurance Solvency II<sub>ageas</sub> ratio at 177%** exceeding the 175% target.

**Investment portfolio EUR 81.8 billion** compared to **EUR 82.7 billion** at the end of 2016 (-1%).

**Strong balance sheet** Shareholders' equity at **EUR 9.3 billion** and Insurance Solvency II<sub>ageas</sub> and Group Solvency II<sub>ageas</sub> ratios at 177% and 186%.

Solvency II	31 Mar 2017	31 Dec 2016
<b>Group Solvency II<sub>ageas</sub></b>	<b>185.6%</b>	<b>191.2%</b>
<b>Insurance Solvency II<sub>ageas</sub></b>	<b>177.1%</b>	<b>178.8%</b>
- Belgium	235.1%	243.7%
- UK	109.1%	100.2%
- Continental Europe	136.4%	126.8%
- Reinsurance (Intreas)	213.1%	278.1%

## Solvency position

The own funds of the insurance activities amounted to EUR 7.5 billion, and stood EUR 3.3 billion above SCR. This led to a strong total Insurance Solvency II<sub>ageas</sub> ratio of 177%, above the 175% target. The impact from financial markets and the residual impact from the Ogden rate review in the UK have been compensated by positive effects from a good operational quarter.

The Insurance Solvency ratios by segments amounted to 235% for Belgium, 109% for the United Kingdom, 136% for Continental Europe and 213% for Reinsurance.

The Group Solvency II<sub>ageas</sub> ratio was down from 191% at the end of 2016 to 186%. The own funds decreased from EUR 8.1 billion at the

end of 2016 to EUR 8.0 billion, exceeding the total solvency capital requirements by EUR 3.7 billion. The main drivers of this decrease related to the change in value of the put option on AG Insurance shares, the share buy-back and the revaluation of the RPN(I).

## Shareholders' equity

Total shareholders' equity decreased from EUR 9.6 billion or EUR 46.56 per share at the end of 2016 to EUR 9.3 billion or EUR 45.91 per share. This decrease is mainly attributable to the change in unrealised gains and losses (EUR -0.2 billion), the revaluation of the put option on 25% of AG Insurance shares (EUR -0.1 billion) and the ongoing share buy back programme (EUR -0.1 billion) that could not be offset by the Q1 2017 result (EUR 0.1 billion).

INVESTMENT PORTFOLIO				
in EUR billion	31 Mar 2017	31 Dec 2016	31 Mar 2017	31 Dec 2016
<b>Fixed Income portfolio</b>	<b>69.7</b>	<b>70.8</b>	<b>85%</b>	<b>86%</b>
Bonds	60.7	62.1	74%	75%
Government bonds	37.6	37.9	46%	46%
Corporate debt securities	23.0	24.1	28%	29%
Structured credit instruments	0.1	0.1	0%	0%
Loans	9.0	8.7	11%	11%
Loans to Banks	1.4	1.3	2%	2%
Loans to Customers	7.6	7.4	9%	9%
Real Estate	0.2	0.2	0%	0%
Infrastructure	0.5	0.5	1%	1%
Mortgages	1.3	1.3	2%	2%
Other	5.6	5.4	6%	6%
<b>Equity portfolio</b>	<b>4.6</b>	<b>4.4</b>	<b>5%</b>	<b>5%</b>
<b>Real Estate</b>	<b>5.4</b>	<b>5.3</b>	<b>7%</b>	<b>6%</b>
Investment property	4.0	3.8	5%	4%
For own use	1.4	1.5	2%	2%
<b>Cash and Cash equivalents</b>	<b>2.1</b>	<b>2.2</b>	<b>3%</b>	<b>3%</b>
<b>Total</b>	<b>81.8</b>	<b>82.7</b>	<b>100%</b>	<b>100%</b>

### Investment portfolio

Ageas's investment portfolio at the end of March 2017 amounted to EUR 81.8 billion compared to EUR 82.7 billion at the end of 2016. The value of the investment portfolio was mainly driven by a decrease in unrealised capital gains. At the end of March, the unrealised gains and losses on the total 'available for sale' investment and real estate portfolio amounted to EUR 8.8 billion compared to EUR 9.8 billion at the end of 2016. The unrealised capital gains on the 'Held to Maturity' portfolio decreased with EUR 0.2 billion to EUR 2.2 billion.

Asset allocation remained relatively stable over the first quarter. Only the allocation to corporate debt securities was reduced by 1%.

