Quarterly results
31.03.2018

28.06.2018

Agenda

- **Key Q1 2018 highlights**
- Main events in 2018
- Financial performance BGAAP [1]
- Financial performance IFRS [2]
- Solvency II of Ethias SA[3]
- Investment portfolio [2]
- Rating
- Appendix

[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

Key Q1 2018 highlights

Key events

- Signing of the agreements with the **purchaser of the remaining "FIRST A" portfolio**, Laguna Life, in April
- Payment of a **€150M dividend** to Vitrufin in May
- Rating for Ethias SA's financial strength placed at **BBB+ with positive outlook** in June

Financial results

Operating result before tax

BGAAP – Ethias SA

- **€41M** o/w €33M from Non-Life

IFRS – Ethias Group

- **€36M** o/w €34M from Non-Life

Net income

BGAAP – Ethias SA

- **€35M** taking into account :
  - *Financial non recurring items : +€7M*
  - *Other exceptional elements : +€1M*
  - *Tax : -€14M*

IFRS – Ethias Group

- **€25M** taking into account:
  - *Shadow : +€2M*
  - *Financial non recurring items : €3M*
  - *Other exceptional elements : -€4M*
  - *Tax: -€12M*

Business units (IFRS)

Non-Life

- **GWP €633M**
- **Operational result €34M**
- **COR 96.2%**

Life

- **GWP €354M**
- **Operational result €3M**

Other key indicators

Equity (IFRS)

- **€2,401M**, from €2,521M in 2017

Debt ratio (IFRS)

- **21%** vs 20.0% end 2017

Solvency II

- **182%** vs 183% end 2017

Unrealised gains on assets (BGAAP)

- **€1,497M**, down from €1,564M in 2017

ethias

Agenda

- Key Q1 2018 highlights
- **Main events in 2018**
- Financial performance BGAAP [1]
- Financial performance IFRS [2]
- Solvency II of Ethias SA[3]
- Investment portfolio [2]
- Rating
- Appendix

[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

Main events in 2018

20/02/2018	**The NBB takes note of the recovery plan** filed by Ethias SA
01/04/2018	Structural partnership with **B-Hive**, a European innovation platform (FinTech ecosystem) for financial services, created in early 2017 with the support of the Minister of Finance
16/04/2018	Signing of the agreements with the **purchaser of the remaining "FIRST A" portfolio**, Laguna Life. This sale will only be effective at the end of the quarter in which Ethias receives regulatory approval. The contracts concerned will lose the EUR 100,000 protection provided by the Belgian Guarantee Fund and a "Switch 8" operation will be launched in 2018, the terms and conditions of which will have to be defined with the purchaser. The cost of the sale is already taken into consideration at end-2017 in the BGAAP, IFRS and SII accounts (EUR 106 million)
16/05/2018	Approval by the General Assembly of Ethias SA to pay **a dividend of EUR 150 million** regarding the financial year 2017 to Vitrufin
12/06/2018	Rating for Ethias SA's financial strength placed at **BBB+ with positive outlook** to reflect Fitch's view that "*the likely full repayment of Vitrufin debt and the full disposal of the insurer's capital-intensive individual life portfolio will lead to a strengthening in Ethias's capitalisation, profitability and financial flexibility*"

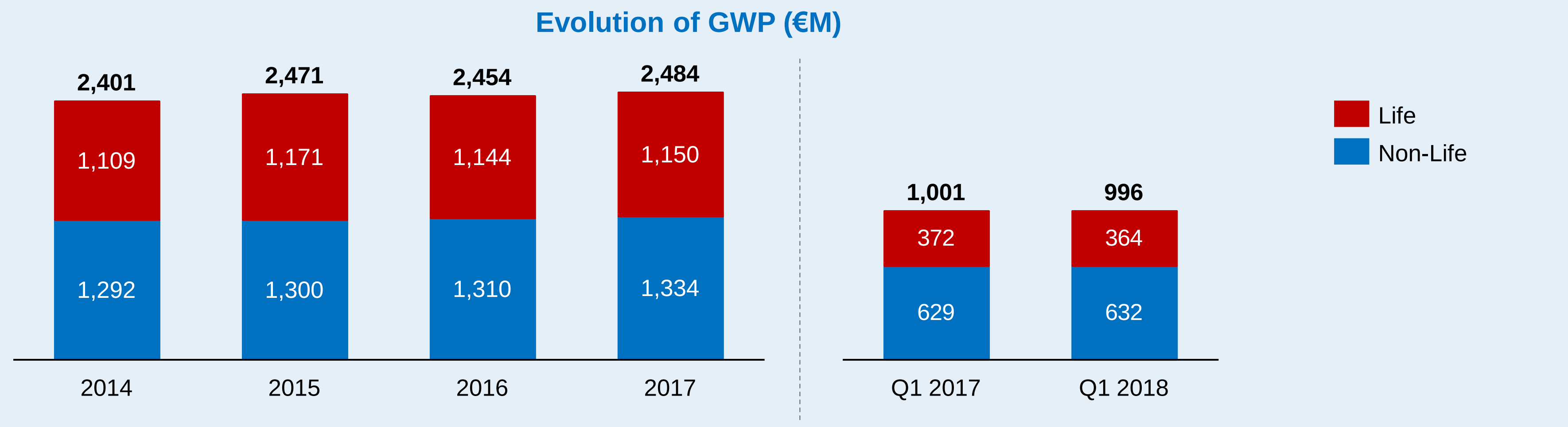
ethias

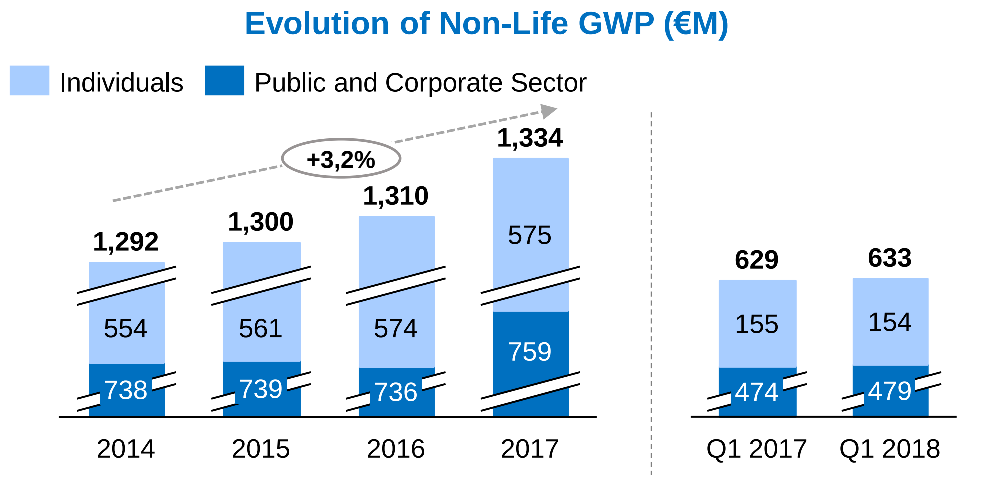
Agenda

- Key Q1 2018 highlights
- Main events in 2018
- **Financial performance BGAAP [1]**
- Financial performance IFRS [2]
- Solvency II of Ethias SA[3]
- Investment portfolio [2]
- Rating
- Appendix

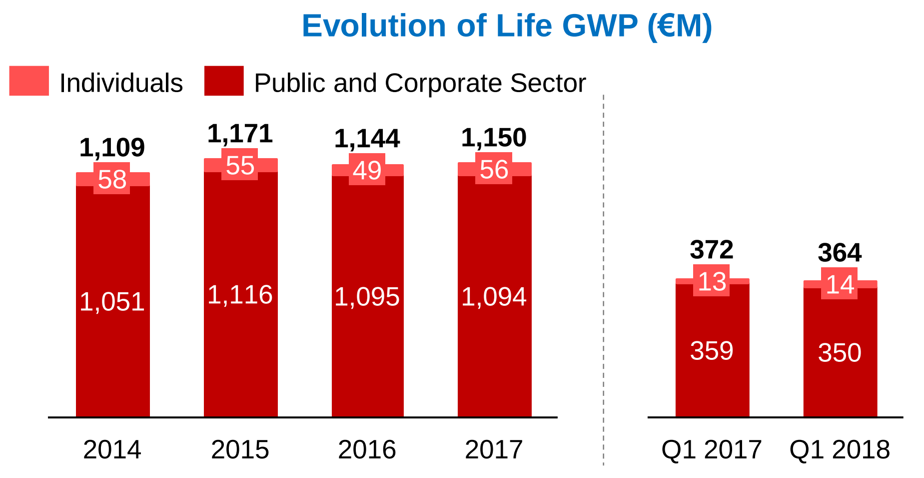
[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

BALANCED NON-LIFE/LIFE INFLOWS





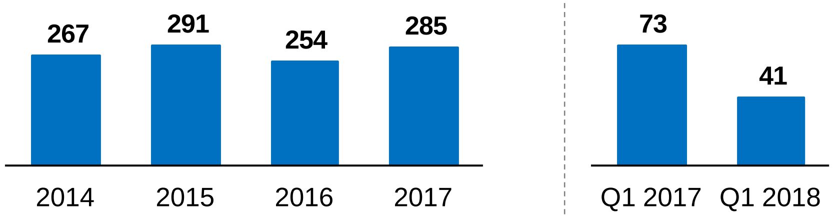
- Stable GWP as per end of March 2018 compared to the one of March 2017

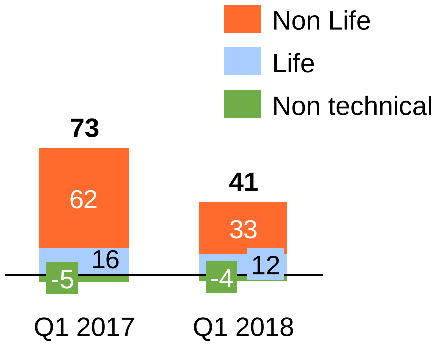


- Stable GWP as per end of March 2018 compared to the one of March 2017 despite the low interest rates environment

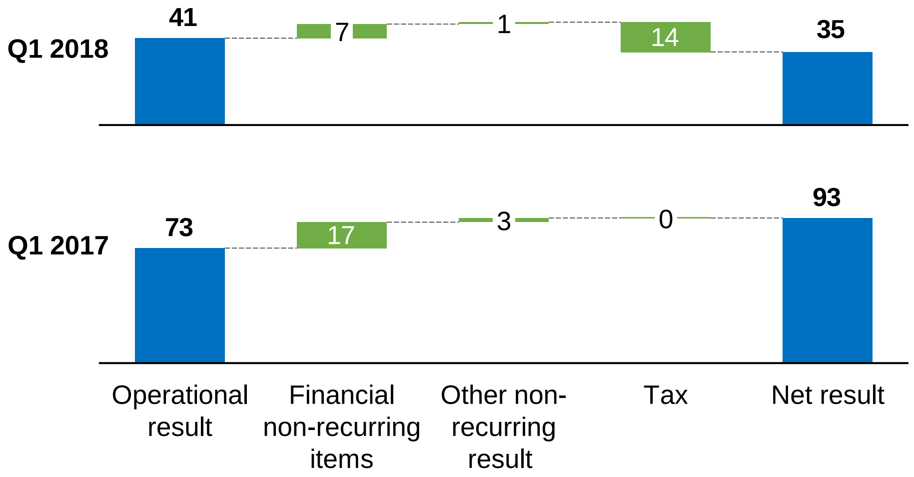
EVOLUTION IN OPERATIONAL RESULT

Evolution in operational result under BGAAP (€M)





From the operational result to net result under BGAAP (€M)



- The **operational result as per end of March 2018 amounts to €41M** and results from Non-Life activity for €33M and from Life activity for €12M. The decrease in this result compared to the one as per end of March 2017 is explained by the following elements, taking into consideration that the result of March 2017 was exceptionally at a very good level :
  - Some changes in the methodology of claims reserving with a negative impact in Q1 2018 (a part of that will disappear progressively during the year)
  - A deterioration in the claims rate of Car and Worker's Compensation
  - The impact of climate events (non significant in 2017)

