



# PRESS RELEASE

Regulated information

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## Ageas first quarter 2019 result

Strong growth of inflows  
 Good net result in line with last year's result  
 New internal Non-Life reinsurance agreements implemented

First quarter 2019	
<b>Net Result</b>	<ul style="list-style-type: none"> <li>Net result of <b>EUR 251 million</b> versus EUR 248 million</li> <li><b>General Account</b> net result of <b>EUR 7 million negative</b> versus EUR 52 million negative</li> <li><b>Life</b> net result down 11% to <b>EUR 223 million</b> versus EUR 252 million due to timing differences on capital gains</li> </ul> <p>Although stable operating performance, net result in <b>Non-Life</b> down 27% from EUR 48 million to <b>EUR 35 million</b> due to one-off expenses</p>
<b>Inflows</b>	<ul style="list-style-type: none"> <li><b>Group inflows</b> (at 100%) of <b>EUR 12.8 billion</b>, up 8%</li> <li><b>Life</b> inflows up 9% to EUR 11.1 billion and <b>Non-Life</b> up 3% at EUR 1.7 billion (both at 100%)</li> <li>Group inflows (Ageas's part) up 11% at EUR 4.9 billion</li> </ul>
<b>Operating Performance</b>	<ul style="list-style-type: none"> <li><b>Combined ratio</b> at <b>98.3%</b> versus 98.8%</li> <li>Operating Margin Guaranteed at <b>88 bps</b> versus 137 bps due to timing difference in the investment income</li> <li>Operating Margin Unit-Linked at <b>18 bps</b> versus 32 bps due to costs related to a successful commercial campaign in Belgium</li> <li>Life Technical Liabilities of the consolidated entities increased to <b>EUR 75.9 billion</b></li> </ul>
<b>Balance Sheet</b>	<ul style="list-style-type: none"> <li>Shareholders' equity of <b>EUR 10.2 billion</b> or EUR 52.05 per share</li> <li>Group Solvency II<sub>ageas</sub> ratio at <b>194%</b> not yet including the benefit from the new debt issue</li> <li>General Account Total Liquid Assets at <b>EUR 1.5 billion</b>, out of which EUR 0.7 billion is ring-fenced for the Fortis settlement</li> </ul>

All Q1 2019 figures are compared to the Q1 2018 figures unless otherwise stated. A complete overview of the figures can be consulted on the Ageas website.

**Ageas CEO Bart De Smet said:** « We are very pleased with the strong sales momentum recorded this first quarter, especially in Belgium, Portugal and Asia where we continued to strongly increase our inflows. Due to a timing difference on capital gains and the impact of the quota share re-insurance programme, which is for the first time reflected in our figures, the result of our Insurance activities was somewhat down compared to the first quarter of last year. These negative, however temporary, elements have been partly compensated by improved profits in Continental Europe and Asia. Our Asian activities benefited from a recovery in the Chinese equity markets and incorporated a positive, even though still small, contribution from our recent investment in India. All in all we are satisfied with this good start to the year.»

## KEY FIGURES AGEAS

in EUR million	3M 19	3M 18	Change
<b>Net result Ageas</b>	<b>251.4</b>	<b>247.7</b>	<b>1 %</b>
<b>By segment:</b>			
- Belgium	80.6	136.4	(41 %)
- UK	10.8	10.7	1 %
- Continental Europe	31.6	26.7	18 %
- Asia	146.9	123.8	19 %
- Reinsurance	(12.0)	1.8	*
- General Account & Elimination	(6.5)	(51.7)	87 %
of which RPN(I)	27.0	(38.4)	
<b>By type:</b>			
- Life	223.0	251.9	(11 %)
- Non-Life	34.9	47.5	(27 %)
- General Account & Elimination	(6.5)	(51.7)	87 %
Weighted average number of ordinary shares (in million)	194.1	198.5	(2 %)
<b>Earnings per share (in EUR)</b>	<b>1.30</b>	<b>1.25</b>	<b>4 %</b>
<b>Gross inflows (incl. non-consolidated partnerships at 100%)</b>	<b>12,808.5</b>	<b>11,852.7</b>	<b>8 %</b>
- of which inflows from non-consolidated partnerships	9,644.9	9,334.9	3 %
<b>Gross inflows Ageas's part (incl. non-consolidated entities)</b>	<b>4,937.1</b>	<b>4,451.8</b>	<b>11 %</b>
<b>By segment:</b>			
- Belgium	1,550.8	1,156.9	34 %
- UK	380.2	398.7	(5 %)
- Continental Europe	608.3	739.7	(18 %)
- Asia	2,397.8	2,156.5	11 %
<b>By type:</b>			
- Life	3,720.1	3,262.6	14 %
- Non-Life	1,217.0	1,189.2	2 %
<b>Combined ratio</b>	<b>98.3%</b>	<b>98.8%</b>	
<b>Operating margin Guaranteed (bps)</b>	<b>88</b>	<b>137</b>	
<b>Operating margin Unit-Linked (bps)</b>	<b>18</b>	<b>32</b>	
in EUR million	31 Mar 2019	31 Dec 2018	
<b>Shareholders' equity</b>	<b>10,235</b>	<b>9,411</b>	<b>9 %</b>
<b>Net equity per share (in EUR)</b>	<b>52.05</b>	<b>48.42</b>	<b>7 %</b>
<b>Net equity per share (in EUR) excluding unrealised gains &amp; losses</b>	<b>36.24</b>	<b>34.98</b>	<b>4 %</b>
<b>Return on Equity - Ageas Group (excluding unrealised gains)</b>	<b>14.4%</b>	<b>11.9%</b>	
<b>Group solvency II<sub>ageas</sub></b>	<b>194.1%</b>	<b>214.6%</b>	<b>(10 %)</b>
<b>Life Technical Liabilities (consolidated entities)</b>	<b>75,949</b>	<b>73,359</b>	<b>4 %</b>
- Life Technical Liabilities excl. shadow accounting	73,094	71,529	2 %
- Shadow accounting	2,855	1,830	56 %

