



# 3M 2017 RESULTS

Periodical Financial Information

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# Main messages

Marked increase of Insurance net result despite further Ogden impact in the UK

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## Insurance performance

- Insurance net profit of **EUR 222 mio** (+11%)
- Inflow @ 100% of **EUR 12.7 bn** (+14%)
- Life Guaranteed margin at **124 bps\*** (vs.103 bps)
- Unit-Linked margin at **33 bps\*** (vs. 25 bps)
- Group combined ratio at **98.3%\*** (vs.97.8%)
- Life Technical Liabilities at **EUR 74.2 bn\*** (stable vs. YE 2016)

## Group result

- Group net profit of **EUR 110 mio**
- General Account net loss of **EUR 112 mio** (vs. EUR 834 mio negative as result of provision for Fortis settlement)

## Balance sheet

- Shareholders' equity at EUR 9.3 bn or **EUR 45.91** per share
- UG/L at EUR 2.3 bn or **EUR 11.17** per share
- Insurance Solvency II<sub>ageas</sub> at **177%**, Group ratio at 186%
- Total Liquid Assets General Account at **EUR 1.8 bn** (vs.EUR 1.9 bn)

## Legal settlement

- Judgment expected **16 June 2017** (after close of market)



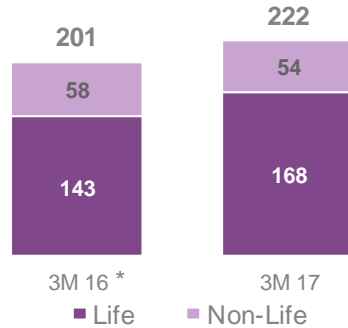
\*Consolidated entities only

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# Total Insurance: Headlines

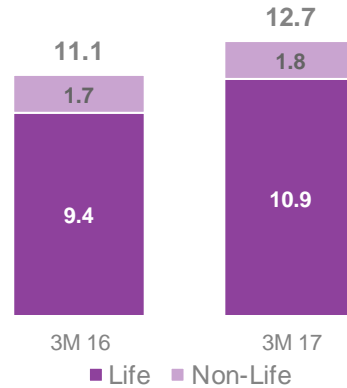
Inflows close to EUR 13 bn - Strong result despite 2017 Ogden impact

Net result: Higher cap gains more than offset impact from Ogden  
In EUR mio

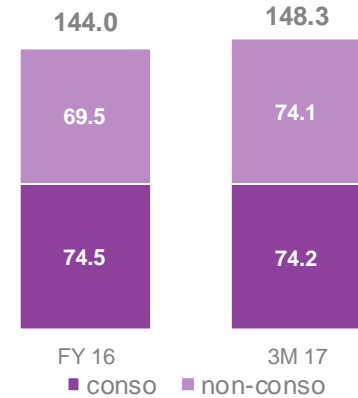


\* including EUR 12 mio from sold HK operations

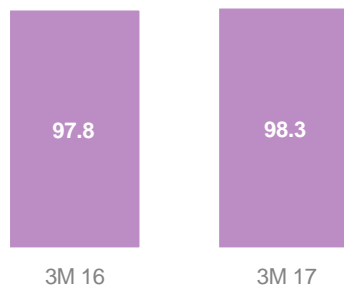
Inflows\*: Strong Life growth in Asia driven by regular premiums  
In EUR bn



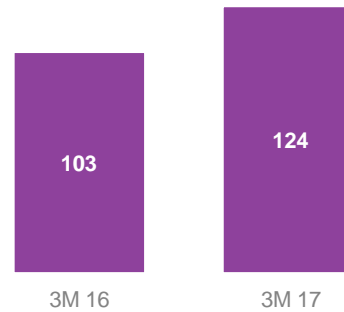
Life Technical liabilities up in non-conso  
In EUR bn



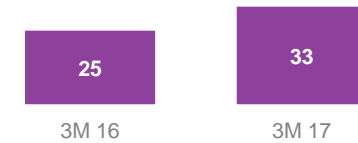
Non-Life combined ratio: Ogden (2.8pp) vs. terrorism in 3M '16 (4pp)  
In % NEP



Operating margin Guaranteed: cap gains in BE  
In bps avg technical liabilities



Operating margin Unit-Linked: increase in both BE & CEU  
In bps avg technical liabilities



\* incl. non-consolidated partnerships @ 100%

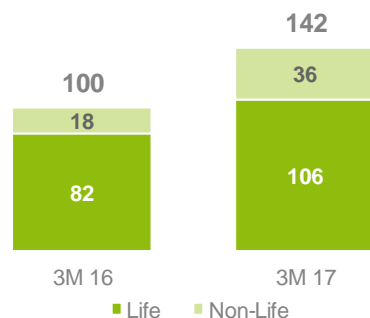


# Belgium : Headlines

## Strong Non-Life performance - Net result Life partly supported by net capital gains

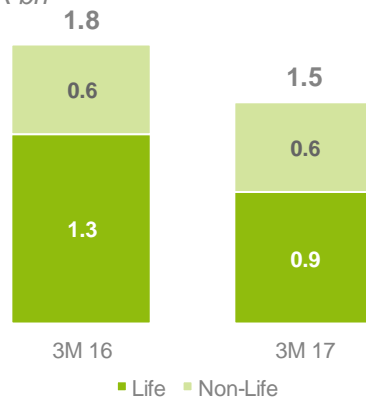
Net result supported by cap gains vs. terror events in 3M '16

In EUR mio



Inflows: expected lower sales of short-term investment products

In EUR bn



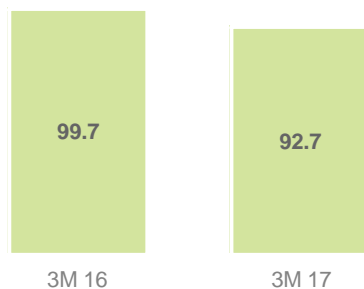
Life Technical Liabilities stable

In EUR bn



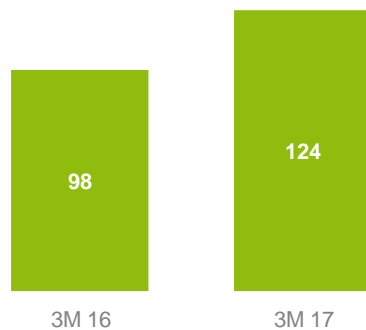
Non-Life combined ratio 92.7% - excellent operating performance

In % NEP



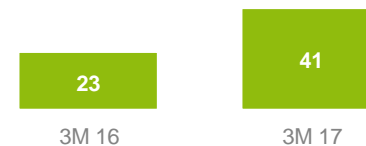
Operating margin Guaranteed: supported by cap gains

In bps avg technical liabilities



Operating margin Unit-Linked strong increase vs. exceptional low 3M '16

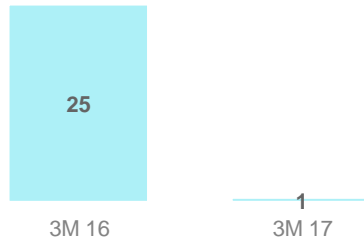
In bps avg technical liabilities



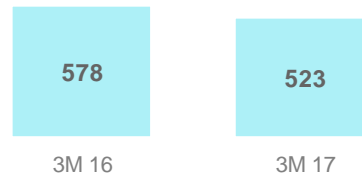
# United Kingdom: Headlines

## Change in Ogden rate continues to influence results – Rate increase & capital plan installed

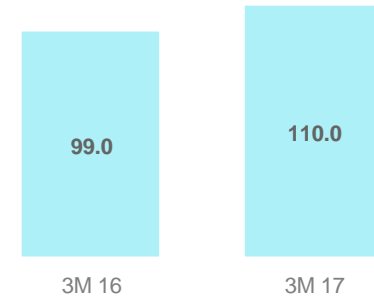
Net result impacted by Ogden  
(EUR 21 mio)  
*In EUR mio*



Inflows\* up 1% at constant FX  
*In EUR mio*



Non-Life combined ratio impacted by Ogden (7.6pp)  
*In % of NEP*



### Ogden impact on results

- 3M impact - EUR 21 mio on net result  
- 7.6pp on COR - impacting mainly Motor (5.1pp) & Other lines (33.9pp)
- Continued impact from Ogden until implemented rate increases take full effect
- Additional impact of EUR 20 - 25 mio expected during 2017, depending on product portfolio & pricing evolution

### Ogden rate change impact mitigated by various actions

- Q1 risk mitigation product portfolio through stop loss reinsurance cover
- Q1 derisking of part investment portfolio
- Q2 EUR 77 mio capital injection executed
- Solvency expected to be back at normalised level by year-end



\* incl. non-consolidated partnerships @ 100%

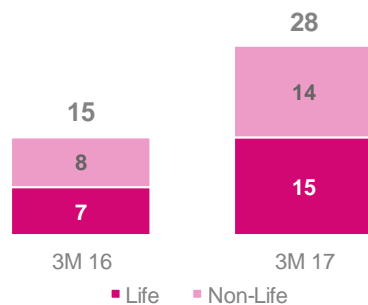
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# Continental Europe: Headlines

## Excellent result in both Life & Non-Life - strong Inflow growth in Non-Life

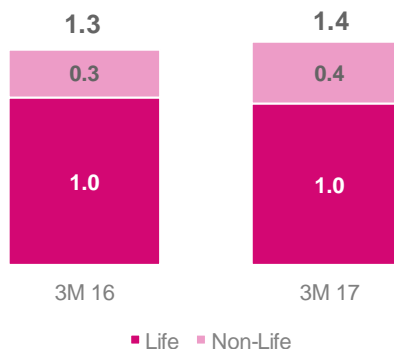
Net profit increase with good evolution in both Life & Non-Life

*In EUR mio*



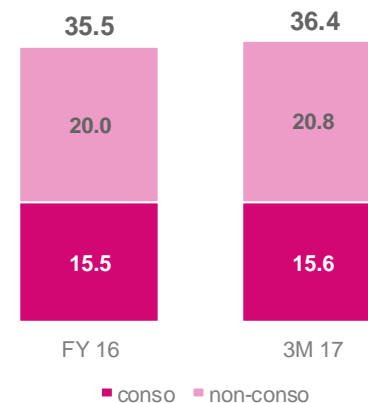
Non-Life inflows up mainly on inclusion Ageas Seguros

*In EUR bn*



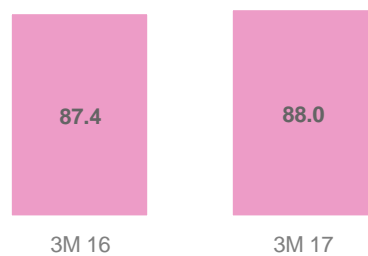
Life Technical liabilities up 2%

*In EUR bn*



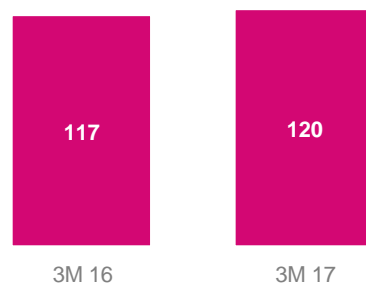
Sustained excellent Non-Life combined ratio

*In % NEP*



Operating margin Guaranteed up

*In bps avg technical liabilities*



Operating margin Unit-Linked significantly up on expense margin

*In bps avg technical liabilities*

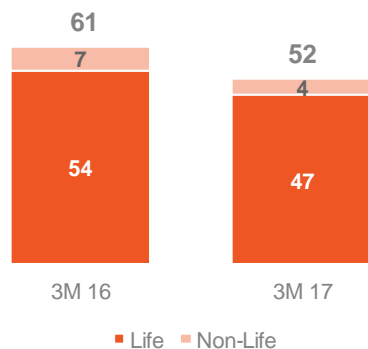


# Asia: Headlines

## Solid performance in all major countries

Net result up 5% scope on scope\*

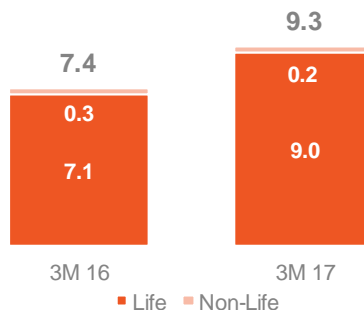
In EUR mio



\* 3M '16 included EUR 12 mio from sold HK operations

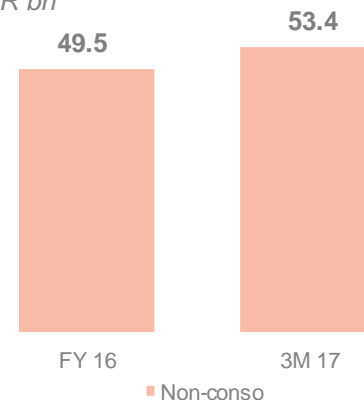
Inflows\* up 28% @ constant FX - strong regular premium growth in China

In EUR bn



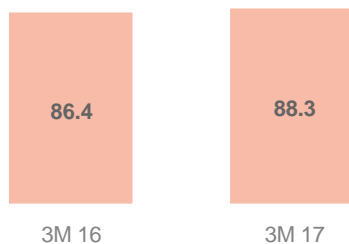
Life Technical liabilities up 8% mainly from China & Thailand

In EUR bn



Non-Life combined ratio non-conso remains excellent

In % NEP



\* incl. non-consolidated partnerships @ 100%

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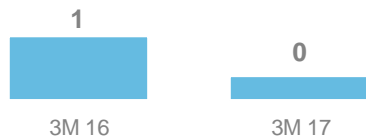




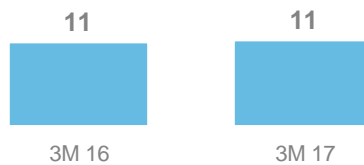
# Intreas: Headlines

## Internal Non-Life reinsurance company

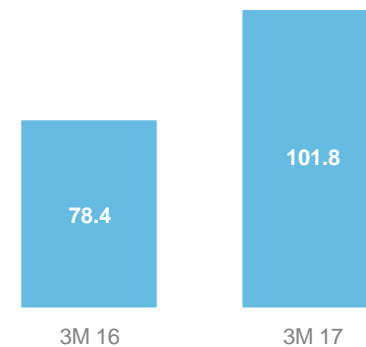
Net result  
*In EUR mio*



Inflows  
*In EUR mio*



Combined ratio up mainly on  
increased claims & expenses  
*In % NEP*

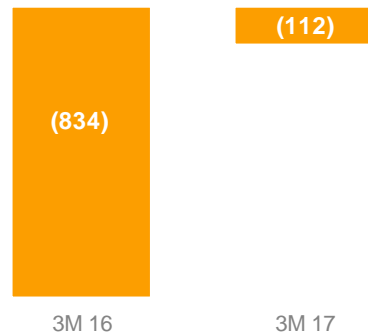


# General Account: Headlines

Impacted by revaluation RPN(i) liability

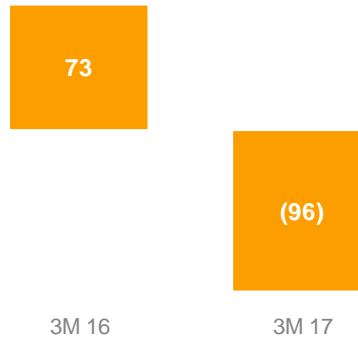
Result driven by revaluation RPN(i) vs. legal settlement in 3M '16

In EUR mio



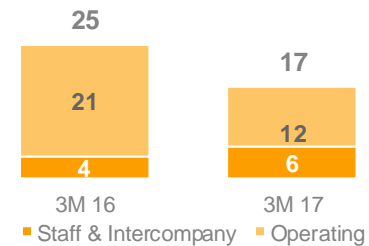
P&L impact RPN(i)

In EUR mio



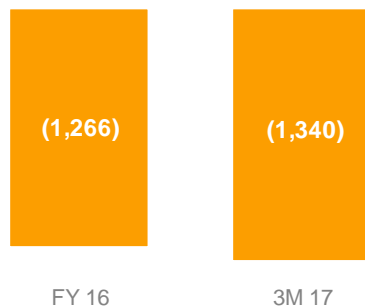
Staff & Operating expenses down - 3M '16 incl. one-offs for legal settlement

In EUR mio



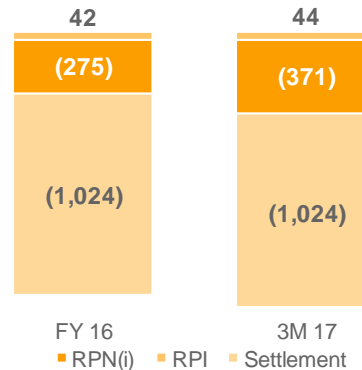
Accounting value on AG Insurance put option: up driven by higher multiples

In EUR mio



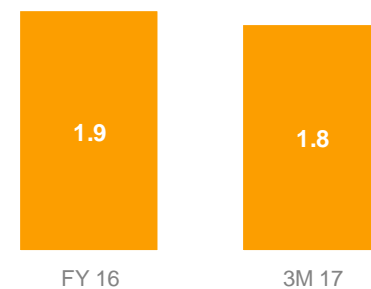
Accounting value of remaining legacies

In EUR mio



Total liquid assets down on SBB – EUR 0.8 bn ring-fenced for settlement

In EUR bn

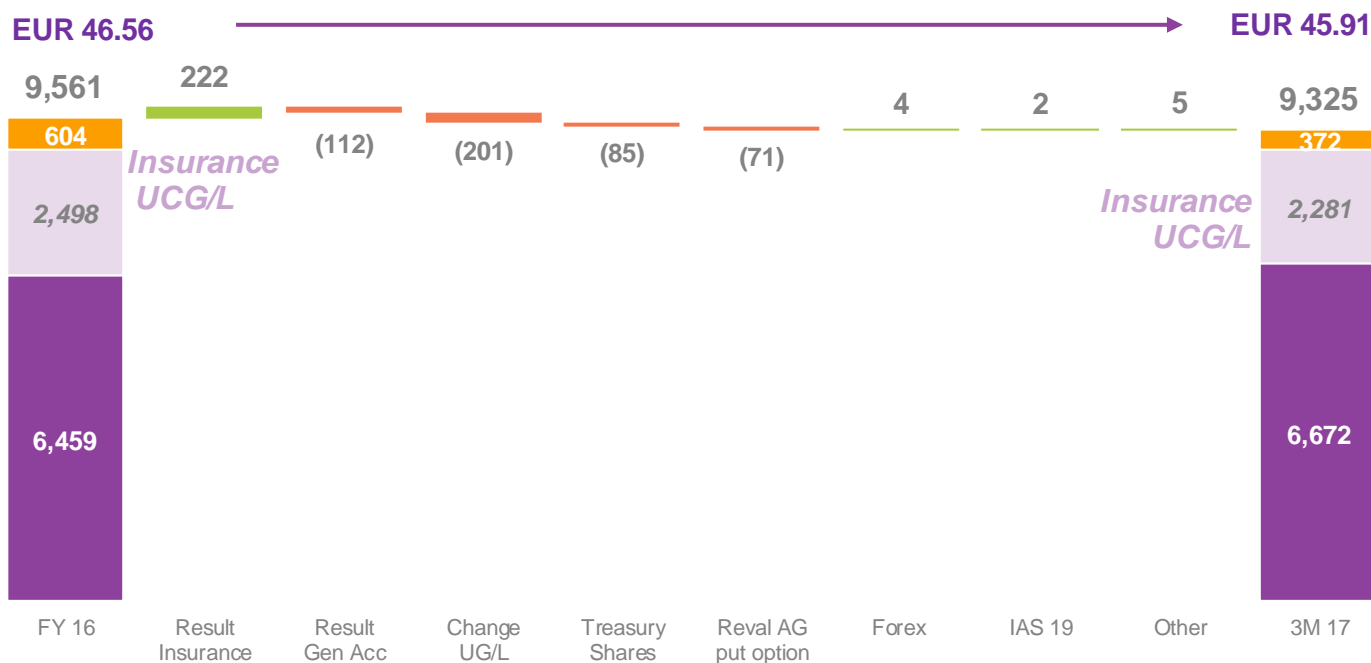


# Shareholders' equity at EUR 9.3 bn - UG/L of EUR 11.17/share

Down on financial markets, put option & return to shareholders

In EUR mio

Shareholders' equity per share



Shareholders' equity per segment

Segment	FY 16	3M 17	Segment	FY 16	3M 17
<b>Belgium</b>	4,683	▶ 4,689	<b>Asia</b>	2,004	▶ 2,004
<b>UK</b>	815	▶ 801	<b>Reinsurance</b>	104	▶ 104
<b>Continental Europe</b>	1,350	▶ 1,354	<b>Insurance</b>	8,957	▶ 8,953
			<b>General Account</b>	604	▶ 372