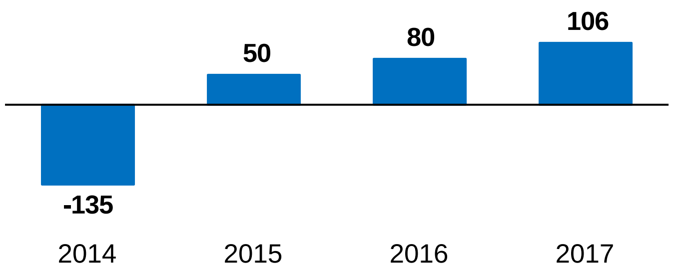
  An action plan has been put in place to improve the operational result

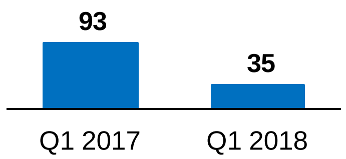
- The **net result as per end of March 2018 amounts to €35M** and is impacted by the tax charge of €14M (no tax charge as per end of March 2017) partly compensated by non-recurring financial income of €7M (compared to €17M as per end of March 2017)

- In 2018, no allocation to flashing-light reserve has been recorded in the BGAAP accounts following an exemption granted by the NBB in 2017

EVOLUTION IN NET RESULT

Evolution in net result under BGAAP (€M)





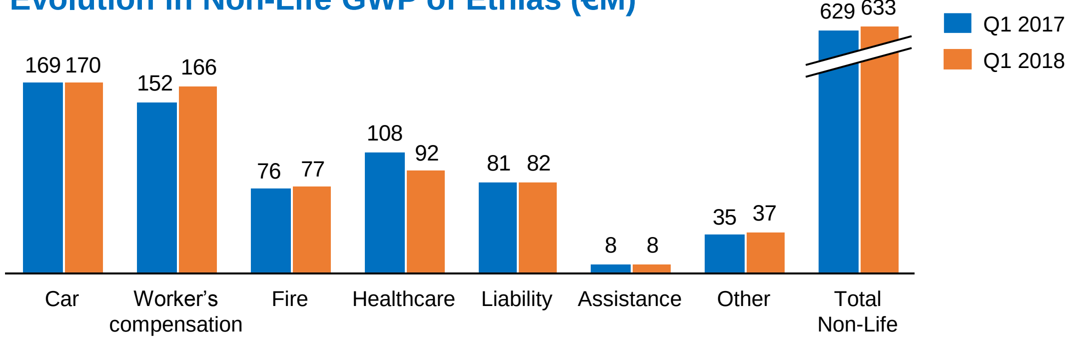
The result of March 2017 was exceptionally at a very good level. The result of March 2018 is impacted by the tax charge of €14M and by a decrease in the operational result for the Non-Life activity (see page 8)

Evolution in net result under BGAAP (€M) - Breakdown

	2014	2015	2016	2017	Q1 2017	Q1 2018
Non-Life technical result	263	298	255	244	77	34
o/w Technical Items	*330*	*366*	*316*	*363*	*101*	*73*
o/w Financial revenues	*133*	*133*	*153*	*125*	*34*	*23*
o/w Expenses	*(200)*	*(201)*	*(214)*	*(244)*	*(58)*	*(62)*
Life technical result	(28)	(300)	(320)	24	20	22
o/w Technical Items	*(594)*	*(766)*	*(693)*	*(373)*	*(67)*	*(68)*
o/w Financial revenues	*600*	*491*	*406*	*435*	*96*	*98*
o/w Expenses	*(34)*	*(25)*	*(33)*	*(38)*	*(9)*	*(8)*
Non-technical result	(366)	56	148	(158)	(4)	(7)
Tax & Transfers and withdrawals from untaxed reserves	(4)	(4)	(3)	(4)	0	(14)
Net result	(135)	50	80	106	93	35

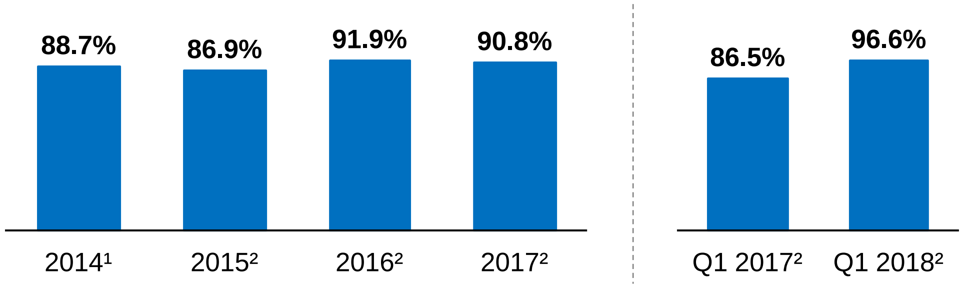
FOCUS ON NON-LIFE BUSINESS

Evolution in Non-Life GWP of Ethias (€M)



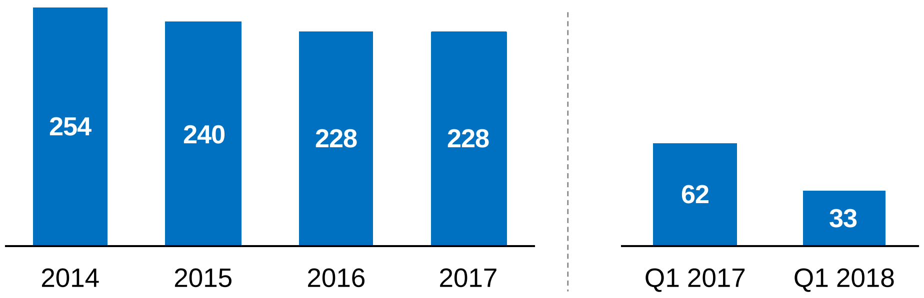
- Premium income increase in Worker's Compensation following the acquisition of the "Worker's Compensation Law 1967" portfolio (public sector) from Ethias DC (previously reassured at 95% by Ethias SA) and increase in the number of new businesses in "Worker's Compensation Law 1971" (private sector)
- Premium income decrease in Healthcare due to portfolio pruning and different invoicing timing

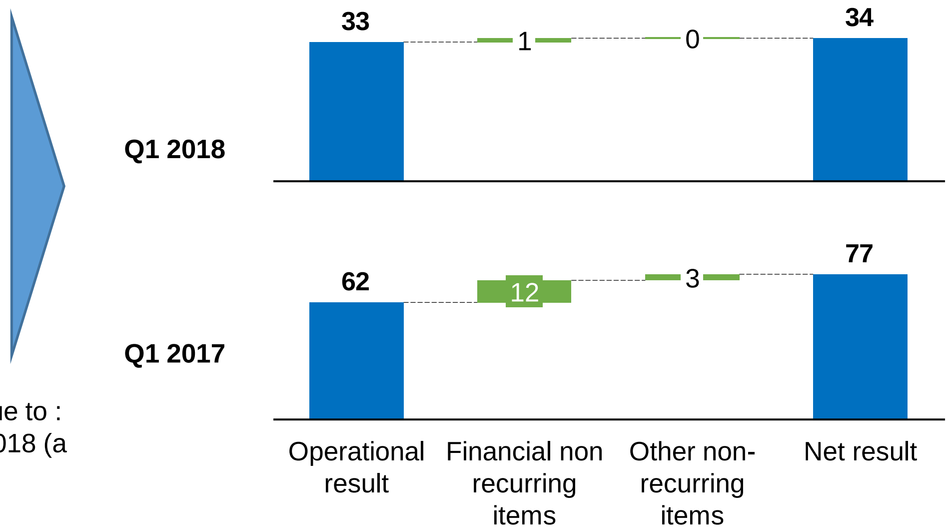
Net combined ratio of Ethias (BGAAP)



- Net CoR of March 2018 impacted negatively by the claims rate increase in Car and Worker's Compensation as well as by natural disaster

Non-Life operational result BGAAP (€M)





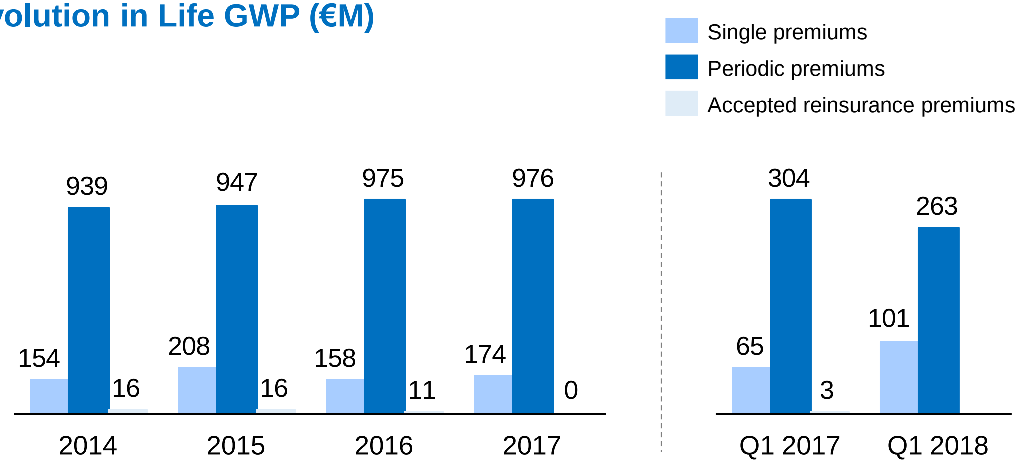
Decrease in operational result compared to Q1 2017 (exceptionally at a very good level) due to :

- Some changes in the methodology of claims reserving with a negative impact in Q1 2018 (a part of that will disappear progressively during the year)
- A deterioration in the claims rate of Car and Worker's Compensation
- The impact of climate events (non-significant in 2017)

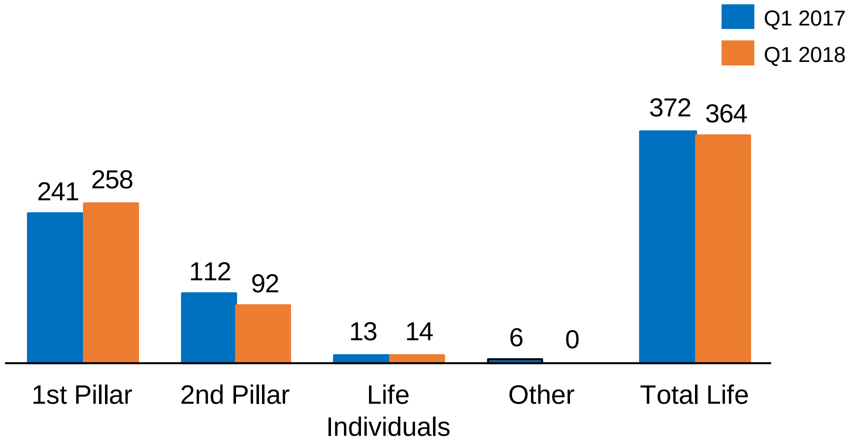
[1] Based on internal calculations ; [2] Based on Assuralia formula

FOCUS ON LIFE BUSINESS

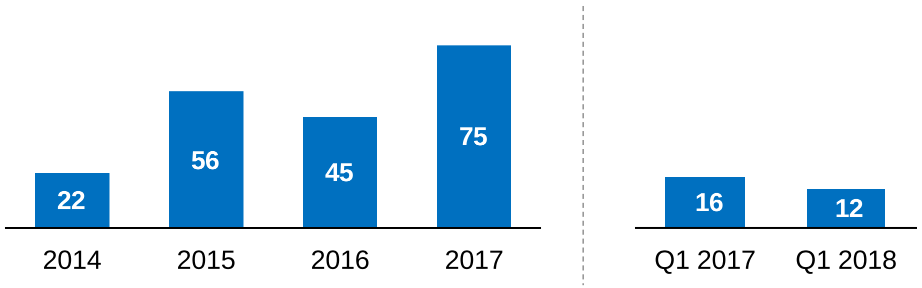
Evolution in Life GWP (€M)

