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Delivering on promises, a.s.r. reports successful 2016

Jos Baeten (CEO)
Chris Figee (CFO)

2016 full year results
22 February 2017

Delivering on promises – strong financial performance

Financial results driven by strong operating performance

- Operating result reflecting continuous strong underwriting skills including the contribution from the acquired businesses
- Operating ROE well above medium-term target
- Attractive combination of high ROE, robust Solvency and low financial and double leverage

Strong capital position strengthened by capital accretion and favorable impact from financial markets

- Organic capital creation strong
- Solid solvency ratio at operating units above thresholds, enabling cash remittance to holding on target cash position at holding accomplished

Underwriting skills and discipline drive market leading combined ratios

- Excluding the hail and water damage claims, the combined ratio was 94.5%

Operating result

€ 599m

+11.5%

(2015:€ 537m)

Solvency II (SF)

189%*

+9%-pts

(post dividend; day-one 180%)

Dividend

€ 187m

+10.0%

(2015:€ 170m)

Operating expenses

€ 569m

-1.0%

(2015:€ 575m)

Capital accretion

€475m

14% on SCR

(post dividend:€ 288m)

Operating ROE

14.1%

up to **12%** target

(2015: 14.4%)

Net result

€ 659m

+6.3%

(2015:€ 620m)

Organic capital creation

€ 301m**

9% on SCR

(2015: ~ € 265m)

Combined ratio

95.6%

Target < **97%**

(2015: 95.0%)

* After proposed dividend and excluding a.s.r. Bank

** As per initial definition; update/refinement in Solvency chapter from page 16

Execution of strategy: optimizing our business portfolio

Portfolio matrix

Current profit contribution: **High** / **Low**

Long term growth prospects: **High** / **Low**

A **Stable cash flows and value generating businesses, with relatively strong growth potential**

- Disability and P&C premium growth of 6.1%, driven by organic growth at profitable CoR
- Doorgaan-proposition: cross-selling disability and health continues to gain traction; Increased retention levels of profitable disability product in 2016
- Integration of AXENT successfully completed, ahead of schedule; NIVO integration initiated

C **Business enhancement opportunities**

- Acquisition BNG Asset Management completed, adding 3rd party AM skills and € 5bn AuM
- First 3rd party asset management mandates have been won
- Launch of Dutch Mobility Office Fund (“Kantoren fonds”)
- Growth in DC accelerates; AuM DC/WnP tripled; sales DC/WnP doubled
- Acquisitions of SuperGarant and Corins completed
- General pension fund ‘Het nederlandse pensioenfonds’ obtained its license and signed its first customers

B **Robust and predictable back books**

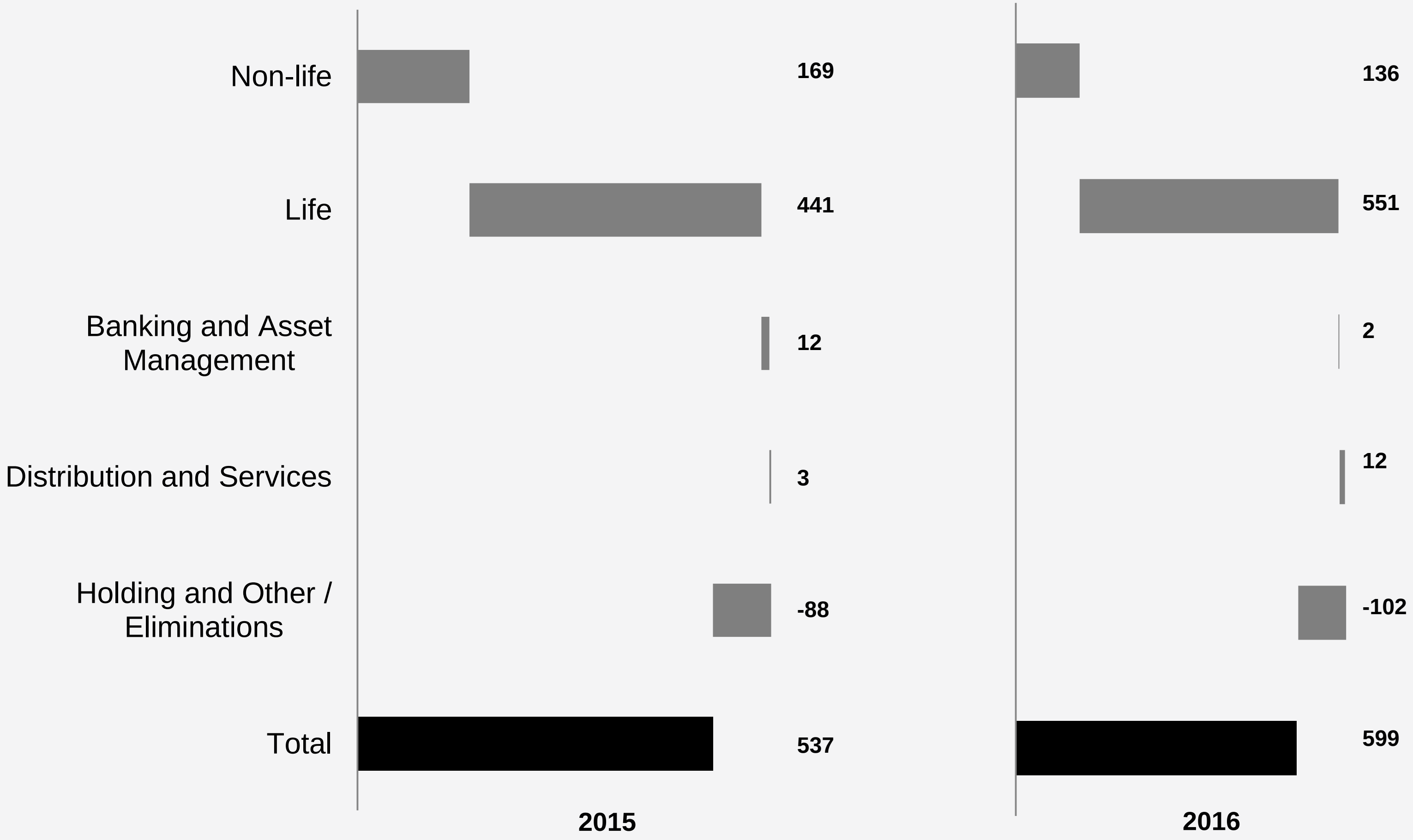
- Migration service books individual life on track
- Progress in variabilization of cost
- Large pension mandate AstraZeneca won (GWP €195m)

D **Divestments**

- SOS International divested
- Majority of real estate development projects sold

Strong increased operating result in the year …

Operating result (before tax) (€m)



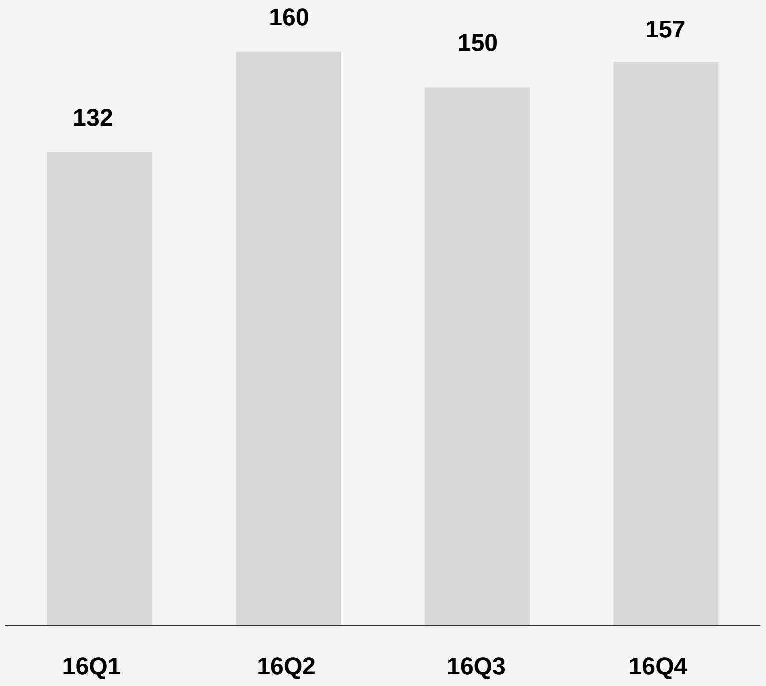
	2015	2016
Non-life	169	136
Life	441	551
Banking and Asset Management	12	2
Distribution and Services	3	12
Holding and Other / Eliminations	-88	-102
Total	537	599

Main drivers of operating result increase:

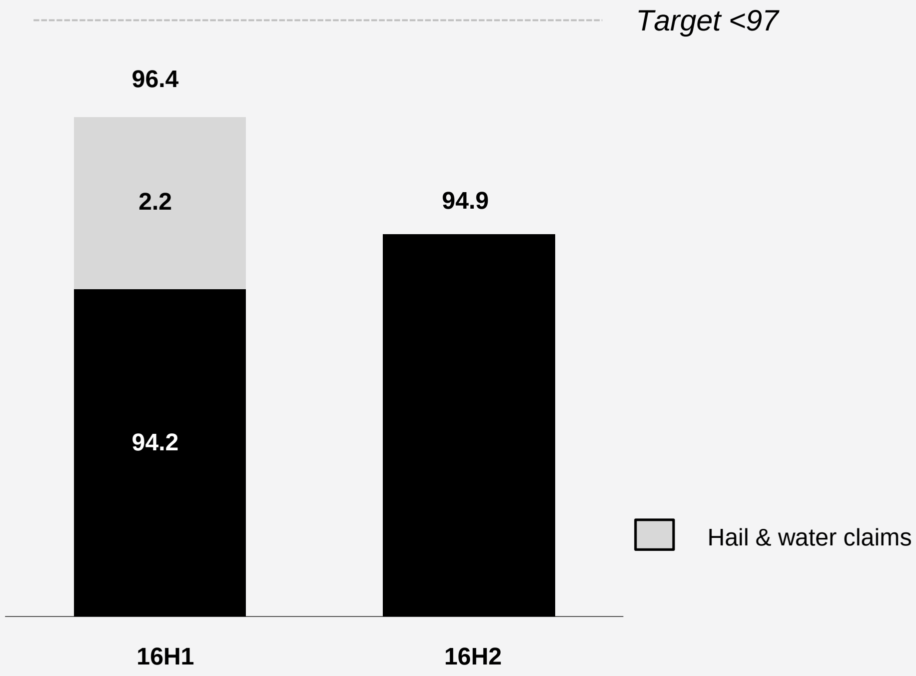
- Non-life segment (€ -33 million): operating result lower due to tailwind in 2015 of equalization Health. In 2016, headwind of hail and water damage as well as lower direct investment income. Combined ratio (95.6%) remains well within the target
- Life segment (€ +110 million): operating result improved due to last year’s acquisitions and higher investment related result
- Non-insurance segments (€ -15 million): despite positive effect of acquisitions, decline mainly due to interest expenses on hybrids

