

Utrecht, 25 August 2021, 07.00am CET

a.s.r. delivers strong result over first six months of 2021

Strong financial performance in all segments

- Operating result increased by 20.2% to € 536 million (HY 2020: € 446 million), driven by an underlying improvement of the business and lower claims in Non-life. Claims following the floods in July fall under the result for the second half of this year.
- Combined ratio¹ improved to 90.2% (HY 2020: 92.9%). Excluding the impact of COVID-19: 94.1% (HY 2020: 94.5%).
- Operating result of the Non-life segment increased by € 55 million, to € 179 million (HY 2020: € 124 million), mainly due to lower claims in Disability.
- Operating result of the Life segment increased by € 18 million, to € 379 million (HY 2020: € 361 million), as a result of higher investment margin.
- Operating return on equity is 17.8%, well above the '12-14%' target.
- Net IFRS result is € 454 million (HY 2020: € 233 million). The increase is a consequence of a higher operating result and higher indirect investment income as well as less negative incidental result.
- Interim dividend increases to € 0.82 per share (HY 2020: € 0.76), equals 40% of the regular dividend over 2020, which is in line with the dividend policy.

Robust solvency and strong organic capital creation

- Solvency II (standard formula) stands at 197% (31 December 2020: 199%). This is after the deduction of interim dividend (€ 111 million) and the buyback of own shares (€ 75 million) executed in HY 2021.
- Organic capital creation increased by € 74 million to € 372 million (HY 2020: € 298 million), mainly reflects the strong performance of all business segments.
- Unrestricted Tier 1 capital stands at € 6.1 billion, equal to 74% of the own funds with ample headroom for additional hybrid capital.

High customer satisfaction, solid commercial results and committed employees

- High customer satisfaction, at 48, the Net Promotor Score remains well above the medium-term target of >44.
- Appreciation of employees is shown by a.s.r.'s election as 'best employer of the Netherlands' (survey by Effectory in 2021).
- The organic growth of Disability and P&C combined is 5.2%, which exceeds our target of 3-5%. Gross written premiums in Health grew by 43%.
- The premiums in 'WerknemersPensioen' (DC) rose by 31% to € 342 million.
- Mortgage origination rose by € 0.3 billion, to € 2.6 billion.
- Assets under management for third parties rose to € 25.8 billion (31 December 2020: € 24.3 billion), driven by growth in the ASR Mortgage funds.

Publication of the financial figures on 25 August 2021 at 7.00am. Conference call for financial market parties (in English) at 10.30am. For more information, go to www.asrnl.com.

¹ P&C and Disability.

Chairman of the Executive Board and CEO Jos Baeten:

'I am genuinely proud of the performance a.s.r. realised in the first six months of this year. The financial results are strong across the board, our capital position is robust and our customers remain consistently positive about our services. Our strategy remains focused on sustainable long-term value creation for all stakeholders. We are therefore pleased that Sustainalytics recently awarded a.s.r. with a 10.0 score on the ESG Risk Rating, which made us the most sustainable insurer worldwide at this moment. In addition, this rating places a.s.r. within the top 1% of most sustainable companies in the world. We can only achieve these results through the unremitting effort of all our committed employees and we are therefore delighted that a.s.r. was voted best employer in the Netherlands in Effectory's annual survey.

In a period in which COVID-19 creates uncertainty in many areas, we manage to offer our stakeholders security and stability. a.s.r. does this in various ways. For example, for our customers affected by storm and water damage this summer. During the recent floods in Limburg our customers experienced significant damages to their property and household effects. Our loss adjusters and claims handlers were immediately available and on-site from the start to provide information to customers and intermediaries so those affected quickly knew where they stood. This was helped by the fact that a.s.r. was the first insurer to offer cover for flooding of secondary water defences. Nevertheless, it does not alter the fact that the floods in Limburg have led to substantial inconvenience and concern for the people affected. We currently estimate the cost of the July floods at between € 20 million and € 30 million, which falls under the result for the second half of 2021.

As the market leader in disability insurance, we pay attention to the rising risk of burnout. Many people suffer from excessive workloads. In addition, more entrepreneurs and self-employed persons have work-related stress because of concerns about a possible loss of income or their business. As a result, we notice a further increase in psychological absenteeism. a.s.r. has started a new campaign to make people aware of the risk of burnout and the early recognition of signs that may be an indication of this. If the signs are recognised in time, we can better prevent absence due to stress and burnout. The importance of prevention is also visible in our financial results.

All segments contributed to the substantial increase in the operating result. On balance, the impact of COVID-19 on the operating result was favourable, mainly due to lower claims in P&C. The impact was less negative for Disability and for the Life segment than in the comparable period of last year. The result on investments improved and, thanks to government measures, we have not yet seen a significant increase in bankruptcies amongst our customers or in the investment portfolio.

The commercial results for the past six months are also good. In the Non-life segment, organic growth of gross written premiums was over 5%, exceeding our target. In the Life business, we achieved good revenue growth in the 'WerknemersPensioen'. In Vitality we experienced strong growth, surpassing 65 thousand participants in total. Also, fee income at Asset Management increased, especially owing to the Mortgage Fund. And, lastly, the Distribution and Services segment also showed growth in turnover, largely supported by small acquisitions.

Part of our strategy is to grow both organically and through targeted acquisitions. In the second quarter, we completed the acquisition of Brand New Day IORP and further expanded our distribution business. We continue to play an active role in the consolidation in the Dutch insurance sector and are committed to looking for suitable acquisitions.

Although there is still uncertainty about the further course of COVID-19 and its possible long-term impact on the economy and our customers, based on the developments we have noticed so far, we remain positive about the outlook for a.s.r. in the second half of this year. Barring unforeseen developments, we expect the operating result for 2021, including the non-recurring impact of COVID-19, to show a significant increase compared to last year.

To conclude, I would like to thank our shareholders, customers, intermediaries and employees for their continued support and trust in a.s.r.'