# AGEAS

## Net profit in line with last year's strong result. Top line growth driven by Belgium and China.

The new internal reinsurance agreements between ageas SA/NV and the operating entities in Belgium, UK and Portugal were established. The introduction of these agreements had no material impact on the Group's net result however it affected the results at segment level. The initial impact from the reinsurance programme are described in the segment pages of this press release.

The **Group net result** stood at the same high level as last year. This year again it suffered from adverse weather in Belgium. The exceptionally high result in Asia related to the favourable equity markets in the first quarter offset the lower contribution of capital gains in Belgium. The introduction of internal reinsurance arrangements since the start of 2019 had no material impact on the Group's net result. It did however create some internal transfers between the different reporting segments and the Reinsurance segment, positively impacting the result of Belgium and Continental Europe and negatively the UK result. Affected by lower investment result and adverse weather, the net profit in Belgium declined. In Asia the Life net profit further increased compared to an already excellent first quarter 2018 and the improving Non-Life result further benefitted from the contribution of the recently acquired business in India. The net result in Continental Europe increased thanks to a strong operating performance in Non-Life, while in the UK, the net result remained at last year's level notwithstanding the cost of an exceptional restructuring provision. The net result in the Reinsurance segment suffered from the same adverse weather as Belgium following the quota share agreement. The revaluation of the RPN(i) liability had a positive impact on the Group net result. Earnings per share increased 4%, half of which was related to the share buy-back programme.

Total **inflows** increased 8%, with growth across all segments except for the UK where we continue to focus on profitability over volume. The main contributors to inflow growth were Belgium and China. In Belgium Life continued its growth path with increased sales both Unit-Linked and Guaranteed products while Non-Life outperformed the market driven specifically by Accident & Health. The inflow growth in China stemmed from new business and renewals with persistency levels at industry-leading standards. Scope-on-scope and at constant exchange rate, inflows in Continental Europe were up considerably, driven both by Life and Non-Life. The inflows of the Reinsurance segment included several one-offs related to the ramp-up phase of the new internal reinsurance agreements.

The **Life Technical Liabilities** excluding shadow accounting of the consolidated entities increased 2%, driven by the sales increase. Life Technical Liabilities in the non-consolidated entities grew with 15%.

The **Guaranteed operating margin** suffered from the seasonality in the realisation of capital gains. Furthermore last year's margin benefitted from an exceptionally strong investment income. The **Unit-Linked operating margin** was below target mostly due to the commercial cost related to the sales campaign in Belgium and lower sales in Continental Europe.

The **combined ratio** was negatively impacted by the adverse weather in Belgium. Excluding this, the operating performance was strong across most of the Group's business lines. The Loss Portfolio Transfer related to the start-up of the new internal reinsurance activities was realised through a one-off premium transfer, reducing the Net Earned Premium for both UK and Continental Europe. This affected the reported combined ratios of the segments. Excluding the new reinsurance agreements, the combined ratio at segment level was impacted by the bad weather in Belgium, improved following a good operational performance across the core product lines in the UK and remained very strong in Continental Europe. The combined ratio of Reinsurance was affected by the initial losses induced by the new internal reinsurance agreements and the mentioned bad weather event in Belgium.

The non-consolidated partnerships reported a combined ratio of 97.4% (vs. 98.3%) in Tesco Underwriting (UK), 102.3% (vs. 95.8%) in Turkey (Continental Europe) and 94.2% (vs. 91.9%) in Asia.

