

Utrecht, 29 August 2018, 07.00 hours

## a.s.r. reports continued strong performance

### Operating result of € 382 million, in line with strong first half year 2017

- Operating result of € 382 million was almost equal to last year (H1 2017: € 385 million). The impact of the January storm this year (€ 31 million) was offset by higher results in the Life segments and growth in the other segments.
- Operating return on equity 14.7% over the first half year of 2018, well above the target of 'up to 12%'.
- Combined ratio was 97.1% (H1 2017: 93.6%). This includes the impact of the January storm (2.1%-point) and the higher combined ratio of the acquired Non-life activities of Generali Nederland.
- Operating result of the Non-life segment amounted to € 66 million including the impact of the January storm (H1 2017: € 106 million).
- Operating result of the Life segment increased by 8.3% to € 340 million, primarily as a result of higher direct investment income (€ 16 million).
- Net result of € 368 million, a decrease of 7.3% (H1 2017: € 397 million), mainly due to the costs of the social plan as a result of the integration of Generali Nederland and incidental items.

### Interim dividend of € 92 million (€ 0.65 per share<sup>1</sup>)

- Interim dividend is equal to 40% of the dividend for the whole of 2017.

### Solvency II ratio (standard formula) at 194% after interim dividend

- Solvency II ratio<sup>2</sup> (standard formula) as at 30 June 2018 stood at 194% (31 December 2017: 196%), absorbing the acquisition of Generali Nederland (-9%-point), the impact of the UFR (-3%-point) and the interim dividend (-3%-point). The ratio was supported by the organic capital creation (5%-point), the higher volatility adjustment (6%-point) and other developments (2%-point).
- Organic capital creation amounted to € 179 million. This includes the impact of the January storm (H1 2017: € 193 million).
- Solvency II capital position remained very robust; 85% consists of Tier 1 capital. Financial flexibility is strong with a headroom in tier 1 of € 845 million and in tier 2 and 3 combined of € 749 million.

### Solid operating performance and integration of Generali Nederland well on track

- Gross written premiums in Non-life segment increased by € 243 million to € 1,717 million, as a result of organic growth in all three product lines (€ 67 million) as well as the acquisition of Generali Nederland (€ 176 million). Gross written premiums in the Life segment increased from € 848 million to € 885 million, mainly resulting from the acquisition of Generali Nederland and an increase in capital light DC.
- Assets under management on behalf of third parties (a.s.r. vermogensbeheer and a.s.r. vastgoed) increased by € 1.3 billion to € 15.6 billion (31 December 2017: € 14.3 billion). The growth was mainly due to new contracts for the ASR Hypotheekfonds (€ 702 million) and the ESG funds line (€ 549 million).
- Integration of Generali Nederland is proceeding according to plan; legal merger of the entities has been accomplished and the funeral insurance portfolio is the first portfolio that has successfully been migrated to the a.s.r. platform.

Publication of financial results on 29 August 2018 at 7 a.m. CET. Conference call for financial market participants (in English) at 10.30 a.m. CET. For more information, please visit [www.asrnl.com](http://www.asrnl.com).

<sup>1</sup> Interim dividend over H1 2018 based on 141 million shares.

<sup>2</sup> Excluding a.s.r. bank. Including a.s.r. bank the Solvency II ratio amounts to 193% after distribution of interim dividend.

**Jos Baeten, CEO:**

“The financial results for the first half of 2018, and the progress of the integration of Generali Nederland, are both very satisfying. It shows the execution power of a.s.r. We succeeded in keeping the operating result at the level of the first half of 2017 despite the impact from the January storm this year. The decrease in the result in the Non-life segment is compensated by increases in the other segments. Our cost discipline remains as strong as ever. Excluding Generali Nederland, operating expenses show a decrease of 9 million euros. The operating return on equity is again well above our target at 14.7% on an annualised basis and our solvency remains robust at 194%. This again shows our strong performance.

We continue to make every effort to show that we are worth our customers’ trust. Therefore we are very pleased with the strong increase in the number of customers in the *Vernieuwd Voordeel Pakket* (a product that combines various insurance coverages) for Non-life insurance products, with over 350 new customers signing up on some days. The number of participants of the DC product *WerknemersPensioen* is well on track and has already achieved the milestone of 50,000 active participants. Furthermore, new initiatives and innovations have started in order to keep the influx of (young) new customers on track. The initial market response to the new *Langer Mee* product for occupational disability is encouraging. We also see positive developments with institutional customers in our ESG and mortgage fund. We are particularly proud of the fact that new major asset management clients find their way to our Dutch Prime Retail Fund and the Dutch Mobility Office Fund.

In addition to the increase in gross written premiums due to the integration of the activities of Generali Nederland, all three product lines in the Non-life segment show an organic growth of 4.5% for the first six months this year. The combined ratio is negatively impacted by the January storm and the activities taken over from Generali Nederland and is at 97.1% only slightly above our target of 97.0%. Without the inclusion of Generali Nederland, the combined ratio is ahead of our target. We are confident that with our craftsmanship we can achieve the targeted combined ratio for the Generali Nederland portfolio over time. The combined ratio for occupational disability insurance remains strong at a very low level of 91.2%.

Although the January storm made for higher claims, these are the moments where the added value for our customers becomes visible. The settlement of the claims relating to this storm went smoothly, as demonstrated by the positive response we received from customers, in particular about the speed with which we dealt with the claims.

In the Life segment our cost discipline proves effective. Without the additional costs of the acquisition of Generali Nederland, the operating costs decreased in line with the decline of the portfolio. The gross written premiums of Pensions increased due to the success of the DC (*WerknemersPensioen*), which realised 44 million euro more premium in the first six months of this year. An increase in repayments of mortgage loans may accelerate the decline of the Individual Life portfolio. Focus on cost control remains key.

The Distribution and Services segment was commercially successful and, among other things, realised a higher income. Also the Bank and Asset Management segment improved further from a commercial point of view with an increase in fee income from new clients and an increase in assets entrusted to our investment funds.

These strong business results drive our organic creation of capital. At 194%, our solvency is robust and the quality of the solvency is high. The Solvency II ratio, based on Tier 1 capital only, amounts to 165%.

Based on the strong results over the first six months and the robust solvency, we will pay-out an interim dividend of 92 million euros. This is 40% of the dividend for the preceding year, and 0.65 euro per share.

The quality of our work determines our results and these are satisfying. In addition, the integration of the activities of Generali Nederland in the recent period has required additional efforts from many colleagues. We are proud of the results we realised and of all our colleagues who contributed to this.”

## Key figures

| (€ million, unless per share or as percentage)                | H1 2018             | H1 2017             | Delta        |
|---|---------------------|---------------------|--------------|
| Operating result <sup>1</sup>                                 | 382                 | 385                 | -0.8%        |
| Operating return on equity <sup>2</sup>                       | 14.7%               | 17.4%               | -2.7%-p      |
| Net result (on IFRS basis)                                    | 368                 | 397                 | -7.3%        |
| Return on equity  | 15.5%               | 19.2%               | -3.7%-p      |
| Gross written premiums  | 2,502               | 2,233               | 12.0%        |
| Operating expenses  | -299                | -283                | 5.7%         |
| Combined ratio (Non-life segment)                             | 97.1%               | 93.6%               | 3.5%-p       |
| New production (Life segment (APE))                           | 36                  | 26                  | 38.5%        |
|   | <b>30 June 2018</b> | <b>31 Dec. 2017</b> | <b>Delta</b> |
| Total equity  | 5,493               | 5,432               | 1.1%         |
| Total equity attributable to shareholders                     | 4,493               | 4,432               | 1.4%         |
| Solvency II ratio (standard formula) after interim dividend   | 194%                | 196%                | -2%-p        |
| Financial leverage  | 25.4%               | 25.3%               | 0.1%-p       |
| Cash position holding   | 229                 | 463                 | -50.5%       |
| Number of FTEs (internal)                                     | 3,793               | 3,493               | 8.6%         |
|   | <b>H1 2018</b>      | <b>H1 2017</b>      | <b>Delta</b> |
| Operating result per share <sup>3</sup>                       | 1.87                | 1.85                | 1.1%         |
| Interim dividend per share                                    | 0.65                | n.a.                | n.a.         |
| Number of shares issued and outstanding at year-end (million) | 141.0               | 147.0               | -4.1%        |
| Weighted average of shares issued and outstanding (million)   | 141.0               | 146.9               | -4.0%        |

### Notes to the table

1. The operating result is the result before tax, adjusted for (i) incidental investment income (including realised capital gains, impairments and realised or unrealised changes in value) and (ii) incidental income and expenses that are not related to normal business operations but are, for example, the result of changes in accounting policies, consultancy costs for acquisitions, reorganisation costs, start-up costs and shareholder-related costs.
2. The operating return on equity is calculated by dividing the operating result before tax after deduction of interest on hybrid capital and taxes (tax rate: 25%) by the annual average equity attributable to shareholders after deduction of the reserve for unrealised gains and losses and the equity for property development (business activities in run-off).
3. The operating result per share is calculated by dividing the operating result before tax after deduction of interest on hybrid capital and taxes (tax rate: 25%) by the weighted average number of outstanding shares.