### Fixed income portfolio

#### Bonds

The government bond portfolio decreased by EUR 0.3 billion over the year to EUR 37.6 billion, mainly driven by a decrease in unrealised capital gains only partly compensated by new investments.

Corporate fixed income exposure decreased by EUR 1 billion to EUR 23 billion, as the proceeds of maturities were not fully reinvested.

At the end of March, the corporate bond portfolio consisted of 57% industrials, 23% financials and 20% government related bonds. The

credit quality of the corporate bond portfolio remained high, with 93% at investment grade, of which 57% was rated A or higher.

The unrealised gains on the total 'available for sale' bond portfolio decreased to EUR 6.7 billion (of which EUR 5.1 billion on government bonds and EUR 1.6 billion on corporates) compared to EUR 7.7 billion at the end of 2016, driven by higher yields on government bonds.

#### Loans

Ageas's loan portfolio increased from EUR 8.7 billion to EUR 9 billion, mainly thanks to a higher exposure in 'loans to customers'. This evolution was realised through an increase in 'other loans', more specifically loans benefiting from an explicit guarantee by the Belgian regions or the Dutch State.

#### Equity portfolio

Equity investments at fair value increased by EUR 0.2 billion to EUR 4.6 billion. Gross unrealised capital gains increased to EUR 0.7 billion.

#### Real estate

Ageas's real estate portfolio at fair value increased slightly to EUR 5.4 billion despite the realisation of an important real estate sale in the first quarter. Gross unrealised capital gains were slightly down to EUR 1.4 billion end of March.



# LEXICON ON FINANCIAL DISCLOSURE

Ageas's part in inflows	Inflows calculated on the basis of Ageas's pro rata ownership in its operating companies.
Claims ratio	Cost of claims, net of reinsurance, as a percentage of net earned premiums.
Combined Ratio	Insurer's total expenses as a percentage of net earned premiums. This is the sum of the claims ratio and the expense ratio (see separate definitions).
Current year claims ratio	Cost of claims relating to the current year as a percentage of net earned premiums.
Expense ratio	Expenses as a percentage of net earned premiums. Included in expenses are internal costs of claims handling and commissions, net of reinsurance.
Gross inflows	Sum of gross written premiums of insurance contracts and amounts received from investment contracts without DPF (Discretionary Participation Features).
Guaranteed products	Family of products including Traditional products, Savings products and Group Life products. Traditional products typically are protection based while Savings products mostly consist of products with a minimum guaranteed interest rate. Group Life products are offered by an employer or large-scale entity to its workers or members and can have various characteristics.
Investment margin	For Life the annualised investment result divided by the average net Life insurance liabilities during the reporting period. For Non-Life the investment result divided by the net earned premium.
Investment result	Sum of investment income and realised capital gains or losses on assets covering insurance liabilities, after deduction of related investment expenses. Life investment result is also reduced by the amount allocated to the policyholders as technical interest and profit sharing. The investment result in Accident & Health (part of Non-Life) is also reduced by the technical interest that has been accrued to the insurance liabilities.
Net earned premiums	Written premiums of Non-Life covering the risks for the current accounting period, netted for the premiums paid to reinsurers and the change in unearned premiums reserves.
Net realised capital gains or losses	Realised results, after tax, on the sale of investments in financial instruments, associates, investment property and property for own use. Impairment charges and the related changes in profit sharing are also reported under this heading.
Net underwriting margin	For Life the net annualised underwriting result divided by the average net Life insurance liabilities during the reporting period. For Non-Life the net underwriting result divided by the net earned premium.
Net underwriting result	The difference between the earned premiums and the sum of the actual claim payments and the change in insurance liabilities, all net of reinsurance. The result is presented after deduction of allocated claim handling expenses, general expenses and commissions net of reinsurance.
Operating Margin	For Life the annualised operating result of the period divided by the average net Life insurance liabilities. For Non-Life the operating result divided by the net earned premium.
Operating result	Sum of net underwriting result, investment result and other result allocated to the insurance and/or investment contracts. The difference between operating result and result before taxation consists of all income and costs not allocated to the insurance and/or investment contracts and thus not reported in the operating result and result from non-consolidated partnerships.
Other margin	Other result divided by the net earned premium.
Other result	Results from other activities not allocated to net Underwriting result or Investment result.
Prior year claims ratio	Claims ratio (net) relating to prior underwriting years.
Reserve ratio (%)	Non-Life gross insurance liabilities divided by the annualised net earned premiums.
Return on equity (ROE)	Net result as a percentage of average shareholders' equity (without unrealised capital gains & losses).
Shadow accounting	Under IFRS 4 unrealised gains or losses on assets covering the insurance liabilities can be recognised in the measurement of the insurance liabilities in the same way as realised gains or losses. The adjustment to the insurance liabilities is recognised in other comprehensive income if the unrealised gains or losses are also recognised in other comprehensive income.
Solvency II <sub>ageas</sub> ratio	Solvency II ratio calculated by taking the Solvency II PIM ratio and (1) replacing the spread risk treatment by fundamental spread risk on both government and corporate bonds, (2) applying an Internal Model for AG Real Estate while (3) excluding the impact of transitional measures.
Technical liabilities	Insurance liabilities or the obligations the insurer has towards its policyholders, based on the terms of the contracts.
Unit-Linked products	Unit-Linked products are a type of Life insurance contracts where the investments are held on behalf of the policyholder and the investment risk is born by the policyholder.