Total **shareholders' equity** increased from EUR 9.4 billion at the end of 2018 to EUR 10.2 billion thanks to the strong net result and the positive impact of the financial markets on the fair value of the bond portfolio and the valuation of our Non-Euro participations.

In March, our Belgian operation called its outstanding USD 550 million debt instrument, affecting the Group Own Funds for EUR 360 million. This will however be compensated in the second quarter by the issuance of the EUR 500 million bond by ageas SA/NV. The **Solvency II<sub>ageas</sub> ratio** of the Group remained however very strong at 194%. The good operational performance of the insurance operations lead to an **operational free capital generation** of EUR 148 million, including EUR 10 million in dividends from the non-European Non-Controlled-Participations.

The decrease of the **total liquid assets in the General Account** from EUR 1.7 billion to EUR 1.5 billion was related to the acquisition of the 40% stake in Royal Sundaram General Insurance. EUR 0.7 billion remains ring-fenced for the Fortis settlement.

### Business development

The acquisition of a 40% stake in Royal Sundaram General Insurance Co Limited was finalised in the first quarter of 2019 for a cash consideration of EUR 185 million and was included in the accounts as from 22 February 2019.

### Contingent liabilities

The execution of the Fortis settlement is ongoing. Based on the numbers as at 7 May 2019 received from Computershare, the independent claims handler, some 115,000 claims out of the approximately 266,000 claims filed, have received partial compensation for a total amount of EUR 455 million.

# BELGIUM

Solid first quarter despite lower investment result and adverse weather events.  
Exceptional high inflows, up in all business lines.

## KEY FIGURES BELGIUM

in EUR million	3M 19	3M 18	Change
<b>Net result attributable to shareholders</b>	<b>80.6</b>	<b>136.4</b>	<b>(41%)</b>
- Life	68.5	118.7	(42%)
- Non-Life	12.1	17.7	(32%)
<b>Gross inflows (incl. non-consolidated partnerships at 100%)</b>	<b>2,067.8</b>	<b>1,542.5</b>	<b>34%</b>
- Life	1,407.2	913.7	54%
- Non-Life	660.6	628.8	5%
<b>Combined ratio - before QS</b>	<b>104.2%</b>	<b>100.3%</b>	
<b>Operating margin Guaranteed (bps)</b>	<b>78</b>	<b>141</b>	
<b>Operating margin Unit-Linked (bps)</b>	<b>26</b>	<b>51</b>	

  

in EUR million	31 Mar 2019	31 Dec 2018	Change
<b>Life Technical Liabilities</b>	<b>59,186</b>	<b>57,257</b>	<b>3%</b>
- Life Technical Liabilities excl. shadow accounting	56,929	55,866	2%
- Shadow accounting	2,257	1,391	62%

As from 2019 a new internal reinsurance programme is operational, impacting combined ratio and Non-Life net result.

The combined ratio including the effect of the new internal reinsurance agreement stood at 100.3%. For more details, please refer to the Investor presentation and the tables on the website.

The **net result** reflects the lower investment result in both Life and Non-Life and the impact of the adverse weather events in March for an amount of EUR 18 million, similar to last year's first quarter. The net result benefitted for EUR 10 million from the new internal reinsurance agreement.

**Gross inflows** increased considerably compared to last year across all business lines and both in Life and Non-Life. Inflows in **Guaranteed products** increased by 30% compared to last year mostly driven by the increased sales in Group life and of savings products in the Bank channel. **Unit-Linked** inflows increased considerably compared to last year mainly thanks to the successful sales campaign through the Bank channel. **Non-Life** gross inflows increased across all business lines. Especially Accident and Health performed well, increasing inflows by 8% mainly thanks to new business in healthcare.

The **Life Technical Liabilities** (excluding shadow accounting) increased mainly as a result of the strong Unit-Linked inflows.

The **Guaranteed operating margin** suffered from the seasonality in the realisation of capital gains. Furthermore last year's margin benefitted from an exceptionally strong investment income.

The **Unit-Linked operating margin** was below target mostly due to the commercial cost related to the sales campaign that was fully taken in the first quarter.

The **combined ratio** was negatively impacted (+10pp) by the adverse weather events in March. Excluding this impact, the operating performance was strong across most business lines.

# UNITED KINGDOM

## Strong performance supported by benign weather

### KEY FIGURES UNITED KINGDOM

in EUR million	3M 19	3M 18	Change
<b>Net result attributable to shareholders</b>	<b>10.8</b>	<b>10.7</b>	<b>1%</b>
<b>Gross inflows Non-Life (incl. non-consolidated partnerships at 100%)</b>	<b>424.9</b>	<b>445.2</b>	<b>(5%)</b>
<b>Combined ratio - before LPT and QS</b>	<b>95.5%</b>	<b>100.7%</b>	

As from 2019 a new internal reinsurance programme is operational, impacting combined ratio and Non-Life net result.