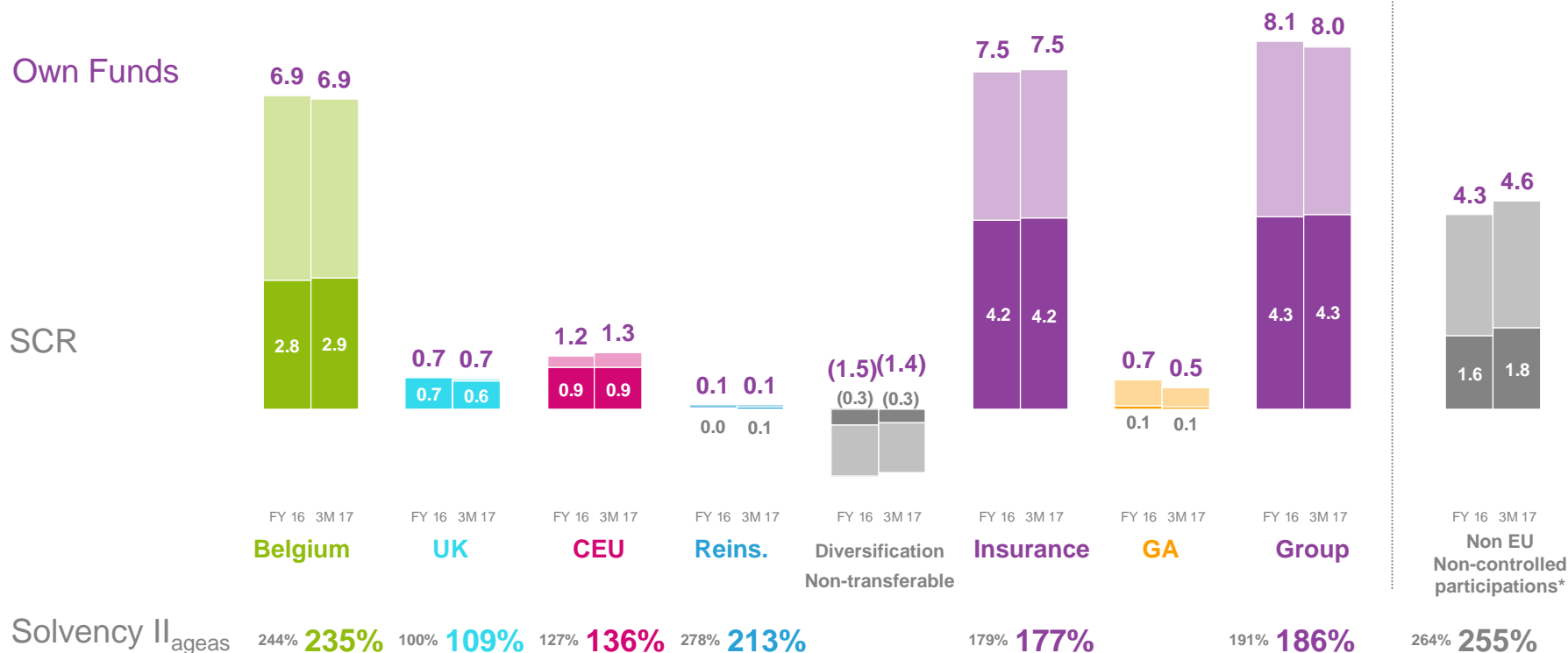


# Solvency II<sub>ageas</sub> Insurance rather stable

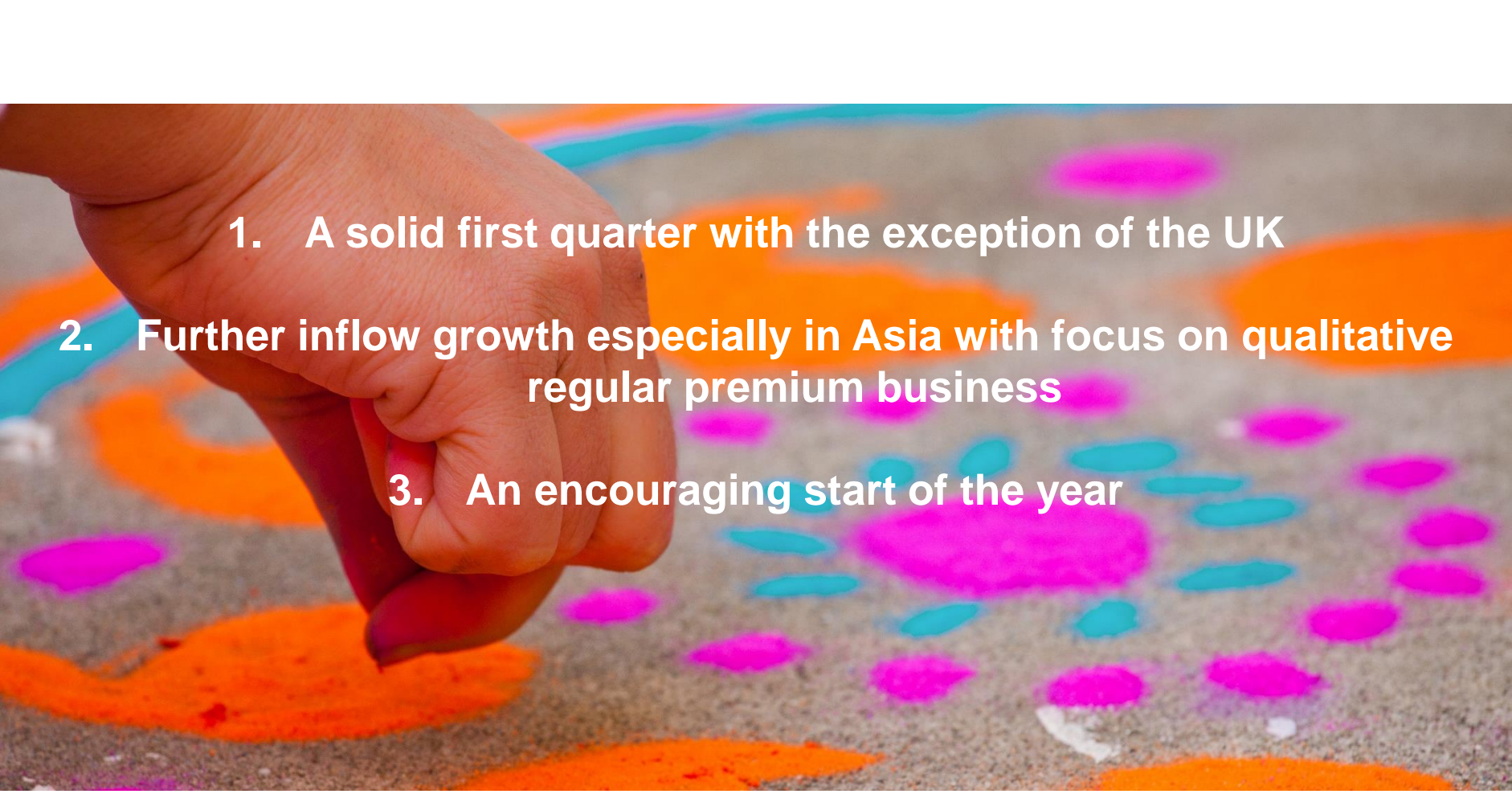
## Operational impact making up for expected dividend

In EUR bn

- BE: negative impact from spread
- UK: capital plan installed & partly executed
- CEU: strong operational quarter
- GA: own funds down on net result, SBB & increasing put option liability



\* Based on local solvency requirements

- 
- A close-up photograph of a hand using a red crayon to draw on a sandy surface. The hand is positioned on the left side of the frame, with the index finger and thumb holding the crayon. The sand is light-colored and has several colorful shapes drawn on it, including orange, pink, and teal. The background is slightly blurred, showing more of the sandy surface and the hand's movement.
1. A solid first quarter with the exception of the UK
  2. Further inflow growth especially in Asia with focus on qualitative regular premium business
  3. An encouraging start of the year



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6 OF JUNE 2017  
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# Key financials

In EUR mio	3M 16	3M 17	
<b>Gross inflows</b>	<b>11,111</b>	<b>12,673</b>	14%
<b>Net result Insurance</b>	<b>201</b>	<b>222</b>	11%
By segment:			
- Belgium	100	142	42%
- UK	25	1	(98%)
- Continental Europe	15	28	92%
- Asia	61	52	(15%)
- Reinsurance	1	0	
By type:			
- Life	143	168	17%
- Non-Life	58	54	(5%)
<b>Net result General Account</b>	<b>(834)</b>	<b>(112)</b>	
<b>Net result Ageas</b>	<b>(633)</b>	<b>110</b>	
Earnings per share (in EUR)	(3.00)	0.54	
Life Operating Margin Guaranteed (in bps)	103	124	
Life Operating Margin Unit-Linked (in bps)	25	33	
Combined ratio (in %)	97.8	98.3	
	FY 16	3M 17	
<b>Shareholders' equity</b>	<b>9,561</b>	<b>9,325</b>	(2%)
Net equity per share (in EUR)	46.56	45.91	
Insurance ROE excl.UG/L	10.6%	13.5%	
Insurance Solvency II <sub>ageas</sub> ratio	179%	177%	

For a definition see Lexicon in annex to the press release

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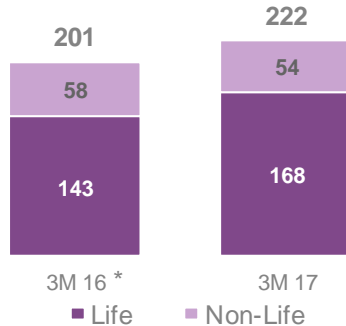




# Total Insurance: Headlines

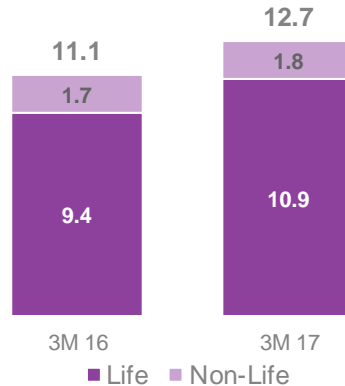
Inflows close to EUR 13 bn - Strong result despite 2017 Ogden impact

Net result: Higher cap gains more than offset impact from Ogden  
In EUR mio

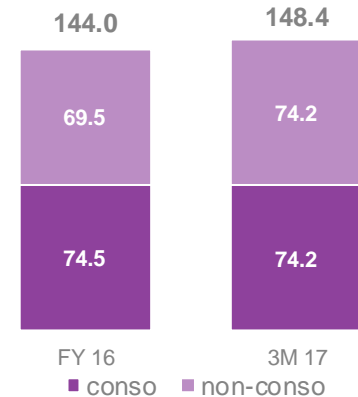


\* including EUR 12 mio from HK

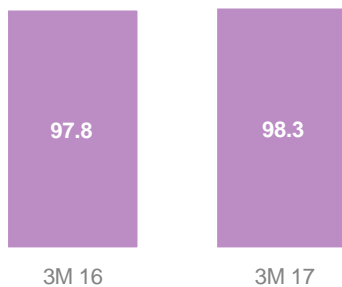
Inflows\*: Strong Life growth in Asia driven by regular premiums  
In EUR bn



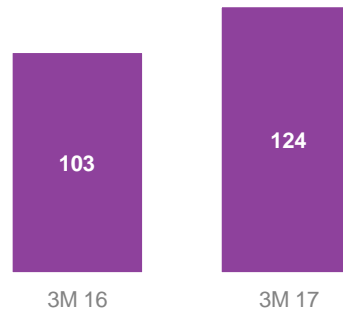
Life Technical liabilities up in non-conso  
In EUR bn



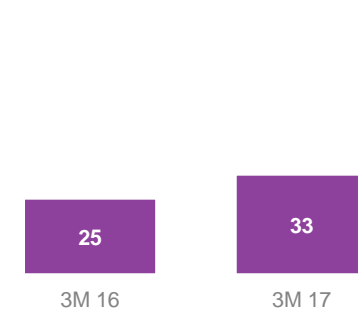
Non-Life combined ratio: Ogden (2.8pp) vs. terrorism in 3M '16 (4pp)  
In % NEP



Operating margin Guaranteed: cap gains in BE  
In bps avg technical liabilities



Operating margin Unit-Linked: increase in both BE & CEU  
In bps avg technical liabilities



\* incl. non-consolidated partnerships @ 100%

# Inflows @ 100%

Growth driven by Asian Life & inclusion Ageas Seguros – 2% negative FX

		Life			Non-Life			Total		
<i>EUR mio</i>		3M 16	3M 17		3M 16	3M 17		3M 16	3M 17	
<b>Belgium</b>	75%	<b>1,259</b>	<b>873</b>	(31%)	<b>585</b>	<b>595</b>	2%	<b>1,844</b>	<b>1,468</b>	(20%)
<b>United Kingdom</b>				-	<b>578</b>	<b>523</b>	(9%)	<b>578</b>	<b>523</b>	(9%)
Consolidated entities	100%			-	<b>454</b>	<b>412</b>	(9%)	<b>454</b>	<b>412</b>	(9%)
Non-consolidated JV's					<b>124</b>	<b>111</b>	(10%)	<b>124</b>	<b>111</b>	(10%)
<b>Continental Europe</b>		<b>1,045</b>	<b>1,000</b>	(4%)	<b>294</b>	<b>384</b>	31%	<b>1,340</b>	<b>1,384</b>	3%
Consolidated entities		<b>463</b>	<b>525</b>	13%	<b>140</b>	<b>228</b>	62%	<b>604</b>	<b>753</b>	25%
Portugal	51% - 100%	286	378	32%	89	175	96%	375	553	47%
France	100%	177	147	(17%)				177	147	(17%)
Italy	50%				51	53	4%	51	53	4%
Non-consolidated JV's		<b>582</b>	<b>475</b>	(18%)	<b>154</b>	<b>156</b>	2%	<b>736</b>	<b>631</b>	(14%)
Turkey	36%				154	156	2%	154	156	2%
Luxembourg	33%	582	475	(18%)				582	475	(18%)
<b>Asia</b>		<b>7,073</b>	<b>9,048</b>	28%	<b>277</b>	<b>250</b>	(10%)	<b>7,350</b>	<b>9,298</b>	26%
Consolidated entities	100%	<b>120</b>						<b>120</b>		
Non-consolidated JV's		<b>6,953</b>	<b>9,048</b>	30%	<b>277</b>	<b>250</b>	(10%)	<b>7,230</b>	<b>9,298</b>	29%
Malaysia	31%	151	169	12%	195	163	(16%)	346	331	(4%)
Thailand	31%-15%	693	739	7%	83	87	5%	775	826	7%
China	25%	6,048	8,057	33%				6,048	8,057	33%
Philippines	50%	0	3					0	3	
Vietnam	32%	0	0					0	0	
India	26%	61	82	34%				61	82	34%
<b>Insurance Ageas</b>		<b>9,377</b>	<b>10,921</b>	16%	<b>1,734</b>	<b>1,752</b>	1%	<b>11,111</b>	<b>12,673</b>	14%
Consolidated entities		1,842	1,398	(24%)	1,180	1,234	5%	3,022	2,633	(13%)
Non-consolidated JV's		7,535	9,523	26%	555	517	(7%)	8,089	10,040	24%
<b>Reinsurance</b>					<b>11</b>	<b>11</b>		<b>11</b>	<b>11</b>	

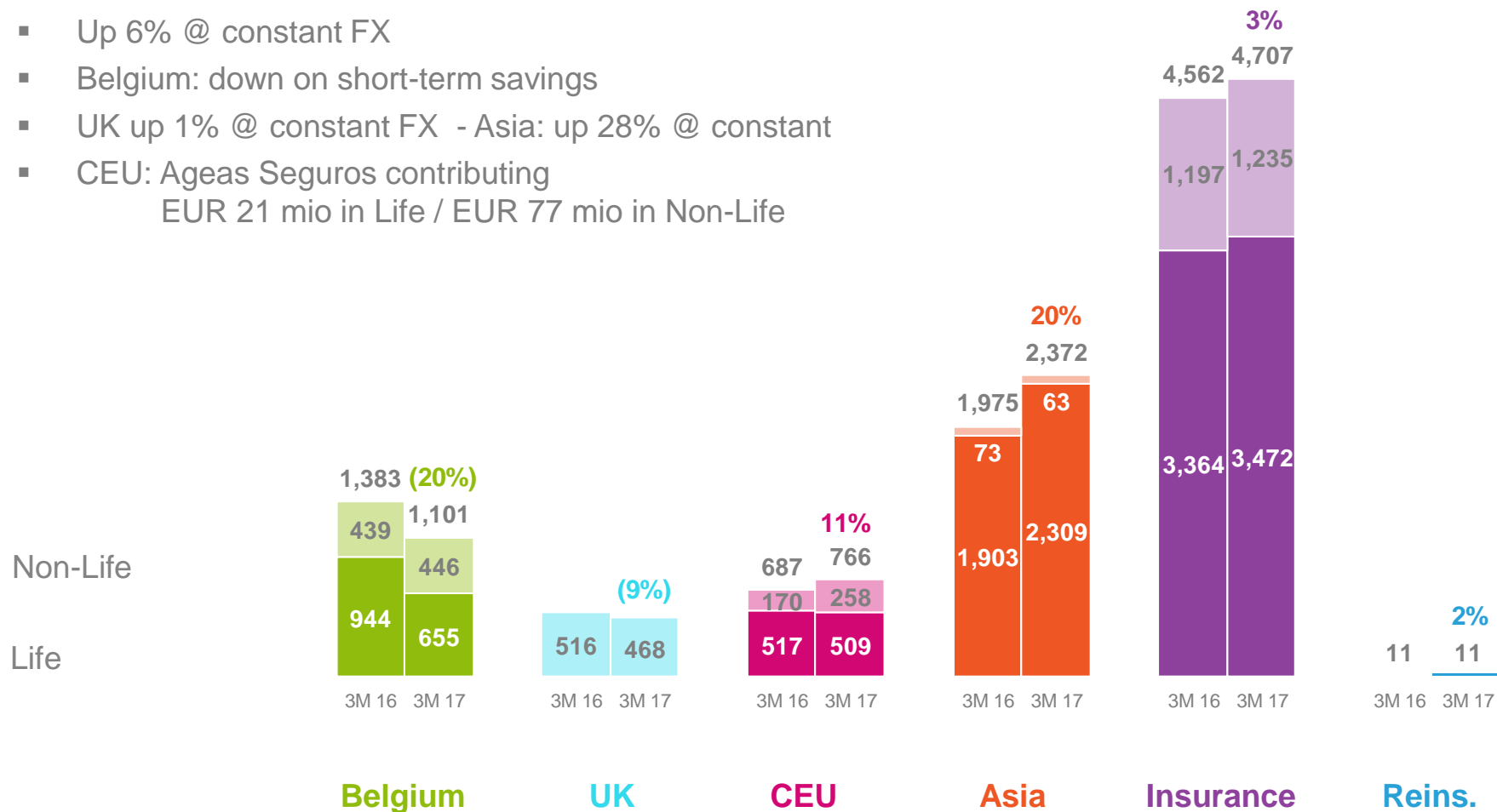


# Inflows @ Ageas's part

## Strong growth in Asian JV's & Continental Europe

In EUR mio

- Up 6% @ constant FX
- Belgium: down on short-term savings
- UK up 1% @ constant FX - Asia: up 28% @ constant
- CEU: Ageas Seguros contributing  
EUR 21 mio in Life / EUR 77 mio in Non-Life