### Financial calendar

#### Publications and CMD

|                  |                         |
|------------------|-------------------------|
| 10 October 2018  | Capital Markets Day     |
| 20 February 2019 | 2018 Full year results  |
| 22 May 2019      | Annual General Meeting  |
| 28 August 2019   | H1 2019 interim results |

#### Interim dividend

|                  |                                  |
|------------------|----------------------------------|
| 29 August 2018   | Announcement interim dividend    |
| 3 September 2018 | Ex-interim dividend              |
| 4 September 2018 | Interim dividend record date     |
| 7 September 2018 | Interim dividend payment H1 2018 |

The figures included in this press release have not been audited and no limited review by an auditor has taken place.

**Media relations**

Daan Wentholt, T: +31 (0)6 5335 4156

E: [daan.wentholt@asr.nl](mailto:daan.wentholt@asr.nl)

[www.asrnederland.nl](http://www.asrnederland.nl)

**Investor relations**

T: +31 (0)30 – 257 8600

E: [ir@asr.nl](mailto:ir@asr.nl)

[www.asrnl.com](http://www.asrnl.com)

+++++

**About a.s.r.**

ASR Nederland N.V. (a.s.r.) has been in the insurance business since 1720. It is one of the top three insurers in the Netherlands. Through its labels a.s.r., De Amersfoortse, Ditzo, Ardanta and Europeesche Verzekeringen, a.s.r. offers insurance, pension and banking products and services to consumers and SMEs. a.s.r. is also active as a fiduciary asset manager, particularly in the public sector. a.s.r. was listed on Euronext Amsterdam in June 2016 and has been included in the AEX Index since 19 March 2018. For more information, please visit [www.asrnl.com](http://www.asrnl.com).

This press release contains inside information as referred to in article 7 of the market abuse regulation.

## Financial and business performance for H1 2018

| <b>a.s.r. key figures</b>  |                     |                     |               |
|--|---------------------|---------------------|---------------|
| (in € million, unless stated otherwise)  | <b>H1 2018</b>      | <b>H1 2017</b>      | <b>Delta</b>  |
| <b>Gross written premiums</b>  | <b>2,502</b>        | <b>2,233</b>        | <b>12.0%</b>  |
| - Non-life   | 1,717               | 1,474               | 16.5%         |
| - Life   | 885                 | 848                 | 4.4%          |
| - Eliminations   | -100                | -89                 | 12.4%         |
| <b>Operating expenses</b>  | <b>-299</b>         | <b>-283</b>         | <b>5.7%</b>   |
| - Non-life   | -111                | -99                 | 12.1%         |
| - Life   | -93                 | -91                 | 2.2%          |
| - Banking and Asset Management   | -45                 | -45                 | -             |
| - Distribution and Services  | -25                 | -21                 | 19.0%         |
| - Holding and Other / Eliminations   | -23                 | -25                 | -8.0%         |
| - Real Estate Development  | -2                  | -2                  | -             |
| Operating expenses associated with ordinary activities                             | -286                | -277                | 3.3%          |
| Provision for restructuring expenses   | -19                 | -4                  | n.a.          |
| <b>Operating result</b>  | <b>382</b>          | <b>385</b>          | <b>-0.8%</b>  |
| - Non-life   | 66                  | 106                 | -37.7%        |
| - Life   | 340                 | 314                 | 8.3%          |
| - Banking and Asset Management   | 11                  | 5                   | 120.0%        |
| - Distribution and Services  | 12                  | 10                  | 20.0%         |
| - Holding and Other / Eliminations   | -47                 | -50                 | -6.0%         |
| <b>Incidental items (not included in operating result)</b>                         | <b>99</b>           | <b>130</b>          | <b>-23.8%</b> |
| - Investment income  | 110                 | 109                 | 0.9%          |
| - Underwriting incidentals   | 3                   | 14                  | -78.6%        |
| - Other incidentals  | -14                 | 7                   | n.a.          |
| <b>Profit/(loss) before tax</b>  | <b>481</b>          | <b>515</b>          | <b>-6.6%</b>  |
| - Non-life   | 77                  | 129                 | -40.3%        |
| - Life   | 440                 | 412                 | 6.8%          |
| - Banking and Asset Management   | 7                   | 7                   | -             |
| - Distribution and Services  | 13                  | 10                  | 30.0%         |
| - Holding and Other / Eliminations   | -57                 | -47                 | 21.3%         |
| - Real Estate Development  | 1                   | 4                   | -75.0%        |
| Income tax expense   | -112                | -119                | -5.9%         |
| Profit/(loss) for the period from continuing operations                            | 369                 | 396                 | -6.8%         |
| Non-controlling interest   | -1                  | 1                   | n.a.          |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b>  | <b>368</b>          | <b>397</b>          | <b>-7.3%</b>  |
| <b>Earnings per share</b>  |                     |                     |               |
| Operating result per share (€)   | 1.87                | 1.85                | 1.1%          |
| Interim dividend per share (€)   | 0.65                | -                   | n.a.          |
| Basic earnings per share on IFRS basis (€)   | 2.58                | 2.70                | -4.4%         |
| (in € million, unless stated otherwise)  | <b>H1 2018</b>      | <b>H1 2017</b>      | <b>Delta</b>  |
| New business, Life segment (APE)   | 36                  | 26                  | 38.5%         |
| Combined ratio, Non-life segment   | 97.1%               | 93.6%               | 3.5%-p        |
| Return on equity   | 15.5%               | 19.2%               | -3.7%-p       |
| Operating return on equity   | 14.7%               | 17.4%               | -2.7%-p       |
| Number of internal FTEs (2017 as of 31 December)                                   | 3,793               | 3,493               | 300           |
| <b>Equity and solvency (in € million, unless stated otherwise)</b>                 | <b>30 June 2018</b> | <b>31 Dec. 2017</b> | <b>Delta</b>  |
| Total assets   | 59,723              | 55,405              | 7.8%          |
| <b>Equity attributable to shareholders</b>   | <b>4,493</b>        | <b>4,432</b>        | <b>1.4%</b>   |
| Total equity (IFRS)  | 5,493               | 5,432               | 1.1%          |
| Solvency II ratio (standard formula, excluding a.s.r. bank, post interim dividend) | 194%                | 196%                | -2%-p         |

The operating result was in line with last year and remained strong at € 382 million despite the impact of the storm on 18 January 2018 and the favourable (weather-related) claims experience in the comparable period last year. The lower result in the Non-life segment (€ 40 million), mainly a consequence of the January storm, was largely absorbed by an improvement in the Life segment (€ 26 million). In addition, the results of the Banking and Asset Management segment as well as the Distribution and Services segment improved.

The operating result in the Non-life segment decreased by € 40 million to € 66 million due to the January storm (€ 31 million) and due to the particularly favourable 2017 first half year for the P&C business, with a relatively low level of large claims and the absence of calamities. Disability showed an improved performance, especially in absenteeism and individual occupational disability insurance. The Health business showed a slightly lower result. The combined ratio segment stood at 97.1%, including a 2.1%-point impact of the January storm and a 0.5%-point impact of Generali Nederland (GNL).

The operating result in the Life segment increased by € 26 million to € 340 million mainly due to a higher investment margin (€ 19 million) and the acquisition of GNL (€ 8 million). The technical result remained broadly stable.

The Banking and Asset Management segment was up € 6 million to € 11 million, mostly due to the inflow of assets under management resulting in higher fee income.

The Distribution and Services segment continued to grow, resulting in a € 2 million increase in the operating result, to € 12 million.

The Holding and Other segment was up € 3 million to € -47 million due to lower pension scheme expenses (current net service costs) as a result of changes in the discount rate.

**Gross written premiums** increased by € 269 million to € 2,502 million this half year (up 12.0%) including the contribution of GNL (€ 230 million). Gross written premiums in the Non-life segment increased (€ 243 million), which was mainly attributable to GNL Non-life (€ 176 million). All business lines showed an increase in gross written premiums. The P&C business experienced further growth thanks to an increase in the number of *Vernieuwd Voordeel Pakket* packages sold. The increase in gross written premiums of the Life segment (up € 37 million) was due to the inclusion of GNL Life (€ 54 million) and the Pension business (€ 9 million), especially in DC (*WerknemersPensioen*). The decrease of Individual Life business continued (€ 25 million) due to surrenders of policies related to mortgages. Gross written premiums of Funeral insurance remained rather stable (€ -1 million).

**Operating expenses** increased due to the acquired cost base of GNL to € 299 million. The operating expenses associated with ordinary activities, which are part of the operating result, were € 286 million (an increase of € 9 million). Excluding the addition of GNL, the ordinary operating expenses showed a decrease of € 13 million. The operating expenses of GNL (€ 25 million) consist of ordinary operating expenses (€ 22 million) and expenses for non-ordinary activities (integration costs of € 3 million).

This decrease of ordinary operating expenses excluding GNL is due to improved efficiency and rationalisation of processes and products in both the Non-life and the Life segment. On the other hand, growth in Asset Management activities also led to increased personnel and additional licensing costs.

The expenses for non-ordinary activities (not part of regular operating expenses and operating result) showed an increase of € 7 million to € 13 million. This increase relates, among other things, to integration costs (GNL) and regulatory costs.

