



**SNS REAAL**

## **Financial Results 2011**

***SNS REAAL reports 2011 net profit  
of € 87 million***

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# I. Highlights, Strategy Update

# SNS REAAL Reports 2011 Net Profit of €87m

## Net Profit Core Activities of €335m

- Strong increase in net profit at SNS Bank to €262m
- Strong increase in net profit at REAAL to €257m; underlying profit markedly up to €203m
- Net loss at Zwitserleven of €91m due to a goodwill impairment of €107m net; underlying profit slightly up to €55m
- Overall improvement in customer satisfaction levels; more than 100,000 new customers at SNS Bank

## Narrowing Net Loss Property Finance to €248m

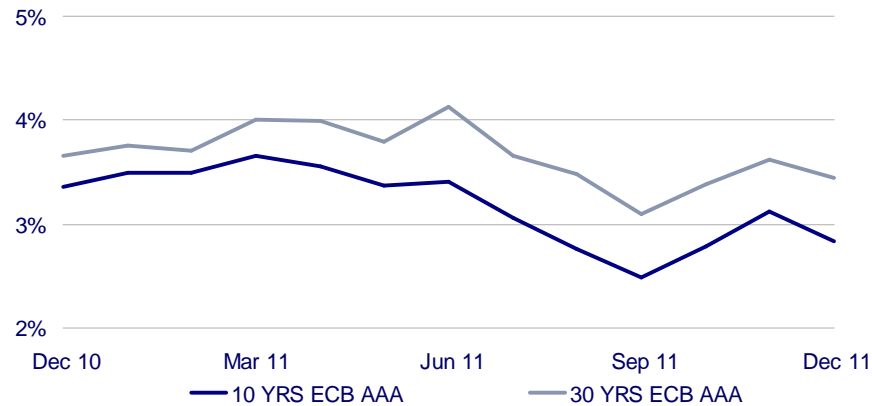
- Sharp decline in impairment charges (-68%)
- Total commitments reduced by €1.4bn to €5.5bn (-20%)
- Reduction of international commitments by €0.9bn to €2.2bn (-29%)

## Increased Solvency, Capital Release Programme on Track

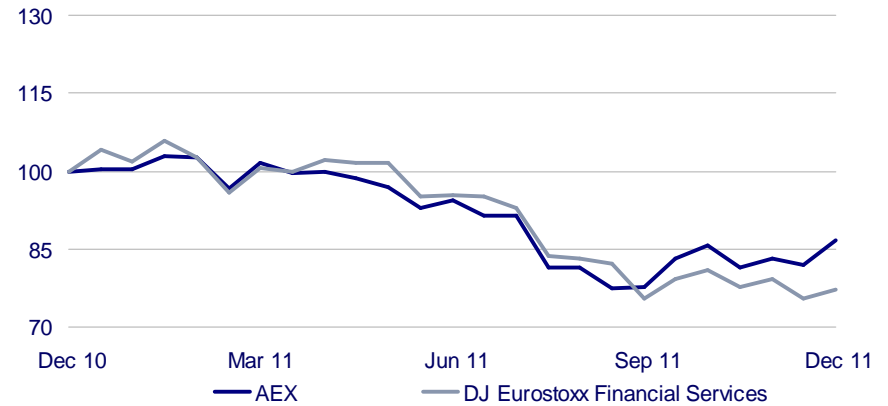
- Core Tier 1 ratio increased to 9.2% (YE10: 8.1%)
- EBA capital shortfall of SNS Bank reduced from €159m to €32m at YE11
- Regulatory solvency at the Insurance activities increased to 203% (YE10: 195%)
- Commitments of SNS SME reduced by €1.6bn to €5.7bn (-22%)
- 85% of the €700m capital release programme has been realised

# 2011: Financial Markets Headwinds

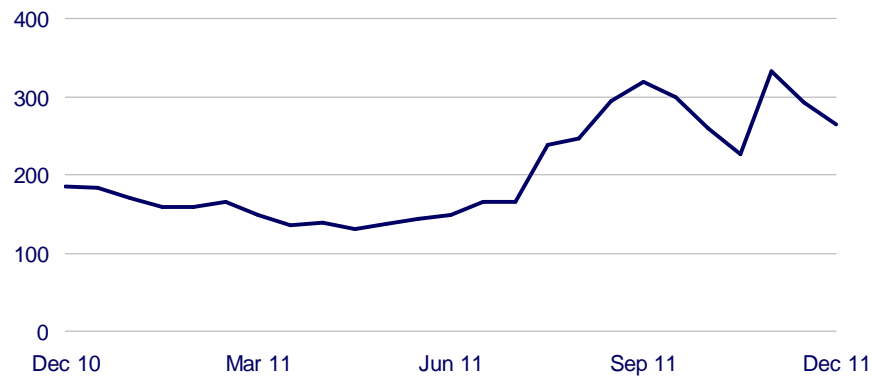
10yr and 30yr ECB-AAA Interest Rates



AEX and DJ Eurostoxx Financial Services Index



Credit Spread IBoxx Corporate A (bps)



Credit Spread IBoxx All Government Eurozone (bps)



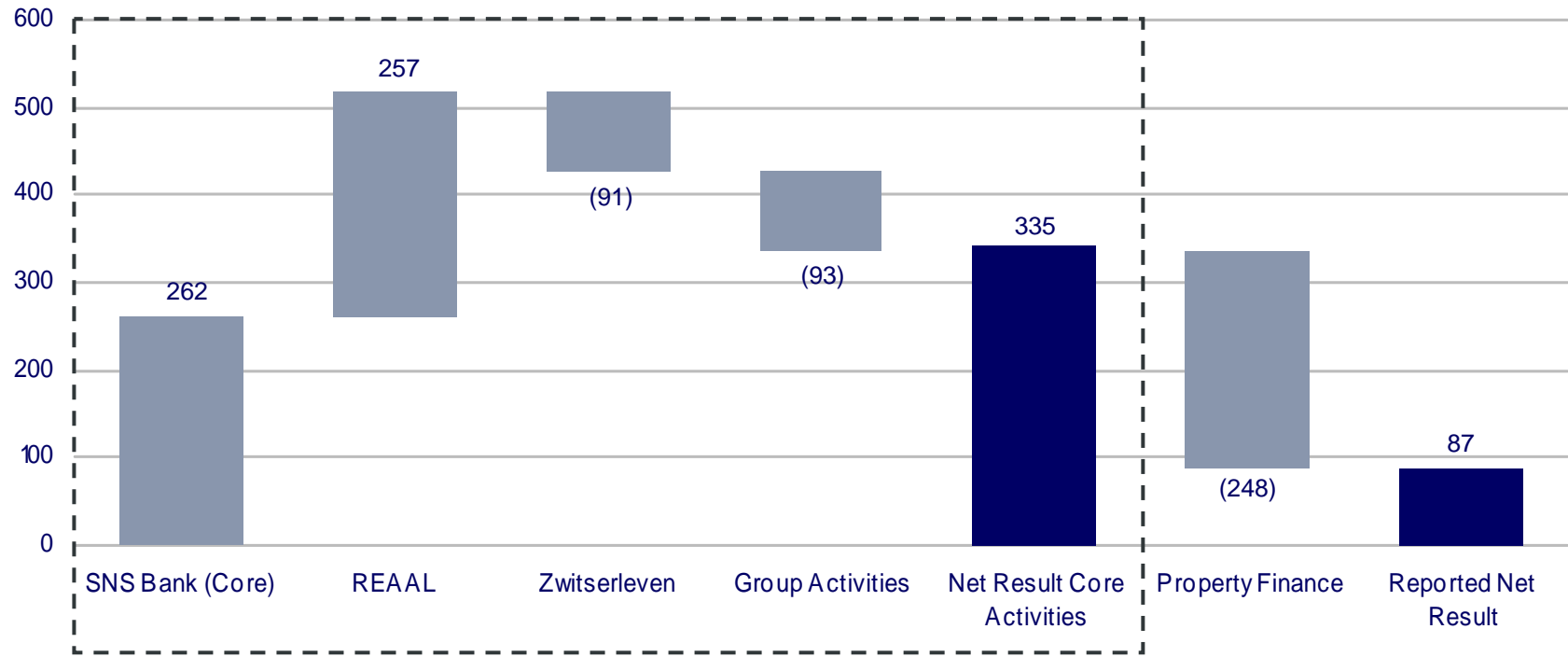
# Challenging Environment

## Developments Core Markets SNS REAAL and Economic Environment 2011

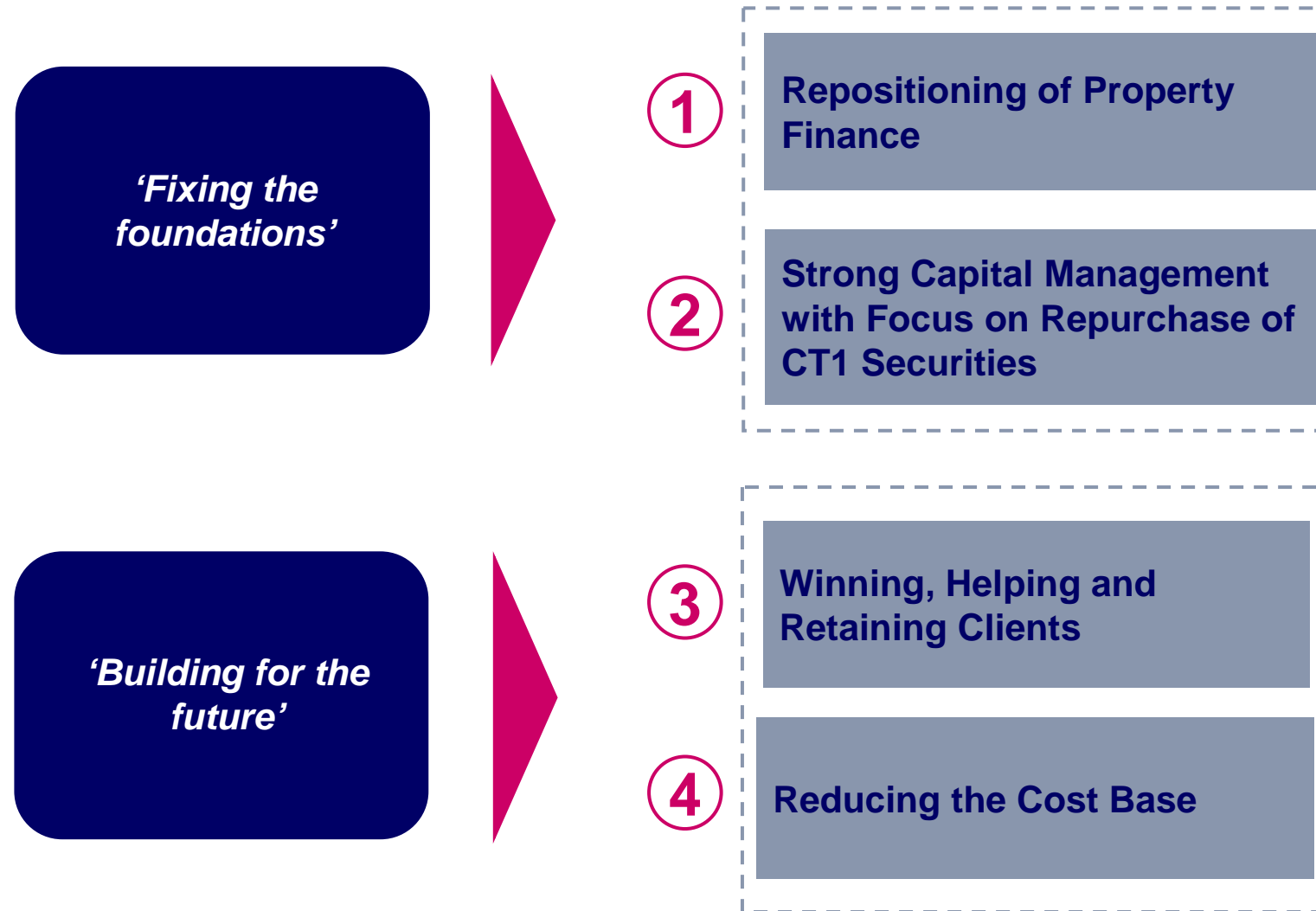
- From GDP growth to shrinking economies: outlook uncertain
- Dutch economy holding up relatively well, unemployment increasing but at 6% still low
- Housing market transactions down by 4%, housing prices continue to decline
- Commercial real estate markets remained under pressure
- Savings market grew by 5%, supported by strong growth in bank savings
- Regular life insurance premiums down by 14% and regular pension premiums by 11%