# ANNEXES

Please note that the historical segment information and key performance indicators by segment, together with more detailed and historical margin information can be downloaded on [ageas.com](http://ageas.com) (Investors/Reporting Centre).

## Annex 1 : Consolidated Statement of financial position as at 31 March 2017

<i>in EUR million</i>	31 March 2017	31 December 2016
<b>Assets</b>		
Cash and cash equivalents	2,101.5	2,180.9
Financial investments	65,410.1	66,571.4
Investment property	2,861.6	2,772.5
Loans	8,941.9	8,685.0
Investments related to unit-linked contracts	14,746.3	14,355.7
Investments in associates	2,949.8	2,855.7
Reinsurance and other receivables	2,434.5	2,192.3
Current tax assets	103.7	67.1
Deferred tax assets	200.0	171.5
Accrued interest and other assets	1,641.0	1,906.1
Property, plant and equipment	1,178.4	1,172.3
Goodwill and other intangible assets	1,206.2	1,217.7
Assets held for sale	21.0	145.3
<b>Total assets</b>	<b>103,796.0</b>	<b>104,293.5</b>
<b>Liabilities</b>		
Liabilities arising from life insurance contracts	27,890.3	28,218.1
Liabilities arising from life investment contracts	31,561.1	31,902.2
Liabilities related to unit-linked contracts	14,737.9	14,353.3
Liabilities arising from non-life insurance contracts	8,394.6	7,975.2
Subordinated liabilities	2,315.8	2,322.7
Borrowings	2,211.3	2,495.8
Current tax liabilities	94.8	94.2
Deferred tax liabilities	1,216.2	1,350.6
RPN(I)	370.5	275.0
Accrued interest and other liabilities	2,489.0	2,659.3
Provisions	1,073.5	1,067.2
Liabilities related to written put options on NCI	1,447.6	1,374.9
<b>Total liabilities</b>	<b>93,802.6</b>	<b>94,088.5</b>
Shareholders' equity	9,325.0	9,560.6
Non-controlling interests	668.4	644.4
<b>Total equity</b>	<b>9,993.4</b>	<b>10,205.0</b>
<b>Total liabilities and equity</b>	<b>103,796.0</b>	<b>104,293.5</b>