The number of **internal FTEs** (including redundancies) increased by 300 FTEs (8.6%) to 3,793 FTEs as at 30 June 2018 due to the inclusion of GNL. The number of former GNL employees decreased as a result of employees opting for the social plan. Internal vacancies were also filled by former GNL employees.

**Profit before tax** decreased by € 34 million from € 515 million to € 481 million. This year's IFRS result showed a lower impact from incidental items. These declined by € 31 million to € 99 million. This was partly due to higher costs for the social plan (€ 15 million), which relates mainly to the integration of GNL.

**Operating return on equity** was 14.7%, which is well above the target of up to 12%. The decrease is mainly due to the increase in equity. **IFRS return on equity** stood at 15.5%.

The **Solvency II ratio** continued to be robust at 194% and absorbed the impact of the GNL acquisition. The solvency II ratio before interim dividend amounted to 197%. In addition to the GNL acquisition, the impact of a lower UFR and the interim dividend impacted the ratio negatively. This negative impact was mostly offset by organic capital creation and the increase of the volatility adjustment.

## Medium-term targets

During the IPO process and the listing of a.s.r. on Euronext, a.s.r. management communicated targets for the medium term (2016-2018).

| Medium-term targets             |           |                    |
|---------------------------------|-----------|--------------------|
|                                 | H1 2018   | Medium-term target |
| Solvency II (standard formula)  | 194%      | > 160%             |
| Operating return on equity      | 14.7%     | up to 12%          |
| Reduction in operating expenses | on target | € 50 million       |
| Combined ratio Non-life segment | 97.1%     | < 97%              |
| Financial leverage              | 25.4%     | < 30%              |
| S&P rating (insurance business) | Single A  | Single A           |

Almost all of the medium-term financial targets have been exceeded.

The combined ratio of the Non-life segment was just above target due to the acquisition of GNL Non-life (101.4%). Excluding GNL Non-life the combined ratio was 96.6%.

## Non-life segment

- The operating result decreased by € 40 million to € 66 million due to the January storm this year and the particularly favourable 2017 half year in the P&C business.
- The combined ratio increased to 97.1% including the 2.1%-point impact of the January storm and a 0.5%-point impact of the inclusion of GNL Non-life.
- Gross written premiums increased to € 1,717 million (16.5%) driven by GNL Non-life and growth in all business lines (P&C, Disability, Health).
- Operating expenses were up € 12 million to € 111 million mainly due to GNL Non-life (effect of € 10 million).

| Key figures, Non-life segment   |                |                |               |
|---|----------------|----------------|---------------|
| (in € million, unless stated otherwise)   | H1 2018        | H1 2017        | Delta         |
| Gross written premiums  | 1,717          | 1,474          | 16.5%         |
| Operating expenses  | -111           | -99            | 12.1%         |
| Provision for restructuring expenses  | -2             | -1             | 100.0%        |
| <b>Operating result</b>   | <b>66</b>      | <b>106</b>     | <b>-37.7%</b> |
| <b>Incidental items (not included in operating result)</b>                        | <b>11</b>      | <b>23</b>      | <b>-52.2%</b> |
| - Investment income   | 13             | 23             | -43.5%        |
| - Underwriting incidentals  | -              | 1              | n.a.          |
| - Other incidentals   | -2             | -1             | 100.0%        |
| Profit/(loss) before tax  | 77             | 129            | -40.3%        |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>61</b>      | <b>98</b>      | <b>-37.8%</b> |
|   |                |                |               |
|   | <b>H1 2018</b> | <b>H1 2017</b> | <b>Delta</b>  |
| <b>Combined ratio</b>   | <b>97.1%</b>   | <b>93.6%</b>   | <b>3.5%-p</b> |
| - Commission ratio  | 16.1%          | 14.5%          | 1.6%-p        |
| - Cost ratio  | 7.4%           | 7.5%           | -0.1%-p       |
| - Claims ratio  | 73.6%          | 71.6%          | 2.0%-p        |
| <b>Combined ratio</b>   |                |                |               |
| - P&C   | 100.0%         | 92.7%          | 7.3%-p        |
| - Disability  | 91.2%          | 91.9%          | -0.7%-p       |
| - Health  | 98.4%          | 97.1%          | 1.3%-p        |

The **operating result** decreased by € 40 million from € 106 million to € 66 million and the combined ratio increased by 3.5%-point to 97.1%. This is primarily the result of the January storm damage with an impact of € 31 million, while the first half year of 2017 was exceptionally good with a favourable level of claims and no calamities at P&C.

The **combined ratio** of P&C amounted to 100.0% and was impacted by the January storm and the higher combined ratio of the acquired GNL portfolio. Excluding these effects the combined ratio amounted to a strong 95.5%, which is 2.8%-point higher compared to the exceptional first half of last year and ahead of the medium-term target for P&C. The combined ratio of Disability further improved by 0.7%-point to 91.2% and was positively influenced by an improvement of the underwriting process and additional focus on the performance of the absenteeism portfolio. The combined ratio of Health increased by 1.3%-point to 98.4% due to higher claims at supplementary health insurance.



**Gross written premiums** increased by € 243 million to € 1,717 million. Besides the addition of GNL Non-life (€ 176 million) all product lines (P&C, Disability and Health) showed growth. The P&C business grew (up € 33 million) due to a continuing success of *Vernieuwd Voordeel Pakket*. The number of *Vernieuwd Voordeel Pakket* sold increased by 24%. An average number of 285 packages were sold per day (H1 2017: 222 packages). Growth in Health insurance (up € 15 million) reflects our 'value over volume' strategy. A price increase compensated the decrease in number of policyholders. Premiums in the Disability business went up (€ 19 million) due to higher volumes.

The **operating expenses** increased by € 12 million from € 99 million to € 111 million (12.1%). The increase is mainly due to the addition of GNL Non-life (€ 10 million).

The **profit for the period** decreased by € 52 million to € 77 million and reflects the decrease in the operating result (€ 40 million), as well as a lower contribution of incidental investment income (€ 10 million).

## Life segment

- Operating result increased by € 26 million to € 340 million (8.3%) mostly due to an increase in the investment margin and the addition of GNL Life.
- Gross written premiums increased from € 848 million to € 885 million, most notably due to the contribution of the GNL Life portfolio (€ 54 million).
- Operating expenses increased by € 2 million to € 93 million, driven by the addition of € 10 million operating expenses from GNL Life.

| <b>Key figures, Life segment</b>  |                |                |              |
|---|----------------|----------------|--------------|
| (in € million, unless stated otherwise)   | <b>H1 2018</b> | <b>H1 2017</b> | <b>Delta</b> |
| Recurring premiums  | 737            | 722            | 2.1%         |
| Single premiums   | 148            | 126            | 17.5%        |
| Gross written premiums  | 885            | 848            | 4.4%         |
| Operating expenses  | -93            | -91            | 2.2%         |
| Provision for restructuring expenses  | -1             | -2             | -50.0%       |
| <b>Operating result</b>   | <b>340</b>     | <b>314</b>     | <b>8.3%</b>  |
| <b>Incidental items (not included in operating result)</b>                        | <b>100</b>     | <b>98</b>      | <b>2.0%</b>  |
| - Investment income   | 97             | 85             | 14.1%        |
| - Underwriting Incidentals  | 3              | 13             | -76.9%       |
| - Other Incidentals   | -              | -              | -            |
| Profit/(loss) before tax  | 440            | 412            | 6.8%         |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>333</b>     | <b>315</b>     | <b>5.7%</b>  |
| Cost/premium ratio (APE)  | 9.8%           | 9.6%           | 0.2%-p       |
| New business (APE)  | 36             | 26             | 38.5%        |

The **operating result** improved by € 26 million to € 340 million (8.3%) mainly due to a higher investment margin, as a result of the contribution of GNL Life (€ 8 million) and a lower required interest (€ 9 million) due to the shrinking Individual Life book while investment returns remained stable. Besides, the half year figures for 2017 were impacted by a temporary positive effect related to the reduction of separate accounts (€ 9 million), which was largely neutralised in the second half of the year. The technical result remained fairly stable. The decrease in cost coverage, mostly for Individual Life policies, was offset by lower IT-related costs and cost savings.

The **profit for the period** increased by € 18 million, from € 315 million to € 333 million (5.7%). The increase is mainly attributable to the improvement in operating result.

**Gross written premiums** increased by € 37 million, to € 885 million (4.4%), of which € 54 million was due to the acquisition of GNL Life. Increased premiums in the Pension business (€ 9 million) partly compensated the decline in the Individual Life portfolio (€ 25 million). The increase in the Pension business relates primarily to DC (*WerknemersPensioen*).

The share of capital light Defined Contribution (DC) products in new pension business continued to increase to 82% (Q4 2017: 77%) and was also driven by contract renewals from the existing portfolio to the *WerknemersPensioen* as new policies are almost entirely DC. The level of surrenders of policies at Individual Life was 0.9% and above the four-year average. This is mainly attributable to an increase in repayments of savings-based mortgages as a result of the sustained low interest rates. With 1.63%, surrenders in the unit-linked portfolio were in line with the four year average.

**Operating expenses** increased by € 2 million to € 93 million. When excluding the operating expenses of GNL Life (€ 10 million), operating expenses decreased by € 8 million. The decrease is mainly attributable to the continuing rationalisation of systems, products and processes. Last year's figures were also impacted by integration costs related to De Eendragt.

