



VFB

Dag van de Tips

4 October 2014

CEO Bart De Smet

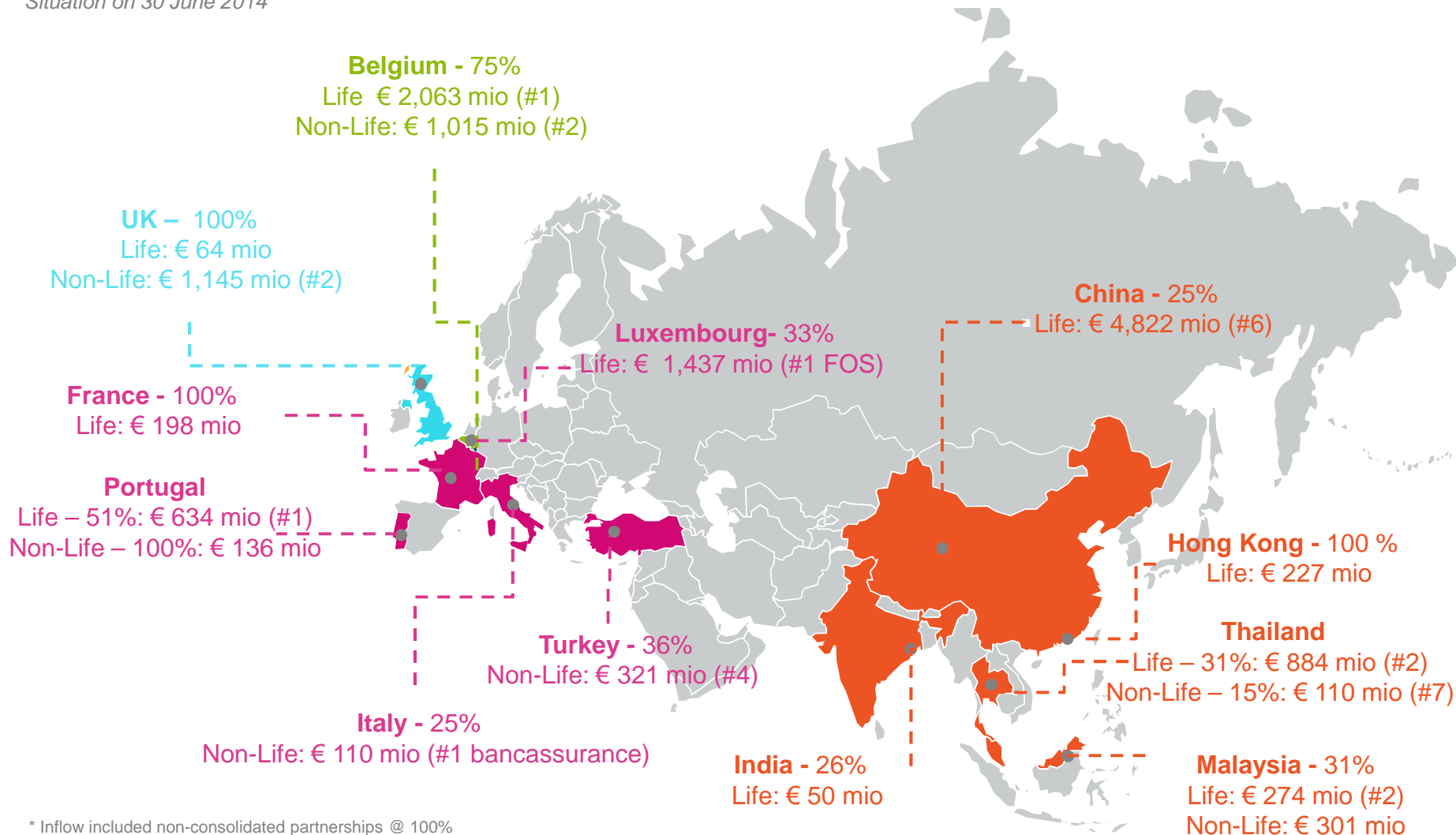


Company profile

Active in 12 countries in Europe & Asia



Situation on 30 June 2014



* Inflow included non-consolidated partnerships @ 100%

Main messages

Ageas posts solid 6M 14 Insurance results



Group net result

- Net profit of **EUR 31 mio** (-93%)

