

PRESS RELEASE



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Ageas reports first quarter results 2022

- Good commercial start across the business
- Solid operating performance

Key Figures	
Result	<ul style="list-style-type: none">• Group net result excluding RPN(i) was EUR 210 million
Inflows at Ageas's part	<ul style="list-style-type: none">• Group inflows were up 5% to EUR 5 billion with increases in both Life and Non-Life and across all regions• Life inflows increased by 5% to EUR 3.5 billion driven by new business in China and Unit-Linked in Belgium and Portugal• Non-Life inflows were up 5% to EUR 1.4 billion, increasing across all regions
Operating Performance	<ul style="list-style-type: none">• Combined ratio stood at 96.7%, including 8.5pp impact from adverse weather events in Belgium and the UK• Operating Margin Guaranteed stood at 109 bps and Operating Margin Unit-Linked amounted to 40 bps
Balance Sheet	<ul style="list-style-type: none">• Shareholders' equity amounted to EUR 11.1 billion or EUR 60.03 per share• Group Solvency I_{Ageas} ratio remained strong at 203%, well within the Group's risk appetite and Solvency target• General Account Total Liquid Assets as at 31 March 2022 stood at EUR 1.1 billion• Life Technical Liabilities excl. shadow accounting of the consolidated entities were down 1% compared to end 2021 to EUR 74.4 billion

A complete overview of the figures and comparison with previous year can be found on page 5 of this press release and on the Ageas website. Key figures and main highlights on the segments can be found in the Annexes of this press release.

Impact24 -- Non-financial and Sustainability Achievements

- With Impact24 Ageas puts **Sustainability** at the heart of everything it does, and the Group continues to work hard on its societal engagement. **This quarter MSCI upgraded the Group's rating by one notch to "A" status.**
- **Ageas has been recognised for "Best Sustainable Insurance Solutions (Europe)" by FI.co**, a print and online business and finance publication, reflecting a number of different sustainability initiatives at Ageas.
- Ageas aims to be a **Great place to Grow** for its people and its current **Top Quartile score on Employee NPS** (Net Promotor Score) confirms a strong engagement from its employees, while Ageas's efforts to promote talent, equality and diversity are resulting in good progress in gender diversity in leadership roles, recognised by **European Women on Boards**.



Hans De Cuyper,
CEO Ageas

"I am pleased to see that we have made a good start to the year commercially in both Life and Non-Life and across all regions. In a difficult economic environment, including the on-going impact of Covid in China and of course the conflict at the borders of Europe touching us and the entire world deeply, Ageas is continuing to deliver as a trusted insurer for so many. Even against the background of volatile financial markets, inflation and storms, the business continues to perform on track, giving us confidence for the year ahead."

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Solid business performance to start the year

Ageas made a good commercial start to the year with inflows increasing both in Life and Non-Life and across all regions. The Life operating margins and the Non-Life combined ratio reflected the solid operating performance of the consolidated entities. The February storms in Belgium and the UK and the volatile equity markets negatively impacted the result. However, thanks to the strong underlying business performance, Ageas feels confident that it is on track to reach EUR 1 billion result (excluding the impact from RPN(i)) for the full year 2022.

The first quarter **Group inflows** including the non-consolidated entities (at Ageas's part) were 5% up compared to last year and amounted to EUR 5 billion. Life inflow growth was driven by new business sales in China and Unit-Linked in both Belgium and Portugal. The contribution of the recently acquired Life activities, AgeSa in Turkey, amounted to EUR 17 million. Non-Life inflows increased in the mature markets in Belgium and Portugal as well as in the Asian partnerships, driven by portfolio growth and tariff increases in response to increased inflation.

The **Non-Life combined ratio** for the consolidated entities stood at 96.7% and includes the negative impact from the February storms of 8.5pp, affecting the profitability in Household in particular. Motor reported an excellent combined ratio at 91.8% thanks to a strong performance across all segments.

The **Guaranteed operating margin** of the consolidated entities of 109 bps was driven by the good timing of the realisation of capital gains in Belgium.

The Group **Unit-Linked operating margin** stood at 40 bps with solid margins and following increasing volumes both in Belgium and in Portugal.

The contribution of the non-consolidated partnerships to the **Group net profit** suffered from the turmoil on the equity markets leading to negative net capital gains, prolonged low interest rates and rising inflation, especially in Turkey. This was mitigated by the strong underlying performance of the consolidated entities. The net result excluding RPN(i) of EUR 210 million further included EUR 65 million negative impact from the storms in Belgium and the UK and the EUR 45 million capital gain on the sale of the Commercial lines front book business in the UK.