Key figures

(in € million, unless stated otherwise)	HY 2021	HY 2020	Delta (%)
Operating result ¹	536	446	20.2%
Operating return on equity ²	17.8%	15.0%	2.8%-p
Net result for the period (on IFRS basis)	454	233	95.1%
Return on equity	15.4%	8.0%	7.3%-p
Gross written premiums	3,298	2,978	10.7%
Operating expenses	-346	-337	2.6%
Combined ratio (P&C and Disability)	90.2%	92.9%	-2.6%-p
Gross written premium P&C and Disability, annual organic growth	5.2%	6.9%	-1.7%-p
New business (Life segment (APE))	61	66	-7.0%
	HY 2021	FY 2020	Delta (%)
Total equity	6,899	6,313	9.3%
Total equity attributable to shareholders	5,897	5,309	11.1%
Solvency II ratio (standard formula) after dividend ³	197%	199%	-2%-p
Financial leverage	26.3%	28.3%	-2.1%-p
Liquidity position at holding level	456	502	-9.2%
Number of FTEs (internal)	4,120	4,042	1.9%
	HY 2021	HY 2020	Delta (%)
Operating result per share ⁴	2.81	2.25	25.0%
Dividend per share	0.82	0.76	7.9%
Number of shares issued and outstanding at end of period (m)	135.7	137.9	-1.6%
Weighted average number of issued and outstanding shares (m)	136.8	138.9	-1.6%

1 Operating result is calculated by adjusting profit before tax for continuing operations reported in accordance with IFRS, as adjusted for the changes in accounting policies and for the following: i) investment related: investment income of an incidental nature (including capital gains and losses, impairments and fair value changes) on financial instruments for own account, net of applicable shadow accounting and net of additional provisions recognised for realised gains and losses on financial assets backing the insurance liabilities ('compensation of realised capital gains') impact; ii) incidental items: 1. model- and methodological changes with a substantial impact; 2. results of non-core operations; and 3. other non-recurring or one-off items, which are not directly related to the core business and/or ongoing business of the Group, restructuring costs, regulatory costs not related to business activities, changes in the own pension arrangements and expenses related to M&A activities and start-ups.

2 The operating return on equity is calculated by dividing the operating result before tax after deduction of interest on hybrid assets and taxes (tax rate: 25%) by the annual average equity attributable to shareholders after deduction of the reserve for unrealised profits and losses and the equity for real estate development (operating activities in 'run-off'). HY 2020 figure restated due to tax deductibility of net costs for restricted Tier 1 capital.

3 Solvency II is exclusive of financial institutions other than insurers.

4 The operating result per share is calculated by dividing the operating result before tax after deduction of interest on hybrid assets and taxes (tax rate: 25%) by the weighted average number of outstanding shares.

Financial calendar 2021

Important dates

25 August 2021	Announcement interim dividend
30 August 2021	Ex-interim dividend
31 August 2021	Dividend record date
3 September 2021	Dividend payment interim HY 2021
7 December 2021	Investor update

The figures in this press release have not been audited or reviewed by an external independent auditor.

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About a.s.r.

ASR Nederland N.V. (a.s.r.) ranks among the top 3 insurers in the Netherlands. a.s.r. offers products and services in the fields of insurance, pensions and mortgages for consumers, self-employed persons and companies. In addition, a.s.r. is active as an asset manager for third parties. a.s.r. is listed on Euronext Amsterdam and is included in the AEX Index. For more information, please visit www.asrnl.com.

This press release contains price-sensitive information and therefore insider knowledge within the meaning of Article 7 of the Market Abuse Regulation.

Financial group and business performance HY 2021

ASR Nederland N.V.

a.s.r. key figures

(in € million, unless stated otherwise)

	HY 2021	HY 2020	Delta (%)
Operating result	536	446	20.2%
- Non-life	179	124	44.8%
- Life	379	361	4.9%
- Asset Management	17	15	19.5%
- Distribution and Services	16	13	23.1%
- Holding and Other / Eliminations	-56	-67	-16.4%
Incidental items (not included in operating result)	38	-149	n.m.¹
- Investment income	53	2	n.m.
- Incidentals	-15	-151	-90.1%
Result before tax	574	296	93.5%
- Non-life	169	112	51.3%
- Life	399	236	68.9%
- Asset Management	17	14	26.1%
- Distribution and Services	12	12	2.4%
- Holding and Other / Eliminations	-24	-77	-69.4%
Income tax expense	-122	-62	98.3%
Result for the period from continuing operations, after tax	451	235	92.3%
Result for the period from discontinued operations, after tax	-	-1	n.m.
Non-controlling interest	-3	1	n.m.
Result for the period attributable to holders of equity instruments	454	233	95.1%
Organic capital creation (OCC)	372	298	24.8%
Operating return on equity	17.8%	15.0%	2.8%-p
Return on equity	15.4%	8.0%	7.3%-p
Earnings per share			
Operating result per share (€)	2.81	2.25	25.0%
Dividend per share (€)	0.82	0.76	7.9%
Basic earnings per share on IFRS basis (€)	3.24	1.59	104.1%
Gross written premiums	3,298	2,978	10.7%
- Non-life	2,416	2,128	13.5%
- Life	928	1,009	-8.0%
- Eliminations	-45	-159	-71.6%

1 n.m.: not meaningful

(in € million, unless stated otherwise)

	HY 2021	HY 2020	Delta (%)
Operating expenses	-346	-337	2.6%
- Non-life	-132	-124	6.5%
- Life	-83	-89	-7.3%
- Asset Management	-50	-47	7.2%
- Distribution and Services	-45	-33	39.8%
- Holding and Other / Eliminations	-36	-45	-20.4%
Operating expenses associated with ordinary activities	-319	-309	3.3%
Provision for restructuring expenses	-2	-4	-54.2%

	30 June 2021	31 December 2020	Delta (%)
Number of internal FTEs	4,120	4,042	1.9%

Capital management			
Solvency II ratio (standard formula, post proposed (interim) dividend)	197%	199%	-2%-p
Financial leverage	26.3%	28.3%	-2.1%-p
Double leverage	100.3%	103.7%	-3.4%-p
Total equity attributable to holders of equity instruments (IFRS-based)	6,901	6,313	9.3%

Gross written premiums

Gross written premiums increased by 10.7% to € 3,298 million (HY 2021: € 2,978 million). The Non-life segment increased by 13.5%, to € 2,416 million (HY 2020: € 2,128 million) due to organic growth of P&C and Disability (5.2%) and organic growth in Health (43%) due to a substantial growth in the number of customers. The Life segment decreased by 8.0%, to € 928 million (HY 2020: € 1,009 million), partly due to single premium in HY 2020.

Operating result

The operating result increased by € 90 million to € 536 million (HY 2020: € 446 million). The increase reflects a strong Non-life underwriting result, a higher investment margin in the Life segment and improvements in the other segments.

In HY 2021, the (indicative) impact of COVID-19 amounted to € 55 million (HY 2020: € -3 million), driven primarily by lower claims in P&C and a non-recurring benefit in Health, partly offset by higher claims in Disability and lower direct investment income in Life.

The Non-life operating result increased by € 55 million to € 179 million. The increase reflects an improved underlying underwriting result and lower claims due to the development of COVID-19, partly offset by reserve strengthening in P&C. The Health operating result increased due to a combination of business growth and a positive non-recurring result related to COVID-19.

The Life operating result increased by € 18 million to € 379 million, mainly driven by a higher investment margin (€ 16 million), which was partly driven by a lower negative COVID-19 impact.

The operating result of Asset Management increased by € 3 million to € 17 million, driven by an increase in third-party assets under management (AuM), particularly in the Mortgage fund and the Mix funds of the a.s.r. DC product (WerknemersPensioen).

