



# 2015

## ANNUAL REPORT

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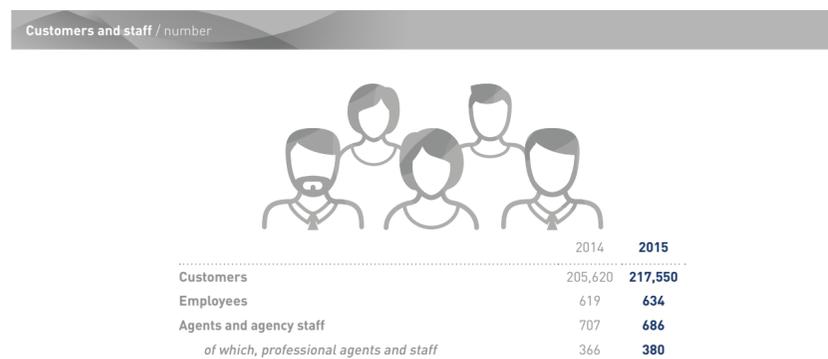
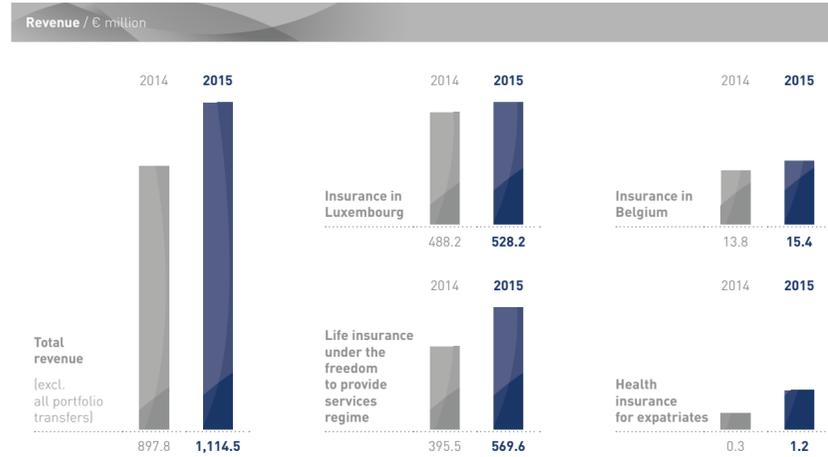
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# KEY FIGURES

(consolidated) on 31 December 2015

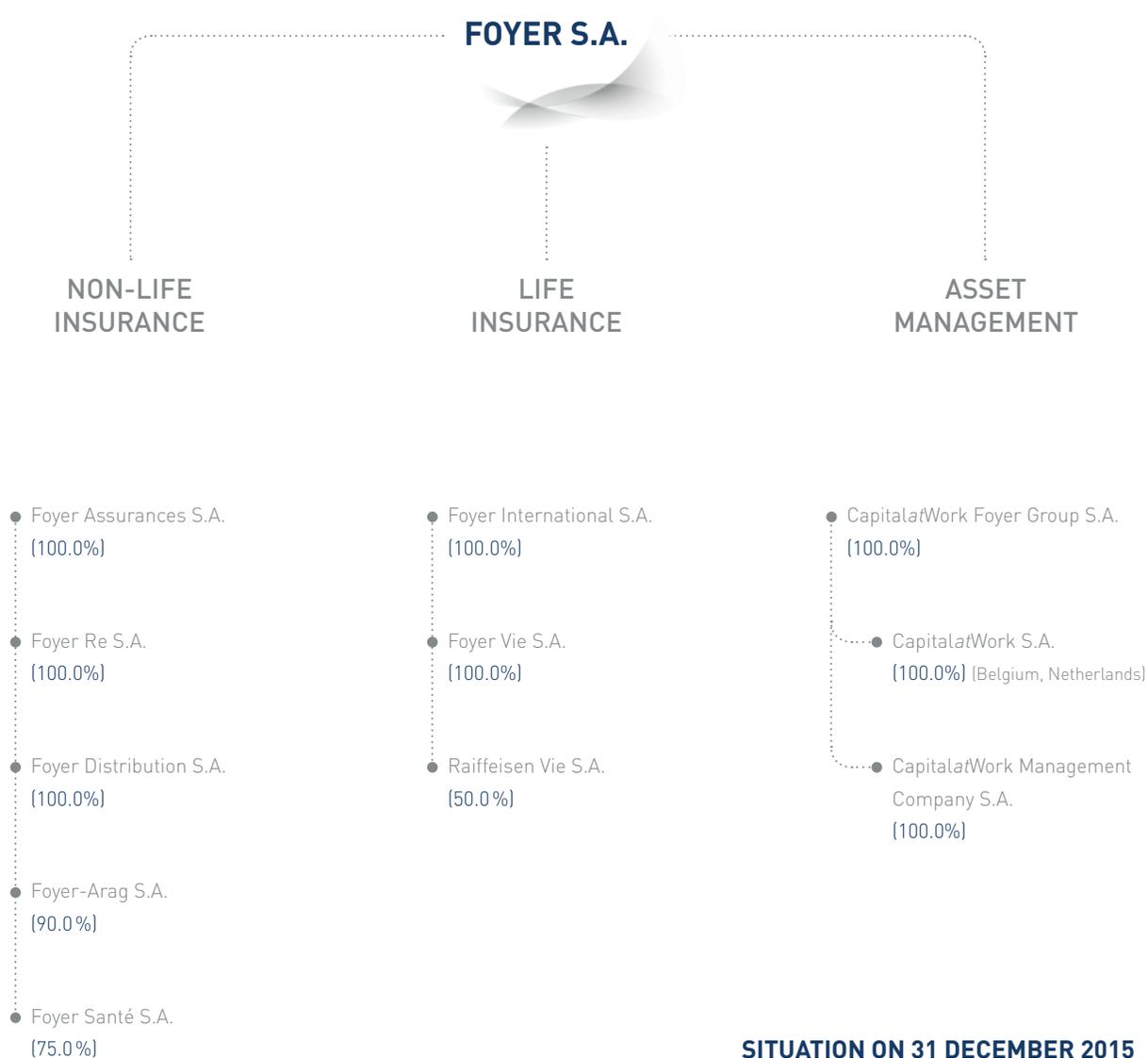
Consolidated balance sheet / € million	2014	2015
<b>Total assets</b>	6,427.1	<b>6,966.6</b>
Land and buildings	40.0	<b>59.3</b>
Variable- and fixed-income securities	2,221.4	<b>2,288.3</b>
Investments related to unit-linked policies	3,535.8	<b>3,942.3</b>
Bank deposits, cash and cash equivalents	336.2	<b>388.0</b>
Treasury shares	93.4	<b>93.9</b>
<b>Total liabilities</b>	6,427.1	<b>6,966.6</b>
Technical provisions	1,714.4	<b>1,855.0</b>
Provisions related to unit-linked policies	3,535.8	<b>3,942.3</b>
Shareholders' equity - Group share	802.9	<b>812.7</b>