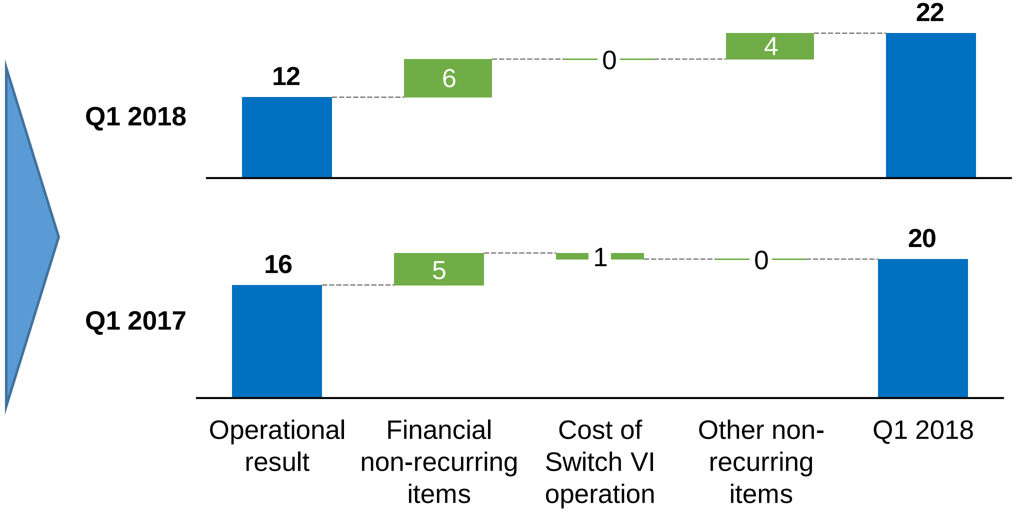


Evolution in Life GWP (€M)



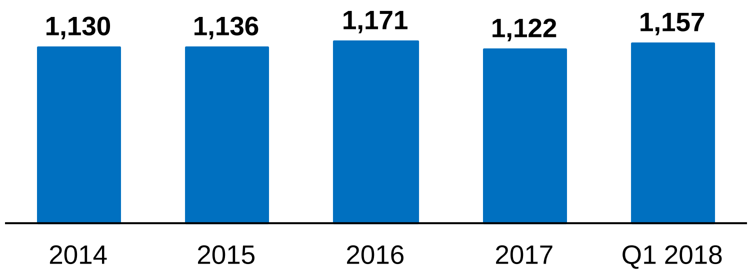
Life operational result BGAAP (€M)





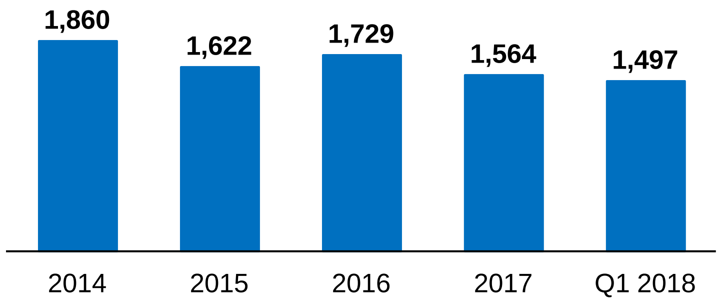
OTHER KEY ELEMENTS

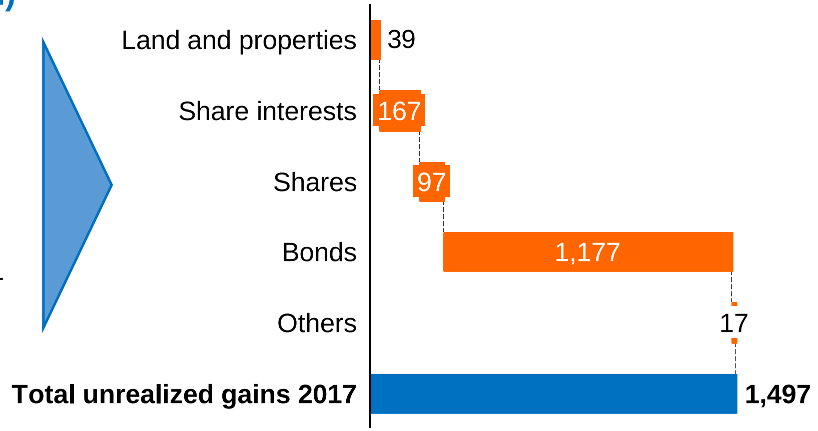
Evolution in equity (€M)



- Increase in the equity in Q1 2018 linked to the result of the first quarter

Evolution in unrealized gains on assets (€M)





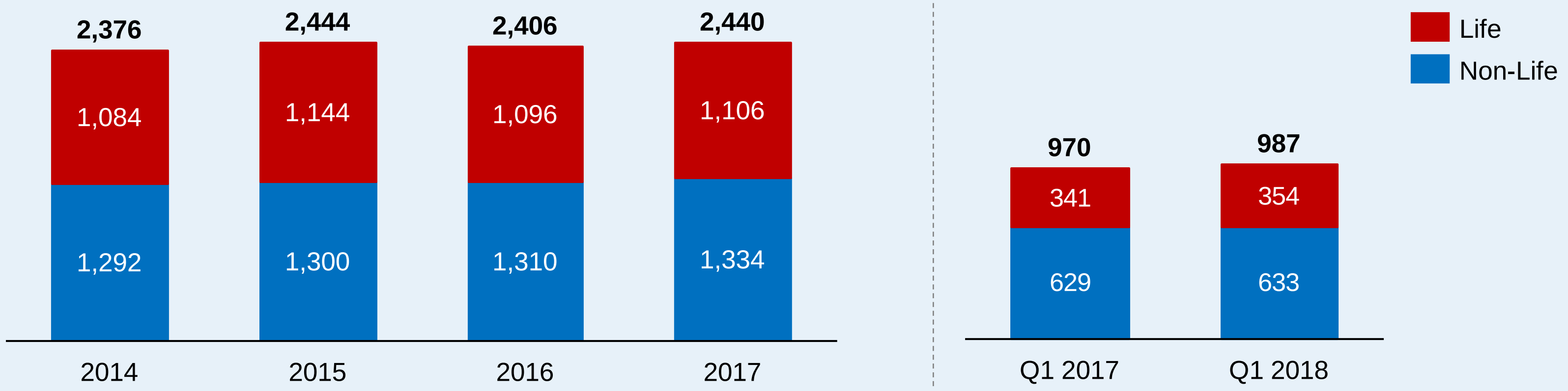
Agenda

- Key Q1 2018 highlights
- Main events in 2018
- Financial performance BGAAP [1]
- **Financial performance IFRS [2]**
- Solvency II of Ethias SA[3]
- Investment portfolio [2]
- Rating
- Appendix

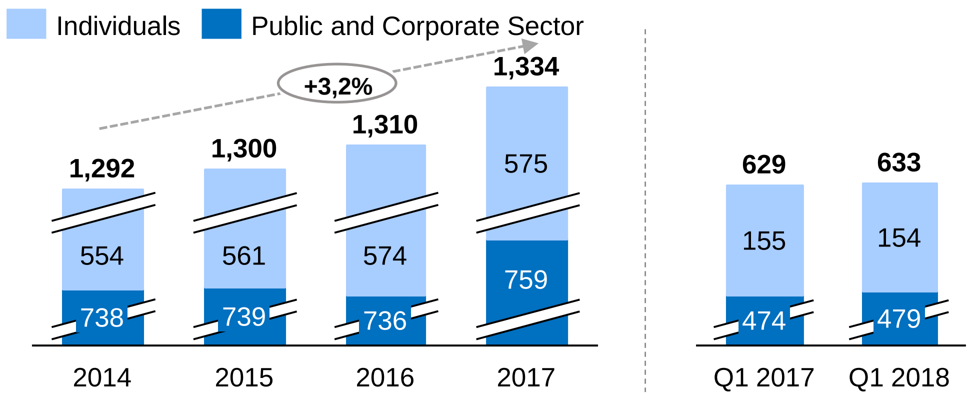
[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

BALANCED NON-LIFE/LIFE INFLOWS

Evolution in GWP (€M)

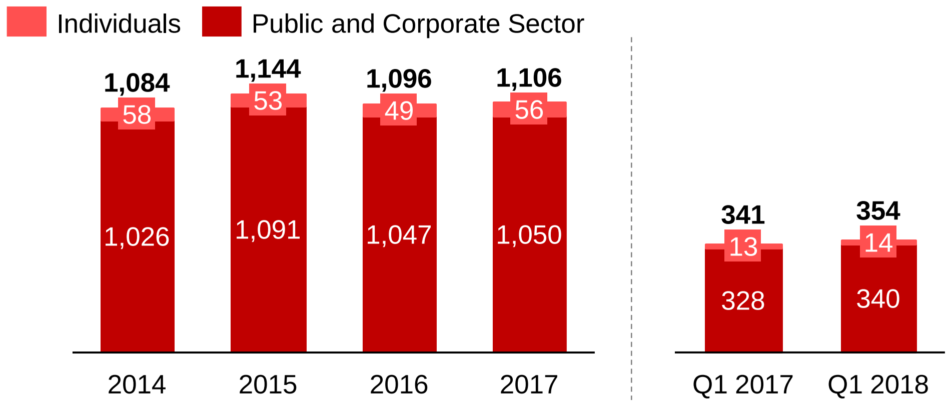


Evolution in Non-Life GWP (€M)



- Stable GWP as per end of March 2018 compared to the one of March 2017

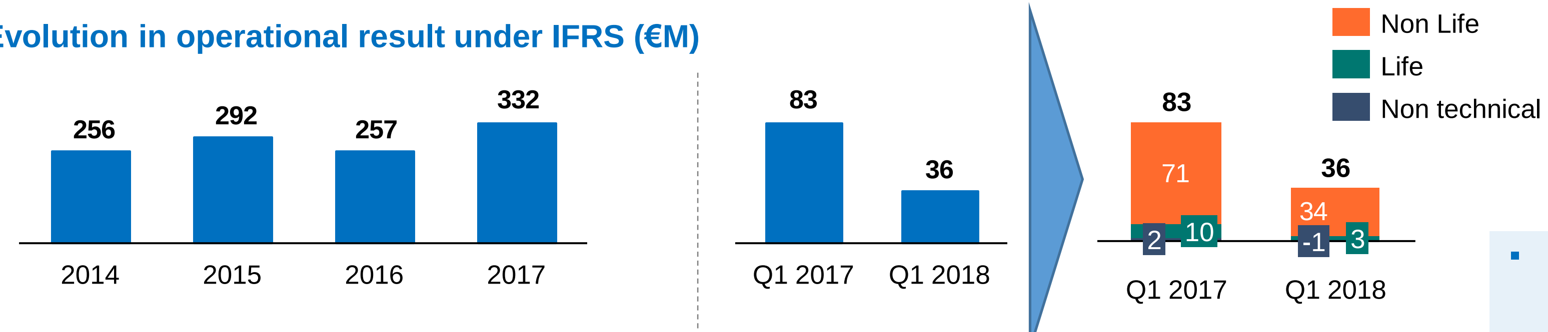
Evolution in Life GWP (€M)



