

## NN Group reports 2Q18 results

### Solid operating performance, Solvency II ratio at 226%

- Operating result ongoing business EUR 508 million, up 25.6% from 2Q17, reflecting an improved underwriting performance at Netherlands Non-life, private equity dividends at Netherlands Life and lower expenses
- Net result EUR 463 million, up 92.7% from 2Q17, reflecting the higher operating result and higher capital gains, while 2Q17 included a provision related to ING Australia Holdings
- Further cost reductions of EUR 62 million in 2Q18, bringing total cost reductions achieved to date to EUR 236 million
- Total new sales (APE) of EUR 357 million, down 7.5% from 2Q17 at constant currencies. VNB for 6M18 up 20.2% to EUR 205 million, driven by Japan Life and Insurance Europe
- Solvency II ratio of 226% up from 213% at the end of 1Q18, reflecting operating capital generation, positive market impacts and the deduction of the 2018 interim dividend
- Holding company cash capital was EUR 1,799 million, including EUR 536 million dividends received from subsidiaries
- 2018 Interim dividend of EUR 0.66 per ordinary share or approximately EUR 222 million

### Statement of Lard Friese, CEO

'Today, we are reporting a solid result for the second quarter of 2018. The operating results of most segments improved compared with the second quarter of last year, supported by an improved P&C underwriting performance at Netherlands Non-life. The cost base of the units in scope of the integration was further reduced by EUR 62 million this quarter, bringing total cost reductions to EUR 236 million compared with the 2016 full-year administrative expense base. This means we are well on our way to achieving our cost reduction target of EUR 400 million by the end of 2020.

Our profitable commercial momentum continued with the value of new business increasing at both Insurance Europe and Japan Life. The measures implemented to improve performance at Netherlands Non-life are starting to bear fruit. The combined ratio improved to 97.9% in the second quarter. While this is encouraging, work remains to be done to structurally improve the combined ratio to 97% or below.

Further steps have been taken with regard to the integration. The application for including the Delta Lloyd entities in the Partial Internal Model has been submitted, we have completed the integration of the asset management businesses as well as the head offices, and we have decommissioned several IT systems. Most Delta Lloyd products have been rebranded to NN. During the migration phase, our efforts have been focused on ensuring the least possible disruption for our customers and business partners, and we are pleased to see that customer satisfaction levels remain high.

We again took steps to further integrate Environmental, Social and Governance (ESG) considerations into our investment processes, which was also substantiated by our support for the International Corporate Social Responsibility covenant for the insurance sector. Together with our Dutch peers, several NGOs, the largest Dutch union and the government, we aim to ensure that insurance companies identify, and take into consideration, ESG issues in their investment decisions.

Our cash capital position was EUR 1,799 million at the end of the second quarter. Our Solvency II ratio was 226% after the deduction of the interim dividend of EUR 0.66 per ordinary share to be paid in September.

In addition to our second quarter results, we today disclosed that we have reached an agreement to acquire Aegon's Life Insurance business in the Czech Republic and its Life Insurance and Pension businesses in Slovakia. In line with our strategy, we consider this a good opportunity to increase our presence in two attractive markets.

Furthermore, we announced today a new composition of our Management Board. With this team, we are ready for the next phase of our company's journey, and will remain focused on our key priorities; to successfully integrate Delta Lloyd, further improve performance, accelerate the transformation of the business model, and continue to allocate capital rationally.'

## NN Group key figures

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
Operating result ongoing business <sup>1)</sup>	508	404	25.6%	821	810	1.3%
Net result	463	240	92.7%	862	676	27.6%
	2Q18	1Q18	2Q17			
Solvency II ratio <sup>2)</sup>	226%	213%	196%			

Note: All footnotes are included on page 26

## Strategy and priorities

Our businesses are built on a strong foundation of purpose, values and brand, which, combined with a strong focus on our strategic priorities, enables us to create long-term value. This is how we deliver on our ambition to be a respected company that truly matters in the lives of our stakeholders.

### Netherlands

The integration of NN and Delta Lloyd is progressing well. As of 1 July, the Nationale-Nederlanden PPI (Premie Pensioen Instelling) and online pension administrator BeFrank joined forces. The combined company, operating under the name BeFrank, has approximately 170,000 participants and EUR 2.5 billion in assets under management, making it the leader in the PPI market.