The combined ratio including the effect of the new internal reinsurance agreement stood at 111.2%. For more details, please refer to the Investor presentation and the tables on the website.

The **net result** reached last year's level thanks to a good current year performance across core product lines, absorbing the impact of the new internal reinsurance agreement with ageas SANV (EUR 3 million), and the restructuring costs (EUR 12 million). The improved result in Household benefitted from the benign weather compared to last year. In anticipation of the final outcome of the Ogden rate review, the related reserving assumptions are maintained.

**Gross inflows** were down compared to last year across all product lines following strategic decisions to maintain the pricing discipline in the highly

competitive Motor market and to exit unprofitable distribution relationships. While the Broker channel is the predominant distribution channel in the UK, direct sales through the aggregator platforms continue to grow consistent with the strategy.

The **combined ratio** improved significantly year on year driven by a strong current year claims ratio across all core product lines. Unlike for this quarter, last year's combined ratio included the impact from weather events in March 2018. The non-allocated costs related to the recently announced restructuring are not included in the combined ratio.

# CONTINENTAL EUROPE

Excellent net result driven by a strong non-life operating performance

## KEY FIGURES CONTINENTAL EUROPE

in EUR million	3M 19	3M 18	Change
<b>Net result attributable to shareholders</b>	<b>31.6</b>	<b>26.7</b>	<b>18%</b>
- Life	12.4	12.8	(3%)
- Non-Life	19.2	13.9	38%
<b>Gross inflows (incl. non-consolidated partnerships at 100%)</b>	<b>933.7</b>	<b>1,434.4</b>	<b>(35%)</b>
- Life	561.7	1,051.2	(47%)
- Non-Life	372.0	383.2	(3%)
<b>Combined ratio - before LPT and QS</b>	<b>91.7%</b>	<b>90.2%</b>	
<b>Operating margin Guaranteed (bps)</b>	<b>140</b>	<b>110</b>	
<b>Operating margin Unit-Linked (bps)</b>	<b>8</b>	<b>12</b>	

in EUR million	31 Mar 2019	31 Dec 2018	Change
<b>Life Technical Liabilities (consolidated entities)</b>	<b>16,772</b>	<b>16,111</b>	<b>4%</b>
- Life Technical Liabilities excl. shadow accounting	16,174	15,672	3%
- Shadow accounting	598	439	36%

Scope change: Cardiff Luxembourg Vie that was sold mid December 2018 contributed EUR 2 million to the net result of last year's first quarter.

As from 2019 an new internal reinsurance programme is operational, impacting combined ratio and Non-Life net result. The combined ratio including the effect of the new internal reinsurance agreement stood at 77.8%. For more details, please refer to the Investor presentation and the tables on the website.

Scope-on-scope the **total net result** increased by 27% mainly driven by Non-Life. Life net profit reflects the strong performance in Portugal both in the bancassurance network (Ocidental) and agency network (Ageas Seguros). The Non-Life net result increased significantly compared to last year mainly thanks to the good operating performance in Portugal and despite the EUR 2 million negative impact of the exchange rate in Turkey. The result further benefitted from the new reinsurance agreement with ageas SA/NV (EUR 3 million).

**Gross inflows** including non-consolidated partnerships at 100% were up 14% when excluding last year's EUR 613 million contribution from Luxembourg. Scope-on-scope **Life** gross inflows increased by 28% driven in all countries by the higher sales of guaranteed products more than compensating the lower Unit-Linked sales. **Portugal's** gross inflows increased by 33% of which the bancassurance channel (Ocidental) was the main contributor with EUR 438 million, up 35%. The agency channel (Ageas Seguros) accounted for EUR 27 million, up 8%. Inflows in **France** grew by 9% thanks to the broker channel.

**Non-Life** gross inflows increased by 11% at constant exchange rate. The 8 % growth in **Portugal** was driven by Household and Healthcare in the bancassurance network (Ocidental) and motor in the agency channel (Ageas Seguros). **Turkey's** sales were up 14% at constant exchange rate mainly achieved in Household and Health.

Excluding the positive impact related to the loss portfolio transfer and the implementation of the 20% quota share reinsurance programme in Portugal, the **combined ratio** stood at 91.7% reflecting a continued excellent operating performance driven by the current year claims ratio across all major product lines.

**Life Technical Liabilities** of the consolidated entities increased to EUR 16.8 billion driven by higher sales of Guaranteed products. The Unit-Linked business accounted for 45% of total reserves.

The **Guaranteed operating margin** was up strongly compared to last year thanks to a better mortality result and higher investment income. The lower **Unit-Linked operating margin** was due to lower sales.