Consolidated profit and loss account / € million	2014	2015
<b>Earned premiums, net of reinsurance</b>	909.4	<b>1,071.4</b>
Commissions earned by the Asset Management sector	38.8	<b>41.3</b>
Net financial income	283.5	<b>267.7</b>
<b>Net operating income</b>	322.4	<b>308.9</b>
Insurance benefits and claims, net of reinsurance	- 1,017.7	<b>- 1,140.0</b>
Operating expenses	- 130.4	<b>- 136.7</b>
<b>Operating profit</b>	83.6	<b>103.5</b>
Income tax	- 21.8	<b>- 29.4</b>
Tax rate	26.1%	<b>28.4%</b>
<b>Net income</b>	61.8	<b>74.1</b>
Group share	61.5	<b>73.8</b>
Profit per share (in €)	7.82	<b>9.39</b>



Financial information

# ACTIVITIES OF FOYER GROUP



# MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

If I had to sum up the 2015 financial year, I would bring up the words **performance** and **financial soundness**.

First of all, in terms of **growth**:

- On the local market, the number of customers of our insurance companies increased by 3.9%.
- In non-life and life insurance, revenue from individual customers in the Grand Duchy increased by 5.1% and 12.7%, respectively.
- On the Belgian market, sales in non-life insurance grew by 12.5%.
- Foyer International added 44.0% to the volume of life insurance it sold from the Grand Duchy under the freedom to provide services regime.
- Foyer Santé continued its cross-border expansion, selling products for expatriates.
- CapitalatWork Foyer Group's assets under management increased by 5.3%.

All these growth rates compare favourably with the anaemic performance in the EU as a whole. They reflect the healthy economic environment in the Grand Duchy of Luxembourg and the strong momentum of the Group's companies.

Next, in terms of **profit**:

The Group's *operational result* increased by 9.4% thanks to the absence of significant claims in Motor and Non-Motor insurance, for one thing, and of natural disasters (unfavourable weather events), for another. That led to after-tax profits of €74.13 million (€61.77 million in 2014).

On the other hand, the unfavourable financial and market environment squeezed 2015 *equity capital* growth. Despite robust after-tax profits, equity capital only increased by 1.3% in 2015. That weak result is due to the slight hike in interest rates in Q2 that stifled bond values and to the drop-off in stock prices over the course of the year.

