

PRESS RELEASE

Brussels, 19 November 2019 – 08:15 (CET)



Ageas offers exit opportunity to holders of FRESH securities

Ageas launched today, through its wholly owned subsidiary Ageasfinlux S.A., an offer to purchase the outstanding FRESHⁱ securities, thereby offering liquidity and an exceptional exit opportunity to the holders of FRESH securities from a deeply subordinated and low yielding instrument.

Ageasfinlux (the “Issuer”) offers to purchase in cash any and all of the outstanding FRESH securities as from 19 November 2019ⁱⁱ. The offer is open to existing holders of the FRESH securities globally, including in the United States. The results of the tender offer will be communicated on 3 January 2020.

The Issuer simultaneously launched a consent solicitation to permit the purchase of the FRESH securities. Consent of at least a majority of the aggregate principal amount of the FRESH outstanding is necessary for the proposed amendment to the conditions of the FRESH to be adopted. The consent solicitation will expire on 2 December 2019.

FRESH holders who tender after the consent solicitation period will receive the tender offer considerationⁱⁱⁱ of 56% of the principal amount of FRESH tendered. FRESH holders who tender and consent during the consent solicitation period will receive a consent consideration of 3% of the principal amount in addition to the tender offer consideration. The total consideration represents a premium of 5.417pp compared to the closing price of yesterday 18 November 2019 and a premium of 9.53pp compared to the average trading price over the last 100 trading days.

The purchased FRESH securities will be exchanged into underlying shares of ageas SA/NV and will remain on the Group’s balance sheet and will continue not to be entitled to dividends or voting rights. Any FRESH securities not purchased will remain outstanding in accordance with their amended terms. The National Bank of Belgium confirmed that they will continue to be regarded as grandfathered Restricted Tier 1 capital.

The tender offer will be funded by available cash. To mitigate any impact on Ageas Group’s solvency stemming from the transaction, ageas SA/NV intends to issue a new Restricted Tier 1 subordinated instrument and has mandated certain banks to act as joint bookrunners. Timing and size of the new issuance are subject to market conditions, the success of the consent solicitation and the amount of FRESH securities tendered.

The final impact of this transaction on the Group’s solvency ratio, balance sheet and profit and loss account can only be determined after closing. The capital gain that might be realised will constitute a non-cash element and will therefore not be available for dividend distribution. This transaction does not impact the ongoing share buy-back programme.

Ageas CEO Bart De Smet said: *“With this offer to purchase the FRESH securities, Ageas provides investors with an opportunity to exit a financing instrument stemming from the past. In conjunction with the intended new debt issuance, Ageas modernises its capital structure, by proactively reducing its reliance on grandfathered capital instruments and pursuing its objective of centralising funding and capital issuance at the level of the parent company ageas SA/NV.”*

INSIDE INFORMATION
REGULATED INFORMATION

EURONEXT BRUSSELS

Ticker: AGS

ISIN: BE0974264930

MEDIA CONTACT

+32 (0)2 557 57 36

INVESTOR RELATIONS

+32 (0)2 557 57 32

Ageas

Rue du Marquis 1

1000 Brussels - Belgium

www.ageas.com

 @AgeasGroup

Ageas is a listed international insurance Group with a heritage spanning almost 200 years. It offers Retail and Business customers Life and Non-Life insurance products designed to suit their specific needs, today and tomorrow. As one of Europe's larger insurance companies, Ageas concentrates its activities in Europe and Asia, which together make up the major part of the global insurance market. It operates successful insurance businesses in Belgium, the UK, France, Portugal, Turkey, China, Malaysia, India, Thailand, Vietnam, Laos, Cambodia, Singapore, and the Philippines through a combination of wholly owned subsidiaries and long term partnerships with strong financial institutions and key distributors. Ageas ranks among the market leaders in the countries in which it operates. It represents a staff force of over 45,000 people and reported annual inflows of over EUR 34 billion in 2018 (all figures at 100%).

This announcement contains inside information. The person responsible for making this communication on behalf of ageas SA/NV is Johan De Bruycker, Group General Counsel.

This announcement is neither an offer to purchase, nor a solicitation of an offer to sell, the FRESH securities or any other securities. The Issuer is making the offer only by, and pursuant to, the terms of the offer to purchase and consent solicitation statement. The offer and consent solicitation are not being made in any jurisdiction in which the making of or acceptance thereof would not be in compliance with the securities laws, blue sky laws or other laws of such jurisdiction.

ⁱ The FRESH (Floating Rate Equity-linked Subordinated Hybrid securities) are undated capital securities issued on 7 May 2002 by Ageasfinlux S.A. as Issuer, with ageas SA/NV acting as co-obligor, for a total principal amount of EUR 1,250 million with a floating rate coupon of 3 month Euribor + 135 basis points. The securities can only be redeemed through exchange into ageas SA/NV shares at an exchange price equal to EUR 315 per share, which effectively implies that they are a truly perpetual instrument.

ⁱⁱ For more details on the tender offer for the FRESH we refer to [the related press release of Ageasfinlux S.A.](#)

ⁱⁱⁱ Price source is the ask price of CBBT (Composite Bloomberg Bond Trader) of the FRESH securities at 53.583% at close on 18 November 2019. It is also the basis for the 100 days average calculation. Composite Bloomberg Bond Trader (CBBT) is a composite price based on the most relevant fixed income trading quotations on Bloomberg.