



# General Meeting of Shareholders

27 and 28 April 2011

## Speech of Jozef De Mey, Chairman

Ladies and Gentlemen, Shareholders,

Before starting on the formal agenda, we would like, as is customary, to first give a broad commentary on the 2010 results and the most important events last year. Bart De Smet will do this, but first let me give some introductory comments.

As far as the insurance results are concerned, we can't say that 2010 was a Grand Cru year for Ageas. The results remained below our expectations. The aftermath of the financial crisis, plus the budget deficits and high debt levels of some European countries made it necessary for us to restructure our government bond portfolio, with resultant losses. The weather didn't help, either. The severe winter had a very adverse effect on our non-life insurance business in Belgium and the United Kingdom. Bart De Smet will talk about this later. You will remember that, when presenting our results, we mentioned in our press release that we expect our insurance results to clearly improve, unless unforeseeable or exception events occur, of course.

In the meantime, we have continued to implement the strategic plan that we announced at the end of September 2009; disposing of too small entities and investing in markets or segments with obvious growth potential.

Managing the legacy items on Ageas's balance sheet has remained one of the most important tasks of the management and your Board of Directors. A couple of small but not insignificant successes have been achieved: the court ruled in our favour in the case relating to the FRESH debt certificates and we also succeeded in preventing the attempt to defer the conversion of the MCS.

A great deal of time and energy was spent in 2010 on the discussion with the Dutch State on the four-party agreement concerning the conversion of MCS certificates into Ageas shares. As you know, we did not manage to reach agreement with the Dutch State and we decided to initiate legal proceedings against ABN AMRO Bank. We would, however, be happy to resume talks with the Dutch State in the hope of reaching a settlement. For the time being, the matter remains unresolved.

We have kept you informed of the litigation against Ageas via our press releases. The report of the Dutch experts was finally published in 2010. The case has now been filed with the commercial court in Utrecht and I have nothing more to say on the matter at this stage. Several investigations are still underway. As soon as those reports are available, we shall inform you accordingly. Your Board of Directors will continue – as it is duty-bound to do – to defend the interests of your company in these cases.

Corporate governance remains an important issue for the Board of Directors and we also dealt with it in 2010. We revised our corporate governance charter in order to bring it further in line with the Dutch and Belgian legal codes. In 2010, you also passed a resolution approving 'Ageas' as the company's new name. You elected two new directors last year, so the number of directors sitting on the Board now numbers ten, including two women. The terms of office of seven directors are coming to an end at this meeting, but these are all available for re-election. I will return to this matter later.

Last year we decided to submit the remuneration policy for your approval ahead of the implementation of new legislation in Belgium. This year, too, we have opted – a year earlier than required by law – to ask you to approve the report of the Remuneration Committee. The Chairman of the Remuneration Committee will address you later.

We took steps to simplify your company in 2010. Fortis Brussels was wound up and its assets and liabilities transferred to ageas SA/NV. As a consequence of this move, we will be able to pay out future gains on the BNPP options to our shareholders free of tax. We also merged Fortis Insurance and Fortis Utrecht into Ageas Insurance International.

Let me now make a couple of comments on the performance of the Ageas share price. Market sentiment towards the insurance sector was generally bearish last year. The Euro Stoxx Insurance Index dropped by almost 7%. Furthermore, Belgian and Dutch insurance companies were the least attractive in the European insurance sector. In those market conditions, Ageas unfortunately had to forego almost 35% of its value. Ageas shares closed at EUR 1.71 at the end of December.

However, 2010 had begun well – our shares spurted up 10.22% in January. But despite the steps we took in May 2010, the uncertainty surrounding government finances in Southern Europe continued to weigh heavily on our share price.

2011 got off to a very good start. Ageas shares were quoted at EUR 2.56 on 18 February, equal to a 47.89% rise since the beginning of the year. Ageas shares closed at EUR 2.067 on Wednesday, 26 April, a gain of almost 21% since the beginning of the year and 12.51% better than the Euro Stoxx Insurance Index in the first quarter this year.

I'd now like to give the floor to Bart De Smet, who will tell you about our strategy in 2010.

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