# ASIA

Strong net result driven by favourable equity markets and a solid operating performance across the region

## KEY FIGURES ASIA

in EUR million	3M 19	3M 18	Change
<b>Net result attributable to shareholders</b>	<b>146.9</b>	<b>123.8</b>	<b>19%</b>
- Life	142.0	120.4	18%
- Non-Life	4.9	3.4	44%
<b>Gross Inflows (incl non-consolidated partnerships at 100%)</b>	<b>9,382.1</b>	<b>8,430.6</b>	<b>11%</b>
- Life	9,090.2	8,184.8	11%
- Non-Life	291.9	245.8	19%
<b>Gross Inflows Life (incl non-consolidated partnerships at 100%)</b>	<b>9,090.2</b>	<b>8,184.8</b>	<b>11%</b>
- Single premium	574.9	455.5	26%
- Regular premium	8,515.3	7,729.3	10%
<b>Combined ratio</b>	<b>94.2%</b>	<b>91.9%</b>	
in EUR million	31 Mar 2019	31 Dec 2018	Change
<b>Life Technical Liabilities</b>	<b>75,289</b>	<b>65,599</b>	<b>15%</b>

The **net result** was significantly up compared to last year's first quarter. This year's good result is attributable to a solid operating performance across the region, a strong recurring investment income and an even higher level of capital gains led by the Chinese equity market. The Non-Life result improvement was partly driven by the contribution of the newly acquired business in India. Regional headquarters costs amounted to EUR 7 million.

**Gross inflows** were up 9% at constant exchange rates. Regular premium new business and continued high levels of persistency across the region contributed to the growth.

**Life gross inflows** at constant exchange rates were up 8% driven by strong persistency and continued channel developments. New business premiums and renewal premiums increased by 15% and 6% respectively compared to last year. The profitable regular premium sales pursued their growth, recording a 13% increase. Our Chinese business continued to experience growth momentum with inflows amounting to EUR 8.1 billion, up 11%, with renewals up 9% and persistency levels at industry-leading standards. In Thailand, inflows were down 16% to EUR 0.6 billion due to lower renewals while new business returned to growth, up 9%. Inflows in Malaysia stood at EUR 0.2 billion, up 4%. Inflows in India amounted to EUR 88 million, up 9%. In both countries inflow

growth was supported by new business as well as renewals. Vietnam and the Philippines continued to grow rapidly with inflows amounting to respectively EUR 15 million (+175%) and EUR 7 million (+63%).

**Non-Life inflows** at constant exchange rates were up 14% as a result of the inclusion of the recently acquired Indian activities. Scope-on-scope, they decreased by 3% due to the decline in large commercial lines in Malaysia where retention is relatively low. As a consequence, inflows in Malaysia declined by 5% to EUR 162 million while net earned premiums increased by 17% with Motor and Fire continuing to grow. In Thailand, inflows were in line with last year, amounting to EUR 87 million. In India, the newly acquired business has contributed EUR 42 million to the inflows since the 22<sup>nd</sup> of February, date of the acquisition.

Following the acquisition of the Non-Life activities in India, the overall **combined ratio** stood at 94.2%. The combined ratio in the largest market, Malaysia, improved over the first quarter of 2019.

The increase in **Life Technical liabilities** at 100% reflects the continued top line growth and high persistency levels.

# REINSURANCE

Result reflects the impact of the implementation of the new internal reinsurance agreements

## KEY FIGURES REINSURANCE

in EUR million	3M 19	3M 18	Change
<b>Net result attributable to shareholders</b>	<b>( 12.0 )</b>	<b>1.8</b>	<b>*</b>
<b>Gross Inflows (incl non-consolidated partnerships at 100%)</b>	<b>861.4</b>	<b>15.0</b>	<b>*</b>
<b>Combined ratio - before LPT and QS</b>	<b>79.5%</b>	<b>81.8%</b>	

As from 2019 an new internal reinsurance programme is operational, impacting combined ratio and Non-Life net result. The combined ratio including the effect of the new internal reinsurance agreement stood at 102.4%. For more details, please refer to the Investor presentation and the tables on the website.

Following the approval from the National Bank of Belgium to operate reinsurance activities within ageas SA/NV, a first reinsurance programme with the aim to enhance capital fungibility in the group has been put in place as from the first quarter of 2019, consisting of Non-Life Quota Share Treaties (30% with AG Insurance in Belgium<sup>1</sup> and 30% with Ageas Insurance Limited in the UK, and 20% with all Portuguese Non-Life Entities) and Loss Portfolio Transfers (30% with Ageas Insurance Limited in the UK, and 20% with the Portuguese Non-Life Entities). The reinsurance protection programme formerly carried out by Intreas is now managed by ageas SA/NV.