Furthermore, NN Life launched a new pension proposition ‘Persoonlijke pensioenuitkering’ which combines the best product features of Delta Lloyd and NN. It offers user friendly online administration services, competitive pricing and optimal investment flexibility. This product anticipates the need for more flexibility after retirement. It is currently the only product in the Netherlands which allows customers to change their investment profile after the pension payments have started.

Former Delta Lloyd P&C products have been rebranded, and the retail products are available in the ‘mijn.nn’ customer portal and NN app. All 220,000 healthcare customers have received new NN branded passes. In addition, over 80,000 Delta Lloyd and OHRA internet savings accounts have been successfully migrated to an NN internet savings account.

In the second quarter, NN Non-life entered into an agreement with Van Ameyde to insource its claims handling activities as of 1 July 2018. This will create further efficiencies and strengthen the NN Non-life organisation, underpinned by an excellent customer experience, clear pricing and underwriting, and digital services.

NN Bank issued its second EUR 500 million benchmark covered bond in June at an attractive rate. The issuance was well received in the market, underlining the reliable nature of this funding instrument for NN Bank.

In order to continuously serve our customers’ needs, Nationale-Nederlanden has introduced its first chatbot on [www.nn.nl](http://www.nn.nl). This new automated dialogue function will help customers find answers and navigate through our website. In addition, subject-specific chatbots are being developed, for example to assist in calculating a premium for travel insurance and displaying the telephone number and waiting times of the customer contact centre.

### International Insurance

International insurance continues to innovate and enhance the customer experience by launching new products and improving services. NN Romania’s Sparklab launched ‘NN Bike’, the country’s first bike insurance for urban riders. NN Bike is an accident insurance that covers cyclists’ medical expenses for injuries and hospitalisation caused by an accident.

NN in Hungary launched a new product, ‘protect.me’. This innovative product is a pay-as-you-go life and accident insurance available through a mobile app. The on-demand solution can be easily activated or deactivated in just a few seconds, offering a user-friendly opportunity for customers who have an active lifestyle and only want insurance cover for a few hours.

Due to the growing popularity of group insurances in Poland, Nationale-Nederlanden Poland is offering its corporate clients the opportunity to broaden their contracts with additional medical benefits. Customers who choose to sign

a supplemental agreement will gain access to cashless services such as rehabilitation, medical tests, and examinations in over 3,000 clinics throughout the country.

COLI sales through Sumitomo Life accounted for 13% of NN Life Japan's total sales in the second quarter. Sumitomo Life agents started offering NN Life Japan's Accelerated Living Disability Benefit and Increasing Term products from the beginning of April 2017, and Critical Illness insurance from April 2018.

In line with the NN brand promise 'You matter', various initiatives in several countries are specifically focused on what is important in life. NN Pensions in Czech Republic was awarded a silver medal in the 2018 Czech PR Awards category 'Financial Market and Financial Services' for its Value of Life project. The project seeks to trigger public debate on topics of wide social relevance, such as attitudes towards old age from the perspective of different generations, pension dreams, financial security and planning, as well as related health and social aspects connected to the different stages of life.

### **Asset Management**

The integration of Delta Lloyd Asset Management (DLAM) into NN IP was completed in the second quarter. The DLAM and NN IP Dutch funds have been merged and rebranded and the majority of the former DLAM systems have been decommissioned.

A memorandum of understanding (MoU) was signed in April with China's leading asset manager, China Asset Management Co., Ltd. (ChinaAMC). The MoU will provide a platform for NN IP and ChinaAMC to explore joint product development opportunities and consequently leverage each other's capabilities in European and Chinese capital markets. In particular, the MoU is expected to strengthen NN IP's and ChinaAMC's environmental, social and governance (ESG) offerings.

The collaboration between NN IP and FMO Investment Management, which aims to support companies in developing countries to achieve sustainable growth, entered a new phase. The joint NN-FMO Emerging Markets Loans Fund saw strong Dutch and international institutional demand at a first close of USD 250 million.

### **Other events**

NN continues to look for investment opportunities and potential partnerships with fintech companies to accelerate its innovation and transformation efforts. For example, NN recently invested in the InsureTech Fund of MTech Capital, which focuses on investments in technology companies with the potential to transform various components of the insurance industry.

