

Ethias has finalized its plan to maintain its stand-alone position

The Board of Directors of Ethias SA has decided today upon a number of additional measures which will strengthen Ethias' solvency in a durable manner. The Board of Directors of Vitrufin, the mother holding of Ethias, still needs to give its green light this Thursday morning so that the plan can be presented to the National Bank of Belgium (NBB) on Friday, September 30 at the latest, as requested by the regulator.

The monitoring of our solvency ratio is a continuous process.

On last June 30, the solvency ratio (in Solvency II) amounted to 125 %. The company's objective is to increase this ratio faster than planned (initially 2019) to a minimum level of 150 % so as to avoid that, in the future, the company's solvency would be too exposed to the volatility of the financial markets and to the macroeconomic context.

It goes without saying that Ethias, as well as the entire sector, is faced with a persistent decrease in interest rates, the weakness of the financial markets and the announced effects of the Brexit.

In close consultation with the National Bank of Belgium, Ethias will now outline the various measures before they are put into a recovery plan.

It mainly concerns two technical-financial measures so as to maintain **the stand-alone position** and to be able to withstand shocks on the financial markets.

Benoît Verwilghen, CEO a.i.: *"The courses of action which have been worked out primarily focus on maintaining the stand-alone scenario. To this end, we are working on two axes : the first, and most important one, is related to FIRST A, a savings insurance product with a lifelong annuity of 3.4 % on average. We have analysed a number of solutions that will finally put an end to this cumbersome legacy of the past. Secondly, we will continue to develop a series of operational elements that will have a positive impact on the market sensitivity we face today."*

Moreover, Ethias has been successful on the operational side, with an operating profit of 200 to 250 million EUR in recent years, hence confirming the relevance of its business model. In order to maintain its leading position on the Non-Life insurance market, Ethias started last year with the deployment of a new digital platform, whose first phase will be implemented by October 2017. Thanks to its direct insurer's model, Ethias will thus be able to respond even better and faster to the needs of its policyholders.

Benoît Verwilghen : "I would like to emphasize that the measures presented will have no new direct impacts on neither the staff nor the proven success of the company's business plan. Last year, about 180 people have already stepped into our '60+ plan', thus creating a natural and progressive attrition in the coming years."

Currently, Ethias employs 1,770 employees.

Our company is recognized as an excellent insurer with great professional expertise and a wide range of solid and efficient solutions in the various insurance branches. Hence, there is not the slightest reason for our policyholders to worry about the solidity and durability of their insurance products.