Based on this first quarter performance, and under the reserve of the impact of extreme negative developments in the financial markets, Ageas feels confident in confirming the outlook of EUR 1 billion for the full year 2022 result - excluding the impact from RPN(i).

Ageas's **investment portfolio** at the end of the first quarter 2022 amounted to EUR 79.8 billion compared to EUR 82.3 billion at the end of 2021. This decrease is related to lower unrealised capital gains on the fixed income portfolio due to an increase in interest rates. The fair value of the real estate portfolio increased to EUR 6.3 billion with EUR 2 billion of unrealised gains in line with the end of 2021.

Life Technical Liabilities for Ageas's part excluding shadow accounting for the consolidated entities, were down slightly compared to the end of 2021, due to market volatility. The strong increase in the Life Technical Liabilities in the non-consolidated entities was driven by continued growth in new business and high persistency levels.

Total **shareholders' equity** at the end of the first quarter stood at EUR 11.1 billion or EUR 60.03 per share. The unrealised capital gains on the fixed income portfolio reflected in the shareholder's equity decreased significantly as a result of rising interest rates.

Ageas's **Solvency II_{ageas} ratio** increased to 203 %, driven by the solid operating performance and the sharp increase in the risk-free curve, somewhat mitigated by the impact of rising inflation. The contribution of the insurance operations fully covered the accrual of the expected dividend. The **Operational Free Capital Generation** of the Solvency II scope companies generated EUR 243 million Free Capital, while the General Account consumed EUR 46 million. The impact of the February storms was compensated by the benefit from the decision to no longer underwrite commercial lines business in the UK.

The regulatory PIM solvency ratio increased further to 205%, benefiting from spread movements. The solvency of the non-Solvency II scope companies increased to 231%, with the solvency level in Taiping Life based on the new C-Ross II framework.

Belgium

Inflows for Ageas's part over the quarter increased by 4% thanks to strong growth in both Life (+5%) and Non-Life (+3%). An increase in Life inflows was recorded with both Guaranteed savings products and Unit-Linked benefitting this quarter from a successful sales campaign in the Broker channel. Non-Life inflows recorded solid growth in most business lines with the strong growth in Household and Motor more than offsetting a decrease in Accident & Health.

The Life Guaranteed operating margin over the quarter reached 113 bps thanks to a strong investment result driven by capital gains on equities and real estate. The Unit-Linked operating margin remained very strong at 43 bps driven by an improved net underwriting margin and volumes

The Non-Life combined ratio stood at 100.4% and was significantly impacted by adverse weather (11pp). Excluding weather, Non-Life showed a strong underlying performance benefitting from a better performance in Accident & Health and Household. Last year's combined ratio still included a benefit from lower claims frequency in Motor.

Europe

For Europe, the new segment combining the previous segments of Continental Europe and the UK, inflows were up this quarter both in Life and Non-Life at constant exchange rate. Scope-on-scope, Life inflows decreased 5% reflecting the transition from Guaranteed to Unit-Linked products. AgeSa, the Turkish Life company acquired in May 2021 continued to perform well in a challenging environment and contributed EUR 17 million, with a strong production in a USD denominated product. The additional inflows from the off-balance-sheet flexible pension products in Portugal were impacted by financial market volatility and amounted to EUR 36 million. Non-Life inflows were driven by a solid increase in Accident & Health and Other product lines in Portugal. At constant exchange rate, inflows in Turkey grew 57%.

Life Guaranteed operating margins amounted to a strong 98 bps, with a decrease compared to Q1 2021 due to the non-renewal of a large contract in Portugal. Life Unit-Linked operating margins continued its steady improvement to a strong 36 bps following the change in product mix.

The Non-Life combined ratio of Europe stood at 97.7%, including the impact from the February storms in the UK and no longer benefitting from lower claims frequency in Motor related to the lockdowns.

The net result reflects the contribution from the sale of the commercial lines in the UK, which amounted to EUR 45.5 million.

Asia

Inflows in Asia proved resilient in the first quarter, increasing 7% supported by the evolution of the Chinese Renminbi. At constant exchange rates, inflows only declined by 1% despite a delay in the new year opening campaigns, supported by the resilience of the agency force. New business was strong across the region and no longer affected by Covid-19 restrictions in South-East Asia. Life Technical liabilities were up 5% at constant exchange rate, supported by continued high persistency levels and growth in new business, with a focus on high-value regular premiums. The commercial trend was very positive in Non-Life, with inflows up 15%, driven by strong growth in Malaysia and in Taiping Reinsurance.