The Distribution and Services operating result increased by € 3 million to € 16 million, mostly driven by acquisitions, expansion of services provided and tariff adjustments.

The operating result of Holding and Other improved by € 11 million, to € -56 million, driven primarily by lower operating expenses as a result of the introduction of a DC pension scheme for a.s.r. employees.

We estimate the damage from the floods in July between € 20 million and € 30 million and this will be included in the result for the second half of this year.

Operating expenses

Operating expenses increased by € 9 million to € 346 million (HY 2020: € 337 million). This increase was driven mainly by acquisitions (€ 12 million): Brand New Day IORP as at 1 April 2021 and the integration of Keerpunt into a.s.r. reintegration & services as at 1 October 2020. In addition, several smaller acquisitions were completed in the Distribution and Services segment, mainly in the second half of last year.

When excluding the impact of acquired businesses, operating expenses decreased by € 3 million. This decrease was driven by the completion of several integration projects (Loyalis, VvAA life, Veherex), lower regulatory costs for the implementation of IFRS17/9 and lower pension costs related to the introduction of the new DC pension scheme for a.s.r. employees. This was partially offset by investments in new initiatives and propositions alongside organic growth, especially in the Asset Management and Non-life segments.

Result before tax

The result before tax increased by € 277 million to € 574 million (HY 2020: € 296 million), mainly due to the higher operating result and improved incidental income (€ 136 million) as a result of non-recurring items in the first half-year of 2020, goodwill impairment in Life and refinement of the calculation methodology of disability insurance in the Pension portfolio. Furthermore, indirect investment income increased (€ 51 million), reflecting the recovery of financial markets this year after the COVID-19 uncertainty in the first half of last year.

With an effective tax rate of 21.3% (HY 2020: 20.8%), net IFRS profit amounted to € 454 million (HY 2020: € 233 million).

Operating return on equity

The operating return on equity increased by 2.8%-points to 17.8% (HY 2020: 15.0%) and is well above the medium-term target range of 12-14%. The increase is largely attributable to the increase in operating result. The IFRS return on equity increased to 15.4% (HY 2020: 8.0%), primarily reflecting the increase of the IFRS net result.

Solvency II ratio and Organic capital creation

The Solvency II ratio, using the standard formula, remained robust at 197% (FY 2020: 199%), including a 4%-points deduction for the regular interim dividend (€ 111 million) and the buy-back of shares (€ 75 million) executed in 2021. Higher interest rates and a stronger contribution of organic capital creation more than offset the negative impact due to the lowering of the UFR (-4%-points impact) and other market and operational movements.

Organic capital creation increased by € 74 million to € 372 million (HY 2020: € 298 million), mainly due to the improved performance in the Non-life segment, which reflects an incidental COVID-19 benefit as well as an increase in excess investment returns.

Dividend and capital distribution

In line with the dividend policy, a.s.r. will pay an interim dividend for 2021 of € 0.82 per share, equal to 40% of the dividend per share over 2020.

Medium-term targets

The table below shows the targets and the performance of a.s.r.

Medium-term targets		
Group	HY 2021	Medium-term target
Solvency II-ratio (standard formula)	197%	> 160%
Operating return on equity	17.8%	12% - 14%
Organic capital creation (2021)	€ 372 million	> € 500 million
Financial leverage	26.3%	< 35%
S&P rating (insurance business)	Single A	Single A
Business	HY 2021	Medium-term target
Combined ratio P&C and Disability	90.2%	94% - 96%
Gross written premium P&C and Disability, organic growth	5.2%	3% - 5%
Life operating result	€ 379 million	> € 633 million
Life operating expenses (of basic Life provision)	42 bps	45 – 55 bps
Combined operating result fee based business (Asset Management, Distribution and Services)	€ 34 million	€ 40 million
Non-financial targets	HY 2021	Medium-term target
Net promoter score	48	> 44
Carbon footprint measured of the total investment portfolio	93%	95%
Impact sustainable investments (for own account)	€ 1.9 billion	€ 1.2 billion
Employee contribution to local society (hours), annual growth	-64%	5%

Group and Business targets

a.s.r. is ahead or well on track to achieve the medium-term group and business targets. The current medium-term targets apply until the end of this year. On 7 December 2021, a.s.r. will provide updates of its strategy, its medium-term targets and an overview of relevant business initiatives.

S&P confirmed the Single A rating with a 'stable' outlook for the insurance business in June 2021.

Non-financial targets

a.s.r. employees managed to maintain their strong relationship with customers, resulting in a favourable Net Promoter Score (NPS) of 48 (FY 2020: 49), which is above the target of >44.

The carbon footprint measurement of investments for a.s.r.'s own account, measured as a percentage of the investment portfolio, remained stable at 93% and a.s.r. is on track to achieve this year's target of 95%.

The portfolio of sustainable impact investments increased to € 1.9 billion (FY 2020: € 1.7 billion) and was well above the target for this year (€ 1.2 billion). The portfolio consisted mainly of government and corporate 'impact bonds'.

The target for employee participation in local societal projects was not met during this period and the full-year target is not expected to be achieved this year. The COVID-19 measures resulted in fewer opportunities for a.s.r. employees to work on a.s.r. foundation projects as many projects were put on hold, cancelled or fewer hours could be spent on them.

Non-life segment

Key figures, Non-life segment

(in € million, unless stated otherwise)

	HY 2021	HY 2020	Delta
Gross written premiums	2,416	2,128	13.5%
Operating expenses	-132	-124	6.5%
Provision for restructuring expenses	-2	-	n.m. ¹
Operating result	179	124	44.8%
Incidental items (not included in operating result)	-10	-12	-17.0%
- Investment income	1	-6	n.m.
- Incidentals	-11	-6	81.1%
Result before tax	169	112	51.3%
Result for the period attributable to holders of equity instruments	129	94	36.7%
	HY 2021	HY 2020	Delta
Combined ratio P&C and Disability	90.2%	92.9%	-2.6%-p
- Commission ratio	18.8%	19.0%	-0.2%-p
- Cost ratio	8.0%	7.9%	0.1%-p
- Claims ratio	63.5%	66.0%	-2.5%-p
Combined ratio			
- P&C	88.6%	87.8%	0.9%-p
- Disability	92.1%	99.4%	-7.3%-p
- Health	95.4%	98.3%	-2.9%-p

Gross written premiums

Gross written premiums increased by 13.5% (€ 287 million) to € 2,416 million (HY 2020: € 2,128 million), mostly due to organic growth in all business lines. The total organic growth of Disability and P&C combined was 5.2% (€ 86 million), driven by tariff adjustments (in Disability) and increased sales volumes. The growth in Health of 43% (€ 202 million) reflects mainly the commercial success of the newly introduced benefit-in-kind policy.