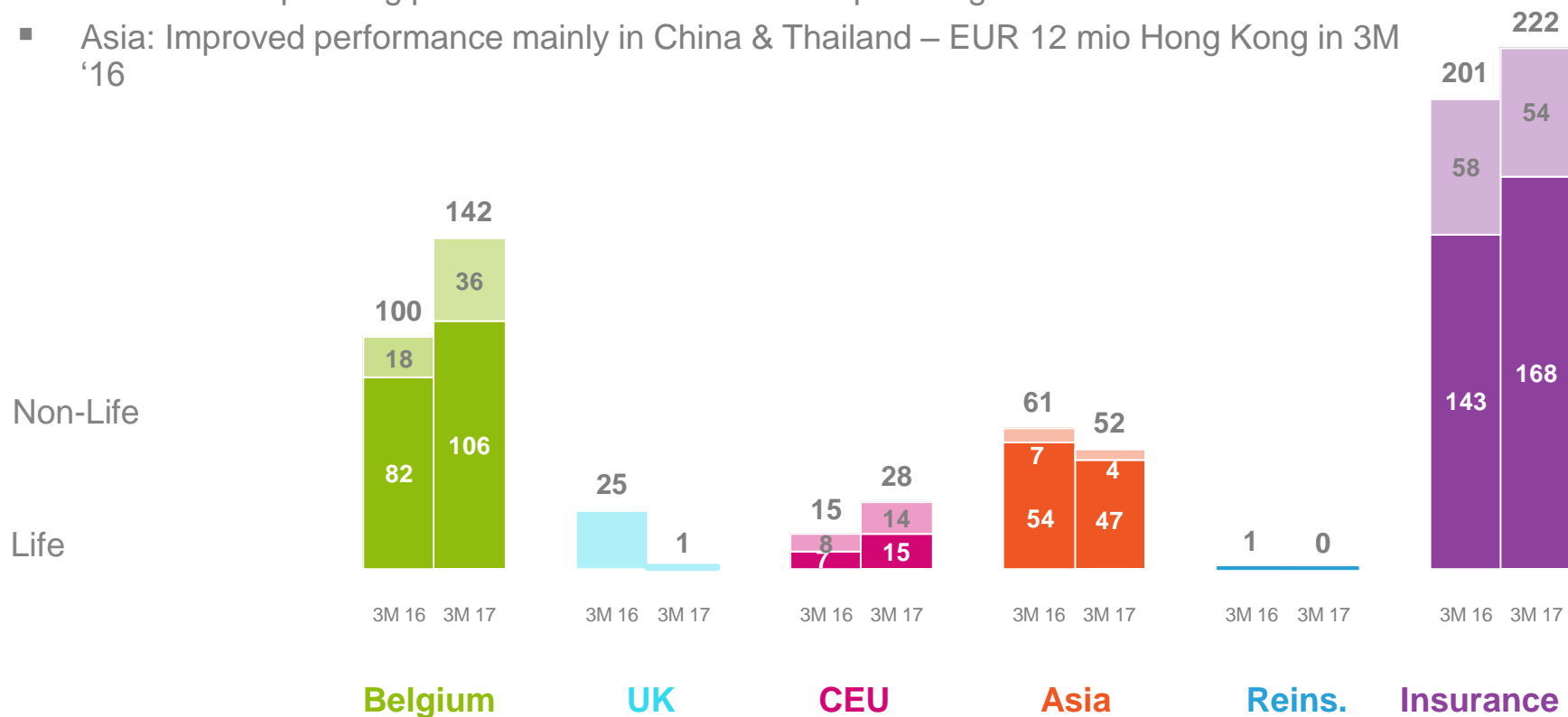


# Insurance net result

Supported by higher cap gains – Ogden in UK

In EUR mio

- BE: Solid Life & Non-Life performance - net cap gains up EUR 35 mio in RE & equities
- UK: EUR 21 mio Ogden
- CEU: Good operating performance - transformation plan Seguros on track
- Asia: Improved performance mainly in China & Thailand – EUR 12 mio Hong Kong in 3M '16



# Overview of net realised capital gains\* on investments

## Support of cap gains substantially higher in Belgium & UK

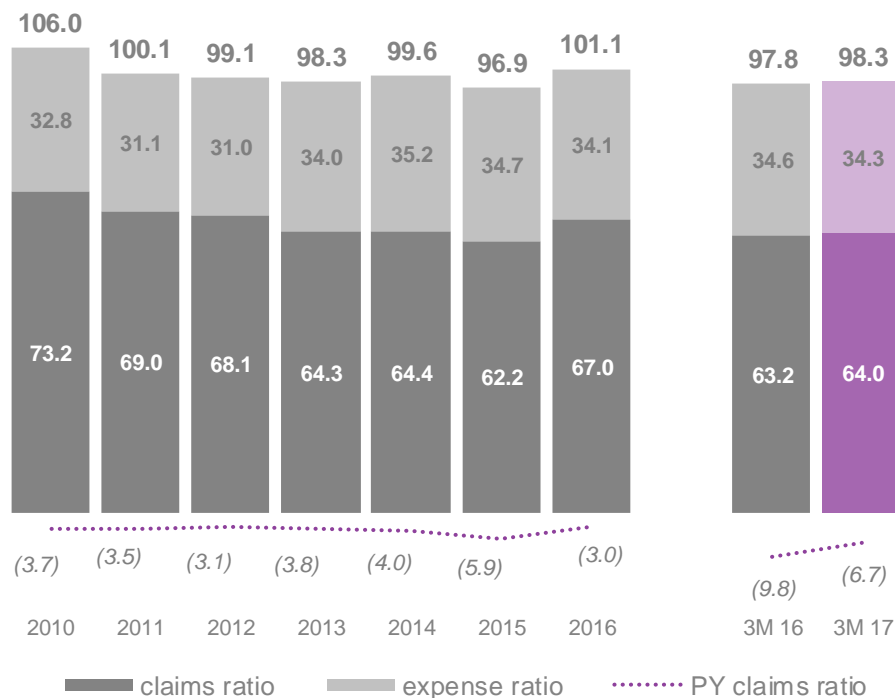
<i>EUR mio</i>	3M 16	3M 17	
Life	41	76	Higher cap gains on RE transactions & equities
Non-Life	8	8	
<b>Total Belgium</b>	<b>50</b>	<b>85</b>	
Non-Life	8	18	Derisking part of investment portfolio
<b>Total UK</b>	<b>8</b>	<b>18</b>	
Life	(1)	(3)	
Non-Life	0	0	
<b>Total CEU</b>	<b>(1)</b>	<b>(3)</b>	
Life	7	1	
Non-Life	2	1	
<b>Total Asia</b>	<b>9</b>	<b>2</b>	
Life	48	74	
Non-Life	18	28	
<b>Total Ageas</b>	<b>66</b>	<b>102</b>	

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

# Insurance Combined ratio

## Combined ratio impacted by change Ogden discount rate in UK

In % Net earned premium



### Combined ratio

- UK Ogden rate change impact of 2.8pp - mainly in Other lines & Motor
- Excellent combined ratio in Belgium (92.7%) & Continental Europe (88.0%)
- 3M '16 included 4 pp terrorism impact

### Claims ratio

- CY claims ratio at 70.7% (vs. 73.0%)
- PY claims ratio lower, driven by Belgium & reserves strengthening UK

### Expense ratio flat

Net earned premium (In EUR mio)

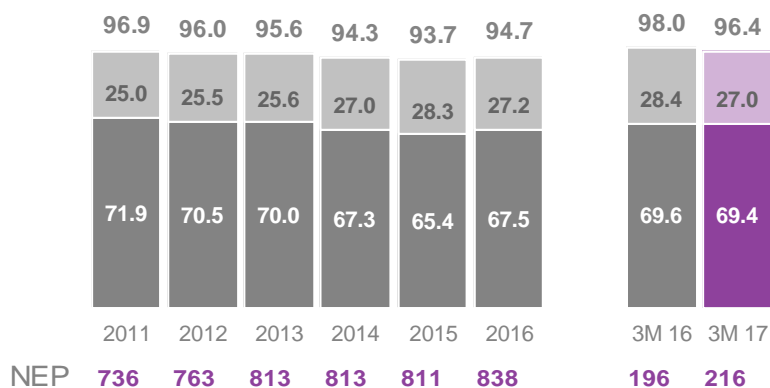
2,858   3,507   4,178   3,749   3,843   4,038   4,112                      987   1,025



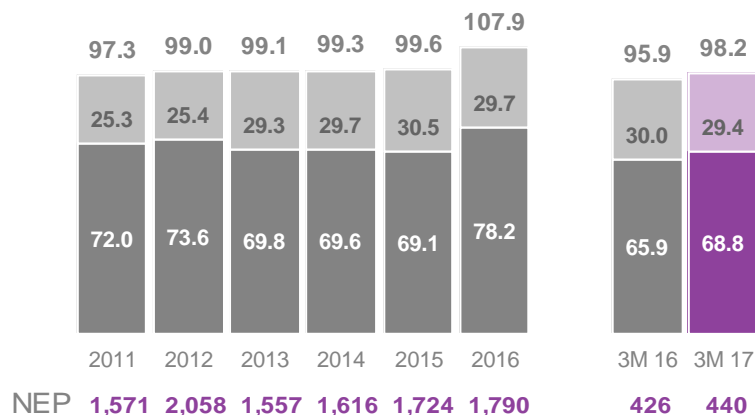
# Insurance Combined ratio per product line

## Exceptional items impacting COR comparison

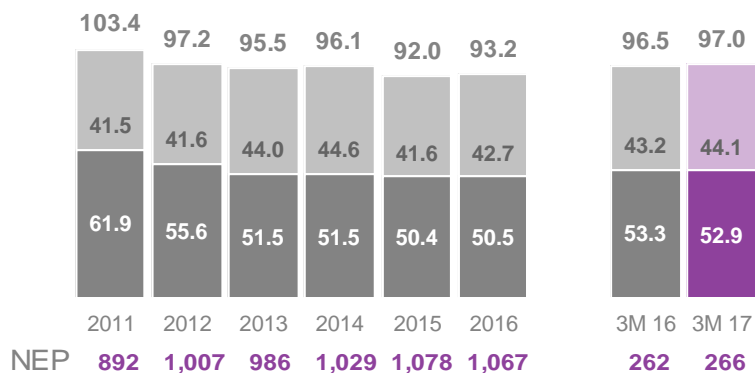
**Accident & Health:** deterioration in Worker's Comp. in BE & CEU vs. 7.4pp terrorism in 3M '16



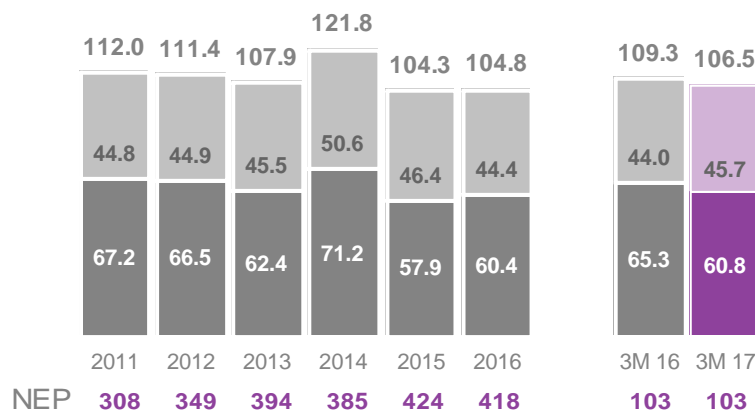
**Motor:** excellent in BE – 2.8pp from Ogden in UK



**Household:** very strong COR in BE & CEU



**Other:** 15pp Ogden vs. 13.1pp terrorism – higher PY in CEU

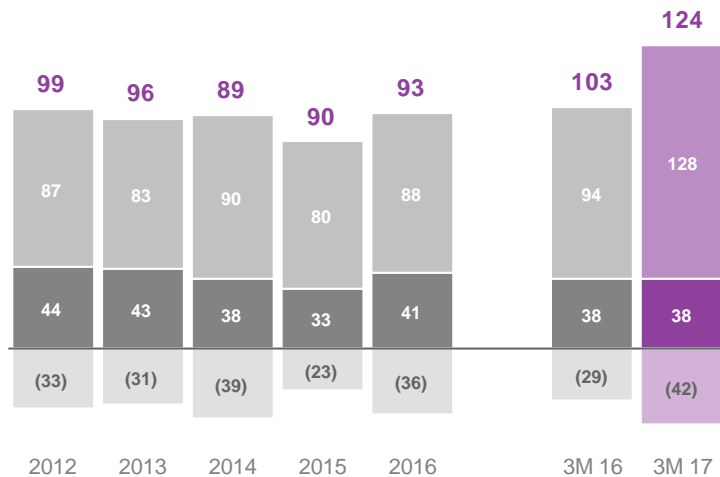


# Insurance Life operating margin per product line

## Margins in Guaranteed driven by investment result

In bps Avg techn. liabilities

**Guaranteed:** flat in CEU - up in BE

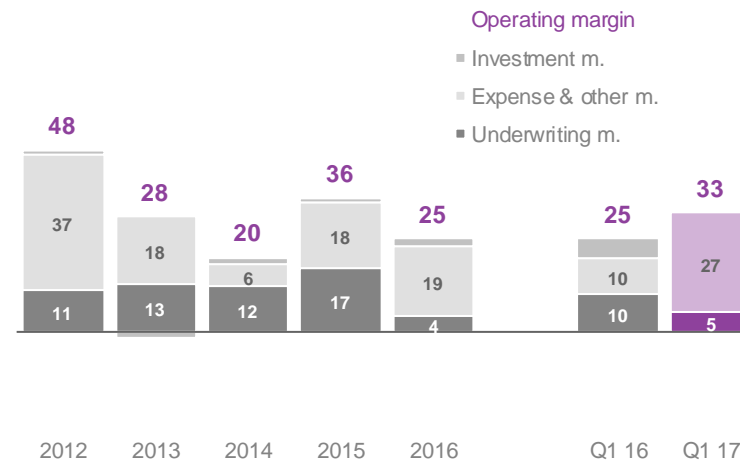


Avg techn liabilities (In EUR bn)

54.0 55.5 56.9 57.9 57.3 58.5 56.1

- Investment margin : supported by cap gains in BE
- Underwriting margin stable
- Expense & other margin slightly down in BE

**Unit-linked:** increase in both BE & CEU



Avg techn liabilities (In EUR bn)

11.8 12.3 12.6 13.0 12.1 12.8 14.5

- Expense & other margin exceptionally low last year



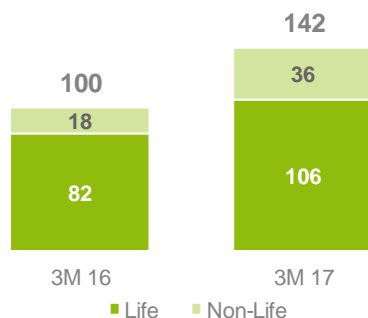


# Belgium : Headlines

## Strong Non-Life performance - Net result Life partly supported by net capital gains

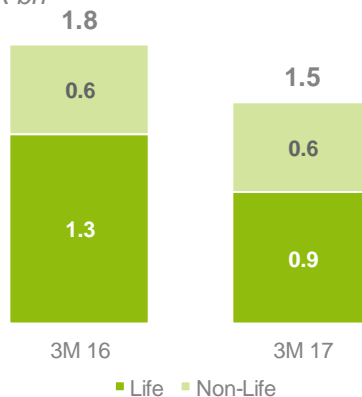
Net result supported by cap gains vs. terror events in 3M '16

In EUR mio



Inflows: expected lower sales of short-term investment products

In EUR bn



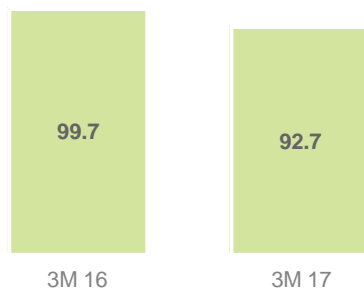
Life Technical Liabilities stable

In EUR bn



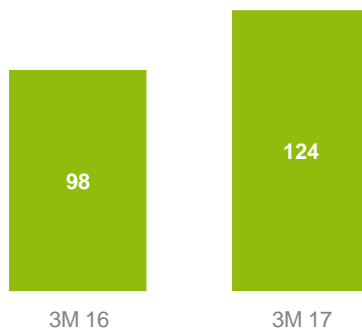
Non-Life combined ratio 92.7% - excellent operating performance

In % NEP



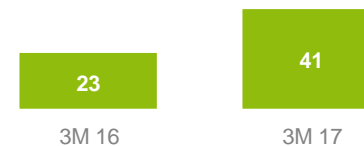
Operating margin Guaranteed: supported by cap gains

In bps avg technical liabilities



Operating margin Unit-Linked strong increase vs. exceptional low 3M '16

In bps avg technical liabilities

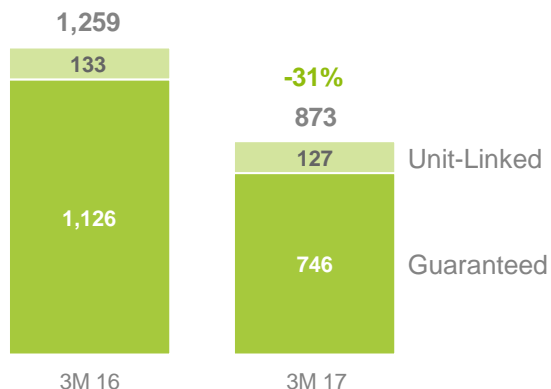


# Belgium: Inflows @ 100%

Lower inflows in short-term investment products as expected - Slight increase in Non-Life

## Life

In EUR mio



## Guaranteed

- Decrease almost entirely due to lower sales in short-term products as expected following the consecutive lowering of guaranteed rate in 2016 (currently standing at 0.25%)

## Unit-linked

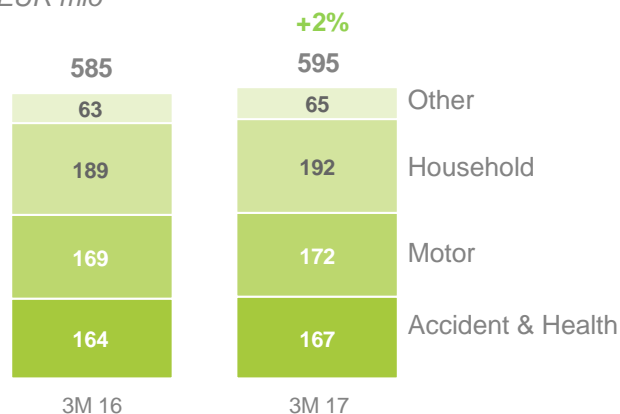
- Further decrease in Individual Unit-linked (-4%) due to lower appetite

## Group Life

- Slight decrease to EUR 258 mio (-4%)

