Credit Update

27 August 2026

Investment Research

Corporate Bond News

Ageas SA/NV

- We consider Ageas' H1 26 results credit neutral due to the continued steady underlying operational performance and solid credit metrics. This was driven primarily by broad growth in the insurance segments, suggesting healthy core business momentum, amid unfavourable weather claims in its home market. On the back of the promising H1 26 results, the group expects its operating result for 2026 to land above EUR1.95bn.
- Moreover, we continue to see a low-risk investment portfolio and strong capitalisation by the insurer, also after the full consolidation of ownership and slight change of scope in Asia. These credit strengths should help the group tolerate a potential severe stress scenario with limited impact on its credit profile, and we continue to hold a constructive view on the group's credit profile.
- Furthermore, the strong capitalisation with a solvency of 195% is a core credit strength, well above its internal target of 175%, and is set to increase post-closing of the sale of Etiqa to Maybank Additionally, the group's strategic priorities and the unchanged capital allocation strategy are credit supportive.
- We anticipate the credit quality of AGS to remain stable and creditor supportive in the coming years; hence, we reiterate our Overweight recommendation on the AGS 3.5% subordinated perpetual hybrid notes in EUR, callable on 30 June 2027 (BE6277215545). The bond offers a YTW of 3.2% and a Z-spread of 51bp, which we deem a moderately attractive valuation when compared with the relevant credit curve and alternative comparable notes.
- We find attractiveness in the high credit quality and defensive characteristics of the credit profile. Also, we expect the outstanding perpetual notes from the issuer to be redeemed on their first call dates.

Issuer information

Sector	Insurance
Corporate ticker	AGSBB Corp
Equity ticker	AGS BB
Market cap	EUR15.9bn
Total assets	EUR109.8bn
Issuer credit rating	
S&P	A+ (Stable)
Moody's	A1 (Stable)
Fitch	A+ (Stable)

Latest publication on issuer

Credit Update, 25 February 2026

Source: Bloomberg, Danske Bank Credit Research

Selected bond

Company	ISIN	Min. Piece	Seniority	Currency	Maturity/Call	CPN	Issue Size (m)	Credit Ratings	Price	Yield	Recommendation
Ageas Insurance	BE6277215545	100,000	Subordinated	EUR	Jun 2027	3.500	400	A-/NR/A-	100.2	3.2%	Overweight

Note: Credit ratings by S&P, Moody's, and Fitch, respectively.

Source: Bloomberg, Danske Bank Credit Research

Ageas: H1 26 credit update

Belgium insurer Ageas' H1 26 results showed gross written premiums of EUR12.1bn, up 17% y/y, and measured in constant terms up by 8% y/y. The inflow to the Life segment amounted to EUR7.6bn, up 12% y/y, and in the P&C segment to EUR4.5bn, up 26% y/y, both measured on a reported basis. The P&C segment benefitted from a EUR1.4bn inflow in the UK related to a distributor agreement and inorganic growth. This resulted in a net operating result of EUR776m, up 5.7% y/y, notably above the Bloomberg-collected consensus of EUR696m. The operating result was up due to a strong Life segment performance, while P/C was lower y/y due to unfavourable weather conditions in Belgium and Portugal.

Regional performance was mostly solid with regards to business volume, where the home market of Belgium rose 21% y/y, Asia rose 4%, Europe increased 44%, and Reinsurance was up 28%. Furthermore, the operating result rose across all regions, with Belgium up 20% y/y, Asia up 7%, Europe up 26% and Reinsurance down 40%.

In regard to claim expenses, the group saw its combined ratio increase to 95.2%, worsening 3.1pp y/y, due to unfavourable claim developments and adverse weather in Belgium. Moreover, the Life segment's Value of New Business (VNB) was

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More information:

For further information, see the latest *Corporate Bond Lists, 25 August 2026.*

EUR554m, reflecting a net business margin of 7.9%, down 60bp y/y, related to a change in business mix. Overall the strategic focus aims to be more capital efficient and less interest-rate sensitive.

The group's investment portfolio totalled EUR131.1bn, up USD19.9bn since FY 25, strongly supported by EUR10.9bn in AuM from Taiping Pension. Overall, we observe an exposure reflecting a defensive and diversified composition with fixed income investments dominating the portfolio at a stable 76% of the total exposure.

