



# 3M 2020 RESULTS

Periodical Financial Information

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## Main messages

### Resilient operational performance in Covid-19 era

#### Results

- First quarter Group net result strongly supported by exceptional non-cash one-off
- Overall solid underlying operational performance mitigating lower investment result due to Covid-19 pandemic
- Strong solvency and cash position

#### Capital management

- Finalization of Fresh Tender offer
- Additional tranche acquired early April

#### Dividend

- Intention to pay full announced dividend with adjusted distribution after guidance by Insurance regulator

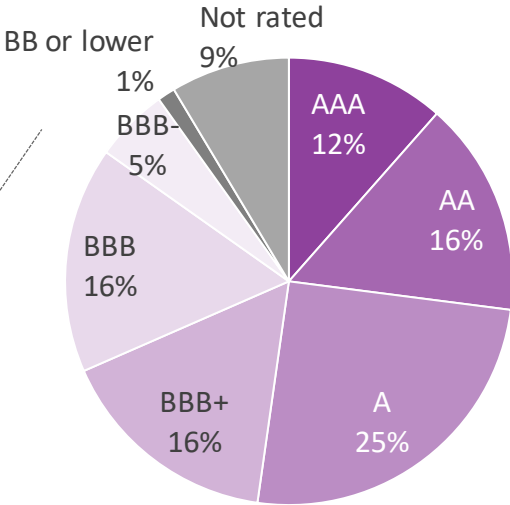
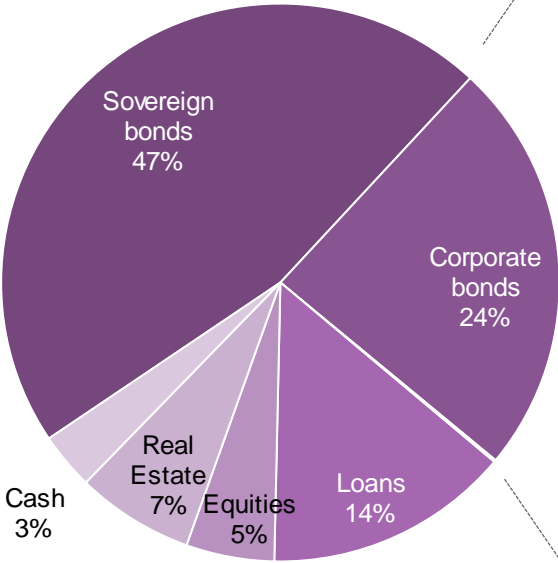
#### Covid-19

- Impact on economy and financial markets likely to continue to affect Ageas's performance and results. As a consequence, Ageas cannot confirm its profit guidance for 2020.

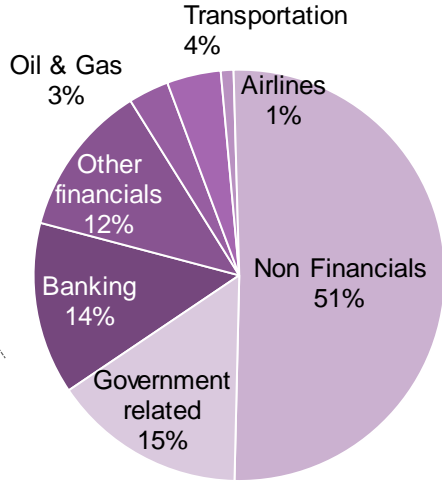
# Investment portfolio

## Limited investments in corporate bonds

In EUR bn



- BBB exposure only 9% of **total investment portfolio** / only 1% BBB-
- Impact Solvency II<sub>ageas</sub> of all Corporate bonds 1 notch down <5pp



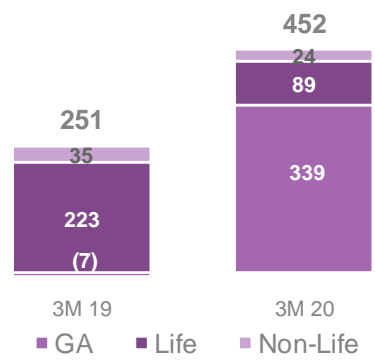
- **Limited exposure** to Oil & Gas (86% rated A or higher), Airlines (all BBB) & Transportation (77% rated A or higher)

\* All assets at fair value except the 'Held to Maturity' assets & loans which are valued at amortized costs ; consolidated @100%

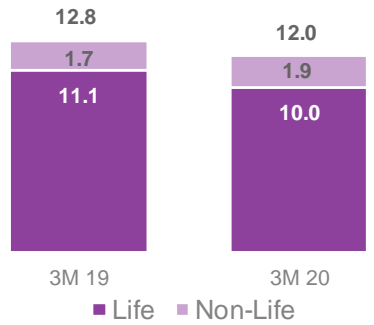
# Ageas Headlines

## Group net result up on Fresh cap gain – Resilient underlying insurance performance

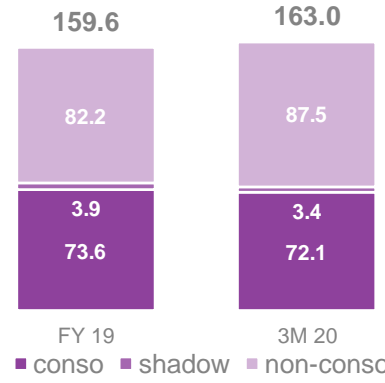
Net result: Lower cap gains, weather & Fresh tender  
In EUR mio



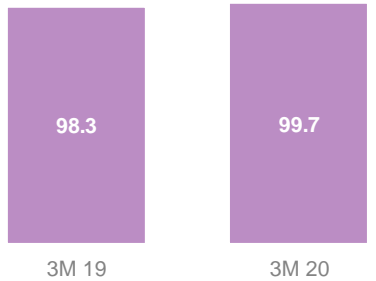
Inflows\*: Lower Life – continued growth in Non-Life  
In EUR bn



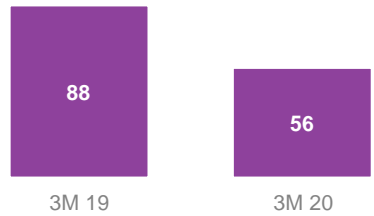
Life Technical liabilities\* increasing in non-conso  
In EUR bn



Combined ratio impacted by bad weather in both periods (8pp in '20 vs. 6pp in '19)  
In % NEP



Guaranteed Margin: lower investment result  
In bps avg technical liabilities



Operating margin Unit-Linked: Up in Belgium & Portugal – Down in France  
In bps avg technical liabilities

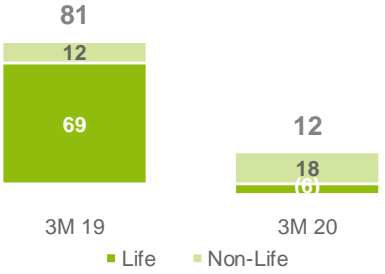


\* incl. non-consolidated partnerships @ 100%

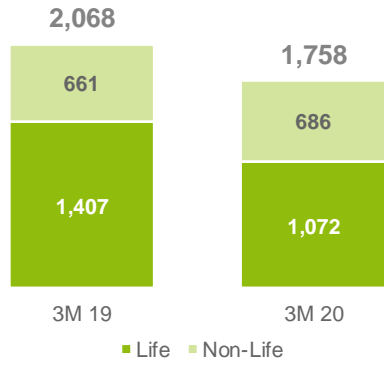
# Belgium Headlines

## Solid underlying performance offset by adverse financial markets & weather

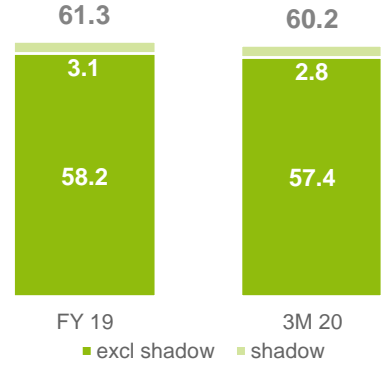
Net result: EUR 88 mio lower net capital gains  
In EUR mio



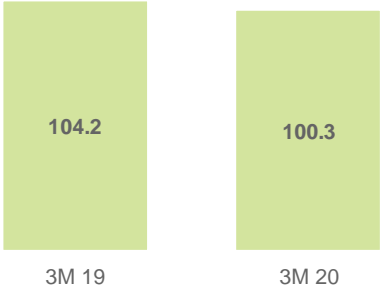
Inflows: 3M 19 included UL cash-back campaign - Non-Life +4%  
In EUR mio



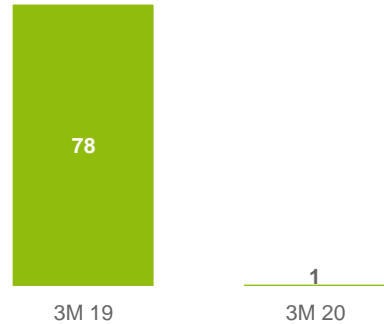
Life Technical Liabilities lower due to decrease of UL unit prices  
In EUR bn



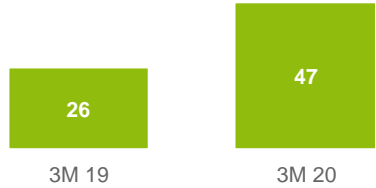
Non-Life combined ratio impacted by weather (12 pp) - Solid Motor & Other lines  
In % NEP



Operating margin Guaranteed suffered from financial markets (-44 bps)  
In bps avg technical liabilities



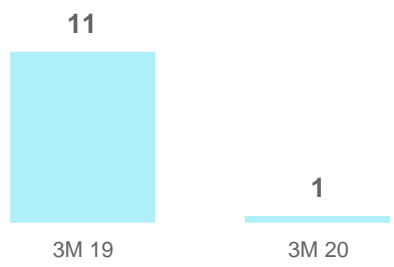
Operating margin Unit-Linked – 3M 19 incl. cost of cash back campaign (≈15 bps)  
In bps avg technical liabilities



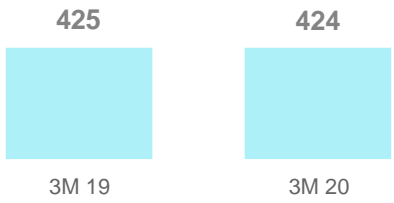
**UK**  
**Headlines**

Weather events heavily impacting net result

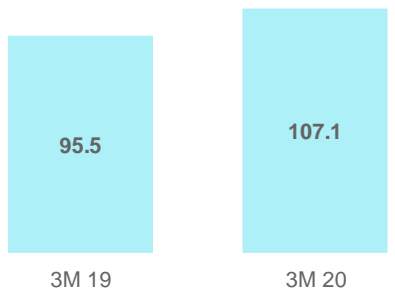
Net result impacted by weather events  
(Ciara & Dennis storms)  
In EUR mio



Inflows\* stable compared with 3M 2019  
In EUR mio



Non-Life combined ratio @ 98.7%  
excluding February weather events  
In % of NEP



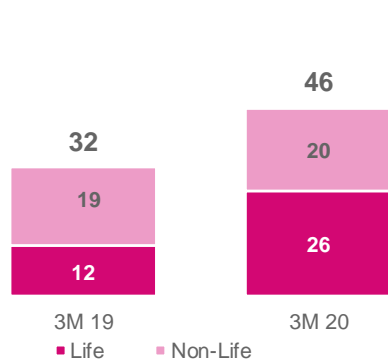
\* incl. non-consolidated partnerships @ 100%

# CEU

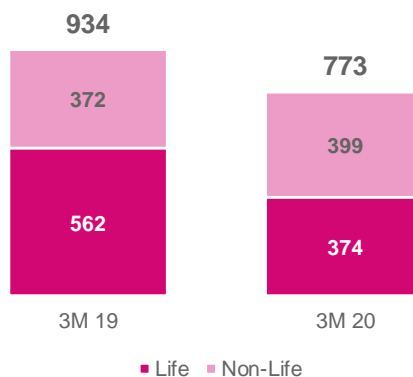
## Headlines

### Strong operating performance Life result supported by reserve release

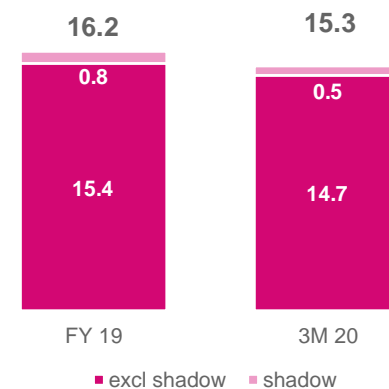
Net result strongly up on reserve release in Life - Solid performance in Non-Life  
In EUR mio



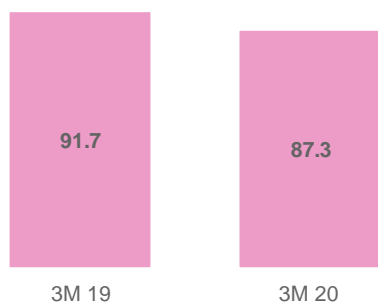
Inflows down 17% on low i-rates – strong growth in Non-Life (+12% at cst. FX)  
In EUR mio



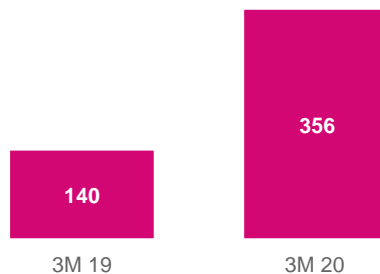
Life Technical liabilities 6% down due to UL following the drop in financial markets  
In EUR bn



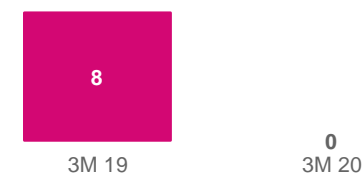
Excellent Non-Life combined ratio  
In % NEP



Operating margin Guaranteed up on reserve release in Portugal (251 bps)  
In bps avg technical liabilities



Operating margin Unit-Linked impacted by financial markets volatility  
In bps avg technical liabilities



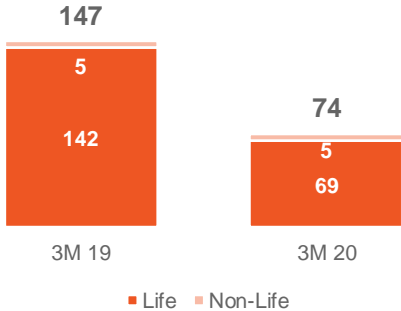


# Asia

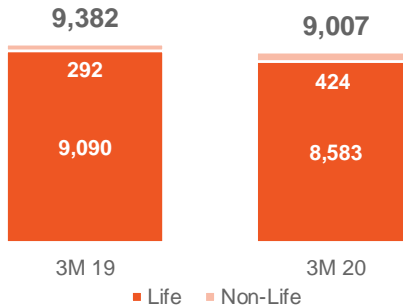
## Headlines

### Resilient operational performance mitigating negative impact from Covid-19

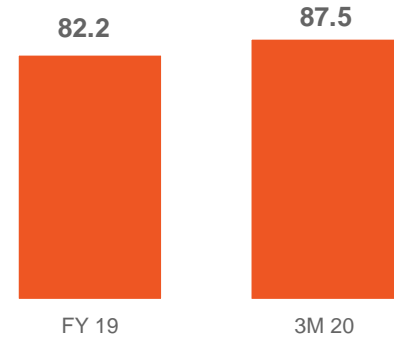
Resilient net result compared to an exceptionally high result LY  
In EUR mio



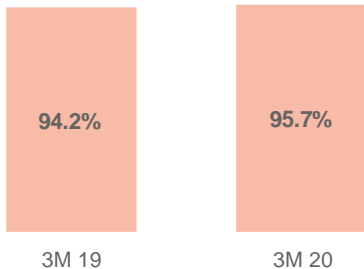
Inflows\* -4% @ constant FX due to Covid-19, cushioned by renewals  
In EUR mio



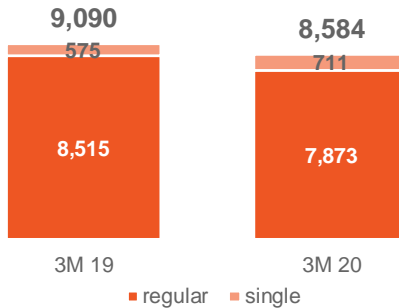
Life Technical liabilities up 7% from renewals  
In EUR bn



Higher Non-Life combined ratio following the acquisition in India (only partly integrated in Q1 2019)  
In % NEP



Regular premium: remaining above 90% of Life inflows  
In EUR mio



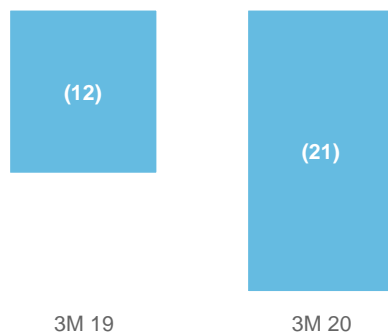
Additional information on Ageas non-consolidated partnerships in Asia is available on the excel spreadsheet published on Ageas' website under quarterly results ([www.ageas.com/investors/quarterly-results](http://www.ageas.com/investors/quarterly-results))

\* incl. non-consolidated partnerships @ 100%

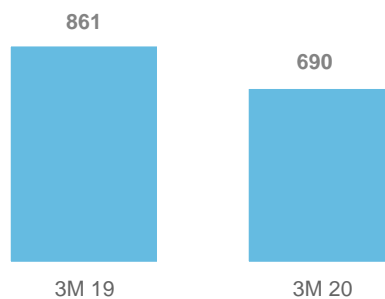
# Reinsurance Headlines

## Cession rate on internal QS & LPT reinsurance agreements up to 40%

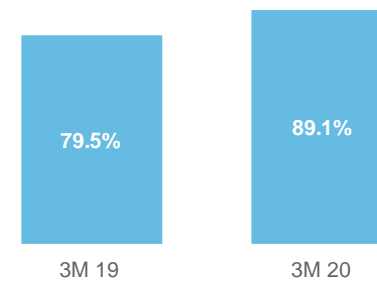
Net result: impacted by adverse weather  
In EUR mio



Inflows: EUR 420 mio from QS agreements  
In EUR mio



Combined ratio: slightly higher claims  
In % NEP



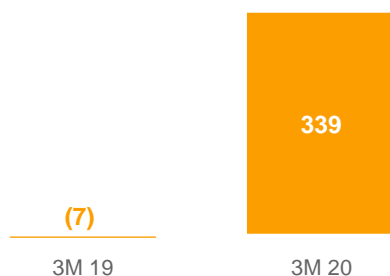
### ageas SA/NV reinsurance activities

- Implementation of an internal reinsurance programme within ageas SA/NV in order to enhance capital fungibility in the group
- Non-Life Quota Share (QS) Treaties: 40% with AG Insurance in Belgium\*, 40% with Ageas Insurance Limited in the UK, and 40% with all Portuguese Non-Life Entities
- Loss Portfolio Transfers (LPT): 40% with Ageas Insurance Limited in the UK, and 40% with the Portuguese Non-Life Entities
- The Pillar I Solvency II for ageas SA/NV amounted to 343%

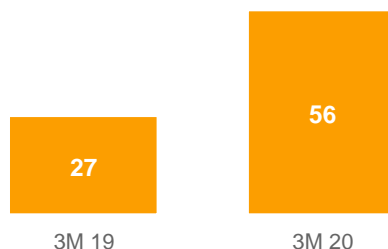
\* of which 75% is underwritten by ageas SA/NV

### Result driven by capital gain on the tender of Fresh securities & RPN(i) revaluation

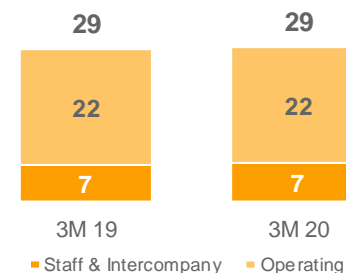
Net result: capital gain on tender of the Fresh & positive RPN(i) contribution  
In EUR mio



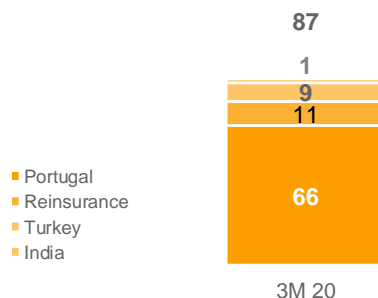
Positive evolution of RPN(i)  
In EUR mio



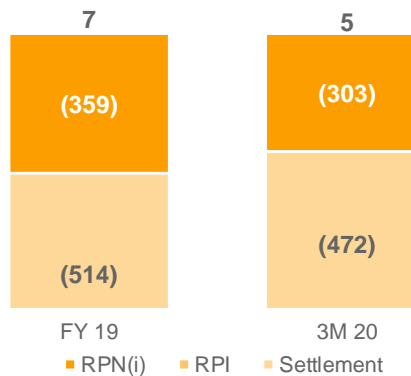
Staff & Operating expenses: include non-recurring costs  
In EUR mio