The Group recorded a solid operating performance in Asia, in both Life and Non-Life, translating into an increase in the underlying result. However, the net result was down due to the adverse evolution of the equity markets, mainly in China, which resulted in the realisation of negative net capital gains. Moreover, the persistent decline in interest rates in China continued to weigh on the Life result. In Non-Life, the lower net capital gains were mitigated by improved combined ratios across regions.

Reinsurance

The Reinsurance inflows included EUR 392 million from the quota share agreements. Including the traditional protection business, total inflows increased versus the previous year amounting to EUR 516 million.

The Reinsurance result over the quarter was significantly impacted by its share in the negative result related to adverse weather in Belgium and the UK (EUR 30 million) partially compensated by an additional reserve release related to the Q4 2021 reserving review of the UK Motor contract. Last year's result still benefited from the lower claims frequency recorded at the level of the ceding entities.

General Account

The net result of the General Account benefited from a EUR 62 million positive contribution from the revaluation of the RPN(i) reference amount liability, leading to a positive net result of EUR 33 million for the quarter.

The total liquid assets in the General Account remained at the same level as at the end of last year, at EUR 1.1 billion. The total amount upstreamed from the operating companies in the first quarter amounted to EUR 87 million coming from Reinsurance.

Strategic developments

On 31 March 2022, Ageas announced that its subsidiary **Ageas UK Ltd** had completed the sale of its Commercial lines front book business to AXA Insurance UK PLC. Ageas UK will in the future focus on the Personal lines business where the company has strong heritage and market-leading experience.

Annex 1: Group

KEY FIGURES AGEAS

in EUR million	3M 22	3M 21	Change
Net result Ageas	271.8	295.9	(8 %)
By segment:			
- Belgium	121.8	101.3	20 %
- Europe	74.4	47.4	57 %
- Asia	39.1	147.6	(74 %)
- Reinsurance	3.5	22.1	(84 %)
- General Account & Elimination	33.1	(22.5)	*
of which RPN(I)	61.5	1.7	
Net result Ageas excl. RPN(I)	210.3	294.2	(29 %)
By type:			
- Life	145.0	227.0	(36 %)
- Non-Life	93.8	91.4	3 %
Weighted average number of ordinary shares (in million)	185.2	187.0	(1 %)
Earnings per share excl. RPN(I) (in EUR)	1.14	1.58	(28 %)
Gross inflows at Ageas' share (incl. non-consolidates entities)	4,971.1	4,736.5	5 %
By segment:			
- Belgium	1,369.5	1,314.4	4 %
- Europe	904.6	891.6	1 %
- Asia	2,696.9	2,530.5	7 %
By type:			
- Life	3,537.8	3,371.9	5 %
- Non-Life	1,433.3	1,364.6	5 %
Combined ratio	96.7%	91.7%	
Operating margin Guaranteed (bps)	109	92	
Operating margin Unit-Linked (bps)	40	34	
in EUR million	31 Mar 2022	31 Dec 2021	Change
Shareholders' equity	11,087	11,914	(7 %)
Net equity per share (in EUR)	60.03	64.14	(6 %)
Net equity per share (in EUR) excluding unrealised gains & losses	45.62	43.43	5 %
Return on Equity - Ageas Group (excluding unrealised gains)	13.2%	10.9%	
Group solvency II _{ageas}	203%	197%	3 %
Life Technical Liabilities (consolidated entities)	75,437	78,192	(4 %)
- Life Technical Liabilities excl. shadow accounting	74,376	75,233	(1 %)
- Shadow accounting	1,061	2,959	(64 %)

Annex 2: Capital Position & Investment Portfolio

CAPITAL AND INVESTMENTS

in EUR million	31 Mar 2022	31 Dec 2021	30 Sep 2021		
Group Solvency II_{ageas}	203%	197%	187%		
- Belgium	217%	212%	190%		
- Europe	171%	166%			
- Reinsurance	226%	223%	211%		
Group Solvency II_{pim}	203%	188%	183%		
Shareholders' equity	11,087	11,914	11,533		

in EUR billion	31 Mar 2022	31 Dec 2021	30 Sep 2021	31 Mar 2022	31 Dec 2021
Total investments	79.8	82.3	82.8		
of which					
- Government bonds	33.4	35.5	36.0	42%	43%
- Corporate debt securities	18.0	18.5	18.8	23%	23%
- Loans	14.8	14.5	14.3	18%	18%
- Equity portfolio	5.3	5.7	5.4	7%	7%
- Real Estate	6.3	6.1	6.0	8%	7%