Ageas' reported result before tax landed at EUR1.022m, up from EUR894m, y/y, and the net result was at EUR981m for the H1 period, up from EUR763m, y/y. The result translates to a return on equity of 15.8%, down from 18.6% in H1 25 and 19.3% at FY 25.

Reported financial leverage (debt plus hybrid capital, divided by the sum of economic capital available, debt and hybrid capital) was broadly stable at 21.2%, slightly down from 22% in FY 25, due to changes in outstanding debt and share buybacks. Moreover, its solvency ratio (solvency capital/required solvency capital) decreased 16pp from FY 25 to 195%, the decline being mainly due to the closing of Taiping Pension (10% stake ownership) and the rating downgrade of Belgium sovereign debt. However, the sale of Malaysia (Etiqa stake of 30.95%) is guided to add 23pp at closing in H2 26, with expected proceeds of EUR1.1bn. Overall, the level remains strong, in our view, portraying a comfortable and flexible capital position in the upper end of the targeted level of 175%.

Ageas has an FY 26 outlook for the net operating result of above EUR1.95bn, which combined with cash upstream it projects to reach EUR1.4bn. In addition, the group affirmed the EPS growth target under the Elevate27 strategy and targets a free cash flow and shareholder remuneration of >EUR2.2bn.

Regarding the credit rating, on 12 December 2025, S&P commented that Ageas' rating at 'A+' on the issuer level and the financial strength at 'A+' should not be materially impacted as a result of the EUR1.1bn minority buyout by BNP Paribas Fortis due to the funding mix and sees this as neutral for the solvency II level. The S&P credit rating outlook has been constant since November 2020. We note the current credit metrics are consistent with the rating threshold for an 'A+' credit rating. In addition, Moody's affirmed its issuer 'A1' rating and the stable outlook on 15 December 2025, highlighting the operating performance and solvency level, underpinned by strong capital adequacy and moderate leverage. Additionally, the rating agency has previously stated that the acquisition of esure is deemed as credit positive.