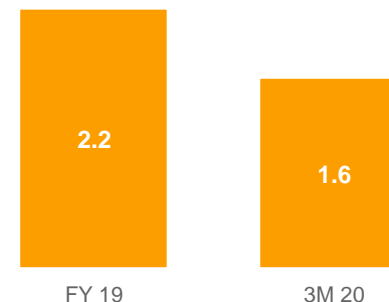
Upstream from Portugal, Reinsurance, Turkey & India  
In EUR mio



Value legacies  
In EUR mio

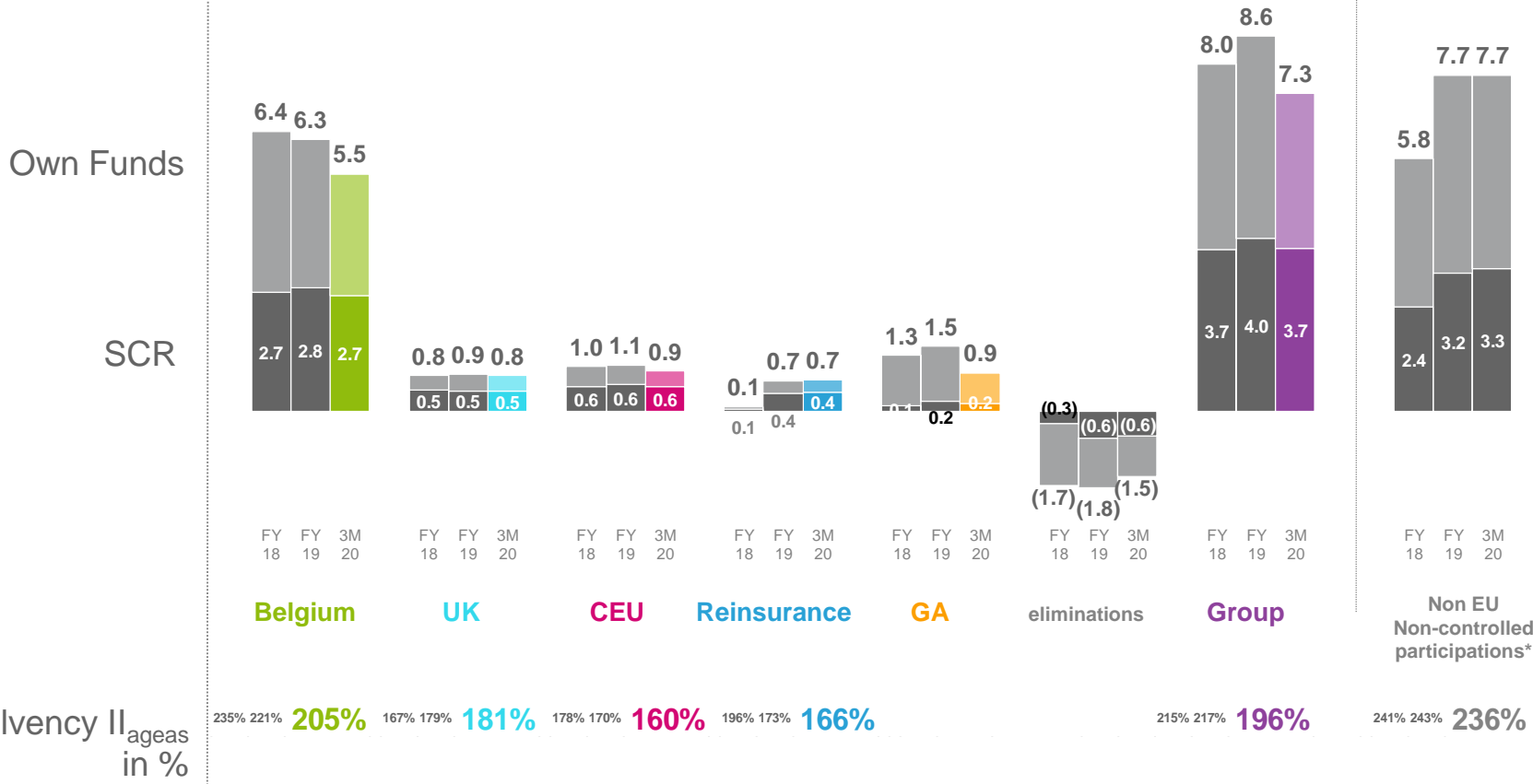


Total liquid assets down following tender of the Fresh securities  
In EUR bn



# Solvency II<sub>ageas</sub>

Solvency still comfortably exceeding target level after Fresh transaction & market impact



\* Based on local solvency requirements

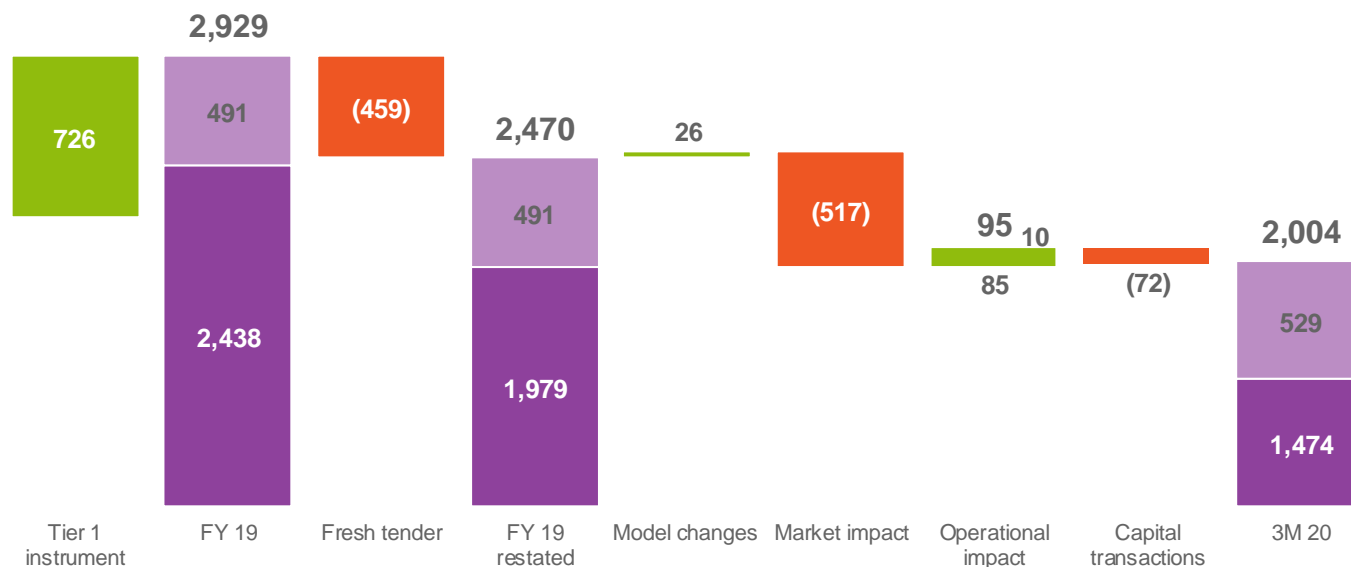
## Operational FCG affected by February storms

# Free Capital Generation Solvency II<sub>ageas</sub>

In EUR mio

expected dividend

Based on 175% SCR Solvency II<sub>ageas</sub>



- Operational impact – includes EUR 10 mio dividend upstream Non-European NCP's
- Market: Covid-19 impact
- Fresh tender: pre-compensated by EUR 750mio T1 in 2019
- Capital transactions = SBB & injection in Asia

\* FCG Non-European NCP's over FY 2019 at EUR 806 mio - Operational FCG at EUR 369 mio - outside of Solvency II scope



# Conclusions

1. Insurance activities have proven resilient
2. Both capital & cash positions remain strong
3. Confident in the solid fundamentals of the Group

# Content

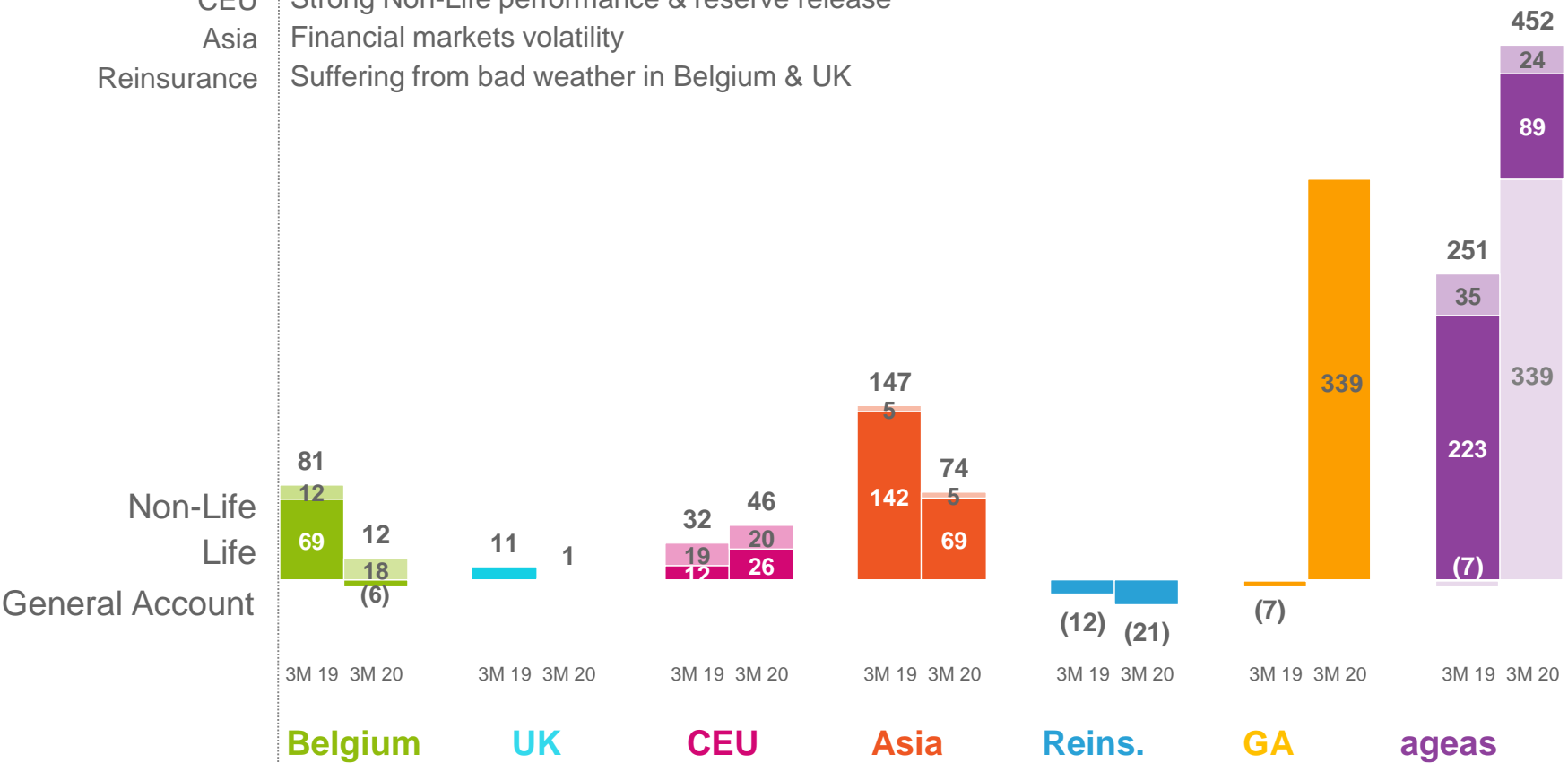
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# Net result

## Resilient operating performance offset by Covid-19 and weather

In EUR mio

- Belgium Result suffering from market volatility & storms
- UK Result reflecting challenging Motor market & storms
- CEU Strong Non-Life performance & reserve release
- Asia Financial markets volatility
- Reinsurance Suffering from bad weather in Belgium & UK





# Ageas

## Inflows @ 100%

### Continued strong Non-Life growth – Inflows down in Life

In EUR mio

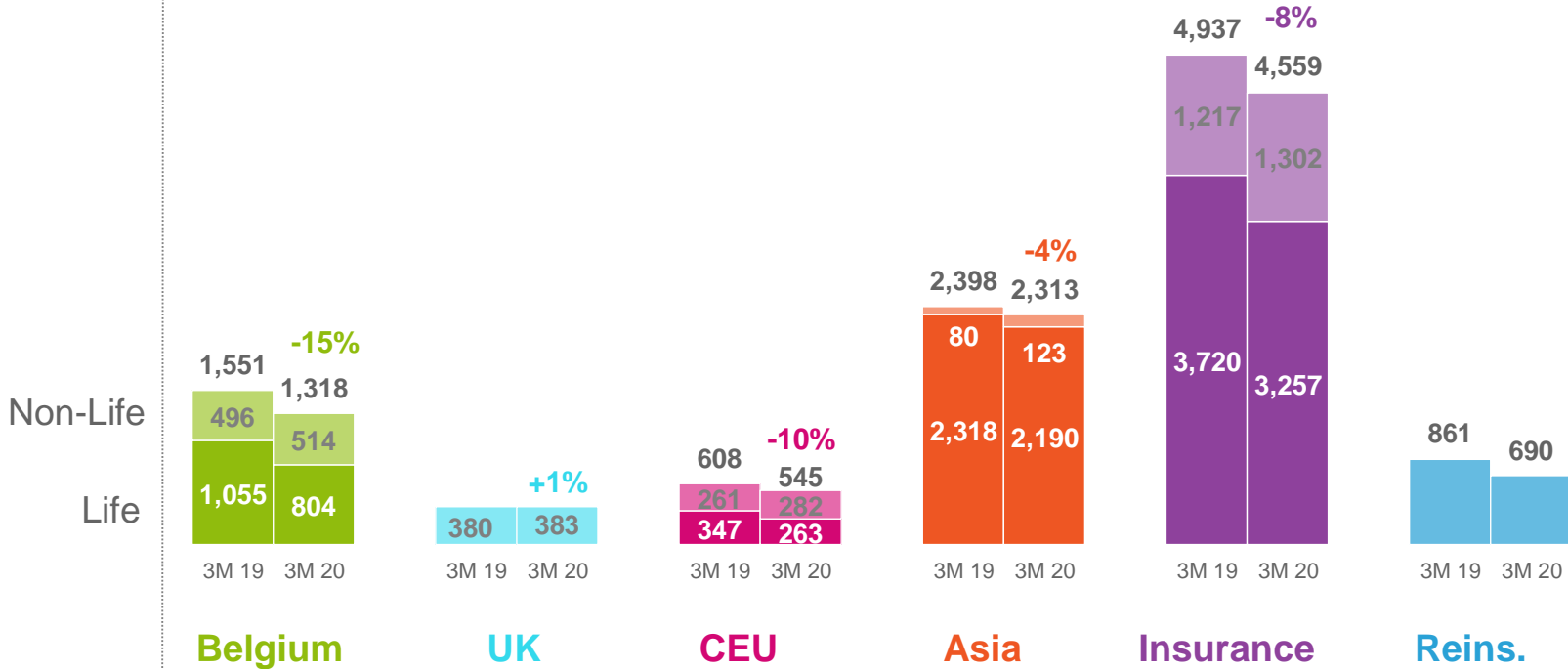
EUR mio		Life			Non-Life			Total		
		3M 19	3M 20		3M 19	3M 20		3M 19	3M 20	
<b>Belgium</b>	75%	<b>1,407</b>	<b>1,072</b>	(24%)	<b>661</b>	<b>686</b>	4%	<b>2,068</b>	<b>1,758</b>	(15%)
<b>United Kingdom</b>				-	<b>425</b>	<b>424</b>	(0%)	<b>425</b>	<b>424</b>	(0%)
Consolidated entities	100%			-	335	342	2%	<b>335</b>	<b>342</b>	2%
Non-consolidated JV's	50%				90	82	(8%)	<b>90</b>	<b>82</b>	(8%)
<b>Continental Europe</b>		<b>562</b>	<b>374</b>	(33%)	<b>372</b>	<b>399</b>	7%	<b>934</b>	<b>773</b>	(17%)
Consolidated entities		<b>562</b>	<b>374</b>	(33%)	<b>199</b>	<b>216</b>	9%	<b>761</b>	<b>590</b>	(22%)
Portugal	51% - 100%	465	251	(46%)	199	216	9%	664	467	(30%)
France	100%	97	123	27%				97	123	27%
Non-consolidated JV's		<b>0</b>			<b>173</b>	<b>183</b>	6%	<b>173</b>	<b>183</b>	6%
Turkey (Aksigorta)	36%				173	183	6%	173	183	6%
<b>Asia Non-consolidated JV's</b>		<b>9,090</b>	<b>8,583</b>	(6%)	<b>292</b>	<b>424</b>	45%	<b>9,382</b>	<b>9,007</b>	(4%)
Malaysia	31%	236	296	26%	162	199	22%	398	495	24%
Thailand	31% - 15%	604	496	(18%)	87	113	30%	691	610	(12%)
China	25%	8,140	7,680	(6%)				8,140	7,680	(6%)
Philippines	50%	7	10	46%				7	10	46%
Vietnam	32%	15	23	58%				15	23	58%
India	26% - 40%	89	78	(12%)	42	112	164%	131	189	45%
<b>Insurance Ageas</b>		<b>11,059</b>	<b>10,030</b>	(9%)	<b>1,749</b>	<b>1,932</b>	10%	<b>12,809</b>	<b>11,962</b>	(7%)
<b>Reinsurance</b>					<b>861</b>	<b>691</b>		<b>861</b>	<b>691</b>	
accepted from Consolidated entities					859	683		859	683	
accepted from Non-consolidated partnerships					2	7		2	7	

# Inflows @ ageas part

## Inflows down in Life – Non-Life increasing across all regions

In EUR mio

- Belgium: Strong growth in Non-Life in a mature market – Life commercial campaigns in 2019
- UK: Volumes stabilising
- CEU: Non-Life growth in Portugal & Turkey – Life suffering from low i-rate
- Asia: Impact of Covid-19 mitigated by renewals
- Reinsurance: Inflows include one-offs related to ramp-up phase & QS agreements



\* Inflows excluding Luxembourg, divested in 2018 & India Non-Life acquired in 2019

# Net realised cap gains\*

## Equity impairments due to Covid-19

In EUR mio

	3M 19	3M 20	
Life	33	(48)	Quarterly impairments driven by Equities
Non-Life	3	(3)	
<b>Belgium</b>	<b>37</b>	<b>(51)</b>	
<b>UK</b>	<b>3</b>	<b>4</b>	
Life	2	(3)	
Non-Life	1	(0)	
<b>CEU</b>	<b>3</b>	<b>(3)</b>	
Life	49	16	Impairments on equities mainly in Thailand offset by capital gains in China
Non-Life	(0)	(1)	
<b>Asia</b>	<b>49</b>	<b>14</b>	
<b>Reinsurance</b>	<b>0</b>	<b>0</b>	
Life	85	(36)	
Non-Life	8	(0)	
<b>Insurance</b>	<b>93</b>	<b>(36)</b>	
General Account & Eliminations	(4)	306	
<b>Total Ageas</b>	<b>89</b>	<b>270</b>	