Your Board of Directors has looked into regulatory issues several times. A new European directive transposed into national legislation in December 2015 laid down new standards and rules for insurance companies to determine equity capital requirements on the basis of risk. The new directive, known as "*Solvency II*" has mobilised significant internal resources for analysing and gauging risk and for determining the equity capital necessary to cover it. That work has led the Board to define the tolerance level known as "*risk appetite*" for the Group as a whole and for each individual company.

Your Board has therefore decided that each Group company should submit a sufficient hedge ratio of its solvency margin to ensure its development plan. That led Foyer S.A., at the end of 2015, to increase the capital of Foyer Vie, Raiffeisen Vie and Foyer International to reach that threshold, knowing that Foyer's overall solvency ratio is 225%, considerably higher than the vast majority of other insurance companies. This buffer, at the Foyer S.A. level, is considered necessary to be able to cope with potential rough patches or to seize development opportunities that require additional capital.

Today, Foyer is well-positioned to tackle the problems of tomorrow. Our resources and tools are successful and the Group is financially robust.

On behalf of the Board, I should like to thank our customers for their loyalty and our shareholders for their trust. I am also grateful to the entire management team and all the Group's employees for the excellent work they have done.

François Tesch  
Chairman



# THE BOARD OF DIRECTORS AND ITS COMMITTEES



From left to right, standing: Dominique Laval, Michel Tilmant, Jacquot Schwertzer, Marc Lauer, Patrick Zurstrassen, Romain Becker, Peter Vermeulen.  
From left to right, sitting: Nathalie Worré, Cyrille Foillard, François Tesch, Antonella Calvia-Goetz, Paul Mousel.

On 31 December 2015, the Board of Directors was constituted as follows:

**François Tesch**  
Chairman of the Board  
Non-executive Director

**Marc Lauer**  
Executive Director  
Managing Director Insurance

**Michel Tilmant**  
Executive Director  
Managing Director Asset Management

**Romain Becker**  
Non-executive and independent Director

**Antonella Calvia-Goetz**  
Non-executive and independent Director

**Cyrille Foillard**  
Non-executive and independent Director

**Dominique Laval**  
Non-executive Director

**Paul Mousel**  
Non-executive and independent Director

**Jacquot Schwertzer**  
Non-executive and independent Director

**Nathalie Worré**  
Non-executive Director

**Patrick Zurstrassen**  
Non-executive and independent Director

**Peter Vermeulen**  
Secretary of the Board of Directors  
Chief Legal and Compliance Officer

In accordance with article 18 of the articles of association of Foyer S.A., the Board of Directors is assisted by the following committees (on 31 December 2015):

## AUDIT, COMPLIANCE AND RISK MANAGEMENT COMMITTEE

**Jacquot Schwertzer**  
Chairman of the Committee  
Non-executive and independent Director

**François Tesch**  
Chairman of the Board  
Non-executive Director

**Antonella Calvia-Goetz**  
Non-executive and independent Director

**Dominique Laval**  
Non-executive Director

**Franck Tousch**  
Secretary of the Committee  
Head of Internal Audit

## NOMINATION AND REMUNERATION COMMITTEE

**Romain Becker**  
Chairman of the Committee  
Non-executive and independent Director

**François Tesch**  
Chairman of the Board  
Non-executive Director

**Nathalie Worré**  
Non-executive Director

**Patrick Zurstrassen**  
Non-executive and independent Director

**Benoît Dourte**  
Secretary of the Committee  
Human Resources and Cross-company Services Manager

# MESSAGE FROM THE MANAGING DIRECTOR

Once again, 2015 has been a very eventful year for Foyer Group.

First of all, confirming its position as a major player in the Luxembourg economy, Foyer invested in three large-scale property projects. One of those is intended to provide a new home for all Foyer teams and businesses in Luxembourg under one roof, while the others will enable the company to diversify its asset portfolio, in a depressed financial environment.

Next, the Group is continuing its digital development, in a world where increasingly mobile customers are looking for service quality that meets their expectations. Foyer has become aware of these new needs, both in the local insurance market and in its international businesses. In 2015, the Group launched its corporate Facebook page, and it is continuing to develop the various websites and online portals it aims at its customers and partners. This digitalisation is also intended to cover operational and distribution processes, with a view to efficiency and quality.

Lastly, like all European financial institutions, Foyer Group has faced unprecedented regulatory and supervisory pressure. Solvency II, MiFID II, PRIIPS, IDD and CRS are all laws and directives affecting areas in which the Group has businesses. To comply with these regulations, Foyer has already agreed to considerable financial and human investments which will continue to rise over the next few years.

## Confirmed results for 2015

In 2015, for the first time, the Group's consolidated accounts were submitted under Luxembourg law with the application of a fair value option to financial instruments rather than under the IFRS as adopted by the EU.

