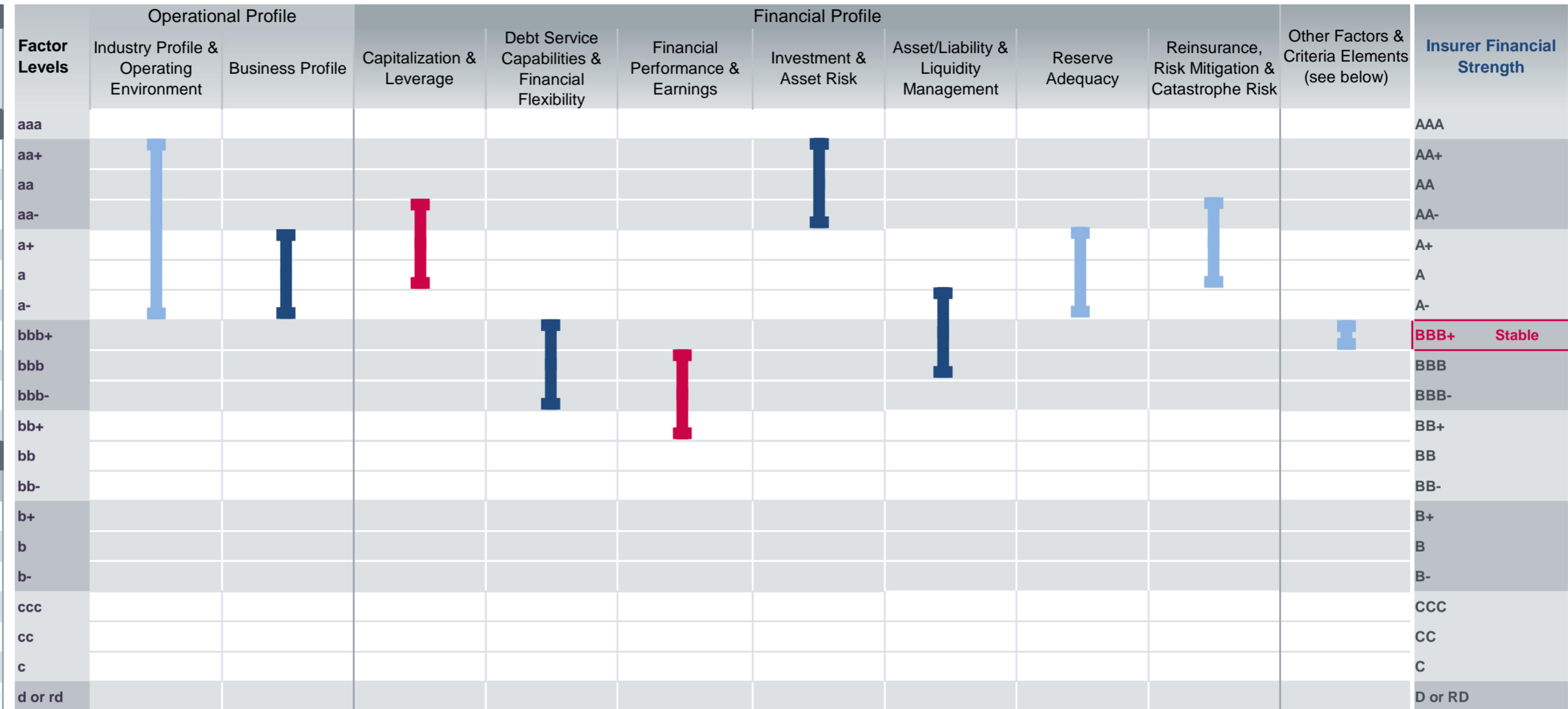


European Composite			
Publish Date:	24-Jan-18		
<b>Sector Details:</b>			
Sector:	European Composite		
Region:	Developed Markets - Europe		
Country:	Netherlands		
Country IDR:	AAA Stable		
Country IDR Action:	Affirmed		
Country Action Date:	27-Oct-17		
Country Ceiling:	AAA		
<b>Ratings History</b>			
Date	IFS		Action
08-Jan-18	BBB+	Stable	Affirmed
20-Jun-17	BBB+	Negative	Affirmed
19-Oct-16	BBB+	Stable	Upgrade
25-May-16	BBB	Positive	Affirmed
25-Apr-16	BBB	Positive	Affirmed
13-Nov-15	BBB	Positive	Affirmed
17-Aug-15	BBB	RWE	Rating Watch Maintained