## Annex 2 : Income Statement

<i>in EUR million</i>			
	3M 17	3M 16	Change
<b>Income</b>			
- Gross premium income	2,252.4	2,621.3	( 14 %)
- Change in unearned premiums	( 154.3)	( 142.5)	8 %
- Ceded earned premiums	( 69.7)	( 73.1)	( 5 %)
Net earned premiums	2,028.4	2,405.7	( 16 %)
Interest, dividend and other investment income	680.9	724.4	( 6 %)
Unrealised gain (loss) on RPN(I) (incl. settlement on RPN(I)/CASHES)	( 95.5)	73.1	*
Result on sales and revaluations	122.2	143.8	( 15 %)
Investment income related to unit-linked contracts	211.6	( 90.6)	*
Share in result of associates	70.0	66.0	6 %
Fee and commission income	84.5	112.8	( 25 %)
Other income	31.1	56.7	( 45 %)
<b>Total income</b>	<b>3,133.2</b>	<b>3,491.9</b>	<b>( 10 %)</b>
<b>Expenses</b>			
- Insurance claims and benefits, gross	( 2,156.3)	( 2,347.3)	( 8 %)
- Insurance claims and benefits, ceded	257.1	20.0	*
Insurance claims and benefits, net	( 1,899.2)	( 2,327.3)	( 18 %)
Charges related to unit-linked contracts	( 215.4)	78.9	*
Finance costs	( 37.3)	( 41.8)	( 11 %)
Change in impairments	( 4.0)	( 22.4)	( 82 %)
Change in provisions	( 0.4)	( 889.6)	*
Fee and commission expense	( 301.6)	( 331.4)	( 9 %)
Staff expenses	( 206.6)	( 209.7)	( 1 %)
Other expenses	( 232.6)	( 275.2)	( 15 %)
<b>Total expenses</b>	<b>( 2,897.1)</b>	<b>( 4,018.5)</b>	<b>( 28 %)</b>
<b>Result before taxation</b>	<b>236.1</b>	<b>( 526.6)</b>	<b>*</b>
Income tax expenses	( 62.7)	( 61.7)	( 2 %)
<b>Net result for the period</b>	<b>173.4</b>	<b>( 588.3)</b>	<b>*</b>
Attributable to non-controlling interests	63.2	45.0	40 %
<b>Net result attributable to shareholders</b>	<b>110.2</b>	<b>( 633.3)</b>	<b>*</b>
<b>Per share data (EUR)</b>			
Basic earnings per share	0.54	( 3.00)	
Diluted earnings per share	0.54	( 3.00)	

### Annex 3 : Inflows per region at 100% and at Ageas's part

KEY FIGURES PER REGION at 100 %		Gross Inflows Life		Gross Inflows Non-Life		Total	
in EUR million		3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Belgium</b>		<b>872.7</b>	<b>1,258.8</b>	<b>594.9</b>	<b>585.2</b>	<b>1,467.6</b>	<b>1,844.0</b>
<b>United Kingdom</b>				<b>522.9</b>	<b>577.6</b>	<b>522.9</b>	<b>577.6</b>
<b>Consolidated entities</b>				<b>411.8</b>	<b>454.0</b>	<b>411.8</b>	<b>454.0</b>
<b>Non-consolidated partnerships at 100%</b>				<b>111.1</b>	<b>123.6</b>	<b>111.1</b>	<b>123.6</b>
Tesco				111.1	123.6	111.1	123.6
<b>Continental Europe</b>		<b>1,000.2</b>	<b>1,045.4</b>	<b>384.0</b>	<b>294.1</b>	<b>1,384.2</b>	<b>1,339.5</b>
<b>Consolidated entities</b>		<b>525.4</b>	<b>463.4</b>	<b>227.7</b>	<b>140.4</b>	<b>753.1</b>	<b>603.8</b>
Portugal		378.3	286.0	174.8	89.4	553.1	375.4
France		147.1	177.4			147.1	177.4
Italy				52.9	51.0	52.9	51.0
<b>Non-consolidated partnerships at 100%</b>		<b>474.8</b>	<b>582.0</b>	<b>156.3</b>	<b>153.7</b>	<b>631.1</b>	<b>735.7</b>
Turkey (Aksigorta)				156.3	153.7	156.3	153.7
Luxembourg (Cardif Lux Vie)		474.8	582.0			474.8	582.0
<b>Asia</b>		<b>9,048.1</b>	<b>7,072.9</b>	<b>249.8</b>	<b>277.4</b>	<b>9,297.9</b>	<b>7,350.3</b>
<b>Consolidated entities</b>			<b>120.2</b>				<b>120.2</b>
Hong Kong			120.2				120.2
<b>Non-consolidated partnerships at 100%</b>		<b>9,048.1</b>	<b>6,952.7</b>	<b>249.8</b>	<b>277.4</b>	<b>9,297.9</b>	<b>7,230.1</b>
Malaysia		168.9	151.3	162.5	194.6	331.4	345.9
Thailand		738.6	692.6	87.3	82.8	825.9	775.4
China		8,056.5	6,047.8			8,056.5	6,047.8
Philippines		2.5	0.2			2.5	0.2
Vietnam		0.1				0.1	
India		81.5	60.8			81.5	60.8
<b>Grand Total</b>		<b>10,921.0</b>	<b>9,377.1</b>	<b>1,751.6</b>	<b>1,734.3</b>	<b>12,672.6</b>	<b>11,114.4</b>
<b>Consolidated entities</b>		<b>1,398.1</b>	<b>1,842.4</b>	<b>1,234.4</b>	<b>1,179.6</b>	<b>2,632.5</b>	<b>3,022.0</b>
<b>Non-consolidated partnerships</b>		<b>9,522.8</b>	<b>7,534.7</b>	<b>517.2</b>	<b>554.7</b>	<b>10,040.0</b>	<b>8,089.4</b>
<b>Reinsurance</b>				<b>10.7</b>	<b>10.5</b>	<b>10.7</b>	<b>10.5</b>