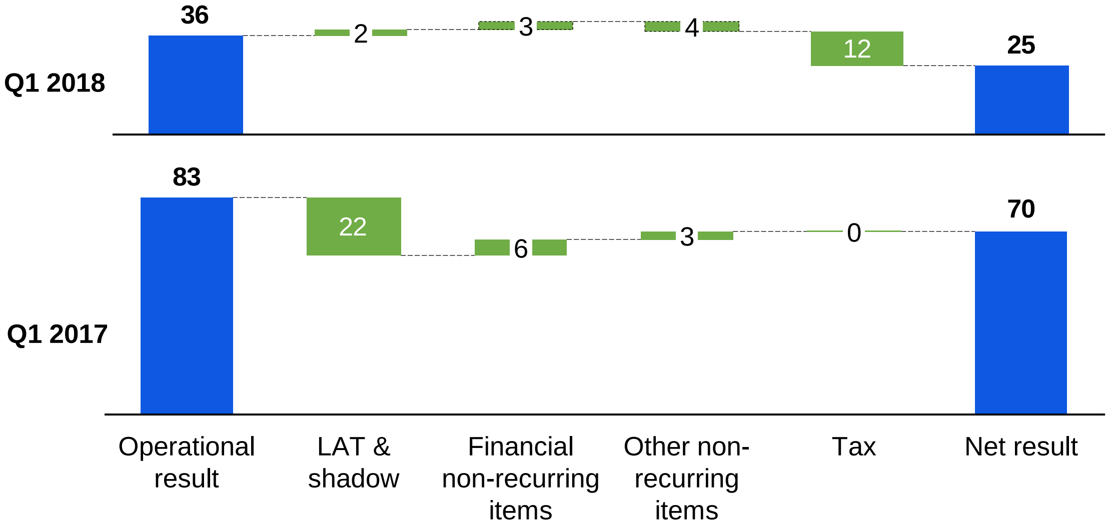
- Stable GWP as per end of March 2018 compared to the one of March 2017 despite the low interest rates environment

EVOLUTION IN OPERATIONAL RESULT

Evolution in operational result under IFRS (€M)



Evolution in operational result under IFRS (€M) - Breakdown



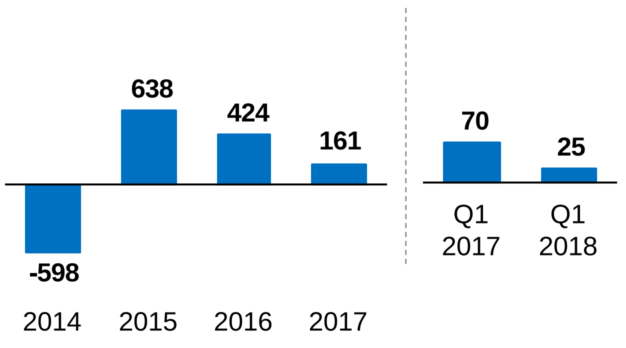
- The **consolidated operational result at end-March 2018 amounts to €36M** and results from the Non-Life activity for €34M and from the Life activity for €3M. The decrease in this result compared to the one as per end of March 2017 is explained by the following elements, taking into consideration that the result of March 2017 was exceptionally at a very good level :
  - Some changes in the methodology of claims reserving with a negative impact in Q1 2018 (a part of that will disappear progressively during the year)
  - A deterioration in the claims rate of Car and Worker's Compensation
  - The impact of climate events (non-significant in 2017)

  An action plan has been put in place to improve the operational result

- **The consolidated net result at end-March 2018 amounts to €25M** and is mainly impacted by the following elements :
  - The tax expense of -€12M
  - Other non recurring items for -€4M (mainly additional costs for 60+ retirement plan)
  - Financial non recurring items for €3M

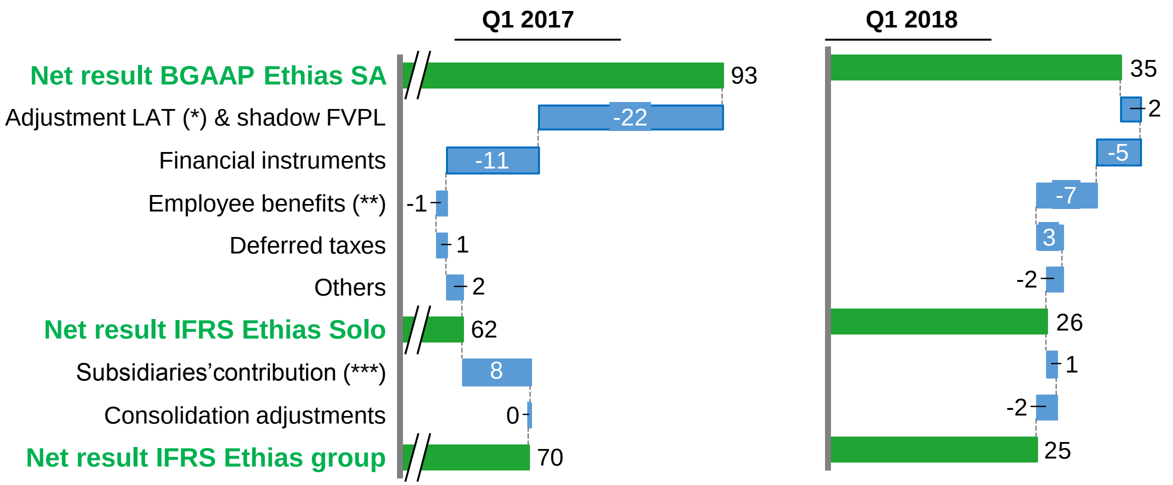
EVOLUTION OF NET RESULT UNDER IFRS (€M)

Evolution in net result under IFRS (€M)



The result of March 2017 was exceptionally at a very good level. The result of March 2018 is impacted by the tax charge of €12M and by a decrease in the operational result for the Non-Life activity (see page 15)

Reconciliation of net result between BGAAP & IFRS (€M)



Breakdown of net result under IFRS (€M)

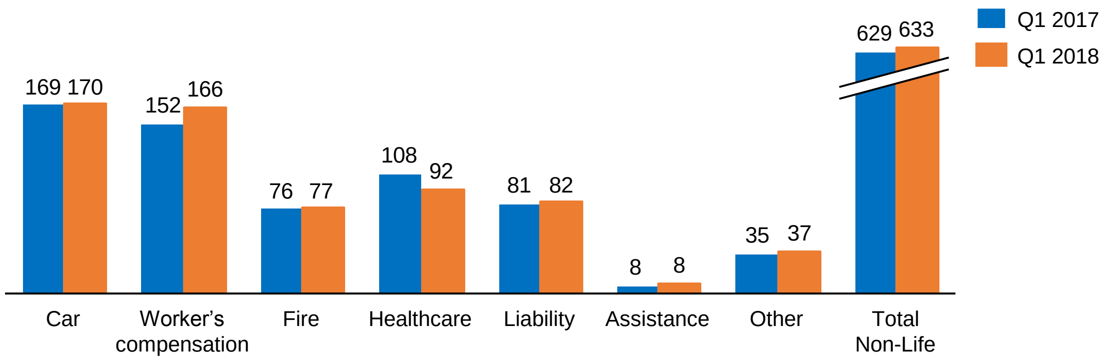
	2014	2015	2016	2017	Q1 2017	Q1 2018
Technical result	(439)	630	340	400	67	45
o/w Non-Life	*242*	*306*	*278*	*299*	*92*	*37*
o/w Life	*(681)*	*324*	*62*	*101*	*-25*	*8*
Non-technical result	(326)	95	182	(155)	3	(17)
Tax	167	(87)	(98)	(84)	0	(3)
Net result	(598)	638	424	161	70	25
For reference :						
Net result BGAAP	(135)	50	80	106	93	35

(*) impact of changes in interest rates; (**) Namely includes the provision for the 60+ retirement plan (different valuation rules between BGAAP & IFRS); (***) Mainly NRB, Ethias Sustainable Investment Fund and Real estate subsidiaries

ethias

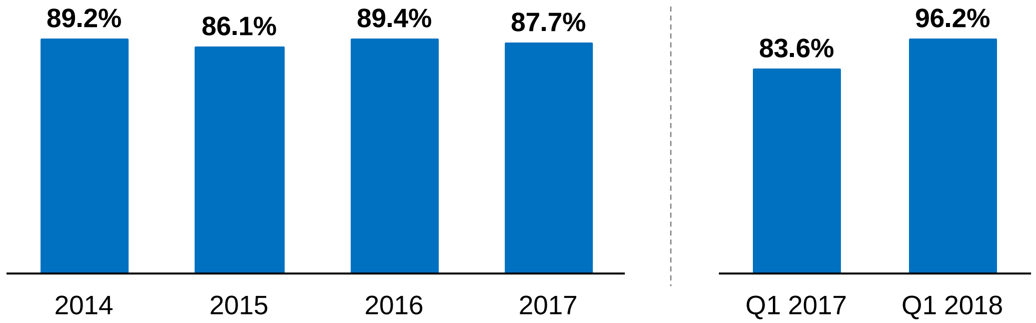
FOCUS ON NON-LIFE BUSINESS

Evolution in Non-Life GWP of Ethias Group (€M)



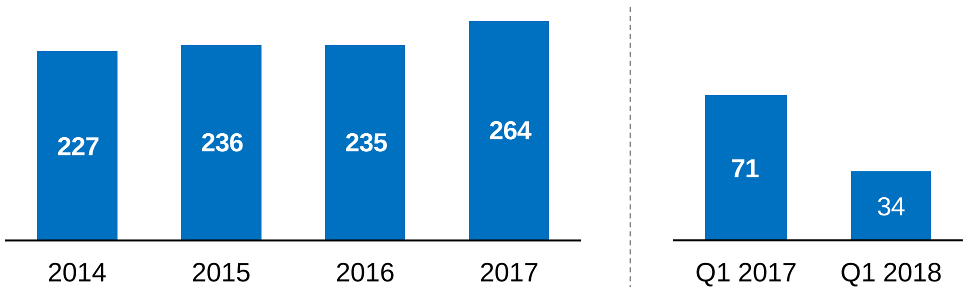
- Premium income increase in Worker's Compensation following the acquisition of the "Worker's Compensation Law 1967" portfolio (public sector) from Ethias DC (previously reassured at 95% by Ethias SA) and increase in the number of new businesses in "Worker's Compensation Law 1971" (private sector)
- Premium income decrease in Healthcare due to the portfolio pruning and different invoicing timing

Net combined ratio (IFRS)



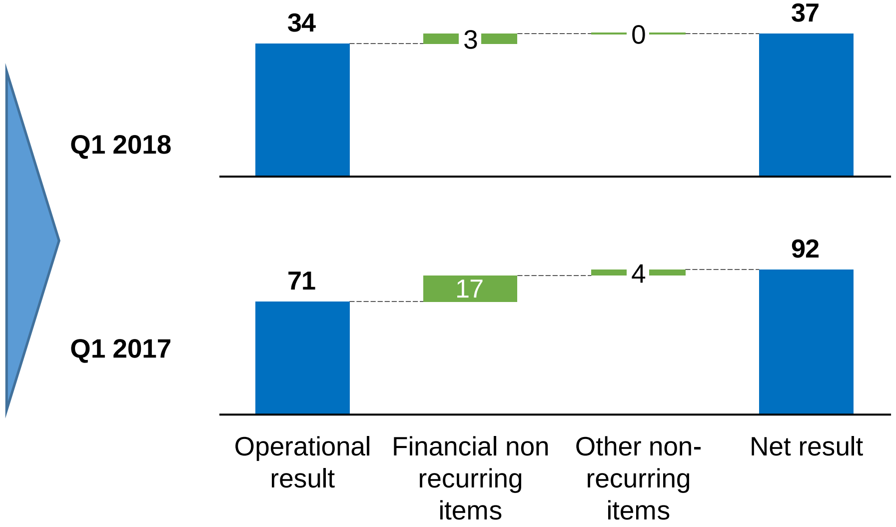
- Net CoR of March 2018 impacted negatively by the claims rate increase in Car and Worker's Compensation as well as by natural disaster

Non-Life operational result IFRS (€M)