# Net Profit at Core Activities of €335m

**Breakdown Net Result 2011 (€m)**

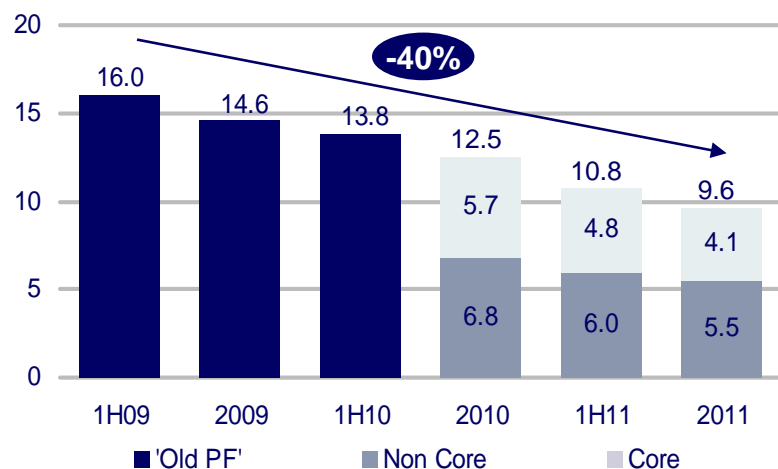


# Fixing the Foundations and Building for the Future

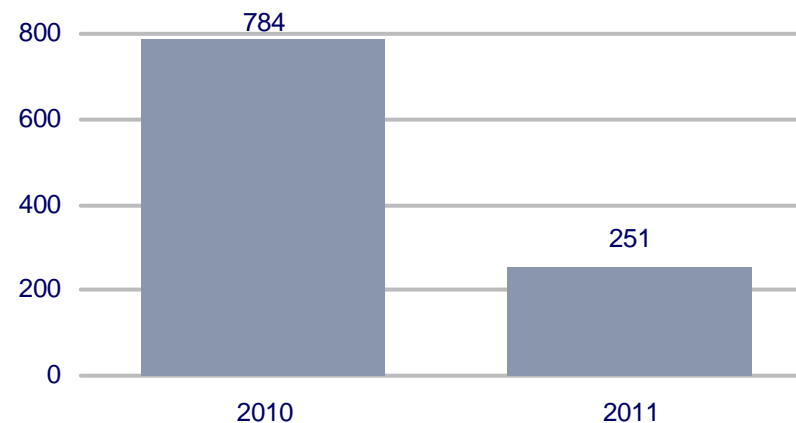


# ① Further Reduction of Property Finance Loan Portfolio; Sharp Decline in Impairments

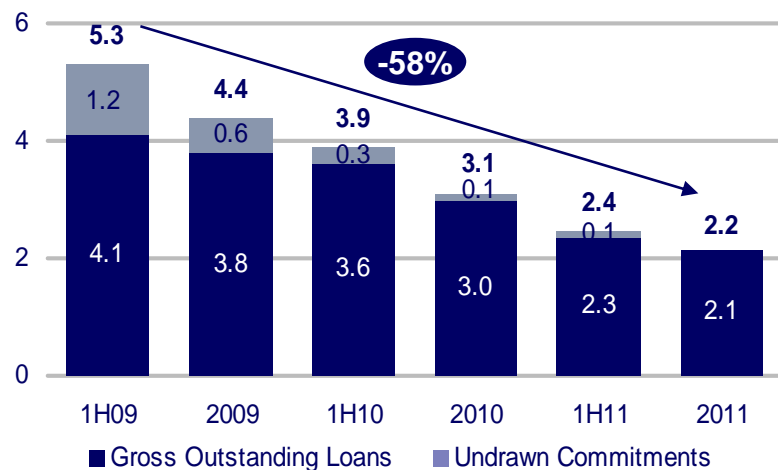
Total Commitments 'Old' Property Finance (€bn)



Loan Impairments Property Finance (€m)



International Commitments Property Finance (€bn)



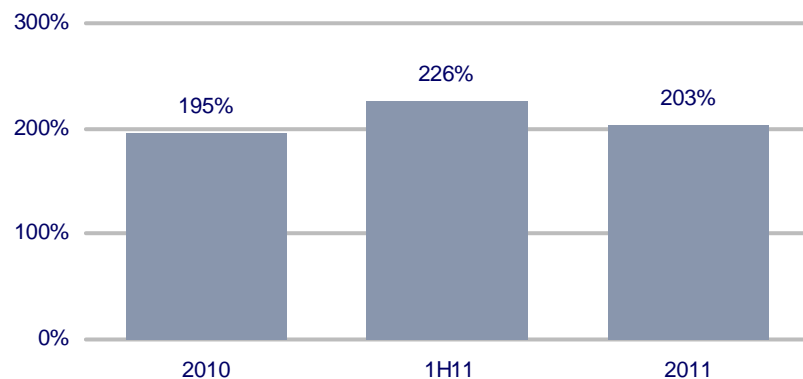
Comments

- Total commitments 'old' Property Finance reduced by €2.9bn (-23%) in 2011
- Total commitments 'old' PF lowered by 40% since announcement of run-off in 2009
- International commitments lowered by 58% since announcement of run-off in 2009
- Loan impairments fell 68% in 2011

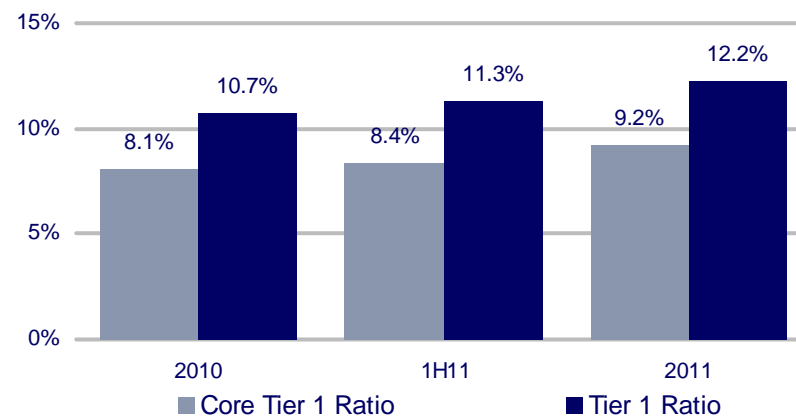


## ② Improved Solvency Ratios in 2011

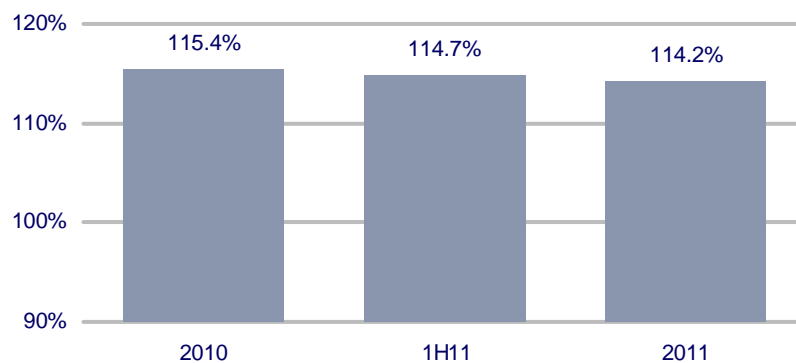
### Regulatory Insurance Solvency Ratio



### Banking Capital Ratios<sup>1</sup>



### Double Leverage





### Comments

- Increase of solvency due to re-insurance transaction and profit retention partly mitigated by unfavorable market movements
- CT1 ratio up due to lower RWAs (-7%) and profit retention; ambition for a CT1 ratio of 10%
- EBA capital shortfall of €159m reduced to €32m at YE11 and expected to be fully addressed in 1H12

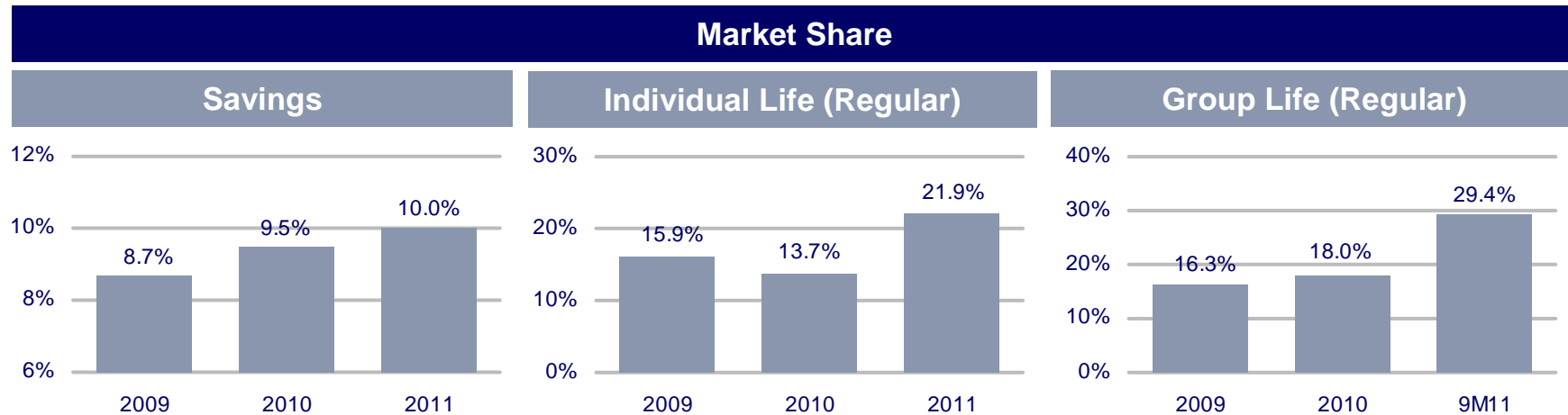
1. Including 80% floor from Basel I

## ② Capital Release Programme on Track

Capital Release Action	Envisaged Release	Progress up to YE11
Sale of first loss pieces / Purchase of mortgages by Insurance activities / buy-backs	€120m - €150m	• €255m capital release 
Traditional reinsurance transaction	€150m - €200m	• €225m capital release 
Reduction of retail and SME mortgages	€150m - €220m	• €96m capital release through reduction of SME mortgages
Sale of selected portfolios / activities	€125m - €175m	• €18m capital release through sale of small reinsurance subsidiary