## Non-Life

In EUR mio



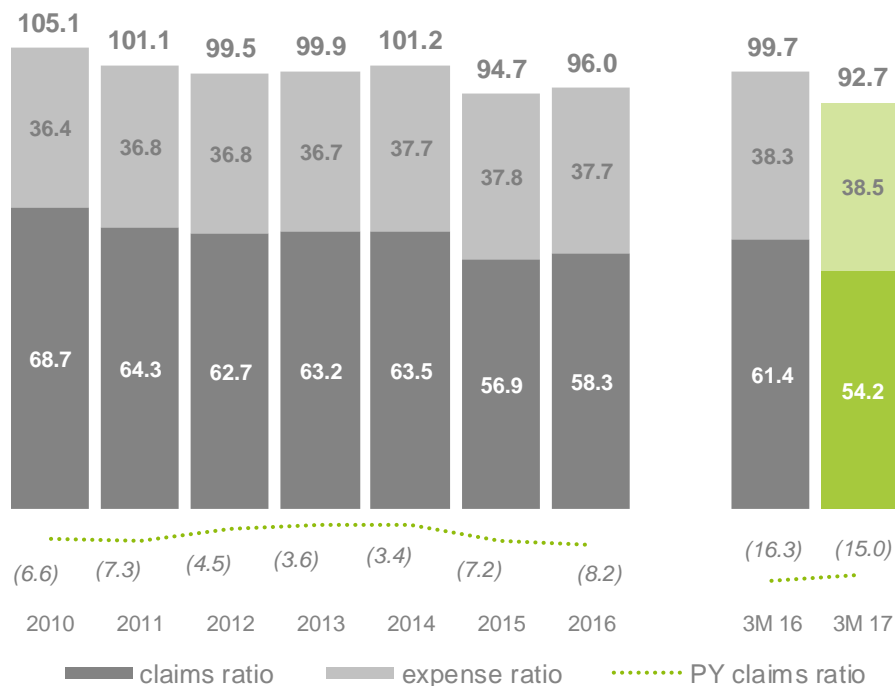
## Technical liabilities

- Remained almost stable at EUR 58.6 bn – also stable when excluding shadow accounting



# Belgium: Combined ratio

Solid operating performance with excellent combined ratio at 92.7%



Net earned premium (in EUR mio)

1,541 1,601 1,698 1,785 1,815 1,832 1,836 451 456

## Combined ratio

- **Excellent ratio** driven by solid performance of all product lines – especially Motor
- 3M '16 combined ratio heavily impacted by terrorism events of 22 March 2016 (8.6 pp)

## Claims ratio

- **CY ratio** (69.2% vs. 77.7%) - at the same level as 3M '16 after correction for terrorism
- **PY ratio**: slightly lower releases across most product lines

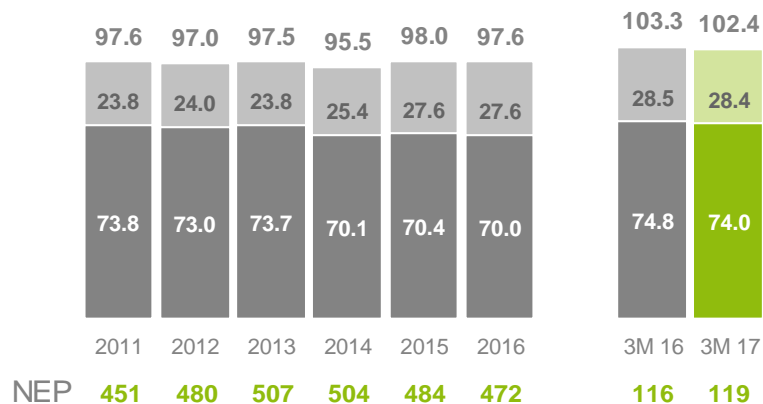
**Expense ratio** almost flat



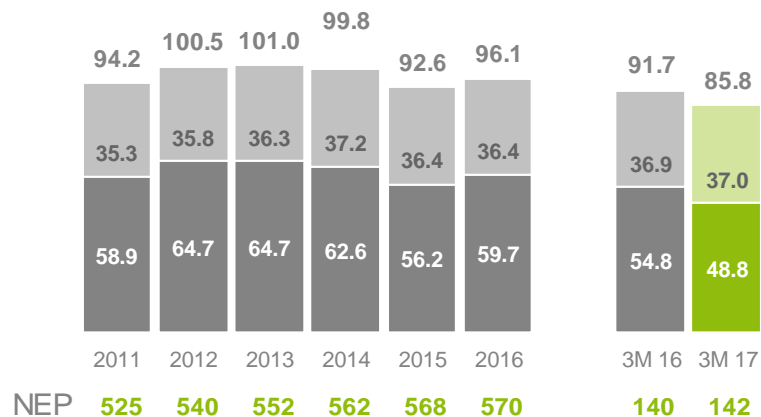
# Belgium: Combined ratio per product line

## Solid combined ratio in all product lines

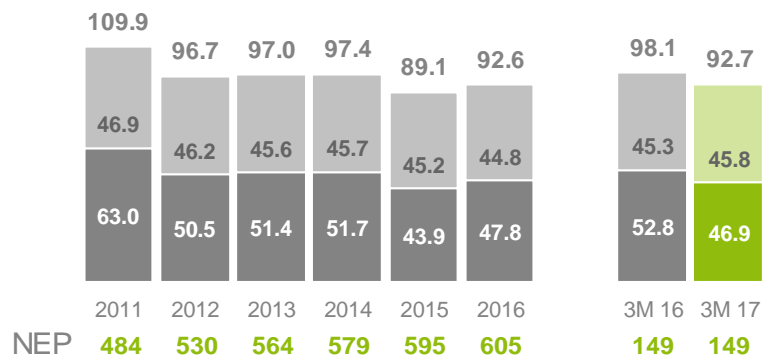
**Accident & Health:** deterioration in Workers' Comp vs. 3M '16 terrorism (12 pp)



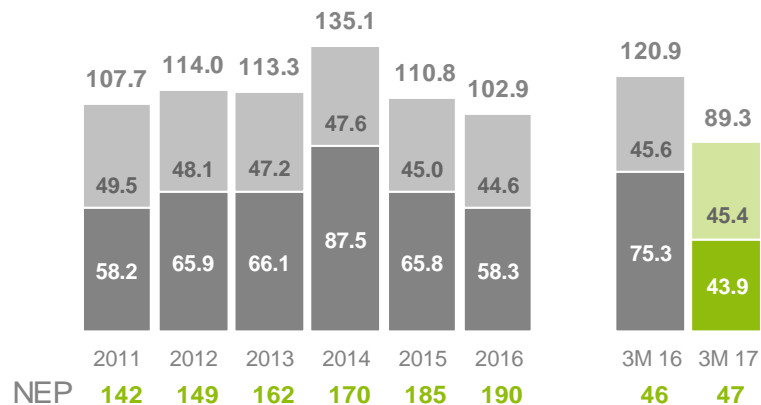
**Motor:** excellent combined ratio, driven by Motor Third Party Liability



**Household:** 3M '16 impacted terrorism (6 pp)



**Other:** 3M '16 heavily impacted terrorism (31 pp)

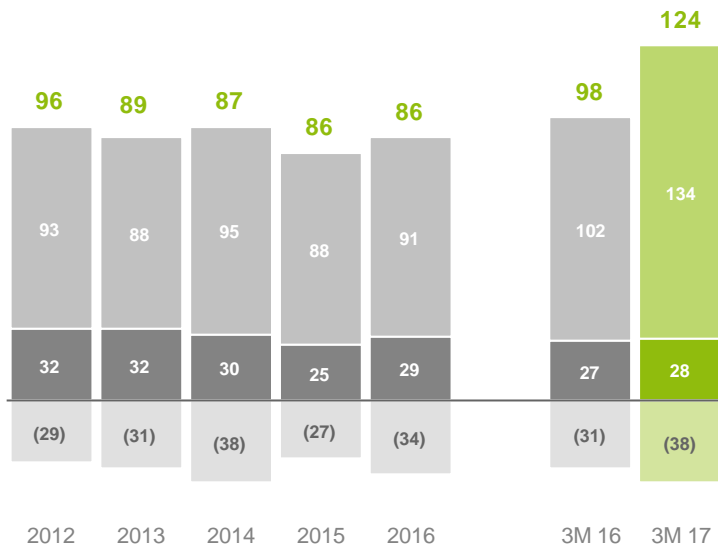


# Insurance Life operating margin per product line

## Strong margins in Guaranteed & Unit-Linked

In bps Avg techn. liabilities

**Guaranteed:** strong thanks to higher capital gains

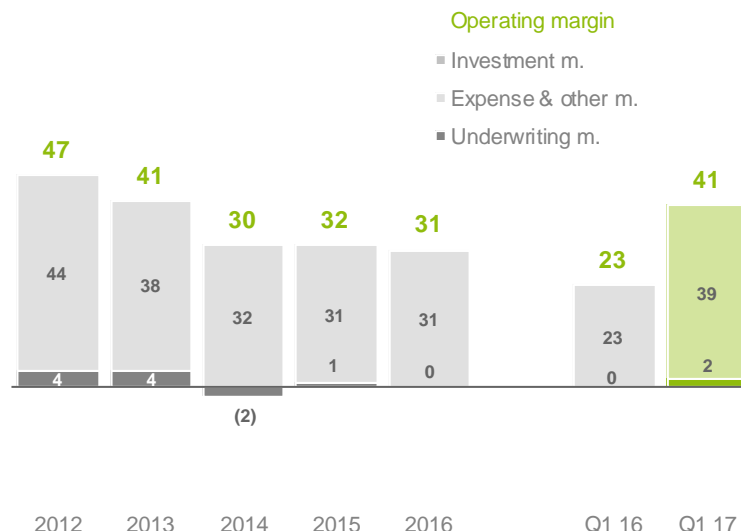


Avg techn liabilities (In EUR bn)

44.9 46.4 47.5 48.1 48.7 48.3 48.1

- Operating result at EUR 150 mio, up from EUR 118 mio
- Investment margin higher cap gains on RE transactions & equities
- Underwriting margin stable - expense margin slightly lower

**Unit-linked:** return to margin within target range



Avg techn liabilities (In EUR bn)

5.2 5.4 5.7 5.9 6.1 6.0 7.3

- Operating result up from EUR 3.5 mio to EUR 7.4 mio
- Driven by improved expense result
- 3M'16 exceptionally low due to higher level of mortality reserving



# Margin evolution Assets & Liabilities Belgium

## Yield & guaranteed rate on back book down at the same pace

	FY 14	FY 15	FY 16	3M 17
<b>Life</b>				
<b>Back book</b>				
Guaranteed interest rate	2.71%	2.63%	2.49%	2.4%
Fixed income yield	3.84%	3.71%	3.45%	3.43%
Liabilities Guaranteed (EUR bn)	51.8	50.3	52.9	51.3
<b>New money</b>		FY 15	FY 16	3M 17
<b>Life &amp; Non-Life</b>				
Fixed income yield		2.89%	2.11%	2.00%
Reinvested amount (EUR bn)		4.6	4.2	0.7



- Newly invested money mostly government related loans & infrastructure loans
- >95% investment grade corporates

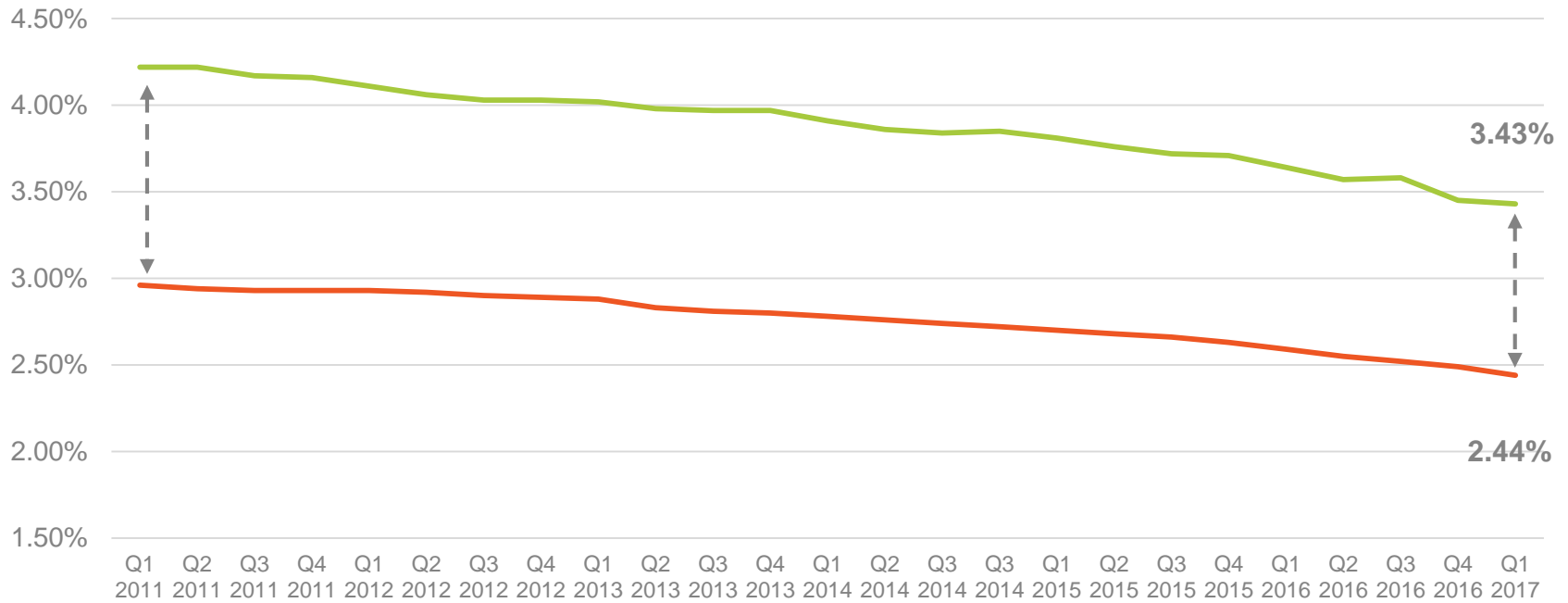
### Guaranteed retail Life:

- Yield lowered from 1% to 0.75% as from 1 April 2016
- Yield lowered to 0.5% as from 1 August 2016
- Yield further lowered to 0.25% as from 1 November 2016



# Margin evolution Assets & Liabilities Belgium

Evolution of the margin on the back book since 2011



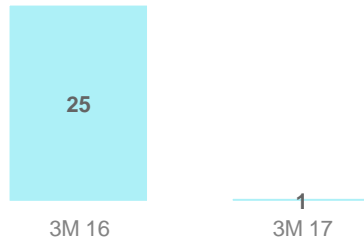
— Guaranteed interest rate    — Total fixed income yield



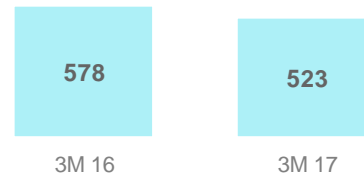
# United Kingdom: Headlines

## Change in Ogden rate continues to influence results – Rate increase & capital plan installed

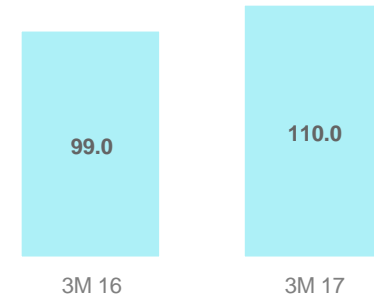
Net result impacted by Ogden  
(EUR 21 mio)  
*In EUR mio*



Inflows\* up 1% at constant FX  
*In EUR mio*



Non-Life combined ratio impacted by Ogden (7.6pp)  
*In % of NEP*



### Ogden impact on results

- 3M impact - EUR 21 mio on net result  
- 7.6pp on COR - impacting mainly Motor (5.1pp) & Other lines (33.9pp)
- Continued impact from Ogden until implemented rate increases take full effect
- Additional impact of EUR 20 - 25 mio expected during 2017, depending on product portfolio & pricing evolution

### Ogden rate change impact mitigated by various actions

- Q1 risk mitigation product portfolio through stop loss reinsurance cover
- Q1 derisking of part investment portfolio
- Q2 EUR 77 mio capital injection executed
- Solvency expected to be back at normalised level by year-end



\* incl. non-consolidated partnerships @ 100%

Periodic financial Information | 3M 17 results | 10 May 2017

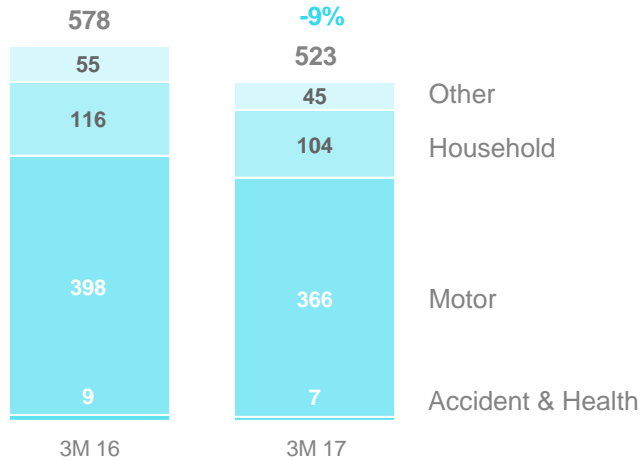


# United Kingdom: Inflows@ 100%

Inflows down 9%, impacted by adverse FX - up 1% at constant FX

## Non-Life

In EUR mio



## Non-Life

- Up 1% @ constant FX, driven by Motor - marginal growth in Household, partly offset by Other lines and Accident & Health
- **Motor** up 3% @ constant FX driven by premiums from add on products & Commercial lines
- **Household** up 1% @ constant FX
- **Other lines** down 7% @ constant FX reflecting the run off of one large scheme in Special Risks
- **Accident & Health** down 9% @ constant FX



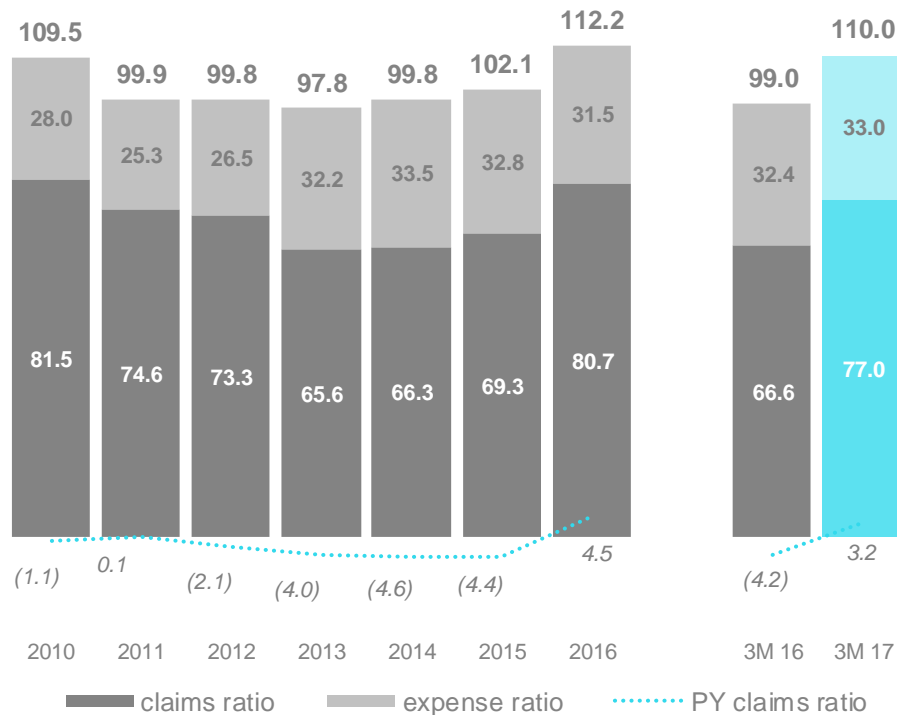
\* incl. non-consolidated partnerships @ 100%

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# United Kingdom: Combined ratio

## COR impacted by Ogden rate change

In % Net earned premium



Net earned premium (in EUR mio)

948 1,524 2,083 1,562 1,613 1,751 1,598 413 381

### Combined ratio

- Adverse impact from Ogden (7.6pp) on Other lines & Motor
- Household COR remained above 100% reflecting lower prior year releases & impact of Storm Doris
- Combined ratio **Tesco Underwriting** 95.3% (vs. 98.7%)