Bar Chart Legend:			
Vertical Bars = Range of Rating Factor			
Bar Colors = Relative Importance			
<span style="color: red;">█</span>	Higher Influence		
<span style="color: blue;">█</span>	Moderate Influence		
<span style="color: lightblue;">█</span>	Lower Influence		
Bar Arrows = Rating Factor Outlook			
↑	Positive		
↓	Negative		
↕	Evolving		
□	Stable		

Relevant Criteria & References	
<a href="#">Insurance Rating Criteria (Nov 2017)</a>	
<a href="#">European Composite: SCF Report (Life) (Nov 2016)</a>	
<b>Analysts</b>	
<a href="#">Willem Loots (+44 203 530 1808)</a>	
<a href="#">Andras Sasdi (+44 203 530 1805)</a>	



Other Factors & Criteria Elements				
<b>Unadjusted Insurer Financial Strength</b>				BBB+
<b>Other Credit Factors</b>				
Non-Insurance Attributes	Positive	Neutral	Negative	+0
Corporate Governance & Management	Effective	Some Weakness	Ineffective	+0
Ownership	Positive	Neutral	Negative	+0
<b>Other Criteria Elements</b>				
Sovereign-Related Constraint	Yes	No	AAA	0
Country Ceiling	Yes	No	AAA	+0
Start-up / Runoff Constraint	Yes	No	AAA	+0
<b>Insurer Financial Strength (IFS)</b>				Final: <b>BBB+</b>
IFS Recovery Assumption	Good			-1
<b>Issuer Default Rating (IDR)</b>				Final: <b>BBB</b>

Direct Peer Group	Current IFS	Previous IFS	Date Changed
Aegon N.V.	A+	AA-	23-Aug-2016
NN Group N.V.	A+		11-Apr-2016
Ethias SA	BBB+	BBB	27-Jun-2017

Drivers	
<b>Ownership Neutral To Rating</b>	We believe that the regulatory and governance framework under which VIVAT operates protects its capitalisation and policyholders through restrictions on the minimum capital position and on capital flows to the shareholder, Anbang.
<b>Strong Capitalisation</b>	VIVAT scored 'extremely strong' in Fitch's Prism factor-based capital model (Prism FBM) at end-2016 (end-2015: 'very strong'). We expect VIVAT to maintain a Prism FBM score at or near the 'extremely strong' level.
<b>Increased Financial Leverage</b>	We estimate that VIVAT's financial leverage ratio had increased to above 30% at end-1H17 from 21% at end-2016 due to a new EUR650 million senior debt issue in May 2017.
<b>Stable Dutch Market Position</b>	VIVAT has a stable presence in the Dutch market, notably in life insurance. At end-2016, it ranked fourth in Dutch life with a 13% market share and fifth in non-life with a 5% market share based on gross premiums (excluding health).
<b>Volatile Profitability</b>	Profitability could improve, supported by significant cost savings, and other management actions to improve underwriting performance. We estimate run-rate net income return on equity (ROE) of 4%-5%, but actual results could be volatile.

Sensitivities	
<b>Improved Profitability, Lower Leverage</b>	Net income ROE sustained above 6% could lead to an upgrade. The rating could also be upgraded if financial leverage falls below 25% while the Prism FBM score is maintained at 'extremely strong'.
<b>Lower Earnings, Capital; Higher Leverage</b>	The ratings could be downgraded if VIVAT's net income ROE falls below 3%, if the Prism FBM score falls to the low end of the 'strong' category, or if financial leverage increases to more than 35% for a sustained period.
<b>Weaker Regulatory Oversight</b>	An adverse change in our perception of the strength of the ring-fencing provided by the regulatory and governance framework under which VIVAT operates could lead to a downgrade.
<b>Deteriorating Parent Credit Profile</b>	Significant deterioration in Anbang's credit profile as assessed by Fitch could also lead to a downgrade of VIVAT's ratings.

The Navigator summarizes the main IFS rating(s) of the noted operating company, and/or operating company subsidiaries of the noted holding company.

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTPS://WWW.FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](https://www.fitchratings.com/understandingcreditratings) IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEB SITE AT [WWW.FITCHRATINGS.COM](http://WWW.FITCHRATINGS.COM). PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Copyright © 2018 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved. In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.