The EUR 2 million positive contribution to the result from the protection programme, flat year on year, was offset by the initial negative result of the new reinsurance programme, leading to an overall EUR 12 million **net loss**. EUR 15 million loss resulted from the Quota share treaty with AG Insurance in Belgium due to bad weather in March, prudent initial reserving for the current year claims and the absence of prior year claims reserve releases. The

agreements with Ageas Insurance Limited in the UK contributed EUR 4 million thanks to the solid underlying business performance, while the agreements with Portugal generated a EUR 4 million loss as an initial impact from the Loss Portfolio Transfer transaction.

**Gross inflows** amounted to EUR 861 million, around EUR 240 million of which resulted from the new quota share agreements put in place, EUR 464 million from of the Loss Portfolio Transfers and EUR 135 million from prior year unearned premiums. Inflows from the protection programme formerly managed by Intreas amounted to EUR 22 million. The latter achieved strong growth, mainly thanks to a new participation in the Motor an Third Party Liability treaty in the UK.

The **combined ratio** was negatively impacted by the initial losses on the new reinsurance programme and by the adverse weather in Belgium.

<sup>1</sup> of which 75% underwritten by ageas SA/NV



# GENERAL ACCOUNT

Positive contribution from RPN(I) offset by higher costs regarding the execution of the Fortis Settlement

## KEY FIGURES GENERAL ACCOUNT

in EUR million	3M 19	3M 18	Change
<b>Net result including eliminations</b>	(6.5)	(51.7)	87 %
<b>Unrealised gain (loss) on RPN(I)</b>	27.0	(38.4)	*
<b>Total expenses</b>	(28.7)	(14.1)	*
- Staff and Intercompany expenses	(6.9)	(6.2)	11 %
- Other operating and administrative expenses	(21.8)	(7.9)	*
	<b>31 Mar 2019</b>	<b>31 Dec 2018</b>	<b>Change</b>
<b>RPN(I)</b>	(331.9)	(358.9)	(8 %)
<b>Royal Park Investments</b>	5.3	6.9	(23 %)
<b>Provision Fortis Settlement</b>	(764.4)	(812.4)	(6 %)

### Net Result

The net result of the General Account for the first quarter 2019 was negative as the positive contribution from the RPN(I) was offset by higher costs related to the execution of the Fortis Settlement.

### RPN(I)

The RPN(I) reference amount liability decreased from EUR 359 million at year end 2018 to EUR 332 million at the end of the first quarter 2019. This led to a non-cash profit of EUR 27 million over the first quarter. The change in the reference amount is explained by the movement of the CASHES price from 75.95% to 74.65% and the Ageas share price from EUR 39.30 to EUR 43.00 over the same period.

### Total Liquid Assets

The total liquid assets in the General Account, including liquid assets with maturity over 1 year, amounted to EUR 1.5 billion compared to EUR 1.7 billion at year-end 2018. The decrease is attributable to the EUR 185 million acquisition in India and the EUR 6 million capital injection in the Philippines while the holding expenses and cash-out for the ongoing share buy-back were more than offset by the EUR 85 million dividend upstream from the operating companies, EUR 75 million coming from Portugal and EUR 10 million from Turkey.

### Contingent Liabilities

The Fortis provision decreased to EUR 764 million from EUR 812 million year-end 2018 following payments made to claimants.

# CAPITAL AND INVESTMENT PORTFOLIO

## Solid operational free capital generation

CAPITAL AND INVESTMENTS				
in EUR million				
	31 Mar 2019	31 Dec 2018		
<b>Group Solvency II<sub>ageas</sub></b>	<b>194%</b>	<b>215%</b>		
- Belgium	215%	235%		
- UK	175%	167%		
- Continental Europe	170%	178%		
- Reinsurance	200%	196%		
<b>Group Solvency II<sub>piim</sub></b>	<b>190%</b>	<b>216%</b>		
<b>Shareholders' equity</b>	<b>10,235</b>	<b>9,411</b>		

  

in EUR billion				
	31 Mar 2019	31 Dec 2018	31 Mar 2019	31 Dec 2018
<b>Total investments</b>	<b>81.2</b>	<b>79.6</b>		
of which				
- Government bonds	37.5	36.9	47%	46%
- Corporate debt securities	20.6	19.9	25%	25%
- Loans	9.8	9.7	12%	12%
- Equity portfolio	4.7	4.5	6%	6%
- Real Estate	5.7	5.6	7%	7%

### Solvency position

The Own Funds of the Group amounted to EUR 7.5 billion, EUR 3.6 billion above SCR resulting in a strong **Group Solvency II<sub>ageas</sub> ratio** of 194%, 21pp down compared to year-end 2018. In March, AG Insurance, our Belgian operation called its outstanding USD 550 million debt instrument, affecting the Group Own Funds for EUR 360 million. This will however be compensated in the second quarter by the recently announced issuance of a EUR 500 million bond by ageas SA/NV. Further decrease of the Solvency II<sub>ageas</sub> ratio was related to the acquisition of Non-Life activities in India (-5pp) and the evolution of the financial markets (-5pp), specifically impacting the solvency ratio in Continental Europe.