KEY FIGURES PER REGION Ageas's part			Gross Inflows Life		Gross Inflows Non-Life		Gross Inflows Total	
in EUR million	% ownership		3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>Belgium</b>	75%		<b>654.5</b>	<b>944.1</b>	<b>446.2</b>	<b>438.9</b>	<b>1,100.7</b>	<b>1,383.0</b>
<b>United Kingdom</b>					<b>467.5</b>	<b>515.9</b>	<b>467.5</b>	<b>515.9</b>
<b>Consolidated entities</b>	100%				<b>411.8</b>	<b>454.0</b>	<b>411.8</b>	<b>454.0</b>
<b>Non-consolidated partnerships</b>					<b>55.7</b>	<b>61.9</b>	<b>55.7</b>	<b>61.9</b>
Tesco	50%				55.7	61.9	55.7	61.9
<b>Continental Europe</b>			<b>508.7</b>	<b>517.3</b>	<b>257.5</b>	<b>170.1</b>	<b>766.3</b>	<b>687.4</b>
<b>Consolidated entities</b>			<b>350.4</b>	<b>323.3</b>	<b>201.2</b>	<b>114.8</b>	<b>551.7</b>	<b>438.1</b>
Portugal	51% - 100%		203.3	145.9	174.8	89.3	378.2	235.2
France	100%		147.1	177.4			147.1	177.4
Italy	50%				26.4	25.5	26.4	25.5
<b>Non-consolidated partnerships</b>			<b>158.3</b>	<b>194.0</b>	<b>56.3</b>	<b>55.3</b>	<b>214.6</b>	<b>249.3</b>
Turkey (Aksigorta)	36%				56.3	55.3	56.3	55.3
Luxembourg (Cardif Lux Vie)	33%		158.3	194.0			158.3	194.0
<b>Asia</b>			<b>2,309.0</b>	<b>1,902.7</b>	<b>63.3</b>	<b>72.5</b>	<b>2,372.2</b>	<b>1,975.2</b>
<b>Consolidated entities</b>				<b>120.2</b>				<b>120.2</b>
Hong Kong	100%			120.2				120.2
<b>Non-consolidated partnerships</b>			<b>2,309.0</b>	<b>1,782.5</b>	<b>63.3</b>	<b>72.5</b>	<b>2,372.2</b>	<b>1,855.0</b>
Malaysia	31%		52.3	46.9	50.3	60.2	102.6	107.1
Thailand	15% - 31%		228.1	213.9	13.0	12.3	241.0	226.2
China	25%		2,006.1	1,505.9			2,006.1	1,505.9
Philippines	50%		1.3	0.1			1.3	0.1
Vietnam	32%							
India	26%		21.2	15.8			21.2	15.8
<b>Grand Total</b>			<b>3,472.2</b>	<b>3,364.1</b>	<b>1,234.5</b>	<b>1,197.4</b>	<b>4,706.7</b>	<b>4,561.5</b>
<b>Consolidated entities</b>			<b>1,004.9</b>	<b>1,387.6</b>	<b>1,059.2</b>	<b>1,007.7</b>	<b>2,064.2</b>	<b>2,395.3</b>
<b>Non-consolidated partnerships</b>			<b>2,467.3</b>	<b>1,976.5</b>	<b>175.3</b>	<b>189.7</b>	<b>2,642.5</b>	<b>2,166.2</b>
<b>Reinsurance</b>	100%				<b>10.7</b>	<b>10.5</b>	<b>10.7</b>	<b>10.5</b>