The increase in gross written premiums was largely in line with the development of operating expenses, resulting in a stable **cost-premium ratio** (on the basis of APE) of 9.8% (H1 2017: 9.6%).

The **profit for the period** increased by € 18 million to € 333 million as a result of the higher operating result. The total contribution of incidental items at € 100 million was virtually stable (€ 2 million) when compared to last year and mainly consists of incidental investment income.

## Banking and Asset Management segment<sup>3</sup>

| Key figures, Banking and Asset Management segment                                 |           |          |               |
|---|-----------|----------|---------------|
| (in € millions, unless stated otherwise)  | H1 2018   | H1 2017  | Delta         |
| Assets under Management for third parties<br>(€ bn, 2017 as at 31 December)       | 15.6      | 14.3     | 9.1%          |
| Operating expenses  | -45       | -45      | -             |
| Provision for restructuring expenses  | -1        | -1       | -             |
| <b>Operating result</b>   | <b>11</b> | <b>5</b> | <b>120.0%</b> |
| <b>Incidental items (not included in operating result)</b>                        | <b>-4</b> | <b>2</b> | <b>n.a.</b>   |
| - Investment income   | -4        | 3        | n.a.          |
| - Underwriting incidentals  | -         | -        | -             |
| - Other incidentals   | -         | -1       | -100.0%       |
| Profit/(loss) before tax  | 7         | 7        | -             |
| Tax   | -2        | -1       | 100.0%        |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>5</b>  | <b>6</b> | <b>-16.7%</b> |

The **operating result** of the Banking and Asset Management segment increased by € 6 million to € 11 million. This was driven by Asset Management (up € 4 million) as well as Banking (up € 2 million). Asset Management improved due to the inflow of assets under management from third parties in the newly introduced funds of a.s.r., resulting in higher fee income. The increase in Banking profit is attributable to a higher net interest margin.

The ESG funds invest globally in corporate bonds and other fixed income and invests with strict sustainability criteria. Companies that are mainly active in non-sustainable activities are excluded, such as the production, trade and distribution of weapons, nuclear energy, tobacco and the gambling industry. Furthermore, companies in which the funds invest must comply with international conventions in the field of human rights and labour rights.

The share of **assets under management (AuM)** for third parties increased by € 1.3 billion to € 15.6 billion (Q4 2017: € 14.3 billion). The increase can be explained by an inflow in the ASR Hypotheekfonds mortgage fund (€ 702 million) and the ESG Funds (€ 549 million), mainly in the *ASR ESG IndexPlus Institutioneel Euro Bedrijfsobligatie Fonds*. ASR Hypotheekfonds, launched in 2017, has grown to more than € 1.2 billion, with clients comprising of pension funds, insurers, family offices and charity funds.

This year, the total mortgage portfolio, including mortgages of ASR Hypotheekfonds, increased by 13% to € 9.4 billion (Q4 2017: € 8.3 billion). In Q2, a.s.r. introduced the *WelThuis* Starters mortgage on the housing market, offering flexibility and security criteria that are essential for starters. The offered term of 40 years instead of the usual 30 years results in lower monthly mortgage payments.

<sup>3</sup> The Banking and Asset Management segment involves all banking activities and activities related to asset management, including investment property management. The related entities include ASR Bank N.V., ASR Hypotheken B.V., ASR Vastgoed Vermogensbeheer B.V., ASR Vermogensbeheer N.V., ASR Financieringen B.V. and First Investments B.V.

Payment arrears of more than 90 days on the *WelThuis* portfolio decreased to as little as 0.12% in June 2018. Credit losses decreased to 0.23 basis points.

The total savings deposits at **a.s.r. bank** increased by € 102 million (or 6%) to € 1,748 million (31 December 2017: € 1,646 million).

## Distribution and Services segment<sup>4</sup>

| Key figures, Distribution and Services segment                                    |           |           |              |
|---|-----------|-----------|--------------|
| (in € millions)   | H1 2018   | H1 2017   | Delta        |
| Total income  | 39        | 32        | 21.9%        |
| Operating expenses  | -25       | -21       | 19.0%        |
| Provision for restructuring expenses  | -         | -         | -            |
| <b>Operating result</b>   | <b>12</b> | <b>10</b> | <b>20.0%</b> |
| <b>Incidental items (not included in operating result)</b>                        | <b>1</b>  | <b>-</b>  | <b>n.a.</b>  |
| - Investment income   | -         | -         | -            |
| - Underwriting incidentals  | -         | -         | -            |
| - Other incidentals   | 1         | -         | n.a.         |
| Profit/(loss) before tax  | 13        | 10        | 30.0%        |
| Tax   | -3        | -2        | 50.0%        |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>10</b> | <b>8</b>  | <b>25.0%</b> |

In 2018, the distribution and services activities of GNL were also added to this segment. These activities comprise of ANAC, All-Finance Nederland Advies-Combinatie and Stoutenburgh Adviesgroep.

As at 1 May of this year, GNL's co-insurance activities were transferred to Corins. This will further strengthen the position on the co-insurance market and give substance to the ambition to grow in the large business market.

The **operating result** of the Distribution and Services segment increased by € 2 million to € 12 million.

The growth in **operating expenses** (€ 4 million) was more than offset by the increase in fee income (€ 7 million). Particularly the portfolio of activities of financial service provider Dutch ID, SuperGarant and Corins showed a steady growth compared to the corresponding period last year.

<sup>4</sup> The Distribution and Services segment includes the activities related to the distribution of insurance contracts and includes the financial intermediary businesses of PoliService B.V., Van Kampen Groep Holding B.V. (and Van Kampen Geld B.V.), Dutch ID B.V., SuperGarant Verzekeringen B.V. and SuperGarant Assuradeuren B.V. (as at 1 September 2016) (including subsidiary VSP Risk B.V. as at April 2017), Corins B.V. (as at 3 October 2016)s and, as at 5 February 2018, ANAC Verzekeringen B.V., ANAC, All-Finance Nederland Advies-Combinatie B.V. and Stoutenburgh Adviesgroep B.V.

## Holding and Other segment (including Eliminations)<sup>5</sup>

| Key figures, Holding and Other segment / Eliminations                             |            |            |               |
|---|------------|------------|---------------|
| (in € millions)   | H1 2018    | H1 2017    | Delta         |
| Operating expenses  | -23        | -25        | -8.0%         |
| Provision for restructuring expenses  | -15        | -          | -             |
| <b>Operating result</b>   | <b>-47</b> | <b>-50</b> | <b>6.0%</b>   |
| <b>Incidental items (not included in operating result)</b>                        | <b>-10</b> | <b>3</b>   | <b>n.a.</b>   |
| - Investment income   | 4          | -2         | n.a.          |
| - Underwriting incidentals  | -          | -          | -             |
| - Other incidentals   | -14        | 5          | n.a.          |
| Profit/(loss) before tax  | -57        | -47        | -21.3%        |
| Tax   | 16         | 14         | 14.3%         |
| Non-controlling interest  | -          | -          | -             |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>-41</b> | <b>-33</b> | <b>-24.2%</b> |

The **operating result** improved by € 3 million to € -47 million. This reflects last year's one-off costs at the Holding and lower current net service costs (down € 1 million) this year due to increased discount rates as at year-end 2017. These rates are used to calculate the Defined Benefit Obligation (DBO) of a.s.r.'s own pension scheme. As a consequence, **operating expenses** also improved to € -23 million.

The holding of GNL was legally merged into a.s.r. on 8 May and former GNL employees have been employed by a.s.r. and covered by a.s.r.'s collective labour agreement from this date onwards. As employees opted for a social plan, an addition to the **provision for restructuring expenses** was made (€ 15 million).

The **incidental items** amounted to € -10 million compared to € 3 million last year. The decrease mainly relates to the above mentioned addition of € 15 million to the provision for restructuring expenses, which is classified under other incidentals. This is also reflected in the development of the **profit before tax**, which decreased to € -57 million, despite the increase in the operating result.

<sup>5</sup> The 'Holding and Other' segment consists primarily of the holding activities of ASR Nederland N.V. (including the group-related activities), other holding and intermediate holding companies and the activities of ASR Deelnemingen N.V.

## Real Estate Development segment<sup>6</sup>

| Key figures, Real Estate Development segment                                      |          |          |                |
|---|----------|----------|----------------|
| (in € millions)   | H1 2018  | H1 2017  | Delta          |
| Profit/(loss) for the period from continuing operations                           | 1        | 2        | -50.0%         |
| Profit/(loss) attributable to non-controlling interests                           | 1        | -1       | 200.0%         |
| <b>Profit/(loss) for the period attributable to holders of equity instruments</b> | <b>-</b> | <b>3</b> | <b>-100.0%</b> |

a.s.r. considers Real Estate Development activities not a part of its core business and its result is excluded from the operating result.

The new LRC city centre in Utrecht opened on 16 May 2018; 90% of the retail space has already been let. The **profit for the period** decreased from € 3 million to nil, reflecting last year's positive impact from revaluation on land positions within Vastgoed Projecten Grondbanken. The exposure has decreased to € 54 million.