In a changeable economic and market environment, with buoyant markets in Q1 followed by severe corrections and significant volatility in Q2, Foyer S.A. again posted excellent profits at end-2015.

In accordance with Luxembourgish accounting principles, revenue rose from €951.36 million gross earned premiums collected in 2014 to €1,114.48 million in 2015, a 17.1% increase. This trend is even more positive if we take into account the acquisition of the life insurance portfolio of IWI in 2014, which increased revenue by €53.6 million.

On the Luxembourg market, excluding the group insurance portfolio transfer carried out in 2014, revenue was €528.2 million, up 8.2%.

Amongst other things, that growth is the result of a 6.5% increase in revenue from individual customers in property and casualty insurance (+4.7%), life insurance (+12.7%, excluding the group insurance portfolio transfer in 2014) and health insurance (+12.4%). Group revenue has also benefited from growth in premiums collected from our business and professional customers. Here, we see an increase of 5.0% in property and casualty insurance, 16.5% in health insurance and 10.6% in life insurance.

In Belgium, our non-life insurance activities grew 12.5% after the launch of new products and our expansion in the south of the country.

Our life insurance activities, marketed in ten European countries under the freedom to provide services regime, generated 44.0% more revenue than in 2014, while premium growth in the market as a whole was limited to 16.5%. That demonstrates a recovery in commercial momentum from the two previous financial years which were severely impacted by the 2013 tax debates, particularly in Belgium and Germany.

In terms of asset management, CapitalatWork Foyer Group's assets under management increased to €6.1 billion, up 5.3% compared to end-2014. This positive development can be attributed to new capital contributions and the upsurge in the stock markets.

Consolidated profits after tax were €74.13 million compared to €61.77 million in 2014, a 20.0% increase due to a reduced loss ratio and operating costs brought under control.

## Stability of the Group

After deducting our shares, the Group's capital increased by 1.3% in 2015, reaching €718.81 million at year end.

This financial stability will enable the Group to comply with Solvency II Directive requirements and to pursue its development plans using its own resources.

I would like to thank the shareholders of Foyer S.A. for the trust they have placed in us. I am also grateful to all Foyer Group employees for their dedication and commitment, and to our customers for their loyalty to the Group.

**Marc Lauer**  
Managing Director



# FOYER GROUP AT A GLANCE

The strong local roots and a structure of family ownership, synonymous with independence and financial stability, have characterised Foyer Group since it was founded in 1922. Over the years, the Group has developed a diverse range of products and expanded its business outside the borders of the Grand Duchy to become one of Luxembourg's leading financial players, operating across Europe.

## INSURANCE IN LUXEMBOURG

Historically the **leading player on the local insurance market**, Foyer has always served a local customer base of families and businesses, offering bespoke and high-return insurance solutions to help them plan with peace of mind for their own future, or that of their loved ones or their business.

The full and flexible range of Foyer products is a reflection of the Group's know-how. It covers customers' specific needs in terms of motor and home insurance, of health cover, and of life insurance solutions for savings and personal protection. In the Luxembourg insurance landscape, the mobilé, reebou, medicis and flexivie brands are yardsticks for protection and quality that have come to set the standard.

## INSURANCE IN BELGIUM

On the **Belgian market**, Foyer Group offers a range of home and motor insurance products to individual customers spread across the country's five southern provinces.

The distribution and development strategy is founded on a business-to-business approach, in partnership with a network of brokers chosen for their expertise and professionalism. Working closely with its partners, Foyer designs exclusive products and services that are in a different class to those offered by the competition and meet market expectations.

## HEALTH INSURANCE FOR EXPATRIATES

Founded in 2014, **Foyer Global Health** offers, through a network of European brokers, international health insurance solutions for individual and professional customers who are expatriates, that is to say temporarily living outside their country of origin.

It offers first-class cover and access to a global network of healthcare providers, as well as complete medical assistance services, working alongside its global partner: Europ Assistance – Global Corporate Solutions.

To meet the needs of its international customers, Foyer Global Health has entirely digitalised its services, offering simplified policy monitoring and management through its web portal.

## LIFE INSURANCE UNDER THE FREEDOM TO PROVIDE SERVICES REGIME

**Foyer International** is the Group's life insurance company, operating under the EU's freedom to provide services regime. From the Grand Duchy of Luxembourg, it sells unit-linked insurance policies whose financial management is entirely entrusted to finance professionals.

Providing tailored solutions to its high net worth customers, Foyer International offers a full range of high-end services and products combining estate planning, the tax benefits of life insurance and the financial solidity and security expected by prudent investors.

It operates in ten European countries (Luxembourg, Germany, Belgium, Spain, Finland, France, Italy, Norway, Portugal and Sweden), and also offers solutions for "non-domiciled" UK residents that respect the legal and tax environment of each country of residence.