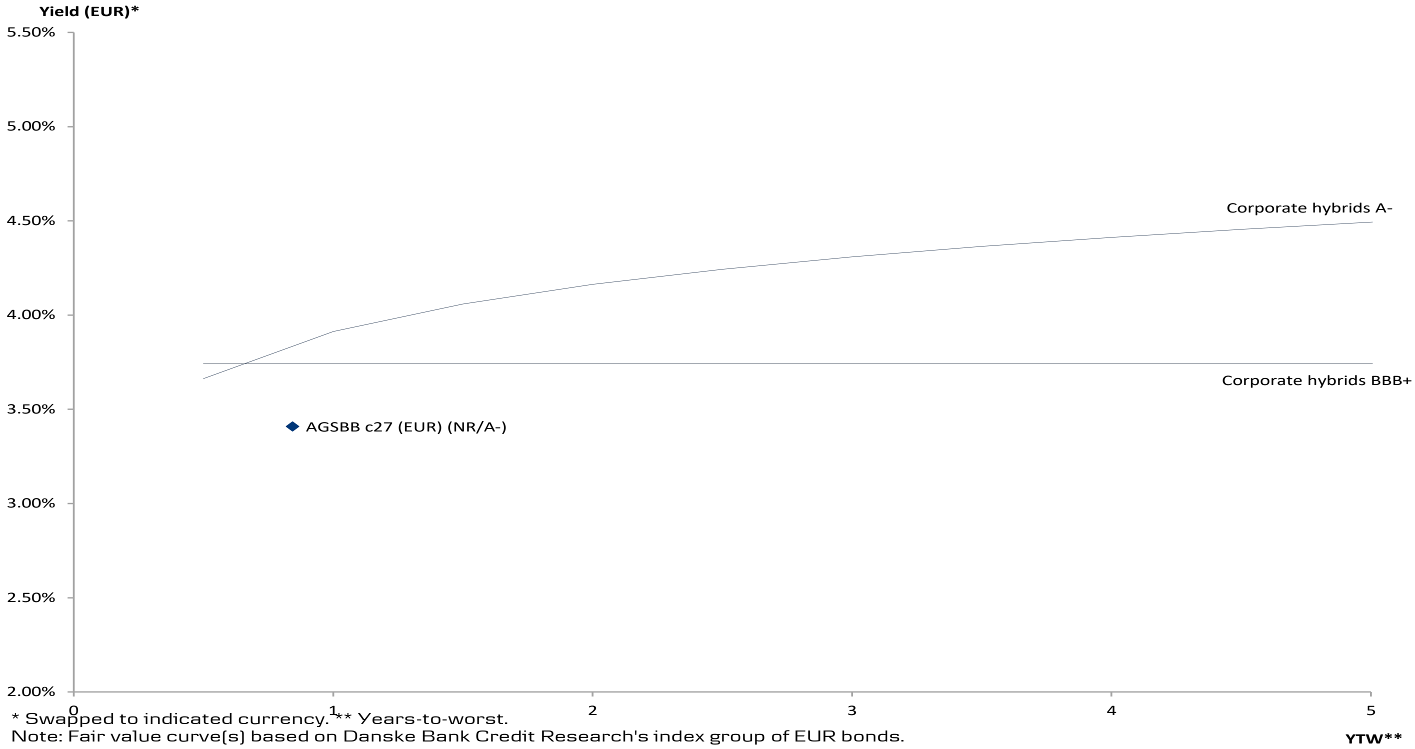
Credit conclusion

We consider Ageas' H1 26 results credit neutral due to the continued steady underlying operational performance and solid credit metrics. This was driven primarily by broad growth in the insurance segments, suggesting healthy core business momentum, amid unfavourable weather claims in its home market. On the back of the promising H1 26 results, the group expects its operating result for 2026 to land above EUR1.95bn. Moreover, we continue to see a low-risk investment portfolio and strong capitalisation by the insurer, also after the full consolidation of ownership and slight change of scope in Asia. These credit strengths should help the group tolerate a potential severe stress scenario with limited impact on its credit profile, and we continue to hold a constructive view on the group's credit profile. Furthermore, the strong capitalisation with a solvency of 195% is a core credit strength, well above its internal target of 175%, and is set to increase post-closing of the sale of Etiqa to Maybank Additionally, the group's strategic priorities and the unchanged capital allocation strategy are credit supportive.

We anticipate the credit quality of AGS to remain stable and creditor supportive in the coming years. Furthermore, we observe healthy operational growth and the profitable conditions to sustain this, thus presenting an investment opportunity with an appealing risk-reward outlook. This is complemented by a predictive route to the first call option. We reiterate our Overweight recommendation on the AGS 3.5% subordinated perpetual hybrid notes in EUR, callable on 30 June 2027 (BE6277215545). The bond offers a YTW of 3.2% and Z-spread of 51bp, which we deem a moderately attractive valuation when compared with the relevant credit curve and alternative comparable notes.

We find attractiveness in the high credit quality and defensive characteristics of the credit profile. Also, we expect the outstanding perpetual notes from the issuer to be redeemed on their first call dates.