## Annex 4 : Solvency by region

Key Capital Indicators	in EUR million	
	31 Mar 2017	31 Dec 2016
<b>Belgium</b>		
Shareholders' equity	4,688.9	4,682.8
Own Funds	6,854.2	6,943.6
SCR <sub>ageas</sub>	2,915.9	2,849.6
Amount of Own Funds above SCR	3,938.3	4,094.0
Total solvency II <sub>ageas</sub> ratio	235.1%	243.7%
<b>United Kingdom</b>		
Shareholders' equity	800.7	815.1
Own Funds	694.1	708.9
SCR <sub>ageas</sub>	636.0	707.3
Amount of Own Funds above SCR	58.1	1.6
Total solvency II <sub>ageas</sub> ratio	109.1%	100.2%
<b>Continental Europe</b>		
Shareholders' equity	1,354.0	1,350.0
Own Funds	1,261.5	1,184.7
SCR <sub>ageas</sub>	924.9	934.2
Amount of Own Funds above SCR	336.6	250.5
Total solvency II <sub>ageas</sub> ratio	136.4%	126.8%
<b>Asia</b>		
Shareholders' equity	2,004.0	2,004.1
Own Funds		
SCR <sub>ageas</sub>		
Amount of Own Funds above SCR		
Total solvency II <sub>ageas</sub> ratio		
<b>Reinsurance</b>		
Shareholders' equity	104.3	104.2
Own Funds	111.8	106.4
SCR <sub>ageas</sub>	52.4	38.2
Amount of Own Funds above SCR	59.4	68.2
Total solvency II <sub>ageas</sub> ratio	213.1%	278.1%
<b>Non Transferable Own Funds</b>	( 1,404.2 )	( 1,465.4 )
<b>Diversification SCR<sub>ageas</sub></b>	( 283.4 )	( 347.7 )
<b>Total Insurance</b>		
Shareholders' equity	8,952.6	8,956.9
Own Funds	7,517.4	7,478.2
SCR <sub>ageas</sub>	4,245.8	4,181.6
Amount of Own Funds above SCR	3,271.6	3,296.6
Total solvency II <sub>ageas</sub> ratio	177.1%	178.8%
<b>General Account (after eliminations)</b>		
Shareholders' equity	372.4	603.7
Own Funds	488.8	662.9
SCR <sub>ageas</sub>	66.8	76.5
Group Solvency II	185.6%	191.2%
Total solvency ratio JVs not included in Ageas ratio	254.8%	263.5%

## Annex 5 : Statement of financial position split into Life, Non-Life and Other Insurance

31 March 2017							
<i>in EUR million</i>	Life	Non-life	Insurance Eliminations	Total Insurance	General Account	Group Eliminations	Total
<b>Assets</b>							
Cash and cash equivalents	960.6	430.8		1,391.4	710.1		2,101.5
Financial investments	57,365.0	7,731.6		65,096.6	323.7	(10.2)	65,410.1
Investment property	2,578.1	283.5		2,861.6			2,861.6
Loans	7,177.5	973.1	(36.1)	8,114.5	1,496.2	(668.8)	8,941.9
Investments related to unit-linked contracts	14,746.3			14,746.3			14,746.3
Investments in associates	2,490.6	404.7		2,895.3	47.8	6.7	2,949.8
Reinsurance and other receivables	441.0	2,197.2	(452.6)	2,185.6	253.6	(4.7)	2,434.5
Current tax assets	58.0	45.7		103.7			103.7
Deferred tax assets	74.9	125.1		200.0			200.0
Accrued interest and other assets	1,028.7	608.5		1,637.2	135.4	(131.6)	1,641.0
Property, plant and equipment	983.3	194.5		1,177.8	0.6		1,178.4
Goodwill and other intangible assets	825.0	381.2		1,206.2			1,206.2
Assets held for sale	16.9	4.1		21.0			21.0
<b>Total assets</b>	<b>88,745.9</b>	<b>13,380.0</b>	<b>(488.7)</b>	<b>101,637.2</b>	<b>2,967.4</b>	<b>(808.6)</b>	<b>103,796.0</b>
<b>Liabilities</b>							
Liabilities arising from life insurance contracts	27,898.6			27,898.6		(8.3)	27,890.3
Liabilities arising from life investment contracts	31,561.1			31,561.1			31,561.1
Liabilities related to unit-linked contracts	14,737.9			14,737.9			14,737.9
Liabilities arising from non-life insurance contracts		8,404.0	(9.4)	8,394.6			8,394.6
Subordinated liabilities	1,264.8	505.9	(36.1)	1,734.6	1,250.0	(668.8)	2,315.8
Borrowings	1,882.3	329.0		2,211.3			2,211.3
Current tax liabilities	56.4	38.4		94.8			94.8
Deferred tax liabilities	976.7	235.6		1,212.3	3.9		1,216.2
RPN(I)					370.5		370.5
Accrued interest and other liabilities	1,984.5	931.5	(443.6)	2,472.4	138.6	(122.0)	2,489.0
Provisions	27.2	17.5		44.7	1,028.8		1,073.5
Liabilities related to written put options on NCI	86.4	21.2		107.6	1,340.0		1,447.6
<b>Total liabilities</b>	<b>80,475.9</b>	<b>10,483.1</b>	<b>(489.1)</b>	<b>90,469.9</b>	<b>4,131.8</b>	<b>(799.1)</b>	<b>93,802.6</b>
Shareholders' equity	6,307.8	2,644.6	0.2	8,952.6	382.5	(10.1)	9,325.0
Non-controlling interests	1,962.2	252.3	0.2	2,214.7	(1,546.9)	0.6	668.4
<b>Total equity</b>	<b>8,270.0</b>	<b>2,896.9</b>	<b>0.4</b>	<b>11,167.3</b>	<b>(1,164.4)</b>	<b>(9.5)</b>	<b>9,993.4</b>
<b>Total liabilities and equity</b>	<b>88,745.9</b>	<b>13,380.0</b>	<b>(488.7)</b>	<b>101,637.2</b>	<b>2,967.4</b>	<b>(808.6)</b>	<b>103,796.0</b>
<b>Number of employees</b>	<b>3,986</b>	<b>7,553</b>		<b>11,539</b>	<b>137</b>		<b>11,676</b>