… and during the year

Quarterly operating results (€) stable at high level …

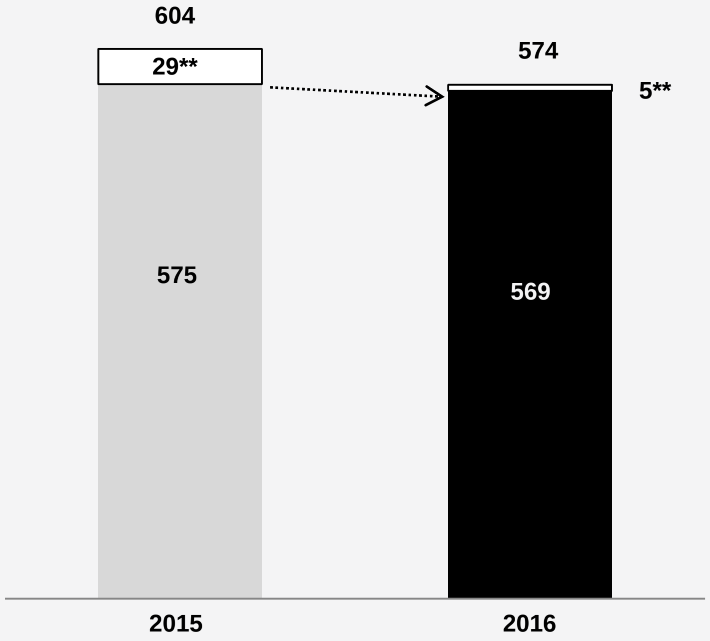


… underpinned by solid and profitable combined ratios (%)

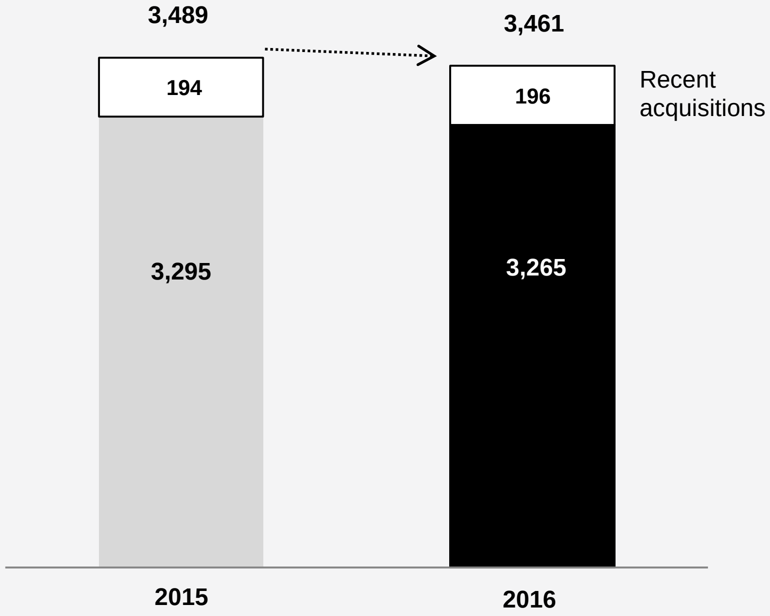


Continued containment of underlying cost base

Operating expenses (€m)*
(excluding the provision for restructuring expenses)



Number of internal employees (FTEs)*



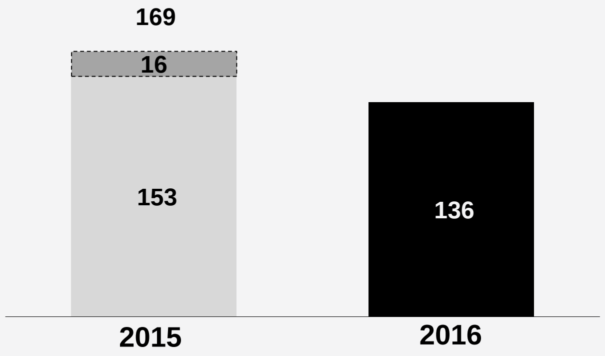
* Excluding SOS International and Real Estate Development (discontinued part), both sold in 2016
** For comparability reasons the full annual cost base of all 2015 and 2016 acquisitions is included. This recalculated cost base is the starting point for tracking cost savings

* Excluding SOS International and Real Estate Development (discontinued part), both sold in 2016
* The presented acquistions are the 4Q 2015 and 4Q 2016 internal FTEs

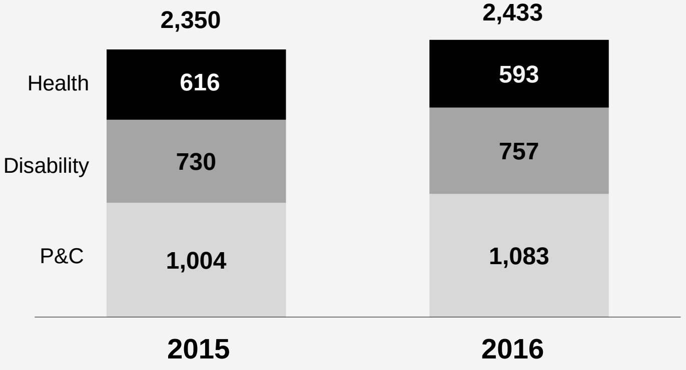
Non-life segment: combined ratio remains strong

Combined ratio below 100% for all Non-life product lines

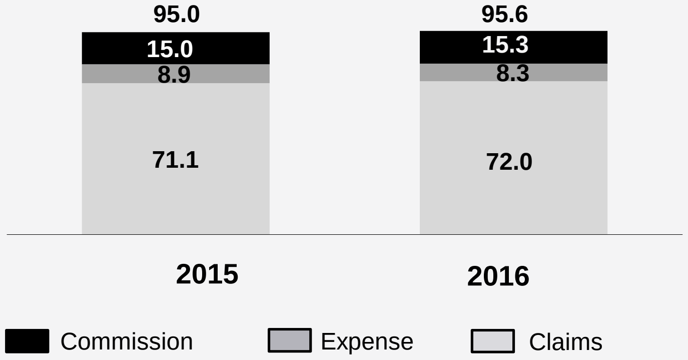
Operating result (€m)



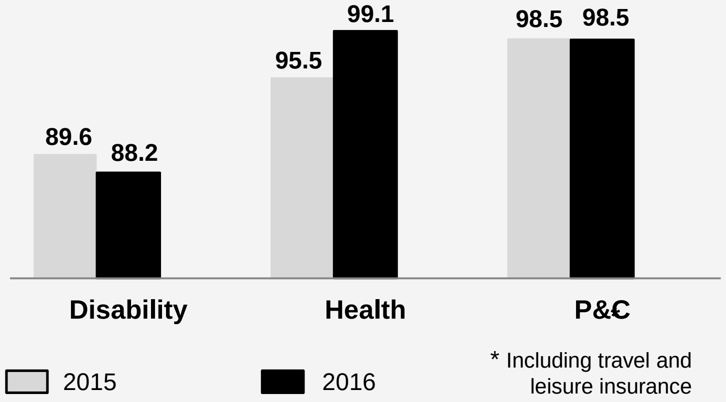
Gross written premiums (€m)



Combined ratio (%)



Combined ratio segment Non-life (%)

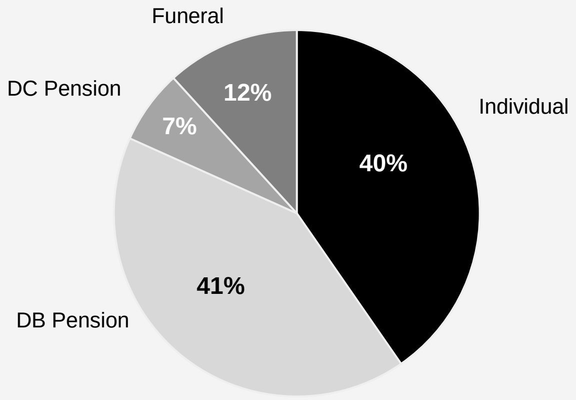


* Including travel and leisure insurance

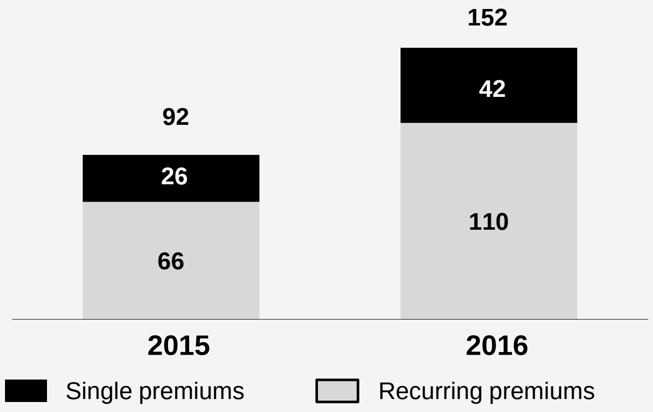
- Last year's operating result was supported by incidental tailwind from equalization in the Health business. Hail and water damage (P&C) had a negative impact in operating result in 2016 (€ -25 million)
- Despite the impact of the hail and water damage the combined ratio for the Non-life segment remains strong at 95.6% (2015: 95.0%)
- Combined ratio of the Non-life segment excluding hail and water damage is 94.5%
  P&C Combined Ratio excluding hail and water damage is 96.1%
- Gross written premiums increased by € 83 million, mainly as a result of growth in the P&C business (Vernieuwd Voordeelpakket) and Disability (Doorgaanverzekering)