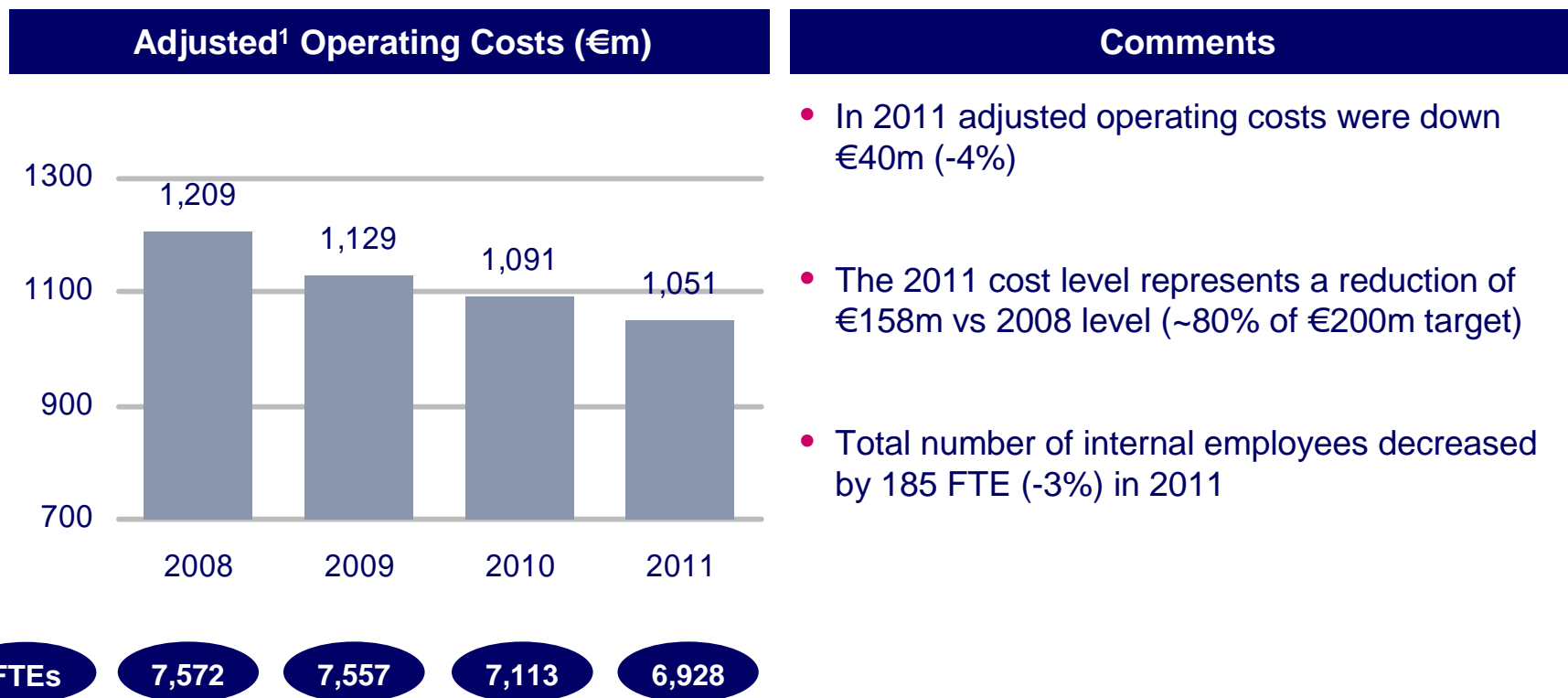
**85% of the €700m capital release programme has been realised**

### ③ Progress in Winning, Helping and Retaining Clients



- SNS Bank customer base increased by more than 100,000; improvement in overall customer satisfaction levels
- Number two market position in bank savings
- REAAL has a leading position in the term life market; satisfaction levels of distribution partners remained high
- New production of disability products increased considerably compared to 2010
- Zwitserleven successfully attracted new clients in both in the corporate and SME segments in 2011; voted 'best pension insurer in The Netherlands' for the fourth year in a row

## ④ Adjusted Operating Costs Down 4% in 2011



1. Excluding restructuring charges, advisory costs for Property Finance run-off loan portfolio and share in savings guarantee scheme

# Fundamental Changes in the Financial Services

## Key Developments

- More capital, less risk
- Customers' interests first
- Increased use of multiple banks
- Simpler, more transparent products
- Remuneration
- Longer life expectancy

## Response SNS REAAL

- Increase capital and de-risk portfolios
- Increase customer satisfaction and customer involvement
- Multi-brand strategy
- Our mission: 'Simplicity in Finance'
- Adapt to new standards and reduce labour cost / FTE
- Re-pricing of pension contracts

**Implementation requires structural cost reductions, re-pricing to obtain a sustainable business model and a long-term focus**

## **II. Financial Performance**

# SNS REAAL: Segment Results

Net Result				
(€m)	2010	2011	1H11	2H11
<b>NET RESULT SNS REAAL</b>	<b>(260)</b>	<b>87</b>	<b>44</b>	<b>43</b>
SNS Bank (Core)	212	262	121	141
of which SNS Retail Bank	139	224	87	137
of which SNS SME	73	38	34	4
Property Finance	(643)	(248)	(118)	(130)
REAAL	206	257	56	201
of which REAAL Life	208	223	51	172
of which REAAL Non-Life	16	33	11	22
of which REAAL Other	(18)	1	(6)	7
Zwitserven	36	(91)	19	(110)
Group Activities	(71)	(93)	(34)	(59)
One-off items	(98)	(128)	(9)	(119)
<b>ADJUSTED NET RESULT</b>	<b>(162)</b>	<b>215</b>	<b>53</b>	<b>162</b>

# 4Q11 Impacted by Incidental Items

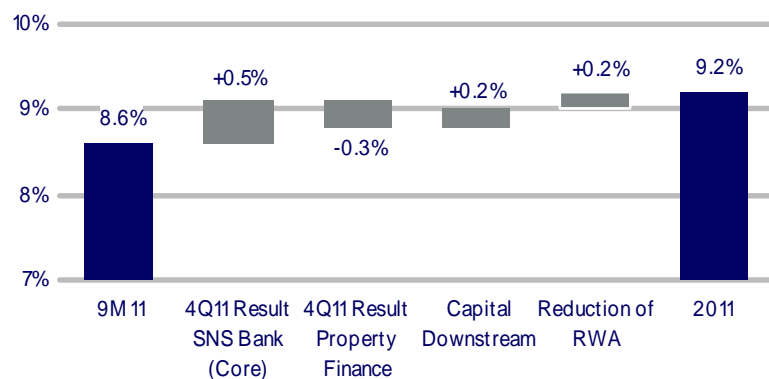
## Quarterly Net Results 2011

(€m)	1Q11	2Q11	3Q11	4Q11	2011
SNS Bank (Core)	61	60	50	91	262
REAAL	14	42	103	98	257
Zwitserleven	15	4	(14)	(96)	(91)
Group Activities	(12)	(22)	(28)	(31)	(93)
<b>SNS REAAL (Core)</b>	<b>78</b>	<b>84</b>	<b>112</b>	<b>62</b>	<b>335</b>
Property Finance	(57)	(61)	(69)	(61)	(248)
<b>SNS REAAL</b>	<b>21</b>	<b>23</b>	<b>42</b>	<b>1</b>	<b>87</b>

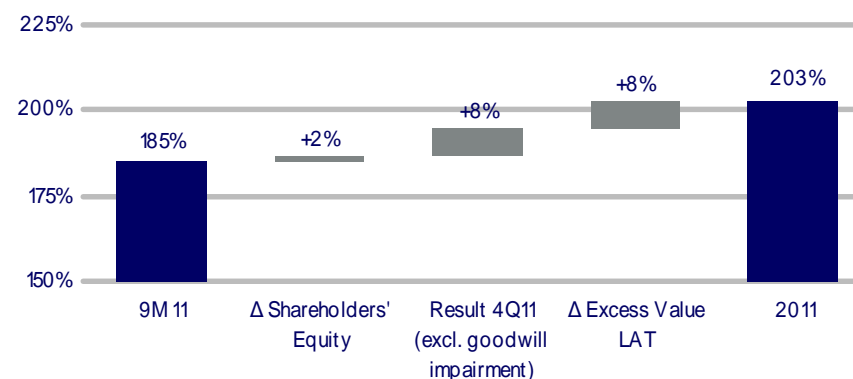
## Comments 4Q11

- SNS Bank (Core) was impacted by a €84m book gain on LT2 exchange and higher impairments
- REAAL was impacted by gains on interest rate derivatives, a release of provisions at Non-life and the sale of a small reinsurance subsidiary
- Zwitserleven was impacted by a €107m goodwill impairment
- Group activities were impacted by an impairment of Van Lanschot and a restructuring charge

## Changes in Core Tier 1 Ratio 4Q11



## Changes in Regulatory Solvency in 4Q11





# Adjusted Operating Expenses 4% Lower

Operating Expenses			
Adjusted Operating Expenses (€m)	2010	2011	Δ
SNS Bank (Core)	509	488	-4%
Property Finance	28	26	-7%
REAAL	342	311	-9%
Zwitserleven	131	137	+5%
Group Activities	81	89	+10%
<b>Total adjusted operating expenses</b>	<b>1,091</b>	<b>1,051</b>	<b>-4%</b>
Adjustments <sup>1</sup>	49	64	
<b>Total operating expenses</b>	<b>1,140</b>	<b>1,115</b>	<b>-2%</b>

## Progress on Cost Reduction

### SNS Bank (Core)

- Targeted annual cost savings from the new distribution strategy of €35m now realised; adjusted expenses exclude €4m restructuring charge and €1m release savings guarantee scheme

### Property Finance

- Adjusted expenses exclude €56m advisory costs in 2011 (2010: €36m)

### REAAL & Zwitserleven

- Total realised synergies of €119m exceed combined targeted level of €95m
- Operating expenses at Zwitserleven were higher in absence of a €12m release of provision in 2010

### Group Activities

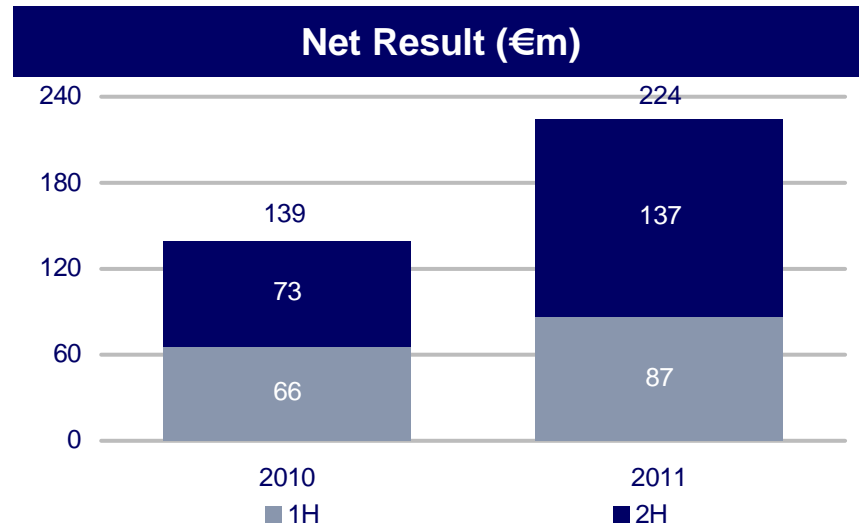
- Higher costs for Basel III and Solvency II related projects; adjusted expenses exclude €5m restructuring charge

1. Excluding restructuring charges, advisory costs for Property Finance run-off loan portfolio and share in savings guarantee scheme

# SNS Retail Bank: Strong Increase of Net Profit Driven by Higher Income

Total Income				
(€m)	2010	2011	1H11	2H11
Net interest income	566	601	294	307
Net fee and commission income	85	79	42	37
Investment income	47	45	13	32
Financial instruments / other income	10	130	31	99
<b>Total income</b>	<b>708</b>	<b>855</b>	<b>380</b>	<b>475</b>
<b>Net interest Margin as % of loans</b>	<b>108bps</b>	<b>110bps</b>	<b>109bps</b>	<b>112bps</b>

Impairment Charges				
(€m)	2010	2011	1H11	2H11
Mortgages	49	71	26	45
Other Loans	10	11	1	10
<b>Total loan impairments</b>	<b>59</b>	<b>82</b>	<b>27</b>	<b>55</b>
Other	4	31	8	23
<b>Total impairment charges</b>	<b>63</b>	<b>113</b>	<b>35</b>	<b>78</b>
<b>Loan impairments as % of gross loans</b>	<b>11bps</b>	<b>15bps</b>	<b>10bps</b>	<b>20bps</b>