## Annex 6 : Margins Life (%)

KEY PERFORMANCE INDICATORS BY FAMILY <i>in % of average Life Technical Liabilities (excluding non-consolidated partnerships)</i>	GUARANTEED		UNIT - LINKED	
	3M 17	3M 16	3M 17	3M 16
<b>BELGIUM</b>				
Net underwriting margin	(0.10%)	(0.04%)	0.41%	0.23%
Investment margin	1.34%	1.02%		
<b>Operating margin</b>	<b>1.24%</b>	<b>0.98%</b>	<b>0.41%</b>	<b>0.23%</b>
<b>CEU</b>				
Net underwriting margin	0.32%	0.30%	0.23%	(0.03%)
Investment margin	0.88%	0.87%	0.02%	0.03%
<b>Operating margin</b>	<b>1.20%</b>	<b>1.17%</b>	<b>0.25%</b>	
<b>ASIA</b>				
Net underwriting margin		2.37%		1.54%
Investment margin		(0.76%)		0.47%
<b>Operating margin</b>		<b>1.61%</b>		<b>2.01%</b>

## Annex 7 : Margins Non-Life (%)

KEY PERFORMANCE INDICATORS BY FAMILY	ACCIDENT & HEALTH		MOTOR		HOUSEHOLD		OTHER LINES		TOTAL	
in % of Net Earned Premiums	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16	3M 17	3M 16
<b>BELGIUM</b>										
<b>Combined Ratio</b>	<b>102.4%</b>	<b>103.3%</b>	<b>85.8%</b>	<b>91.7%</b>	<b>92.7%</b>	<b>98.1%</b>	<b>89.3%</b>	<b>120.9%</b>	<b>92.7%</b>	<b>99.7%</b>
Claims Ratio	74.0%	74.8%	48.8%	54.8%	46.9%	52.8%	43.9%	75.3%	54.2%	61.4%
of which Current Year claims ratio									69.2%	77.7%
of which Prior Year claims ratio									(15.0%)	(16.3%)
Net Underwriting ratio	(2.4%)	(3.3%)	14.2%	8.3%	7.3%	1.9%	10.7%	(20.9%)	7.3%	0.3%
Investment Ratio	7.9%	7.8%	7.7%	7.5%	3.0%	2.9%	13.7%	13.6%	6.8%	6.6%
Other Margin										
<b>Operating Margin</b>	<b>5.5%</b>	<b>4.5%</b>	<b>21.9%</b>	<b>15.8%</b>	<b>10.3%</b>	<b>4.8%</b>	<b>24.4%</b>	<b>(7.3%)</b>	<b>14.1%</b>	<b>6.9%</b>
<b>Reserves Ratio</b>	<b>396%</b>	<b>399%</b>	<b>185%</b>	<b>179%</b>	<b>76%</b>	<b>76%</b>	<b>331%</b>	<b>337%</b>	<b>219%</b>	<b>218%</b>
<b>UK</b>										
<b>Combined Ratio</b>	<b>92.2%</b>	<b>109.1%</b>	<b>106.4%</b>	<b>98.7%</b>	<b>108.6%</b>	<b>94.9%</b>	<b>134.8%</b>	<b>106.4%</b>	<b>110.0%</b>	<b>99.0%</b>
Claims Ratio	46.0%	58.5%	80.6%	72.4%	63.1%	53.3%	90.4%	62.4%	77.0%	66.6%
of which Current Year claims ratio									73.8%	70.8%