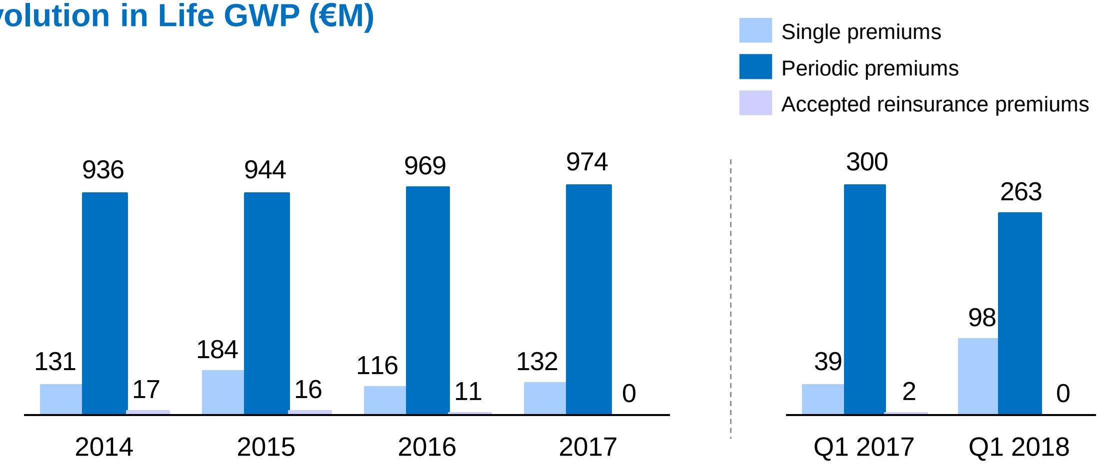
Decrease in operational result compared to Q1 2017 (exceptionally at a very good level) due to :

- Some changes in the methodology of claims reserving with a negative impact in Q1 2018 (a part of that will disappear progressively during the year)
- A deterioration in the claims rate of Car and Worker's Compensation
- The impact of climate events (non-significant in 2017)

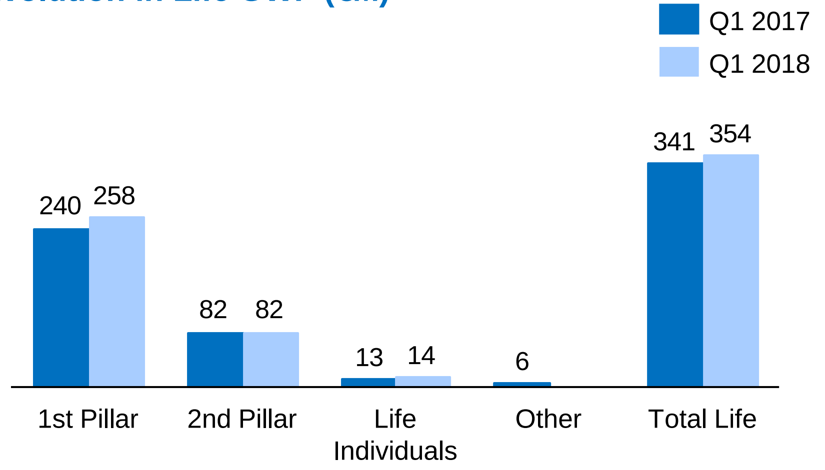


FOCUS ON LIFE BUSINESS

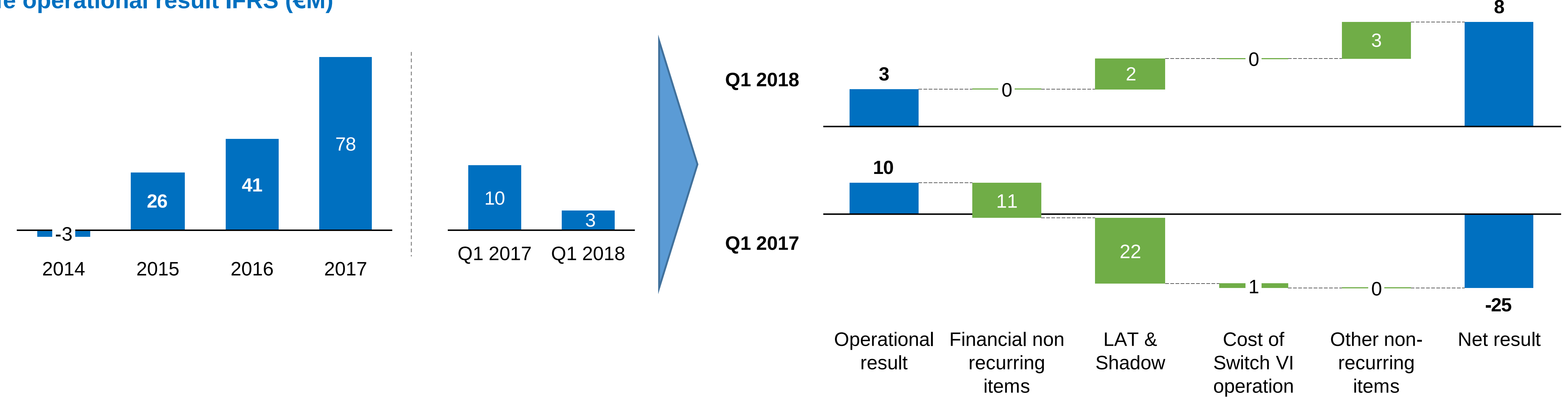
Evolution in Life GWP (€M)



Evolution in Life GWP (€M)

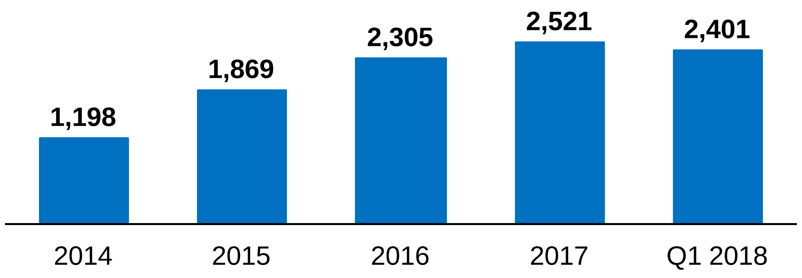


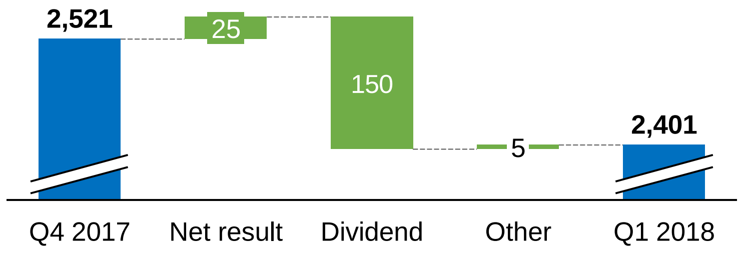
Life operational result IFRS (€M)



OTHER KEY ELEMENTS

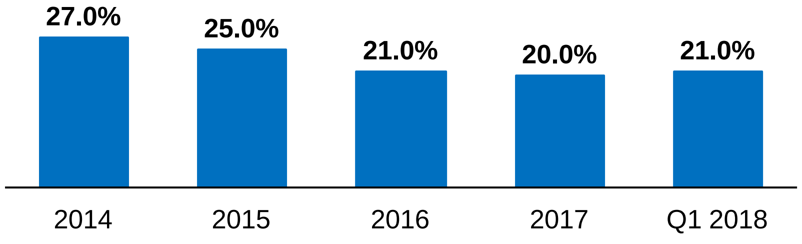
Evolution in equity (€M)





- The decrease in equity between end-December 2017 and end-March 2018 is mainly explained by the combination of the following elements:
  - Payment of the €150M dividend
  - Net result of the period of €25M
  - Other movements in the OCI of €5M

Evolution in debt ratio



- The ratio at end-March 2018 increases as a result of the decrease in equity
- Ratio 2014-2017 corresponding to the Financial Leverage Ratio published by Fitch and computed for Q1 2018 on the basis of Fitch methodology (internal formula gave a ratio of 17% for 2017)

Duration gap

	31/12/2017			31/03/2018		
	Assets Duration	Liab. Duration	Duration gap	Assets Duration	Liab. Duration	Duration gap
Total Life	7.98	12.98	(0.92)	7.06	8.25	0.55
Total Non-Life	5.13	8.21	(1.04)	5.26	7.69	(0.27)
TOTAL			(0.96)			0.32

- The decrease in the duration of assets in Life is mainly explained by a low level of reinvestment
- The decrease in the duration of Life liabilities results from a more accurate modelling

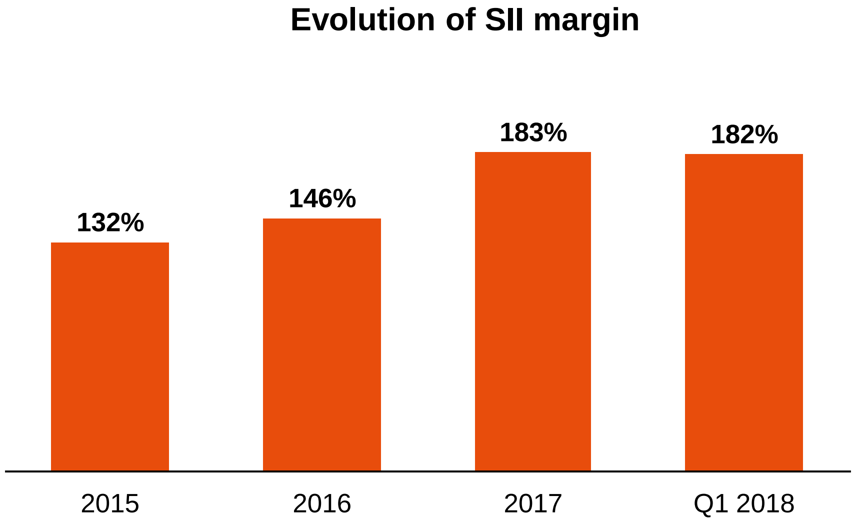
Agenda

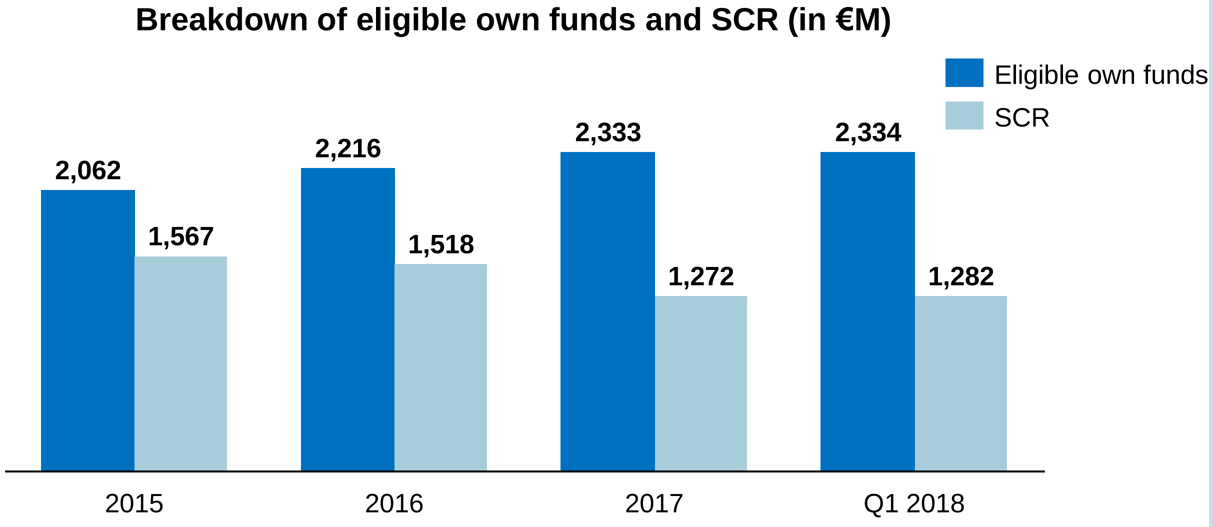
- Key Q1 2018 highlights
- Main events in 2018
- Financial performance BGAAP [1]
- Financial performance IFRS [2]
- **Solvency II of Ethias SA[3]**
- Investment portfolio [2]
- Rating
- Appendix