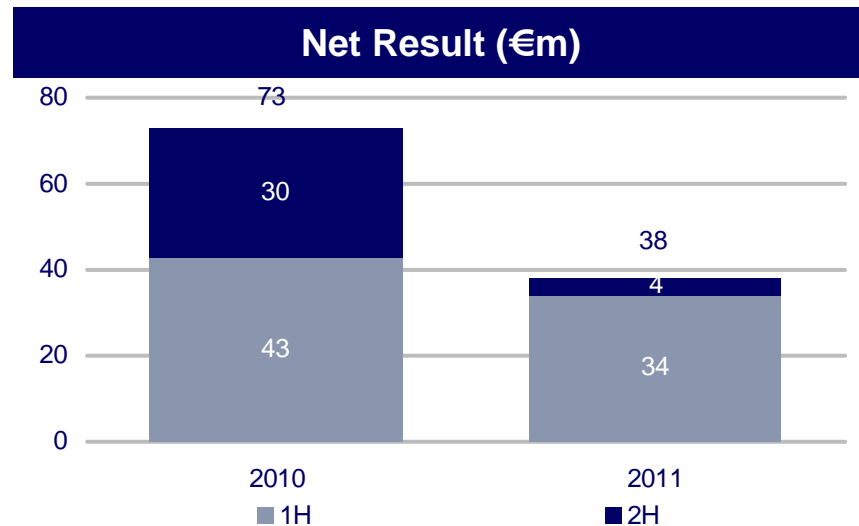
## Comments

- Net interest income supported by harmonisation of funding costs
- €112m gross gain from LT2 exchange
- 2H11 loan impairments include a €22m charge to reflect the current market environment
- 'Other' includes an impairment of €27m on Greek sovereign bonds
- Actual credit losses of €49m (2010: €32m)
- LtV retail mortgages of 81% (YE10: 77%)

# SNS SME: Substantial Reduction of Loan Portfolio; Strengthening of Loan Provision

Total Income				
(€m)	2010	2011	1H11	2H11
Net interest income	168	144	78	66
Net fee and commission income	7	7	4	3
Financial instruments / other income	3	(6)	(2)	(4)
<b>Total income</b>	<b>178</b>	<b>145</b>	<b>80</b>	<b>65</b>
<b>Net interest Margin as % of avg. loans</b>	<b>225bps</b>	<b>221bps</b>	<b>228bps</b>	<b>217bps</b>

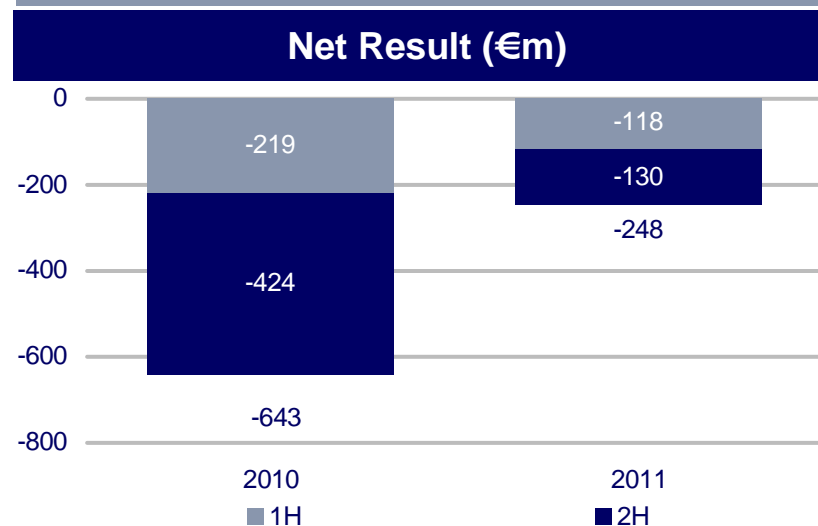
Impairment Charges / Gross Loans				
(€m)	2010	2011	1H11	2H11
Total impairment charges	26	46	11	35
<b>Gross loans</b>	<b>7,278</b>	<b>5,752</b>	<b>6,435</b>	<b>5,752</b>
<b>Loan impairments as % of avg. loans</b>	<b>36bps</b>	<b>71bps</b>	<b>32bps</b>	<b>115bps</b>



- ### Comments
- Negative result on financial instruments reflects sale of €330m non-provisioned loans at a discount
  - Gross loan portfolio reduced by €1.6bn (-22%) in 2011 as part of SNS REAAL's capital release plan
  - Increase in impairments in 2H11 to strengthen provisioning levels in the former PF portfolio; coverage ratio increased from 36.4% to 41.8%
  - Actual credit losses of €17m (2010: €9m)

# Property Finance: Sharply Lower Net Loss Driven by Lower Impairments

Total Income				
(€m)	2010	2011	1H11	2H11
Net interest income	137	53	30	23
Investment income	-	-	1	(1)
Result on financial instruments	(29)	(30)	(5)	(25)
Other operating income	(9)	(13)	(7)	(6)
<b>Total income</b>	<b>99</b>	<b>10</b>	<b>19</b>	<b>(9)</b>
<b>Net interest Margin as % of avg loans</b>	<b>210bps</b>	<b>89bps</b>	<b>98bps</b>	<b>83bps</b>



Impairment Charges				
(€m)	2010	2011	1H11	2H11
Impairment charges	784	251	138	113
- of which international	610	128	90	38
- of which Dutch	174	123	48	75
Impairment charges goodwill	68	-	-	-
<b>Total impairments charges</b>	<b>852</b>	<b>251</b>	<b>138</b>	<b>113</b>
<b>Loan impairments as % of avg loans</b>	<b>1110bp</b>	<b>387bps</b>	<b>411bps</b>	<b>369bps</b>

## Comments

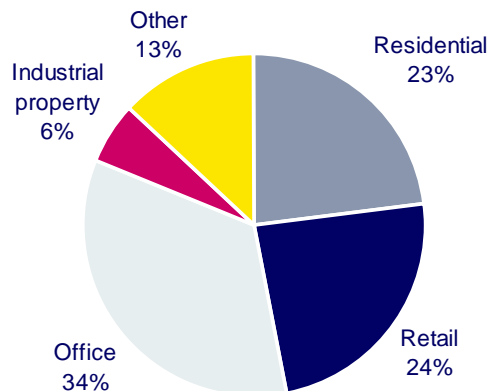
- Higher funding costs and shrinking loan portfolio result in lower net interest income
- Result on financial instruments consists of sales of non-provisioned loans at a discount
- In 2H11 an impairment of €31m was reversed as a result of the restructuring of a NPL
- Impairments expected to remain at high levels in 2012

# Most of Decline within International Portfolio; Netherlands Accounts for Bulk of Portfolio

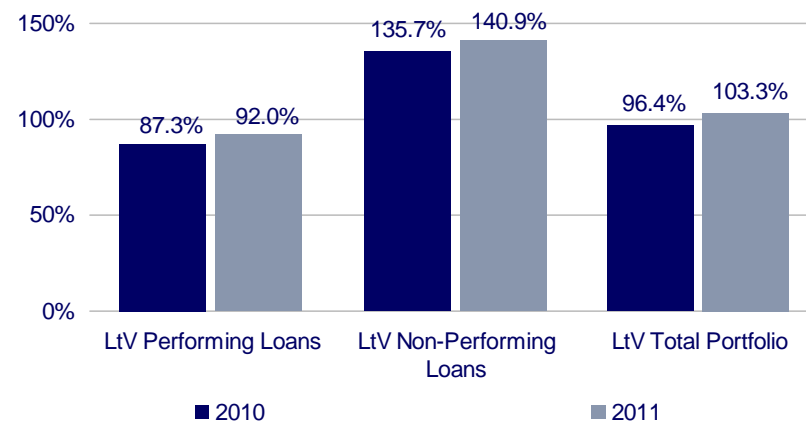
Outstanding Loans Property Finance by Geography 2011

(€m)	2010	%	2011	%	Decline in 2011
Netherlands	3,324	58%	2,925	61%	-12%
Germany	756	13%	593	12%	-22%
North America	688	12%	406	8%	-41%
France	232	4%	184	4%	-21%
Spain	191	3%	167	4%	-13%
Other Europe	591	10%	506	11%	-14%
<b>Total</b>	<b>5,782</b>	<b>100%</b>	<b>4,784</b>	<b>100%</b>	<b>-17%</b>

Outstanding Loans PF by Sector 2011

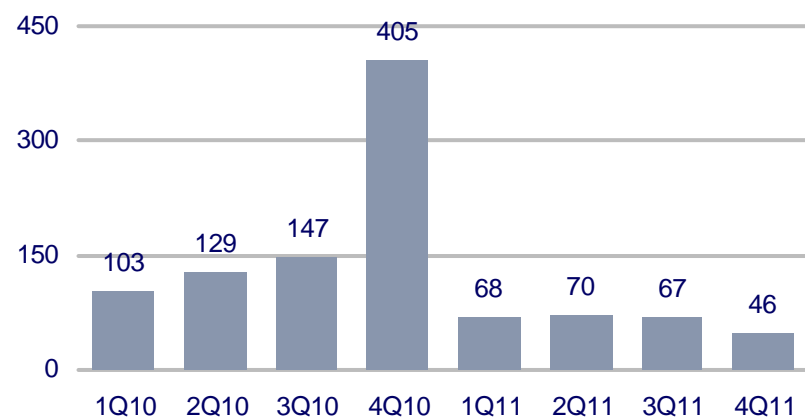


Loan-to-Value Property Finance



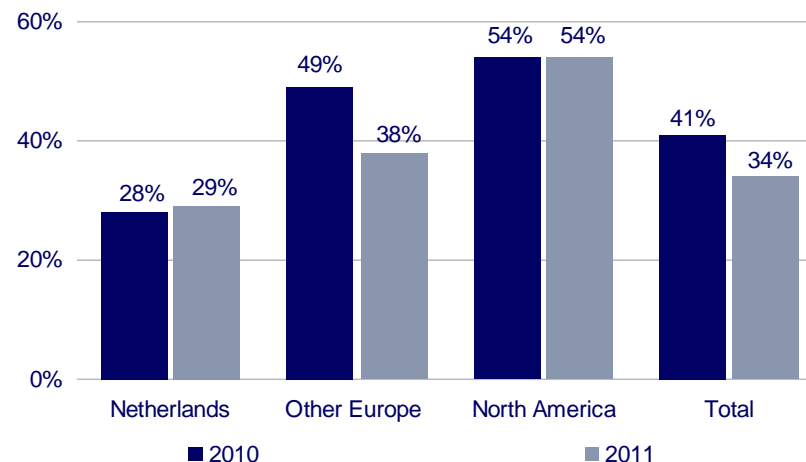
# Sharp Decline of Impairments Property Finance in 2011 in Line with Guidance

## Impairments<sup>1</sup> Property Finance



1. Excluding goodwill impairments

## Coverage Ratio Property Finance



## Breakdown Impairment Charges

(€m)	2010	2011	1H11	2H11
Loans	622	163	113	50
Property Projects	117	91	33	58
Participations / Other	45	(3)	(8)	5
<b>Total</b>	<b>784</b>	<b>251</b>	<b>138</b>	<b>113</b>