Operating result

The operating result of the Non-life segment increased by € 55 million to € 179 million, driven mainly by an improvement of claims in Disability and organic growth in the Non-life segment, which more than offsets the reserve strengthening in P&C. The total (indicative) impact of COVID-19 on the HY 2021 result was € 68 million (HY 2020: € 23 million).

Operating expenses

The operating expenses increased by € 8 million to € 132 million, while the cost ratio remained fairly stable at 8%: this related mainly to growth of the premium volume in Disability and Health. In P&C, IT investments led to an increase in the cost ratio.

Combined ratio

The combined ratio of P&C and Disability decreased by 2.6%-points to 90.2%, mostly due to a decrease in the claims ratio. Excluding the COVID-19 impact, the combined ratio improved from 94.5% to 94.1%. The positive impact on

¹ n.m.: not meaningful

P&C decreased slightly, while the negative impact on Disability was reduced as social distancing measures were less restrictive than last year.

In P&C, the combined ratio amounted to 88.6% (HY 2020: 87.8%). The COVID-19 measures still resulted in significantly lower claims, particularly in motor and fire, but less than last year when lockdown measures were more stringent. There was a negative impact from reserve strengthening, primarily related to motor vehicle liability, including the effect from a further, sector-wide, lowering of the actuarial interest rate for personal injury related to a court-ruling earlier this year. The current strengthening reflects the impact of applying negative interest rates instead of a minimum level of 0%. Weather related calamities were on a low level in the first six months of this year.

In Disability, the combined ratio improved to 92.1% (HY 2020: 99.4%). The underlying performance improved, mainly due to tariff adjustments in the sickness leave portfolio and lower claims. The adverse impact from COVID-19 was less negative compared to last year. Provisions in group disability and sickness leave were strengthened due to new insights into the impact of long-term (psychological) absenteeism after falling ill to COVID-19.

The combined ratio of Health improved by 2.9%-points to 95.4%. The improvement was mainly due to a non-recurring impact related to COVID-19.

Result before tax

The result before tax increased by € 57 million to € 169 million (HY 2020: € 112 million) and was therefore in line with the increase in operating result (€ 55 million). Lower impairments contributed to the € 7 million improvement in indirect investment income.

Life segment

Key figures, Life segment			
(in € million, unless stated otherwise)	HY 2021	HY 2020	Delta
Recurring premiums	753	780	-3.4%
Single premiums	175	229	-23.8%
Gross written premiums	928	1,009	-8.0%
Operating expenses	-83	-89	-7.3%
Provision for restructuring expenses	-	-4	n.m. ¹
Operating result	379	361	4.9%
Incidental items (not included in operating result)	20	-125	n.m.
- Investment income	19	-2	n.m.
- Incidentals	1	-123	n.m.
Result before tax	399	236	68.9%
Result for the period attributable to holders of equity instruments	303	182	66.5%
Cost-premium ratio (APE)	8.5%	8.3%	0.2%-p
Life operating expenses on basic life provision (bps) (2020: as at 31 December)	42	45	-3
New business (APE)	61	66	-7.0%

Gross written premiums

The gross written premiums decreased by € 81 million (8.0%) to € 928 million (HY 2020: € 1,009 million), mainly due to single premium in HY 2020 as well as a timing effect of the own pension scheme which will catch-up in the second half of this year. A strong increase in Pension DC partially offset the overall decline in the first half this year. The Pension DC product 'WerknemersPensioen' (Employee Pension) continued its commercial success as the number of active participants increased to 120,000 (FY 2020: circa 105,000). The AuM increased to € 2.4 billion (FY 2020: € 1.9 billion) and premiums rose by € 81 million (31%) to € 342 million.

Operating result

The operating result in the Life segment increased by € 18 million to € 379 million (HY 2020: € 361 million), mainly due to an improved investment margin.

The investment margin improved by € 16 million to € 334 million (HY 2020: € 318 million) driven mainly by a recovery of financial markets, resulting in higher investment income (€ 10 million). In addition, the required interest on technical provisions decreased as a result of the regular run-off in the Life portfolio, especially Individual life, while the direct investment income was kept stable as a result of re-risking initiatives.

The technical result (including result on costs) improved slightly, by € 1 million, due to several non-recurring items partially compensating higher mortality claims and lower cost coverage as a result of the decline of the portfolio.

The total negative (indicative) impact of COVID-19 was estimated at € -13 million (HY 2020: € -25 million), which primarily reflect lower rental income and a negative mortality result.

¹ n.m.: not meaningful

Operating expenses

The operating expenses decreased by € 6 million to € 83 million (HY 2020: € 89 million), reflecting the efficiency and cost synergies achieved after the completion of insurance portfolio conversions in 2020 (Loyalis and VvAA life) and lower investment charges, which more than offset the additional cost base from the acquisition of Brand New Day IORP (as at 1 April 2021).

In preparation for the pension reforms, which will take full effect on 1 January 2026, an important step was taken in selecting a new SaaS pension platform. This platform offers our customers enhanced digital services and enables a.s.r. to respond more quickly and efficiently to the changing needs of the market while variabilising the costs for the IT platform.

Life operating expenses, expressed in basis points of the basic life provision, further improved to 42 bps (FY 2020: 45 bps) and outperformed the target range (45-55 bps) for 2021. Operating expenses in relation to the premiums (measured in APE) amounted to 8.5% (HY 2020: 8.3%) and were affected by the timing effect for processing the premiums of the previous DB pension scheme for a.s.r. employees in 2020.

Result before tax

The result before tax increased by € 163 million to € 399 million (HY 2020: € 236 million), driven primarily by an absence of incidental items in HY 2021 (impact € 145 million).

The increase in incidental investment income by € 21 million to € 19 million (HY 2020: € -2 million) reflects the recovery of financial markets this year. The impact of other incidental items increased by € 124 million and was limited to € 1 million due to non-recurring items in HY 2020 related to a goodwill impairment (€ 90 million) and refinement of the calculation methodology for disability insurance in the Pension portfolio (€ 33 million).

Asset Management segment

Key figures, Asset Management segment

(in € million, unless stated otherwise)	HY 2021	HY 2020	Delta
Assets under management for third parties (€ bn), 2020 as at 31 December ¹	25.8	24.3	6.2%
Operating expenses	-50	-47	7.2%
Provision for restructuring expenses	-	-1	n.m. ²
Operating result	17	15	19.5%
Incidental items (not included in operating result)	-	-1	n.m.
- Investment income	-	-	n.m.
- Incidentals	-	-1	n.m.
Result before tax	17	14	26.1%
Tax	-4	-3	26.0%
Result for the period from continuing operations, after tax	13	10	26.2%
Result for the period from discontinued operations, after tax	-	-1	n.m.
Profit/(loss) for the period attributable to holders of equity instruments	13	9	42.8%

The segment comprises the activities of two main entities: a.s.r. asset management and a.s.r. real estate.