[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

ethias

8. SOLVENCY II – WITH USE OF THE STANDARD FORMULA – AFTER DIVIDENDS (1/2)

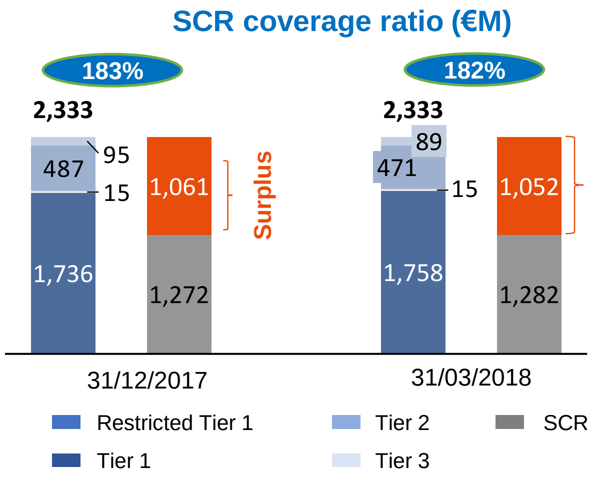


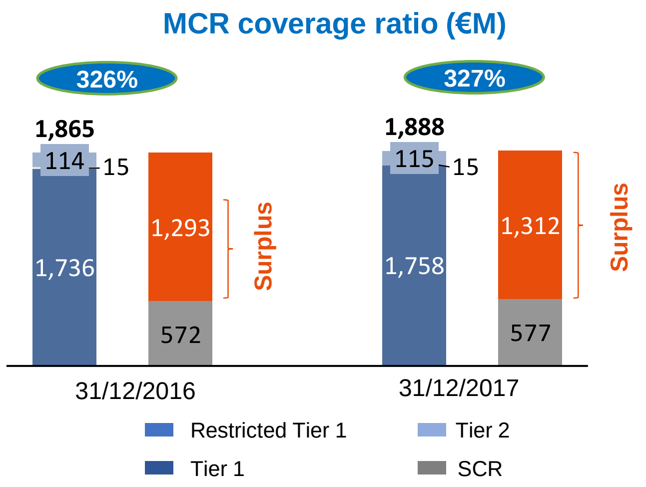


- The SII margin at end December 2017 and at end March 2018 is impacted by the €268M of dividends allowing Vitrufin to have the necessary amount of cash to reimburse its senior loan in January 2019 (€150M have been paid to Vitrufin after the ordinary general assembly of Ethias SA in May 2018 and the balance would be paid as an interim dividend during the second semester of 2018).
- The SII margin after dividends remains well above the risk appetite tolerance limit (160%).

8. SOLVENCY II – WITH USE OF THE STANDARD FORMULA – AFTER DIVIDENDS (2/2)

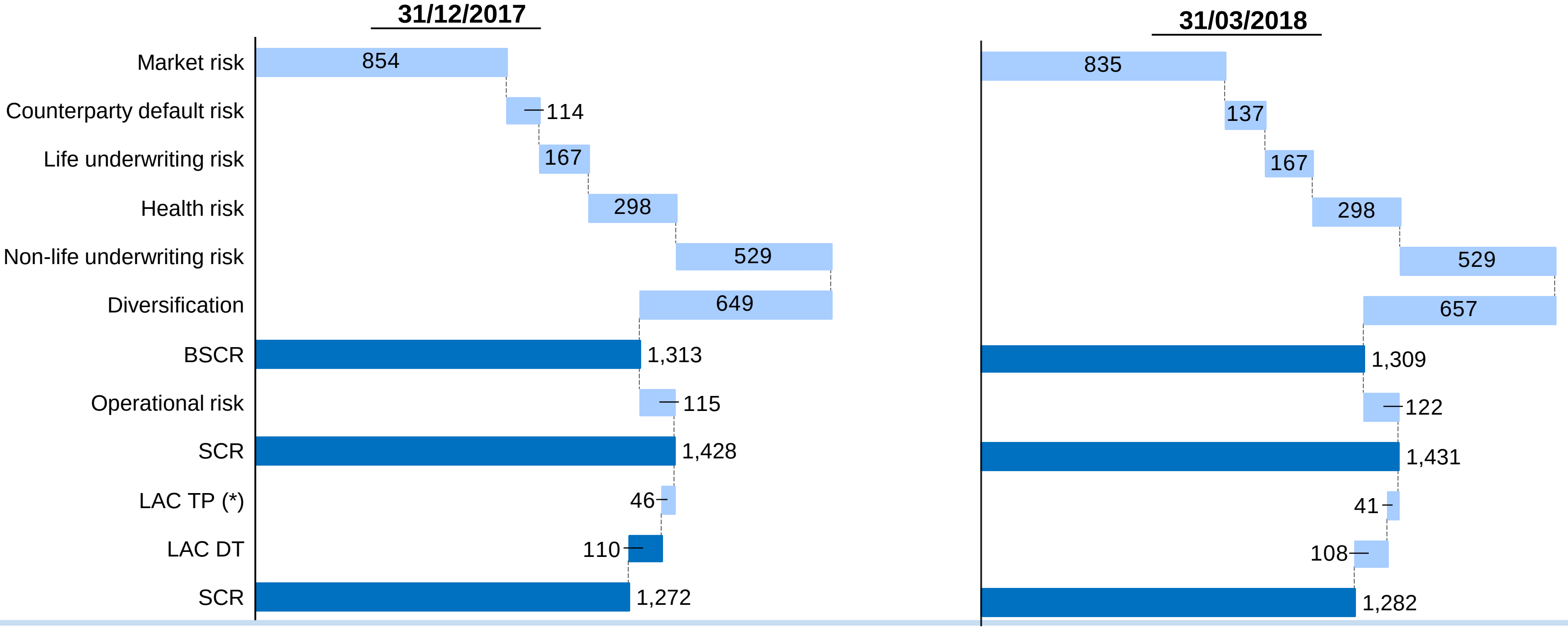
Decomposition of eligible own funds (after dividend)





- **Very high quality capital structure :** unrestricted Tier 1 SCR coverage > 100% as of Q1 2018
- Tier 1 restricted corresponds to the portion of the perpetual loan issued in 2005 not having participated in the exchange operation of November 2015.
- Tier 2 comprises, on the one hand, the subordinated loan of €75M issued in 2008 and, on the other hand, the subordinated loan of € 402.7M in nominal value issued in July and November 2015 and maturing in January 2026
- Restricted Tier 1 and a part of Tier 2 capital (€75M in book value) grandfathered under Solvency II
- Tier 3 comprises deferred tax assets
- All available own funds are eligible for SCR coverage

Decomposition of SCR (after dividend)

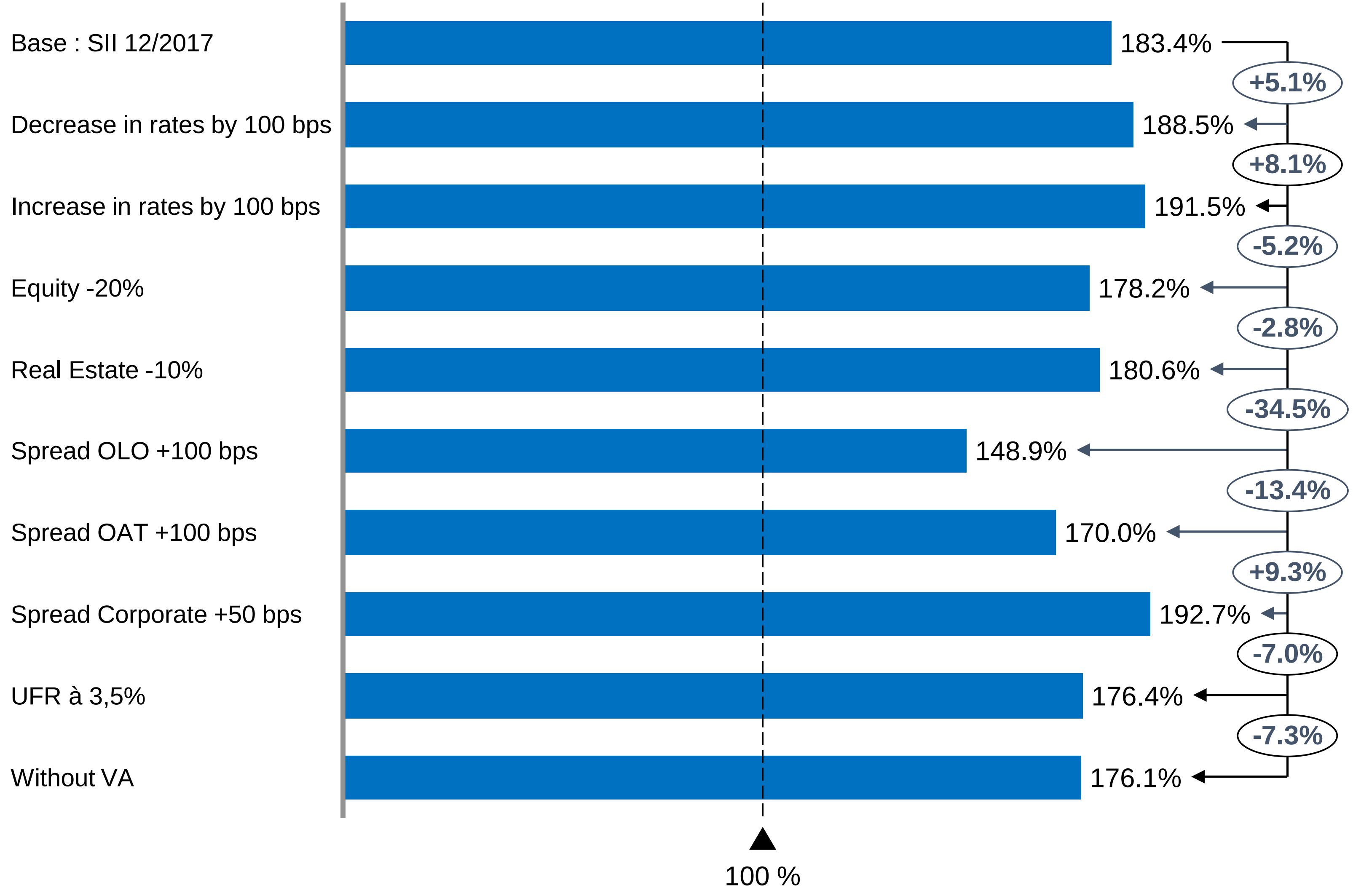


- Decrease in market risk mainly related to the decrease in SCR equity
- Increase in counterparty default risk mainly related to the increase in policyholder debtors due to seasonality
- The impact of diversification is higher due to the increase in the Counterparty default risk which is more diversified that the Market risk