General Account

impacted by legacies

- Incl. EUR (157) mio **RPN(i)** & EUR (130) mio **FortisEffect provision**

Main elements of ruling 29/07/14

- **Miscommunication** in period 29/09/08 – 01/10/08
- **Liability** retained for indemnifying damages suffered – existence of damages & amount to be decided upon in **further proceedings**

Ageas's position

- File **appeal** before the Dutch Supreme Court

EUR 130 mio **provision** in accordance with applicable **IFRS rules**

- Methods & assumptions **commonly used** in the market, particularly settlements in USA & the Netherlands
- **Assumptions** on
 - # shares eligible: only-buyer-but-not seller during concerned period
 - different time periods
 - Relative Share Performance vs. normal group of peers
 - % participation shareholders – not only FortisEffect joiners

Main messages

Ageas posts solid 6M 14 Insurance results

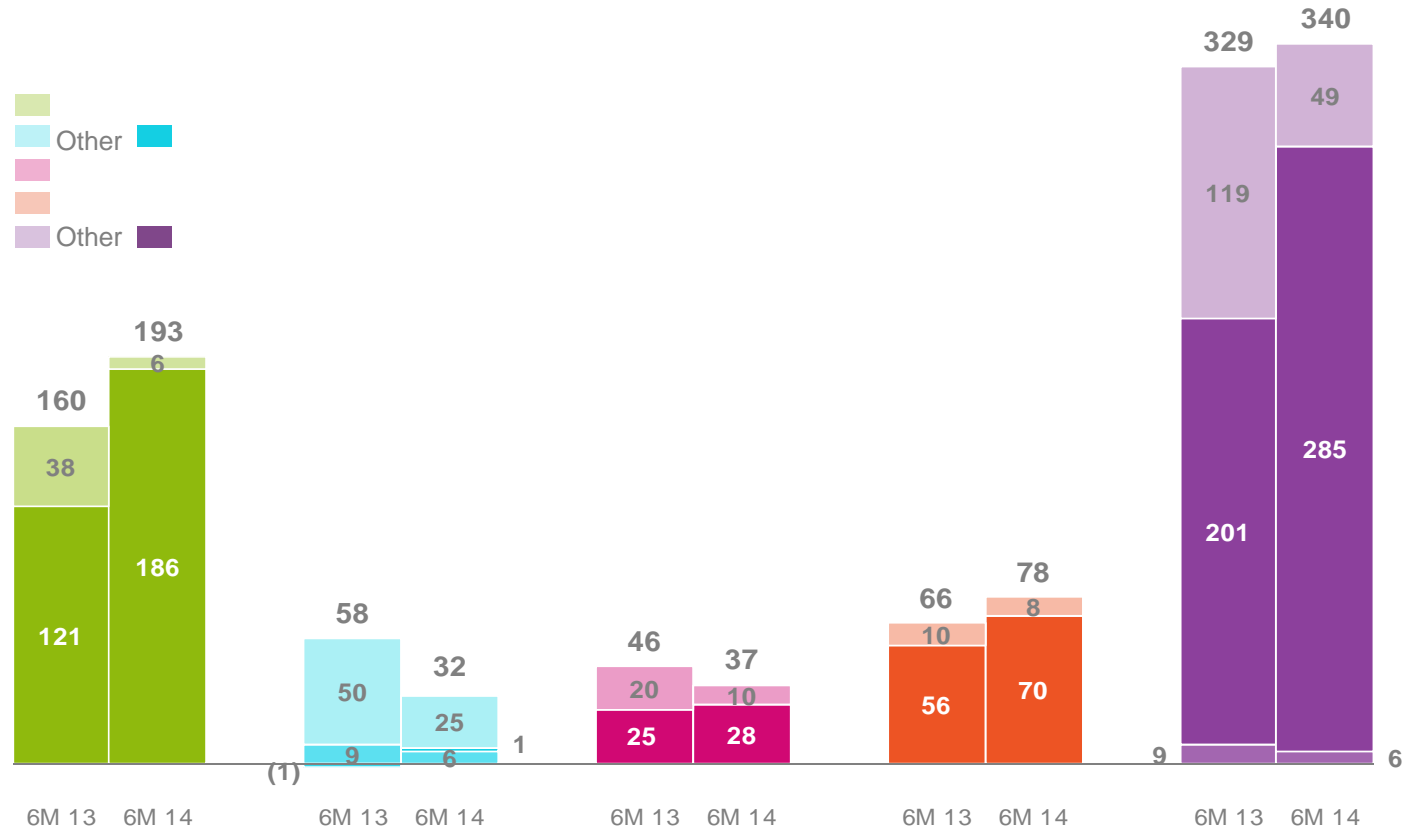
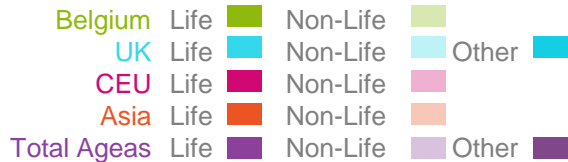