Assets under management

Total AuM for third parties increased by € 1.5 billion, to € 25.8 billion (31 December 2020¹: € 24.3 billion), which was driven by a continued growth of net inflows into the mortgage funds, inflows in the a.s.r. DC product (WerknemersPensioen) and positive revaluations of the unit linked portfolio as well as the ASR Dutch Core Residential Fund, which were partially offset by negative revaluations in the ASR Dutch Prime Retail Fund.

Operating result

The operating result of the Asset Management segment increased by € 3 million to € 17 million (HY 2020: € 15 million) due to higher fee income resulting from the inflow of external AuM. COVID-19 had no direct impact on the operating result of the Asset Management segment.

Mortgage origination amounted to € 2.6 billion, € 0.9 billion of which was allocated to the ASR Mortgage Fund and € 0.5 billion of which to the ASR Separate Account Mortgage Fund. Payment arrears of more than 90 days on the mortgage portfolio remained stable, at 0.03% (FY 2020: 0.03%). Credit losses on mortgages remained at a very low level of 0.09 bps (FY 2020: 0.07 bps).

Operating expenses

The operating expenses increased by € 3 million to € 50 million (HY 2020: € 47 million), driven by top-line growth and the decision to insource the management of residential property and higher personnel costs.

The management cost ratio for a.s.r. mortgages as at HY 2021 improved to 8.6 bps (FY 2020: 9.7 bps) as a result of economies of scale.

¹ Restated for investments at own risk in external funds; from this point onwards excluded from assets under management for third parties.

² n.m.: not meaningful

Distribution and Services segment

Key figures, Distribution and Services segment

(in € million)	HY 2021	HY 2020	Delta
Total income	62	48	30.4%
Operating expenses	-45	-33	39.8%
Provision for restructuring expenses	-	-	
Operating result	16	13	23.1%
Incidental items (not included in operating result)	-4	-1	n.m.¹
- Investment income	-	-	n.m.
- Incidentals	-4	-1	n.m.
Result before tax	12	12	2.4%
Tax	-3	-3	-2.6%
Result for the period attributable to holders of equity instruments	9	9	4.2%

Total income

Total income increased by € 14 million to € 62 million (HY 2020: € 48 million). This increase was driven by acquisitions, organic business growth in various portfolios and selective tariff adjustments. The range of services provided was further broadened by adding several (smaller) distribution partners and service providers.

Operating result

The operating result of the Distribution and Services segment increased by € 3 million to € 16 million (HY 2020: € 13 million). This increase was driven by the contribution of acquisitions and expansion of services, which also increased total income.

COVID-19 had no direct impact on the operating result of the Distribution and Services segment.

Operating expenses

Operating expenses increased by € 13 million to € 45 million (HY 2020: € 33 million). This increase was mainly due to acquisitions, organic growth of the business and integration costs.

Result before tax

The IFRS result before tax remained stable at € 12 million (HY 2020: € 12 million). The increase in operating result by € 3 million was offset by several incidental charges (€ 3 million), including start-up costs for the a.s.r. Vitality programme.

¹ n.m.: not meaningful

Holding and Other segment (including eliminations)

Key figures, Holding and Other segment / Eliminations

(in € million)	HY 2021	HY 2020	Delta
Operating expenses	-36	-45	-20.4%
Provision for restructuring expenses	-	-	-
Operating result	-56	-67	-16.4%
Incidental items (not included in operating result)	33	-10	n.m.¹
- Investment income	33	10	n.m.
- Incidentals	-	-20	n.m.
Result before tax	-24	-77	-69.4%
Tax	20	16	27.8%
Non-controlling interest	-3	1	n.m.
Result for the period attributable to holders of equity instruments	-	-62	-99.6%

Operating result

The operating result increased by € 11 million to € -56 million (HY 2020: € -67 million), mainly as a result of lower pension costs related to the new DC pension scheme for a.s.r. employees.

The operating result also includes interest charges of € 22 million (HY 2020: € 22 million) for two subordinated liabilities (Tier 2 notes).

Operating expenses

The operating expenses decreased by € 9 million to € 36 million (HY 2020: € 45 million), primarily as a result of the introduction of the new DC pension scheme for a.s.r. employees.

In addition, operating expenses increased by € 4 million as a result of higher allocated staff costs and the brand transition of De Amersfoortse into a.s.r. as from 19 April 2021.

Result before tax

The IFRS result before tax increased by € 53 million to € -24 million (HY 2020: € -77 million), due to the increased impact of incidental items (€ 42 million) and a higher operating result (€ 11 million).

The incidental items increased by € 42 million to € 33 million (HY 2020: € -10 million) and comprise the sum of higher indirect investment income (€ 23 million) and other incidentals (€ 20 million). The other incidentals in 2021 include the incidental result of the previous DB pension scheme for a.s.r. employees, lower regulatory costs related to the IFRS17/9 implementation and lower integration-related costs after the completion of the integration of Loyalis, VVAA life and Veherex.

¹ n.m.: not meaningful

Capital management

- The Solvency II ratio (standard formula) continues to be robust at 197% (31 December 2020: 199%) including a 4%-points deduction for the regular interim dividend (€ 111 million) and the buyback of shares (€ 75 million). The Solvency II ratio meets our target of above 160%.
- Organic capital creation amounted to € 372 million (HY 2020: € 298 million), which equals 9.0% of the required capital.
- Equity attributable to holders of equity instruments (IFRS-based equity) increased by € 588 million, to € 6,901 million.
- Financial leverage was 26.3% (31 December 2020: 28.3%), which is well below our maximum threshold of 35%. The increase of € 588 million in equity resulted in a lower financial leverage ratio.
- Double leverage amounts to 100.3% (31 December 2020: 103.7%).

Solvency II

Solvency II			
(in € million)	HY 2021	FY 2020	Delta
Eligible Own Funds	8,158	8,273	-1.4%
Required capital	4,131	4,159	-0.7%
Solvency II ratio (post dividend)	197%	199%	-2%-p

The Solvency II ratio, using the standard formula, remained robust at 197% (31 December 2020: 199%), including a 4%-point deduction for the regular interim dividend (€ 111 million) and the buy-back of shares (€ 75 million) executed in 2021. Higher interest rates and a stronger contribution of organic capital creation more than offset the negative impact due to the lowering of the UFR (-4%-points), acquisitions (-1%-point) and other market and operational movements.

Organic capital creation increased by € 74 million to € 372 million (HY 2020: € 298 million), mainly due to the improved performance in the Non-life segment, which was partially driven by non-recurring COVID-19 benefits and the increase in excess returns.

Eligible Own Funds

The Eligible Own Funds decreased to € 8,158 million (31 December 2020: € 8,273 million) driven mainly by a UFR reduction, higher interest rates and capital distributions. This was partially offset by higher equity markets.