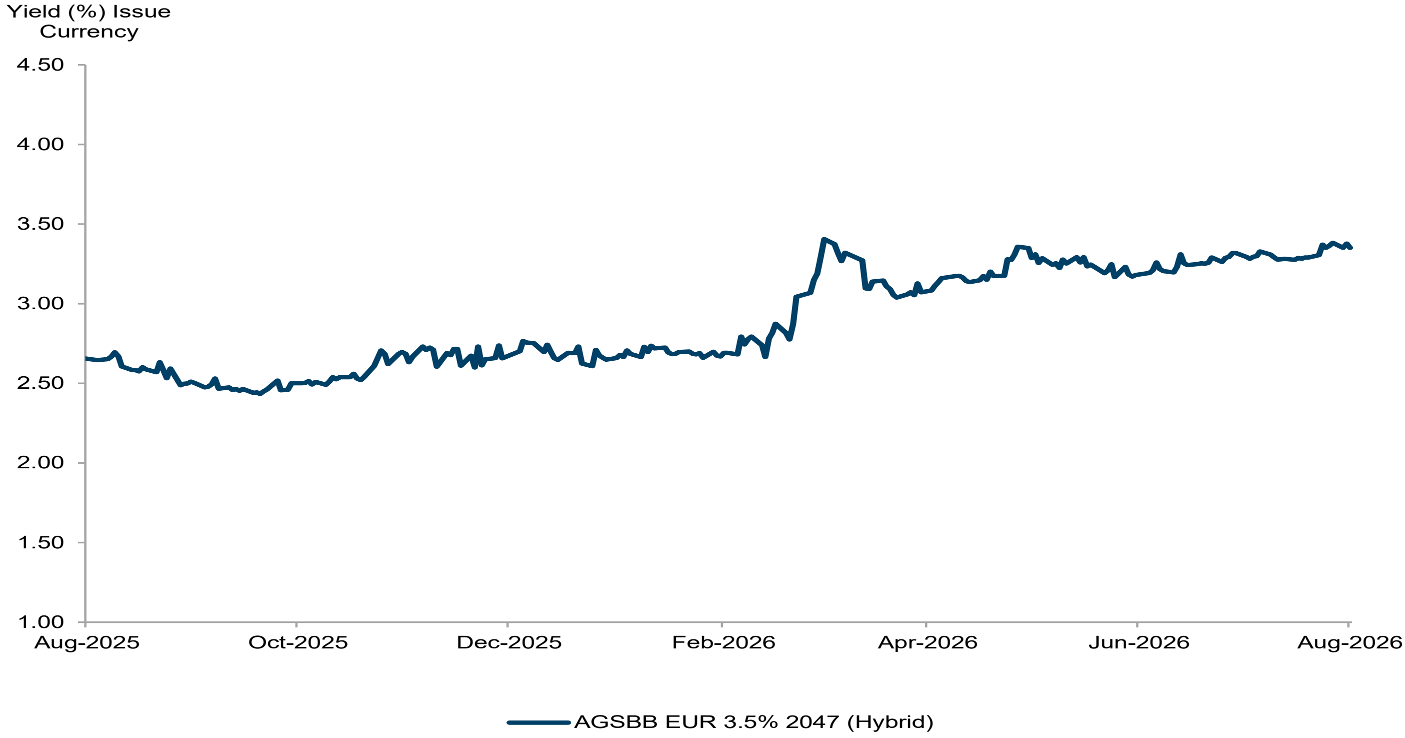
Relative value chart



* Swapped to indicated currency. ** Years-to-worst.
Note: Fair value curve(s) based on Danske Bank Credit Research's index group of EUR bonds.

Source: Bloomberg, Danske Bank Credit Research

Historical yield



Source: Bloomberg, Danske Bank Credit Research

Disclosures

This research report has been prepared by Credit Research, a division of Danske Bank A/S (‘Danske Bank’). The author of this research report is Rasmus Justesen, Chief Analyst.

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Major risks connected with recommendations or opinions in this research report, including a sensitivity analysis of relevant assumptions, are stated throughout the text.

Expected updates

We expect to update this investment analysis following the publication of Ageas’ annual report provided that at such time the bond continues to be among our preferred credits.

This publication should be read in conjunction with the international single name credit bond publications *Corporate Bond News*, *Corporate Bonds: Investment opportunities in single name international fixed income credit* and *Company Profiles*. These publications are typically published once a month.

Completion and first dissemination

The completion date and time in this research report mean the date and time when the author hands over the final version of the research report to Danske Bank’s editing function for legal review and editing.

The date and time of first dissemination mean the date and estimated time of the first dissemination of this research report. The estimated time may deviate up to 15 minutes from the effective dissemination time due to technical limitations.

See the final page of this research report for the date and time of first dissemination.

Financial models, valuation and/or methodology used in this research report

Calculations and presentations in this research report are based on standard econometric tools and methodology as well as publicly available statistics for each individual security, issuer and/or country.

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Rating	Anticipated performance	Time horizon	Distribution of recommendations	Investment banking relationships
Overweight	Outperformance relative to peer group	12 months	44%	19%
Marketweight	Performance in line with peer group	12 months	50%	40%
Underweight	Underperformance relative to peer group	12 months	6%	2%
Sell	A decrease in price of more than 10%	12 months	-	-

No changes in recommendation over past 12 months

Validity time period

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