### Claims ratio

- CY ratio** (73.8% vs. 70.8%) – driven by Ogden impacting mainly Motor - Storm Doris & Escape of Water strain on Household
- PY ratio:** PY strengthening in Other lines due to Ogden - lower releases in Motor & Household

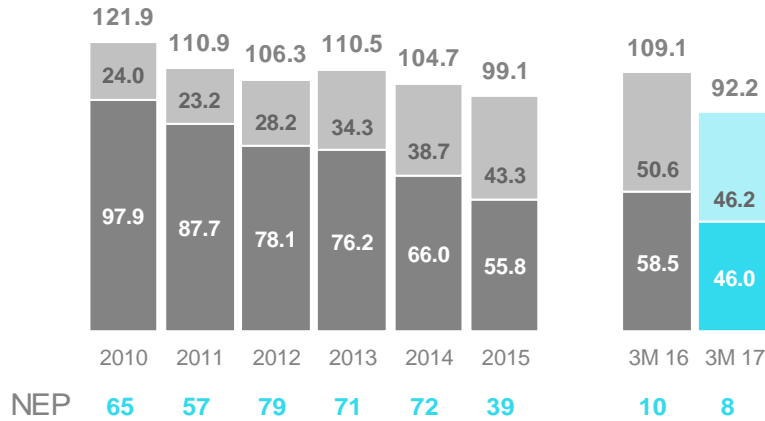
### Expense ratio

- Expense ratio reflecting higher Levy strain from the Financial Service Compensation Scheme & Flood Re in particular impacting Household

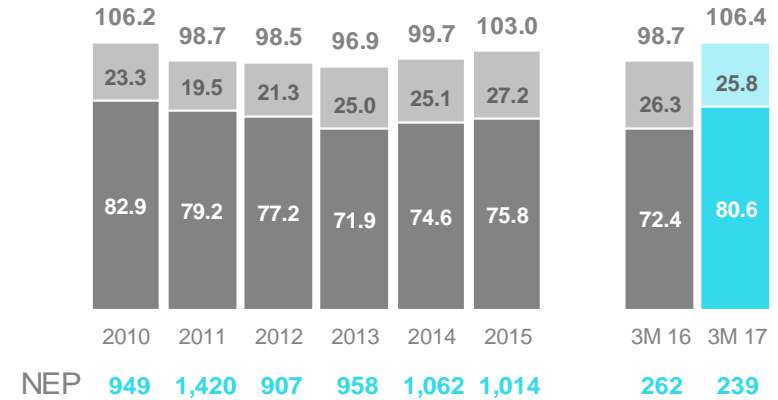


# United Kingdom: Combined ratio per product line

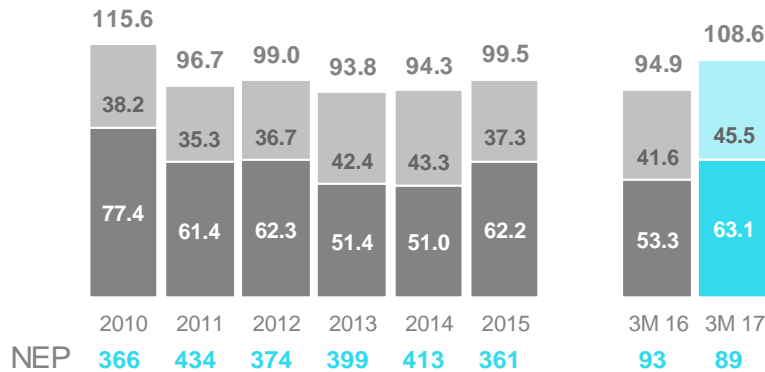
**Accident & Health:** Driven by higher PY releases



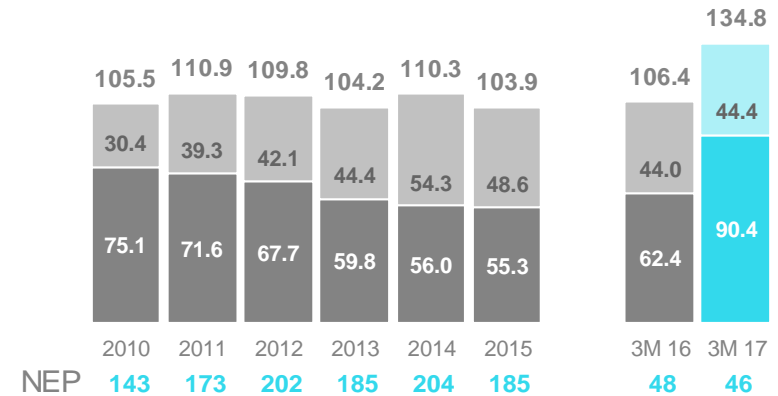
**Motor:** Ogden impact of 5.1 pp



**Household:** Lower PY, Doris, Escape of Water & levy strain



**Other:** 33.9 pp Ogden impact – mainly Commercial lines

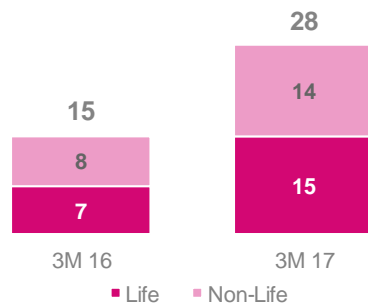


# Continental Europe: Headlines

## Excellent result in both Life & Non-Life - strong Inflow growth in Non-Life

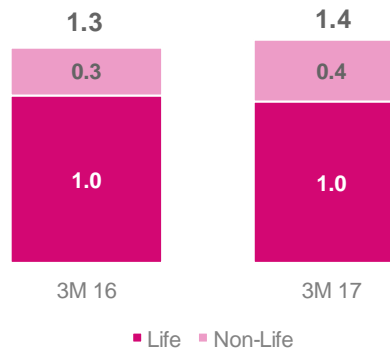
Net profit increase with good evolution in both Life & Non-Life

In EUR mio



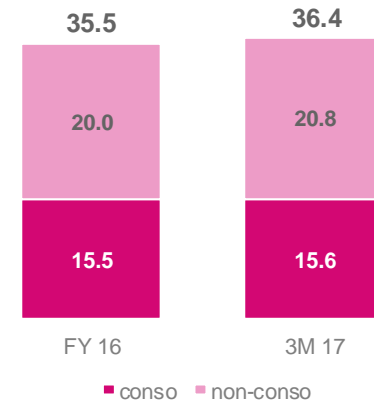
Non-Life inflows up mainly on inclusion Ageas Seguros

In EUR bn



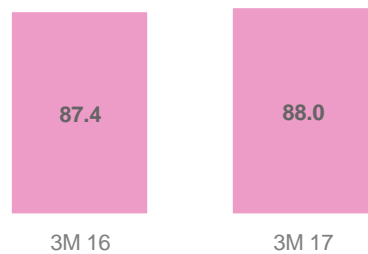
Life Technical liabilities up 2%

In EUR bn



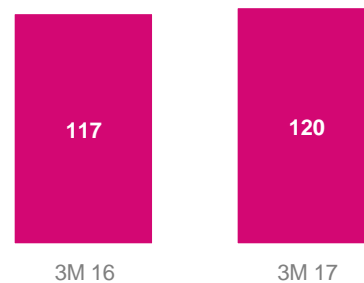
Sustained excellent Non-Life combined ratio

In % NEP



Operating margin Guaranteed up

In bps avg technical liabilities



Operating margin Unit-Linked significantly up on expense margin

In bps avg technical liabilities

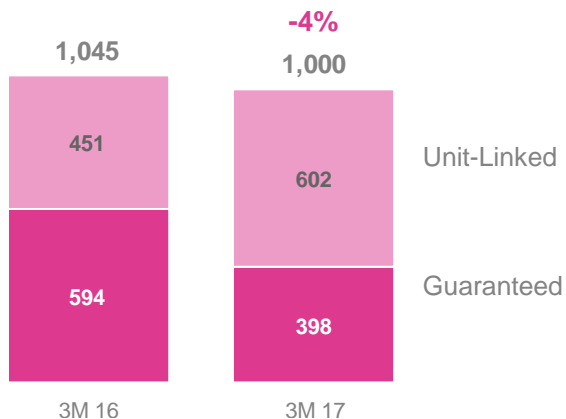


# Continental Europe: Inflows @ 100%

More Unit-Linked sales in Life and strong overall growth in Non-Life

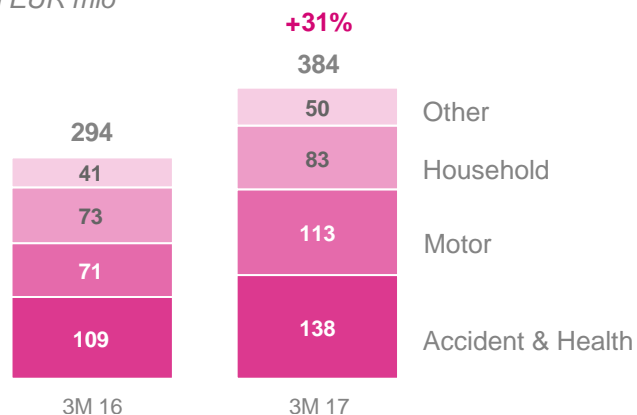
## Life

In EUR mio



## Non-Life

In EUR mio



## Life

- **Inflows**, including non-controlling interests @ 100% down 4% due to lower guaranteed sales in France & Luxembourg, only partly offset by inclusion of Ageas Seguros
- Consolidated inflows up 13%
  - ✓ **Portugal**: up 32%, outperforming a declining Portuguese market, mainly thanks to higher Unit-Linked sales in Ocidental & inclusion of Ageas Seguros (EUR 21 mio)
  - ✓ **France**: down 17% due to decision to balance more towards Unit-Linked sales & 3M '16 high level of single premium
- **Luxembourg**: down 18% due to lower sales in guaranteed partly offset by increase in Unit-Linked

## Technical liabilities

- **Consolidated** at EUR 15.6 bn, slightly up – thanks to inclusion of Ageas Seguros
- **Including non-consolidated JVs @ 100%**: at EUR 36.4 bn, up 2%

## Non-Life

- **Inflows consolidated entities** up 62% driven by a strong performance in all companies & inclusion of Ageas Seguros (EUR 77 mio)
- **Turkey** up 23% @ constant FX – strong growth in all main lines of business

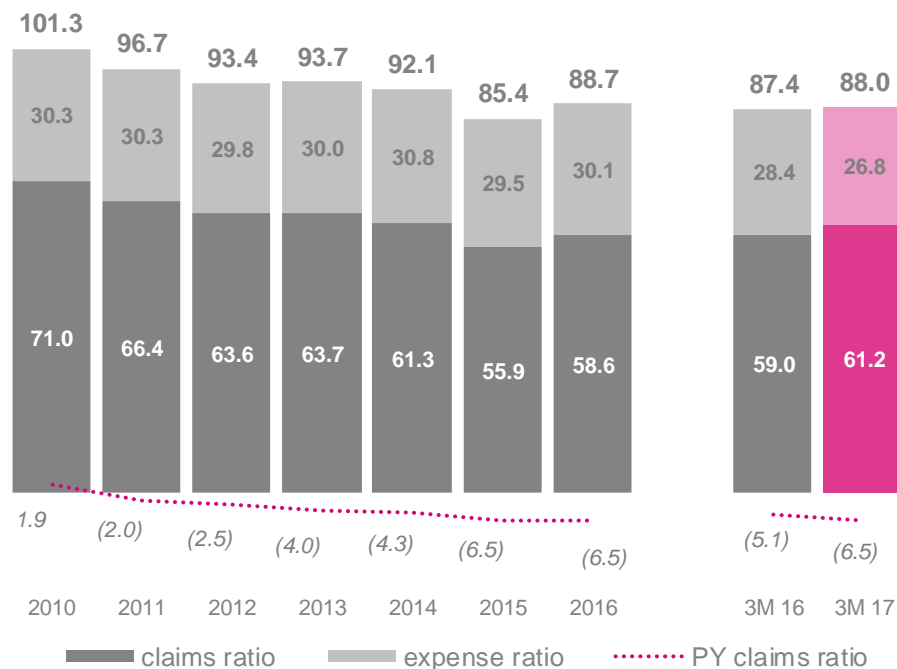


\* incl. non-consolidated partnerships @ 100%

# Continental Europe: Combined ratio

## Excellent combined ratio well below group target

In % Net earned premium\*



Net earned premium (in EUR mio)

369   382   397   403   415   454   664   118   184

### Combined ratio

- Reflecting continued excellent operating performance with steady improvement in combined ratio since 2010
- Slight increase vs. 3M 2016 following inclusion of Ageas Seguros still in the middle of a transformation plan
- Combined ratio **Turkey** at 95.5% (vs. 100%)

### Claims ratio

- **CY ratio** at 67.7% (vs 64.1%) increase related to Italy & inclusion Ageas Seguros
- **PY ratio** up thanks to PY releases in all companies

### Expense ratio

- **Expense ratio** decreased partially due to timing difference



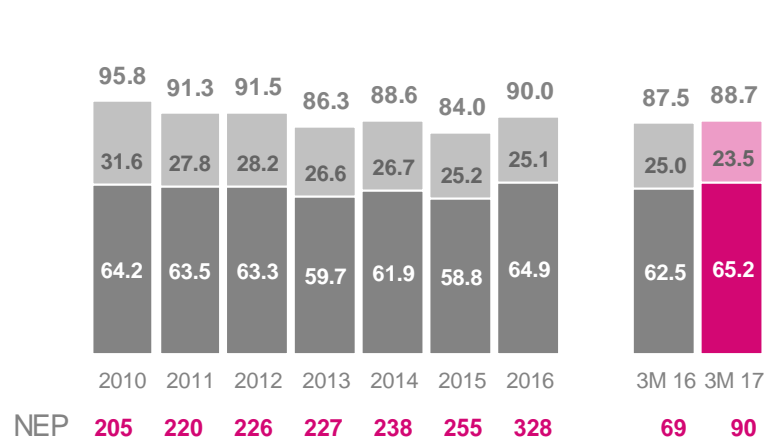
\* Scope: only consolidated companies

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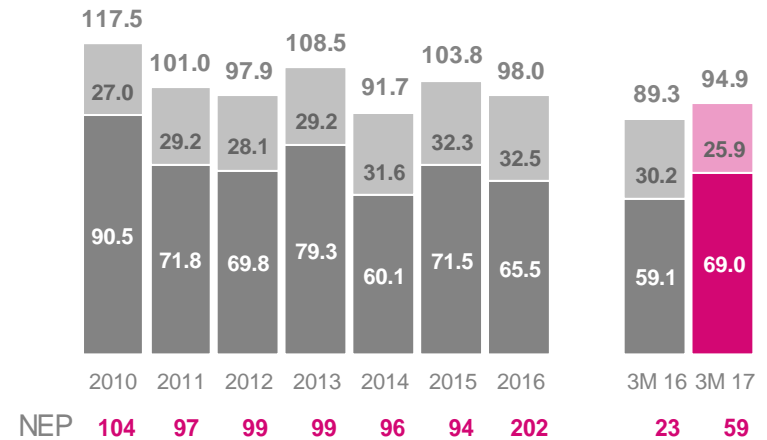
# Continental Europe: Combined ratio per product line

## Continued good claims experience in all product lines

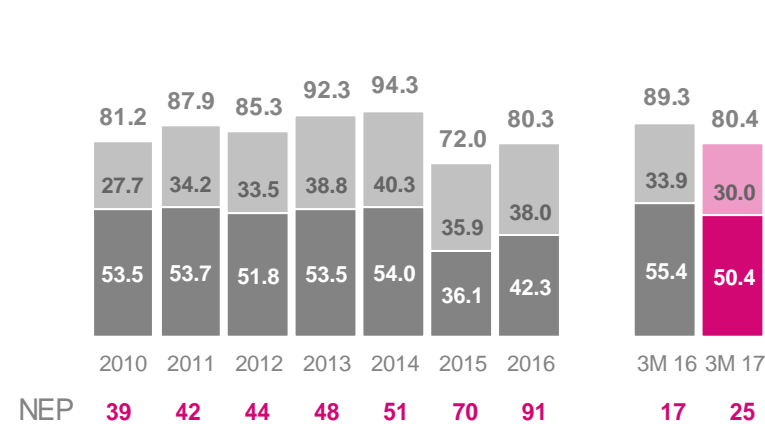
**Accident & Health:** slightly up in Workers' Compensation



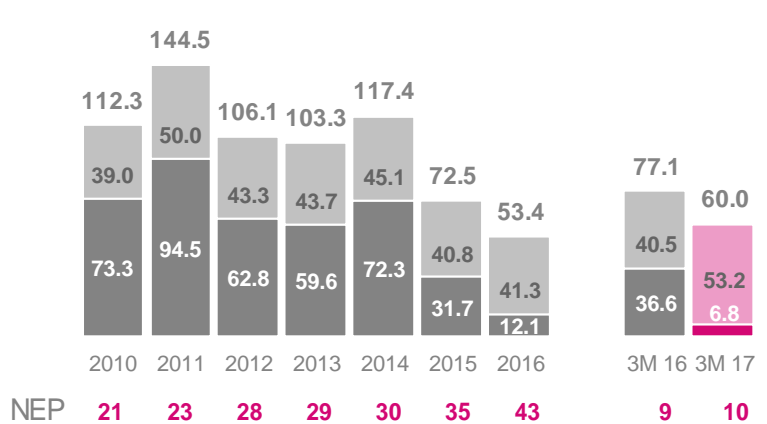
**Motor:** large claims in Italy & inclusion Ageas Seguros



**Household:** very strong ratio in Portugal



**Other:** very good claims ratio thanks to higher run-off

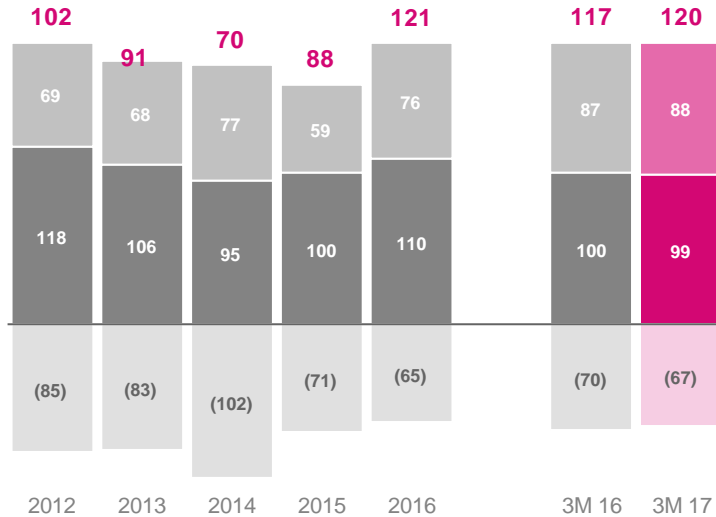


# Continental Europe Life operating margin per product line

## Up in both Guaranteed & Unit-Linked

In bps Avg techn. liabilities

**Guaranteed:** increase thanks to lower expense & other margin

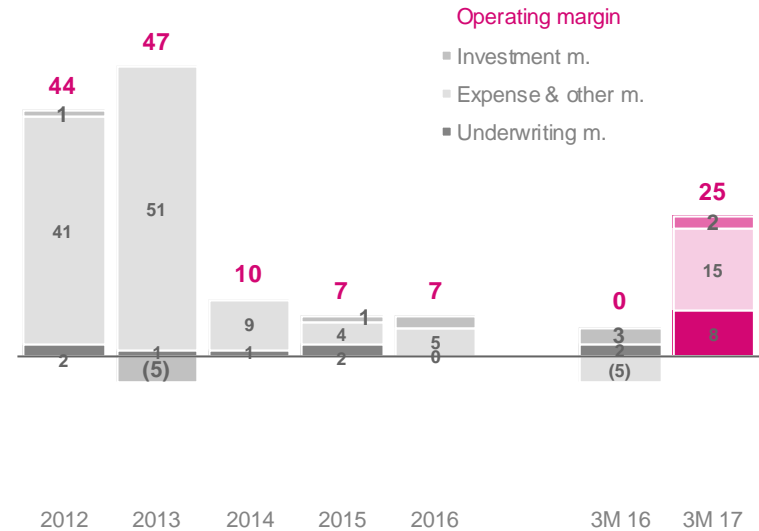


Avg techn liabilities (In EUR bn)