Required Capital

The required capital stood at € 4,131 million (31 December 2020: € 4,159 million). This decrease was driven mainly by the higher interest rates, decreasing the required capital for Life and Health SLT risk.

Equity

Breakdown of total equity

in € million	HY 2021	FY 2020	Delta
Share capital	23	23	-
Share premium reserve	976	976	-
Unrealised gains and losses	1,355	1,137	19.2%
Actuarial gains and losses (IAS19)	-1,071	-1,253	-14.5%
Retained earnings	4,777	4,509	5.9%
Treasury shares	-162	-82	97.4%
Equity attributable to shareholders	5,897	5,309	11.1%
Other equity instruments	1,004	1,004	-
Equity attributable to holders of equity instruments	6,901	6,313	9.3%
Non-controlling interest	-3	-	n.m. ¹
Total equity	6,899	6,313	9.3%

Statement of changes in total equity

in € million	HY 2021	FY 2020
Beginning of reporting period - total equity	6,313	6,093
Profit / loss for the period	454	657
Unrealised gains and losses	218	200
Actuarial gains and losses (IAS19)	182	-237
Dividend	-174	-272
Hybrid capital costs	-12	-48
Non-controlling interest	-3	-
Treasury shares acquired	-80	-73
Other changes	-1	-7
End of reporting period - total equity	6,899	6,313

Total equity attributable to holders of equity instruments (IFRS-based) increased by € 588 million, to € 6,901 million (FY 2020: € 6,313 million). This increase was the result of the addition of the HY 2021 net result (€ 454 million), an increase of unrealised gains and losses (€ 218 million), especially in the equity portfolio due to a further recovery of financial markets in the first half year, and net actuarial gains and losses (IAS19, € 182 million) due to an increase in the discount rate to 0.87% since FY 2020 (0.43%).

Several other factors partially offset this. In HY 2021, the final dividend for 2020 was paid out (€ 174 million). The cost of hybrids was € 12 million for HY 2021 (no accrual accounting is performed for hybrid loans). The treasury shares increased by € 80 million, mainly due to the share repurchase programme (€ 75 million) and, to a lesser extent, the purchase (€ 7 million) and sale (€ 2 million) of shares in relation to the a.s.r. employee purchase programme.

¹ n.m.: not meaningful

Financial leverage

Financial leverage			
(in € million)	HY 2021	FY 2020	Delta
Basis for financial leverage (Equity attributable to shareholders)	5,897	5,309	11.1%
Financial liabilities	2,100	2,100	n.m. ¹
of which hybrids	1,004	1,004	n.m.
of which subordinated liabilities	991	991	n.m.
of which senior debt	105	105	n.m.
Financial leverage (%)	26.3%	28.3%	-2.1%-p
Interest coverage ratio (IFRS)	13.2x	9.5x	3.7x

The financial leverage of a.s.r. improved by 2.1%-points to 26.3% (FY 2020: 28.3%), mainly due to an increase in shareholders' equity (€ 588 million), while the debt position remained unchanged. The leverage is well below the self-imposed maximum target level of 35%.

The interest coverage ratio (ICR) increased to 13.2x (FY 2020: 9.5x) due to a strong increase in the IFRS result before tax (€ 277 million), compared to stable interest expenses. Annualised interest expenses were in line with last year. The ICR of the operational result improved from 10.2x as at FY 2020 to 12.3x as at HY 2021 due to the increased operating result.

Double leverage

Double leverage			
(in € million)	HY 2021	FY 2020	Delta
Total value of associates	7,914	7,572	4.5%
Equity attributable to shareholders	5,897	5,309	11.1%
Hybrids and subordinated liabilities	1,995	1,995	n.m. ¹
Equity attributable to holders of equity instruments	7,893	7,304	8.1%
Double leverage (%)	100.3%	103.7%	-3.4%-p

The double leverage decreased by 3.4%-points to 100.3% (FY 2020: 103.7%). Shareholders' equity from participating interests ('value of associates') increased by € 342 million, while the shareholders' equity of the holding company, including subordinated liabilities, increased by € 589 million. The decrease of the local leverage by € 247 million is mostly due to the result of the holding company and actuarial gains on the own pension scheme which were only partially offset by the final dividend payment and the share repurchase programme.

¹ n.m.: not meaningful

Appendices

- 1 Financial statements
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Disclaimer

1 Financial statements

1.1 Consolidated balance sheet

Consolidated balance sheet		
(in € millions and before profit appropriation)	30 June 2021	31 December 2020
Intangible assets	450	345
Property and equipment	193	198
Investment property	2,012	1,973
Associates and joint ventures at equity method	93	101
Investments	34,674	36,599
Investments on behalf of policyholders	10,971	10,154
Investments related to investment contracts	1,676	-
Loans and receivables	14,435	14,370
Derivatives	6,451	9,168
Deferred tax assets	27	177
Reinsurance contracts	460	483
Other assets	816	720
Cash and cash equivalents	2,593	2,846
Assets held for sale	-	18
Total assets	74,852	77,151
Share capital	23	23
Share premium reserve	976	976
Unrealised gains and losses	1,355	1,137
Actuarial gains and losses	-1,071	-1,253
Retained earnings	4,777	4,509
Treasury shares	-162	-82
Equity attributable to shareholders	5,897	5,309
Other equity instruments	1,004	1,004
Equity attributable to holders of equity instruments	6,901	6,313
Non-controlling interests	-3	-
Total equity	6,899	6,313
Subordinated liabilities	991	991
Liabilities arising from insurance contracts	39,027	41,460
Liabilities arising from insurance contracts on behalf of policyholders	13,987	13,137
Liabilities arising from investment contracts	1,676	-
Employee benefits	3,976	4,253
Provisions	17	24
Borrowings	52	54
Derivatives	834	1,419
Due to customers	606	553
Due to banks	5,877	7,996
Other liabilities	911	951
Total liabilities	67,954	70,838
Total equity and liabilities	74,852	77,151

1.2 Consolidated income statements

Consolidated income statements		
(in € millions)	HY 2021	HY 2020
Continuing operations		
Gross written premiums	3,298	2,978
Change in provision for unearned premiums	-358	-310
Gross insurance premiums	2,940	2,668
Reinsurance premiums	-49	-55
Net insurance premiums	2,891	2,613
Investment income	784	755
Realised gains and losses	138	138
Fair value gains and losses	132	-18
Result on investments on behalf of policyholders	920	-372
Result on investments related to investment contracts	78	-
Fee and commission income	97	67
Other income	26	49
Share of result of associates and joint ventures	4	1
Total income	5,069	3,234
Insurance claims and benefits	-3,606	-2,050
Insurance claims and benefits recovered from reinsurers	12	28
Net insurance claims and benefits	-3,595	-2,022
Changes in liabilities arising from investment contracts	-78	-
Operating expenses	-346	-337
Restructuring provision expenses	-2	-4
Commission expenses	-256	-250
Impairments	-8	-141
Interest expense	-183	-166
Other expenses	-28	-18
Total expenses	-901	-915
Result before tax from continuing operations	574	296
Income tax (expense) / gain	-122	-62
Result after tax from continuing operations	451	235
Discontinued operations		
Result after tax from discontinued operations	-	-1
Net result	451	234
Attributable to:		
Non-controlling interests	-3	1
- Shareholders of the parent	443	221
- Holders of other equity instruments	12	12
Result attributable to holders of equity instruments	454	233