## Non-Performing Loans Property Finance

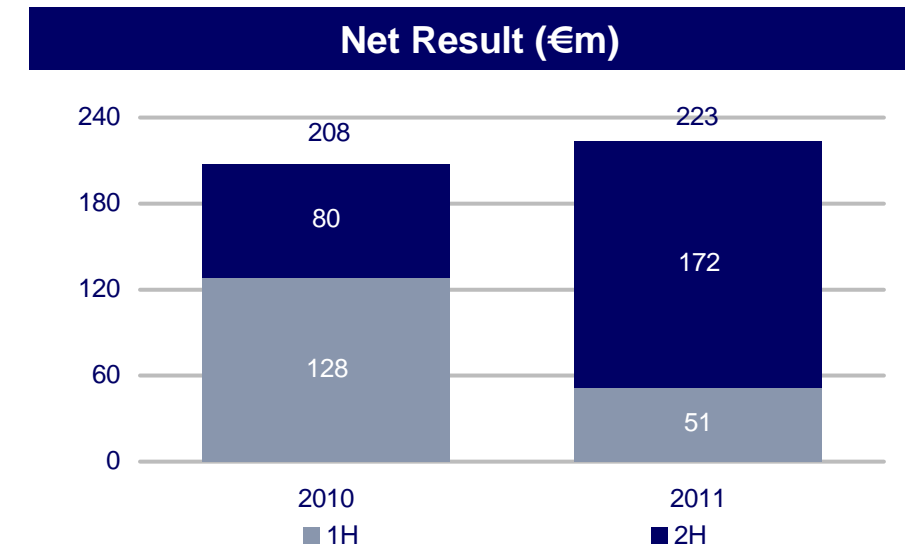
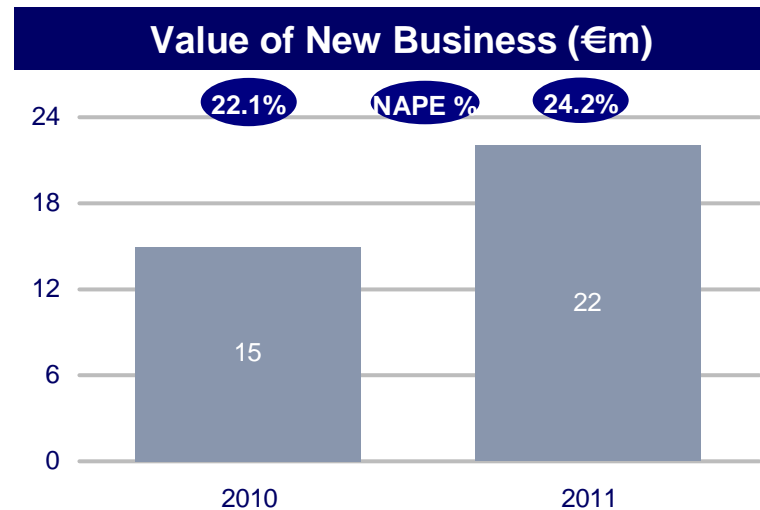
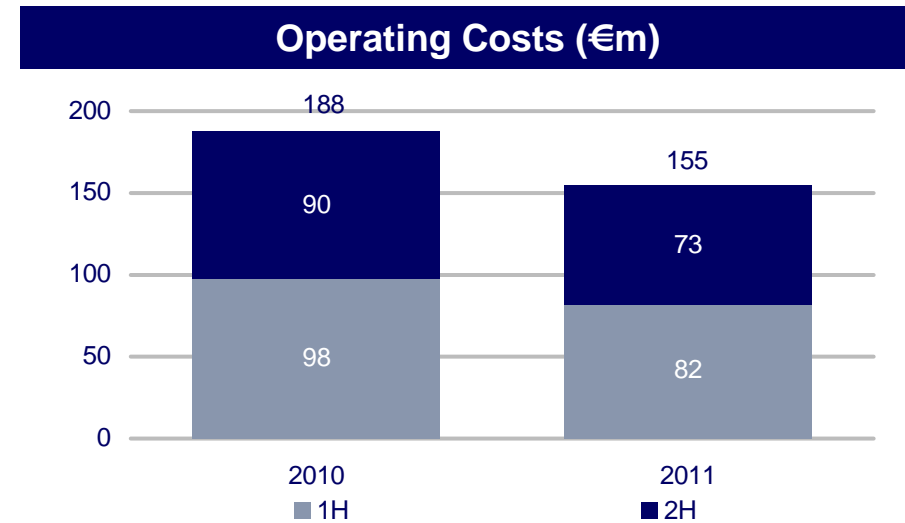
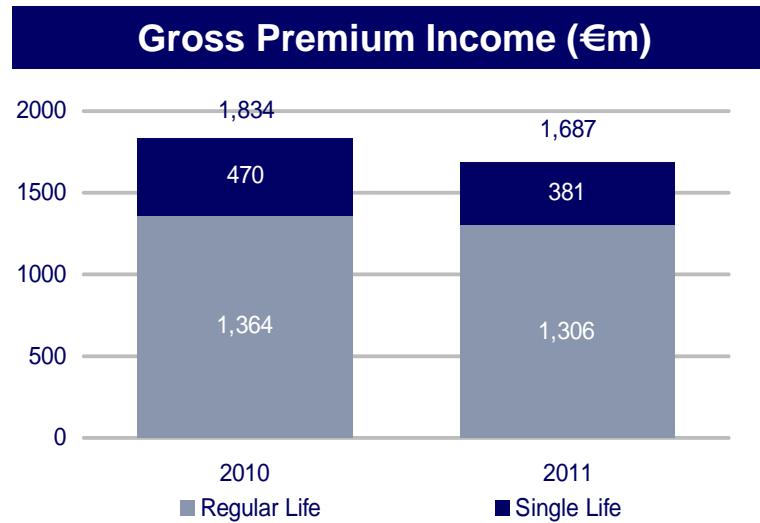
(€m)	2010	2011
<b>Total NPLs</b>	<b>1,761</b>	<b>1,728</b>
<b>% of gross outstanding loans</b>	<b>27.0%</b>	<b>32.1%</b>
Dutch NPLs	788	1,130
% of gross outstanding loans	22.2%	34.8%
International NPLs	973	598
% of gross outstanding loans	32.8%	28.1%

# Underlying Profit at REAAL Increased Markedly

Underlying Result REAAL (€m)				
(€m)	2010	2011	1H11	2H11
<b>Total net result REAAL</b>	<b>206</b>	<b>257</b>	<b>56</b>	<b>201</b>
<b>Impact investment portfolio and hedges</b>	<b>99</b>	<b>112</b>	<b>(12)</b>	<b>124</b>
Impairments and realised gains/losses on investments	57	30	6	24
Result on financial instruments	60	115	(24)	139
Changes in insurance contracts due to movements of fair value items	(18)	(33)	6	(39)
<b>One-off items</b>	<b>20</b>	<b>18</b>	<b>0</b>	<b>18</b>
<b>Net result REAAL excl. impact of one-off items and impact of investment portfolio and hedges</b>	<b>87</b>	<b>127</b>	<b>68</b>	<b>59</b>
Amortisation VOBA and other intangible assets	(96)	(76)	(37)	(39)
<b>Underlying result REAAL</b>	<b>183</b>	<b>203</b>	<b>105</b>	<b>98</b>

- Higher underlying result mainly driven by lower operating expenses
- Underlying result Life up slightly; Non-life rose sharply, also due to lower claims ratio in fire

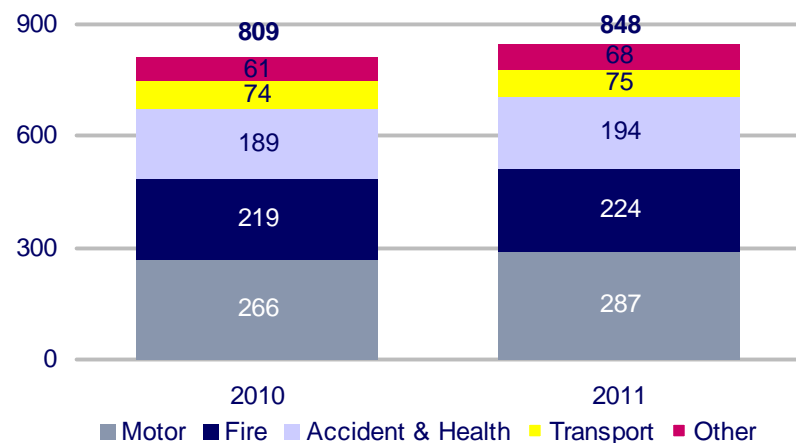
# REAAAL Life: Higher Net Profit Driven by Cost Savings and Gains on Interest Rate Derivatives



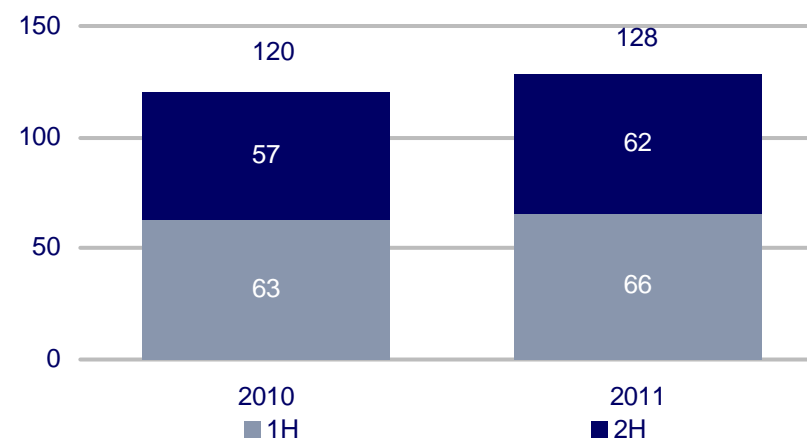


# REAAL Non-Life: Increase in Premium Income; Lower Combined Ratio

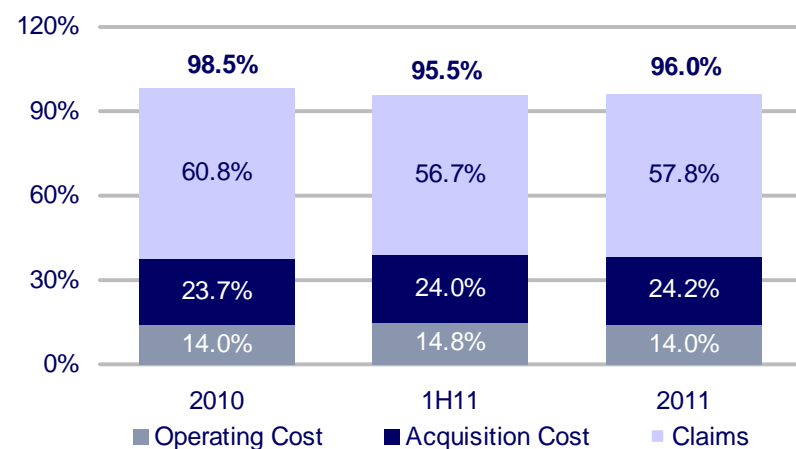
## Gross Premium Income (€m)



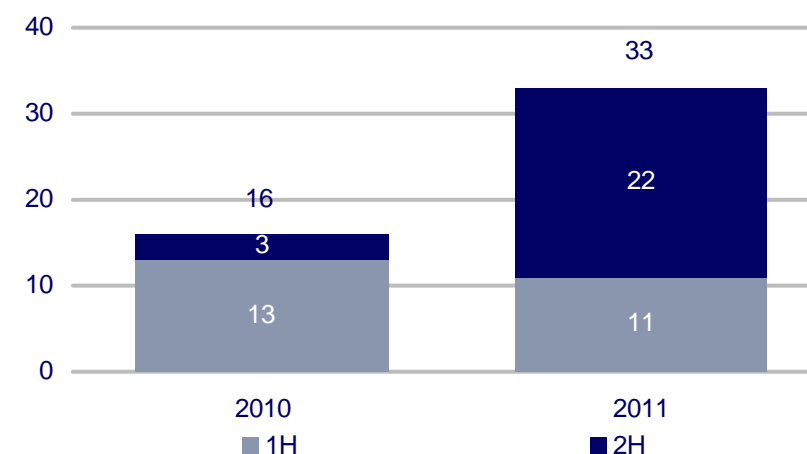
## Operating Costs (€m)