---

<sup>6</sup> The Real Estate Development consists of the activities where property development occurs and includes ASR Vastgoed Projecten B.V. As at 1 January 2017, all activities in the Real Estate Development segment have been classified as continuing.



## Capital management

- Solvency II ratio (standard formula) continued to be robust at 194% while absorbing the acquisition of GNL and is still comfortable above our target of above 160%. The Solvency II ratio before the interim dividend amounted to 197%.
- Ample Solvency II headroom available of € 1,594 million.
- Organic capital creation amounted to € 179 million, which adds 5%-point to the Solvency II ratio, and was negatively impacted by the January storm. GNL contributed for € 7 million to the organic capital creation.
- Capital accretion was € 331 million before interim dividend.
- Financial leverage remained robust at 25.4%.
- Double leverage was 100.6%.

## Solvency II

| <b>Solvency II</b>                               |              |              |              |
|--|--------------|--------------|--------------|
| (in € millions)                                  | 30 June 2018 | 31 Dec. 2017 | Delta        |
| Eligible Own Funds                               | 6,935        | 6,826        | 1.6%         |
| Required capital                                 | 3,574        | 3,479        | 2.7%         |
| <b>Solvency II ratio (post interim dividend)</b> | <b>194%</b>  | <b>196%</b>  | <b>-2%-p</b> |

The **Solvency II ratio** continued to be robust at 194%, while absorbing the -9% point impact of the GNL acquisition. The Solvency II ratio before the interim dividend of € 92 million amounted to 197%.

The eligible own funds increased to € 6,935 million as at 30 June 2018, driven mainly by organic capital creation, the increase of the volatility adjustment, spread tightening on government bonds and the inclusion of GNL. This was partially offset by the impact of a lower UFR, spread widening on credits, negative impact of interest rates and interim dividend.

The required capital stood at € 3,574 million as at 30 June 2018. The increase is mainly due to the acquisition of GNL, offset by a reduction of the SCR due to a decline in interest rate risk caused by an adjustment of the interest rate hedge.

## Equity

| <b>Breakdown of total equity</b>                            |              |              |             |
|---|--------------|--------------|-------------|
| in € millions   | 30 June 2018 | 31 Dec. 2017 | Delta       |
| Share capital   | 24           | 24           | -           |
| Share premium reserve                                       | 1,018        | 1,018        | -           |
| Unrealised gains and losses                                 | 805          | 869          | -7.4%       |
| Actuarial gains and losses (IAS19)                          | -684         | -674         | 1.5%        |
| Retained earnings   | 3,518        | 3,383        | 4.0%        |
| Treasury shares   | -188         | -188         | -           |
| Equity attributable to shareholders                         | 4,493        | 4,432        | 1.4%        |
| Other equity instruments                                    | 1,001        | 1,001        | -           |
| <b>Equity attributable to holders of equity instruments</b> | <b>5,494</b> | <b>5,433</b> | <b>1.1%</b> |
| Non-controlling interest                                    | -1           | -1           | -           |
| <b>Total equity attributable to shareholders</b>            | <b>5,493</b> | <b>5,432</b> | <b>1.1%</b> |

### Statement of changes in total equity

| in € millions                                       | 30 June 2018 | 31 Dec. 2017 |
|---|--------------|--------------|
| <b>Beginning of reporting period - total equity</b> | <b>5,432</b> | <b>4,471</b> |
| Profit / loss for the period                        | 368          | 906          |
| Unrealised gains and losses                         | -64          | 143          |
| Actuarial gains and losses (IAS19)                  | -10          | 80           |
| Other equity instruments (Tier 1 capital)           | -            | 300          |
| Non-controlling interest                            | -            | 8            |
| Dividend  | -230         | -187         |
| Treasury shares                                     | -            | -188         |
| Other changes (e.g. coupon hybrids)                 | -3           | -101         |
| <b>End of reporting period - total equity</b>       | <b>5,493</b> | <b>5,432</b> |

Equity attributable to holders of equity instruments (IFRS-based equity) increased by € 61 million, from € 5,432 million to € 5,493 million. The increase was mainly caused by the addition of the net profit for the period of € 368 million. The increase was mainly offset by the dividend distribution to shareholders for 2017 of € 230 million and a decrease in unrealised gains on investments of € 64 million.

### Financial leverage

| Financial leverage   |              |              |               |
|--|--------------|--------------|---------------|
| (in € millions)  | 30 June 2018 | 31 Dec. 2017 | Delta         |
| Basis for financial leverage (equity attributable to shareholders) | 4,493        | 4,432        | 1.4%          |
| Financial liabilities  | 1,528        | 1,498        | 2.0%          |
| of which hybrids   | 1,001        | 1,001        | -             |
| of which subordinated liabilities                                  | 497          | 497          | -             |
| of which senior debt   | 30           | -            | -             |
| <b>Financial leverage (%)</b>                                      | <b>25.4%</b> | <b>25.3%</b> | <b>0.1%-p</b> |
| <b>Interest coverage ratio (IFRS)</b>                              | <b>12</b>    | <b>16</b>    | <b>-4</b>     |

The financial leverage of a.s.r. as at 30 June 2018 was in line with the financial leverage at 31 December 2017. The ratio stood at a robust level of 25.4% (Q4 2017: 25.3%). The increase in financial liabilities was offset by the increase in equity attributable to holders of equity instruments.

The interest coverage ratio decreased to 12 times mainly due to an increase in interest charges following the RT1 hybrid bond that was issued in October 2017 (€ 300 million) and an inclusion of senior debt (€ 30 million).

## Double leverage

| <b>Double leverage</b>                                      |                     |                     |               |
|---|---------------------|---------------------|---------------|
| (in € millions)   | <b>30 June 2018</b> | <b>31 Dec. 2017</b> | <b>Delta</b>  |
| Total value of associates                                   | 6,028               | 5,750               | 4.8%          |
| Equity attributable to shareholders                         | 4,493               | 4,432               | 1.4%          |
| Hybrids and subordinated liabilities                        | 1,498               | 1,498               | -             |
| <b>Equity attributable to holders of equity instruments</b> | <b>5,991</b>        | <b>5,930</b>        | <b>1.0%</b>   |
| <b>Double leverage (%)</b>                                  | <b>100.6%</b>       | <b>97.0%</b>        | <b>3.6%-p</b> |

Double leverage increased from 97.0% as at year-end 2017 to 100.6% as at 30 June 2018. The increase in the total value of associates exceeded the equity attributable to holders of equity instruments due to share premium payments from ASR Nederland N.V. to ASR Levensverzekering N.V. and ASR Schadeverzekering N.V., related to acquisition of GNL.

## Appendices

- 1 Financial statements
  - 1.1 Consolidated balance sheet
  - 1.2 Consolidated income statement
  - 1.3 Consolidated statement of changes in equity
  - 1.4 Segmented balance sheet
  - 1.5 Segmented income statement

## 1. Financial statements

### 1.1 Consolidated balance sheet (before profit appropriation)

| (in € millions)   | 30 June 2018  | 31 Dec. 2017  |
|---|---------------|---------------|
| Intangible assets   | 350           | 333           |
| Property and equipment  | 170           | 171           |
| Investment property   | 1,669         | 1,597         |
| Associates and joint ventures at equity method                          | 70            | 45            |
| Investments   | 27,498        | 25,681        |
| Investments on behalf of policyholders                                  | 8,423         | 7,684         |
| Loans and receivables   | 12,823        | 12,174        |
| Derivatives   | 2,611         | 2,527         |
| Deferred tax assets   | 310           | 226           |
| Reinsurance contracts   | 603           | 546           |
| Other assets  | 913           | 672           |
| Cash and cash equivalents   | 4,283         | 3,749         |
| <b>Total assets</b>   | <b>59,723</b> | <b>55,405</b> |
| Share capital   | 24            | 24            |
| Share premium reserve   | 1,018         | 1,018         |
| Unrealised gains and losses   | 805           | 869           |
| Actuarial gains and losses  | -684          | -674          |
| Retained earnings   | 3,518         | 3,383         |
| Treasury shares   | -188          | -188          |
| <b>Total equity attributable to shareholders</b>                        | <b>4,493</b>  | <b>4,432</b>  |
| Other equity instruments  | 1,001         | 1,001         |
| <b>Equity attributable to holders of equity instruments</b>             | <b>5,494</b>  | <b>5,433</b>  |
| Non - controlling interests   | -1            | -1            |
| <b>Total equity</b>   | <b>5,493</b>  | <b>5,432</b>  |
| Subordinated liabilities  | 497           | 497           |
| Liabilities arising from insurance contracts                            | 33,970        | 31,057        |
| Liabilities arising from insurance contracts on behalf of policyholders | 10,551        | 9,804         |
| Employee benefits   | 3,376         | 3,161         |
| Provisions  | 41            | 33            |
| Borrowings  | 42            | 39            |
| Derivatives   | 451           | 403           |
| Due to customers  | 2,316         | 2,184         |
| Due to banks  | 2,380         | 2,254         |
| Other liabilities   | 606           | 541           |
| <b>Total liabilities</b>  | <b>54,230</b> | <b>49,973</b> |
| <b>Total liabilities and equity</b>                                     | <b>59,723</b> | <b>55,405</b> |