The **operational free capital** that stood at EUR 148 million, driven by a strong underlying business performance of all of the Insurance segments. It includes EUR 10 million dividend upstream from the Non-European non-consolidated participations. The implementation of the new internal reinsurance agreements entailed an exceptional negative impact on the free capital of the group of EUR 95 million.

### Shareholders' equity

Total shareholders' equity increased from EUR 9.4 billion at the end of 2018 to EUR 10.2 billion thanks to the strong net result and the positive impact of the financial markets on the fair value of the bond portfolio and the valuation of our Non-Euro participations.

### Investment portfolio

Ageas's investment portfolio at the end of the first quarter 2019 amounted to EUR 81.2 billion compared to EUR 79.7 billion at the end of 2018. The increase relates mainly to higher unrealised capital gains and losses. At the end of March 2019, the unrealised gains and losses on the total 'available for sale' investment and real estate portfolio amounted to EUR 9.3 billion compared to EUR 7.7 billion at the end of 2018. The unrealised capital gains on the 'Held to Maturity' portfolio increased to EUR 2.2 billion, not reflected in the shareholder's equity.

# ANNEXES

## Annex 1: Belgium

BELGIUM			
in EUR million			
INCOME STATEMENT - LIFE	3M 19	3M 18	Change
<b>Gross Inflow Life</b>	<b>1,407.2</b>	<b>913.7</b>	<b>54%</b>
<b>Operating result</b>	<b>99.4</b>	<b>178.9</b>	<b>(44%)</b>
Non-allocated other income and expenses	14.8	16.3	(9%)
<b>Result before taxation consolidated entities</b>	<b>114.2</b>	<b>195.2</b>	<b>(41%)</b>
Result equity associates			
<b>Result before taxation</b>	<b>114.2</b>	<b>195.2</b>	<b>(41%)</b>
Income tax expenses	(20.8)	(33.4)	(38%)
Non Controlling interests	(24.9)	(43.1)	(42%)
<b>Net result attributable to shareholders</b>	<b>68.5</b>	<b>118.7</b>	<b>(42%)</b>
INCOME STATEMENT - NON-LIFE	3M 19	3M 18	Change
<b>Gross Inflow Non-Life</b>	<b>660.6</b>	<b>628.8</b>	<b>5%</b>
<b>Operating result</b>	<b>20.2</b>	<b>29.3</b>	<b>(31%)</b>
Non-allocated other income and expenses	3.1	4.4	(30%)
<b>Result before taxation consolidated entities</b>	<b>23.3</b>	<b>33.7</b>	<b>(31%)</b>
Result equity associates			
<b>Result before taxation</b>	<b>23.3</b>	<b>33.7</b>	<b>(31%)</b>
Income tax expenses	(6.5)	(9.0)	(28%)
Non Controlling interests	(4.7)	(7.0)	(33%)
<b>Net result attributable to shareholders</b>	<b>12.1</b>	<b>17.7</b>	<b>(32%)</b>
INCOME STATEMENT - TOTAL	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>2,067.8</b>	<b>1,542.5</b>	<b>34%</b>
<b>Net result attributable to shareholders</b>	<b>80.6</b>	<b>136.4</b>	<b>(41%)</b>

## Annex 2: United Kingdom

UNITED KINGDOM			
in EUR million			
INCOME STATEMENT - NON-LIFE	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>335.3</b>	<b>352.1</b>	<b>(5%)</b>
<b>Operating result</b>	<b>26.3</b>	<b>11.6</b>	<b>*</b>
Non-allocated other income and expenses	(15.3)	(0.3)	*
<b>Result before taxation consolidated entities</b>	<b>11.0</b>	<b>11.3</b>	<b>(3%)</b>
Result equity associates	2.0	1.6	25%
<b>Result before taxation</b>	<b>13.0</b>	<b>12.9</b>	<b>1%</b>
Income tax expenses	(2.2)	(2.2)	
Non Controlling interests			
<b>Net result attributable to shareholders</b>	<b>10.8</b>	<b>10.7</b>	<b>1%</b>
INCOME STATEMENT - TOTAL	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>335.3</b>	<b>352.1</b>	<b>(5%)</b>
<b>Net result attributable to shareholders</b>	<b>10.8</b>	<b>10.7</b>	<b>1%</b>