## Combined Ratio



## Net Result (€m)

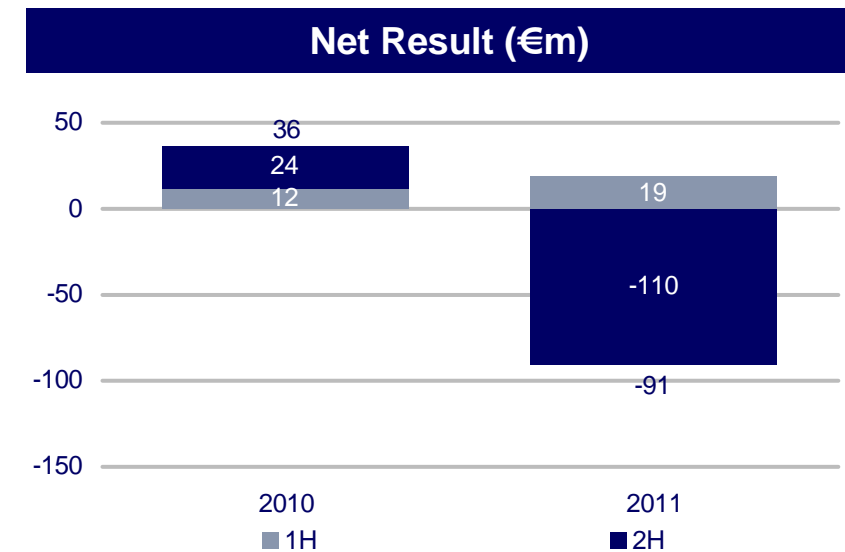
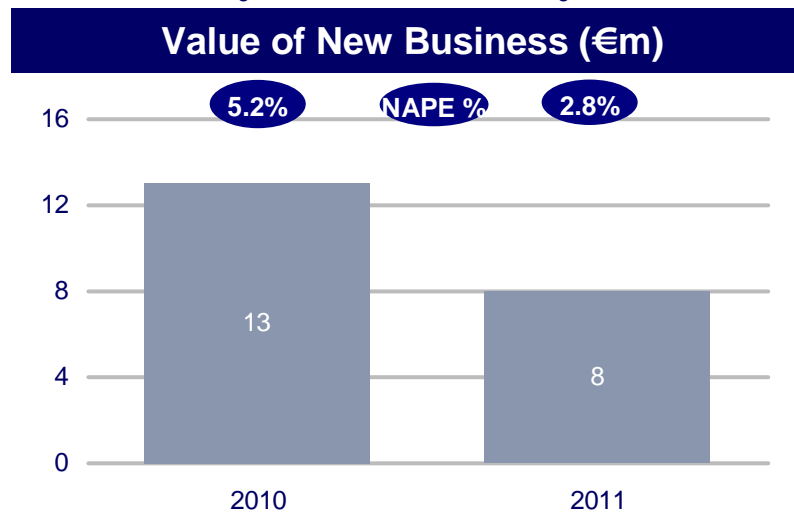
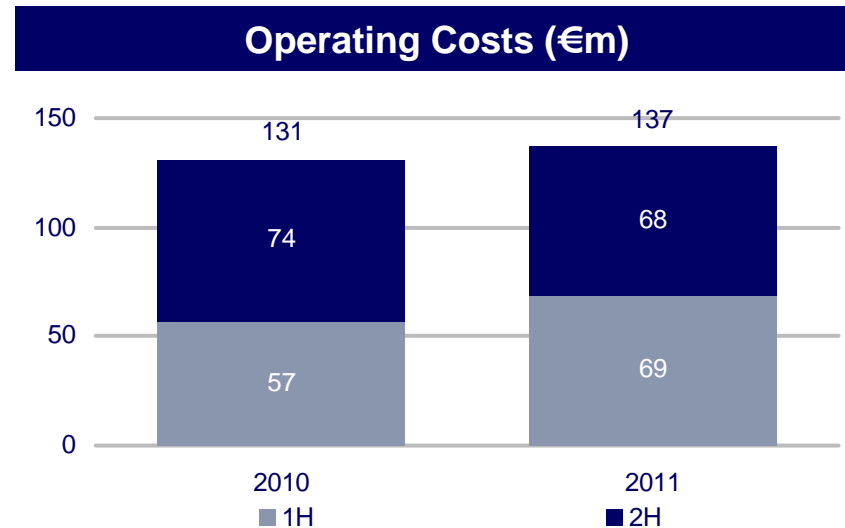
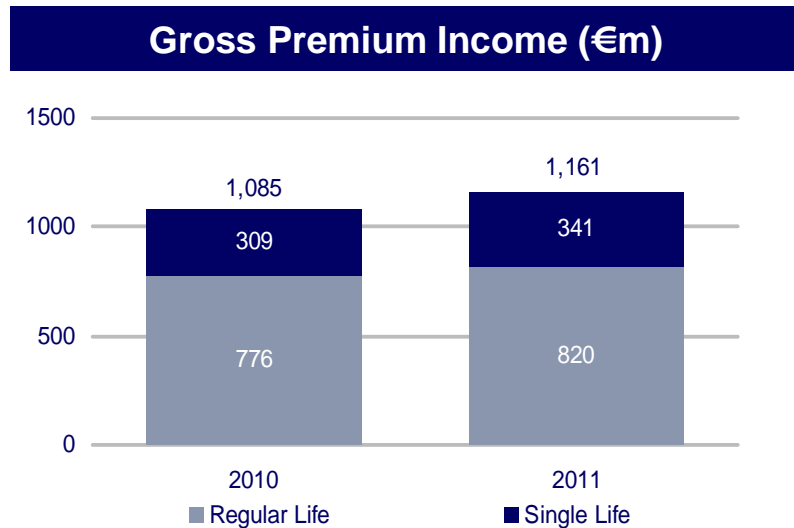


# Slight Increase Underlying Profit at Zwitserleven

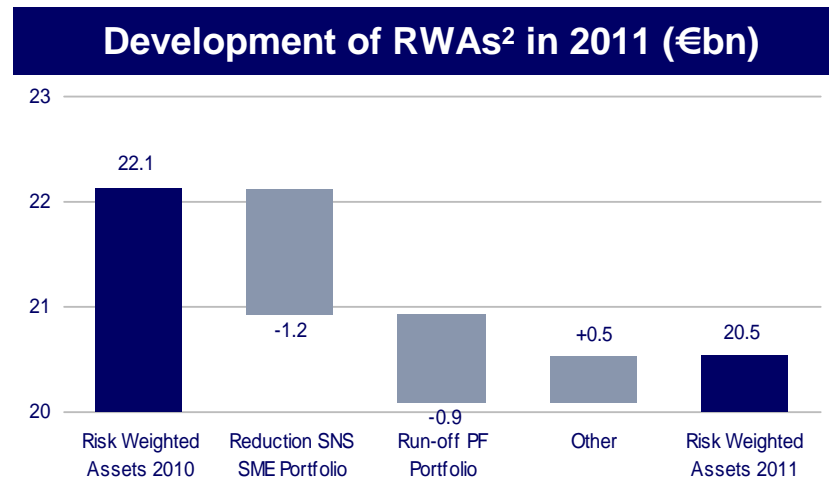
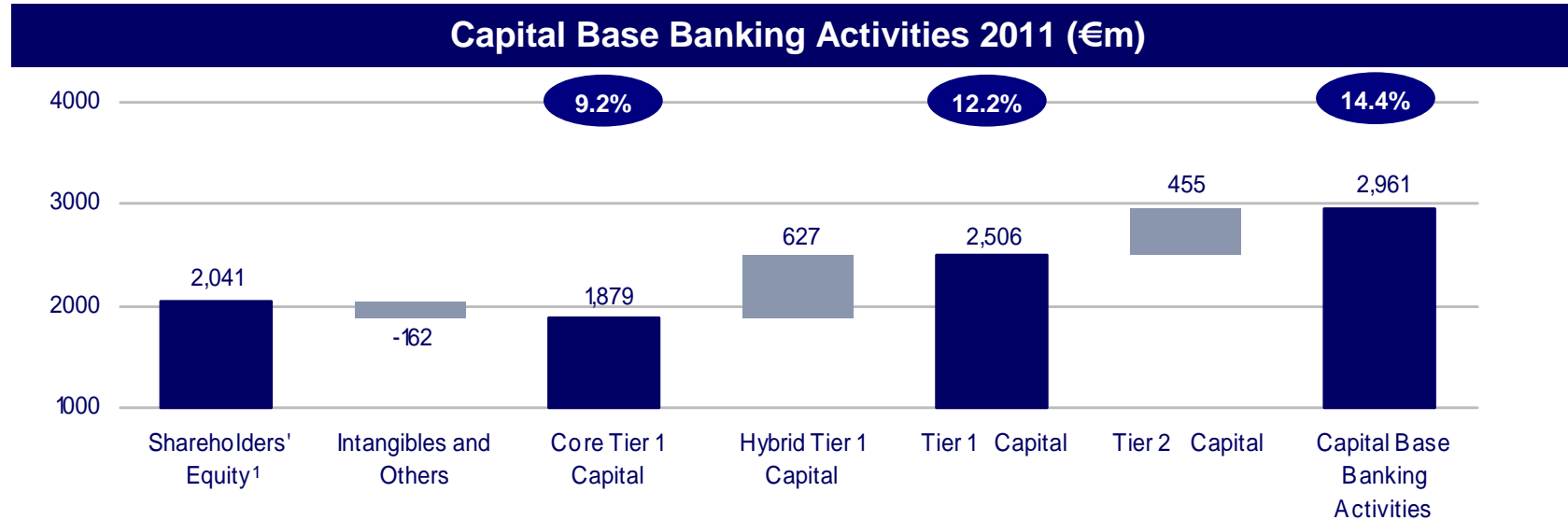
Underlying Result Zwitserleven (€m)				
	2010	2011	1H11	2H11
<b>Total net result Zwitserleven</b>	<b>36</b>	<b>(91)</b>	<b>19</b>	<b>(110)</b>
<b>Impact investment portfolio and hedges</b>	<b>34</b>	<b>(25)</b>	<b>0</b>	<b>(25)</b>
Impairments and realised gains/losses on investments	42	14	9	5
Result on financial instruments	13	21	4	17
Changes in insurance contracts due to movements of fair value items	(21)	(60)	(13)	(47)
<b>One-off items</b>	<b>(25)</b>	<b>(107)</b>	<b>0</b>	<b>(107)</b>
<b>Net result Zwitserleven excl. impact of one-off items and impact of investment portfolio and hedges</b>	<b>27</b>	<b>41</b>	<b>19</b>	<b>22</b>
Amortisation VOBA and other intangible assets	(25)	(14)	(5)	(9)
<b>Underlying result Zwitserleven</b>	<b>52</b>	<b>55</b>	<b>24</b>	<b>31</b>

- Increase in underlying result mainly due to higher technical results partly offset by higher operating expenses following the release of a provision for pension commitments in 2010
- Changes in technical provisions due to movements of fair value items include €74m addition to provisions for interest rate guarantees

# Zwitserleven: Result Impacted by Goodwill Impairment and Low Interest Rate Environment



# Banking Activities: Core Tier 1 Ratio of 9.2%

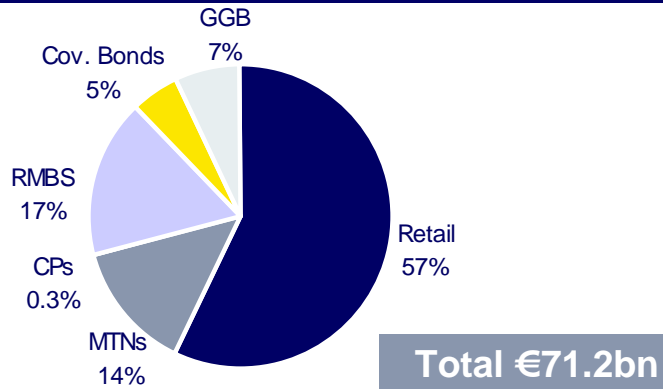


- Comments**
- Core Tier 1 ratio up as a result of lower RWAs (-7%) and profit retention
  - EBA capital shortfall of €159m reduced to €32m YE11 and expected to be fully addressed in 1H12

1. Excludes revaluation and fair value reserves 2. With 80% floor of Basel I

# Banking Activities: Strong Inflow of Retail Funding Supports Loan to Deposit Ratio

## Funding Mix Banking Activities 2011

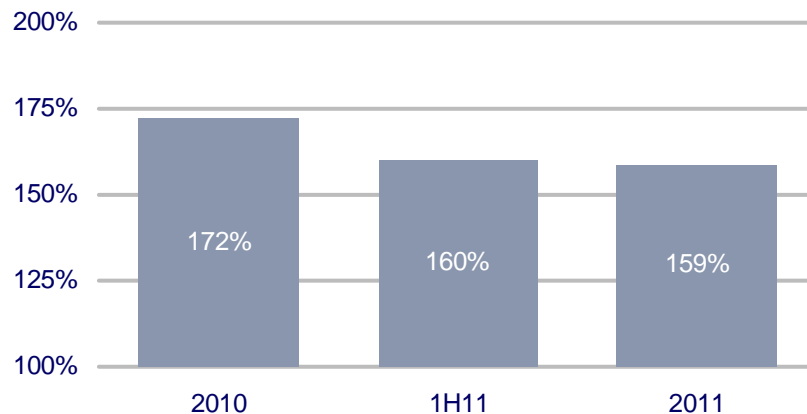


## Liquidity Position (€m)

	2010	1H11	2011
Cash	2,980	4,078	4,217
Liquid Assets <sup>1</sup>	8,939	8,626	6,861
<b>Total Liquidity Position</b>	<b>11,919</b>	<b>12,704</b>	<b>11,078</b>

1. Definition of liquid assets has been changed to assets which are ECB eligible and readily available. Comparative figures have been adjusted accordingly.