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

# Ageas Combined ratio

Affected by adverse weather in Belgium & UK

In % Net earned premium

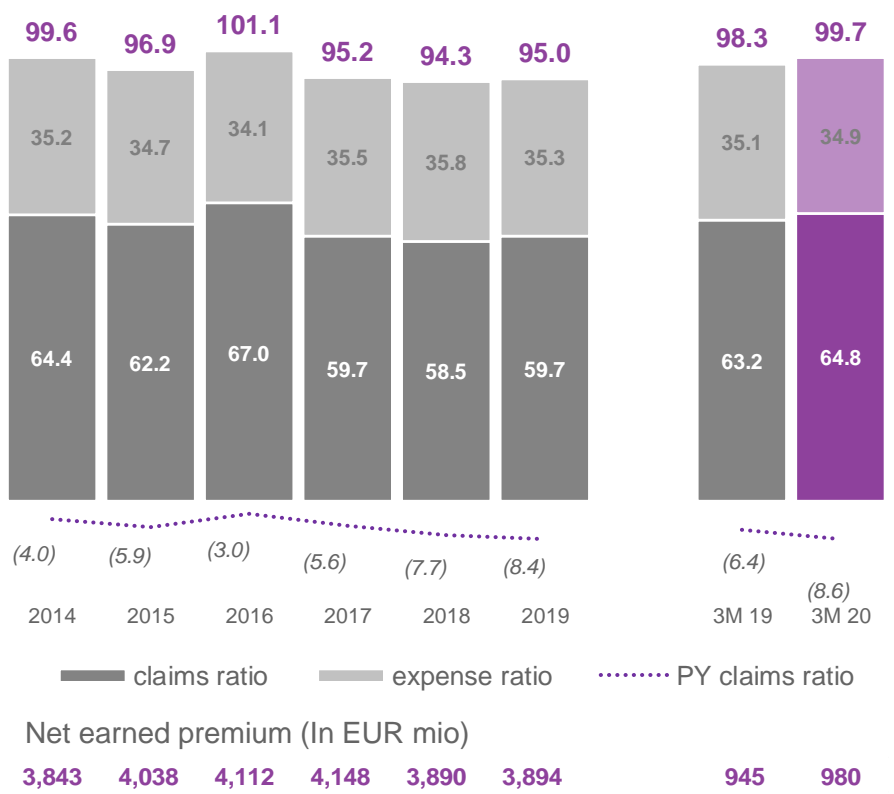
### Quarter

- COR in both years impacted by adverse weather events (8 pp in 3M 20 vs. 6pp in 3M 19)
- Underlying improvement driven by CEU and Belgium Motor

### Claims ratio

- CY ratio slightly deteriorated under pressure of weather claims – further improvement in CEU in all product lines
- Strong PY claims results in Belgium

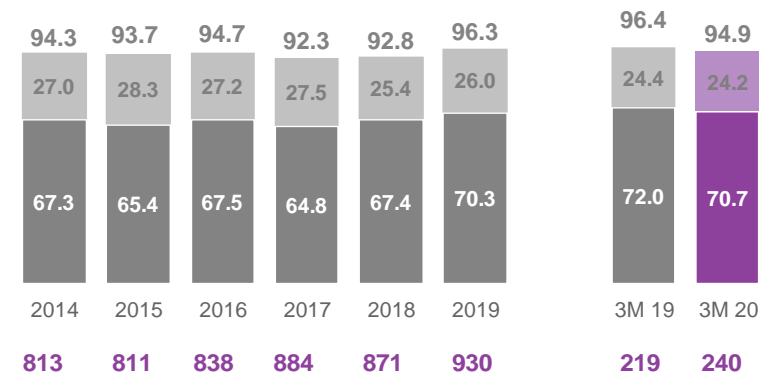
Expense ratio improved compared to LY thanks to higher volumes



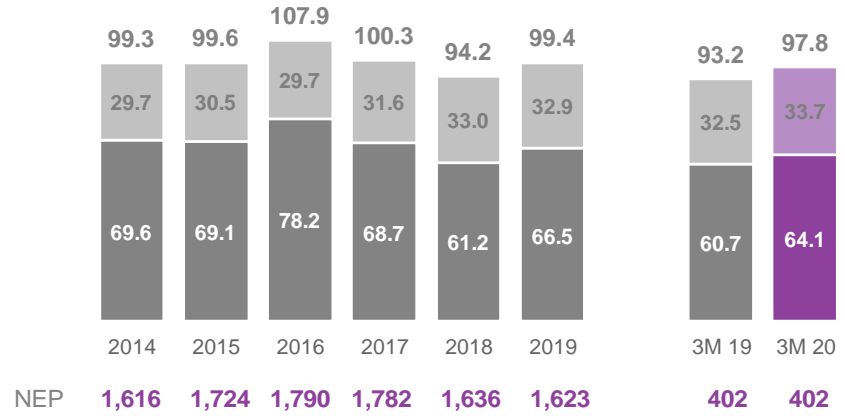
# Ageas Combined ratio

Affected by adverse weather in Belgium & UK

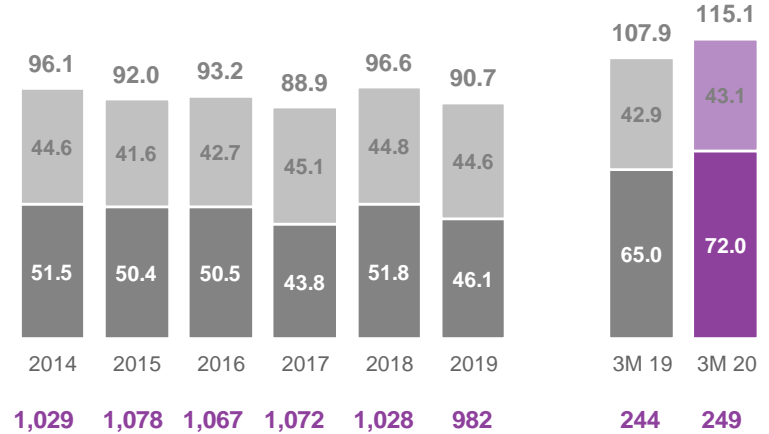
In % Net earned premium  
Accident & Health: improvement driven by CEU & UK



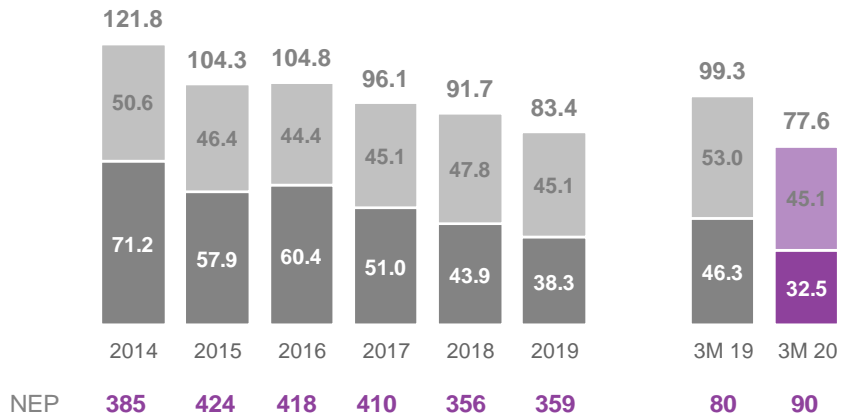
Motor: further improving in BE, up in UK



Household: February storms in BE & UK (30pp)



Other lines: strong performance in BE



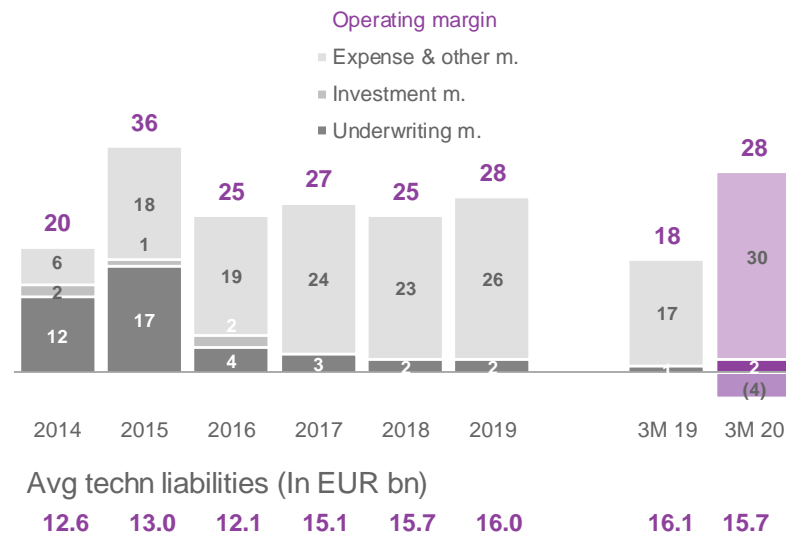
# Ageas Operating margins

## Guaranteed: on target - UL closing the gap

In bps Avg techn. liabilities

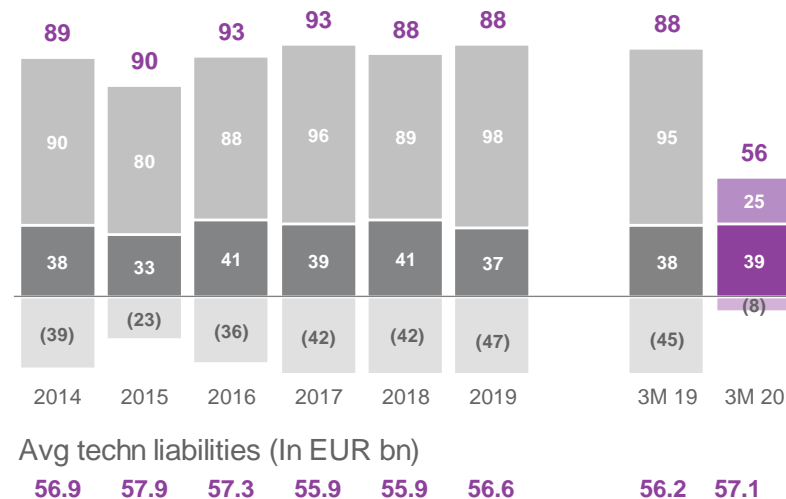
### Life Unit-Linked

- Belgium above target level thanks to higher management fees
- Improving in Portugal
- Impacted by arbitrage costs in France



### Life Guaranteed

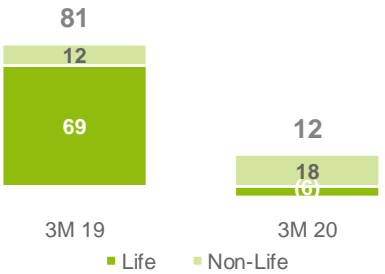
- Lower realised net capital gains (-37 bps vs. +33 bps)
- Reserve release in Portugal



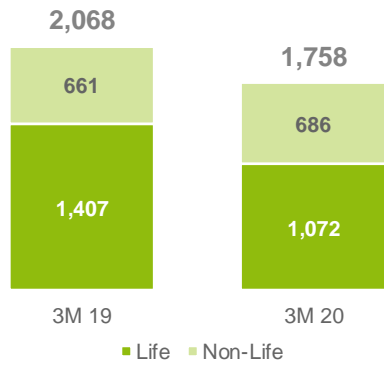
# Belgium Headlines

## Solid underlying performance offset by adverse financial markets & weather

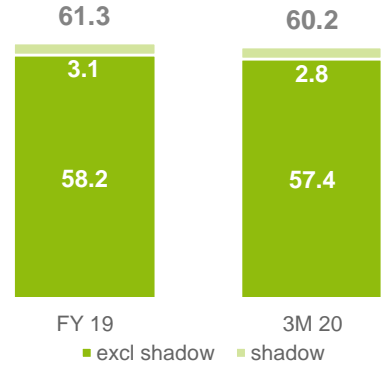
Net result: EUR 88 mio lower net capital gains  
In EUR mio



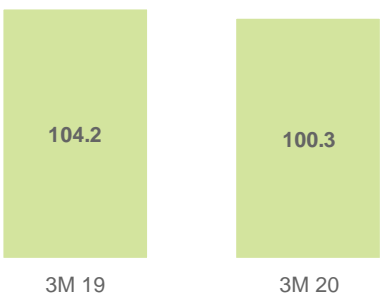
Inflows: 3M 19 included UL cash-back campaign - Non-Life +4%  
In EUR mio



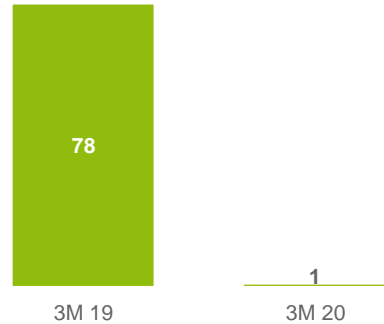
Life Technical Liabilities lower due to decrease of UL unit prices  
In EUR bn



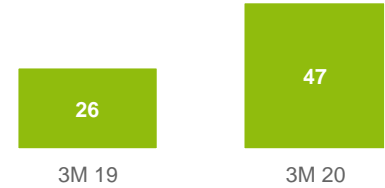
Non-Life combined ratio impacted by weather (12 pp) - Solid Motor & Other lines  
In % NEP



Operating margin Guaranteed suffered from financial markets (-44 bps)  
In bps avg technical liabilities



Operating margin Unit-Linked – 3M 19 incl. cost of cash back campaign (≈15 bps)  
In bps avg technical liabilities



# Belgium

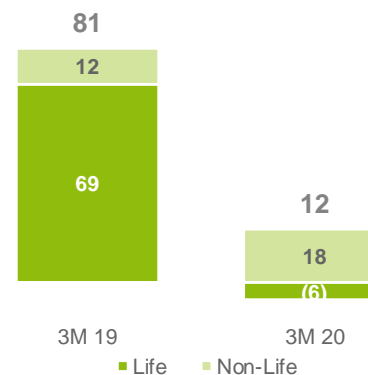
## Net result & Life liabilities

### Net result impacted by financial markets

In EUR mio

Net result decrease mostly explained by

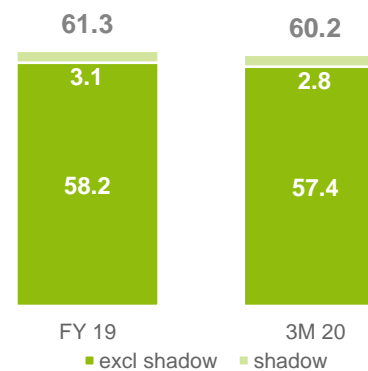
- **Lower Life result** impacted by lower net cap gains (EUR -82 mio yoy) partly compensated by a higher net underwriting result.
- **Higher Non-Life result** thanks to
  - Strong performance in Motor and Other more than compensating the impact of weather events (EUR 20 mio vs. EUR 18 mio last year)
  - Positive impact (EUR 13 mio) from the internal reinsurance program (vs. EUR 10 mio in 3M 19)



In EUR bn

Life technical liabilities (-2% incl. shadow accounting), mainly explained by

- Decrease of **UL** (-9%) implied by evolution of the financial markets after the hit of COVID-19 leading to decrease of unit prices
- Stable **Guaranteed** business





# Belgium Inflows

## Decrease in UL & Guaranteed - Solid Non-life growth

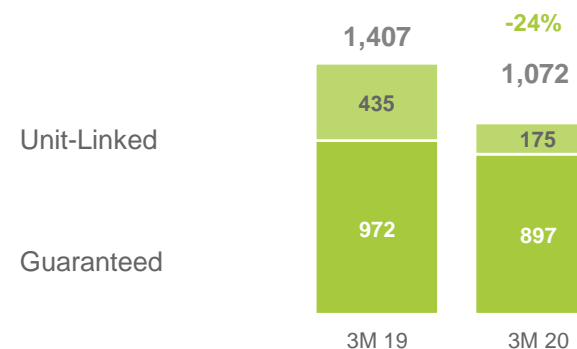
In EUR mio

### Life

**Unit-Linked:** 3M 19 exceptionally strong thanks to cashback campaign (not repeated in 3M 20)

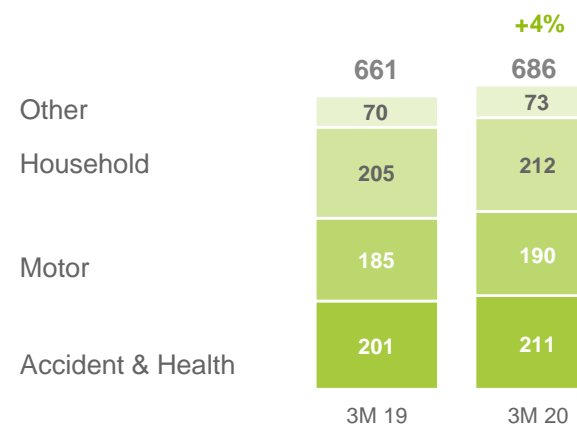
**Guaranteed** lower than LY explained by:

- **Retail Life** (-9% vs LY) due to an exceptional inflow in Invest LY
- **Group Life** (-5% vs LY) mainly due to timing difference on single premiums



### Non-Life

- Strong growth in all product lines
- Increase in Household (+3%) mostly explained by tariff rise following the evolution of the official construction index
- Increase in Motor (+3%) mainly driven by growth in Motor Own Damage



# Belgium

## Combined ratio

2019 & 2020 before QS

## Solid operating performance despite weather events in the first quarter

In % Net earned premium

The internal reinsurance agreement has an important impact on the combined ratio. For ease of comparability, the combined ratio commented in this section excludes all impacts from this internal reinsurance agreement.

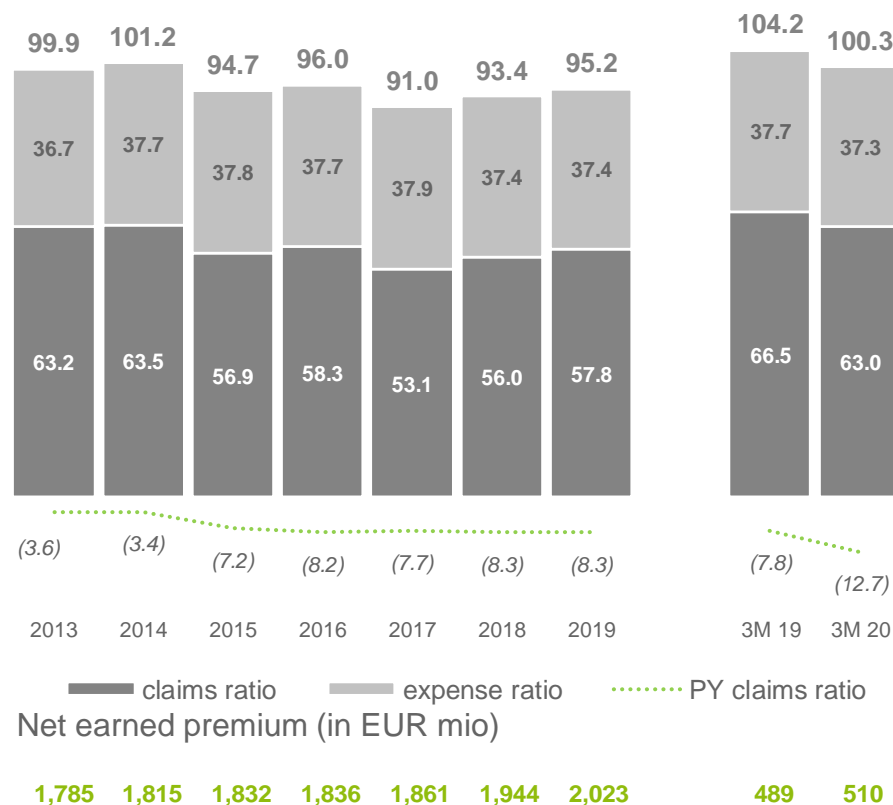
### Quarter

- COR impacted by adverse weather partly offset by strong performance in Motor & other lines
- Both years include weather events (12pp in 3M 20 vs. 10pp in 3M 19)

### Claims ratio

- CY ratio slightly deteriorated compared to LY mainly in A&H and Household partly offset by Motor
- PY ratio improved thanks to Other and A&H

**Expense ratio** improved compared to LY thanks to higher volumes



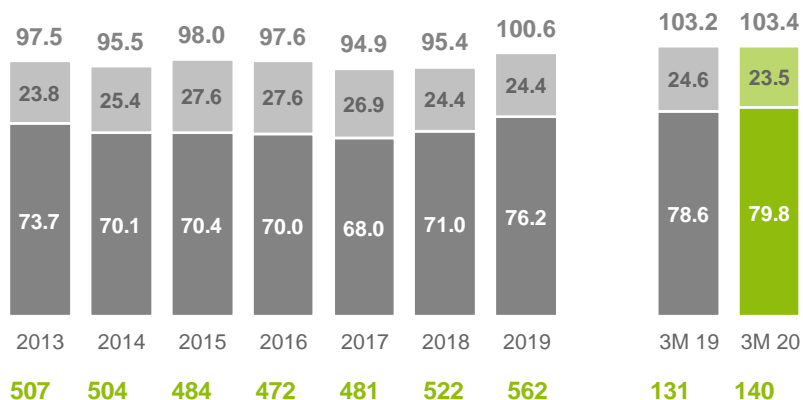
# Belgium

## Combined ratio 2019 & 2020 before QS

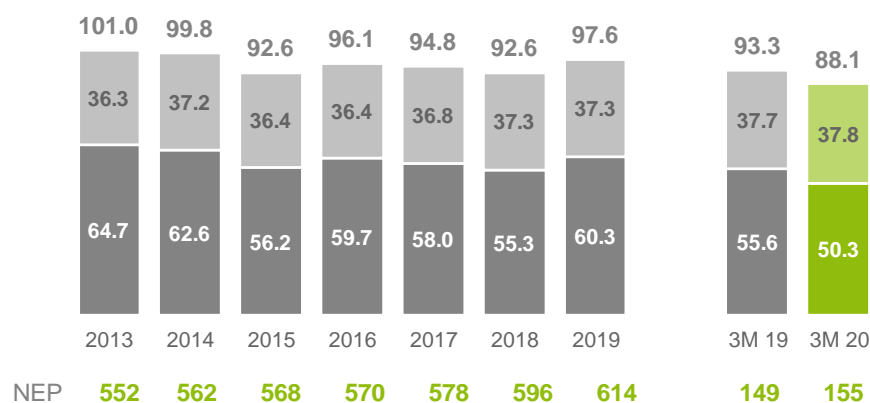
Solid operating performance despite weather events in the first quarter