Following the latest annual index review, NN Group retained its place in the FTSE4Good Index Series. The FTSE4Good Index Series measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

Furthermore, NN Group has been included in the regional Euronext-Vigeo Eiris 120 index as from June 2018 as a result of its improved overall performance. This index comprises the 120 most sustainable listed companies in the Eurozone.

## Consolidated results

### Consolidated profit and loss account and key figures NN Group

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results<sup>1)</sup></b>						
Netherlands Life	332	290	14.5%	544	511	6.6%
Netherlands Non-life	40	-27		8	4	100.8%
Insurance Europe	63	73	-13.2%	134	115	16.3%
Japan Life	27	37	-26.6%	93	123	-24.0%
Asset Management	41	37	10.7%	82	70	17.0%
Other	4	-7		-41	-12	
<b>Operating result ongoing business</b>	<b>508</b>	<b>404</b>	<b>25.6%</b>	<b>821</b>	<b>810</b>	<b>1.3%</b>
Non-operating items ongoing business	233	211		490	379	29.4%
of which gains/losses and impairments	342	132	159.8%	370	276	34.1%
of which revaluations	-18	34		204	86	138.4%
of which market & other impacts	-90	45		-84	17	
Japan Closed Block VA	-11	12		4	-8	
Special items before tax	-86	-68		-165	-87	
Amortisation of acquisition intangibles	-33	-33		-66	-33	
Result on divestments	0	-188		4	-179	
<b>Result before tax</b>	<b>611</b>	<b>338</b>	<b>80.9%</b>	<b>1,088</b>	<b>882</b>	<b>23.3%</b>
Taxation	145	92	57.8%	222	200	11.0%
Minority interests	4	6		3	6	
<b>Net result</b>	<b>463</b>	<b>240</b>	<b>92.7%</b>	<b>862</b>	<b>676</b>	<b>27.6%</b>
Basic earnings per ordinary share in EUR <sup>3)</sup>	1.34	0.69		2.49	2.00	
<b>Key figures ongoing business<sup>1)</sup></b>						
Gross premium income	2,951	2,945	0.2%	7,441	6,343	17.3%
New sales life insurance (APE)	357	400	-10.6%	904	1,020	-11.3%
Value of new business (VNB)				205	170	20.2%
Total administrative expenses	519	582	-10.9%	1,065	1,009	5.6%
Cost/income ratio (Administrative expenses/Operating income)	28.5%	31.8%		29.4%	31.4%	
Combined ratio (Netherlands Non-life) <sup>4)5)</sup>	97.9%	107.4%		102.2%	103.2%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	69	70				
Net operating result <sup>8)</sup>	387	321	20.4%	623	620	0.4%
Net operating ROE <sup>9)</sup>	11.7%	10.7%		9.5%	10.9%	
<b>Key figures Japan Closed Block VA</b>						
Account value <sup>6)</sup>	3,466	4,074	-14.9%	3,466	6,546	-47.0%
Number of policies	54,587	68,462	-20.3%	54,587	122,394	-55.4%
<b>Key figures total NN Group</b>						
Solvency II ratio <sup>2)</sup>	226%	213%		226%	196%	
Total assets	228	228	0.1%	228	232	-1.8%
Shareholders' equity <sup>6)</sup>	23,568	23,345	1.0%	23,568	21,824	8.0%
Employees (internal FTEs, end of period)	14,031	14,191	-1.1%	14,031	15,000	-6.5%

Note: All footnotes are included on page 26

- NN Group's operating result of the ongoing business increased to EUR 508 million from EUR 404 million in the second quarter of 2017, driven by improved operating results at Netherlands Non-life and Netherlands Life
- The result before tax increased to EUR 611 million from EUR 338 million in the second quarter of 2017, which included a provision related to ING Australia Holdings; this increase reflects a higher operating result and higher non-operating items, partly offset by a lower result of Japan Closed Block VA and higher special items
- Administrative expense base of the business units in scope of the cost reduction target reduced by EUR 62 million in the second quarter of 2018; total cost reductions achieved to date of EUR 236 million
- New sales (APE) were EUR 357 million, down 7.5% from the second quarter of 2017 on a constant currency basis, mainly due to lower sales at Netherlands Life, partly compensated by higher sales at Japan Life
- VNB for the first six months of 2018 increased 20.2% to EUR 205 million, driven by Japan Life and Insurance Europe

### **Operating result**

The operating result of the ongoing business was EUR 508 million, up from EUR 404 million in the second quarter of 2017, driven by improved operating results at Netherlands Non-life and Netherlands Life.