## Annex 3: Continental Europe

CONTINENTAL EUROPE			
in EUR million			
INCOME STATEMENT - LIFE	3M 19	3M 18	Change
<b>Gross Inflow Life</b>	<b>561.7</b>	<b>438.8</b>	<b>28%</b>
<b>Operating result</b>	<b>31.1</b>	<b>24.4</b>	<b>27%</b>
Non-allocated other income and expenses	(1.9)	(0.1)	*
<b>Result before taxation consolidated entities</b>	<b>29.2</b>	<b>24.3</b>	<b>20%</b>
Result equity associates		1.7	(100%)
<b>Result before taxation</b>	<b>29.2</b>	<b>26.0</b>	<b>12%</b>
Income tax expenses	(8.6)	(5.5)	56%
Non Controlling interests	(8.2)	(7.7)	6%
<b>Net result attributable to shareholders</b>	<b>12.4</b>	<b>12.8</b>	<b>(3%)</b>
INCOME STATEMENT - NON-LIFE	3M 19	3M 18	Change
<b>Gross Inflow Non-Life</b>	<b>198.8</b>	<b>184.4</b>	<b>8%</b>
<b>Operating result</b>	<b>20.3</b>	<b>15.2</b>	<b>34%</b>
Non-allocated other income and expenses	(0.3)	(1.3)	(77%)
<b>Result before taxation consolidated entities</b>	<b>20.0</b>	<b>13.9</b>	<b>44%</b>
Result equity associates	4.2	3.6	17%
<b>Result before taxation</b>	<b>24.2</b>	<b>17.5</b>	<b>38%</b>
Income tax expenses	(5.1)	(3.6)	42%
Non Controlling interests	0.1		
<b>Net result attributable to shareholders</b>	<b>19.2</b>	<b>13.9</b>	<b>38%</b>
INCOME STATEMENT - TOTAL	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>760.5</b>	<b>623.2</b>	<b>22%</b>
<b>Net result attributable to shareholders</b>	<b>31.6</b>	<b>26.7</b>	<b>18%</b>

## Annex 4: Asia

ASIA			
in EUR million			
INCOME STATEMENT - LIFE	3M 19	3M 18	Change
<b>Gross Inflow Life</b>			
<b>Operating result</b>			
Non-allocated other income and expenses	(6.8)	(6.2)	10%
<b>Result before taxation consolidated entities</b>	<b>(6.8)</b>	<b>(6.2)</b>	<b>10%</b>
Result equity associates	148.8	126.6	18%
<b>Result before taxation</b>	<b>142.0</b>	<b>120.4</b>	<b>18%</b>
Income tax expenses			
Non Controlling interests			
<b>Net result attributable to shareholders</b>	<b>142.0</b>	<b>120.4</b>	<b>18%</b>
INCOME STATEMENT - NON-LIFE	3M 19	3M 18	Change
<b>Gross Inflow Non-Life</b>			
<b>Operating result</b>			
Non-allocated other income and expenses			
<b>Result before taxation consolidated entities</b>			
Result equity associates	4.9	3.4	44%
<b>Result before taxation</b>	<b>4.9</b>	<b>3.4</b>	<b>44%</b>
Income tax expenses			
Non Controlling interests			
<b>Net result attributable to shareholders</b>	<b>4.9</b>	<b>3.4</b>	<b>44%</b>
INCOME STATEMENT - TOTAL	3M 19	3M 18	Change
<b>Gross Inflow</b>			
<b>Net result attributable to shareholders</b>	<b>146.9</b>	<b>123.8</b>	<b>19%</b>

## Annex 5: Reinsurance

REINSURANCE			
in EUR million			
INCOME STATEMENT - NON-LIFE	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>861.4</b>	<b>15.0</b>	<b>*</b>
<b>Operating result</b>	<b>(14.7)</b>	<b>1.4</b>	<b>*</b>
Non-allocated other income and expenses	2.7	0.4	*
<b>Result before taxation consolidated entities</b>	<b>(12.0)</b>	<b>1.8</b>	<b>*</b>
Result equity associates			
<b>Result before taxation</b>	<b>(12.0)</b>	<b>1.8</b>	<b>*</b>
Income tax expenses			
Non Controlling interests			
<b>Net result attributable to shareholders</b>	<b>(12.0)</b>	<b>1.8</b>	<b>*</b>
INCOME STATEMENT - TOTAL	3M 19	3M 18	Change
<b>Gross Inflow</b>	<b>861.4</b>	<b>15.0</b>	<b>*</b>
<b>Net result attributable to shareholders</b>	<b>(12.0)</b>	<b>1.8</b>	<b>*</b>

## ANALYST & INVESTOR CONFERENCE CALL:

15 May 2019  
09:30 CET (08:30 UK Time)

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