In % Net earned premium

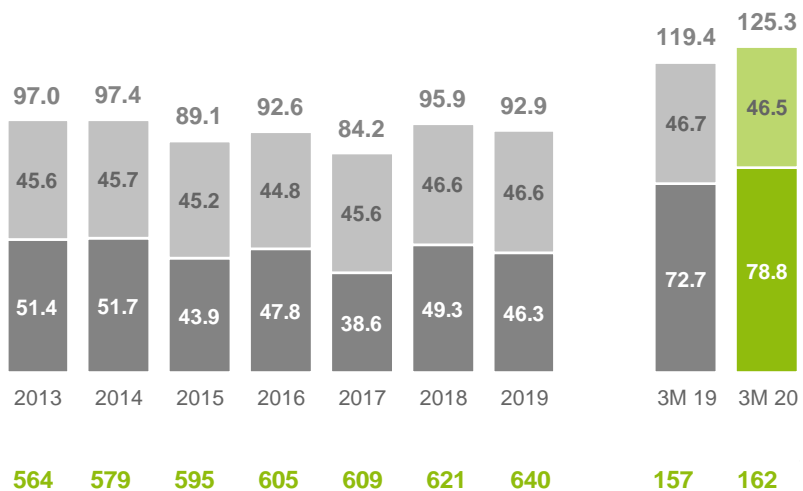
Accident & Health: Higher PY offset by lower CY results



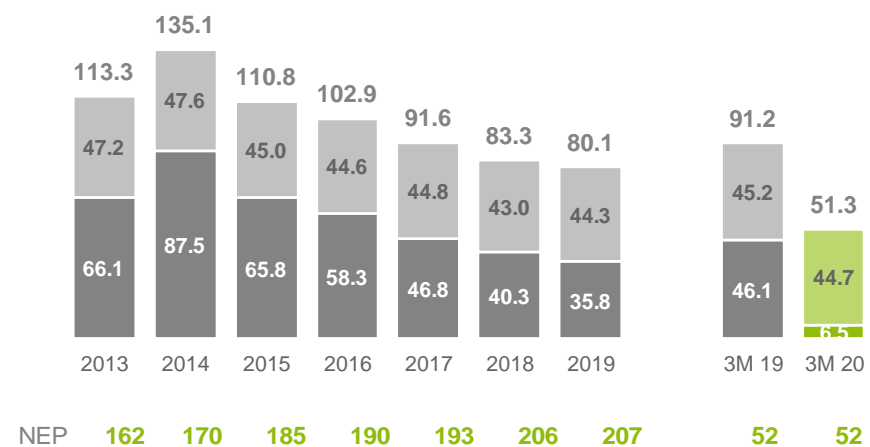
Motor: Better CY result thanks to lower frequency



Household: 36 pp weather impact (vs. 30 pp LY)



Other lines : Excellent performance thanks to sale of 2 old reinsurance portfolios in run-off



# Belgium

## Operating margins

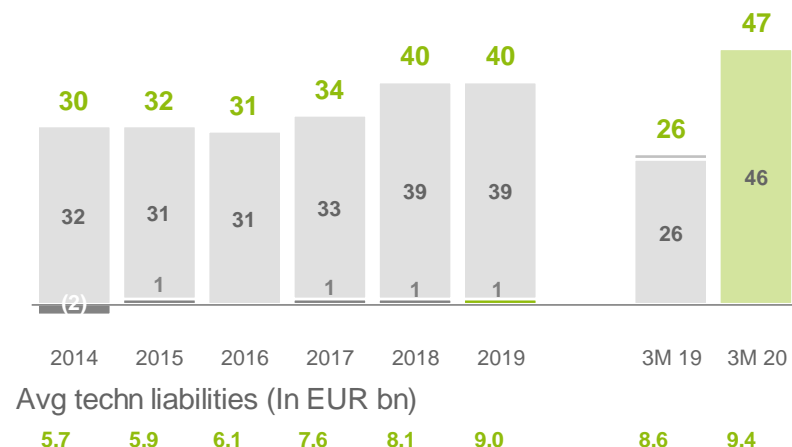
In bps Avg techn. liabilities

Guaranteed: impacted by financial markets  
UL: above the group target range

- Operating margin
- Investment m.
- Expense & other m.
- Underwriting m.

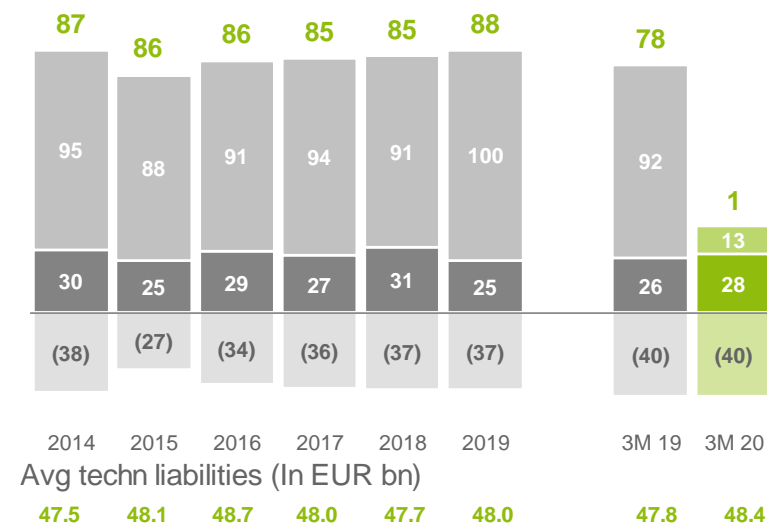
### Life Unit-Linked

- Higher management fees
- 3M 19 included cost (≈15 bps) related to cashback campaign (not repeated in 3M 20).



### Life Guaranteed

- Lower investment margin due to higher level of impairments and lower level of capital gains.
- The recurring financial revenues impacted by lower Real Estate revenues related to the COVID-19 lock-down



## Belgium

Evolution assets  
& liabilities

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

		FY 17	FY18	FY19	Q1'20
Back book Life	Guaranteed interest rate	2.32%	2.17%	1.95%	1.90%
	Fixed income yield	3.34%	3.25%	3.06%	3.03%
	Liabilities Guaranteed (EUR bn)	50.4	49.1	51.5	51.3
		FY 17	FY 18	FY 19	Q1'20
New money Life & Non-Life	Fixed income yield	1.88%	1.96%	1.63%	1.45%
	Reinvested amount (EUR bn)	2.9	3.2	3.6	0.9



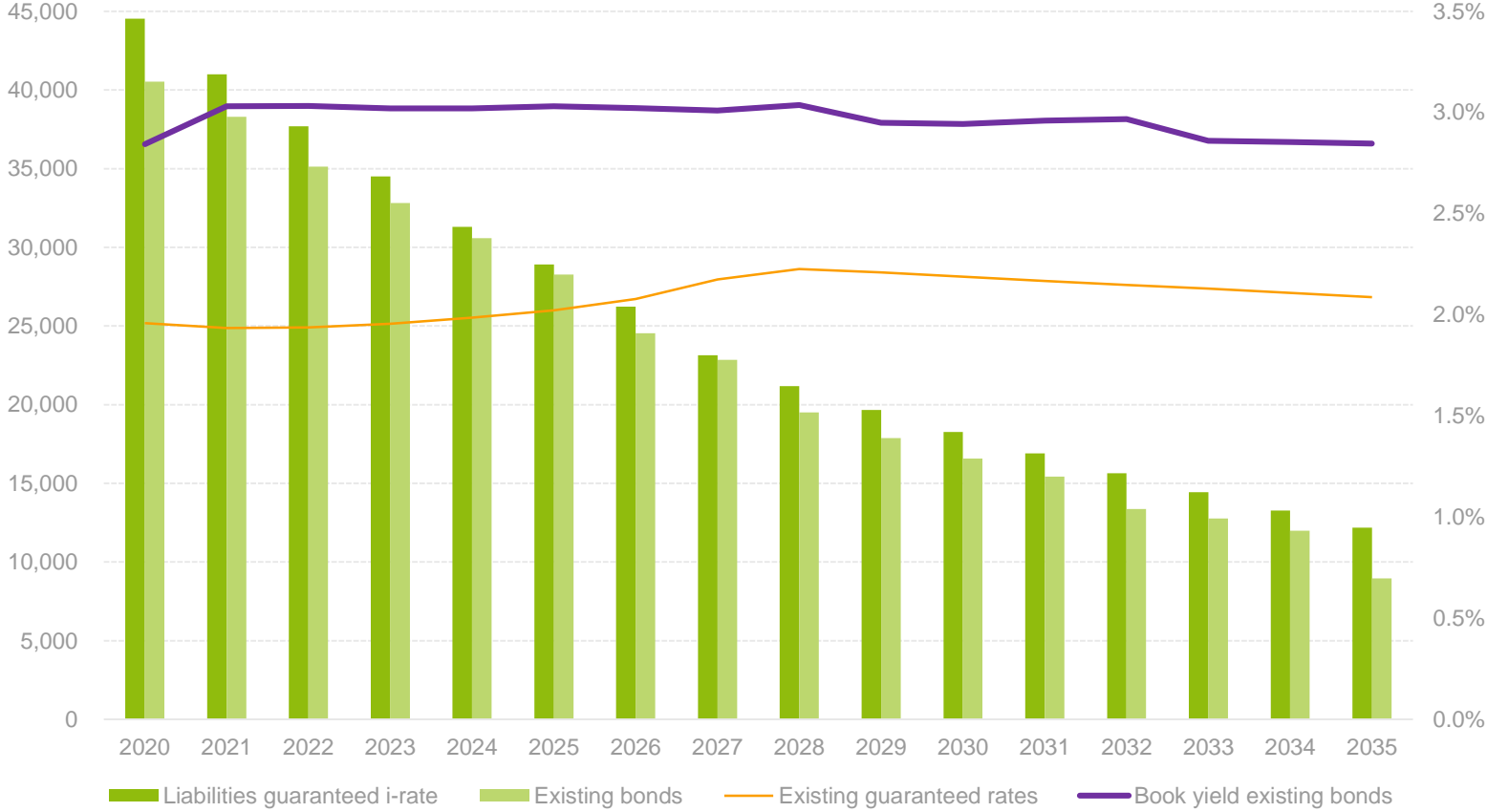
Newly invested money mostly in corporate bonds (non-financial sector), government bonds & related loans and mortgage loans.

# Belgium

## Evolution assets & liabilities

Average rate on back book decreasing in line with evolution yield fixed income

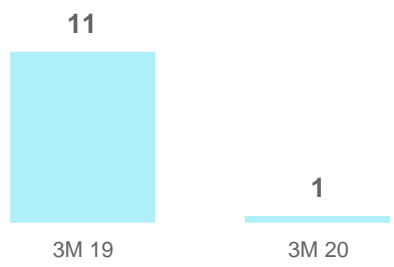
Back book vs fixed income investments



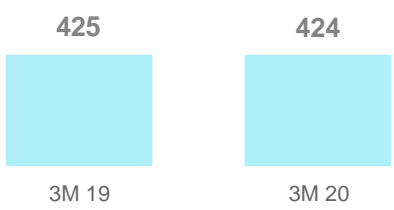
**UK**  
**Headlines**

Weather events heavily impacting net result

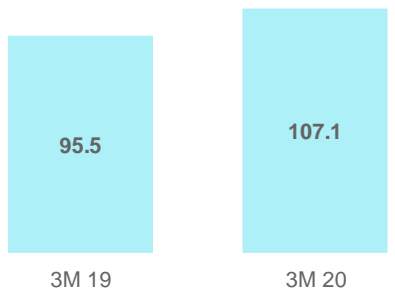
Net result impacted by weather events  
(Ciara & Dennis storms)  
In EUR mio



Inflows\* stable compared with 3M 2019  
In EUR mio



Non-Life combined ratio @ 98.7%  
excluding February weather events  
In % of NEP



\* incl. non-consolidated partnerships @ 100%

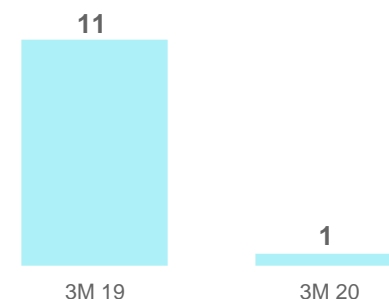
# UK

## Net result & Inflows

### Impact from weather events & one-offs – inflows stable

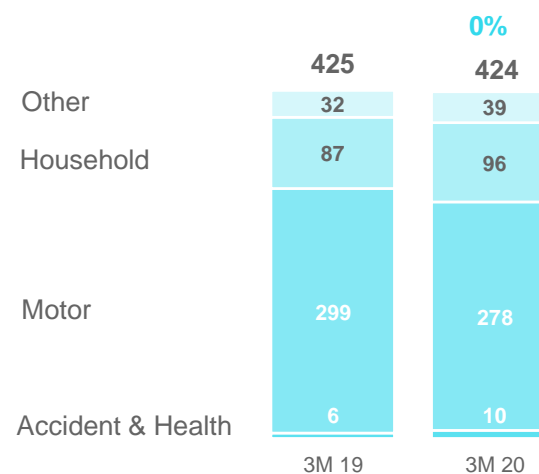
In EUR mio  
Net result

- Weather claims of EUR 15m compared to benign 3M 19 weather; combined with continued market wide Motor claims inflation
- 3M 19 included EUR 12 million restructuring cost



### Inflows \*

- Motor down 8%: reflecting lower volumes from TU and focus on maintaining pricing discipline
- Household up 9% benefitting from new deals in the Intermediated distribution channel
- Other up 18% reflecting growth in Commercial lines business sold through digital channels and from new deals



\* incl. non-consolidated partnerships @ 100% & @ constant exchange rate



# UK Combined ratio

## COR impacted by weather events

2019 & 2020 before LPT & QS

In % Net earned premium

The internal reinsurance agreement has an important impact on the combined ratio. For ease of comparability, the combined ratio commented in this section excludes all impacts from this internal reinsurance agreement.

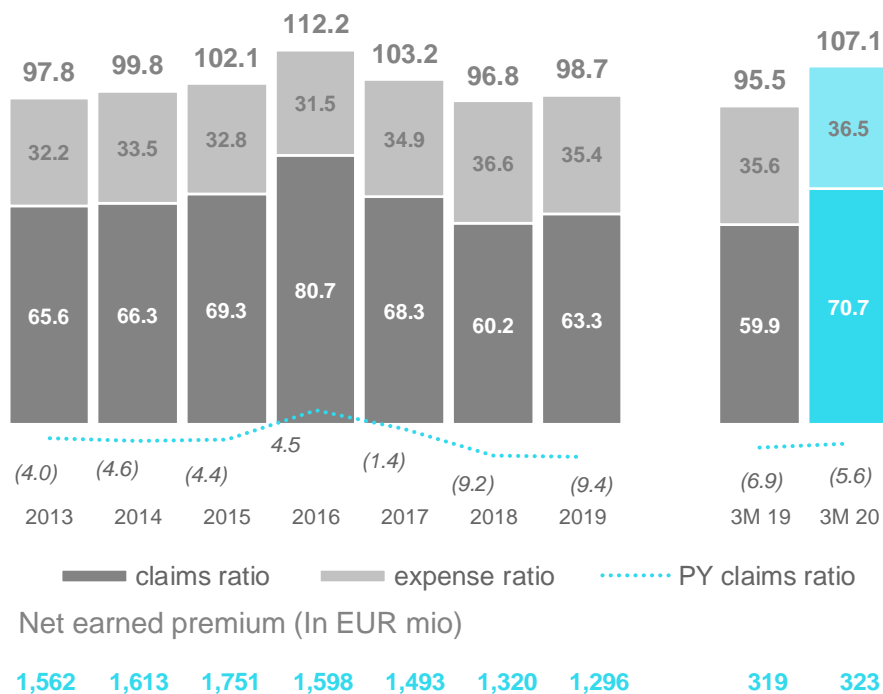
### Combined ratio

- Impact from storms Ciara & Dennis in February (8pp in 3M 20) combined with continued Motor market wide claims inflation
- Combined ratio Tesco Underwriting 102.0% (vs. 97.4%) reflecting weather events

### Claims ratio

- CY ratio: Mainly impacted by weather events across Household, Commercial and Motor lines; continued market wide Motor claims inflation, good underlying Household performance
- PY ratio: reflecting lower releases from Commercial lines of business; robust Motor prior year releases

**Expense ratio** mainly reflecting lower underlying operating expenses more than offset by cost of portfolio product mix shift towards Motor Direct.



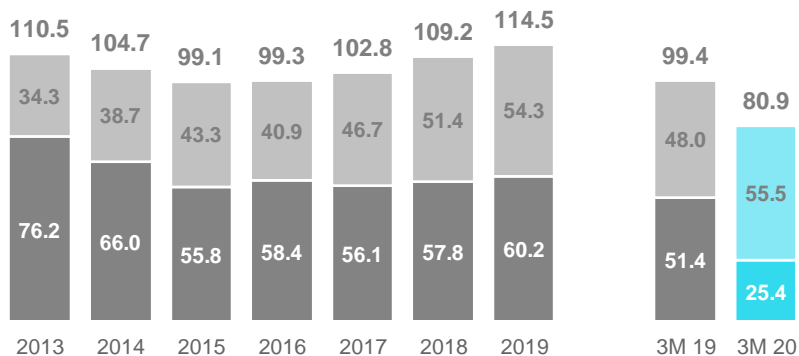
# UK

## Combined ratio

2019 & 2020 before LPT & QS

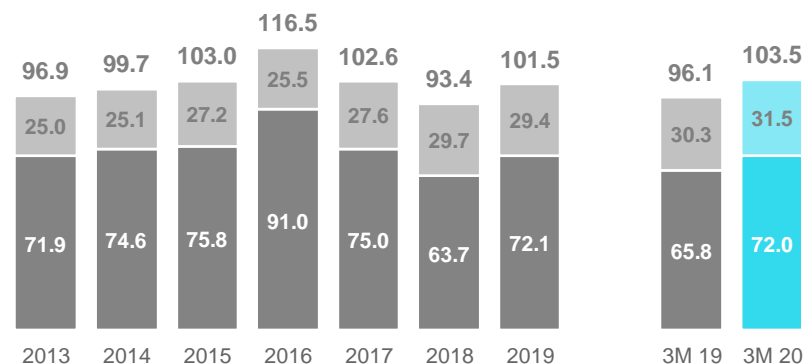
## Performance impacted by weather events across almost all business lines

Accident & Health: Excellent performance driven by an IBNR review



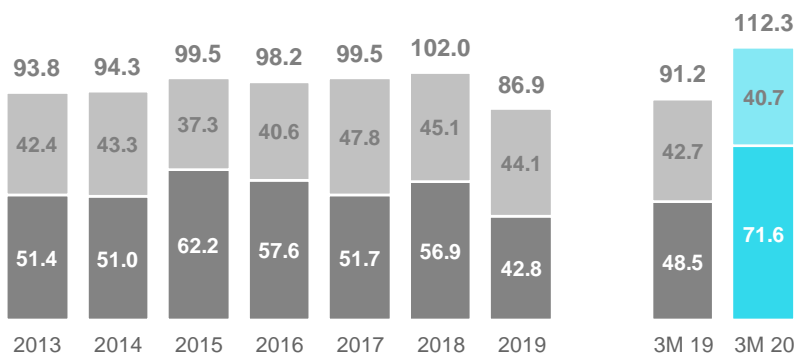
NEP **79** **71** **72** **39** **30** **30** **34** **7** **11**

Motor: Continued market wide claims inflation & weather events



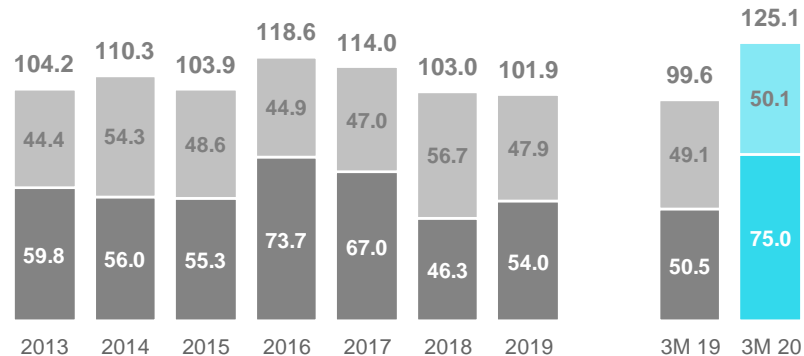
NEP **907** **958** **1,062** **1,014** **947** **844** **831** **203** **202**