7.8 7.6 7.7 8.0 8.7 8.2 7.9

- Investment margin in line with LY despite lower financial income
- Underwriting margin stable vs. LY thanks Ageas Seguros and compensating for lower risk result at Occidental
- Expenses & other margin slightly improved

**Unit-linked:** significantly up on lower expense & higher underwriting margin



Avg techn liabilities (In EUR bn)

6.1 6.3 6.2 6.1 6.0 5.9 7.3

- Expense & other margin improved mainly thanks to higher fees and commissions



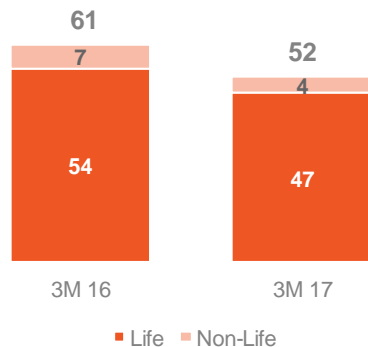


# Asia: Headlines

## Solid performance in all major countries

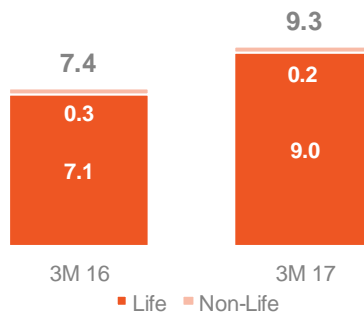
Net result up 5% vs. 3M '16 excl. Hong Kong result (Life)

*In EUR mio*



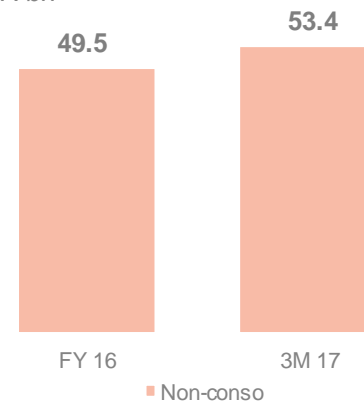
Inflows\* up 28% @ constant FX - strong regular premium growth in China

*In EUR bn*



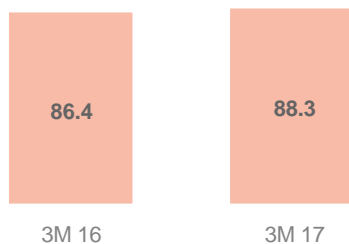
Life Technical liabilities up 8% mainly from China & Thailand

*In EUR bn*



Non-Life combined ratio remains excellent

*In % NEP*



\* incl. non-consolidated partnerships @ 100%

Periodic financial Information | 3M 17 results | 10 May 2017

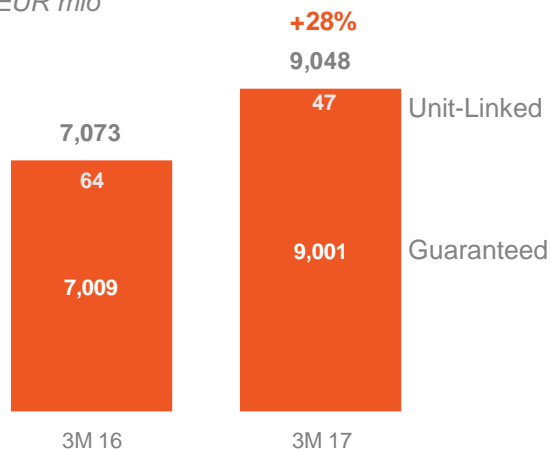


# Asia: Inflow @ 100%

## Strong growth in profitable lines of business

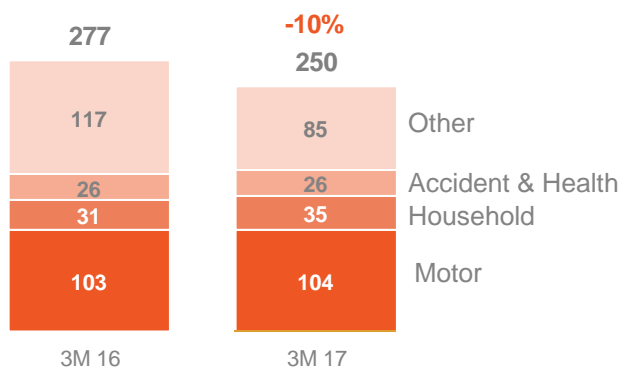
### Life

In EUR mio



### Non-Life

In EUR mio



### Life

- New business premiums up 15% with EUR 2.4 bn single premium (-13%) & EUR 2.8 bn regular premium (+57%)
- Renewal premiums increased to EUR 3.8 bn (+52%) benefiting from continued good persistency
- **China** +36% @ constant FX - New business premiums up 17% mainly driven by regular business following successful sales campaigns & increased number of agents
- **Thailand** +2% @ constant FX – strong growth in renewal (+23%) thanks to continued customer loyalty
- **Malaysia** +15% @ constant FX - Renewals up 39% @ constant FX
- **India** +28% @ constant FX - growth in both new business (+59%) and renewal premiums (+15%)
- **Philippines** - Inflows @ EUR 3 mio mainly from credit life products
- **Vietnam** started sales as of March 2017

### Non-Life

- **Malaysia** -14% @ constant FX - lower MAT partly compensated by Personal Accident & Fire
- **Thailand** Flat @ constant FX, driven by Motor & Fire

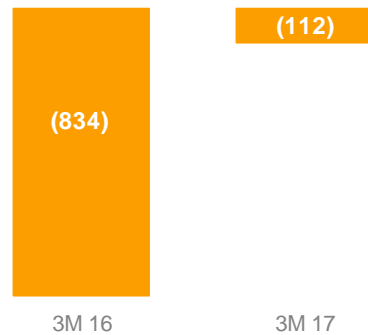


# General Account: Headlines

Impacted by revaluation RPN(i) liability

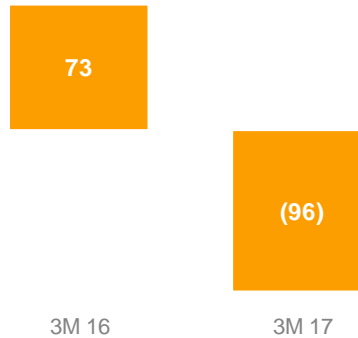
Result driven by revaluation RPN(i) vs. legal settlement in 3M '16

In EUR mio



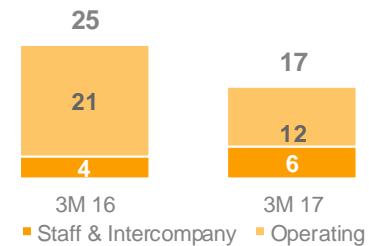
Impact on P&L from RPN(i)

In EUR mio



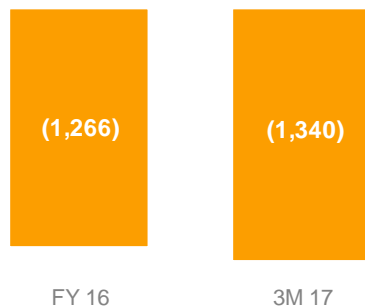
Staff & Operating expenses down - 3M '16 incl. one-offs for legal settlement

In EUR mio



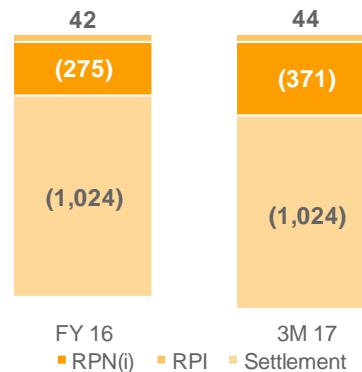
Accounting value on AG Insurance put option: up driven by higher multiples

In EUR mio



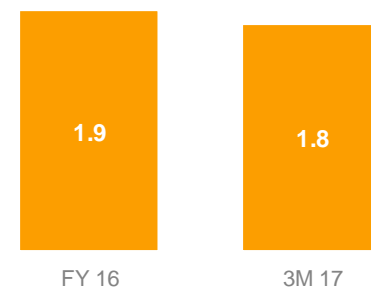
Accounting value of remaining legacies

In EUR mio



Total liquid assets down on SBB – EUR 0.8 bn ring-fenced for settlement

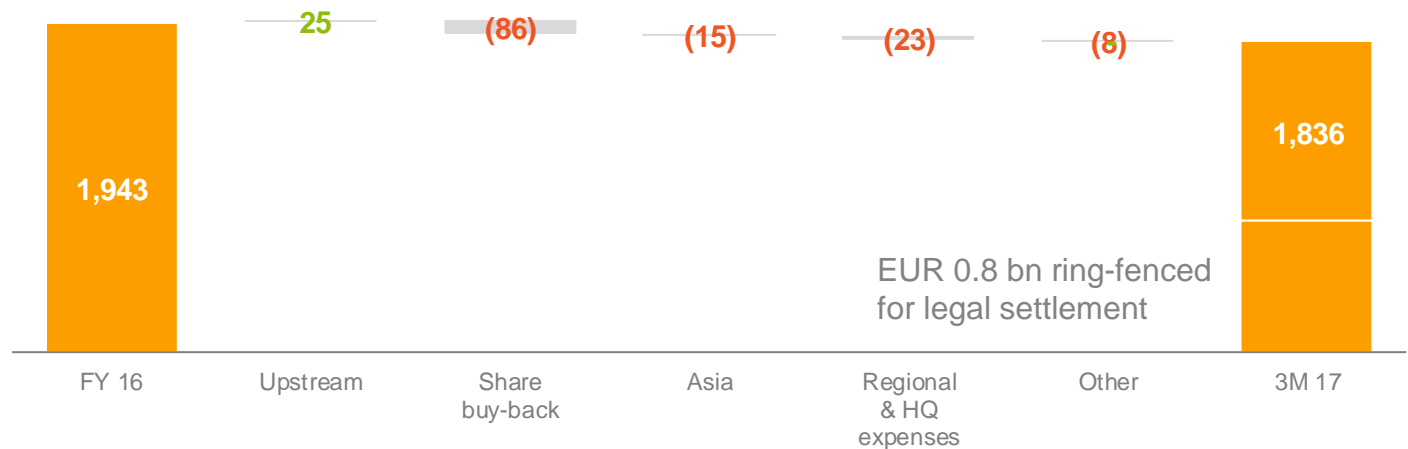
In EUR bn



# Total liquid assets General Account

## Evolution total liquid assets mainly related to share buy-back

In EUR mio



- Upstream received from Portugal
- Another EUR 17 mio cash-out related to 2016 SBB dd. 05/05/17
- Cash-out in **Asia** related to the Philippines
- No further cash-out related to legal settlement - EUR 0.8 bn ring-fenced



# Main characteristics Hybrids

<i>In EUR mio</i>	<b>Ageas</b>	<b>AG Insurance (Belgium)</b>			<b>Fortis Bank (now BNP PF)</b>
	Ageasfinlux Fresh	Fixed-to-Floating Rate Callable	Fixed Rate Reset Perpetual Subordinated Loans	Fixed Rate Reset Dated Subordinated Notes	CASHES
%	3m EUR + 135 bps	5.25%	6.75%	3.5%	3m EUR +200 bps
Amount outstanding	1,250	450	550 USD	400	948
ISIN	XS0147484074	BE6261254013	BE6251340780	BE6277215545	BE0933899800
Call date	Undated, strike 315.0 mandatory 472.5	Jun 24 Step up to 3M Euribor +413 bps	Mar 19 Step up to 6yr USD swap + 533 bps	June 2027 Step up after 12 years of 100bps	Undated, strike 239.4, mandatory 359.1
Other		Subscribed by Ageas & BNP Paribas Fortis	Public issue	Public issue	Coupon served by FBB, trigger ACSM linked to Ageas dividend
Market Price (31/03/17)	57.00	116.90	106.02	100.04	76.06

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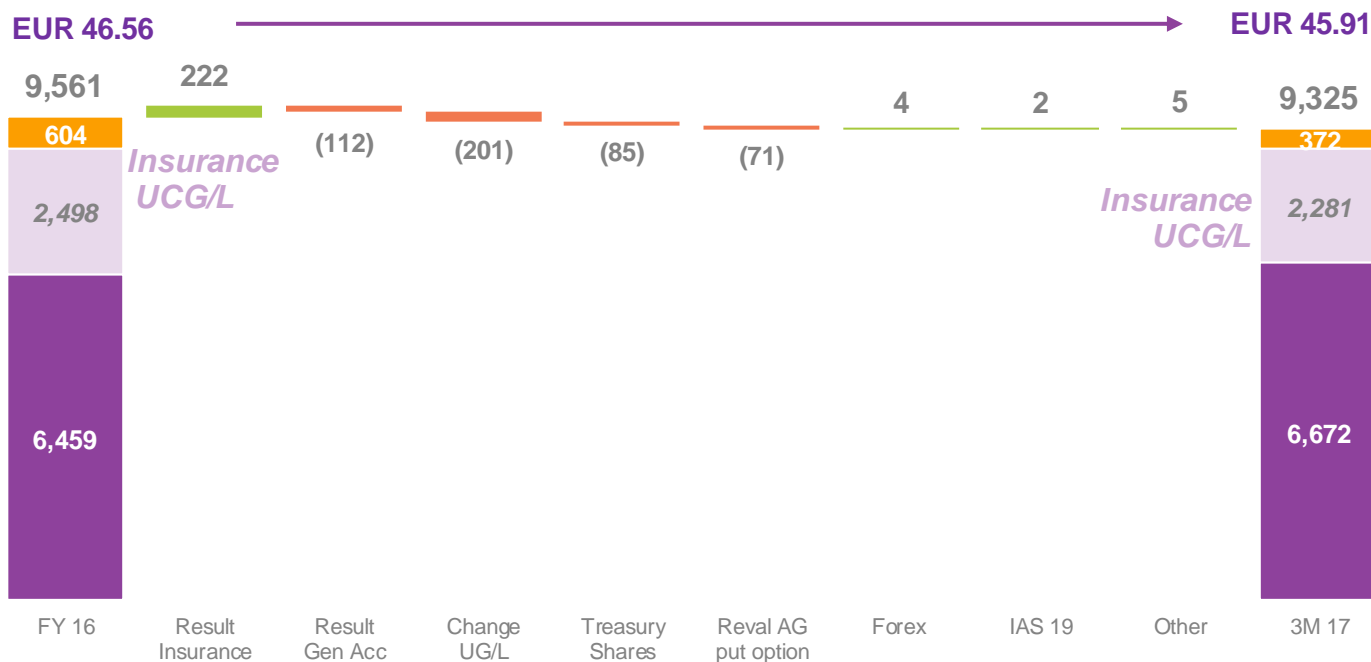


# Shareholders' equity at EUR 9.3 bn - UG/L of EUR 11.17/share

Down on financial markets, put option & return to shareholders

In EUR mio

Shareholders' equity per share



Shareholders' equity per segment

Segment	FY 16	3M 17	Segment	FY 16	3M 17
Belgium	4,683	4,689	Asia	2,004	2,004
UK	815	801	Reinsurance	104	104
Continental Europe	1,350	1,354	Insurance	8,957	8,953
			General Account	604	372



# Tangible net equity

## High quality capital structure

<i>EUR bn</i>	FY 16	3M 17
<b>IFRS Shareholders' Equity</b>	<b>9.6</b>	<b>9.3</b>
Unrealised gains real estate	0.5	0.5
Goodwill	(0.7)	(0.7)
VOBA (Value of Business Acquired)	(0.1)	(0.1)
DAC (Deferred Acquisition Cost)	(0.5)	(0.5)
Other	(0.4)	(0.4)
Goodwill, DAC, VOBA related to N-C interests	0.4	0.4
25% tax adjustment DAC, VOBA & Other	0.2	0.2
<b>IFRS Tangible net equity</b>	<b>8.9</b>	<b>8.7</b>
<b>IFRS Tangible net equity/ IFRS Shareholder's Equity</b>	<b>93%</b>	<b>93%</b>

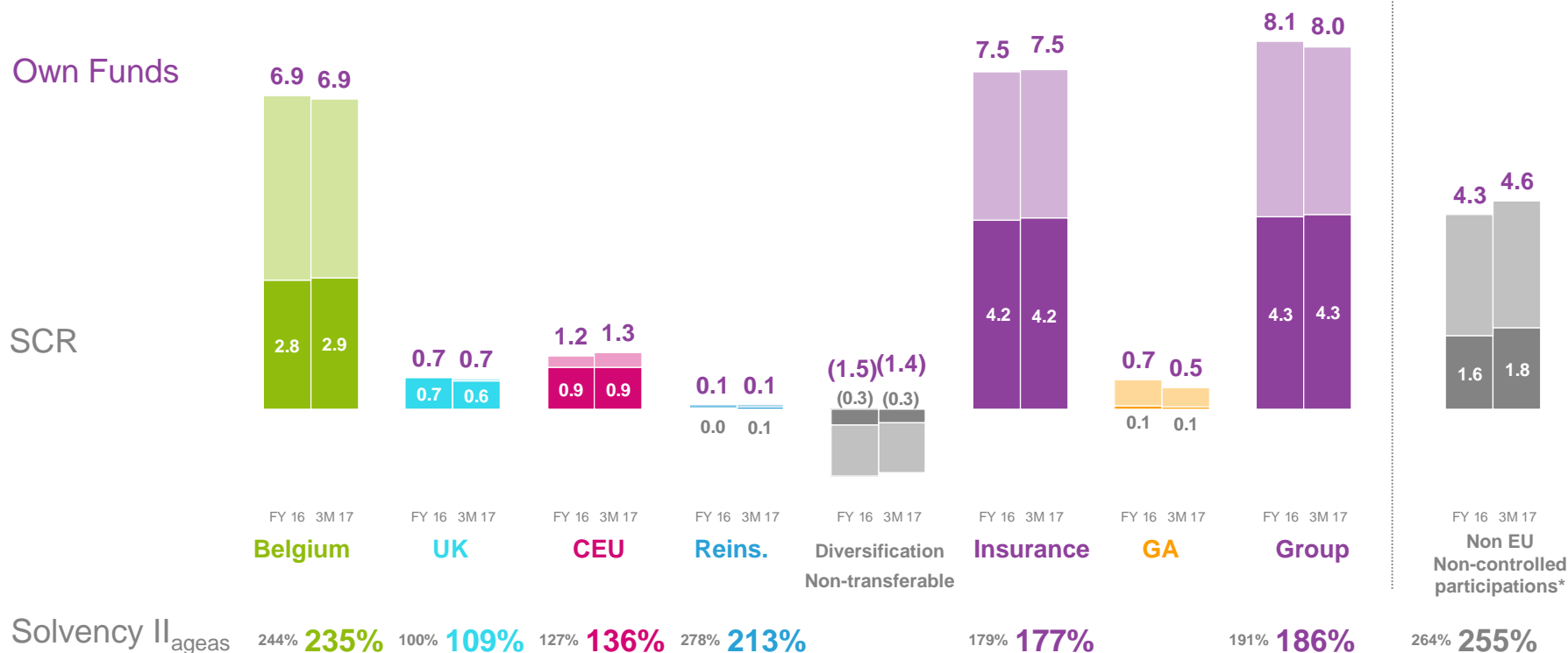


# Solvency II<sub>ageas</sub> Insurance rather stable

## Operational impact making up for expected dividend

In EUR bn

- BE: negative impact from spread
- UK: capital plan installed & partly executed
- CEU: strong operational quarter
- GA: own funds down on net result, SBB & increasing put option liability