Life segment: further performance improvement

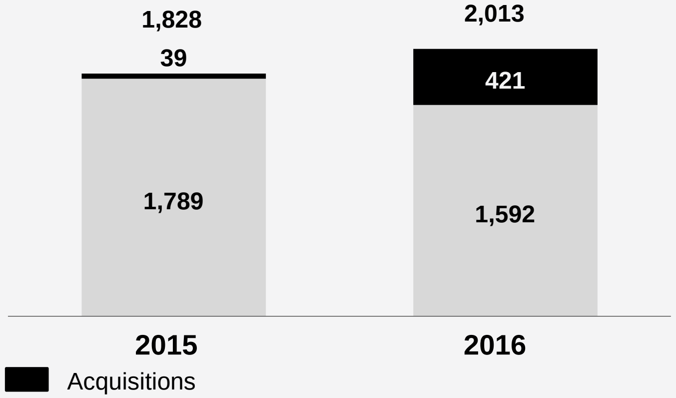
Life liabilities 2016 (€40 billion)



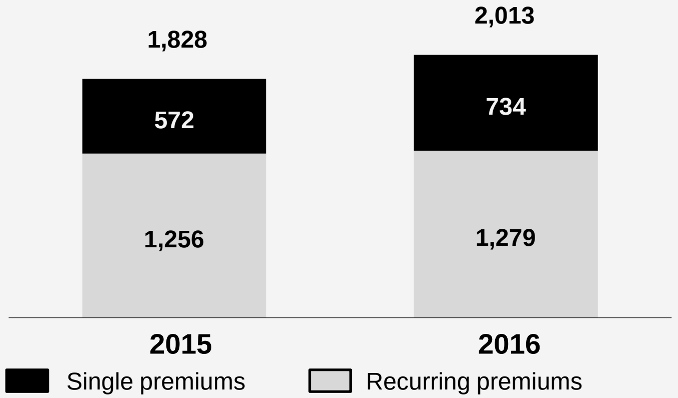
New production (€m APE)



Acquisitions contribution to GWP



Gross written premiums (€m)



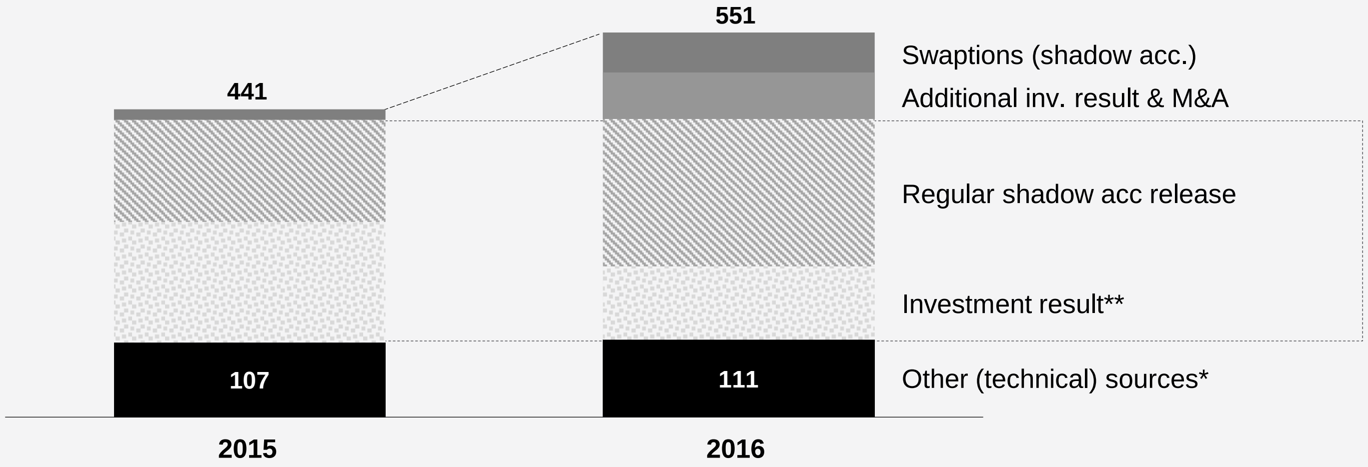
- Portfolio composed of € 40 billion insurance liabilities
- Growth new production (APE) mainly attributable to acquisition of funeral portfolio
- Increased GWP as a result of acquisitions within funeral and pensions and a large pension contract

Total impact of acquisitions in 2016

- Operating result: € 22 million
- New production: € 54 million
- Gross written premiums: € 382 million
- Operating costs: € -6 million

Life segment: strong results

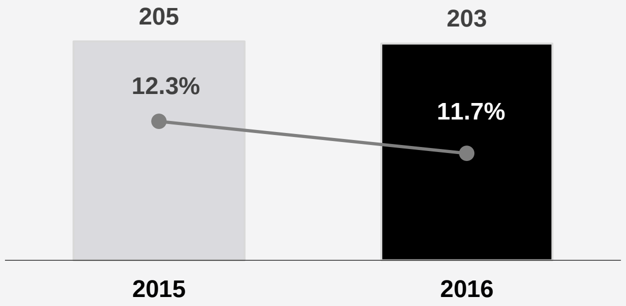
Operating result (€m) breakdown



* Consists of operating results on mortality, lapse, disability and expense margin ** Including required interest on liabilities

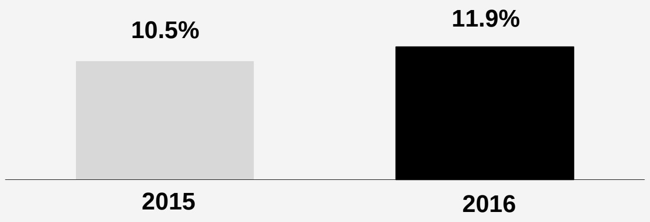
- Operating result increased due to acquisitions, stable result on investments and increased release from realized gains reserve (shadow accounting)
  - Other (technical) sources: acquisitions contributed to risk premiums (mortality) and cost results
  - Underlying investment result down due to sales and reinvestments at lower interest rates, compensated by higher (regular) shadow accounting release. Net result of both items together fairly stable
  - Additional investment result due to portfolio growth as result of acquisitions and management actions to enhance investment returns, stabilizing investment result
  - Higher contribution from realized gains reserve related to the previously sold swaptions portfolio

Operating costs (€m) & cost to premium ratio (APE)



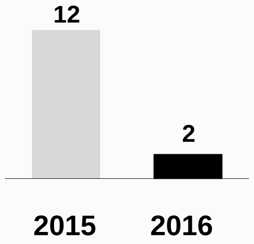
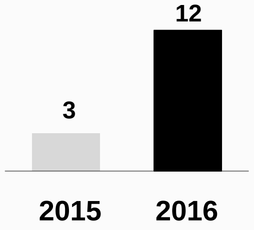
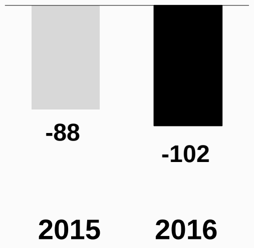
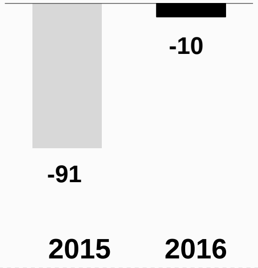
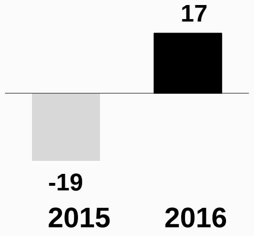
Bar: operating costs; Line: cost to premium ratio

Operating Return on Equity



- Operating costs improved € 2 million. Excluding acquisitions the operating costs decreased with 4% to € 190 million (2015: € 198 million)
- Able to absorb investments in systems migrations in individual life
- Operating Return on Equity increased to 11.9%, Life Insurance Margin improved to 3.7% (2015: 3.4%)

Non-insurance results

	Banking & Asset Management (€m)	Distribution and Services (€m)	Holding and Other / Eliminations (€m)	Real Estate Development (€m)
Continued operations				
Operating result				
Run-off				
Net result (IFRS)				
Discontinued operations				
Net result (IFRS)				

Medium-term targets delivered or even more

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All business lines achievements in line with or better than targets

Solvency II (SF)

189%*

> 160%
medium-term target

Operating return on equity

14.1%

Up to 12%
medium-term target

S&P rating (insurance business)