1.3 Consolidated statement of changes in equity

Consolidated statement of changes in equity

	Share capital	Share premium reserve	Unrealised gains and losses	Unrealised actuarial gains and losses	Retained earnings	Treasury shares (-)	Equity Attributable To Shareholders	Other Equity Instruments	Non Controlling Interest	Total equity
(in € millions)										
At 1 January 2020	23	976	937	-1,016	4,179	-9	5,089	1,004	-	6,093
Net result	-	-	-	-	233	-	233	-	1	234
Total other comprehensive income	-	-	-43	91	-	-	48	-	-	48
Total comprehensive income	-	-	-43	91	233	-	280	-	1	281
Dividend paid	-	-	-	-	-	-	-	-	-	-
Discretionary interest on other equity instruments	-	-	-	-	-12	-	-12	-	-	-12
Treasury shares acquired (-)/sold	-	-	-	-	-	-49	-49	-	-	-49
Other movements	-	-	-	-	-6	-	-6	-	1	-5
At 30 June 2020	23	976	894	-925	4,394	-57	5,303	1,004	2	6,309
At 1 January 2021	23	976	1,137	-1,253	4,509	-82	5,309	1,004	-	6,313
Net result	-	-	-	-	454	-	454	-	-3	451
Total other comprehensive income	-	-	218	182	-	-	400	-	-	400
Total comprehensive income	-	-	218	182	454	-	854	-	-3	852
Dividend paid	-	-	-	-	-174	-	-174	-	-	-174
Discretionary interest on other equity instruments	-	-	-	-	-12	-	-12	-	-	-12
Treasury shares acquired (-)/sold	-	-	-	-	-	-80	-81	-	-	-81
Other movements	-	-	-	-	-	-	-	-	-	-1
At 30 June 2021	23	976	1,355	-1,071	4,777	-162	5,897	1,004	-3	6,899

1.4 Segmented balance sheet

Segmented balance sheet							
As at 30 June 2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Intangible assets	105	130	35	180	-	-	450
Property and equipment	-	154	-	11	275	-246	193
Investment property	279	1,733	-	-	-	-	2,012
Associates and joint ventures at equity method	-	23	-	3	66	-	93
Investments	7,877	26,482	-	-	3,626	-3,311	34,674
Investments on behalf of policyholders	-	10,971	-	-	-	-	10,971
Investments related to investment contracts	-	1,676	-	-	-	-	1,676
Loans and receivables	1,323	13,279	21	39	134	-361	14,435
Derivatives	133	6,318	-	-	-	-	6,451
Deferred tax assets	-	85	-	-	45	-103	27
Reinsurance contracts	305	155	-	-	-	-	460
Other assets	160	497	22	-1	141	-2	816
Cash and cash equivalents	74	2,136	77	68	238	-	2,593
Assets held for sale	-	-	-	-	-	-	-
Total assets	10,257	63,640	155	300	4,525	-4,024	74,852
Equity attributable to holders of equity instruments	2,267	5,659	138	177	-1,221	-119	6,901
Non-controlling interests	-	-	-	-	-3	-	-3
Total equity	2,267	5,659	138	177	-1,224	-119	6,899
Subordinated liabilities	45	-	-	-	991	-45	991
Liabilities arising from insurance contracts	7,412	34,445	-	-	-	-2,830	39,027
Liabilities arising from insurance contracts on behalf of policyholders	-	13,987	-	-	-	-	13,987
Liabilities arising from investment contracts	-	1,676	-	-	-	-	1,676
Employee benefits	-	-	-	-	3,976	-	3,976
Provisions	1	3	-	-	13	-	17
Borrowings	-	29	5	43	515	-540	52
Derivatives	55	778	-	-	1	-	834
Deferred tax liabilities	132	-	4	6	-	-143	-
Due to customers	128	782	-	25	-	-329	606
Due to banks	99	5,673	-	-	105	-	5,877
Other liabilities	118	608	9	47	148	-19	911
Liabilities relating to assets held for sale	-	-	-	-	-	-	-
Total liabilities	7,989	57,981	18	122	5,748	-3,905	67,954
Total equity and liabilities	10,257	63,640	155	300	4,525	-4,024	74,852

Segmented balance sheet (continued)

As at 31 December 2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Intangible assets	115	65	8	158	-	-	345
Property and equipment	-	156	-	11	287	-256	198
Investment property	274	1,699	-	-	-	-	1,973
Associates and joint ventures at equity method	-	23	-	3	74	-	101
Investments	7,488	28,713	-	-	3,711	-3,314	36,599
Investments on behalf of policyholders	-	10,154	-	-	-	-	10,154
Investments related to investment contracts	-	-	-	-	-	-	-
Loans and receivables	1,034	13,510	19	33	104	-330	14,370
Derivatives	221	8,947	-	-	-	-	9,168
Deferred tax assets	-	131	-	-	132	-86	177
Reinsurance contracts	325	158	-	-	-	-	483
Other assets	145	514	15	-1	47	-1	720
Cash and cash equivalents	140	2,392	78	50	186	-	2,846
Assets held for sale	-	-	18	-	-	-	18
Total assets	9,742	66,463	137	255	4,541	-3,987	77,151
Equity attributable to holders of equity instruments	2,170	5,379	116	170	-1,396	-125	6,313
Non-controlling interests	-	-	-	-	-	-	-
Total equity	2,170	5,379	116	170	-1,396	-125	6,313
Subordinated liabilities	36	-	-	-	991	-36	991
Liabilities arising from insurance contracts	6,845	37,505	-	-	-	-2,890	41,460
Liabilities arising from insurance contracts on behalf of policyholders	-	13,137	-	-	-	-	13,137
Liabilities arising from investment contracts	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	4,253	-	4,253
Provisions	1	3	-	-	19	-	24
Borrowings	-	29	5	21	521	-522	54
Derivatives	66	1,354	-	-	-	-	1,419
Deferred tax liabilities	113	-	4	7	-	-123	-
Due to customers	89	711	-	25	-	-272	553
Due to banks	168	7,723	-	-	105	-	7,996
Other liabilities	255	623	12	32	48	-19	951
Liabilities relating to assets held for sale	-	-	-	-	-	-	-
Total liabilities	7,572	61,085	21	85	5,937	-3,862	70,838
Total equity and liabilities	9,742	66,463	137	255	4,541	-3,987	77,151