## ASSET MANAGEMENT

A wholly owned subsidiary of Foyer S.A. since 2009, **CapitalatWork Foyer Group** – the Group's asset management company – celebrated its twenty-fifth year in 2015. With over €6 billion in assets under management, it operates in three countries (Belgium, Luxembourg, Netherlands) and offers its services to both wealthy individual customers and institutional customers.

CapitalatWork Foyer Group offers its customers its management expertise, classified as active and discretionary, and its asset-structuring know-how.

Its team of advisors, analysts and managers design investment solutions that are resolutely long-term, through either direct investments or high-return and diversified proprietary funds. CapitalatWork Foyer Group makes sure to invest only in carefully analysed assets that meet strict quality criteria, to build a relationship of trust with its customers.

# THE GROUP MANAGEMENT



As of 30 March 2016, the Group Management is composed of the following (left to right):

**Jean-Louis Courange** (International Life Insurance Manager), **Philippe Bonte** (Chief Financial Officer and Chief Actuary), **Franck Marchand** (Chief Operating Officer local market), **Benoît Dourte** (Human Resources and Cross-company Services Manager), **Gilbert Wolter** (Sales and Marketing Manager local market), **Marc Lauer** (Managing Director of Foyer S.A.), **Maarten Rooijackers** (Managing Director of CapitalatWork Foyer Group), **Paul Fohl** (Chief Risk Officer), **Remy Els** (Information Systems Manager), **André Birget** (Chief Investment Officer), **Peter Vermeulen** (Chief Legal and Compliance Officer).

# FOYER GROUP IN 2015

Foyer remains a major financial player in Luxembourg and one of the country's top employers. The Group had a wealth of projects and developments in 2015, from renewing its CSR label to major investments in an up-and-coming sector: property.

## CSR LABEL: "FOYER WANTS TO /NSURE A BETTER FUTURE"



Wanting to engage with a continuous improvement approach, Foyer successfully responded to the criteria of the labelling approach of the Luxembourg Sustainable Development and Corporate Social Responsibility Institute (INDR), thereby earning renewal of its "Socially Responsible Company" label.

Corporate social responsibility is an opportunity for Foyer to improve its governance, step up its societal engagement and limit its environmental impact.

In this context, Foyer Group created a CSR Committee in 2015, which meets regularly to structure, formalise and develop the Group's CSR approaches with a view to creating shared value.

## PROPERTY PROJECTS

Foyer Group has been a major player in the Luxembourg economy since its creation in 1922. Today, the Group is still very much involved in the country's economy through various property projects in the Grand Duchy.

In 2015, the Group chose to invest in three property projects in Luxembourg: first, two buildings to be developed and then rented in Gasperich and, second, the extension of its head office in Leudelange, which will enable the Group to bring together all its activities and teams in Luxembourg under one roof from 2018.



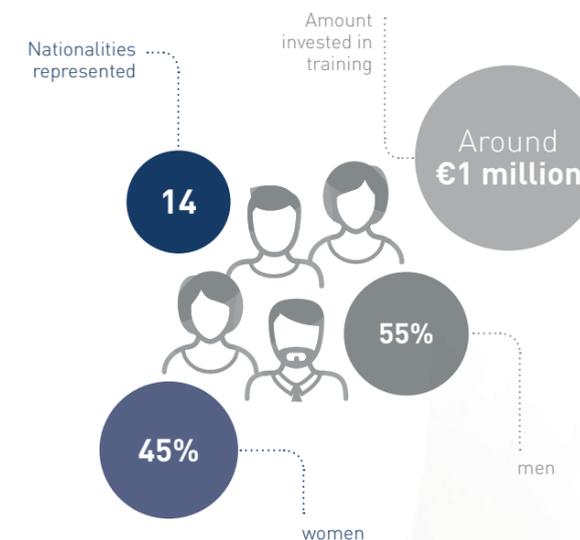
## AN HR POLICY THAT PROMOTES TALENT

Foyer Group's robustness and longevity are also the result of the hard work of its 634 employees in three countries, and its 686 agents and agency staff located throughout Luxembourg, who share and live by the Group's five key values every day.

Particular care is given to recruiting Group employees, not only on the basis of their professional skills, but also of values such as commitment, empathy and sense of responsibility.

Thanks to a human resources management policy grounded in skills sharing, extensive training options, internal mobility and individual empowerment. Foyer thus has full confidence that 100% of the Group's staff will take part in realising the Foyer promise: "Einfach fir lech do" (Simply here for you).

## 634 EMPLOYEES



## OUR VALUES

- TRUST
- EXCELLENCE
- INTEGRITY
- INNOVATION
- INDEPENDENCE

# INSURANCE IN LUXEMBOURG

Customers have always been the focus at Foyer, which is continuously seeking to improve its products and services in response to consumers' needs and new habits. Following this trend, 2015 was particularly rich in innovation.