Household: February weather events' impact 29pp



NEP **374** **399** **413** **361** **341** **309** **289** **71** **76**

Other: Up on commercial line & weather events

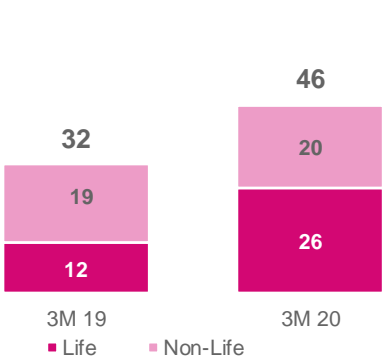


NEP **202** **185** **204** **185** **175** **137** **142** **37** **35**

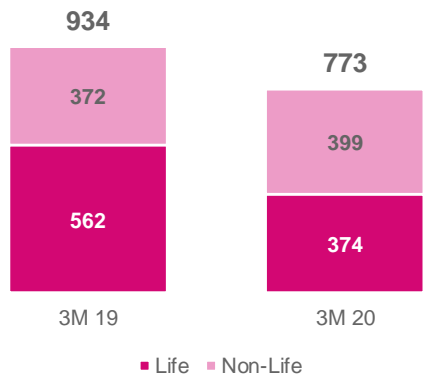
**CEU**  
**Headlines**

**Strong operating performance**  
**Life result supported by reserve release**

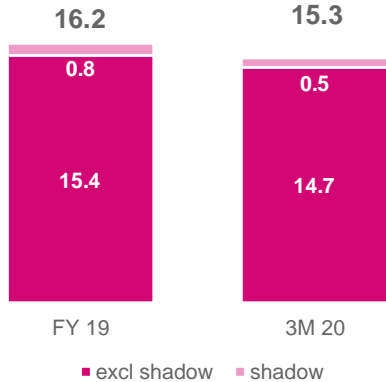
Net result strongly up on reserve release in Life - Solid performance in Non-Life  
In EUR mio



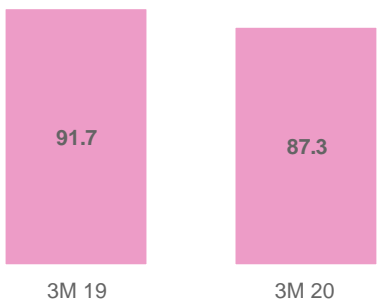
Inflows down 17% on low i-rates – strong growth in Non-Life (+12% at cst. FX)  
In EUR mio



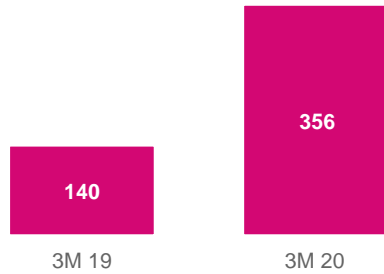
Life Technical liabilities 6% down due to UL following the drop in financial markets  
In EUR bn



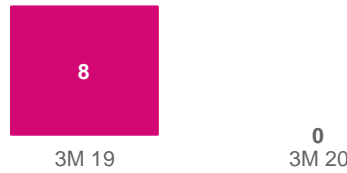
Excellent Non-Life combined ratio  
In % NEP



Operating margin Guaranteed up on reserve release in Portugal (251 bps)  
In bps avg technical liabilities



Operating margin Unit-Linked impacted by financial markets volatility  
In bps avg technical liabilities



# CEU

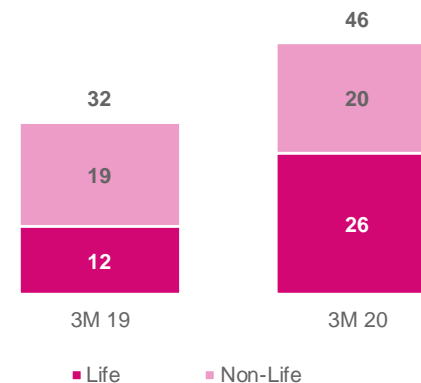
## Net result & Life liabilities

Life net result strongly up on reserve release  
Solid Non-Life operating performance

### Net result

- Life: result driven by a release of provision (EUR 20 million) partly offset by the negative evolution of the financial markets
- Non-life: up 6%, supported by the continued strong operating performance in all business lines and in all channels, both in Portugal and in the non-consolidated partnership in Turkey. EUR 1 mio positive impact from internal reinsurance program (vs. + EUR 3 mio in 3M 19)

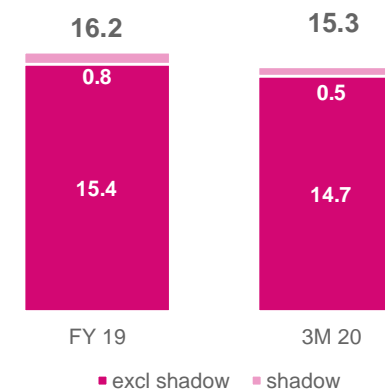
In EUR mio



### Life technical liabilities

- 6% down due to the decrease in Unit-Linked following the drop in financial markets at end of the quarter

In EUR bn



# CEU Inflows

## UL strongly up, mitigating decrease in Guaranteed Continued Non-Life growth

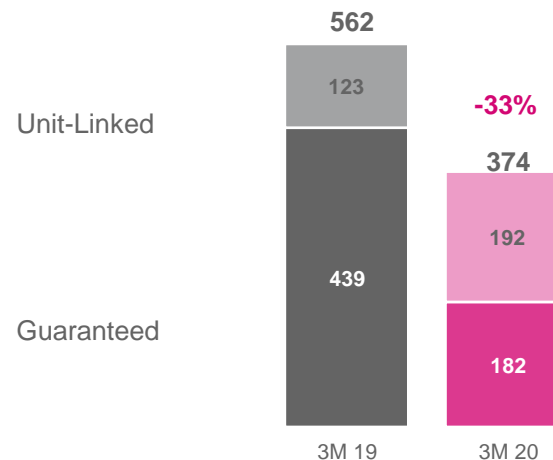
In EUR mio

### Life Unit-Linked

- Inflows strongly up (+56%) supported by good market performance during the first months of the quarter and by new product launched end of last year

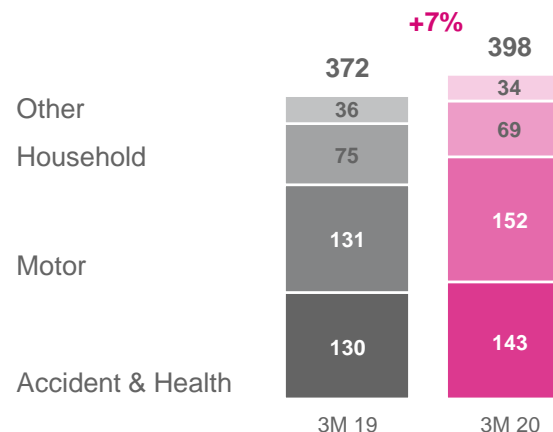
### Life Guaranteed

- Strongly down on last year due to lower sales appetite in a low interest rates environment – transition phase ongoing in Portugal with the launch of new product



### Non-Life

- Strong sales in both Portugal and Turkey
- In Portugal, excellent commercial performance in all segments
- In Turkey, 17% growth at constant FX, driven by Motor and Health, and partly offset by FX



# CEU

## Combined ratio

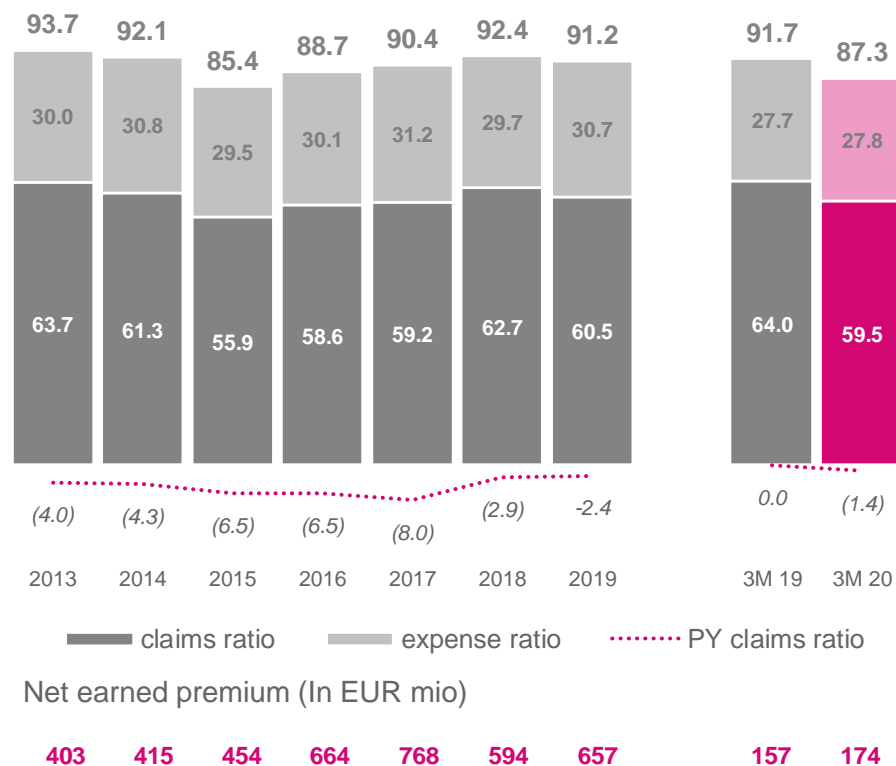
2019 & 2020 before LPT & QS

In % Net earned premium

## Combined ratio well below group target on lower claims frequency

The internal reinsurance agreement has an important impact on the combined ratio. For ease of comparability, the combined ratio commented in this section excludes all impacts from this internal reinsurance agreement.

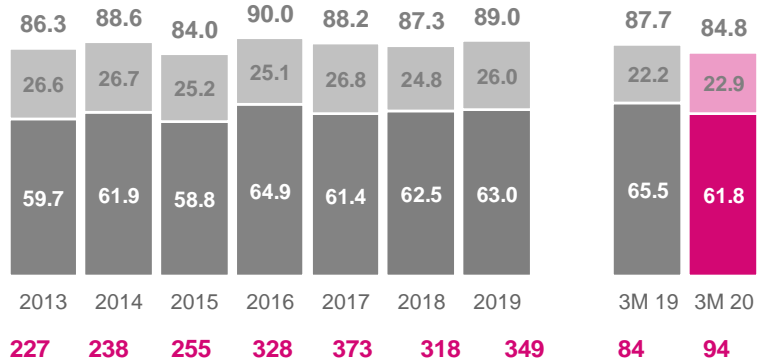
- Combined ratio of consolidated companies at 87.3%, reflecting a continued excellent operating performance
- Improved claims ratio partly driven by lower claims frequency and supporting all lines of business
- Combined ratio in Turkey at 97.2% vs. 102.3% last year



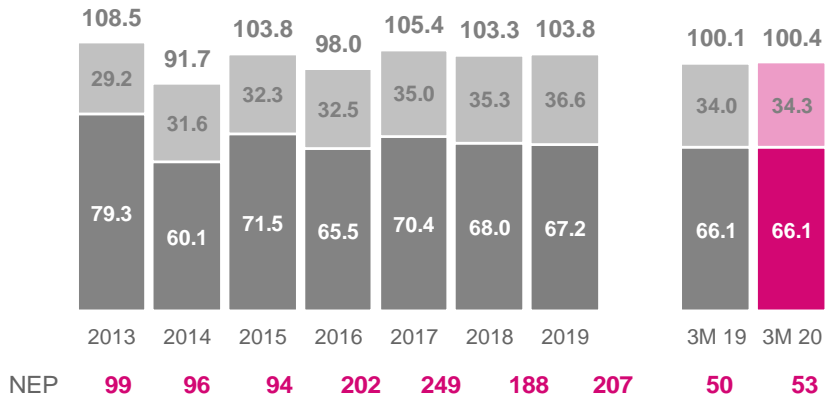
**CEU**  
**Combined ratio**  
 2019 & 2020 before LPT & QS

Continued excellent operating performance

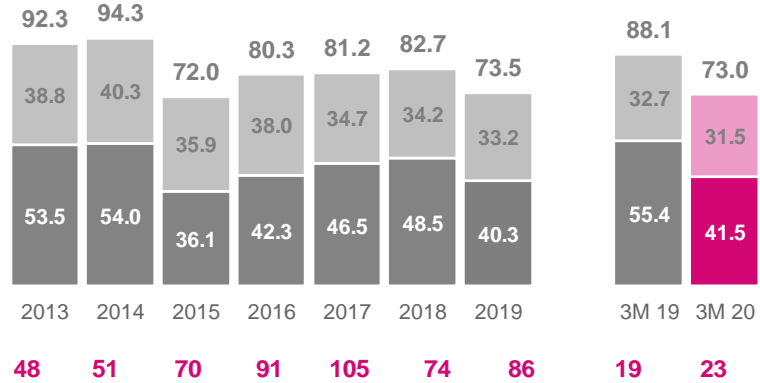
Accident & Health: Still excellent despite slightly higher costs



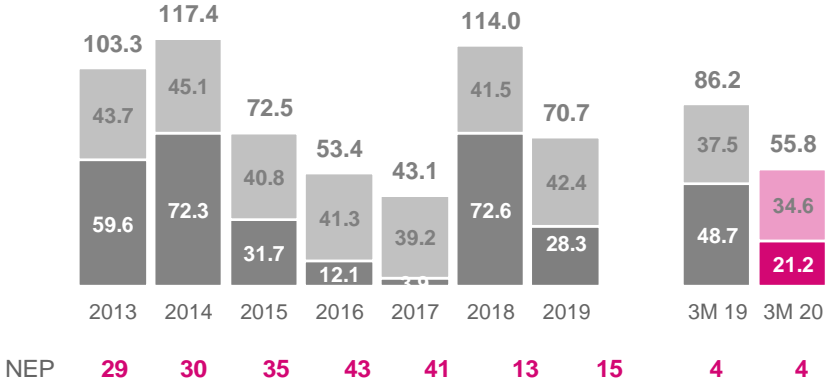
Motor: Improved claims ratio due to lower accident frequency



Household: Claims ratio strongly down



Other: very small & volatile portfolio



# CEU

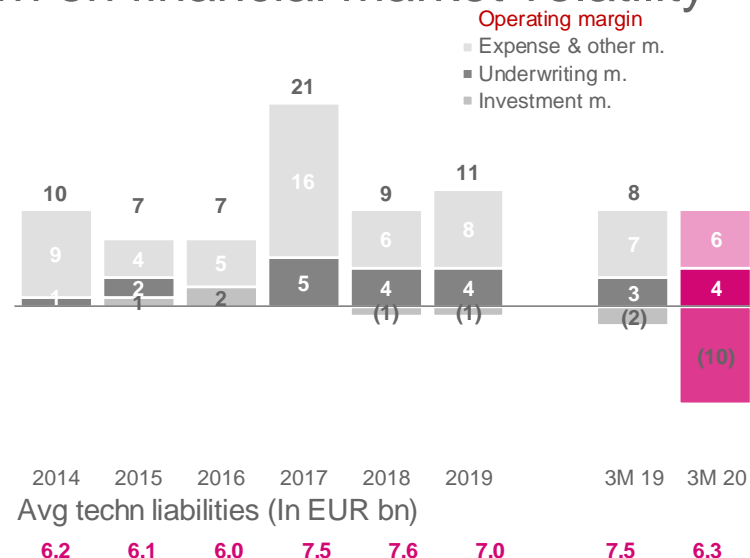
## Operating margins

In bps Avg techn. liabilities

### Life Unit-Linked

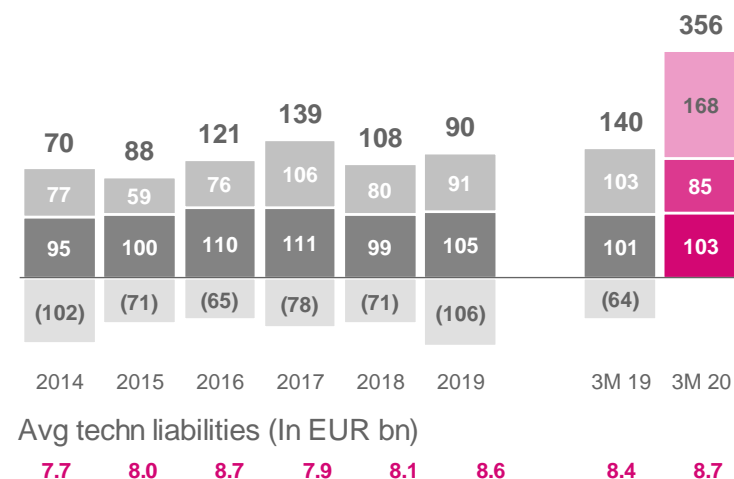
- Life Unit-Linked margin down on higher arbitrage cost due to financial market volatility

Guaranteed margin up on reserve release in Portugal  
Unit-Linked margin down on financial market volatility



### Life Guaranteed

- Expense margin strongly up on reserve release in Portugal (251 bps)
- Underwriting margin higher than LY on improved Life risk margin in Portugal.
- Investment margin down on lower investment income due to low interest rates

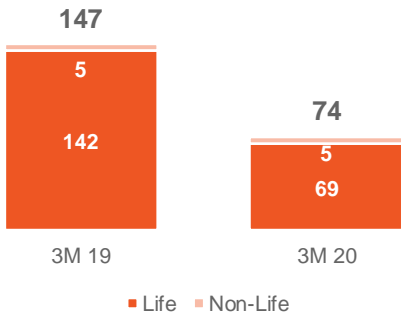




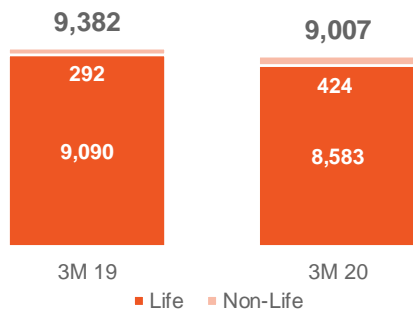
# Asia Headlines

## Resilient operational performance mitigating negative impact from Covid-19

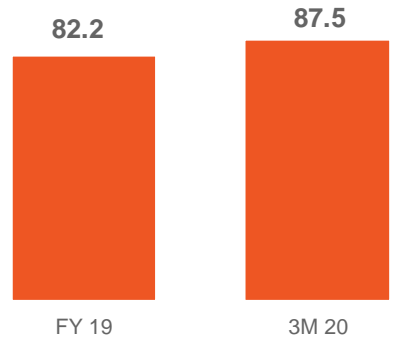
Resilient net result compared to an exceptionally high result LY  
In EUR mio



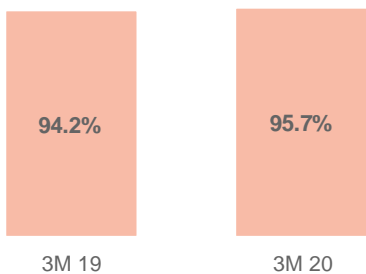
Inflows\* -4% @ constant FX due to Covid-19, cushioned by renewals  
In EUR mio



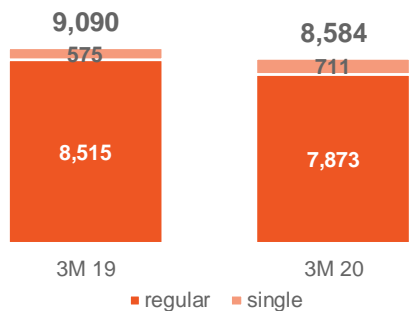
Life Technical liabilities up 7% from renewals  
In EUR bn



Higher Non-Life combined ratio following the acquisition in India (only partly integrated in Q1 2019)  
In % NEP



Regular premium: remaining above 90% of Life inflows  
In EUR mio



Additional information on Ageas non-consolidated partnerships in Asia is available on the excel spreadsheet published on Ageas' website under quarterly results ([www.ageas.com/investors/quarterly-results](http://www.ageas.com/investors/quarterly-results))