Solid **Insurance** performance

– Non-Life affected by floods & storms

- Net profit of **EUR 340 mio** (+3%)
- Inflow @ 100% of **EUR 13.8 bn** (+10%)
- Life Technical Liabilities at **EUR 72.0 bn*** (+4%)

In EUR mio



* Consolidated entities only

Main messages

Ageas posts solid 6M 14 Insurance results



Shareholders' equity up

- EUR 9.2 bn or **EUR 41.11** per share
- Insurance solvency at **208%**, Group solvency at 203%
- Net cash position General Account at **EUR 1.6 bn**

24 August 11
Ageas announces
EUR 250 mio
share buy-back

6 August 12
Ageas announces
EUR 200 mio
share buy-back

2 August 13
Ageas announces
EUR 200 mio
share buy-back

6 August 14
Ageas **announces**
EUR 250 mio
share buy-back



Since 2012
31,341,889 shares cancelled
- around **12%** of outstanding -

Strategic
choices

5

4

6

Targets

Values



Towards preferred business profile

6M 14 at **68/32** (vs. 67/33 FY 12)

ageas

Portuguese Non-Life activities

- Ageas acquires remaining **49%** Non-Life for **EUR 122.5 mio**
- **Upstream** of EUR 290 mio dividend (Life & Non-Life, @ 100%) – net cash accretive for Ageas
- Exclusive distribution agreement BCP renewed up to 2029

Italian Non-Life activities

- Ageas acquires **25%** of UBI Assicurazioni (now 25%) for **EUR 37.5 mio** - expected to close in 2014
- Long-term distribution agreement with **UBI Banca**; UBIA free to enter into other **distribution** agreements – BNP bank network

Sale **UK** Life activities

- Ageas sells Ageas UK Life to AIG for ≈ **EUR 228 mio**
- Net proceeds after costs & repayment internal loan of around **EUR 33 mio** (GBP 26 mio) will be up streamed to General Account
- Subject to regulatory approval - Expected to close in 2014

➔ Impact on target of **around 1.9%** based on 6M 14 inflow



Non-Life combined ratio impacted by weather events

6M 14 at **102.0%** (vs. 99.1% FY 12)

ageas

Main elements:

- Q1: **UK floods**
- Impact on Ageas **combined ratio** around **2%**
 - Impact on Ageas **net result** around **EUR 36 mio**
- Q2: **BE hailstorm**
- Impact on Ageas **combined ratio** around **2.6%**
 - Impact on Ageas **net result** around **EUR 24 mio**
- Q2: **BE Third Party Liability (TPL)**
- Reserve strengthening
 - **Corrective measures launched** – pruning & tariff increases