## SATISFACTION AS A PRIORITY

Foyer offers its customers bespoke and complete insurance policies, and prioritises service quality. For example, the company systematically measures **customer satisfaction** following a claim. Through a short text message survey, some 8,000 customers expressed their views on the quality of service provided in motor, home and health insurance. After these enquiries, Foyer personally contacted each unsatisfied customer to find out the reasons why they were unhappy and find possible ways in which customer satisfaction could be achieved.



## SUPPORT FOR LIFE

"Einfach fir lech do" (Simply here for you) is Foyer's promise to all its customers: to advise them and support them at important stages in their life, to guarantee them protection, and to help give them peace of mind while they build a future for themselves and their loved ones.

Building on this commitment, Foyer has, since 2015, been successfully offering **case management** to the victims of serious accidents, such as road accidents or domestic accidents that cause physical or psychological damage. The service is a model for offering personalised medical, paramedical and social care, with the goal of re-establishing the victim's autonomy, socialisation and independence. As part of this service, Foyer coordinates and pays for services from specialists – such as physiotherapists, psychologists or doctors – to achieve a project set out with the beneficiary. It is a major step forward in the services offered, particularly appreciated by victims and their loved ones.

## A MULTICHANNEL APPROACH

In the mobile Internet and "everything connected" era, customers' interactivity and information accessibility demands are constantly changing.

Today's Foyer customers are no exception and expect a new experience from their local agent, from the head office or online. They start by looking for information online and then make their final decision with an advisor. They also appreciate having access to a **digital customer account** so that they can handle their own insurance portfolio.

For Foyer, human contact remains central to the relationship. The Group can also rely on the skills and know-how of a network of nearly 700 agents and agency staff throughout Luxembourg. What is more, in 2015, Foyer equipped itself with an all-new tool for managing the customer relationship which centralises the exchanges from various communication channels, thereby enabling each advisor to steer customer approaches and requests perfectly.

In addition to the network of professional agents, Foyer regularly updates its website and constantly improves the functionalities of its online client area to meet the expectations of its mobile clientèle. Amongst other things, *MyFoyer* makes it possible to notify claims, look at policy documents, pay bills or download insurance certificates 24/7 from the Internet. On top of that, the 2015 launch of the company Facebook page adds another element to the Group's digital presence and profile.

## OUTLOOK

In terms of innovations and services offered to customers, 2016 will be another strong year. Areas like customer and staff mobility, self care and the switch to paperless are the main areas in which Foyer will be seeking better customer satisfaction.



116  
branches



over 30,000  
insurance quotes  
at [www.foyer.lu](http://www.foyer.lu)



over 20,000  
registrations on MyFoyer  
online client area



over 250,000  
calls processed  
by our call centres



over 5,000  
likes on our Facebook page

# INSURANCE IN BELGIUM

In the Belgian market in 2015, Foyer put the focus on commercial development and operational improvement, seeking to offer products and services with even higher returns to its network of partner brokers.

## NEW PRODUCTS

In 2015, Foyer launched two targeted and innovative products to enable its partner brokers to best meet their customers' expectations and set themselves apart from their competitors.

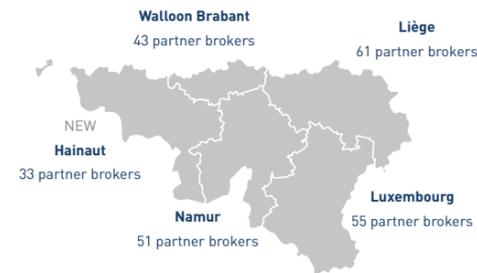
In home insurance, **Appart123** is a product with clear cover and straightforward pricing aimed at owners and tenants of apartments. This product has been welcomed very warmly by brokers. To support its partner brokers with the sale of this product, but also to help with their positioning in the digital world, Foyer has developed an online price calculator that can be easily incorporated into brokers' own websites.

In motor insurance, Foyer created **Optimum 8** in late 2015, in response to the needs of numerous customers who are owners of newer used cars. In this market segment, it is a product with unbeatable quality for its price.



## OPTIMISATION OF SERVICE TO BROKERS

Foyer's business in southern Belgium now covers **five provinces**, which strengthens its competitive position and boosts its commercial momentum.



To support its partners and follow standard practice in the Belgian market, Foyer is constantly seeking to optimise and personalise the services it offers.

For example, management of the legal protection product has been entrusted to ARAG Belgium to meet the expectations of brokers and their customers. Foyer has also reviewed its car assistance cover to offer its customers the best possible service.