## 1.2 Consolidated income statement

| (in € millions)   | H1 2018       | H1 2017       |
|---|---------------|---------------|
| Gross written premiums                                      | 2,502         | 2,233         |
| Change in provisions for unearned premiums                  | -215          | -175          |
| <b>Gross insurance premiums</b>                             | <b>2,287</b>  | <b>2,058</b>  |
| Reinsurance premiums  | -50           | -30           |
| <b>Net insurance premiums</b>                               | <b>2,237</b>  | <b>2,028</b>  |
| Investment income   | 675           | 650           |
| Realised gains and losses                                   | 135           | 208           |
| Fair value gains and losses                                 | 41            | 45            |
| Result on investments on behalf of policyholders            | 133           | 191           |
| Fee and commission income                                   | 60            | 62            |
| Other income  | 60            | 56            |
| Share of profit / (loss) of associates and joint ventures   | 4             | 6             |
| <b>Total income</b>   | <b>1,108</b>  | <b>1,218</b>  |
| Insurance claims and benefits                               | -2,171        | -2,141        |
| Insurance claims and benefits recovered from reinsurers     | 3             | 21            |
| <b>Net insurance claims and benefits</b>                    | <b>-2,168</b> | <b>-2,120</b> |
| Operating expenses  | -299          | -283          |
| Restructuring provision expenses                            | -19           | -4            |
| Commission expenses   | -238          | -199          |
| Impairments   | 17            | 9             |
| Interest expense  | -100          | -90           |
| Other expenses  | -57           | -44           |
| <b>Total expenses</b>                                       | <b>-696</b>   | <b>-611</b>   |
| <b>Profit before tax</b>                                    | <b>481</b>    | <b>515</b>    |
| Income tax (expense) / gain                                 | -112          | -119          |
| <b>Profit for the period</b>                                | <b>369</b>    | <b>396</b>    |
| Non-controlling interests                                   | -1            | 1             |
| <b>Profit attributable to holders of equity instruments</b> | <b>368</b>    | <b>397</b>    |

### 1.3 Consolidated statement of changes in equity

(in € millions)

|  | Share capital | Share premium reserve | Unrealised gains and losses | Actuarial gains and losses (pension obligation) | Retained earnings | Treasury shares | Equity attributable to shareholders | Other equity instruments | Non-controlling interest | Total equity |
|--|---------------|-----------------------|-----------------------------|---|-------------------|-----------------|-------------------------------------|--------------------------|--------------------------|--------------|
| <b>At 1 January 2018</b>                             | <b>24</b>     | <b>1,018</b>          | <b>869</b>                  | <b>-674</b>                                     | <b>3,383</b>      | <b>-188</b>     | <b>4,432</b>                        | <b>1,001</b>             | <b>-1</b>                | <b>5,432</b> |
| Profit for the period                                | -             | -                     | -                           | -   | 368               | -               | 368                                 | -                        | 1                        | 369          |
| Total other comprehensive income                     | -             | -                     | -64                         | -10   | -                 | -               | -74                                 | -                        | -                        | -74          |
| <b>Total comprehensive income</b>                    | <b>-</b>      | <b>-</b>              | <b>-64</b>                  | <b>-10</b>                                      | <b>368</b>        | <b>-</b>        | <b>294</b>                          | <b>-</b>                 | <b>1</b>                 | <b>295</b>   |
| Discretionary interest on other equity instruments   | -             | -                     | -                           | -   | -7                | -               | -7                                  | -                        | -                        | -7           |
| Tax relating to interest on other equity instruments | -             | -                     | -                           | -   | 2                 | -               | 2                                   | -                        | -                        | 2            |
| Dividend paid  | -             | -                     | -                           | -   | -230              | -               | -230                                | -                        | -                        | -230         |
| Other  | -             | -                     | -                           | -   | 2                 | -               | 2                                   | -                        | -1                       | 1            |
| <b>At 30 June 2018</b>                               | <b>24</b>     | <b>1,018</b>          | <b>805</b>                  | <b>-684</b>                                     | <b>3,518</b>      | <b>-188</b>     | <b>4,493</b>                        | <b>1,001</b>             | <b>-1</b>                | <b>5,493</b> |
| <b>At 1 January 2017</b>                             | <b>24</b>     | <b>1,038</b>          | <b>726</b>                  | <b>-754</b>                                     | <b>2,746</b>      | <b>-</b>        | <b>3,780</b>                        | <b>701</b>               | <b>-10</b>               | <b>4,471</b> |
| Profit for the period                                | -             | -                     | -                           | -   | 397               | -               | 397                                 | -                        | -1                       | 396          |
| Total other comprehensive income                     | -             | -                     | 186                         | 122   | -                 | -               | 308                                 | -                        | -                        | 308          |
| <b>Total comprehensive income</b>                    | <b>-</b>      | <b>-</b>              | <b>186</b>                  | <b>122</b>                                      | <b>397</b>        | <b>-</b>        | <b>705</b>                          | <b>-</b>                 | <b>-1</b>                | <b>704</b>   |
| Dividend paid  | -             | -                     | -                           | -   | -187              | -               | -187                                | -                        | -                        | -187         |
| Treasury shares acquired                             | -             | -                     | -                           | -   | -                 | -153            | -153                                | -                        | -                        | -153         |
| Other  | -             | -                     | -                           | -   | -1                | -               | -1                                  | -                        | 1                        | -            |
| <b>At 30 June 2017</b>                               | <b>24</b>     | <b>1,038</b>          | <b>912</b>                  | <b>-632</b>                                     | <b>2,955</b>      | <b>-153</b>     | <b>4,144</b>                        | <b>701</b>               | <b>-10</b>               | <b>4,835</b> |

## 1.4 Segmented balance sheet

| As at 30 June 2018<br>(in € millions)   | Non -<br>life | Life          | Banking and<br>Asset<br>Management | Distribution<br>and<br>Services | Holding<br>and<br>Other | Real Estate<br>Development | Eliminations  | Total         |
|---|---------------|---------------|------------------------------------|---------------------------------|-------------------------|----------------------------|---------------|---------------|
| Intangible assets   | 17            | 159           | 8                                  | 166                             | -                       | -                          | -             | 350           |
| Property and equipment  | -             | 143           | -                                  | 6                               | 21                      | -                          | -             | 170           |
| Investment property   | 185           | 1,484         | -                                  | -                               | -                       | -                          | -             | 1,669         |
| Associates and joint<br>ventures at equity method                             | -             | 26            | -                                  | 1                               | 17                      | 26                         | -             | 70            |
| Investments   | 4,973         | 22,287        | 106                                | -                               | 3,158                   | -                          | -3,026        | 27,498        |
| Investments on behalf of<br>policyholders                                     | -             | 8,423         | -                                  | -                               | -                       | -                          | -             | 8,423         |
| Loans and receivables   | 427           | 10,996        | 1,569                              | 21                              | 51                      | 19                         | -260          | 12,823        |
| Derivatives   | 9             | 2,601         | 1                                  | -                               | -                       | -                          | -             | 2,611         |
| Deferred tax assets   | 10            | 128           | -                                  | -2                              | 173                     | 1                          | -             | 310           |
| Reinsurance contracts   | 423           | 180           | -                                  | -                               | -                       | -                          | -             | 603           |
| Other assets  | 174           | 576           | 13                                 | -                               | 13                      | 136                        | 1             | 913           |
| Cash and cash<br>equivalents  | 575           | 3,303         | 265                                | 56                              | 74                      | 10                         | -             | 4,283         |
| <b>Total assets</b>   | <b>6,793</b>  | <b>50,306</b> | <b>1,962</b>                       | <b>248</b>                      | <b>3,507</b>            | <b>192</b>                 | <b>-3,285</b> | <b>59,723</b> |
| Equity attributable to<br>holders of equity                                   | 1,353         | 4,581         | 156                                | 175                             | -764                    | 37                         | -44           | 5,494         |
| Non-controlling interests   | -             | 11            | -                                  | -                               | -                       | -1                         | -11           | -1            |
| <b>Total equity</b>   | <b>1,353</b>  | <b>4,592</b>  | <b>156</b>                         | <b>175</b>                      | <b>-764</b>             | <b>36</b>                  | <b>-55</b>    | <b>5,493</b>  |
| Subordinated liabilities  | 15            | -             | -                                  | -                               | 497                     | -                          | -15           | 497           |
| Liabilities arising from<br>insurance contracts                               | 5,225         | 31,366        | -                                  | -                               | -                       | -                          | -2,621        | 33,970        |
| Liabilities arising from<br>insurance contracts on<br>behalf of policyholders | -             | 10,551        | -                                  | -                               | -                       | -                          | -             | 10,551        |
| Employee benefits   | -             | -             | -                                  | -                               | 3,376                   | -                          | -             | 3,376         |
| Provisions  | -             | 13            | 1                                  | -                               | 23                      | 4                          | -             | 41            |
| Borrowings  | -             | 31            | 5                                  | 1                               | 80                      | 135                        | -210          | 42            |
| Derivatives   | 8             | 440           | 3                                  | -                               | -                       | -                          | -             | 451           |
| Deferred tax liabilities  | 76            | -203          | 4                                  | 5                               | 133                     | -                          | -15           | -             |
| Due to customers  | 60            | 861           | 1,748                              | 7                               | -                       | -                          | -360          | 2,316         |
| Due to banks  | 4             | 2,345         | -                                  | 1                               | 30                      | -                          | -             | 2,380         |
| Other liabilities   | 52            | 310           | 45                                 | 59                              | 132                     | 17                         | -9            | 606           |
| <b>Total liabilities</b>  | <b>5,440</b>  | <b>45,714</b> | <b>1,806</b>                       | <b>73</b>                       | <b>4,271</b>            | <b>156</b>                 | <b>-3,230</b> | <b>54,230</b> |
| <b>Total equity and<br/>liabilities</b>                                       | <b>6,793</b>  | <b>50,306</b> | <b>1,962</b>                       | <b>248</b>                      | <b>3,507</b>            | <b>192</b>                 | <b>-3,285</b> | <b>59,723</b> |