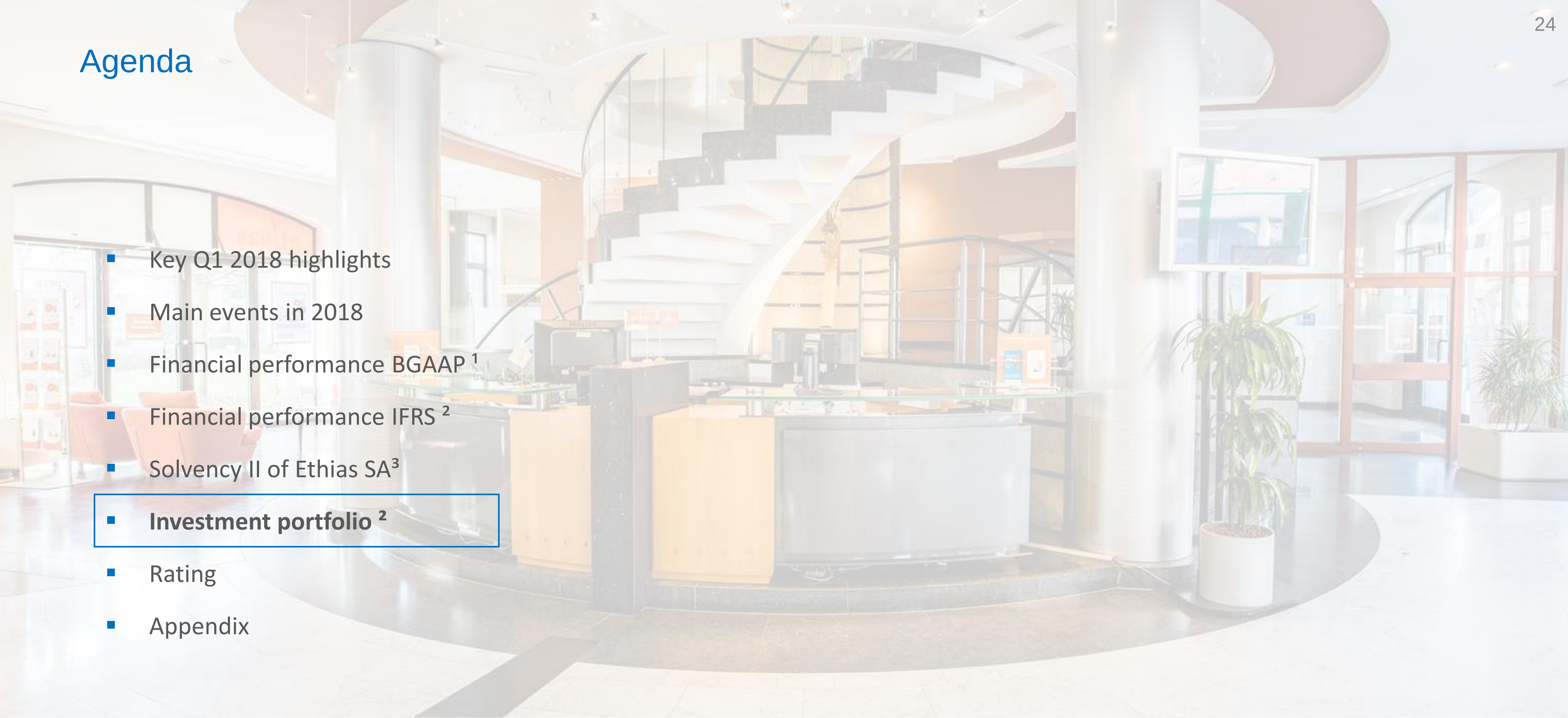
* The effect of LAC TP has been isolated (included in the market risk in the prior presentations)

SOLVENCY II – STRESS TESTS AT END OF DECEMBER 2017

Impact of sensitivity analyses on the Solvency II margin at end of December 2017



- All the results remain above the tolerance limit (160%), with one exception : the OLO + 100bp stress test (148,9%), due to the concentration in the Belgian govies
- A reduction of the OLO spread sensitivity is underway
- The sensitivities have decreased compared to end 2016, taking into account the same perimeter. With the LAC DT, some sensitivities increase compared to December 2016



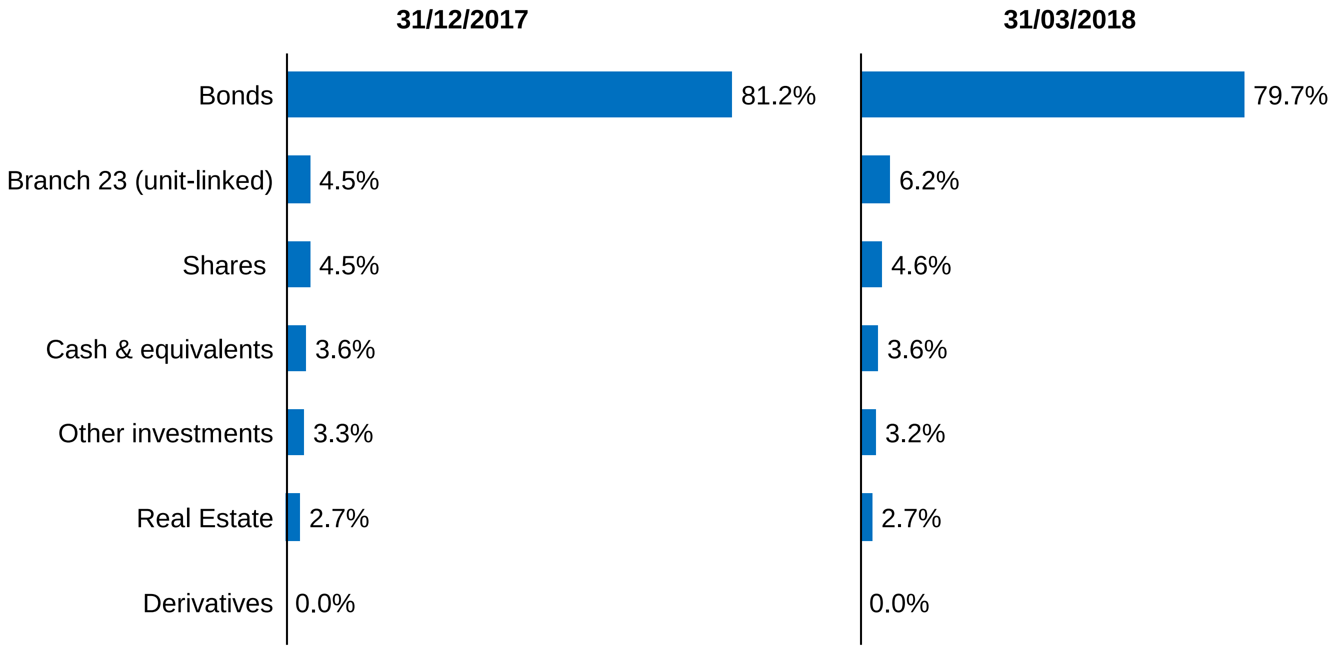
Agenda

- Key Q1 2018 highlights
- Main events in 2018
- Financial performance BGAAP [1]
- Financial performance IFRS [2]
- Solvency II of Ethias SA[3]
- **Investment portfolio [2]**
- Rating
- Appendix

[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

TOTAL INVESTMENT PORTFOLIO AS OF 31 MARCH 2018

Total investment portfolio by asset class

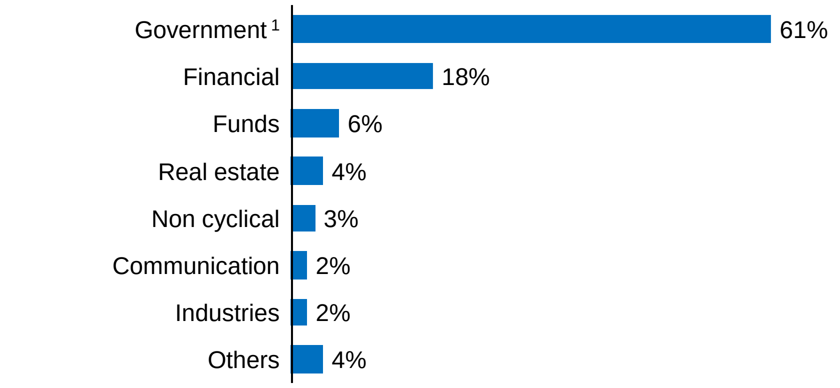


Asset class (€M) – March 2018	IFRS value
Bonds	14,272
a/w Government bonds	*8,637*
Branch 23 (unit-linked)	1,112
Shares (incl. funds & participations)	823
Cash & cash equivalents	642
Other investments	577
Real Estate	475
Derivatives	7
Total	**17,908**

Note: Figures under IFRS ; Total might not add up to 100% as a result of rounding errors

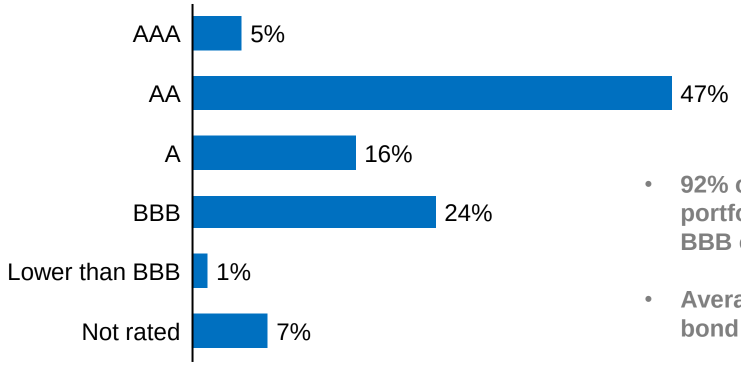
TOTAL INVESTMENT PORTFOLIO AS OF 31 MARCH 2018

Bond portfolio by sector



Total Q1 2018 IFRS value = €14,272M

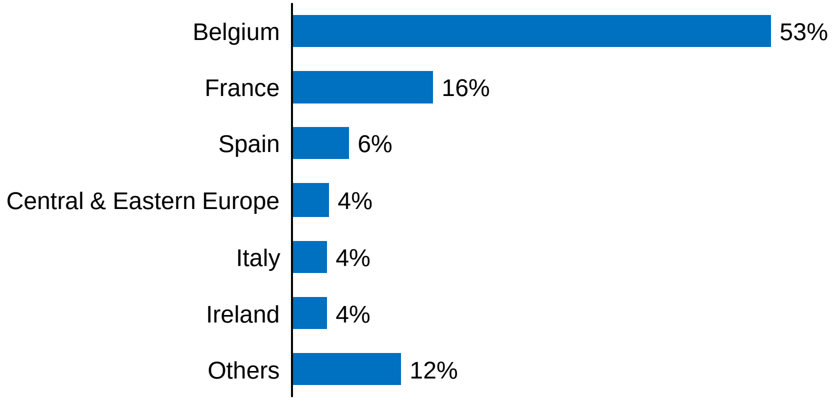
Bond portfolio by rating



- **92% of total bond portfolio is rated BBB or higher**
- **Average rating of bond portfolio: A-**

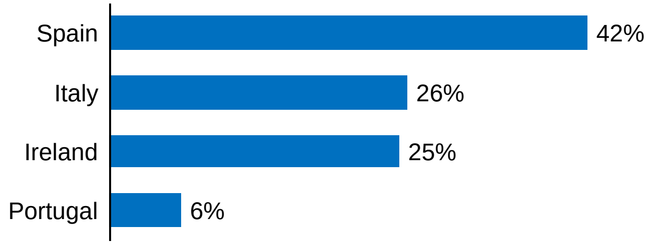
Total Q1 2018 IFRS value = €14,272M

Government bond portfolio by country



Total Q1 2018 IFRS value = €8,637M

PIIGS exposure

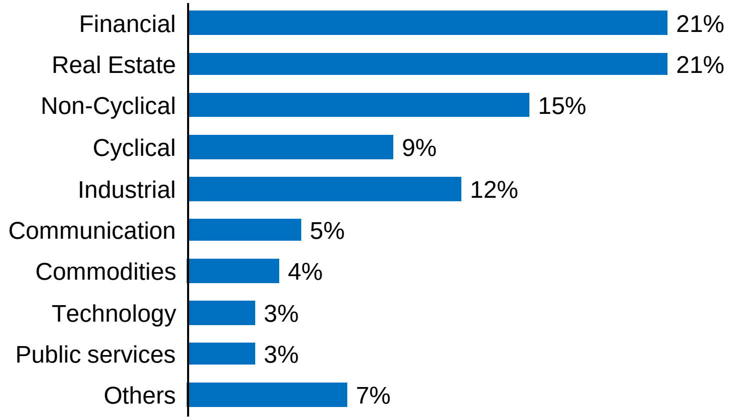


Total Q1 2018 IFRS value = €1,337M

Note: Figures under IFRS ; Total might not add up to 100% as a result of rounding errors
[1] Including bonds issued by Public Sector and guaranteed by the Belgian State