\* incl. non-consolidated partnerships @ 100%

# Asia

## Net result & Life liabilities

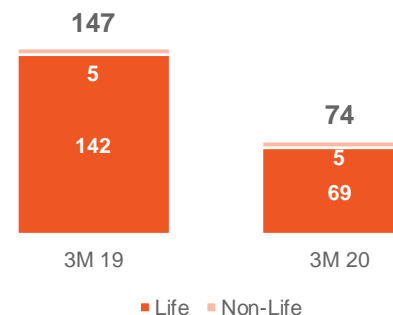
### Resilient operational performance mitigating negative impact from Covid-19

#### Net result

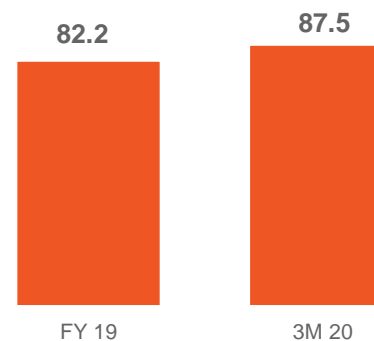
- Negative impact of Covid-19 :
  - Equity impairments, offset by positive capital gains
  - Downward movement of yields in China leading to unfavourable evolution of discount rate curve
  - Lower sales impacting VANB
- Lower Life Result compared to an exceptionally high result LY:
  - Lower net capital gains (EUR 16 mio vs EUR 49 mio)
  - Lower inflows
  - Negative impact of the discount rate curve in China

- Life Technical liabilities driven by high persistency levels

In EUR mio



In EUR bn



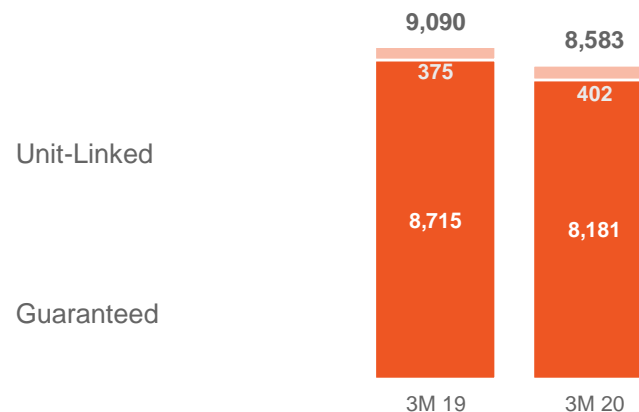
# Asia Inflows

Limited decrease in Life inflows thanks to renewals  
Continued solid growth in Non-Life inflows

In EUR mio

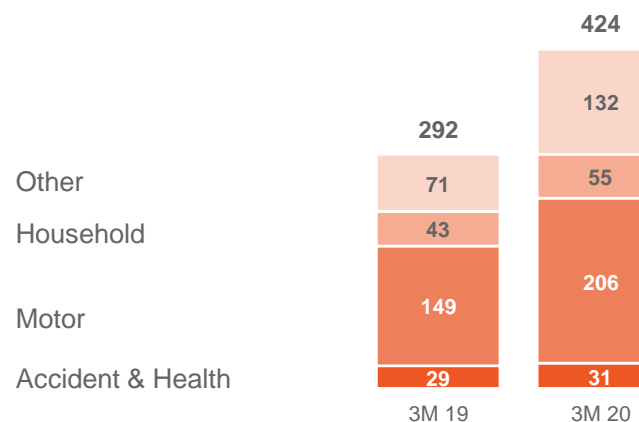
## Life

- Only limited decrease in Life gross inflows (-5%) during the pandemic, thanks to continued strong persistency
- Renewals up 2%
- Profitable regular premium still above 90% of total life inflow



## Non-Life

- Up 43%, supported by the contribution from India, integrated as from 22 February 2019
- Up 23% scope on scope, supported by both Thailand and Malaysia.
- Continued growth in all business lines

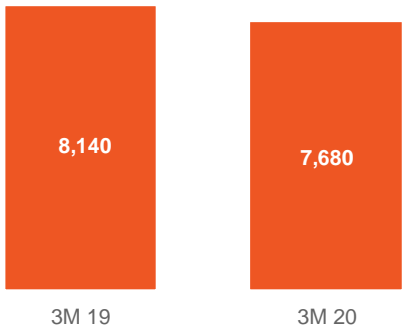


# Asia Inflows per country

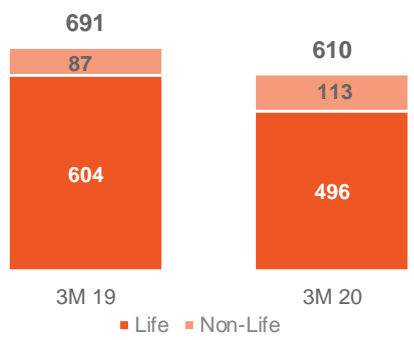
## Impact of Covid-19 on inflows mitigated by renewals

In EUR mio

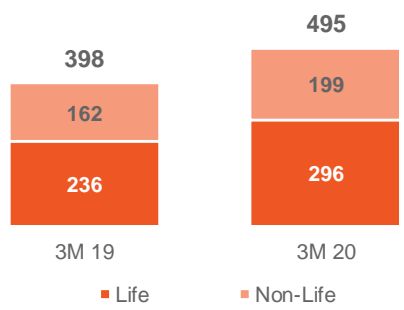
China: -5% with NB decrease mitigated by excellent persistency levels



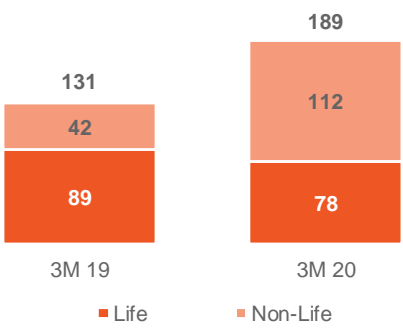
Thailand: lower Life partly offset by continued growth in Non-Life



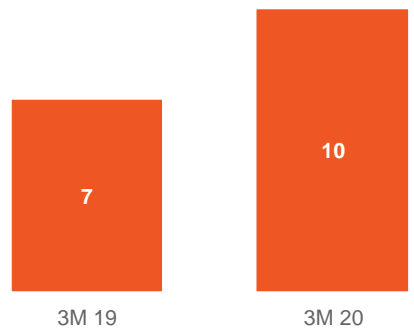
Malaysia: +23% contributed by both Life and Non-Life



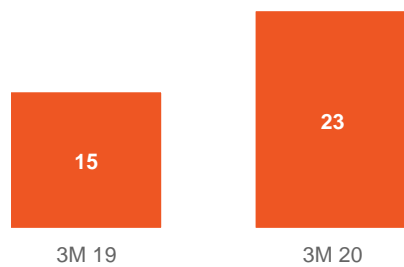
India: strong contribution from the Non-Life, only partly integrated in Q1 2019



Philippines: continued upward trend



Vietnam: continued rapid growth

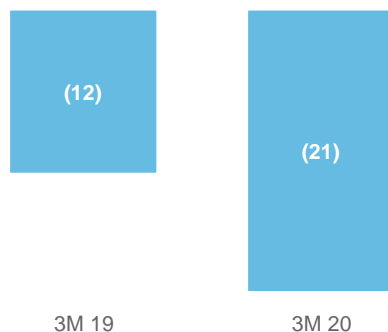


\* incl. non-consolidated partnerships @ 100%  
All growth rates are at constant FX

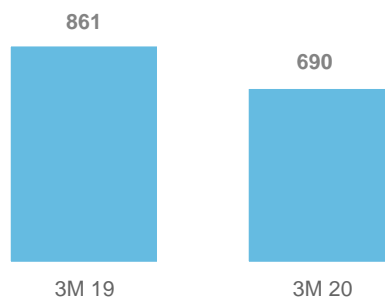
# Reinsurance Headlines

## Cession rate on internal QS & LPT reinsurance agreements up to 40%

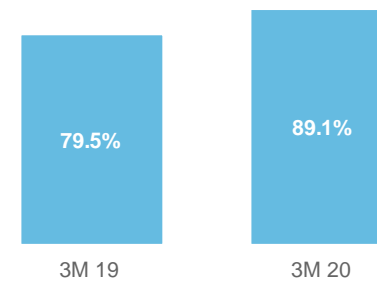
Net result: impacted by adverse weather  
In EUR mio



Inflows: EUR 420 mio from QS agreements  
In EUR mio



Combined ratio: slightly higher claims  
In % NEP



### ageas SA/NV reinsurance activities

- Implementation of an internal reinsurance programme within ageas SA/NV in order to enhance capital fungibility in the group
- Non-Life Quota Share (QS) Treaties: 40% with AG Insurance in Belgium\*, 40% with Ageas Insurance Limited in the UK, and 40% with all Portuguese Non-Life Entities
- Loss Portfolio Transfers (LPT): 40% with Ageas Insurance Limited in the UK, and 40% with the Portuguese Non-Life Entities
- The Pillar I Solvency II for ageas SA/NV amounted to 343%

\* of which 75% is underwritten by ageas SA/NV

# Reinsurance

## Net result & Inflows

### Significant impact from weather events

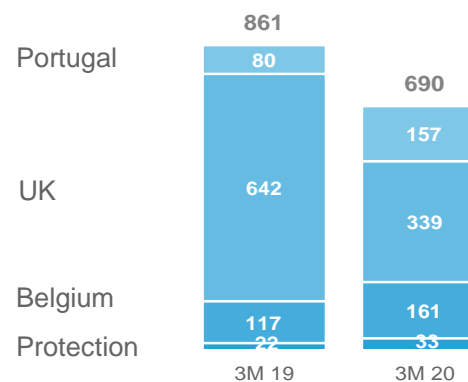
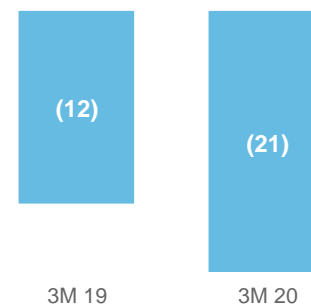
In EUR mio

#### Net result

- EUR 2 mio from traditional protection programme – flat year-on-year
- EUR 17 mio loss from the QS treaty in Belgium due to claims related to windstorms and floods
- EUR 5 mio loss from the UK mainly explained by the increased claims from February storms
- EUR 1 mio loss from Portugal due to one-off impact of the LPT contract (from 20% to 40%) not fully offset by the positive contribution of the QS

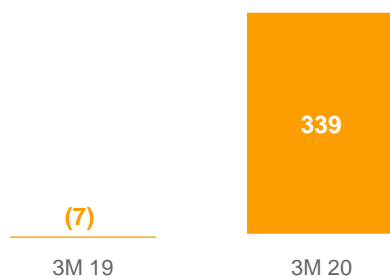
#### Inflows

- EUR 420 mio from the quota share agreements (vs. EUR 240 mio in 3M 19)
- EUR 191 mio from the Loss Portfolio Transfer (LPT)
- EUR 46 mio from prior year unearned premiums
- EUR 33 mio from traditional protection programme

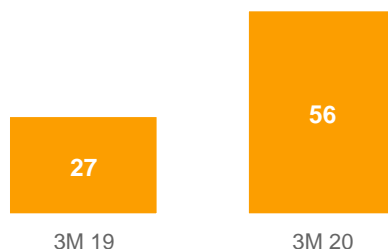


### Result driven by capital gain on the tender of Fresh securities & RPN(i) revaluation

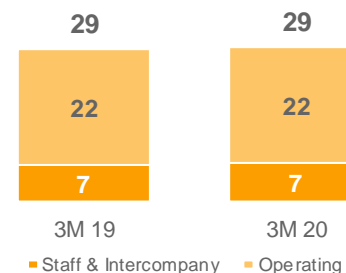
Net result: capital gain on tender of the Fresh & positive RPN(i) contribution  
In EUR mio



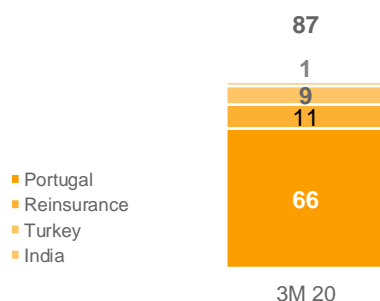
Positive evolution of RPN(i)  
In EUR mio



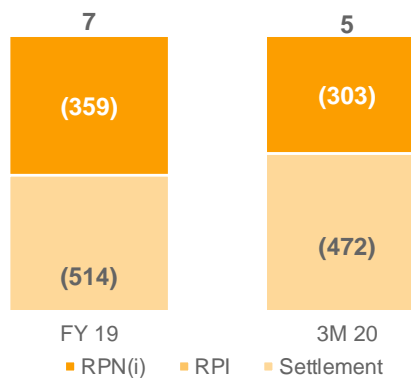
Staff & Operating expenses: include non-recurring costs  
In EUR mio



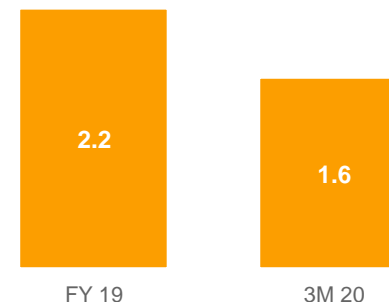
Upstream from Portugal, Reinsurance, Turkey & India  
In EUR mio



Value legacies  
In EUR mio

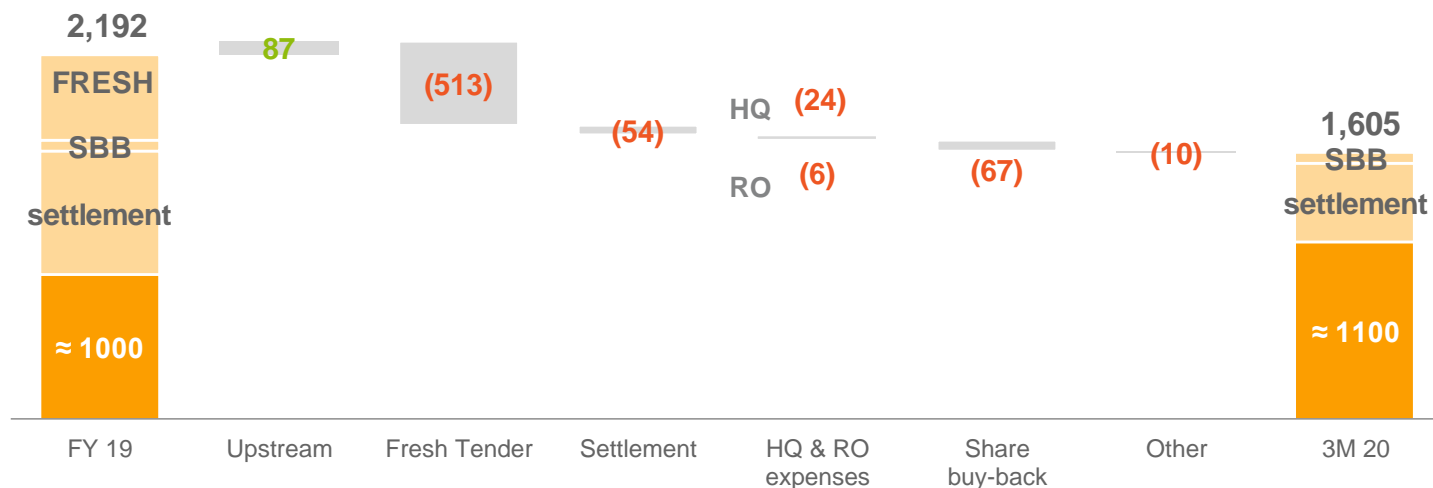


Total liquid assets down following tender of the Fresh securities  
In EUR bn



Liquid assets down on capital management transaction (tender of Fresh securities)

In EUR mio



- Upstream received from Portugal, Reinsurance, Turkey & India
- Additional EUR 24.9 mio cash-out for running SBB since Q1 2020 (up until 11th of May)
- EUR 0.4 bn ring-fenced for Fortis settlement



# GA

## Outstanding hybrids

### Two successful issuances of debt at holding level in 2019

<i>In EUR mio</i>	ageas SA/NV		Ageasfinlux	AG Insurance (Belgium)		Fortis Bank (now BNPPF)
	Perp Fixed Rate Reset Temporary Write-Down	Fixed-to-Floating Rate Callable	Fresh - 65.50% tender in Q1 2020	Fixed-to-Floating Rate Callable	Fixed Rate Reset Dated Subordinated Notes	CASHES
	Tier 1	Tier 2	Tier 1	Tier 2	Tier 2	
%	3.875%	3.25%	3m EUR + 135 bps	5.25%	3.50%	3m EUR +200 bps
Amount outstanding	750	500	431 (out of 1,250)	450	400	948
ISIN	BE6317598850	BE0002644251	XS0147484074	BE6261254013	BE6277215545	BE0933899800
Call date	June 2030 first reset date Reset to 5-yr mid-swap rate +379.2 bps	July 2029 Step up to 3M Euribor +380 bps	Undated, strike 315.0 mandatory 472.5	June 2024 Step up to 3M Euribor +413 bps	June 2027 Step up after 12 years of 100bps	Undated, strike 239.4, mandatory 359.1
Other	Public issue	Public issue		Subscribed by Ageas & BNP Paribas Fortis	Public issue	Coupon served by FBB, trigger ACSM linked to Ageas dividend
Market Price (31/03/20)	80.05	97.46	63.75	116.72	100.63	69.5



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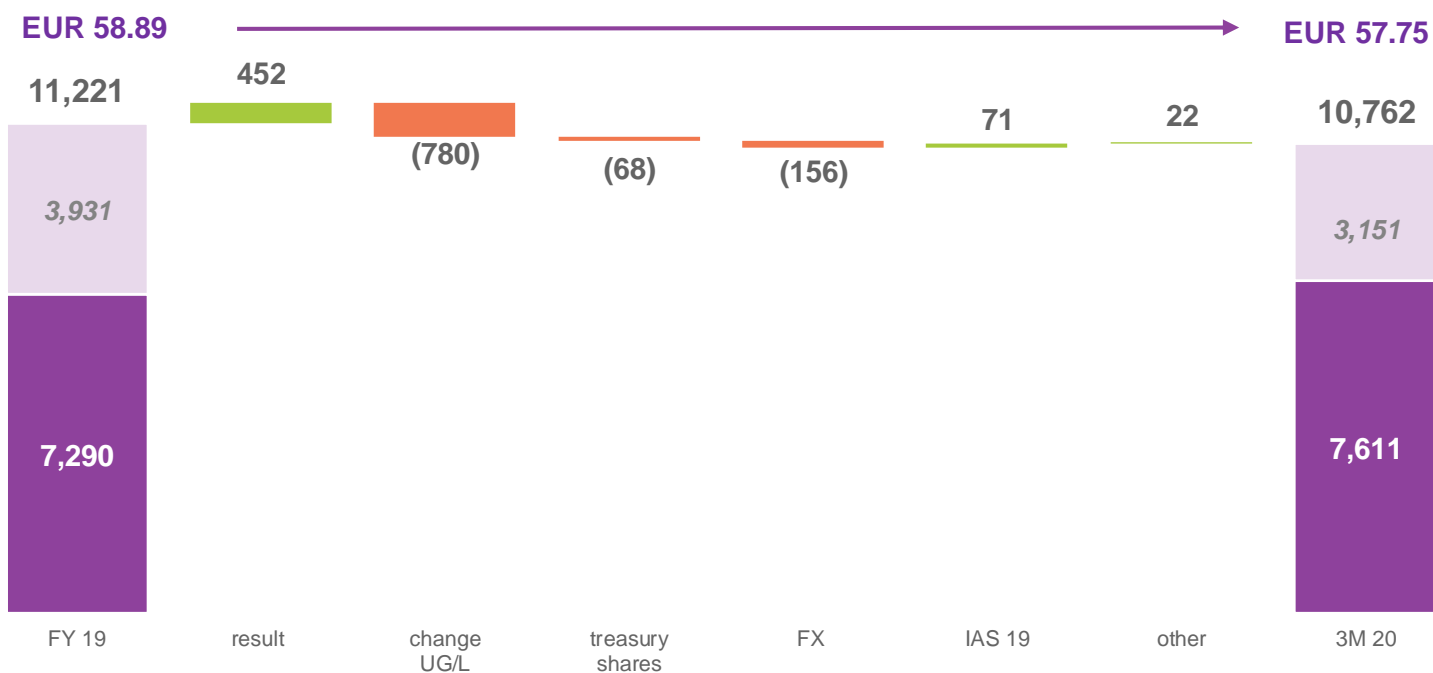
## Equity down on negative impact of financial markets

# Equity Shareholders equity

In EUR mio

Equity per share

Unrealised gains & losses



FY 19      result      change UG/L      treasury shares      FX      IAS 19      other      3M 20