Single A

Single A
medium-term target

Combined ratio Non-life

95.6%

< 97%
medium-term target

Operating expenses

€ 569m

absorbing cost base of acquisitions;
well on track for medium-term target

Financial leverage

25.2%

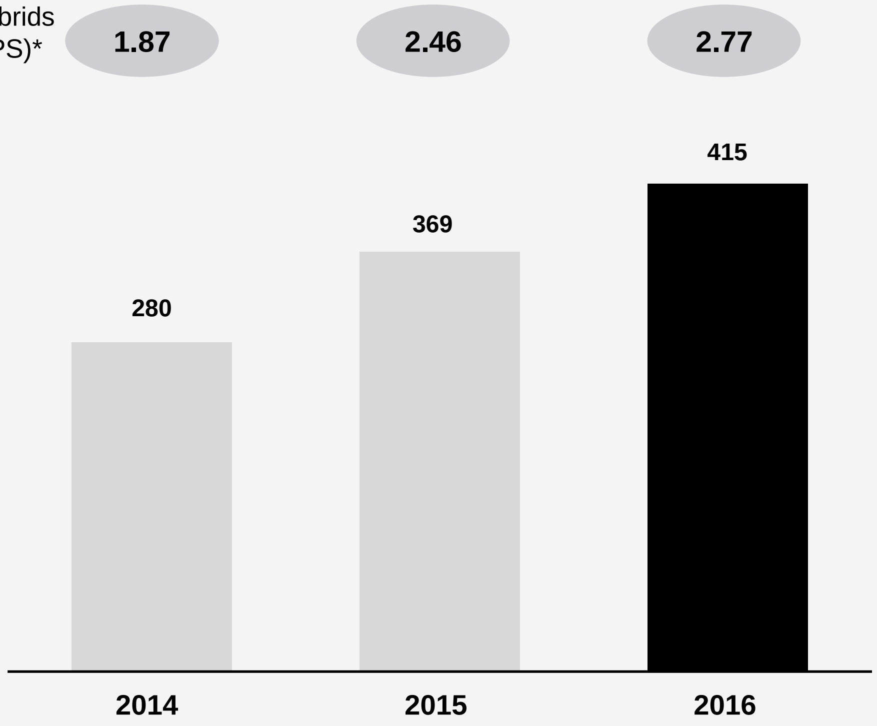
< 30%
medium-term target

* After proposed dividend and excluding a.s.r. Bank

Attractive returns to shareholders

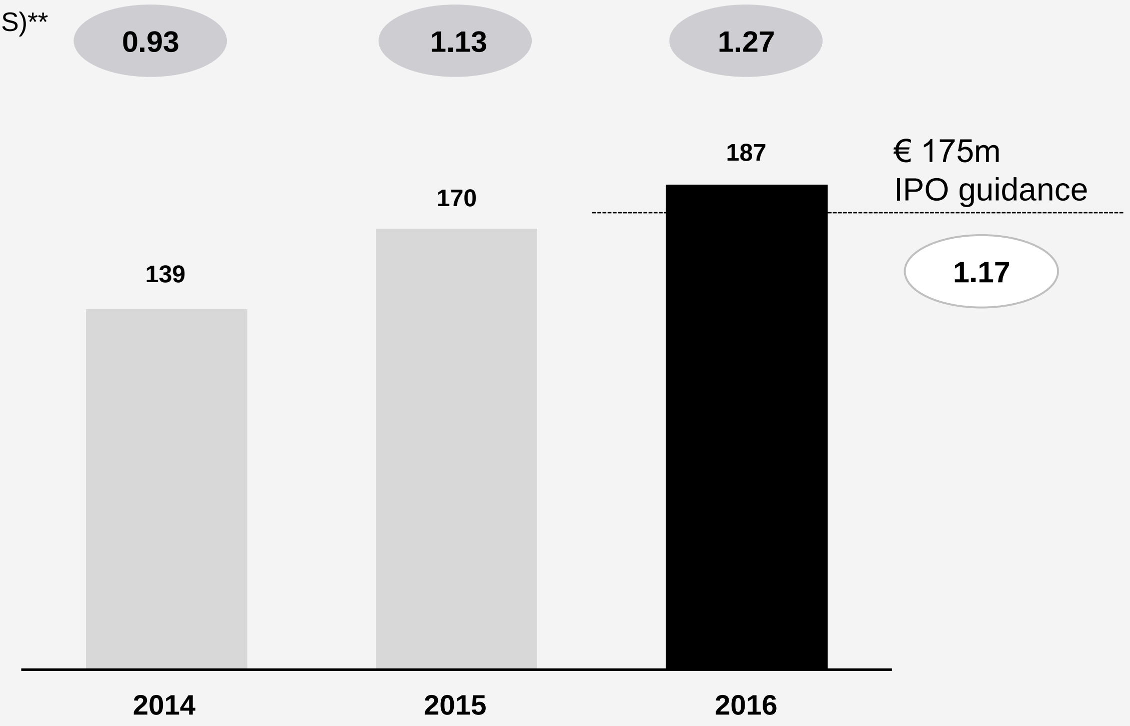
Increasing net operating results (ex hybrids) …

Operating result after tax & hybrids per share (EPS)*



… and growing dividend

Dividend per share (DPS)**



- Based on 150 million shares. 2014 & 2015 restated

** Restated for 2014 & 2015 to 150 million shares. The basis for 2016 is 147 million shares since a.s.r. participated in a sell-down for 3 million shares and these shares are not entitled to dividend

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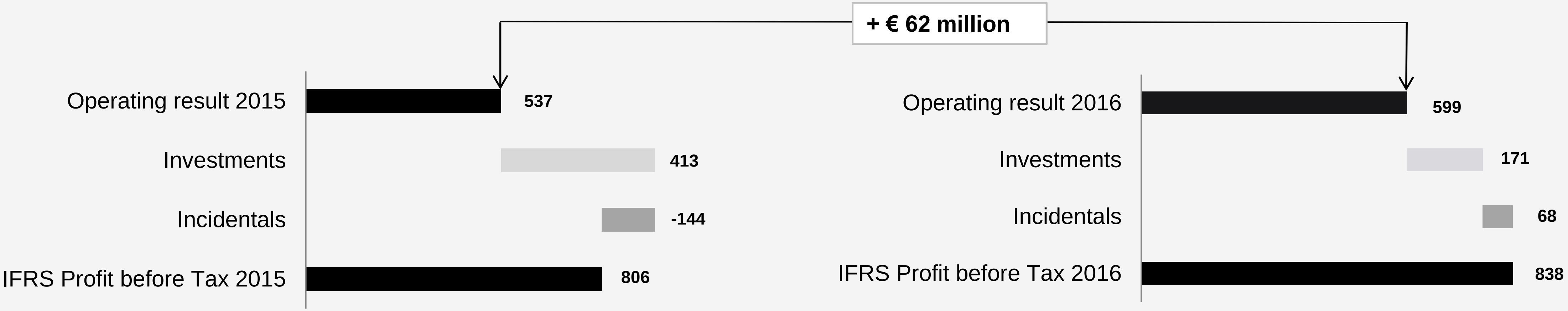
Financial update

Chris Figee (CFO)

Increase in operating result



Bridge IFRS Profit before tax to operating result

- Operating result is IFRS profit excluding realized capital gains on non-fixed income investments and excluding incidentals. All other profit elements are included
- Increase in operating result of 11.5% over 2015
- Decrease of investments is due to exceptionally high level of incidental realized capital gains on equities in 2015
- Incidentals: release of IAS 19 provision this year related to a.s.r.’s own pension scheme (€ +100 million) and significant loss provisions in 2015 related to the real estate development business, which is now in ‘run-off’ status

Well-diversified and solid investment portfolio

Assets (€ billion, fair value) *	2015	2016
Fixed income	24.5	26.0
Equities	2.7	2.2
Real estate	2.8	3.2
Mortgages / other loans	6.5	7.2
Other **	0.1	0.1
Total investments	**36.6**	**38.7**
Investments on behalf of policyholders	7.9	7.7
Other assets ***	8.8	10.5
Total balance sheet a.s.r.	**53.3**	**56.9**

This presentation is on an investment portfolio basis and distinguishes different investment categories from an asset management perspective. Therefore this presentation differs from the financial statement presentation based on IFRS

* Rounding differences appear

** 'Other' mainly represents equity associates

*** 'Other assets' mainly represents Loans and receivables (mainly due from credit institutions) and cash and cash equivalents

Key developments

- Shifted portfolio from equities to credits, mortgages and real estate to optimize return on solvency capital
- Exposure structured instruments decreased mainly due to decreased exposure in MBS
- Further increased mortgage exposure. High quality mortgage portfolio further improved credit performance with improved arrears positions and incurred foreclosure losses < 2 bps
- In Q4 the office portfolio of Basisfonds Stationslocaties C.V. (total of € 275 million; formerly owned by Dutch Railways) has been transferred in large part to the ASR Dutch Mobility Office Fund in anticipation of 3rd mandates. a.s.r. warehoused this portfolio over the year-end. The offices which did not meet the fund criteria were not transferred to the fund. € 59 million of these offices were sold in January 2017
- Reduced swap spread exposure in Solvency II regime by exchanging long dated core governments bonds to combination of short duration instruments and receiver swaps

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Solvency and capital

Key developments in cash and capital

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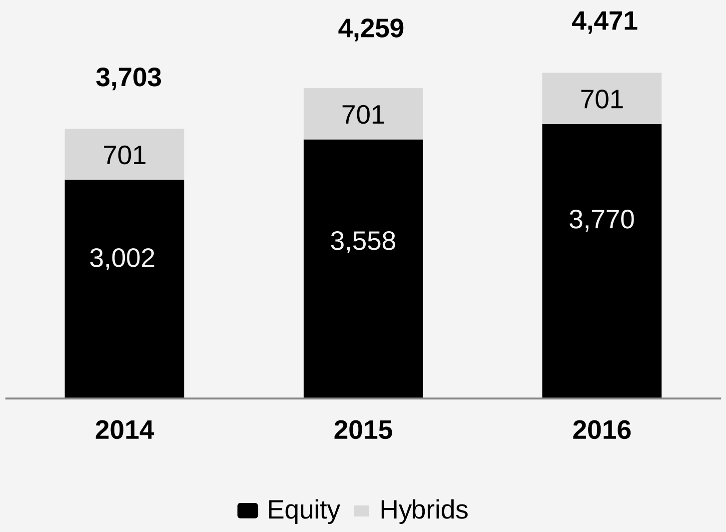
Solvency II (SF)	Capital accretion	Organic capital creation	Dividend
189%*	**€ 475m**	**€ 301m**	**€187m**
+ 9%-pts Day-one 180%	**14% on SCR** after dividend € 288m	**9%** on SCR	**+10%** 2015

- Strong solvency ratio development (+9%p. after dividend)
- Capital accretion of € 475 million (14% on SCR) before dividend and 9% after dividend of € 187 million
- Accretion driven by organic capital creation, cost savings and investment results in excess of LT spread assumptions. Cumulative impact of modeling changes negligible.
- Dividend 10% increase vs 2015 and above target mentioned in prospectus (€ 175 million). On per share basis, dividend exceeds IPO guidance by approximately 10%
- Organic capital creation on target (€ 301 million, representing 9% of ‘day-one’ solvency capital required); refinements and market consistent definition yields 2016 organic capital creation of € 348 million
- Total upstream from OTSOs is € 377 million in 2016
- Cash at holding is above target of € 350 million as per year-end 2016