➔ **Adjusted** combined ratio 6M 14 @ **97.4%**



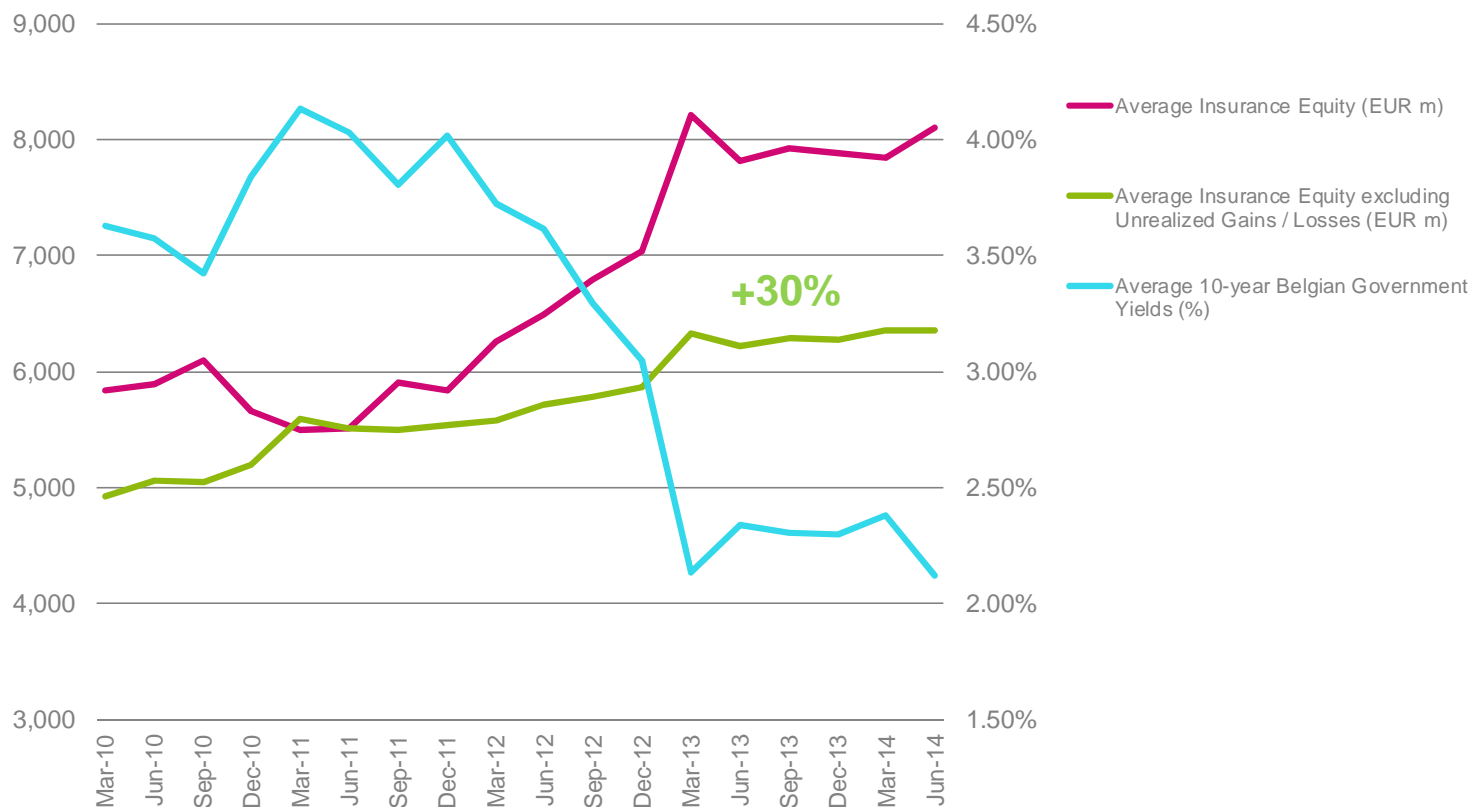
Increase avg shareholder's equity > increase net profit
 6M 14 at **8.4%** (vs. 8.7% FY 12)



Average shareholders equity **strongly up on UG/L**



Average shareholders equity **excl. UG/L steadily increasing in line with business**



➔ Unrealized gains **up to EUR 2.2 bn** at end of June 2014



Increasing importance of emerging markets

6M 14 at **13.8%** (vs. 12.1% FY 12)