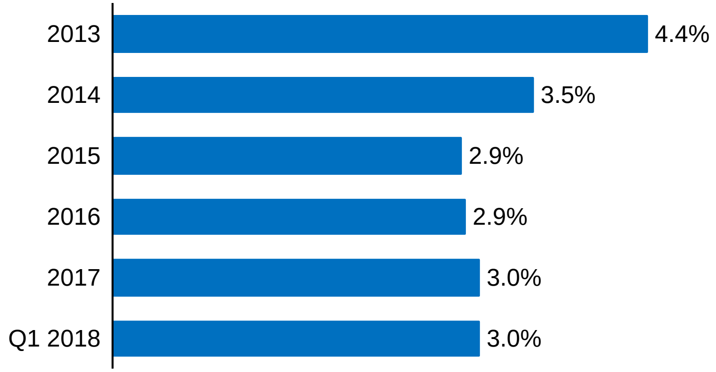
SHARES (INCL. FUNDS) AND REAL ESTATE PORTFOLIO AS OF 31 MARCH 2018

Shares (incl. funds & participations) by sector

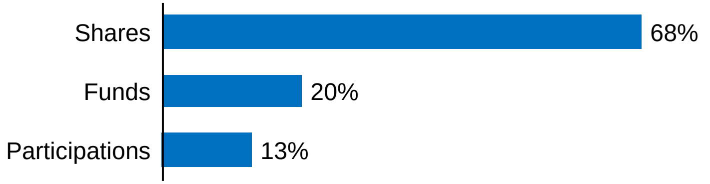


Total Q1 2018 IFRS value = €823M

Evolution of shares (in % of total investment portfolio – without funds & participations)

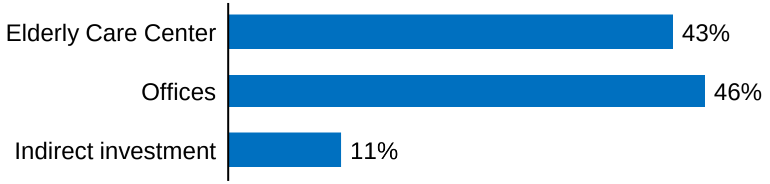


Shares (incl. funds & participations) by asset class



Total Q1 2018 IFRS value = €823M

Direct real estate by nature



Total Q1 2018 IFRS value = €475M

Note: Figures under IFRS ; Total might not add up to 100% as a result of rounding errors

Agenda

[1] *Figures are based on non-audited statutory accounts*
[2] *Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)*
[3] *Figures are non-audited and are based on Ethias SA solo*

Rating overview

FitchRatings

Insurer Financial Strength	**BBB+**	Positive outlook
Long-Term Issuer Default Rating	**BBB**	Positive outlook
Subordinated Debt Rating	**BB+**	
Last review	12 June 2018	

"The revision of Ethias's Outlook to Positive reflects Fitch's view that the likely full repayment of Vitrufin debt and the full disposal of the insurer's capital-intensive individual life portfolio will lead to a strengthening in Ethias's capitalisation, profitability and financial flexibility"

Fitch June 12th, 2018

Selected extracts from Fitch last long report (07/2017):

"***Strong Non-Life Performance***: Fitch considers Ethias' non-life financial performance strong. The operational non-life IFRS result for Ethias was EUR235 million (2015: EUR236 million). The net combined ratio (calculated in accordance with IFRS) for the group deteriorated slightly to 89.4% in 2016 (2015: 86.1%) but it remains strong compared with peers. Tight control of operating costs remains a key aspect for the group and the combined ratio also benefits from Ethias' direct distribution model."

"***Improving Regulatory Capital***: Fitch considers Ethias group's regulatory capitalization strong. In 2016, Ethias group regulatory Solvency II was 146%, excluding transitional arrangements (132% at end-2015). It improved to 157% in 1Q17 following data enhancements. The target Solvency II ratio for Ethias is 150%."

"***Strong Prism Score***: Ethias' score based on year-end 2016 results in Prism FBM is "Strong", after deduction of the Vitrufin debt. The Prism score has improved since 2014, when it was "Somewhat Weak". The further reduction of the amount of First A reserves (following the Switch V and Switch VI operations in 2016) and the reversal of provisions following an increase in interest rates were beneficial for the Prism FBM score. "

"***Exposed to Interest-Rate Risk***: Ethias is exposed to interest-rate risk as life technical liabilities are subject to relatively high minimum guaranteed returns. However, Fitch considers this risk to be reducing as liabilities reduce. Therefore, the agency place limited reliance on the duration gap between assets and liabilities, despite the potential for it to increase with change in business mix."

"***Solid Business Position, Concentration in Belgium***: Ethias has a solid business in the Belgian insurance market. It is the third-largest insurer by gross written premiums (GWP) in 2016, with a 9% market share for all activities combined and 7% in life and 11% in non-life. The company has strong historical links with Belgian local public organisations, with a market share of more than 80% in this sector, and Ethias is the strongest insurance brand in Belgium, with a high satisfaction rate and a loyal customer base. "

Agenda

- Key Q1 2018 highlights
- Main events in 2018
- Financial performance BGAAP [1]
- Financial performance IFRS [2]
- Solvency II of Ethias SA[3]
- Investment portfolio [2]
- Rating
- **Appendix**

[1] Figures are based on non-audited statutory accounts
[2] Figures are based on IFRS non-audited consolidated financial statements of the Ethias group (defined as Ethias SA and its subsidiaries)
[3] Figures are non-audited and are based on Ethias SA solo

Consolidated balance sheet (IFRS)

	2013	2014	2015	2016	2017	Q1 2018
Assets						
Goodwill	29	30	45	45	60	60
Other intangible assets	13	14	46	94	113	117
Properties and other fixed assets	133	132	136	140	145	142
Investments in associates	25	21	0	1	1	1
Investments properties	357	391	433	495	488	475
Financial investments	16.773	17.310	15.912	15.948	16.696	16.792
Reinsurers' share of insurance liabilities	141	114	134	122	132	166
Deferred tax assets	126	279	170	74	0	0
Receivables arising from insurance operations or accepted reinsurance	1.226	1.269	1.291	1.344	212	372
Receivables arising from ceded reinsurance operations	65	62	57	64	91	81
Other receivables	634	210	278	179	153	105
Other assets	286	281	258	242	24	34
Cash and cash equivalents	1.567	1.893	1.087	751	640	642
Available-for-sale assets including assets from discontinued operations	4	1	0	0	0	0
Total assets	**21.380**	**22.007**	**19.847**	**19.499**	**18.755**	**18.987**
Liabilities						
Share capital	*1.000*	*1.000*	*1.000*	*1.000*	*1.000*	*1.000*
Reserves and retained earnings	*249*	*574*	*-31*	*557*	*936*	*944*
Net profit (loss) of the period	*325*	*-604*	*633*	*424*	*158*	*22*
Other items of comprehensive income	*170*	*177*	*233*	*276*	*381*	*391*
Equity of the Group	**1.744**	**1.146**	**1.835**	**2.257**	**2.475**	**2.357**
Non-controlling interests	42	52	34	48	46	44
Total equity	**1.786**	**1.198**	**1.869**	**2.305**	**2.521**	**2.401**
Insurance contract liabilities	*8.136*	*8.530*	*8.607*	*8.541*	*8.612*	*8.684*
Investment contract liabilities with discretionary participation features	*9.470*	*10.279*	*7.351*	*6.197*	*4.946*	*4.967*
Investment contract liabilities without discretionary participation featu	*0*	*4*	*4*	*4*	*4*	*4*
Liabilities belonging to unit-linked insurance contracts	*477*	*416*	*359*	*408*	*811*	*1112*
Profit sharing liabilities	*13*	*21*	*38*	*24*	*34*	*1*
Insurance and investment contract liabilities	**18.096**	**19.250**	**16.359**	**15.174**	**14.407**	**14.768**
Subordinated debts	322	322	454	454	479	466
Other financial debts	42	46	56	387	403	225
Employee benefits	537	603	502	535	286	277
Provisions	149	119	63	30	150	159
Derivative financial instruments	0	0	20	8	5	4
Tax payables	35	39	49	52	30	68
Deferred tax liabilities	4	4	0	21	34	40
Liabilities from operating activities	186	208	216	227	232	230
Other liabilities	218	214	259	306	208	349
Liabilities related to assets available for sale and discontinued operatior	5	2	0	0	0	0
Total other liabilities	**19.594**	**20.809**	**17.978**	**17.194**	**16.234**	**16.586**
Total liabilities	**21.380**	**22.007**	**19.847**	**19.499**	**18.755**	**18.987**

Consolidated income statement (IFRS)

(in €M)	2013	2014	2015	2016	2017	Q1 2017	Q1 2018
Gross premiums	2.692	2.376	2.444	2.406	2.440	970	987
Premiums ceded to reinsurers	-72	-41	-38	-37	-31	-32	-34
Change in the provision for unearned premiums and outstanding risks[1]	-12	-15	-7	-17	-2	-283	-277
Other income from insurance activities	3	4	5	5	5	2	1
Revenues from insurance activities[1]	**2.611**	**2.324**	**2.404**	**2.357**	**2.412**	**657**	**677**
Revenues from other activities	163	173	199	384	259	61	64
Revenues	**2.775**	**2.497**	**2.603**	**2.741**	**2.671**	**718**	**741**
Investment income	658	621	624	646	479	116	104
Net realized gains or losses on investments	33	120	34	62	85	2	42
Change in fair value of investment through profit or loss[2]	82	22	26	-2	44	21	-25
Net financial income	**773**	**764**	**684**	**706**	**608**	**139**	**121**
Net revenues	**3.548**	**3.261**	**3.287**	**3.447**	**3.279**	**857**	**862**
Benefits and claims	2.633	3.185	2.137	2.326	2.274	626	668
Net expenses or revenues ceded to reinsurers	-26	-15	-48	-15	-7	4	-10
Management costs[3]	281	285	258	274	287	78	87
Technical expenses for insurance activities	**2.887**	**3.455**	**2.347**	**2.585**	**2.554**	**708**	**745**
Expenses for other activities	175	542	201	306	425	64	74
Operating expenses	**3.062**	**3.997**	**2.548**	**2.891**	**2.979**	**772**	**819**
Change in depreciation and amortization on investments (net)	25	23	41	-10	10	4	4
Other investment financial expenses	83	-11	-45	14	15	4	3
Finance costs	18	18	20	30	30	7	8
Financial expenses	**126**	30	**16**	**34**	**55**	**15**	**15**
Net expenses	**3.188**	**4.027**	**2.563**	**2.925**	**3.034**	**787**	**834**
Goodwill impairment							
Net profit (loss) before tax	**360**	**-766**	**724**	**522**	**245**	**70**	**28**
Income taxes	-30	167	-87	-98	-84	0	-3
Net profit (loss) after tax	**330**	**-599**	**637**	**424**	**161**	**70**	**25**
Investment in associates through profit or loss	0	1	0	0	0	0	0
Net profit (loss) before tax of available-for-sale companies and of discontinued operat	0	0	1	0	0	0	0
Net consolidated profit (los) attributable to :	**330**	**-598**	**638**	**424**	**161**	**70**	**25**
Owners of the parent	325	-604	633	424	158	70	22
Non-controlling interests	5	6	5	0	3	0	3

[1] Net of reinsurance; [2] Includes change in fair value at of the fair value of investments of which the financial risk is supported by the insured; [3] Includes contract acquisition costs, administration costs, internal claim handling costs and other technical expenses

ethias

Disclaimer

These assessments are, as always, subject to the disclaimer provided below.

Certain of the statements contained herein are statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Future actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, (ii) performance of financial markets, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates, (viii) increasing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the Economic and Monetary Union, (x) changes in the policies of central banks and/or foreign governments and (xi) general competitive factors,

No duty to update
The company assumes no obligation to update any information or forward-looking statement contained herein, save for any information required to be disclosed by law

Investor Relations

Website : www.ethias.be/investors

ethias