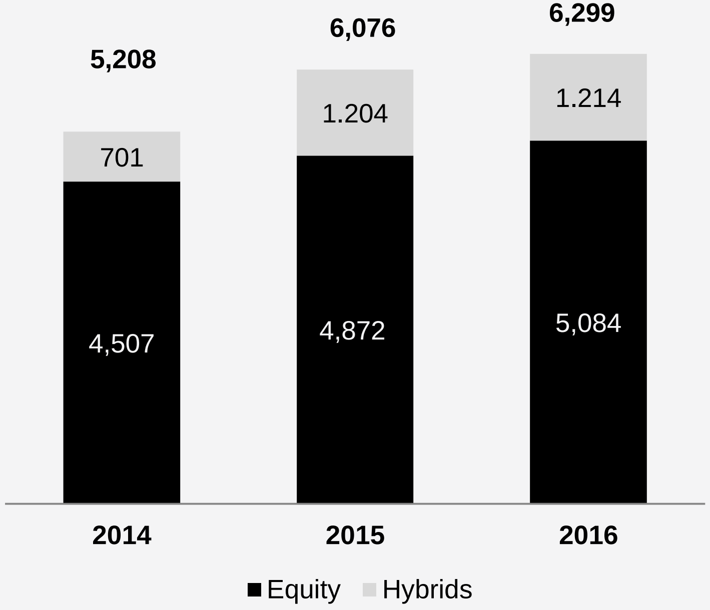
* After proposed dividend and excluding a.s.r. Bank

Multi year equity and SCR movement

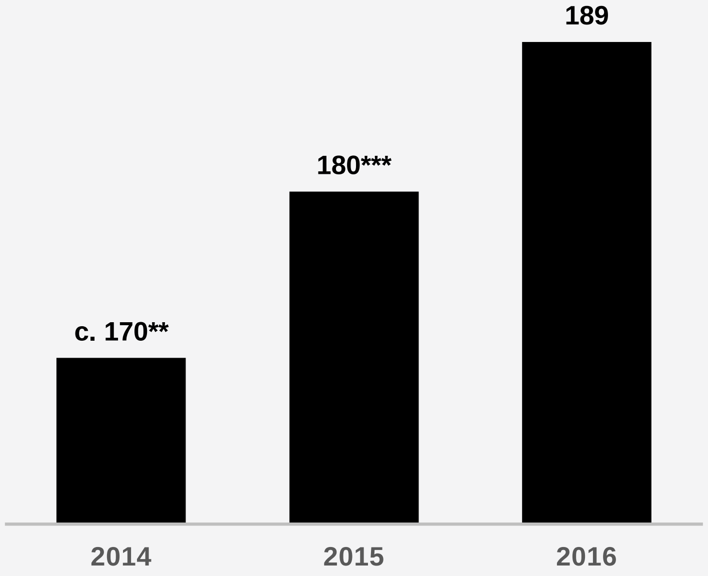
IFRS equity



SCR EOF*



SCR ratio*



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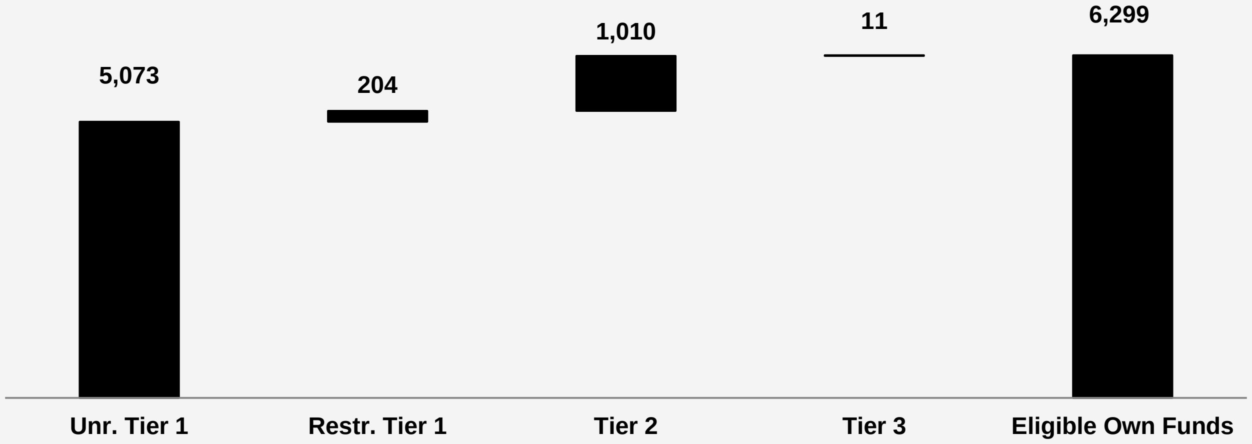
* After deduction of (proposed) dividend payments

** The manner in which Solvency II numbers are to be calculated underwent a number of changes during the development and finalization of Solvency II regulatory requirements. As the methodology used to calculate the Solvency II ratio changed during 2015, the Solvency II ratio for 2014 should not be directly compared to the Solvency II ratio for 2015