As regards the tools made available to brokers and operational teams, Foyer has simplified its processes, automated low value added tasks and developed a **new commercial reporting tool** to make the management and development of activities more efficient.

To enhance its communication, Foyer offers its partner brokers personalised support through various events and training courses. Lastly, Foyer keeps its network informed with a monthly newsletter and by regular updates to its website.

# HEALTH INSURANCE FOR EXPATRIATES

In 2015, Foyer Global Health showed promise in terms of growth and profits. Its innovative approach, based on quality service and easy digital access, have given it a positive brand image internationally, enabling it to access new markets and grow sustainably.

## DIGITALISATION IN AN INTERNATIONAL CONTEXT

The international health insurance market is constantly expanding, with Asia, Europe and North America the most sought-after destinations for expatriates.



Having a global clientèle represents a sizeable challenge for an insurance company wanting to offer high-end services. Handling documents at any time and all over the world, which may involve significant time and cultural differences, requires serious commitment and effective proposed service.

In that context, Foyer Global Health is committed to a strategy of personalised contact with its customers while offering **cutting-edge digital access**. Amongst other things, its web portal enables HR departments and brokers to add new people to a policy or check important information, such as

compensation claims or healthcare providers, as well as general information on group insurance policies.

The portal also enables individual customers to find their policy documents and details, take out a policy online, check product documentation, send invoices, monitor their payments, etc.

## OUTLOOK

Foyer Global Health's partner brokers are mainly based in Germany at the moment. In 2016, Foyer Global Health has planned to **expand its network of brokers** and extend its European businesses, particularly in France and Belgium. It will also continue developing new online services for its customers and brokers, with a view to service efficiency and quality, and to their complete satisfaction.



# LIFE INSURANCE UNDER THE FREEDOM TO PROVIDE SERVICES REGIME BY FOYER INTERNATIONAL

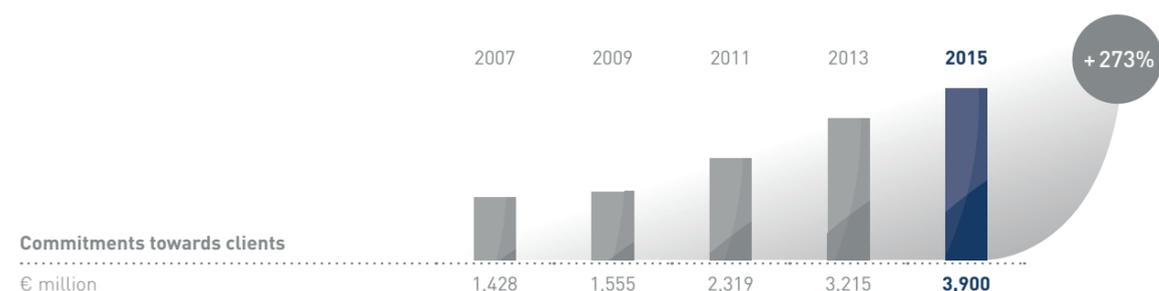
Foyer International had an excellent year in 2015, posting **44% growth in its revenue** on 2014. This significant increase was mainly the result of good performance in the French and Scandinavian markets. The company's commitments towards its customers increased by 11.5% compared to 2014.

In 2015, Foyer International **strengthened the quality of the service offered to customers and partners**. First of all, it put in place a wealth planning system specialised in analysing and supporting its customers to optimise their assets and their estate planning. Moreover, the teams of country managers were backed up by recruiting new representatives for the French, Portuguese, Finnish and Norwegian markets. It developed new products for Luxembourg residents and solutions for Israeli residents. Lastly, Foyer International improved its in-house financial skills, enabling better monitoring of assets under management and more exhaustive analysis of unconventional assets, such as private equity.

For several years, Foyer International has offered its partners a web portal from which they can download a range of commercial documents and information. What is more, the company's website was adapted in 2015, to bring it in line with the design of that of Foyer Group.

The recent circular (LC 15/3) from Luxembourg's insurance supervisory body, the "Commissariat aux Assurances", on investment rules for life insurance products linked to investment funds gave a satisfactory response to the competitiveness and modernisation concerns of life insurers for dedicated funds. Foyer International was one of the first players in the market to adapt its products to these rules, offering its customers new alternatives.

In a constantly changing European environment, Foyer International puts a great deal of effort into informing customers to make them aware of the consequences of advances as regards the exchange of tax information (CRS and FATCA), and into collecting the necessary information in this context.



From an operational perspective, and in line with the strategy based on service quality and data security, Foyer International digitalised all of its administrative documents and partnership agreements in 2015.

Processing and automating new regulatory and oversight requirements will be one of the priorities for 2016.