Solvency II<sub>ageas</sub>  
in %



\* Based on local solvency requirements

# Ageas Group Solvency II<sub>ageas</sub>

## Main elements driving movement in Solvency ratio

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Impact on  
Solvency II<sub>ageas</sub> \*

**FY '16 → 3M '17**  
**191% → 186%**

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**SBB & Expected dividend**

-4 pp

**Put option liability & RPN(i)**

-4 pp

**Market movements & Other**

Market: mainly spread

Other: mainly operational

+3 pp



\* Estimated impact of the movement, including secondary impact, diversification & non-transferable

# Ageas Insurance Solvency sensitivities

Providing updated sensitivities to allow more accurate assessment

As per 31/12'16

Based on Solvency II<sub>ageas</sub>

	SCR	OF	Solvency
<b>Base case</b> Before stress	4,182	7,478	<b>179%</b>
<b>Yield curve down</b> Down 50 bps	4,456	7,407	<b>166%</b>
<b>Yield curve up</b> Up 50 bps	3,942	7,452	<b>189%</b>
<b>UFR</b> Down to <b>3.65%</b> (from 4.2%)	4,235	7,396	<b>175%</b>
<b>Equity</b> Down <b>30%</b>	4,079	7,189	<b>176%</b>
<b>Property</b> Down <b>20%</b>	4,079	7,189	<b>176%</b>
<b>Spread</b> Spreads on corporate & government bonds up <b>50 bps</b>	4,401	6,888	<b>157%</b>
<b>Corporate spread</b> Spreads on corporate bonds up <b>50 bps</b>	4,054	7,501	<b>185%</b>
<b>Sovereign spread</b> Spread on government bonds up <b>50 bps</b>	4,546	6,849	<b>151%</b>

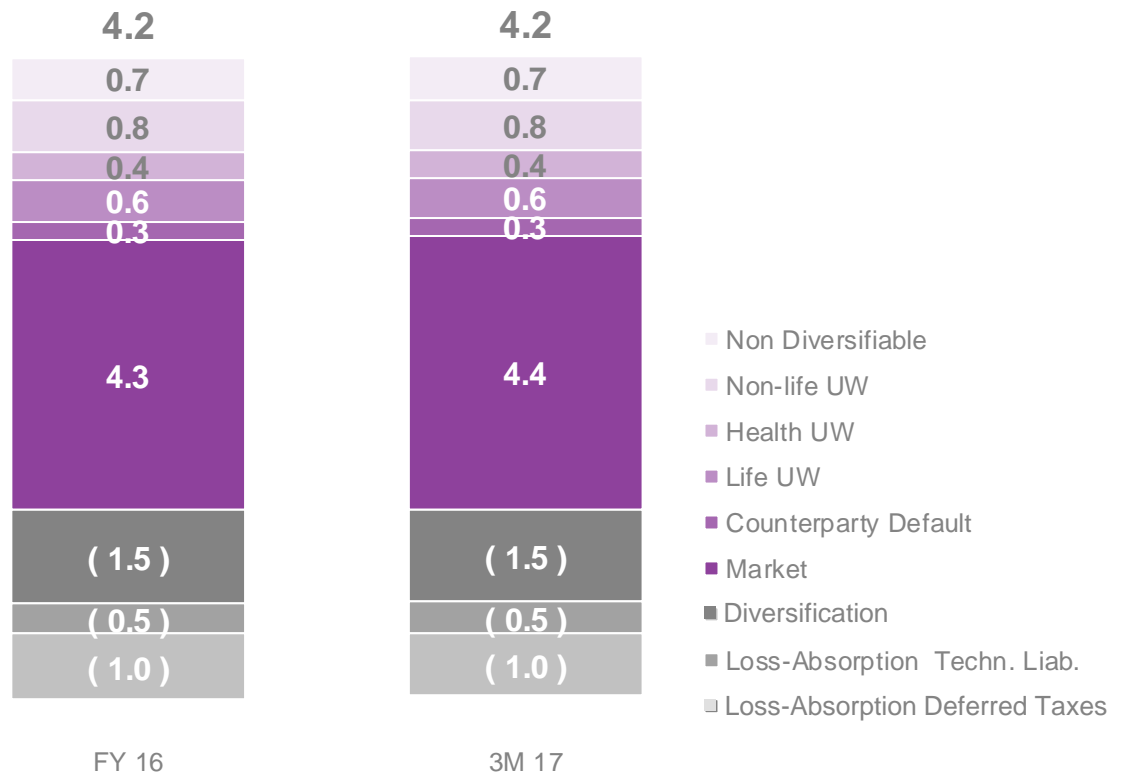


# Insurance SCR<sub>ageas</sub> per risk type

## Market risk main factor in SCR

In EUR bn

Market risk slightly up on changes in asset mix

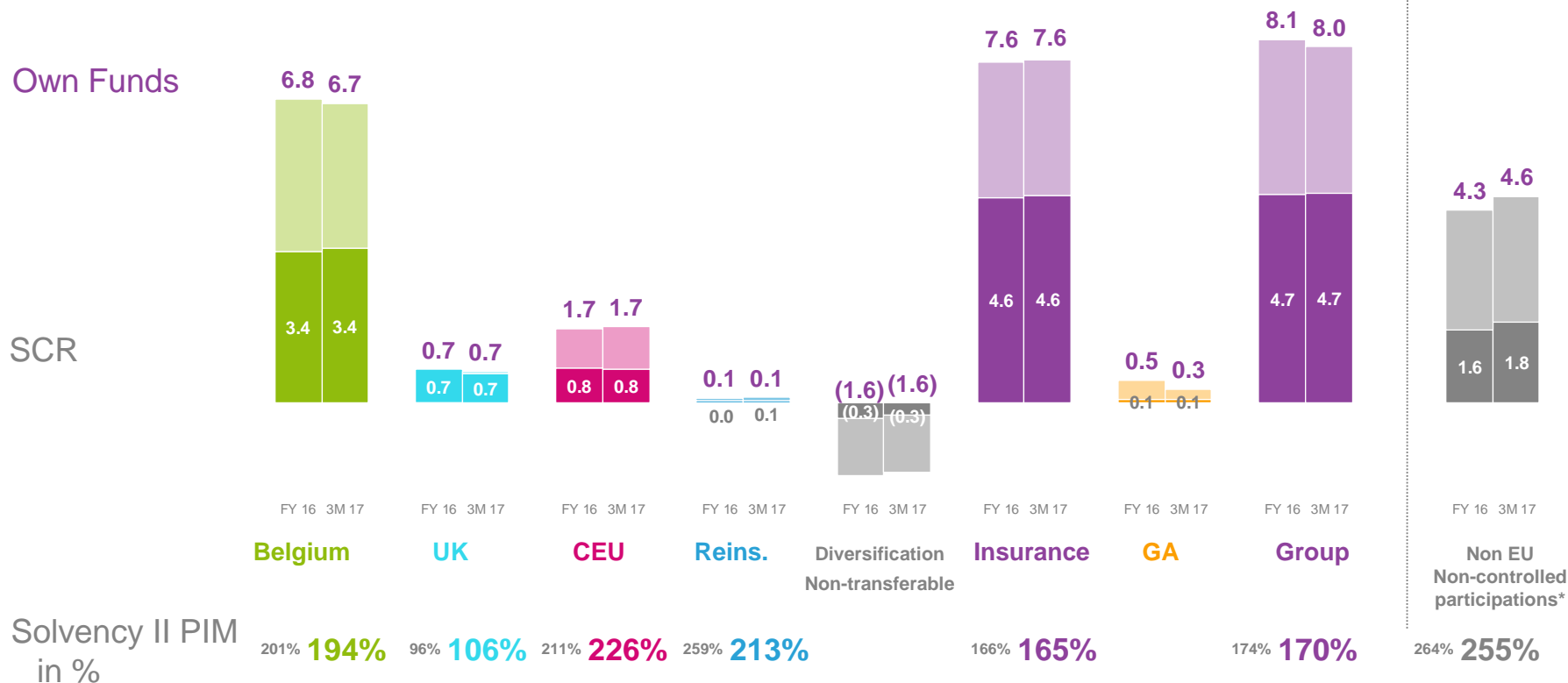


# Solvency PIM – as reported to the regulator under Pillar I

## Insurance ratio flat – Group ratio slightly down on General Account

In EUR bn

- BE: negative impact from spread
- UK: capital plan installed & partly executed
- CEU: strong operational quarter
- GA: own funds down on net result, SBB & increasing put option liability



Solvency II PIM in %



\* Based on local solvency requirements  
 Periodic financial Information I 3M 17 results I 10 May 2017

# Tiering of Group PIM own funds

## High quality of own funds

In EUR bn

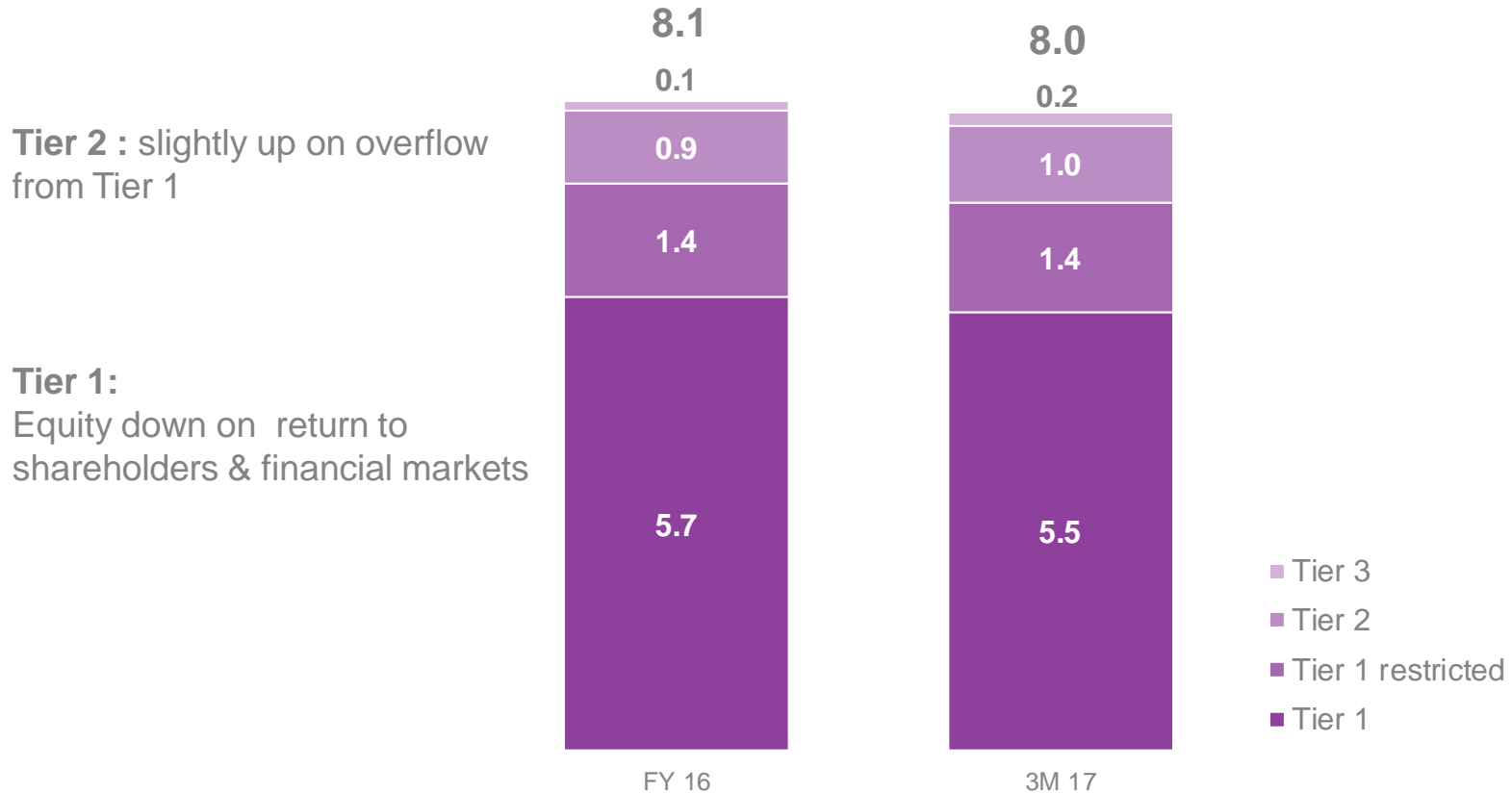


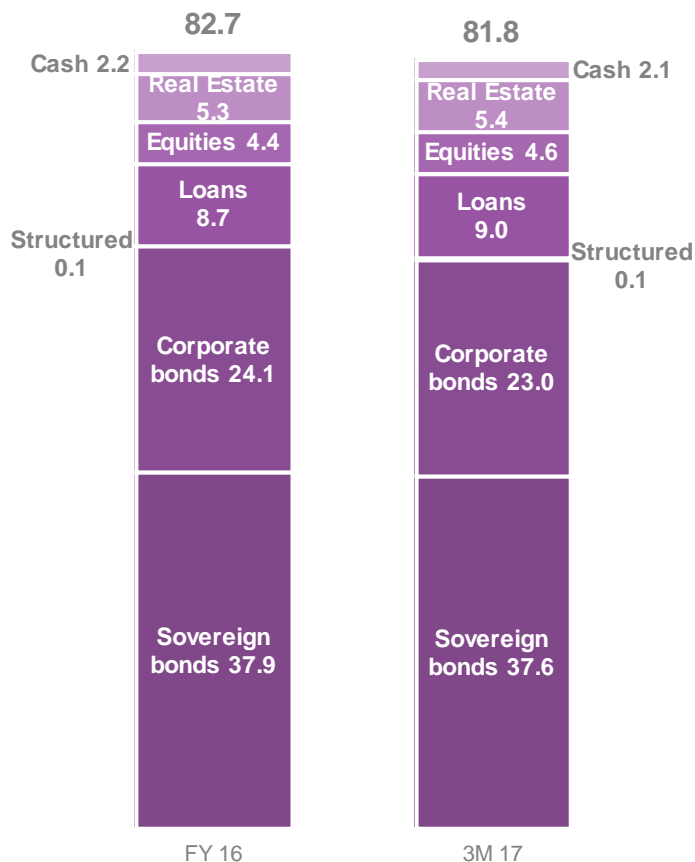
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# Investment portfolio

## Investment portfolio down on unrealized capital gains on fixed income

In EUR bn



### Asset mix

- Asset allocation relatively **stable**
- Loans & equities **increased** at the expense of corporate bonds

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

- Total portfolio: down to **EUR 7.4 bn** (vs. EUR 8.3 bn); down in fixed income & corporate bonds
- Fixed income: at **EUR 6.7 bn** (vs. EUR 7.7 bn FY 16)
  - Sovereigns at EUR 5.1 bn (vs. EUR 5.8 bn)
  - Corporates at EUR 1.6 bn (vs. EUR 1.8 bn)
- Equities: slightly up to **EUR 0.7 bn** (vs. EUR 0.6 bn)

**Gross UG/L on Real Estate:** slightly down to **EUR 1.4 bn** (vs. EUR 1.5 bn) - not reflected in shareholders' equity

**EUR 2.2 bn** unrealized gains/losses on **Held to Maturity** (vs. EUR 2.4 bn) - not reflected in shareholders' equity



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

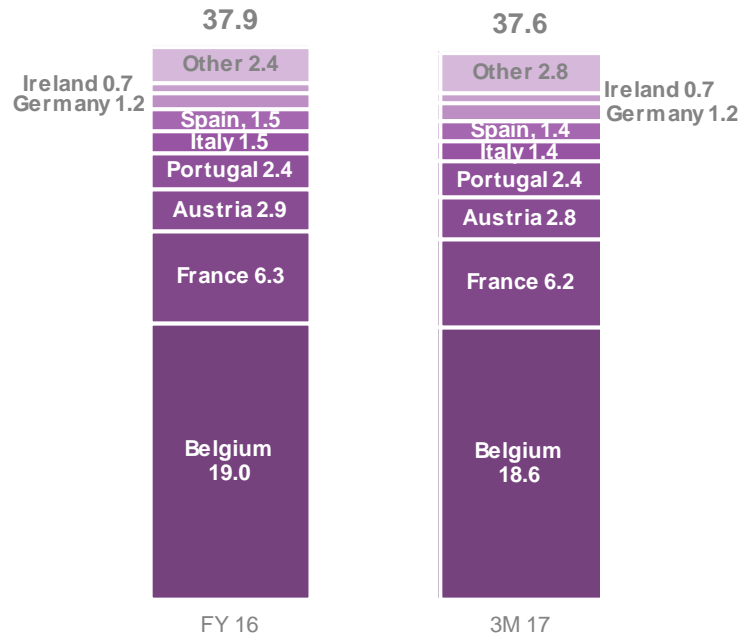


# Sovereign & Corporate bond portfolio

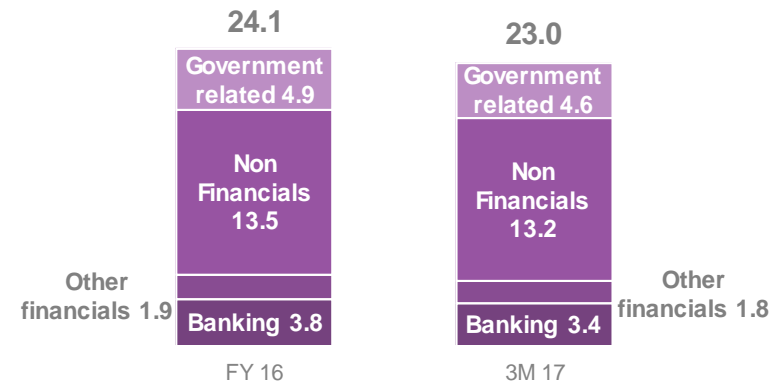
Value fixed income portfolio driven by a decrease in unrealized capital gains

## Sovereign bond portfolio\*

In EUR bn



## Corporate bond portfolio\*



- Decrease driven by **lower UG/L**
- Gross UG/L at **EUR 5.1 bn** (vs. EUR 5.8 bn)
- **94%** investment grade; 87% rated A or higher
- **Belgium Duration** gap close to zero – matched portfolio

- Gross UG/L at **EUR 1.6 bn** (vs. EUR 1.8 bn)
- Credit quality remains high with **93%** investment grade - 57% rated A or higher



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

# Loan & Equity portfolio

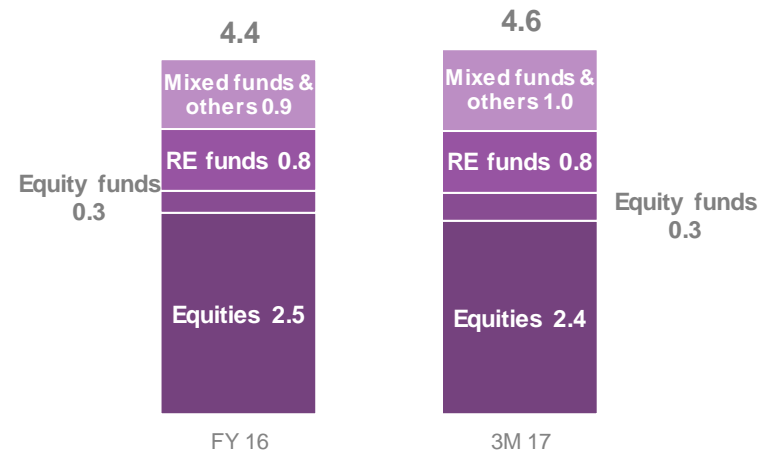
## More loans with guarantee

Loan portfolio (customers + banks)\*  
In EUR bn



- Increase in **other**: loans benefiting from an explicit guarantee by the Belgian regions or the Dutch State
- Higher exposure in loans to **customers**