## Loan to Deposit Ratio Banking Activities

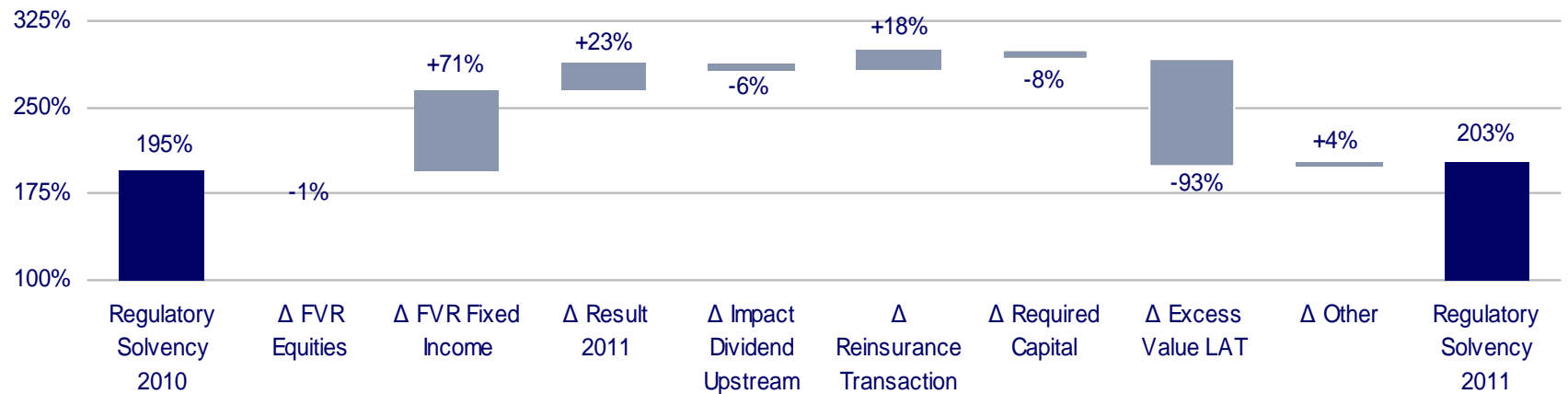


## Comments

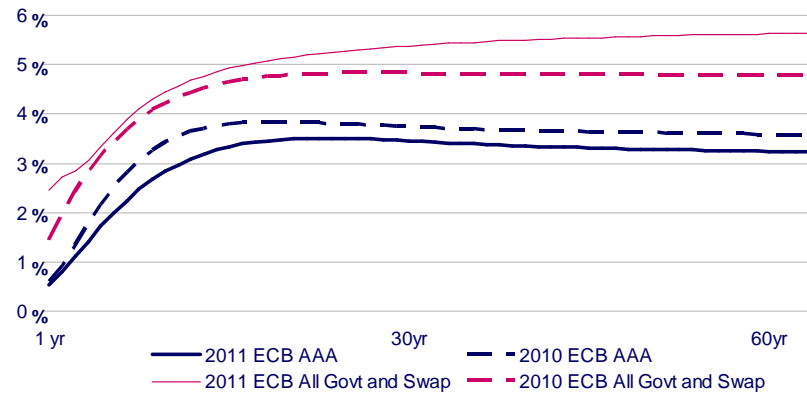
- Strong increase of retail funding (+€2.9bn), limited growth in mortgages and reductions of commitments at PF and SME impacted cash position positively
- Total liquidity position declined, due mainly to redemptions of funding

# Insurance Activities: Solvency Increased Despite Unfavorable Market Movements

## Change in Regulatory Solvency in 2011



## Regulatory yield curve vs IFRS yield curve



## Comments

- Lower yield curve and higher credit spreads impacted solvency negatively in 2011
- Using average yield curve (ECB AAA) in 4Q11 would result in a:
  - positive impact on the LAT of ~€300m
  - positive impact on solvency of 26 %-points

# GIIPS and French Exposure Actively Reduced; Proceeds Reinvested in German and Dutch Bonds

Sovereign Exposure <sup>1</sup> (€m)						
	2010	1H11	2011		% of Total 2011	Δ 2011 vs 2010
Ireland	245	206	212		1%	-13%
Greece	47	43	26		0%	-45%
Portugal	-	-	-		-	-
Italy	1,328	1,115	498		3%	-63%
Spain	343	316	79		0%	-77%
<b>Subtotal</b>	<b>1,963</b>	<b>1,680</b>	<b>815</b>		<b>4%</b>	<b>-58%</b>
Germany	6,400	6,742	8,018		40%	+25%
France	3,193	2,337	999		5%	-69%
Netherlands	3,514	4,211	7,248		37%	+106%
Austria	1,721	1,944	1,993		10%	+16%
Belgium	803	871	390		2%	-51%
Other	139	305	371		2%	+167%
<b>Total</b>	<b>17,734</b>	<b>18,091</b>	<b>19,834</b>		<b>100%</b>	<b>+12%</b>

1. Sovereign exposure also includes sub-sovereigns

## **III. Key Take-Aways**



# Key Take-Aways

## SNS REAAL reports net profit 2011 of €87m

- **Resilient performance of core activities with a net profit of €335m**
  - Net profit SNS Bank (Core) and REAAL up strongly
  - Goodwill impairment of €107m net at Zwitserleven
  - Higher underlying results at REAAL and Zwitserleven
- **Narrowing net loss Property Finance to €248m**
  - Total commitments reduced by €1.4bn (-20%)
  - Reduction of international commitments by €0.9bn to €2.2bn (-30%)
  - Sharp decline in impairment charges (-68%)
- **Increased solvency and further progress with capital release programme**
  - Core Tier 1 at the Banking activities up to 9.2% and Insurance solvency up to 203%
  - EBA capital shortfall reduced from €159m to €32m YE11
  - Commitments SNS SME reduced by €1.6bn (-22%)
  - Capital release programme on track; in total ~€600m released
- **Fundamental Changes in the Financial Services**
  - SNS REAAL actively addressing fundamental changes

## **IV. Questions & Answers**

# V. Appendices

## **A. 2011 Additional Slides**

# Quarterly Results 2011

## Net Result

(€m)	1Q11	2Q11	3Q11	4Q11	2011
SNS Bank (Core)	61	60	50	91	262
of which SNS Retail Bank	42	45	34	103	224
of which SNS SME	19	15	16	(12)	38
REAAL	14	42	103	98	257
of which REAAL Life	15	36	105	67	223
of which REAAL Non-Life	1	10	3	19	33
of which REAAL Other	(2)	(4)	(5)	12	1
Zwitserleven	15	4	(14)	(96)	(91)
Group Activities	(12)	(22)	(28)	(31)	(93)
<b>SNS REAAL (Core)</b>	<b>78</b>	<b>84</b>	<b>112</b>	<b>62</b>	<b>335</b>
Property Finance	(57)	(61)	(70)	(60)	(248)
<b>SNS REAAL</b>	<b>21</b>	<b>23</b>	<b>42</b>	<b>1</b>	<b>87</b>

# Quarterly Results 2010

## Net Result<sup>1</sup>

(€m)	1Q10	2Q10	3Q10	4Q10	2010
SNS Bank (Core)	47	62	62	41	212
of which SNS Retail Bank	27	39	45	28	139
of which SNS SME	20	23	17	13	73
REAAAL	68	68	95	(25)	206
of which REAAAL Life	68	60	96	(16)	208
of which REAAAL Non-Life	3	10	5	(2)	16
of which REAAAL Other	(3)	(2)	(6)	(7)	(18)
Zwitserleven	0	12	20	4	36
Group Activities	(15)	(8)	(24)	(25)	(71)
<b>SNS REAAAL (Core)</b>	<b>100</b>	<b>134</b>	<b>153</b>	<b>(4)</b>	<b>383</b>
Property Finance	(60)	(159)	(107)	(317)	(643)
<b>SNS REAAAL</b>	<b>40</b>	<b>(25)</b>	<b>46</b>	<b>(321)</b>	<b>(260)</b>

1. 2010 Figures have been regrouped to reflect the newly created sub segments SNS Retail Bank, SNS SME and Property Finance. Figures for 2010 are also restated to reflect an accounting change (implementation of shadow accounting at REAAAL and Zwitserleven with a net impact of -€ 35m)

# Property Finance: Development Property Projects & Held for Sale

Property Projects and Held for Sale 2011				
(€m)	Gross Value	Impairments	Net Realisable Value	Write-offs as a % of Gross Value
<b>Property Projects</b>	<b>979</b>	<b>-474</b>	<b>505</b>	<b>48%</b>
<b>Held for Sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

- Property Projects increased in 2011 by €49m to €505m as a result of:
  - +€160m of new inflow
  - -€57m of sales
  - -€91m of impairments
  - +€37m other
- Held for Sale decreased by €94m to zero as a result of:
  - sale of five projects (most notably 55 West)
- Cumulative impairments from Property Projects rose by €174m to €474m in 2011

# Property Finance: Dutch vs. International Activities

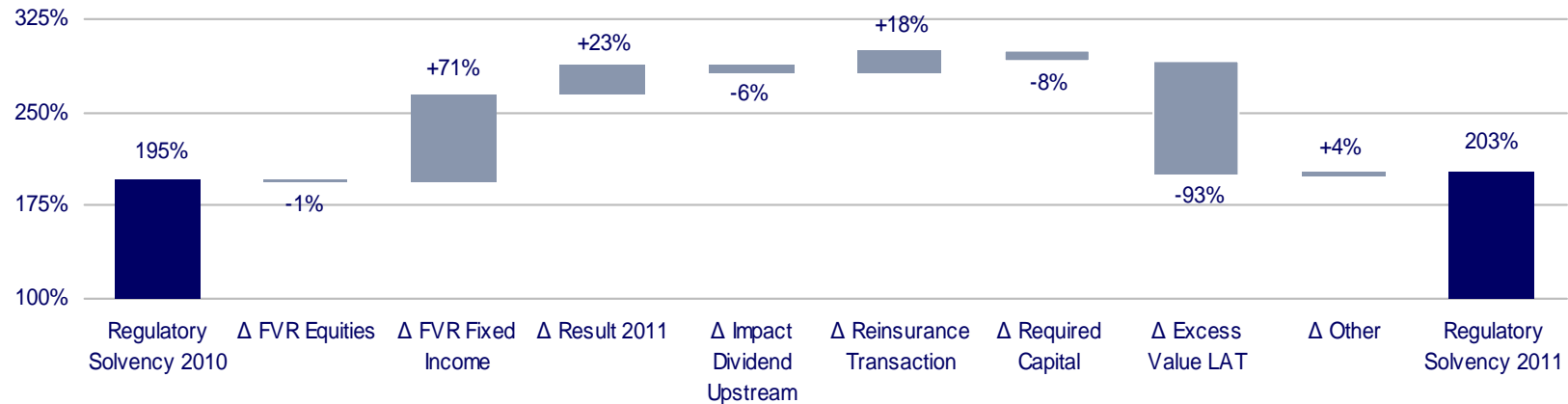
Dutch Portfolio (€m)		
(€bn)	2010	2011
Commitments	3,763	3,323
Undrawn Commitments	216	75
Outstanding Loans (Gross)	3,547	3,248
Loan Provision	222	324
Outstanding Loans	3,325	2,924
Property Projects	0	29
Held for Sale	0	0
<b>Total Net Exposure</b>	<b>3,325</b>	<b>2,953</b>
Non-Performing Loans	788	1,130
NPLs as a % of outstanding loans	22.2%	34.8%
Coverage Ratio	28.2%	28.7%
Average Loan-to-Value	95.8%	110.0%