Lastly, the increasing mobility of EU citizens often requires bespoke cross-border solutions. Foyer International's teams, in contact with tax and legal experts in every country where it operates, will continue meeting the needs of these high-net-worth customers.



Foyer International's markets



## OUTLOOK

In 2016, Foyer International will celebrate its **twenty years in business**, an opportunity to look closely at the good track record of this trailblazing life insurance company under the freedom to provide services regime in Luxembourg.

Always ready to respond to the regular regulatory changes, Foyer International is capable of adapting to the challenges that present themselves, which often provide new perspectives.

# ASSET MANAGEMENT BY CAPITALATWORK FOYER GROUP

## 2015 SUMMARY

In 2015, there were significant fluctuations in the financial markets. After April's historic highs, the equity markets had a turbulent summer and an end of the year dominated by uncertainty about both US interest rates and the global economic situation. In climates like that, customers seek stability and security. CapitalatWork Foyer Group's investment methodology, which consists of detailed analysis of the health of the companies in which its customers invest, is designed to achieve that stability and security.

Similar to 2014 profits, CapitalatWork Foyer Group posted **excellent results in 2015** considering the sluggish financial backdrop and the significant investments it made. Furthermore, its assets under management increased to over €6 billion by year end.

In 2015, CapitalatWork Foyer Group celebrated twenty-five years serving its customers. From a small company set up in 1990 by three private partners, CapitalatWork became

CapitalatWork Foyer Group in 2009, known for its expertise in wealth management and employing over one hundred and ten people throughout Benelux.

CapitalatWork Foyer Group reacts to its environment and to new regulatory constraints, and it has stepped up its efforts to make its products and operational processes compliant. Apart from its financial analysis and asset management businesses, the company has developed a **dynamic marketing strategy**, boosting its media presence, and inviting its customers and prospects to over eighty events in 2015. Lastly, it has made significant investments. Some have been technological, such as making its MyCapital client area accessible on tablets and smartphones, and others strategic, like recruiting experienced new staff and opening a new office in Courtrai.

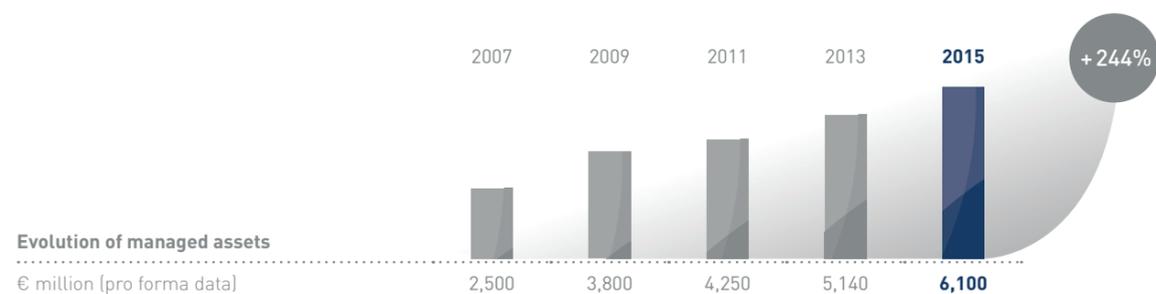
CapitalatWork Foyer Group's six offices



Aside from favouring shares, our **2016 investment strategy** will focus on two asset types in particular:

- **European shares** will be the preferred share component of portfolios. We expect European companies to be more profitable than those in the US as they are likely to be boosted by a very weak euro, very low interest rates, dropping commodity prices and a stabilising economic climate in Europe.
- In the debt segment of the portfolios, we will favour **corporate bonds denominated in US dollars**. That choice is based on the interest rate differential between the US and European corporate bonds linked to monetary policy differences between the European Central Bank and the US Federal Reserve. The latter is likely to do the opposite of the ECB and continue increasing interest rates in 2016.

There is no doubt that numerous factors will increase market volatility in 2016, such as further US interest rate hikes, a possible "Brexit" for the UK, changes in commodity prices, developments in the BRICs and the geopolitical situation in the Middle East. Although other financial uncertainties portend market fluctuations, they also often represent real investment opportunities, which we will remain poised to seize.



## OUTLOOK

A close look at current market valuations and prices leads us to think that shares will again perform better than bonds in 2016. That is fully justified, if we consider that the European and US equity markets offer shareholders overall yields of 6%, while current interest rates are around 1%.



# FOYER GROUP IN A FEW FIGURES

# 2015

● **217,550** CUSTOMERS

● **1,320** EMPLOYEES AND AGENTS

● REVENUE UP BY **24.1%**

● **€10 BILLION** ASSETS UNDER CONTRACT

● **LONG-TERM LEADER** OF LUXEMBOURG INSURANCE SECTOR

● ACTIVE IN **11** EUROPEAN COUNTRIES