#### 1.4 Segmented balance sheet (continued)

| As at 31 December 2017<br>(in € millions)                                     | Non -<br>life | Life          | Banking and<br>Asset<br>Management | Distribution<br>and<br>Services | Holding<br>and<br>Other | Real Estate<br>Development | Eliminations  | Total         |
|---|---------------|---------------|------------------------------------|---------------------------------|-------------------------|----------------------------|---------------|---------------|
| Intangible assets   | 13            | 144           | 8                                  | 168                             | -                       | -                          | -             | 333           |
| Property, plant and<br>equipment  | -             | 146           | -                                  | 5                               | 20                      | -                          | -             | 171           |
| Investment property   | 135           | 1,462         | -                                  | -                               | -                       | -                          | -             | 1,597         |
| Associates and joint<br>ventures at equity method                             | -             | 3             | -                                  | 1                               | 16                      | 25                         | -             | 45            |
| Investments   | 4,607         | 20,803        | 130                                | -                               | 2,889                   | -                          | -2,748        | 25,681        |
| Investments on behalf of<br>policyholders                                     | -             | 7,684         | -                                  | -                               | -                       | -                          | -             | 7,684         |
| Loans and receivables   | 338           | 10,433        | 1,503                              | 15                              | 51                      | 15                         | -181          | 12,174        |
| Derivatives   | 5             | 2,520         | 2                                  | -                               | -                       | -                          | -             | 2,527         |
| Deferred tax assets   | -             | -             | -                                  | -                               | 225                     | 1                          | -             | 226           |
| Reinsurance contracts   | 366           | 180           | -                                  | -                               | -                       | -                          | -             | 546           |
| Other assets  | 155           | 563           | 24                                 | -                               | -208                    | 138                        | -             | 672           |
| Cash and cash<br>equivalents  | 467           | 2,554         | 191                                | 33                              | 490                     | 14                         | -             | 3,749         |
| <b>Total assets</b>   | <b>6,086</b>  | <b>46,492</b> | <b>1,858</b>                       | <b>222</b>                      | <b>3,483</b>            | <b>193</b>                 | <b>-2,929</b> | <b>55,405</b> |
| Equity attributable to<br>holders of equity<br>instruments                    | 1,286         | 4,332         | 151                                | 181                             | -512                    | 37                         | -42           | 5,433         |
| Non-controlling interests   | -             | 10            | -                                  | -                               | -                       | -1                         | -10           | -1            |
| <b>Total equity</b>   | <b>1,286</b>  | <b>4,342</b>  | <b>151</b>                         | <b>181</b>                      | <b>-512</b>             | <b>36</b>                  | <b>-52</b>    | <b>5,432</b>  |
| Subordinated liabilities  | 15            | -             | -                                  | -                               | 497                     | -                          | -15           | 497           |
| Liabilities arising from<br>insurance contracts                               | 4,579         | 28,796        | -                                  | -                               | -                       | -                          | -2,318        | 31,057        |
| Liabilities arising from<br>insurance contracts on<br>behalf of policyholders | -             | 9,804         | -                                  | -                               | -                       | -                          | -             | 9,804         |
| Employee benefits   | -             | -             | -                                  | 1                               | 3,160                   | -                          | -             | 3,161         |
| Provisions  | -             | 12            | 1                                  | -                               | 15                      | 5                          | -             | 33            |
| Borrowings  | -             | 31            | 3                                  | 1                               | -                       | 133                        | -129          | 39            |
| Derivatives   | 5             | 398           | -                                  | -                               | -                       | -                          | -             | 403           |
| Deferred tax liabilities  | 73            | -245          | 5                                  | 5                               | 176                     | -                          | -14           | -             |
| Due to customers  | 53            | 873           | 1,646                              | 9                               | -                       | -                          | -397          | 2,184         |
| Due to banks  | 2             | 2,251         | 1                                  | -                               | -                       | -                          | -             | 2,254         |
| Other liabilities   | 73            | 230           | 51                                 | 25                              | 147                     | 19                         | -4            | 541           |
| <b>Total liabilities</b>  | <b>4,800</b>  | <b>42,150</b> | <b>1,707</b>                       | <b>41</b>                       | <b>3,995</b>            | <b>157</b>                 | <b>-2,877</b> | <b>49,973</b> |
| <b>Total equity and<br/>liabilities</b>                                       | <b>6,086</b>  | <b>46,492</b> | <b>1,858</b>                       | <b>222</b>                      | <b>3,483</b>            | <b>193</b>                 | <b>-2,929</b> | <b>55,405</b> |

## 1.5 Segmented income statement

| H1 2018   |               | Banking and   |                  |                           |                   |                         |              |               | Total |
|---|---------------|---------------|------------------|---------------------------|-------------------|-------------------------|--------------|---------------|-------|
| (in € millions)   | Non - life    | Life          | Asset Management | Distribution and Services | Holding and Other | Real Estate Development | Eliminations | Total         |       |
| Gross written premiums                                      | 1,717         | 885           | -                | -                         | -                 | -                       | -100         | 2,502         |       |
| Change in provisions for unearned premiums                  | -215          | -             | -                | -                         | -                 | -                       | -            | -215          |       |
| <b>Gross insurance premiums</b>                             | <b>1,502</b>  | <b>885</b>    | -                | -                         | -                 | -                       | <b>-100</b>  | <b>2,287</b>  |       |
| Reinsurance premiums  | -46           | -4            | -                | -                         | -                 | -                       | -            | -50           |       |
| <b>Net insurance premiums</b>                               | <b>1,456</b>  | <b>881</b>    | -                | -                         | -                 | -                       | <b>-100</b>  | <b>2,237</b>  |       |
| Investment income   | 60            | 589           | 20               | -                         | 5                 | 1                       | -            | 675           |       |
| Realised gains and losses                                   | 14            | 119           | -                | -                         | 2                 | -                       | -            | 135           |       |
| Fair value gains and losses                                 | 13            | 34            | -4               | -                         | 1                 | -                       | -3           | 41            |       |
| Result on investments on behalf of policyholders            | -             | 133           | -                | -                         | -                 | -                       | -            | 133           |       |
| Fee and commission income                                   | 10            | 1             | 60               | 32                        | -                 | -                       | -43          | 60            |       |
| Other income  | -             | 14            | -                | 7                         | 3                 | 44                      | -8           | 60            |       |
| Share of profit / (loss) of associates and joint ventures   | -             | 1             | -                | -                         | 2                 | 1                       | -            | 4             |       |
| <b>Total income</b>   | <b>97</b>     | <b>891</b>    | <b>76</b>        | <b>39</b>                 | <b>13</b>         | <b>46</b>               | <b>-54</b>   | <b>1,108</b>  |       |
| Insurance claims and benefits                               | -1,103        | -1,205        | -                | -                         | -                 | -                       | 137          | -2,171        |       |
| Insurance claims and benefits recovered from reinsurers     | 3             | -             | -                | -                         | -                 | -                       | -            | 3             |       |
| <b>Net insurance claims and benefits</b>                    | <b>-1,100</b> | <b>-1,205</b> | -                | -                         | -                 | -                       | <b>137</b>   | <b>-2,168</b> |       |
| Operating expenses  | -111          | -93           | -45              | -25                       | -49               | -2                      | 26           | -299          |       |
| Restructuring provision expenses                            | -2            | -1            | -1               | -                         | -15               | -                       | -            | -19           |       |
| Commission expenses   | -245          | -8            | -                | -                         | -                 | -                       | 15           | -238          |       |
| Impairments   | -14           | 31            | -                | -                         | -                 | -                       | -            | 17            |       |
| Interest expense  | -2            | -47           | -9               | -                         | -2                | -2                      | -38          | -100          |       |
| Other expenses  | -2            | -9            | -14              | -1                        | -1                | -41                     | 11           | -57           |       |
| <b>Total expenses</b>                                       | <b>-376</b>   | <b>-127</b>   | <b>-69</b>       | <b>-26</b>                | <b>-67</b>        | <b>-45</b>              | <b>14</b>    | <b>-696</b>   |       |
| <b>Profit before tax</b>                                    | <b>77</b>     | <b>440</b>    | <b>7</b>         | <b>13</b>                 | <b>-54</b>        | <b>1</b>                | <b>-3</b>    | <b>481</b>    |       |
| Income tax (expense) / gain                                 | -16           | -107          | -2               | -3                        | 16                | -                       | -            | -112          |       |
| <b>Profit for the period</b>                                | <b>61</b>     | <b>333</b>    | <b>5</b>         | <b>10</b>                 | <b>-38</b>        | <b>1</b>                | <b>-3</b>    | <b>369</b>    |       |
| <b>Attributable to:</b>                                     |               |               |                  |                           |                   |                         |              |               |       |
| - Non-controlling interests                                 | -             | -             | -                | -                         | -                 | 1                       | -            | 1             |       |
| - Shareholders  | 61            | 333           | 5                | 10                        | -43               | -                       | -3           | 363           |       |
| - Holders of other equity instruments                       | -             | -             | -                | -                         | 7                 | -                       | -            | 7             |       |
| - Tax on interest of other equity instruments               | -             | -             | -                | -                         | -2                | -                       | -            | -2            |       |
| <b>Profit attributable to holders of equity instruments</b> | <b>61</b>     | <b>333</b>    | <b>5</b>         | <b>10</b>                 | <b>-38</b>        | <b>-</b>                | <b>-3</b>    | <b>368</b>    |       |