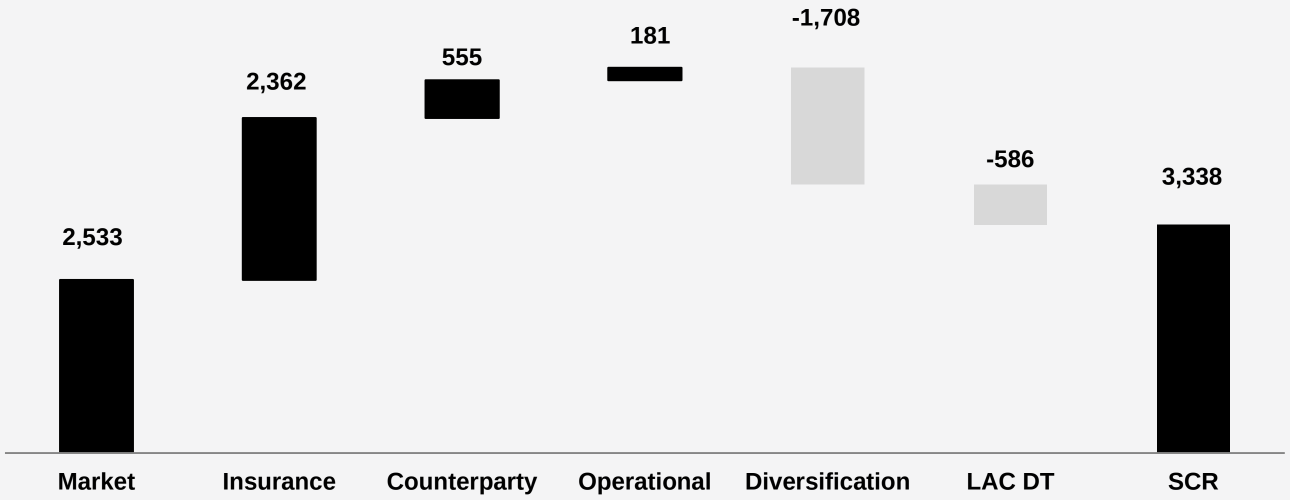
*** Day one reporting

Group solvency key figures FY 2016

Own funds



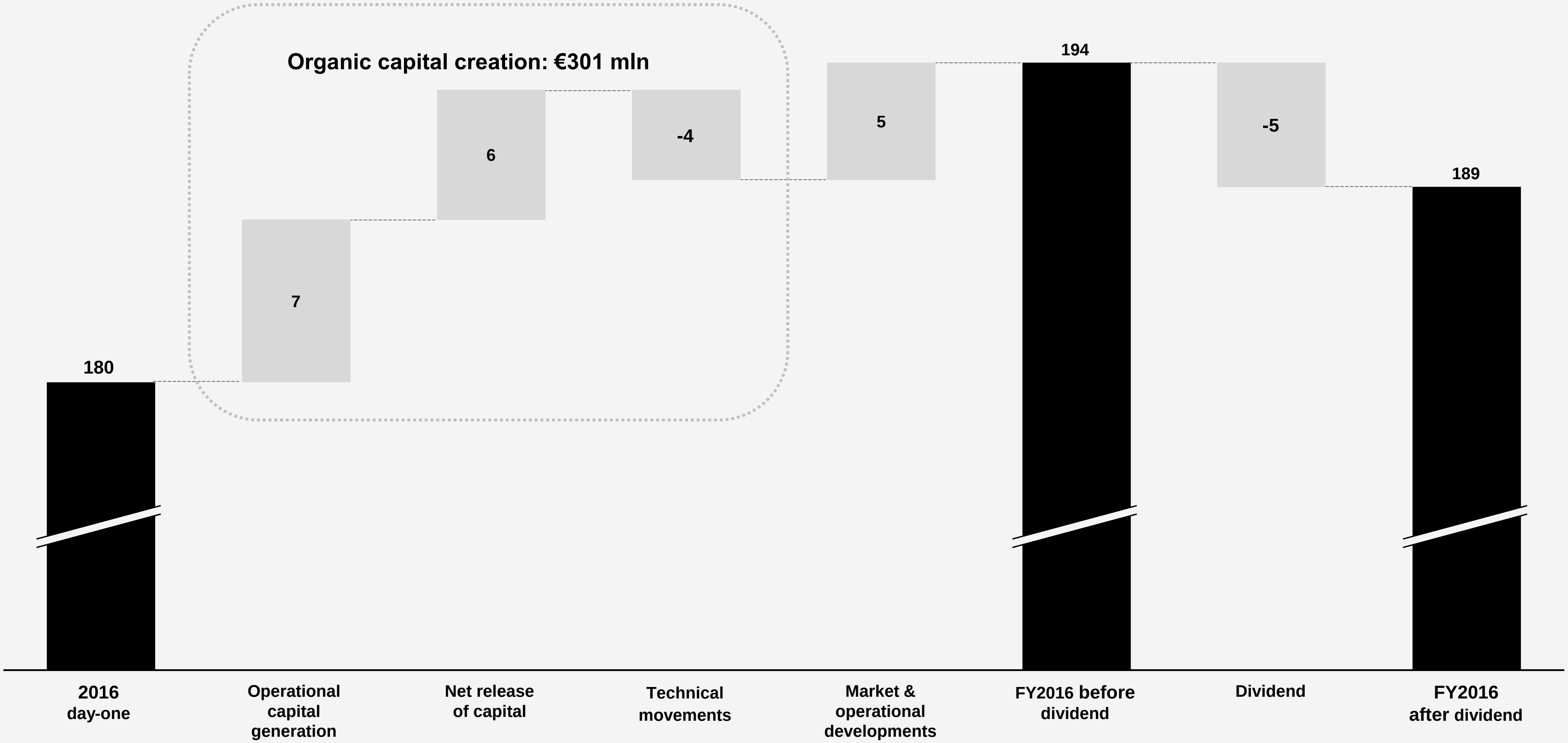
Required capital



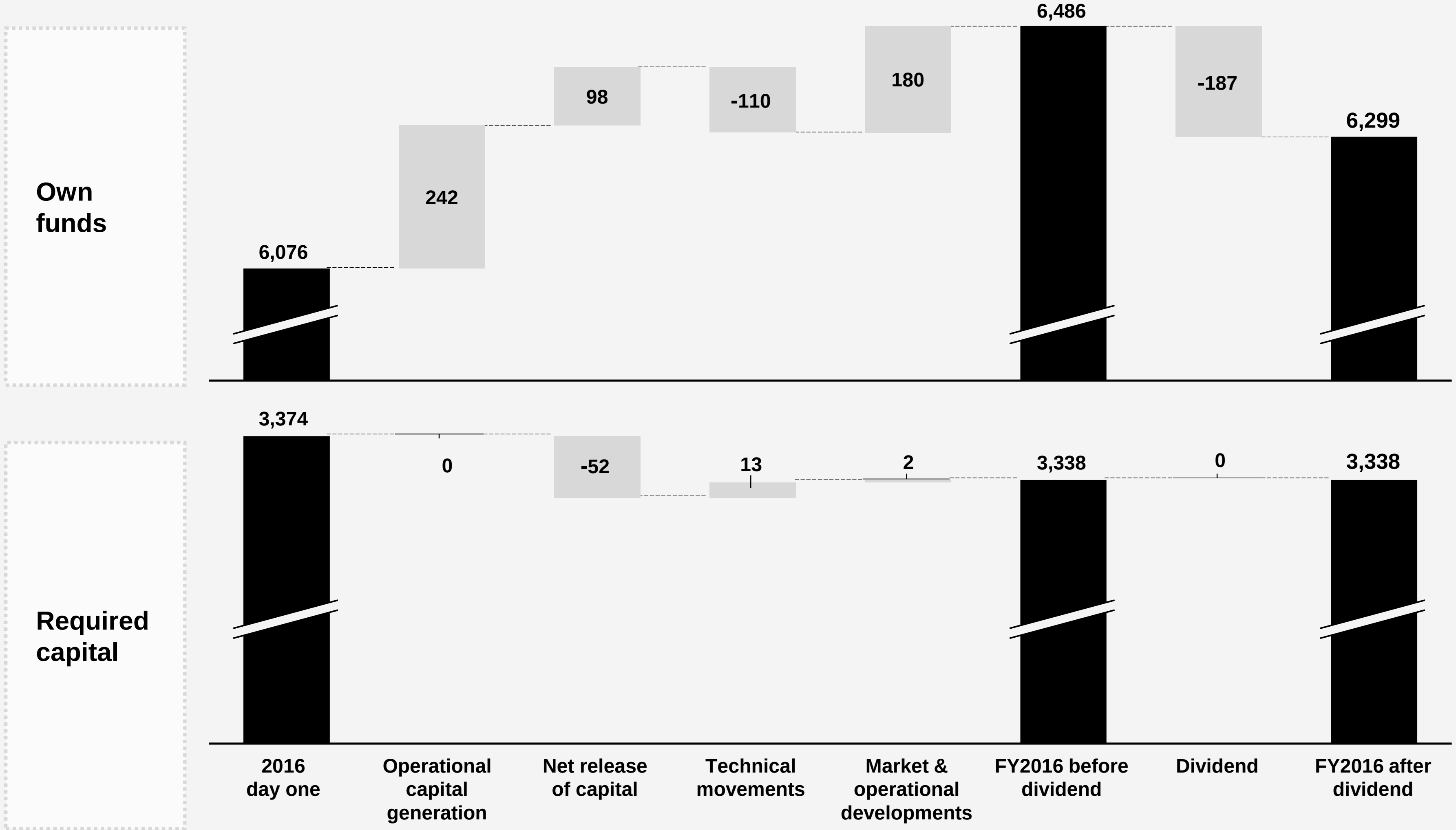
- Group* solvency ratio 189% based on standard formula
- Total Tier 1 capital: 84% of total own funds
- Total Tier 1 capital: 158% of SCR
- Significant further headroom available for additional restricted capital
  - T1: € 1,064 million
  - T2&T3 : € 648 million
- Own funds do contain Tier 3 capital per 2016Q4 of € 11 million; T3 headroom of € 490 million; no tiering risk at present
- Restricted Tier 1 capital are grandfathered hybrid capital instruments (first call date 2019)
- Market risk is under 50% of pre-diversification required capital

* *Excluding a.s.r. Bank*

Solvency ratio movement in 2016



Solvency II movements



- Operational capital generation largest contributor to own funds development and increase in SCR ratio
- Run off of life book increases Own Funds and reduced required capital
- Technical movements consist of UFR unwind (own funds) and amortization of transitional on equity investments
- Market and operational developments make positive contribution for both 2015 and 2016

Going forward: Organic Capital Creation definition in line with market standards

Operational capital generation

- **Technical result**
- **Excess return** → *New set of assumptions* →
- **Non operating holding costs**
- **Hybrid costs** → *Quarterly accrued going forward*
- **Non-economic variances non-life**
- **Net operating result other segments**

Net release of capital

- **SCR release**
- **Risk margin release**
- **Regular new business strain**

Technical movements

- **UFR unwind**
- **Transitional rule equity** → *Moved to market & operational variance*

Market and portfolio consistent excess spreads	**2017 (bps)**
Core sovereign bonds	-20
Non core sovereign	50
Equities	330
Credits	70
Mortgages	110
Real estate	300

€ 348 million achieved 2016 (vs € 301 million current method)

Alternative view on capital: capital accretion

Sources

- Operational capital generation
- Net release of capital
- Assumption changes & business developments
- Investment results & Market movements

+ € 674m

Uses

- Technical movement: UFR unwind & transitionals
- New ventures & acquisitions
- Cost of hybrids
- Dividend

− € 386m

Accretion

- Capital accretion 2016 after dividend

= € 288m

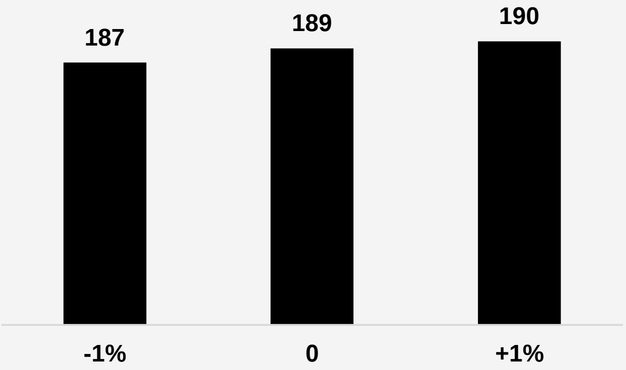
- Current Organic Capital Creation definition includes Operational Capital Generation, Net release of Capital, Technical Movements less Costs of Hybrids
- Using this definition Organic Capital Creation amounts to 9%, 11% before subtracting the costs of hybrids
- The definition provides an indication of the capital created in the regular course of business
- However, the effects of some management actions, such as the impact of cost saving operations on assumptions, are not captured by this definition
- At a.s.r. the 2016 overall capital accretion pre dividend amounts to 14%
- Out of € 674 million increase in capital € 241 million allocated to dividends and post-tax hybrid coupons
- After dividends, capital accretion amounts to 9% boosting solvency from 180% to 189%

Impact interest rates on stock and flow of Solvency

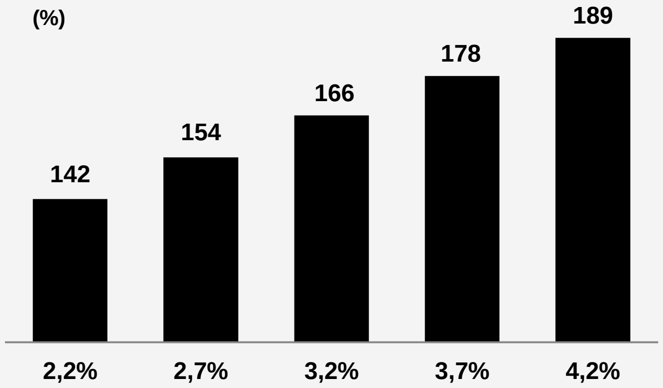
Solvency II

“STOCK”

Interest rates



Sensitivity SII ratio to lower UFR



Solvency II

“FLOW”

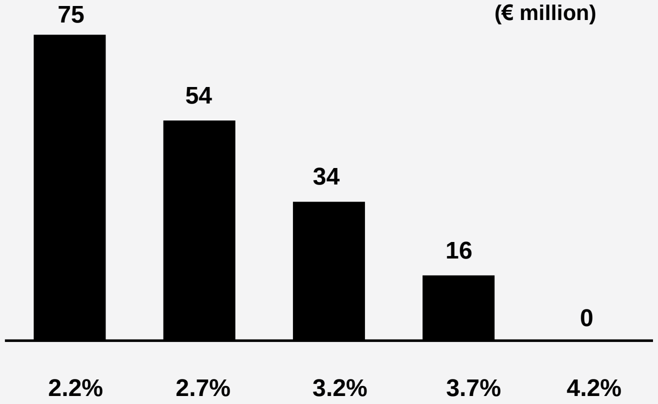
Governments spreads

Government bonds: € 7.7bn

Spread SII curve: - 20bp

Drag on flow p.a.: € 15m

Lower UFR unwind accretive to SII flow



- a.s.r. increasingly takes an economic view on hedging interest rate exposure
- Lowering UFR would lead to lower ‘stock’ of capital but also increase annual capital creation because of reduced UFR unwind
- Higher rates may eat in to stock of capital but will support annual flow through organic capital creation
- Economically, a UFR that is in line with long term investment results would be optimal way to measure capital base (and compare to > 100% threshold)
- Internally and at current yields, a.s.r. increasingly monitors SCR at UFR of 2.2% as metric for long term financial health