<b>Belgium</b>	5,135	▶	4,672	<b>Asia</b>	4,008	▶	3,828
<b>UK</b>	998	▶	940	<b>Reinsurance</b>	108	▶	(52)
<b>Continental Europe</b>	1,326	▶	1,261	<b>General Account</b>	(354)	▶	113

Equity per segment

## Equity

## Tangible net equity

Debt leverage down after successful tender offer on the Fresh instrument – 65.5% repurchased

In EUR mio

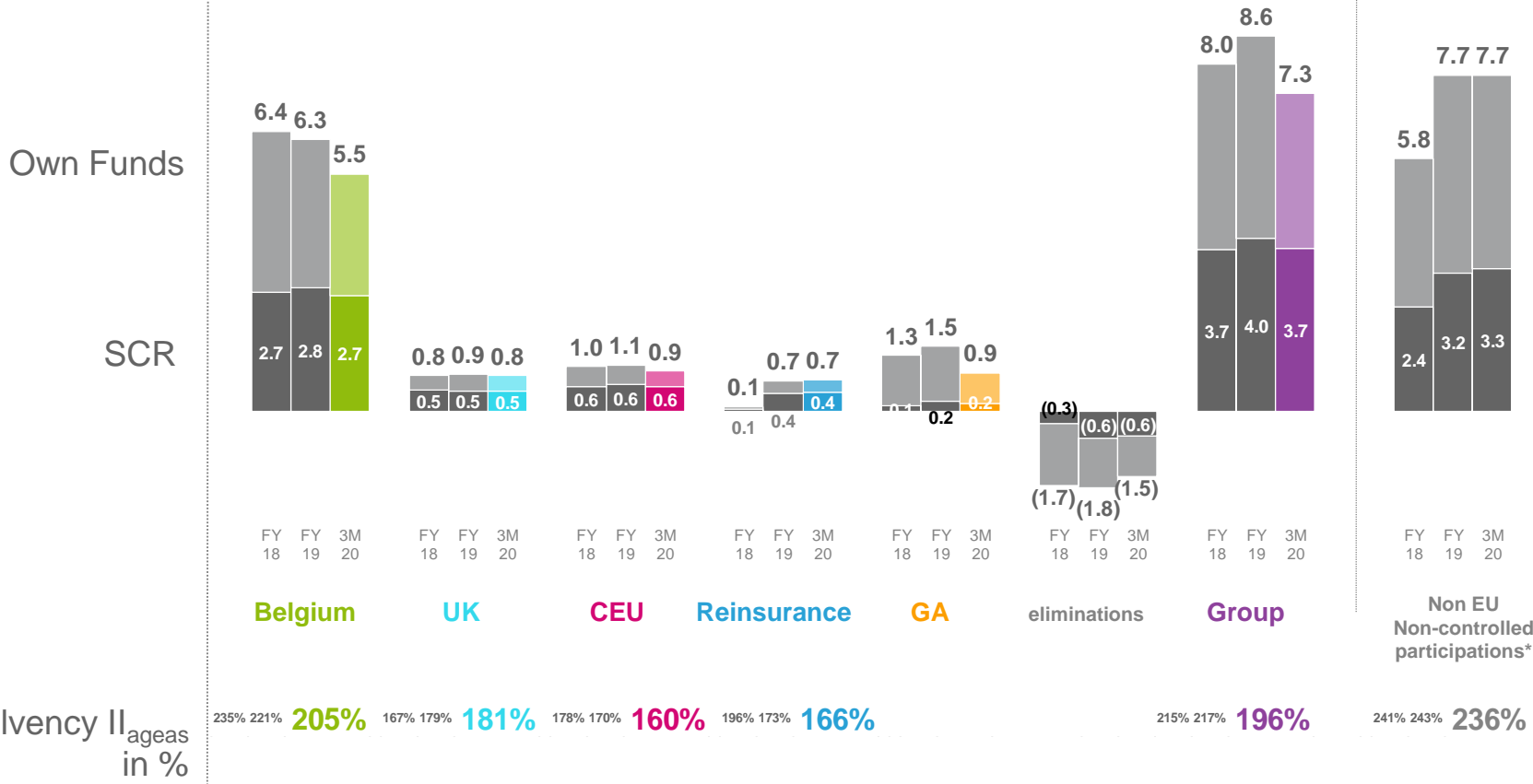
	FY 19	3M 20
<b>IFRS Shareholders' Equity</b>	<b>11,221</b>	<b>10,762</b>
Unrealised gains real estate	674	679
Goodwill	(614)	(605)
VOBA (Value of Business Acquired)	(58)	(54)
DAC (Deferred Acquisition Cost)	(425)	(441)
Other	(531)	(530)
Goodwill, DAC, VOBA related to N-C interests	381	378
Tax adjustment DAC, VOBA & Other	161	165
<b>IFRS Tangible net equity</b>	<b>10,810</b>	<b>10,353</b>
<b>IFRS Tangible net equity/ IFRS Shareholder's Equity</b>	<b>96%</b>	<b>96%</b>
<b>Debt leverage on tangible net equity *</b>	<b>22.4%</b>	<b>18.2%</b>

\* Leverage calculated as  
(Subordinated liabilities + Senior debt) / (Tangible net equity + Subordinated liabilities + Senior debt)

# Solvency II

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

Solvency still comfortably exceeding target level after Fresh transaction & market impact



\* Based on local solvency requirements

## Solvency II

Solvency II<sub>ageas</sub>

Solvency down on Fresh & market – contribution from operations covering dividend accrual

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

**FY '19 → 3M '20**  
**217% → 196%**

Debt initiatives	-11 pp	Tender of the Fresh
Model refinements	+ 1 pp	
Market movements & RPN(i)	- 11 pp +1 pp	Swap, spread & equity
Operational	+2 pp	
SBB	- 2 pp	
Expected dividend	- 1 pp	

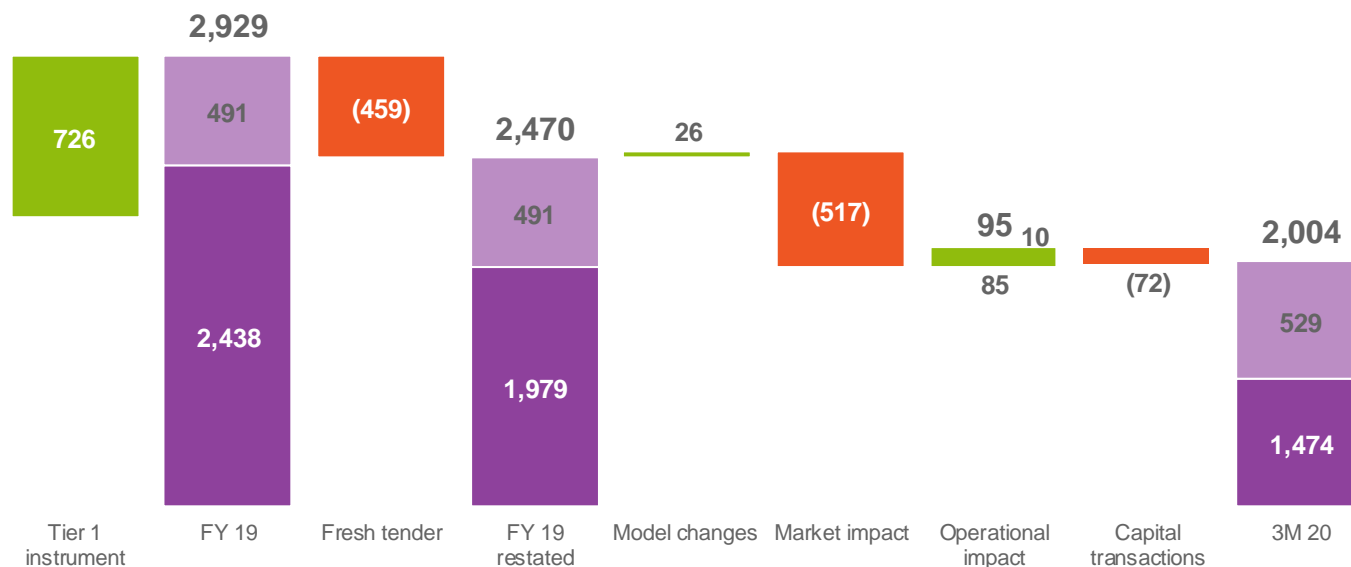
## Operational FCG affected by February storms

# Free Capital Generation Solvency II<sub>ageas</sub>

In EUR mio

expected dividend

Based on 175% SCR Solvency II<sub>ageas</sub>



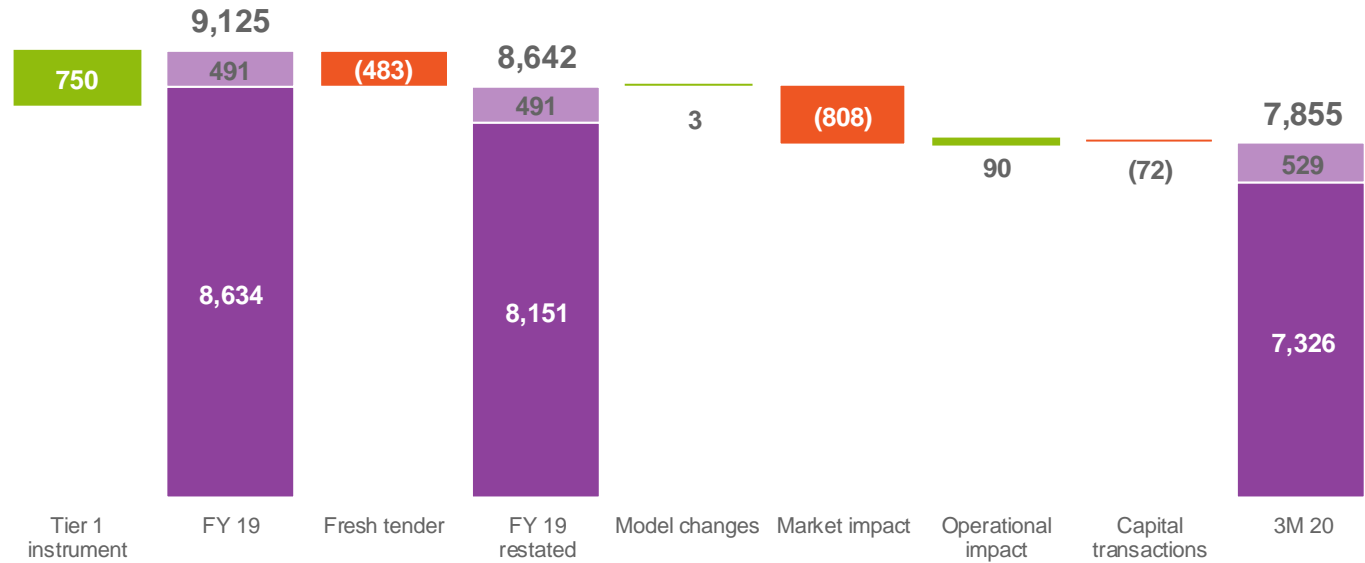
- Operational impact – includes EUR 10 mio dividend upstream Non-European NCP's
- Market: Covid-19 impact
- Fresh tender: pre-compensated by EUR 750mio T1 in 2019
- Capital transactions = SBB & injection in Asia

\* FCG Non-European NCP's over FY 2019 at EUR 806 mio - Operational FCG at EUR 369 mio - outside of Solvency II scope

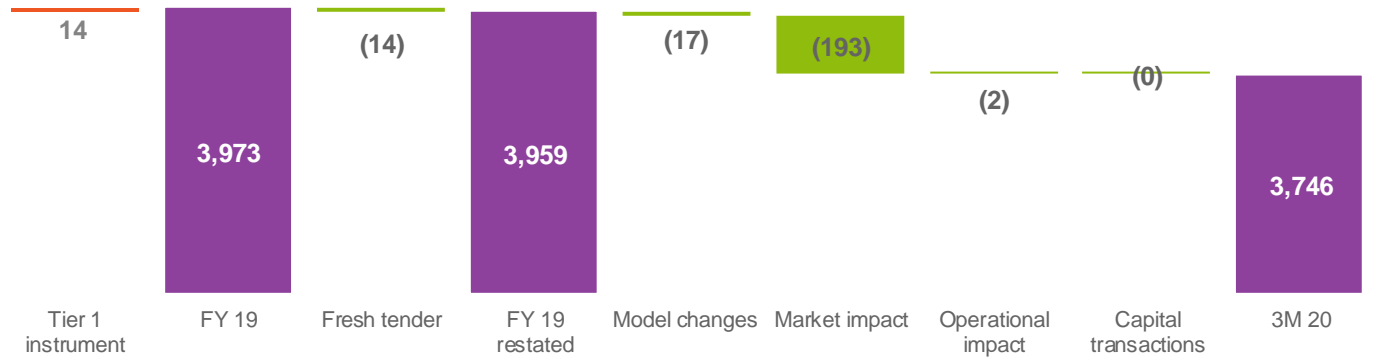
# Free Capital Generation Solvency II<sub>ageas</sub>

## Evolution SCR & OF split between types of impact

In EUR mio  
Own Funds



SCR





# Free Capital Generation Solvency II<sub>ageas</sub>

Operational FCG movement affected by weather & one-off related to step-up internal LPT on segment level

In EUR mio

	Operational YTD			
	OF	SCR	FCG	
<b>Belgium</b>	144	(6)	<b>155</b>	strong & steady OF generation despite weather
<b>UK</b>	12	4	<b>5</b>	impacted by weather
<b>CEU</b>	23	(10)	<b>40</b>	SCR supported by step-up to 40%
<b>Reinsurance</b>	(12)	26	<b>(58)</b>	SCR increase following step-up to 40% OF impacted by weather
<b>General Account</b>	(26)	(1)	<b>(25)</b>	
<b>Group eliminations</b>	(51)	(16)	<b>(22)</b>	SCR linked to step-up to 40%
<b>Total Ageas Solvency II scope</b>	90	(2)	<b>95</b>	including dividend NCP's

# Solvency

## Solvency II<sub>ageas</sub> sensitivities

High Solvency ratio providing resilience against market or other external evolutions

As per 31/12/19

		SCR	OF	Solvency
<b>Base case</b>	Before stress	3,957	8,127	<b>205%</b>
<b>Yield curve</b>	Down <b>50 bps</b>	4,112	7,971	<b>194%</b>
	Up <b>50 bps</b>	3,890	8,424	<b>217%</b>
<b>Equity</b>	Down <b>25%</b>	3,823	7,753	<b>203%</b>
<b>Property</b>	Down <b>10%</b>	4,063	7,875	<b>194%</b>
<b>Spread*</b>	Spreads on corporate & government bonds up <b>50 bps</b>	4,022	7,935	<b>197%</b>
<b>Corporate spread</b>	Up <b>50 bps</b>	3,953	8,159	<b>206%</b>
<b>Sovereign spread</b>	Up <b>50 bps</b>	4,005	7,934	<b>198%</b>
<b>UFR – base case 4.05%</b>	Down <b>15 bps</b>	3,959	8,142	<b>206%</b>
	Down <b>35 bps</b>	3,963	8,114	<b>205%</b>

\* Spread sensitivity doesn't take into account any credit rating movement

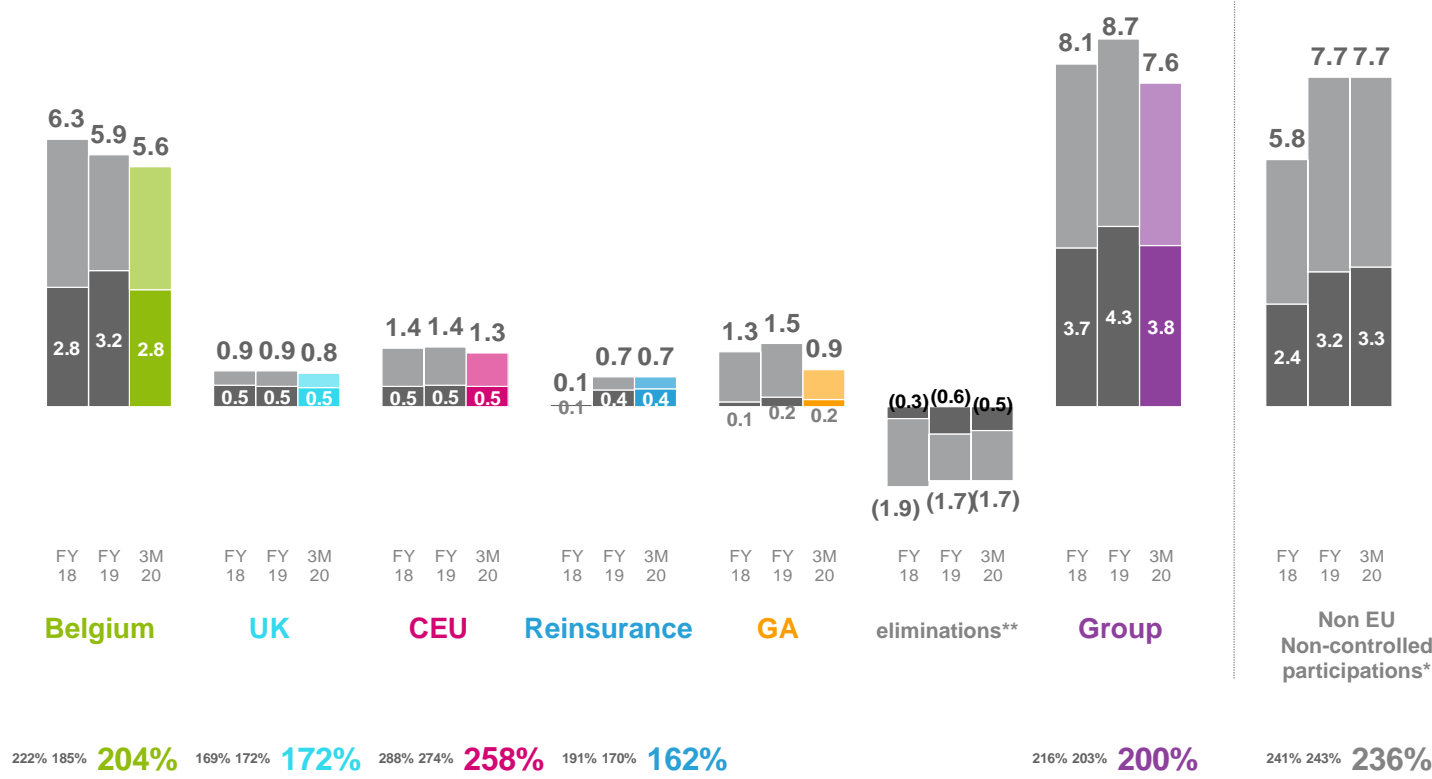
# Solvency PIM

## Regulatory Solvency @ 200%

In EUR bn

Own Funds

SCR



Solvency II PIM in %

\* Based on local solvency requirements  
 \*\* minority interest of not-fully owned subsidiaries are equal to minority interests exceeding contribution to group SCR

# Solvency

## PIM sensitivities

Ageas asset mix not in line with EIOPA reference portfolio

As per 31/12/19

		SCR	OF	Solvency
<b>Base case</b>	Before stress	4,238	8,146	<b>192%</b>
<b>Yield curve</b>	Down <b>50 bps</b>	4,410	7,997	<b>181%</b>
	Up <b>50 bps</b>	4,115	8,411	<b>204%</b>
<b>Equity</b>	Down <b>25%</b>	4,072	7,730	<b>190%</b>
<b>Property</b>	Down <b>10%</b>	4,391	7,897	<b>180%</b>
<b>Spread*</b>	Spreads on corporate & government bonds up <b>50 bps</b>	4,589	7,604	<b>166%</b>
<b>Corporate spread</b>	Up <b>50 bps</b>	4,089	8,282	<b>203%</b>
<b>Sovereign spread</b>	Up <b>50 bps</b>	4,726	7,445	<b>158%</b>
<b>UFR – base case 4.05%</b>	Down <b>15 bps</b>	4,268	8,153	<b>191%</b>
	Down <b>35 bps</b>	4,289	8,142	<b>190%</b>