of which Prior Year claims ratio									3.2%	(4.2%)
Net Underwriting ratio	7.8%	(9.1%)	(6.4%)	1.3%	(8.6%)	5.1%	(34.8%)	(6.4%)	(10.0%)	1.0%
Investment Ratio	3.5%	2.8%	9.8%	6.3%	4.5%	2.9%	11.2%	8.0%	8.6%	5.7%
Other Margin										
<b>Operating Margin</b>	<b>11.3%</b>	<b>(6.3%)</b>	<b>3.4%</b>	<b>7.6%</b>	<b>(4.1%)</b>	<b>8.0%</b>	<b>(23.6%)</b>	<b>1.6%</b>	<b>(1.4%)</b>	<b>6.7%</b>
<b>Reserves Ratio</b>	<b>54%</b>	<b>68%</b>	<b>228%</b>	<b>178%</b>	<b>88%</b>	<b>91%</b>	<b>246%</b>	<b>227%</b>	<b>194%</b>	<b>162%</b>
<b>CEU</b>										
<b>Combined Ratio</b>	<b>88.7%</b>	<b>87.5%</b>	<b>94.9%</b>	<b>89.3%</b>	<b>80.4%</b>	<b>89.3%</b>	<b>60.0%</b>	<b>77.1%</b>	<b>88.0%</b>	<b>87.4%</b>
Claims Ratio	65.2%	62.5%	69.0%	59.1%	50.4%	55.4%	6.8%	36.6%	61.2%	59.0%
of which Current Year claims ratio									67.7%	64.1%
of which Prior Year claims ratio									(6.5%)	(5.1%)
Net Underwriting ratio	11.3%	12.5%	5.1%	10.7%	19.6%	10.7%	40.0%	22.9%	12.0%	12.6%
Investment Ratio	1.5%	2.2%	2.0%	5.6%	1.4%	1.8%	7.4%	9.4%	1.9%	3.4%
Other Margin	(1.8%)	(3.5%)	(3.1%)	(0.0%)	(2.1%)	(0.7%)	2.0%	(0.2%)	(2.0%)	(2.2%)
<b>Operating Margin</b>	<b>11.0%</b>	<b>11.2%</b>	<b>4.0%</b>	<b>16.3%</b>	<b>18.9%</b>	<b>11.8%</b>	<b>49.4%</b>	<b>32.1%</b>	<b>11.9%</b>	<b>13.8%</b>
<b>Reserves Ratio</b>	<b>184%</b>	<b>110%</b>	<b>187%</b>	<b>247%</b>	<b>120%</b>	<b>105%</b>	<b>481%</b>	<b>485%</b>	<b>193%</b>	<b>164%</b>
<b>Reinsurance</b>										
<b>Combined Ratio</b>	<b>16.2%</b>	<b>12.1%</b>	<b>92.4%</b>		<b>104.2%</b>	<b>105.3%</b>		<b>3.3%</b>	<b>101.8%</b>	<b>78.4%</b>
Claims Ratio			79.4%		65.7%	65.9%			68.7%	48.4%
of which Current Year claims ratio									68.7%	48.4%
of which Prior Year claims ratio										
Net Underwriting ratio	83.8%	87.9%	7.6%		(4.2%)	(5.3%)		96.7%	(1.8%)	21.6%
Investment Ratio										
Other Margin										
<b>Operating Margin</b>	<b>83.8%</b>	<b>87.9%</b>	<b>7.6%</b>		<b>(4.2%)</b>	<b>(5.3%)</b>		<b>96.7%</b>	<b>(1.8%)</b>	<b>21.6%</b>
<b>Reserves Ratio</b>			<b>150%</b>		<b>137%</b>	<b>55%</b>			<b>143%</b>	<b>40%</b>

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