Important observations on Solvency

LACDT

- DNB published new guidance on LACDT; representing interpretation of delegated acts
- Implementation at the latest 30/06/2017; limited use of ‘future fiscal profits’ as way to substantiate LACDT position per 31/12/2016
- a.s.r. already compliant, based on self-assessment, as per 31/12/2016

No adverse impact foreseen

Swap spread hedging

- Increase in swap spreads provide support to solvency position in recent years
- a.s.r. moves to lock in this benefit
- Switch out of long core government bond into short dated non-core EU sovereigns backed by receiver swaps with same money duration
- shorts in futures (bunds en buxls) backed by long receiver swaps positions
- € 3.8 billion nominal value in trades

50% reduction of swap spread exposure

Delivering on promises – strong financial performance

Financial results driven by strong operating performance

- Operating result reflecting continuous strong underwriting skills including the contribution from the acquired businesses
- Operating ROE well above medium-term target
- Attractive combination of high ROE, robust Solvency and low financial and double leverage

Strong capital position strengthened by capital accretion and favorable impact from financial markets

- Organic capital creation strong
- Solid solvency ratio at operating units above thresholds, enabling cash remittance to holding on target cash position at holding accomplished

Underwriting skills and discipline drive market leading combined ratios

- Excluding the hail and water damage claims, the combined ratio was 94.5%

Operating result

€ 599m

+11.5%

(2015:€ 537m)

Solvency II (SF)

189%*

+9%-pts

(post dividend; day-one 180%)

Dividend

€ 187m

+10.0%

(2015:€ 170m)

Operating expenses

€ 569m

-1.0%

(2015:€ 575m)

Capital accretion

€475m

14% on SCR

(post dividend:€ 288m)

Operating ROE

14.1%

up to **12%** target

(2015: 14.4%)

Net result

€ 659m

+6.3%

(2015:€ 620m)

Organic capital creation

€ 301m**

€ 348m on new definition

(2015: ~ € 265m)

Combined ratio

95.6%

Target < **97%**

(2015: 95.0%)

* After proposed dividend and excluding a.s.r. Bank

** As per initial definition; update/refinement in solvency chapter from page 16.

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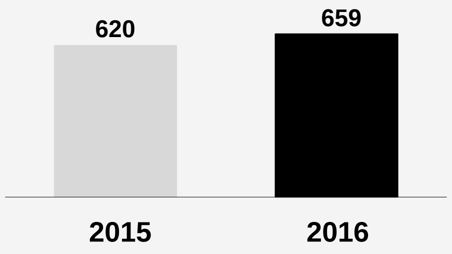
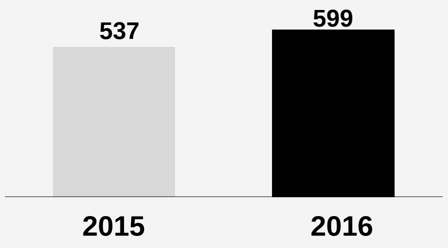
Appendix

A. Financial ratios

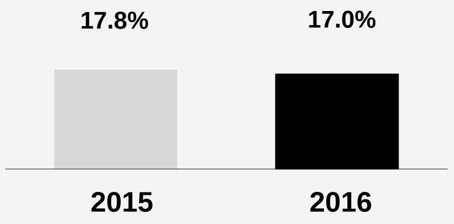
Net result (€m)



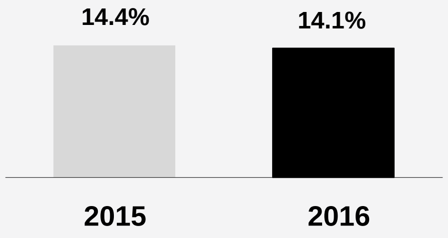
Operating result (€m)



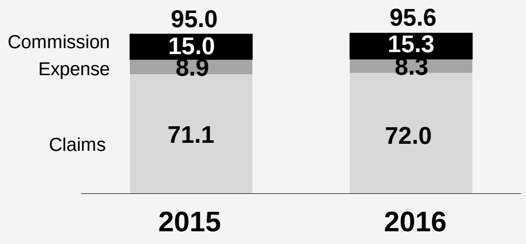
ROE



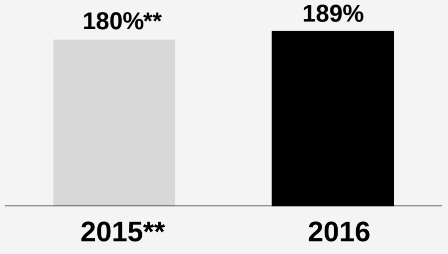
Operating ROE



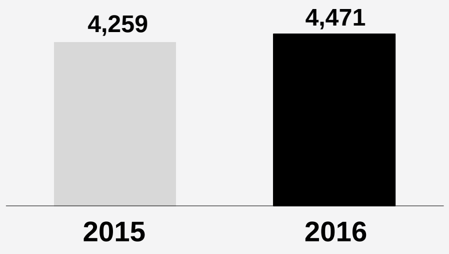
Combined ratio (%)



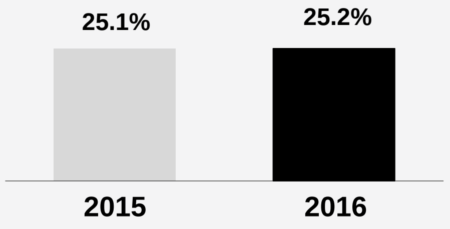
Solvency II *



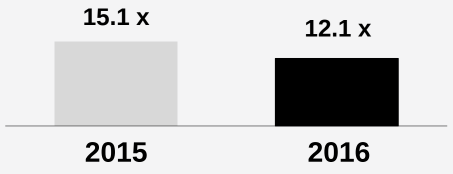
Total equity (€m)



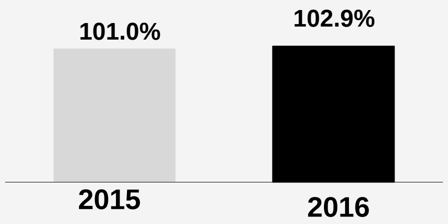
Financial leverage



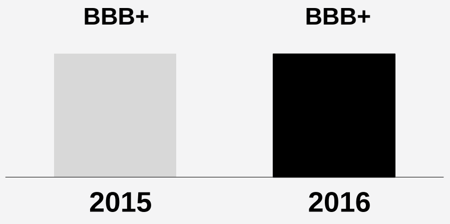
ICR



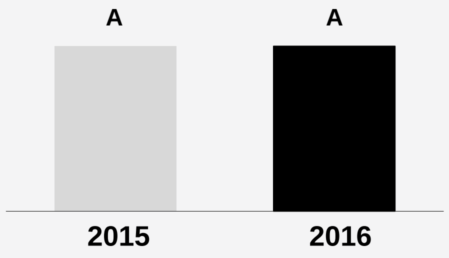
Double leverage



S&P holding rating



S&P IFS rating



* Calculation based on standard model

** The reported year-end 2015 midpoint estimate was 185%. Day-one amounted to 180%

B. Combined ratio per product line

		2016	2015
Segment Non-Life	Claims ratio	72.0%	71.1%
	Expense ratio	8.3%	8.9%
	Commission ratio	15.3%	15.0%
	Combined ratio	95.6%	95.0%
Disability	Claims ratio	69.9%	69.5%
	Expense ratio	8.5%	8.8%
	Commission ratio	9.8%	11.3%
	Combined ratio	88.2%	89.6%
Health	Claims ratio	93.0%	89.4%
	Expense ratio	4.5%	5.3%
	Commission ratio	1.6%	0.9%
	Combined ratio	99.1%	95.5%
Property & Casualty *	Claims ratio	61.5%	60.5%
	Expense ratio	10.3%	11.3%
	Commission ratio	26.7%	26.7%
	Combined ratio	98.5%	98.5%

* Including travel and leisure insurance

C. Calculation of operating ROE

(€ in million)	FY 2015	FY 2016
Operating result (before tax)	537	599
Minus: Interest on hybrid instruments (1)	45	45
Operating result after hybrid costs (before tax)	492	554
Tax effect (25% tax rate)	123	139
Operating results after hybrids costs (net of taxes)	**369**	**415**

(€ in million)	FY 2014	FY 2015	FY 2016
Equity attributable to shareholder	3,022	3,574	3,780
Minus: Unrealized gains and losses reserve (2)	737	683	726
Minus: IFRS Equity Real estate developments and SOS (3)	33	8	25
Adjusted IFRS equity	2,252	2,883	3,029
Average adjusted IFRS equity		**2,568**	**2,956**
Operating ROE		**14.4%**	**14.1%**

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[1] Interest on hybrid instruments is deducted to show the return to equity shareholders after hybrid costs.