\* Credit rating movement not taken up in spread sensitivity

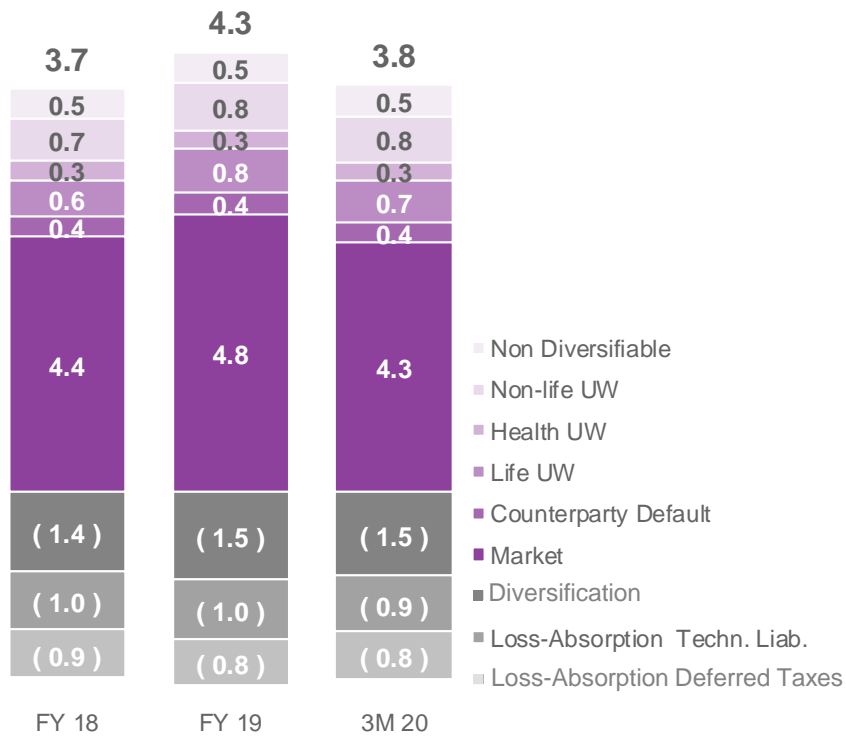
# Solvency

## Composition of SCR & OF

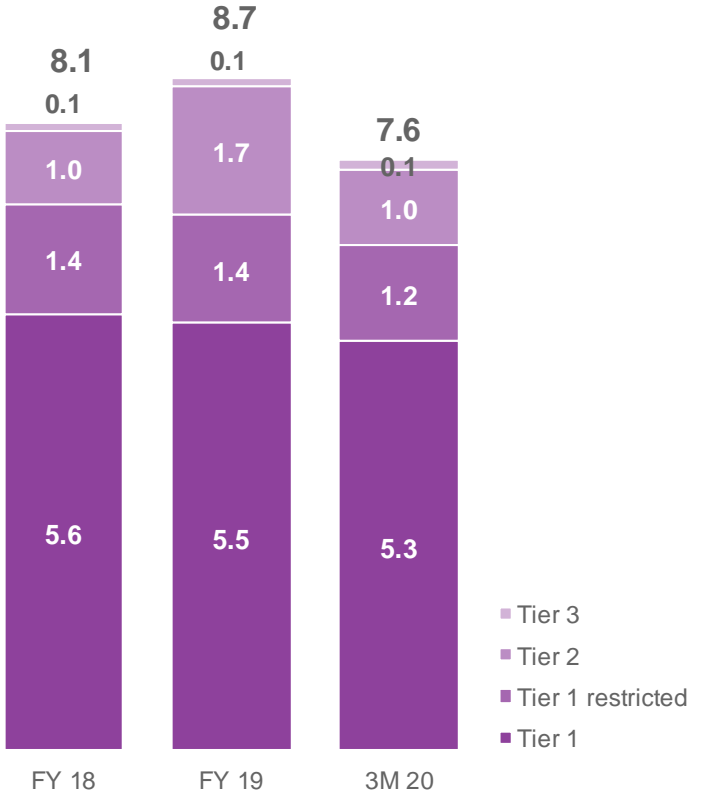
## Composition of SCR & OF

In EUR bn

Insurance SCR<sub>ageas</sub> per risk type  
 Market risk main factor in SCR – decreased following financial market evolution



Tiering of Group PIM own funds  
 Q4 Tier 2 included overflow from Tier 1 – down on Fresh tender



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# Investment portfolio

## Investment portfolio down on lower UG/L

In EUR bn

Gross UG/L on Available for Sale

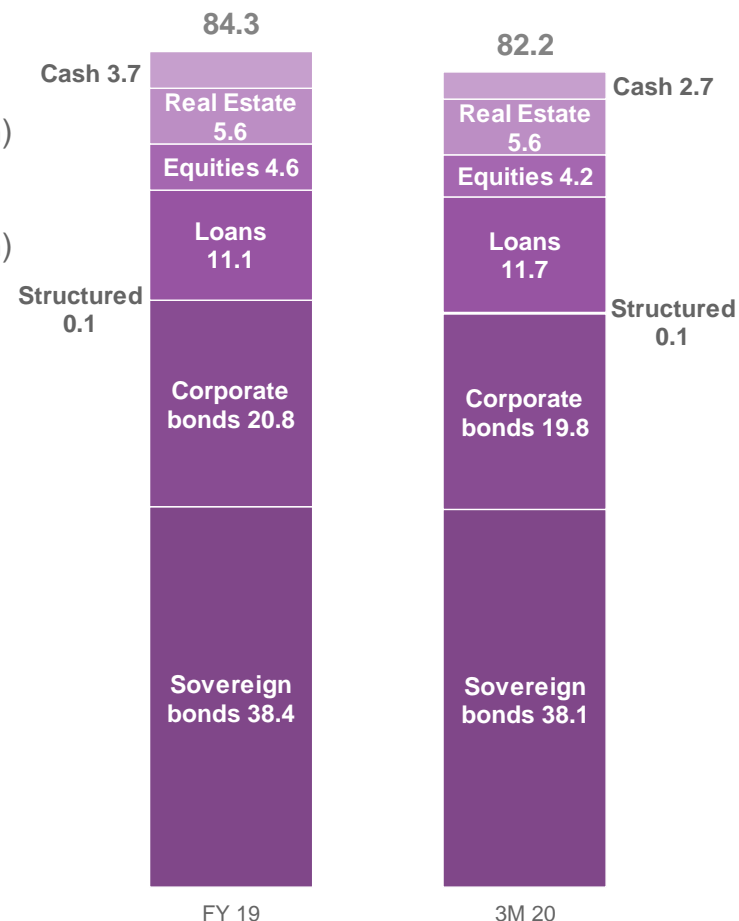
Gross UG/L on Real Estate

Gross UG/L on Held to Maturity

- Total portfolio: at **EUR 7.3 bn** (vs. EUR 8.7 bn)
- Fixed income: at **EUR 7.0 bn** (vs. EUR 7.9 bn)
  - Sovereigns at EUR 6.3 bn (vs. EUR 6.4 bn)
  - Corporates at EUR 0.8 bn (vs. EUR 1.5 bn)
- Equities: at **EUR 0.2 bn** (vs. EUR 0.8 bn)

- at **EUR 1.9 bn**
- not reflected in shareholders' equity
  
- Up to **EUR 2.5 bn** (vs. EUR 2.4 bn)
- not reflected in shareholders' equity

Signatory of:



Ageas Group has joined the commitment to incorporate ESG issues into its investment analysis and decisions and signed on behalf of all its consolidated entities the UN PRI

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

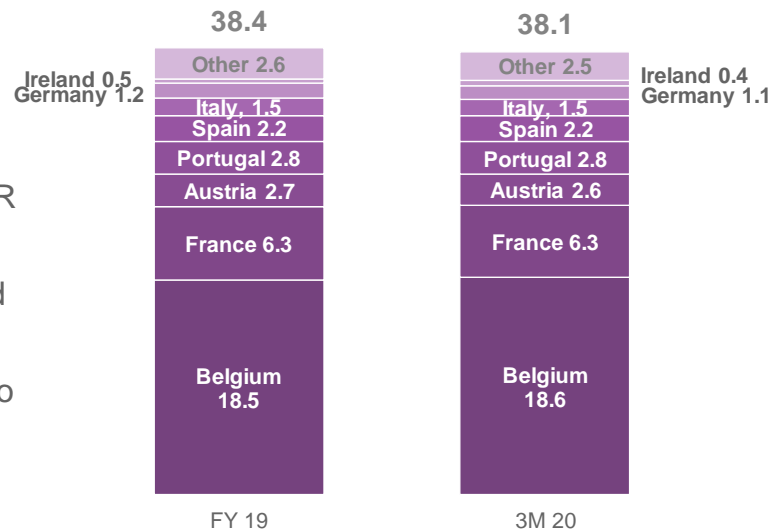
# Investment portfolio

## Value fixed income assets down on lower UG/L

In EUR bn

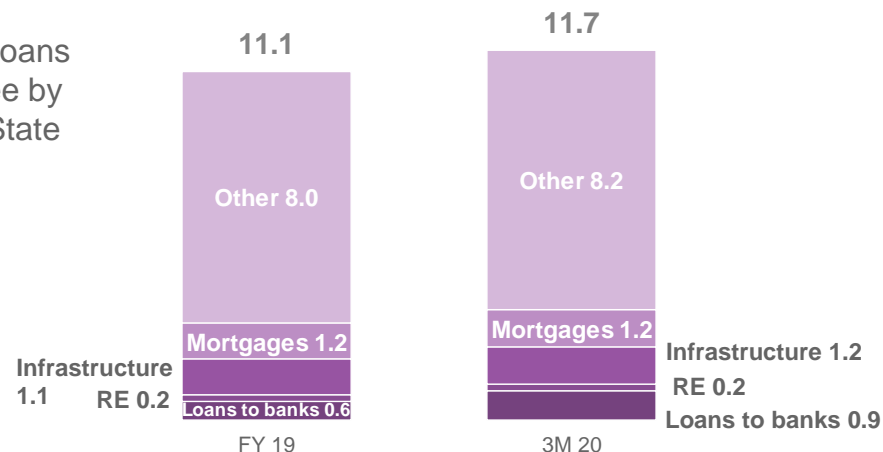
### Sovereign bond portfolio\*

- Gross UG/L at **EUR 6.3 bn** (vs. EUR 6.4 bn)
- **99.9%** investment grade; 84% rated A or higher
- **Belgium duration** gap close to zero – matched portfolio



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

- **Other:** mostly government related loans benefiting from an explicit guarantee by the Belgian regions or the French State



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



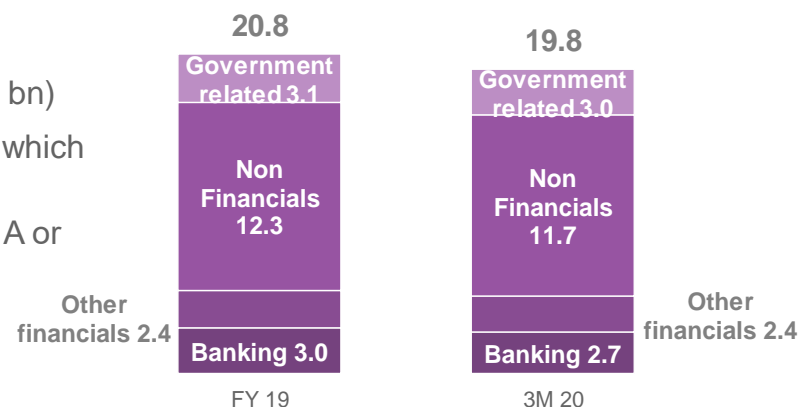
# Investment portfolio

## Corporate bond portfolio\* down on lower UG/L

In EUR bn

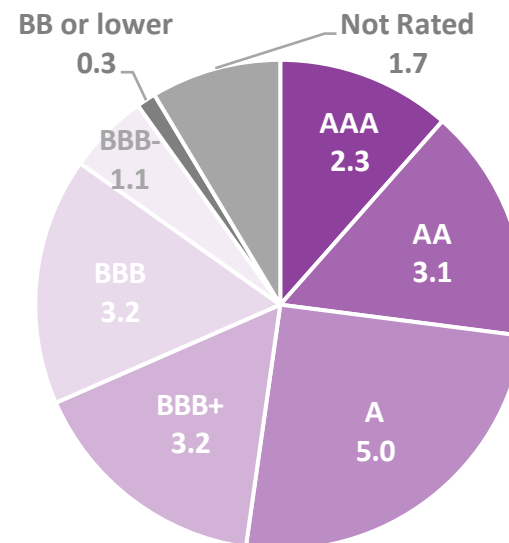
### Corporate bond portfolio – by sector

- Gross UG/L at **EUR 0.8 bn** (vs. EUR 1.5 bn)
- **Limited exposure** to Oil & Gas (≈3% of which 86% rated A or higher), Airlines (≈1%) & Transportation (≈4% of which 77% rated A or higher)



### Corporate bond portfolio – by rating

- **Credit quality** remains high with **90% investment grade** - 52% rated A or higher
- BBB exposure only ≈9% of **Total investment portfolio** of which **EUR 3.2 bn BBB+ exposure**
- **EUR 1.7 bn** regarded as **non rated** corporate investments



\* All assets at fair value except the 'Held to Maturity' assets & loans which are valued at amortized costs ; consolidated @100%

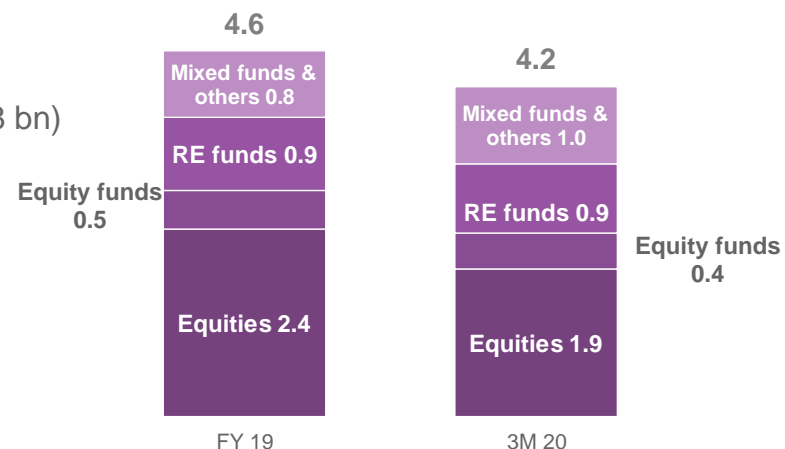
# Investment portfolio

## Equity portfolio\* down on lower UG/L

In EUR bn

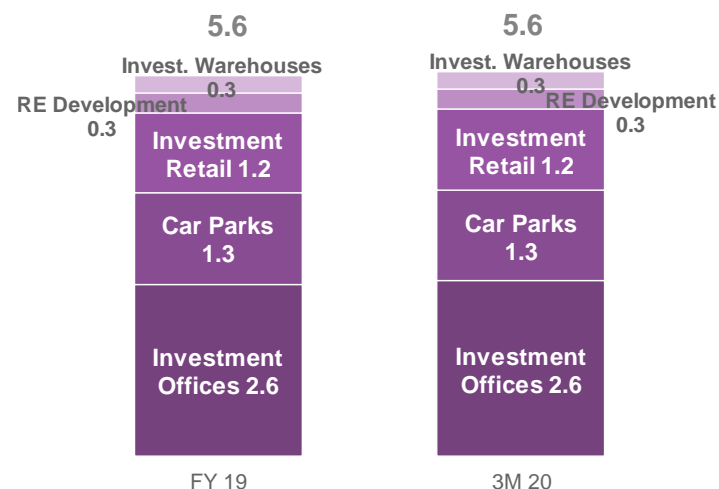
Equity portfolio\*

- Gross UG/L at **EUR 0.2 bn** (vs. EUR 0.8 bn)



Real estate portfolio\*

- Exposure mainly in Belgium
- Gross UG/L at **EUR 1.9 bn** (not reflected in shareholders' equity but contributing to available capital for solvency calculation)



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

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## Settlement in full execution mode

Announcement  
14/03/2016

- Ageas offers to pay EUR 1.2 bn compensation – additional effort of EUR 0.1 bn announced 16/10/2017
- Cash impact of EUR 1.0 bn
- 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

### Court's decision to declare the settlement binding on 13/07/2018

Binding declaration and  
claims filing period

- Publication of binding declaration notice on 27/07/2018 launched execution of the settlement
- Early filing & opt-out period ended on 31/12/2018
- Limited number of opt-outs received for ≈1% of total settlement amount
- Computershare Investor Services plc acting as independent claims administrator
- Further information available on [www.FORsettlement.com](http://www.FORsettlement.com)

### Claims filing ended on 28/07/2019

Claims validation &  
payments ongoing

- ≈290K claims received of which ≈221K have received early payment as at end of April 2020
- End of Q1 2020 ≈EUR 725 mio compensation paid to eligible shareholders of which EUR 140 mio coming from D&O insurers – Additional ≈EUR 18 mio paid in April 2020
- Due to higher than expected number of claims, dilution likely in certain cases
- 70% of estimated per share compensation guaranteed for claimants filing before 31/12/2018
- Claims validation and payments to continue in 2020

## Proceedings related to the past that remain outstanding

### Administrative proceedings

- None

### Criminal investigation

- Public prosecutor has announced discontinuation of proceeding
- Public prosecutor has sent his proposal to Chambre du Conseil on referral
- Written submissions are being exchanged
- Hearing session before the Chambre du Conseil scheduled on 8 and 9 June 2020

### Civil proceedings

- Opt-out cases from settlement
  - Limited number of opt-outers for ≈1% of settlement amount
  - Patrinvest: first instance in favour of Ageas, appeal filed by plaintiff
  - Mr. Modrikamen: suspended awaiting outcome criminal procedure

### Other proceedings

- MCS: Appeal Court ruled in favour of Ageas, appellants filed appeal before Supreme Court

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# Outstanding shares

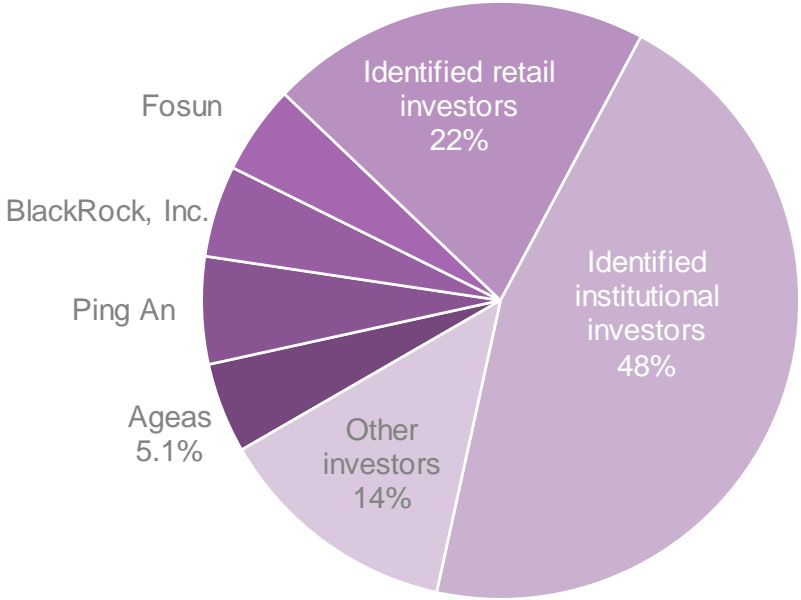
## Reclassification of 2.6 mio treasury shares following tender on the FRESH securities

*situation 31/12/2019*      *situation 31/03/2020*      *situation 11/05/2020*

<b>Total Issued Shares</b>		<b>198,374,327</b>	<b>198,374,327</b>	<b>198,374,327</b>
<hr/>				
Shares not entitled to dividend nor voting rights		11,747,866	13,355,195	14,126,552
<hr/>				
1. TREASURY SHARES	Share buy-back *	3,820,753	5,428,082	6,199,439
	FRESH	3,968,254	1,369,048	1,369,048
	Other treasury shares	0	2,599,206	2,599,206
2. CASHES		3,958,859	3,958,859	3,958,859
<hr/>				
Shares entitled to dividend & voting rights		186,626,461	185,019,132	184,247,775
<hr/>				

\* After deduction of shares for management plans

# Shareholders structure



Ageas Based upon press release 11 May 2020

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 6 April 2020

Fosun Based upon the number of shares mentioned in the notification received 16 May 2019

Identified retail investors Estimate by **NASDAQ OMX**  
 Identified institutional investors Estimate by




# Ratings

## Operating entities

	S&P	MOODY'S	FITCH
<b>AG Insurance (Belgium)</b>	A / positive	A2 / stable*	A+ / stable
Last review	21/11/19	13/12/19 unsolicited	29/04/20
<b>Ageas Insurance Limited</b>	A / positive		A+ / stable
Last review	21/11/19		29/04/20
<b>Muang Thai Life</b>	BBB+ / Stable		A- / negative
Last review	15/04/20		08/05/20
<b>Etiqa Insurance Berhad (Malaysia)</b>			A / stable
Last review			06/05/20
<b>China Taiping Life</b>			A+ / stable
Last review			16/03/20
<b>ageas SANV</b>	A / positive	A3 / stable*	A+ / stable
Last review	21/11/19	13/12/19 unsolicited	29/04/20

\* 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.



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