1.5 Segmented income statement

Segmented income statement							
HY 2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Continuing operations							
Gross written premiums	2,416	928	-	-	-	-45	3,298
Change in provision for unearned premiums	-358	-	-	-	-	-	-358
Gross insurance premiums	2,057	928	-	-	-	-45	2,940
Reinsurance premiums	-49	-1	-	-	-	-	-49
Net insurance premiums	2,009	927	-	-	-	-45	2,891
Investment income	74	704	-	-	6	-	784
Realised gains and losses	8	96	-	-	33	-	138
Fair value gains and losses	-4	131	-	-	-1	6	132
Result on investments on behalf of policyholders	-	920	-	-	-	-	920
Result on investments related to investment contracts	-	78	-	-	-	-	78
Fee and commission income	11	5	79	61	-	-59	97
Other income	1	22	-	1	5	-2	26
Share of result of associates and joint ventures	-	-	-	-	4	-	4
Total income	2,098	2,884	79	62	47	-101	5,069
Insurance claims and benefits	-1,515	-2,157	-	-	-	66	-3,606
Insurance claims and benefits recovered from reinsurers	10	2	-	-	-	-	12
Net insurance claims and benefits	-1,506	-2,155	-	-	-	66	-3,595
Changes in liabilities arising from investment contracts	-	-78	-	-	-	-	-78
Operating expenses	-132	-83	-50	-45	-59	24	-346
Restructuring provision expenses	-2	-	-	-	-	-	-2
Commission expenses	-277	-10	-	-	-	32	-256
Impairments	-2	-6	-	-	-	-	-8
Interest expense	-7	-146	-	-	-4	-25	-183
Other expenses	-2	-8	-12	-4	-10	8	-28
Total expenses	-423	-331	-62	-50	-74	39	-901
Result before tax from continuing operations	169	399	17	12	-27	4	574
Income tax (expense) / gain	-40	-95	-4	-3	21	-1	-122
Result after tax from continuing operations	129	303	13	9	-6	3	451
Discontinued operations							
Result after tax from discontinued operations	-	-	-	-	-	-	-
Net result	129	303	13	9	-6	3	451

HY 2021	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Attributable to:							
Non-controlling interests	-	-	-	-	-3	-	-3
- Shareholders of the parent	129	303	13	9	-15	3	443
- Holders of other equity instruments	-	-	-	-	12	-	12
Result attributable to holders of equity instruments	129	303	13	9	-3	3	454

Segmented income statement (continued)

HY 2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Continuing operations							
Gross written premiums	2,128	1,009	-	-	-	-159	2,978
Change in provision for unearned premiums	-310	-	-	-	-	-	-310
Gross insurance premiums	1,818	1,009	-	-	-	-159	2,668
Reinsurance premiums	-55	-1	-	-	-	-	-55
Net insurance premiums	1,764	1,008	-	-	-	-159	2,613
Investment income	76	680	-1	-	4	-4	755
Realised gains and losses	11	127	-	-	-	-	138
Fair value gains and losses	14	-27	-	-	-	-5	-18
Result on investments on behalf of policyholders	-	-372	-	-	-	-	-372
Result on investments related to investment contracts	-	-	-	-	-	-	-
Fee and commission income	12	3	72	35	-	-55	67
Other income	6	18	1	12	13	-	49
Share of result of associates and joint ventures	-	-1	-	-	2	-	1
Total income	1,882	1,436	71	48	19	-223	3,234
Insurance claims and benefits	-1,373	-853	-	-	-	176	-2,050
Insurance claims and benefits recovered from reinsurers	26	2	-	-	-	-	28
Net insurance claims and benefits	-1,347	-850	-	-	-	176	-2,022
Changes in liabilities arising from investment contracts	-	-	-	-	-	-	-
Operating expenses	-124	-89	-47	-33	-74	29	-337
Restructuring provision expenses	-	-4	-1	-	-	-	-4
Commission expenses	-268	-6	-	-	-	24	-250
Impairments	-22	-128	-	-	9	-	-141
Interest expense	-6	-115	-	-	55	-99	-166
Other expenses	-3	-9	-10	-3	-2	9	-18
Total expenses	-423	-350	-58	-36	-13	-36	-915
Result before tax from continuing operations	112	236	14	12	6	-83	296
Income tax (expense) / gain	-17	-54	-3	-3	-5	21	-62
Result after tax from continuing operations	94	182	10	9	1	-62	235
Discontinued operations							
Result after tax from discontinued operations	-	-	-1	-	-	-	-1
Net result	94	182	9	9	1	-62	234

HY 2020	Non-life	Life	Asset Management	Distribution and Services	Holding and Other	Eliminations	Total
Attributable to:							
Non-controlling interests	-	-	-	-	1	-	1
- Shareholders of the parent	94	182	9	9	-11	-62	221
- Holders of other equity instruments	-	-	-	-	12	-	12
Result attributable to holders of equity instruments	94	182	9	9	-	-62	233

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 operating in the Netherlands ('ASR Nederland'). Please read this Disclaimer carefully.

ASR Nederland's condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU'). In preparing the financial information in this document, the same accounting principles are applied as in the 2020 ASR Nederland consolidated financial statements. All figures in this document are unaudited. Small differences are possible in the tables due to rounding. Certain of the statements contained herein are not (historical) facts but are forward looking statements ('Statements'). These Statements may be identified by words such as 'expect', 'should', 'could', 'shall' and similar expressions. The Statements can change as a result of possible events or factors. 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. 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 could differ materially from the Statements.

Factors which could cause actual results to differ from these Statements may include, without limitation: (1) changes in general economic conditions; (2) changes of 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 behavior of customers, suppliers, investors, shareholders and 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 and execution of ICT systems or outsourcing; (11) changes in the availability of, and 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 and severity of insured loss events; (14) catastrophes and terrorist related events; (15) changes affecting mortality and morbidity levels and trends and changes in longevity; (16) changes in laws and 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 and built-in loss; (19) changes in conclusions with regard to accounting assumptions and methodologies; (20) adverse developments in legal and other proceedings and/or investigations or sanctions taken by supervisory authorities; (21) risks related to mergers, acquisitions, and divestments (22) other financial risks such as currency movements, interest rate fluctuations, liquidity, and credit risks could influence future results 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 should not be exhaustive. Any Statements made by or on behalf of ASR Nederland speak only as of the date they are made and, except as required by applicable law, ASR Nederland disclaims any obligation to publicly update or revise and/or publish any Statements, whether as a result of new information, future events or otherwise. Neither ASR Nederland nor any of its directors, officers, employees do 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. 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 document is incorrect or incomplete.

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