[2] Unrealized revaluation reserves are excluded as the operating results adjusts all capital gains and losses

[3] Real estate development and SOS's equity are excluded from calculation as they are also excluded from the operating result due to their 'held for sale' classification

D. Key metrics breakdown

Operating result	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Non-life	32	30	37	37
Life	121	152	127	152
Banking and Asset Management	0	0	2	0
Distribution and Services	8	2	2	0
Holding and Other / Eliminations	-29	-24	-18	-31
Total a.s.r.	**132**	**160**	**150**	**157**

Operating result	H2 2015	H1 2016	H2 2016
Non-life	55	62	74
Life	219	273	279
Banking and Asset Management	7	0	2
Distribution and Services	-1	10	2
Holding and Other / Eliminations	-23	-53	-49
Total a.s.r.	**257**	**292**	**307**
COR	97.5%	96.4%	94.9%
GWP Life	657	1,338	675
GWP Non-life	975	1,396	1,037

E. Operating result per segment

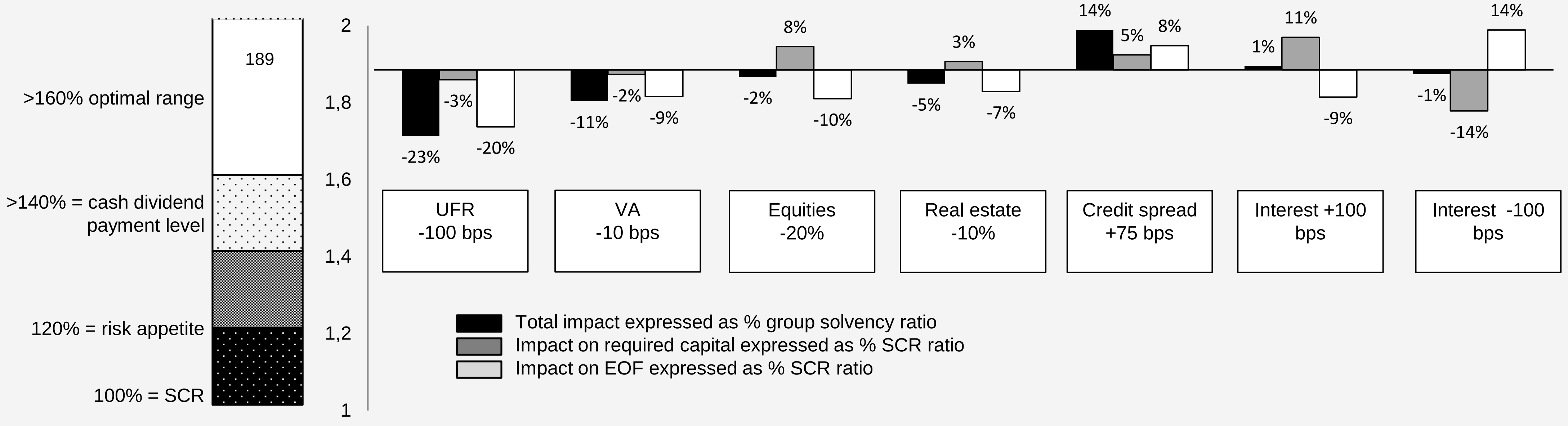
	IFRS profit before tax	Investment related	Incidentals	Operating result	IFRS profit before tax	Investment related	Incidentals	Operating result
	2016				2015			
Segment Non-life	187	30	21	136	217	63	-15	169
Segment Life	642	115	-24	551	716	287	-12	441
Segment Banking and Asset Management	7	6	-1	2	10	-1	-1	12
Segment Distribution and Services	12	-	-	12	4	-	1	3
Segment Holding and Other / Eliminations	5	20	87	-102	-48	62	-22	-88
Segment Real Estate Development	-15	-	-15	-	-93	2	-95	-
Total	838	171	68	599	806	413	-144	537

Operating result: *profit before tax*

adjusted for *(i) investment income of an incidental nature (including realized capital gains, impairment losses and realized and unrealized changes in value)*

and *(ii) incidental items not relating to ordinary activities as a result of accounting changes, consulting fees for acquisitions, restructuring expenses, start-up costs, privatization expenses and shareholder-related expenses*

F. Sensitivities group solvency ratio



- Due to the decrease of the interest rates, UFR sensitivity increased in comparison to the beginning of 2016
- The sensitivity to UFR-100 bps at the end of 2016 is -23% (-17% as per the beginning of 2016)
- Lowering UFR would also reduce UFR drag in organic capital creation

G. SCR movement during 2016

H1 reduced of SCR

- **Equity risk**
- **LACDT**
- **Currency risk**
- **Diversification**
- **Lapses risk**

H1 uses SCR

- **Spread risk**
- **Counterparty risk**
- **Longevity risk**
- **Costs risk**

Delta required capital H1:
€78 million

H2 reduced SCR

- **Longevity risk**
- **Lapses risk**
- **Costs risk**
- **LACDT**
- **Counterparty risk**
- **Health risk**

H2 uses SCR

- **Interest risk**
- **Equity risk**
- **Real estate risk**
- **Diversification**
- **Spread risk**

Delta required capital H2:
€-113 million

FY reduced SCR

- **Lapse risk**
- **LACDT**
- **Currency risk**
- **Costs risk**
- **Health risk**
- **Equity risk**

FY uses SCR

- **Spread risk**
- **Real estate risk**
- **Longevity risk**
- **Counterparty risk**
- **Health risk**
- **P&C risk**

Delta required capital FY:
€-35 million

H. Details fixed-income portfolio

Key highlights

- The core of our portfolio consist of AAA government bonds, with selective peripheral sovereign exposure. 2016 saw an increase in exposure in Spain and Ireland
- The increase in value of the investment portfolio is mainly the result of an increase in value of the fixed income portfolio and interest rate derivatives, due to the sharp decline in interest rates
- The fall in interest rates resulted in further pressure on solvency levels, which led to lower market risk budget. Measures taken to mitigate the impact:

  - reduction of equity exposure

  - reduction of credits exposure largely in favor of government bonds

  - expansion of the interest rate hedge though long swaps and bonds

  - decision to hedge a part of the swap spread exposure
- Exposure structured instruments decreased mainly due to decreased exposure in MBS
- High quality mortgage portfolio with credit losses < 1 bp

Fixed income (€m)	**2015**	**2016**	***Delta***
Government	12,390	13,032	*5%*
Financials	4,897	4,792	*-2%*
Structured	402	205	*-49%*
Corporate	5,014	5,472	*9%*
Derivatives	1,788	2,490	*39%*
Total	**24,491**	**25,991**	***6%***

Mortgages (€m, book value) *	**2015**	**2016**	***Delta***
LtFV < 75%	1,160	1,561	*35%*
LtFV < 100%	574	753	*31%*
LtFV < 125%	675	925	*37%*
LtFV > 125%	72	95	*32%*
NHG	4,041	3,869	*-4%*
Total	**6,522**	**7,202**	***10%***

* Loan to Foreclosure Value at originated value, no index applied

Governments (€m)	**2015**	**2016**	***Delta***
Germany	5,205	4,150	*-20%*
Netherlands	3,584	3,672	*2%*
France	830	1,391	*68%*
Belgium	653	1,233	*89%*
Perifery	636	1,061	*67%*
Austria	606	693	*14%*
Supranationals	333	288	*-14%*
Other	372	404	*9%*
Scandinavia	171	140	*-18%*
Total	**12,390**	**13,032**	***5%***

I. Details equities portfolio and real estate portfolio

Key highlights

Equities

- De-risking because of lower market risk budget specifically in the first half of 2016 by, amongst others, a reduction of the equity exposure
- Continuation of the active hedging policy for the illiquid part of the portfolio

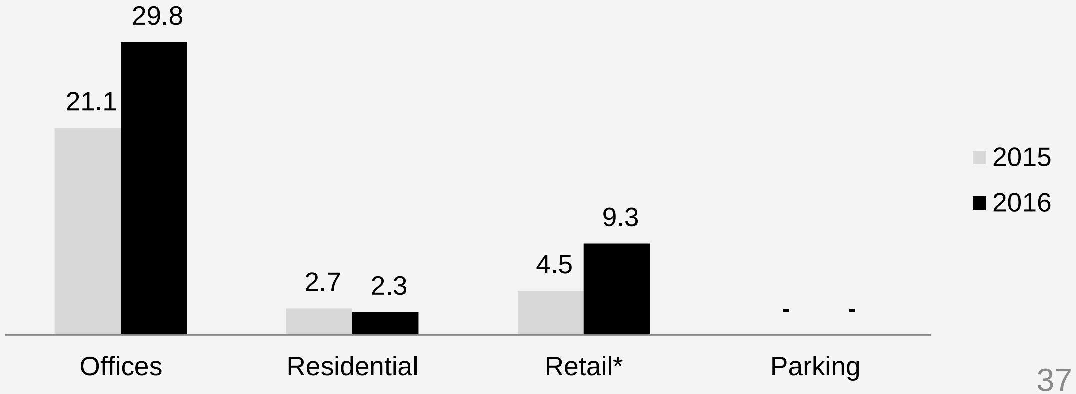
Real estate

- In Q4 the office portfolio of Basisfonds Stationslocaties C.V. (€ 202 million) has been transferred to the ASR Dutch Mobility Office Fund. The offices which did not meet the fund criteria were not transferred to the fund (€ 59 million) and were sold in January 2017
- The vacancy rate of Retail increases due to bankruptcy V&D, redevelopments. New contracts have been closed with Hudson's Bay
- The increase in the vacancy rate of Offices is mainly due to the relocation of Amersfoortse division to the a.s.r. headquarter in Utrecht and the shift from offices own use to the investment portfolio as a consequence
- The net yield after vacancy in 2016 is 4.3%

Equities (€m)	**2015**	**2016**	***Delta***
Equities	2,278	1,793	*-21%*
Private equities	76	82	*8%*
Hedge funds	1	0	*-67%*
Other funds	321	289	*-10%*
Derivatives	31	16	*-50%*
Total	**2,707**	**2,180**	***-19%***

Real estate (€m)	**2015**	**2016**	***Delta***
Offices	173	410	*137%*
Residential	681	715	*5%*
Retail	603	586	*-3%*
Parking	41	42	*2%*
Projects	12	54	*350%*
Total real estate (excl. rural & own use)	**1,510**	**1,807**	***20%***
Rural	1,154	1,248	*8%*
Total real estate (excl. own use)	**2,664**	**3,055**	***15%***
Offices own use	153	145	*-5%*
Total real estate	**2,817**	**3,200**	***14%***

Real estate vacancy rates



** New contract with Hudson's Bay reduces Retail vacancy to 4.7%, to be fully effected in 2018*

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maatschappij
voor alle
verzekeringen

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