## 1.5 Segmented income statement (continued)

| H1 2017   |              |               |                              |                           |                   |                         |              |               |
|---|--------------|---------------|------------------------------|---------------------------|-------------------|-------------------------|--------------|---------------|
| (in € millions)   | Non - life   | Life          | Banking and Asset Management | Distribution and Services | Holding and Other | Real Estate Development | Eliminations | Total         |
| Gross written premiums                                      | 1,474        | 848           | -                            | -                         | -                 | -                       | -89          | 2,233         |
| Change in provisions for unearned premiums                  | -175         | -             | -                            | -                         | -                 | -                       | -            | -175          |
| <b>Gross insurance premiums</b>                             | <b>1,299</b> | <b>848</b>    | -                            | -                         | -                 | -                       | <b>-89</b>   | <b>2,058</b>  |
| Reinsurance premiums  | -27          | -3            | -                            | -                         | -                 | -                       | -            | -30           |
| <b>Net insurance premiums</b>                               | <b>1,272</b> | <b>845</b>    | -                            | -                         | -                 | -                       | <b>-89</b>   | <b>2,028</b>  |
| Investment income   | 56           | 558           | 19                           | -                         | 6                 | -                       | 11           | 650           |
| Realised gains and losses                                   | 26           | 183           | -                            | -                         | -                 | -1                      | -            | 208           |
| Fair value gains and losses                                 | 7            | 35            | 3                            | -                         | -                 | -                       | -            | 45            |
| Result on investments on behalf of policyholders            | -            | 188           | -                            | -                         | -                 | -                       | 3            | 191           |
| Fee and commission income                                   | 15           | -             | 65                           | 25                        | -                 | -                       | -43          | 62            |
| Other income  | 2            | 18            | -                            | 7                         | -                 | 31                      | -2           | 56            |
| Share of profit / (loss) of associates and joint ventures   | -            | -             | -                            | -                         | -                 | 6                       | -            | 6             |
| <b>Total income</b>   | <b>106</b>   | <b>982</b>    | <b>87</b>                    | <b>32</b>                 | <b>6</b>          | <b>36</b>               | <b>-31</b>   | <b>1,218</b>  |
| Insurance claims and benefits                               | -974         | -1,229        | -                            | -                         | -                 | -                       | 62           | -2,141        |
| Insurance claims and benefits recovered from reinsurers     | 19           | 2             | -                            | -                         | -                 | -                       | -            | 21            |
| <b>Net insurance claims and benefits</b>                    | <b>-955</b>  | <b>-1,227</b> | -                            | -                         | -                 | -                       | <b>62</b>    | <b>-2,120</b> |
| Operating expenses  | -99          | -91           | -45                          | -21                       | -47               | -2                      | 22           | -283          |
| Restructuring provision expenses                            | -1           | -2            | -1                           | -                         | -                 | -                       | -            | -4            |
| Commission expenses   | -199         | -8            | -                            | -                         | -                 | -                       | 8            | -199          |
| Impairments   | 8            | 4             | -                            | -                         | -3                | -                       | -            | 9             |
| Interest expense  | -2           | -45           | -10                          | -                         | 2                 | -1                      | -34          | -90           |
| Other expenses  | -1           | -46           | -24                          | -1                        | 4                 | -29                     | 53           | -44           |
| <b>Total expenses</b>                                       | <b>-294</b>  | <b>-188</b>   | <b>-80</b>                   | <b>-22</b>                | <b>-44</b>        | <b>-32</b>              | <b>49</b>    | <b>-611</b>   |
| <b>Profit before tax</b>                                    | <b>129</b>   | <b>412</b>    | <b>7</b>                     | <b>10</b>                 | <b>-38</b>        | <b>4</b>                | <b>-9</b>    | <b>515</b>    |
| Income tax (expense) / gain                                 | -31          | -97           | -1                           | -2                        | 12                | -2                      | 2            | -119          |
| <b>Profit for the period</b>                                | <b>98</b>    | <b>315</b>    | <b>6</b>                     | <b>8</b>                  | <b>-26</b>        | <b>2</b>                | <b>-7</b>    | <b>396</b>    |
| <b>Attributable to:</b>                                     |              |               |                              |                           |                   |                         |              |               |
| - Non-controlling interests                                 | -            | -             | -                            | -                         | -                 | -1                      | -            | -1            |
| - Shareholders  | 98           | 315           | 6                            | 8                         | -26               | 3                       | -7           | 397           |
| - Holders of other equity instruments                       | -            | -             | -                            | -                         | -                 | -                       | -            | -             |
| - Tax on interest of other equity instruments               | -            | -             | -                            | -                         | -                 | -                       | -            | -             |
| <b>Profit attributable to holders of equity instruments</b> | <b>98</b>    | <b>315</b>    | <b>6</b>                     | <b>8</b>                  | <b>-26</b>        | <b>3</b>                | <b>-7</b>    | <b>397</b>    |

## Disclaimer

### Cautionary note regarding forward-looking statements

The terms of this disclaimer ('Disclaimer') apply to this document of ASR Nederland N.V. and all ASR Nederland N.V.'s legal vehicles and businesses ('ASR Nederland'). Please read this Disclaimer carefully.

Some of the statements in this document are not (historical) facts, but are 'forward-looking statements' ('Statements'). The Statements are based on our beliefs, assumptions and expectations of future performance, taking into account information that was available to ASR Nederland at the moment of drafting of the document. The Statements may be identified by words such as 'expect', 'should', 'could', 'shall' and similar expressions. The Statements may change as a result of possible events or factors.

ASR Nederland warns that the Statements could entail certain risks and uncertainties, so that the actual results, business, financial condition, results of operations, liquidity, investments, share price and prospects of ASR Nederland may differ materially from the Statements.

The actual results of ASR Nederland may differ from the Statements because of: (1) changes in general economic conditions; (2) changes in the conditions in the markets in which ASR Nederland is engaged; (3) changes in the performance of financial markets in general; (4) changes in the sales of insurance and/or other financial products; (5) the behaviour of customers, suppliers, investors, shareholders or competitors; (6) changes in the relationships with principal intermediaries or partnerships or termination of relationships with principal intermediaries or partnerships; (7) the unavailability and/or unaffordability of reinsurance; (8) deteriorations in the financial soundness of customers, suppliers or financial institutions, countries/states and/or other counterparties; (9) technological developments; (10) changes in the implementation or execution of ICT systems or outsourcing; (11) changes in the availability of, or costs associated with, sources of liquidity; (12) consequences of a potential (partial) termination of the European currency: the euro or the European Union; (13) changes in the frequency or severity of insured loss events; (14) catastrophes or terrorist-related events; (15) changes affecting mortality or morbidity levels or trends or changes in longevity; (16) changes in laws or regulations and/or changes in the interpretation thereof, including without limitation Solvency II, IFRS and taxes; (17) changes in the policies of governments and/or regulatory or supervisory authorities; (18) changes in ownership that could affect the future availability of net operating loss, net capital or built-in loss; (19) changes in conclusions with regard to accounting assumptions or methodologies; (20) adverse developments in legal and other proceedings and/or investigations or sanctions taken by supervisory authorities; (21) risks related to mergers, acquisitions, or divestments (22) other financial risks such as currency movements, interest rate fluctuations, liquidity, or credit risks and (23) the other risks and uncertainties detailed in the Risk Factors section contained in recent public disclosures made by ASR Nederland.

The foregoing list of factors and developments is not exhaustive. Any Statements made by or on behalf of ASR Nederland only refer to the date of drafting of the document, except as required by applicable law. ASR Nederland disclaims any obligation to update or revise and publish any expectations, based on new information or otherwise. Neither ASR Nederland nor any of its directors, officers, employees give any statement, warranty or prediction on the anticipated results as included in the document. The Statements in this document represent, in each case, only one of multiple possible scenarios and should not be viewed as the most likely or standard scenario.

All figures in this document are unaudited. Small differences may be included in the tables as a consequence of rounding.

ASR Nederland has taken all reasonable care in the reliability and accurateness of this document. Nevertheless, information contained in this document may be incomplete or incorrect. ASR Nederland does not accept liability for any damages resulting from this document in case the information in this press release is incorrect or incomplete.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.