Annex 3: Belgium

- Strong commercial performance in Life and Non-Life despite the impact of adverse weather

KEY FIGURES BELGIUM

in EUR million	3M 22	3M 21	Change
Net result attributable to shareholders	121.8	101.3	20%
- Life	97.7	69.7	40%
- Non-Life	24.1	31.6	(24%)
Gross inflows at Ageas' share	1,369.5	1,314.4	4%
- Life	809.3	771.4	5%
- Non-Life	560.2	543.0	3%
Combined ratio - before LPT and QS	100.4%	94.6%	
Operating margin Guaranteed (bps)	113	85	
Operating margin Unit-Linked (bps)	43	38	
in EUR million	31 Mar 2022	31 Dec 2021	Change
Life Technical Liabilities	60,940	63,004	(3%)
- Life Technical Liabilities excl. shadow accounting	60,201	60,718	(1%)
- Shadow accounting	739	2,286	(68%)

The combined ratio including the effect of the internal reinsurance agreement stood at 96.7% YTD.

For more details, please refer to the Investor presentation and the tables on the website.

Annex 4: Europe

- Strong result including the sale of the commercial lines business and the February storms in the UK

KEY FIGURES EUROPE

in EUR million	3M 22	3M 21	Change
Net result attributable to shareholders	74.4	47.4	57%
- Life	16.9	16.9	(0%)
- Non-Life	57.5	30.5	89%
Gross inflows at Ageas' share	904.6	891.6	1%
- Life	270.1	266.7	1%
- Non-Life	634.5	624.9	2%
Combined ratio - before LPT and QS	97.7%	88.7%	
Operating margin Guaranteed (bps)	98	131	
Operating margin Unit-Linked (bps)	36	26	

in EUR million	31 Mar 2022	31 Dec 2021	Change
Life Technical Liabilities (consolidated entities)	14,514	15,192	(4%)
- Life Technical Liabilities excl. shadow accounting	14,193	14,519	(2%)
- Shadow accounting	322	673	(52%)

The combined ratio including the effect of the internal reinsurance agreement stood at 85.0% YTD.

For more details, please refer to the Investor presentation and the tables on the website.

Annex 5: Asia

- Resilient sales across the region
- Strong underlying performance with net result impacted by the equity market evolution

KEY FIGURES ASIA

in EUR million	3M 22	3M 21	Change
Net result attributable to shareholders	39.1	147.6	(74%)
- Life	32.0	139.8	(77%)
- Non-Life	7.1	7.8	(9%)
Gross inflows at Ageas' share	2,696.9	2,530.5	7%
- Life	2,458.3	2,333.7	5%
- Non-Life	238.6	196.8	21%
Gross Inflows Life @ Ageas' share	2,458.3	2,333.7	5%
- Single premium	265.3	260.8	2%
- Regular premium	2,193.0	2,072.9	6%
Combined ratio	100.8%	102.5%	
in EUR million	31 Mar 2022	31 Dec 2021	Change
Life Technical Liabilities @ Ageas' share	35,172	32,954	7%

Annex 6: Reinsurance

- Net result contribution impacted by the adverse weather events in Belgium and the UK

KEY FIGURES REINSURANCE

in EUR million	3M 22	3M 21	Change
Net result attributable to shareholders	3.5	22.1	(84%)
- Life	(1.6)	0.6	*
- Non-Life	5.1	21.5	(76%)
Gross inflows at Ageas' share	515.9	487.1	6%
- Life	8.1	10.8	(25%)
- Non-Life	507.8	476.3	7%
Combined ratio	100.8%	95.2%	

Annex 7: General Account

KEY FIGURES GENERAL ACCOUNT

in EUR million

	3M 22	3M 21	Change
Net result including eliminations	33.1	(22.5)	*
Unrealised gain (loss) on RPN(I)	61.5	1.7	*
Total expenses	(20.5)	(20.6)	(0 %)
- Staff and Intercompany expenses	(6.9)	(8.4)	(18 %)
- Other operating and administrative expenses	(13.6)	(12.2)	11 %
	31 Mar 2022	31 Dec 2021	Change
RPN(I)	(458.9)	(520.4)	(12 %)
Royal Park Investments	0.3	1.3	(77 %)
Provision Fortis Settlement	(114.4)	(114.4)	0 %

ANALYST & INVESTOR CONFERENCE CALL:

11 May 2022

09:30 CET (08:30 UK Time)

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