Positive impact

- Investment in **China**
- Dividend **upstream** from mature markets

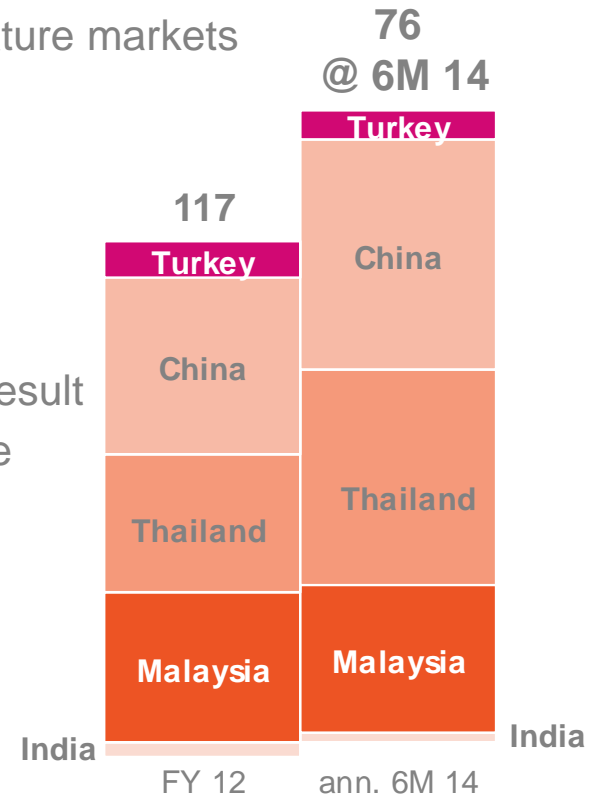
Negative impact

- High **unrealized gains** in equity in mature markets

BUT...

Net profit from emerging markets **increasing**

- Reaching **≈ 20%** of Ageas insurance result
- **All activities contributing** to increase



Since 2009 EUR 2.3 bn returned to shareholders

Stable dividend policy & repeated share buy-backs



Return to shareholders

since 2009

≈ EUR 1.4 bn
dividends & capital reduction

- ≈ EUR 850 mio dividend 09, 10, 11 & 12
- EUR 222 mio capital reduction in 2013
- ≈ EUR 310 mio dividend over 2013

EUR 900 mio share buy-backs

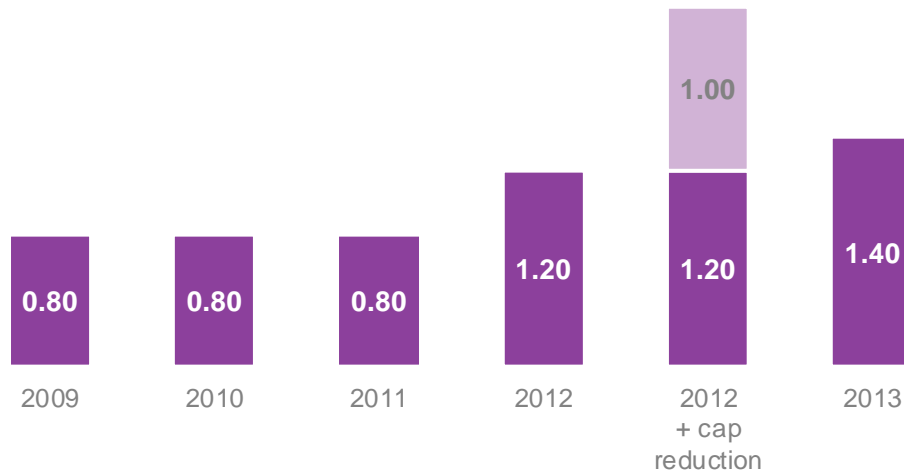
- EUR 650 mio share buy-backs finalized early 12, 13 & '14
- EUR 250 mio ongoing share buy-back announced 06/08/14

Dividend policy

- Pay out **40%-50% of Insurance result**

Dividend

payments in line with announced **policy**



pay-out ratio 47%
dividend yield 4.5%*

* Based on closing price day before ex-dividend

6M results solid

- healthy inflow growth
- progress in a number of strategic files
- 4th share buy back launched

Legal legacies

- judgement FortisEffect
- no change in strategy

Vision 2015 targets

- constant progress
- step by step approach

September 2015

- Beyond 2015 strategy
- Solvency II status



Disclaimer

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