International Portfolio (€m)		
(€bn)	2010	2011
Commitments	3,077	2,157
Undrawn Commitments	112	27
Outstanding Loans (Gross)	2,965	2,130
Loan Provision	506	271
Outstanding Loans	2,459	1,859
Property Projects	456	476
Held for Sale	94	0
<b>Total Net Exposure</b>	<b>3,009</b>	<b>2,335</b>
Non-Performing Loans	973	598
NPLs as a % of outstanding loans	32.8%	28.1%
Coverage Ratio	52.0%	45.3%
Average Loan-to-Value	97.6%	94.4%

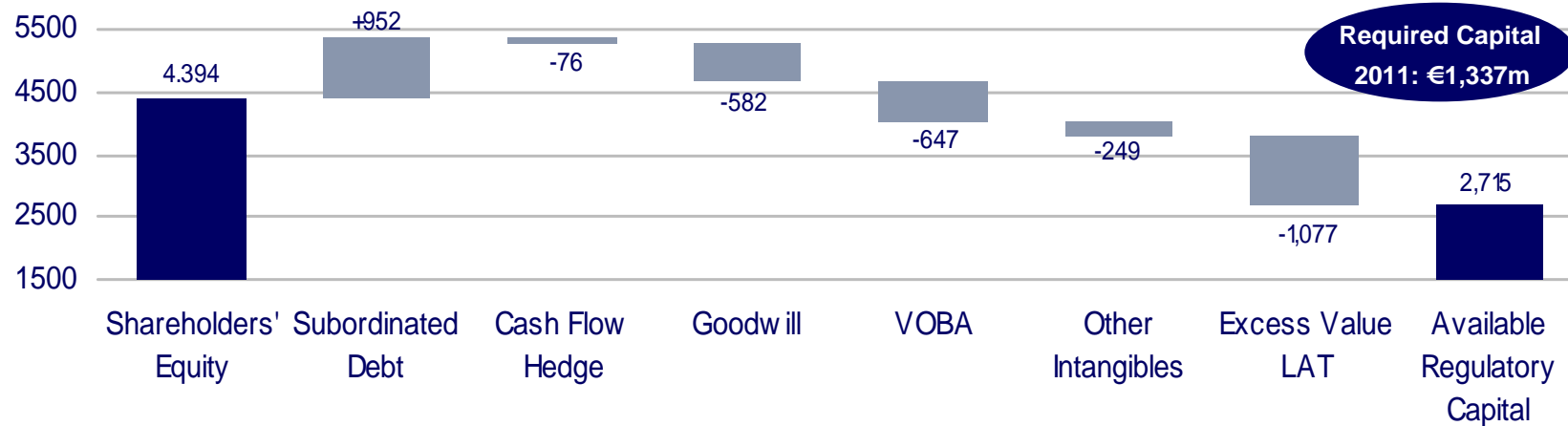


# Solvency Insurance Activities 2011

## Change in Regulatory Solvency in 2011



## Reconciliation Regulatory Solvency Capital and Shareholders' Equity 2011 (€m)



# Sovereign Exposure Concentrated in Germany and the Netherlands

## Sovereign Exposure 2010 (€m)

	Insurance	Banking	Total
Ireland	89	156	245
Greece	-	47	47
Portugal	-	-	-
Italy	565	763	1,328
Spain	286	57	343
<b>Subtotal</b>	<b>940</b>	<b>1,023</b>	<b>1,963</b>
Germany	5,670	730	6,400
France	2,803	390	3,193
Netherlands	2,722	792	3,514
Austria	1,316	405	1,721
Belgium	603	200	803
Other	132	7	139
<b>Total</b>	<b>14,187</b>	<b>3,547</b>	<b>17,734</b>

*Note: Sovereign exposure also includes sub-sovereigns*

## Sovereign Exposure 2011 (€m)

	Insurance	Banking	Total
Ireland	47	165	212
Greece	-	26	26
Portugal	-	-	-
Italy	232	266	498
Spain	50	29	79
<b>Subtotal</b>	<b>329</b>	<b>486</b>	<b>815</b>
Germany	6,470	1,548	8,018
France	804	195	999
Netherlands	6,515	733	7,248
Austria	1,684	309	1,993
Belgium	226	164	390
Other	323	48	371
<b>Total</b>	<b>16,351</b>	<b>3,483</b>	<b>19,834</b>

# Insurance Activities: Fixed-Income Portfolio

Fixed-Income Portfolio (Sector)				
(€bn)	2010	%	2011	%
Sovereign	14.2	51%	16.4	57%
Financials	5.8	21%	4.7	17%
Mortgages	4.9	17%	4.9	18%
Corporates	1.7	6%	1.2	4%
MBS	1.0	4%	1.2	4%
Other	0.4	1%	0.1	0%
<b>Total</b>	<b>28.0</b>	<b>100%</b>	<b>28.5</b>	<b>100%</b>

Fixed-Income Portfolio (Maturity)				
(€bn)	2010	%	2011	%
< 3 Months	0.9	3%	0.5	2%
< 1 Year	1.5	5%	1.1	4%
< 3 Years	2.2	8%	2.2	8%
< 5 Years	1.9	7%	2.4	8%
< 10 Years	5.8	21%	6.2	22%
< 15 Years	2.3	8%	3.0	10%
> 15 Years	13.4	48%	13.1	46%
<b>Total</b>	<b>28.0</b>	<b>100%</b>	<b>28.5</b>	<b>100%</b>

Fixed-Income Portfolio (Rating)				
(€bn)	2010	%	2011	%
AAA	15.1	54%	18.0	63%
AA	2.6	9%	1.3	5%
A	2.9	10%	2.5	8%
BBB	2.2	8%	0.9	3%
< BBB	0.1	1%	0.2	1%
No Rating	5.1	18%	5.6	20%
<b>Total</b>	<b>28.0</b>	<b>100%</b>	<b>28.5</b>	<b>100%</b>

Fixed-Income Portfolio (Geography)				
(€m)	2010	%	2011	%
Ireland	412	1%	317	1%
Portugal	50	0%	26	0%
Italy	823	3%	369	1%
Spain	718	3%	403	1%
Germany	6,219	22%	7,000	25%
France	3,507	13%	1,342	5%
Netherlands	11,117	40%	14,264	50%
Other	5,149	18%	4,821	17%
<b>Total</b>	<b>27,995</b>	<b>100%</b>	<b>28,542</b>	<b>100%</b>

# Banking Activities: Investment Portfolio

## Breakdown Portfolio (Sector)

(€bn)	2010	%	2011	%
Sovereign	3.5	87%	3.5	88%
Financials	0.3	7%	0.1	4%
Mortgages	0.0	0%	0.0	0%
Corporates	0.1	2%	0.1	1%
MBS	0.2	4%	0.3	7%
<b>Total</b>	<b>4.1</b>	<b>100%</b>	<b>4.0</b>	<b>100%</b>

## Breakdown Portfolio (Maturity)

(€bn)	2010	%	2011	%
< 3 Months	0.1	2%	0.1	2%
< 1 Year	0.0	0%	0.0	1%
< 3 Years	0.3	8%	1.2	30%
< 5 Years	0.8	20%	0.3	7%
< 10 Years	1.0	25%	1.5	37%
< 15 Years	0.5	11%	0.2	6%
> 15 Years	1.4	33%	0.7	17%
<b>Total</b>	<b>4.1</b>	<b>100%</b>	<b>4.0</b>	<b>100%</b>

## Breakdown Portfolio (Rating)

(€bn)	2010	%	2011	%
AAA	2.5	61%	1.8	45%
AA	0.3	7%	0.9	22%
A	1.0	25%	0.6	16%
BBB	0.2	5%	0.6	16%
< BBB	0.1	1%	0.1	1%
No Rating	0.0	1%	0.0	0%
<b>Total</b>	<b>4.1</b>	<b>100%</b>	<b>4.0</b>	<b>100%</b>

## Breakdown Portfolio (Geography)

(€m)	2010	%	2011	%
Ireland	166	4%	165	4%
Greece	47	1%	26	1%
Italy	804	20%	271	7%
Spain	57	1%	29	1%
Germany	767	19%	1,548	39%
France	473	12%	213	5%
Netherlands	1,068	26%	1,149	29%
Other	711	17%	575	14%
<b>Total</b>	<b>4,093</b>	<b>100%</b>	<b>3,976</b>	<b>100%</b>

# Group Capital Position 2011

Group Capital (€m)	
<b>Shareholders' Equity (excl. Double Leverage)</b>	<b>5,428</b>
Minority Interests	-1
Banking Certificates / Hybrid Tier 1	627
Insurance Hybrid / Subordinated Capital	952
Banking Intangibles	-162
Insurance Intangibles / Other	-1,553
Excess LAT (negatively adjusted for DAC)	-1,076
<b>Total Available Capital (a)</b>	<b>4,215</b>
Minimum Required Bank Capital	822
Minimum Required Insurance Capital	1,337
<b>Total Minimum Required Capital (b)</b>	<b>2,159</b>
<b>Solvency Ratio (excl. Double Leverage) (a/b)</b>	<b>195%</b>

Changes in Shareholders' Equity (€m)	
<b>Shareholders' Equity 2010</b> <sup>(1)</sup>	<b>4,719</b>
Fair Value Reserve Equities	-11
Fair Value Reserve Fixed Income	+775
Net Result 2011	+87
Shadow Accounting	-214
Cash Flow Hedge Reserve	72
<b>Shareholders' Equity 2011</b>	<b>5,428</b>

Calculation Double Leverage 2011 (€m)	
<b>Shareholders' Equity Subsidiaries (a)</b>	<b>6,197</b>
of which Banking Activities	1,878
of which Insurance Activities	4,356
of which Other	-37
<b>Shareholders' Equity SNS REAAL (b)</b>	<b>5,427</b> <sup>(2)</sup>
<b>Double Leverage (a/b)</b>	<b>114.2%</b>

1. Figure is restated to reflect an accounting change (shadow accounting)
2. Excludes €1m of minorities

# Forward-looking Statements

## Reservation concerning forward-looking statements

This presentation contains forward-looking statements concerning future events. Those forward-looking statements are based on the current information and assumptions of the SNS REAAL management concerning known and unknown risks and uncertainties.

Forward-looking statements do not relate to definite facts and are subject to risk and uncertainty. The actual results may differ considerably as a result of risks and uncertainties relating to SNS REAAL's expectations regarding such matters as the assessment of market risk, premium growth and investment income, cash flow predictions and other developments within SNS REAAL or, more generally, the economic climate and changes in the law and taxation.

SNS REAAL cautions that expectations are only valid on specific dates, and accepts no responsibility for the revision or updating of any information following changes in policy, developments, expectations or the like.