Equity portfolio\*



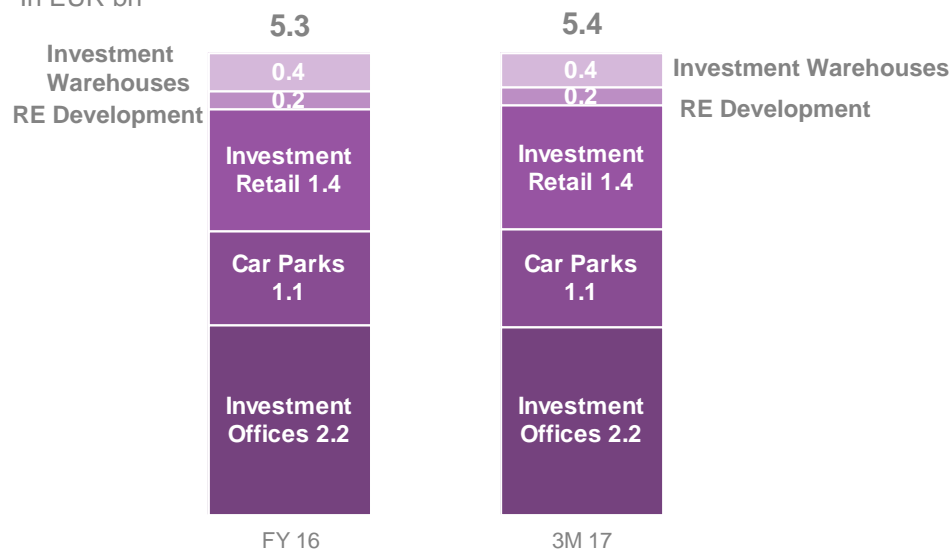
- Gross UG/L slightly up to **EUR 0.7 bn** (vs. EUR 0.6 bn)



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

# Real estate portfolio

In EUR bn



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



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

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# Settlement between Ageas & claimants organisations

Judgment on 16 June 2017

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## Announcement 14/03/2016

- Ageas pays EUR 1,204 mio compensation - Cash impact of EUR 1,021 mio
- P&L impact of EUR 889 mio in 3M 2016
- **No recognition** of any **wrongdoing** by Ageas
- Commitment by eligible shareholders to **abandon** any ongoing **civil proceeding** & not to start any legal proceeding related to the events
- Additional **support** received since announcement

## Based on WCAM

- Intervention of Amsterdam Court declaring settlement binding
- First distribution of compensation not before 18 months after announcement

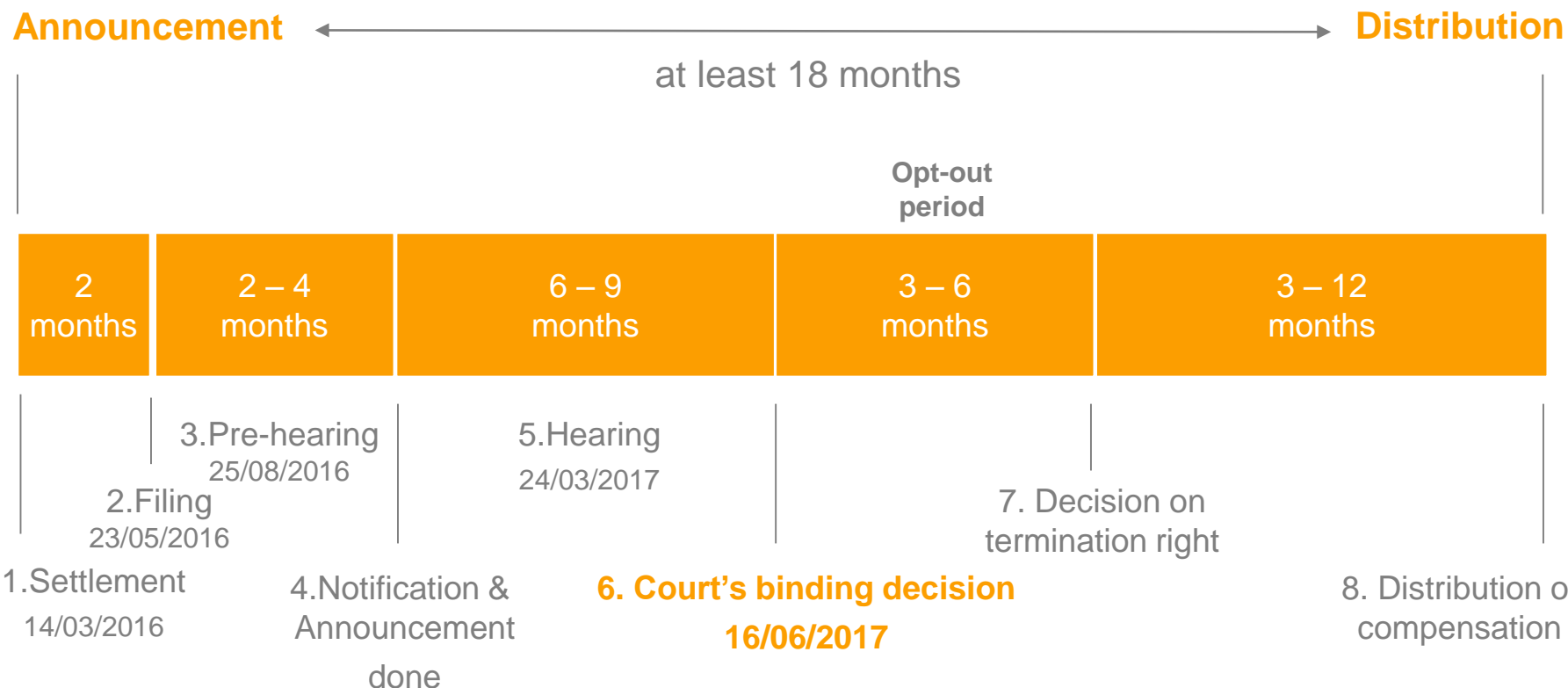
## Current status

- **Judgment on binding character on 16 June 2017** (after close of market)
- More **details** on compensation per share & calculation aid available on [www.Forsettlement](http://www.Forsettlement)



# Fortis Settlement – WCAM indicative timeline

Judgment on 16 June 2017

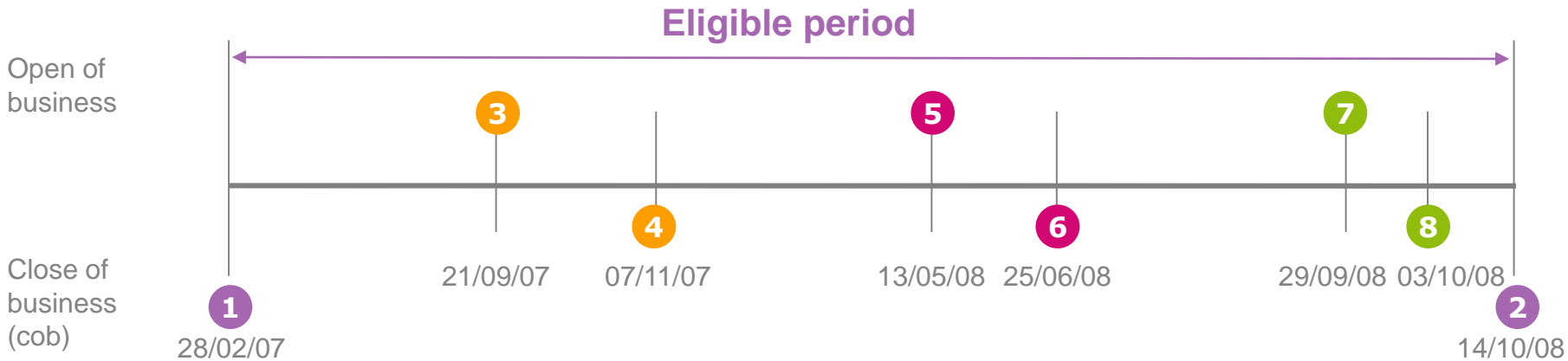


- Claim forms can be submitted to claims administrator as from notification of binding declaration, & up to one year as from that moment



# Progress in solving legal legacies

## Periods involved



### Reference periods based on

- The various litigation procedures
- Main allegations
- Judgments rendered so far

### 3 reference periods

- **21 September 2007 → 7 November 2007 cob**
  - Communication on subprime exposure, organisation of capital increase for ABN AMRO acquisition - period linked to AFM II fine
- **13 May 2008 → 25 June 2008 cob**
  - Communication on solvency after full integration of ABN AMRO – period linked to AFM I fine
- **29 September 2008 → 3 October 2008 cob**
  - Communication on the deal with the Benelux governments – period linked to FortisEffect case



# Details of settlement

Indicative compensation per unit based on estimated participation in settlement

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	In eurocent	Period 1	Period 2	Period 3
Non-active claimants	Buyers	38	85	25
	Holderes	19	43	13
	Claim form add-on: 50 eurocent/unit – max EUR 200			
Active claimants	Buyers	56	128	38
	Holderes	28	64	19
	Retail add-on: 50 eurocent/unit - max EUR 550 – calculated on highest # units held over the 3 periods			
Claim form add-on: 50 eurocent/unit – max EUR 400				

EUR 1.2 bn is capped

- Final compensation/unit determined after submission period
- Participating units > estimated → compensation/unit lower
- Participating units < estimated → compensation/unit higher
- Calculation module based on indicative amounts available on [www.FORsettlement.com](http://www.FORsettlement.com)





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# Total number of outstanding shares

Proposal to cancel 7.2 mio shares presented to Shareholders' meeting

ageas

situation 31/12/2016    situation 31/03/2017    situation 05/05/2017

<b>Total Issued Shares</b>		<b>216,570,471</b>	<b>216,570,471</b>	<b>216,570,471</b>
Shares not entitled to dividend nore voting rights		15,143,439	<b>cancellation</b> → 17,388,760	17,730,117
1. TREASURY SHARES				
Share buy-back		7,170,522	<b>SBB &amp; cancellation</b> → 9,415,843	<b>SBB</b> → 9,803,004*
FRESH		3,968,254	3,968,254	3,968,254
Other treasury shares		45,804	45,804	0
2. CASHES				
		3,958,859	<b>CASHES deal with BNP</b> → 3,958,859	3,958,859
Shares entitled to dividend & voting rights		201,427,032	199,181,711	198,840,354

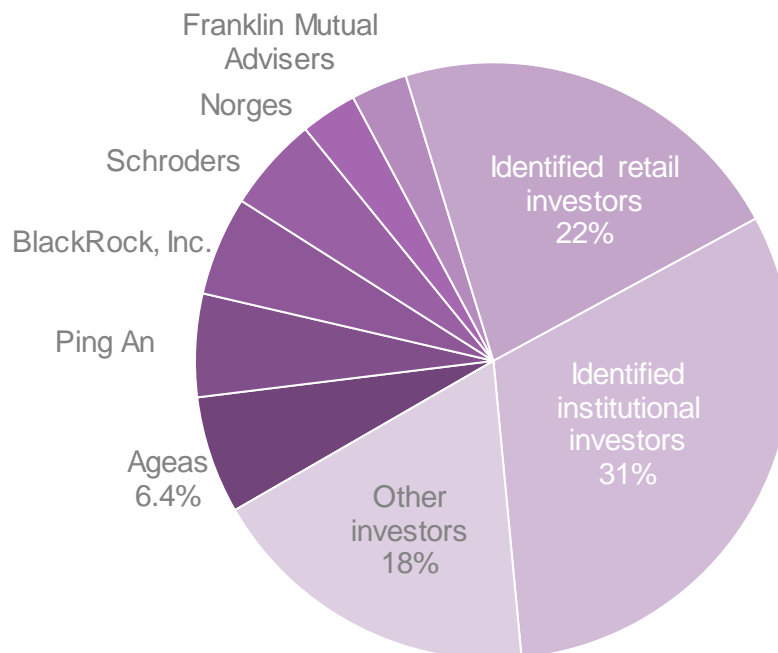
\* After deduction of shares for management plans



# Shareholders structure

## Ageas above 5% threshold following SBB

Based on number of shares as at 5 May 2017



Ageas Based upon press release 8 May 2017

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

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

Schrodgers Based upon the number of shares mentioned in the notification received 14 December 2015

Norges Based upon the number of shares mentioned in the notification received 13 April 2017

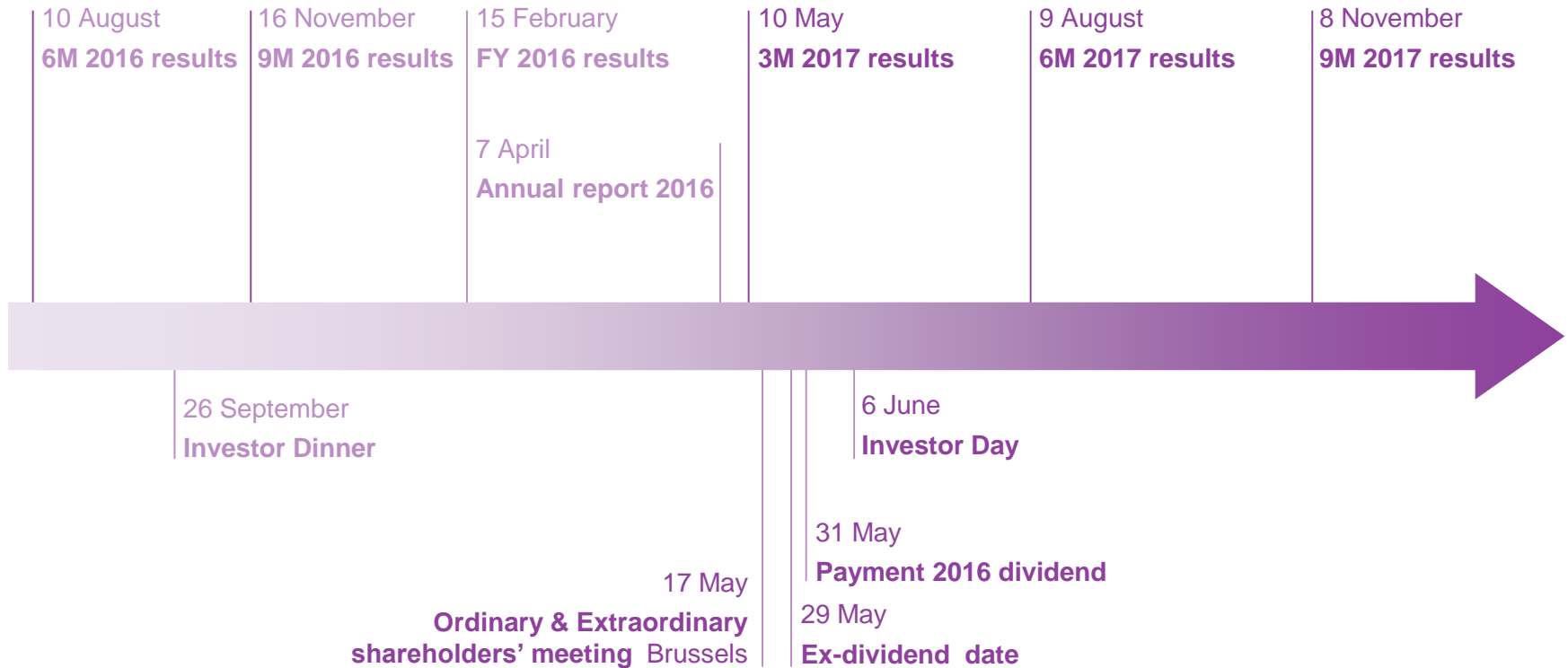
Franklin Mutual Advisers Based upon the number of shares mentioned in the notification received 14 July 2015

Identified retail investors Estimate by **NASDAQ OMX**

Identified institutional investors Estimate by



# Financial calendar 2016 - 2017



# Rating

## Improved rating for operating entities & holding

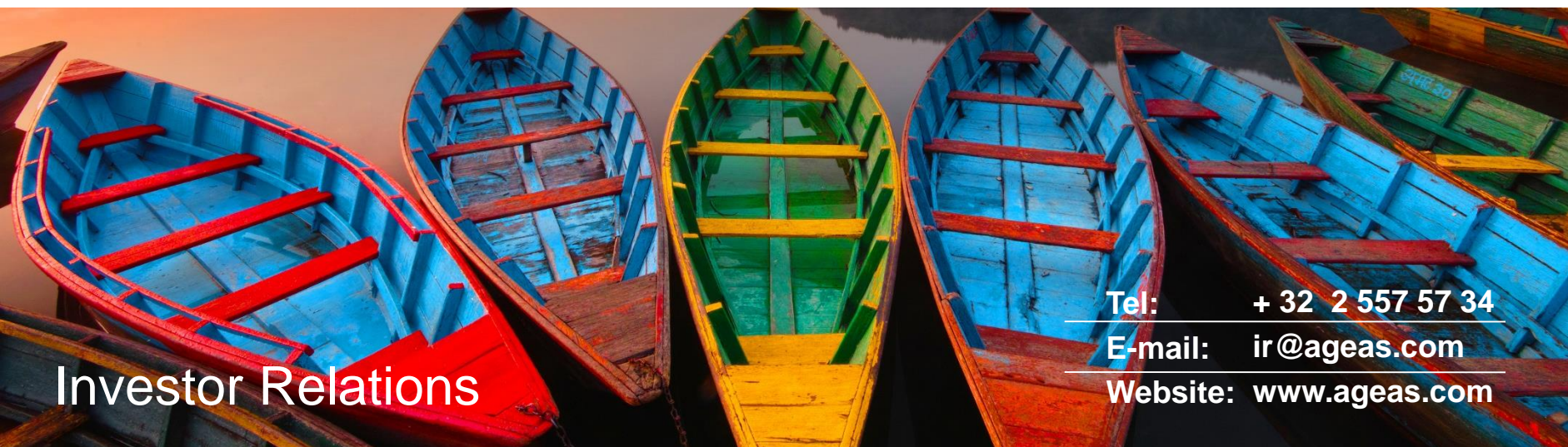


		S&P	MOODY'S	FITCH
Operating entities	<b>AG Insurance (Belgium)</b>	A / stable	A2 / stable*	A+ / stable
	Last change	06/11/15	17/03/16 unsolicited	09/12/16
	<b>Ageas Insurance Limited</b>	A / stable		A+ / stable
	Last change	06/11/15		23/11/16
	<b>Muang Thai Life</b>	BBB+ / stable		A- / stable
	Last change	29/12/10		27/07/16
Holding	<b>Etiqa Insurance Berhad (Malaysia)</b>			BBB+ / stable
	Last change			27/07/16
	<b>China Taiping Life</b>			<b>A+ / stable</b>
	Last change			<b>06/04/17</b>
	<b>Intreas</b>	A / stable		
	Last change	11/11/16		
Holding	<b>ageas SANV</b>	BBB / stable	Baa3 / positive*	A / stable
	Last change	15/03/16	30/11/16 unsolicited	09/12/16

\* Ageas has requested in early 2009 that this rating should be withdrawn. Ageas no longer participates in Moody's credit rating process. Ageas does not provide, for purposes of Moody's rating, access to the books, records and other relevant internal documents of these rated entities.



Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Future actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in Ageas's core markets, (ii) performance of financial markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates, (viii) increasing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the Economic and Monetary Union, (x) changes in the policies of central banks and/or foreign governments and (xi) general competitive factors, in each case on a global, regional and/or national basis. In addition, the financial information contained in this presentation, including the pro forma information contained herein, is unaudited and is provided for illustrative purposes only. It does not purport to be indicative of what the actual results of operations or financial condition of Ageas and its subsidiaries would have been had these events occurred or transactions been consummated on or as of the dates indicated, nor does it purport to be indicative of the results of operations or financial condition that may be achieved in the future.



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