The administrative expenses of the business units in the scope of the integration - Netherlands Life, Netherlands Non-life, Belgium, Asset Management, the banking business and Corporate/Holding entities - decreased by EUR 62 million, bringing the expense base down to EUR 1,788 million at the end of the second quarter of 2018, on a last 12-months basis. The expenses in the quarter included EUR 13 million of non-recurring benefits. Total cost reductions achieved to date amount to EUR 236 million compared with the full-year 2016 administrative expense base of EUR 2,024 million.

The operating result of Netherlands Life increased to EUR 332 million from EUR 290 million in the second quarter of 2017, mainly driven by private equity dividends for a total amount of EUR 55 million and lower administrative expenses.

The operating result of Netherlands Non-life increased to EUR 40 million from EUR -27 million in the second quarter of 2017 largely driven by lower administrative expenses and an improved claims experience in Property & Casualty (P&C). The second quarter of 2017 was impacted by a EUR 40 million strengthening of insurance liabilities in P&C, whereas the current quarter benefited from a EUR 6 million private equity dividend. The combined ratio was 97.9% compared with 107.4% in the second quarter of 2017.

The operating result of Insurance Europe decreased to EUR 63 million from EUR 73 million in the second quarter of 2017 which benefited from non-recurring items for a total amount of EUR 7 million. The current quarter result includes a EUR -5 million non-recurring impact.

The operating result of Japan Life was EUR 27 million, down 24.1% from the second quarter of 2017, excluding currency effects, reflecting higher DAC amortisation and a lower technical margin, partially offset by higher fees and premium-based revenues.

The operating result of Asset Management increased to EUR 41 million from EUR 37 million in the second quarter of 2017 driven by expense reductions, partly offset by lower fees.

The operating result of the segment Other improved to EUR 4 million from EUR -7 million in the second quarter of 2017 driven by an improved holding result, while the operating result of the banking business and reinsurance business remained broadly stable.

In the first six months of 2018, the operating result of the ongoing business was EUR 821 million versus EUR 810 million in the same period last year.

### **Result before tax**

The result before tax increased to EUR 611 million from EUR 338 million in the second quarter of 2017, which included a EUR 188 million provision related to ING Australia Holdings. The increase reflects the higher operating result and higher non-operating items, partly offset by a lower result of Japan Closed Block VA and higher special items.

Gains/losses and impairments were EUR 342 million compared with EUR 132 million in the second quarter of 2017. The current quarter reflects EUR 133 million of gains on the sale of government bonds, EUR 106 million of gains on

the sale of public equities as well as a gain of EUR 108 million relating to Vesteda following the sale of a Dutch residential real estate portfolio, partly offset by EUR 13 million of impairments on public equity.

Revaluations were EUR -18 million compared with EUR 34 million in the second quarter of 2017. The current quarter reflects negative revaluations of EUR 52 million on derivatives and of EUR 35 million on private equity, partly compensated by EUR 70 million positive revaluations on real estate.

Market and other impacts were EUR -90 million compared with EUR 45 million in the second quarter of 2017. The current quarter reflects the impact of an amended pricing system for mortgage loans for a total amount of EUR -59 million, of which EUR -30 million in Netherlands Life and EUR -22 million in the banking business. Market and other impacts also reflect the movement in the provisions for guarantees on unit-linked, separate account pension contracts and inflation-linked liabilities (all net of hedging) at Netherlands Life.

The result before tax of Japan Closed Block VA was EUR -11 million compared with EUR 12 million in the second quarter of 2017, reflecting a hedge-related loss and a lower operating result.

Special items were EUR -86 million versus EUR -68 million in the second quarter of 2017 and mainly relate to restructuring expenses incurred in respect of the cost reduction target for Netherlands Life, Netherlands Non-life, Belgium, Asset Management, the banking business and Corporate/Holding entities. Special items in the current quarter also include a charge at Netherlands Non-life related to the agreement with Van Ameyde to insource claims handling activities.

The result before tax increased to EUR 1,088 million from EUR 882 million in the first six months of 2017, which included a provision related to ING Australia Holdings. The increase reflects higher non-operating items partly offset by higher special items and the inclusion of amortisation of acquisition intangibles from the second quarter of 2017.

#### **Net result**

The net result increased to EUR 463 million from EUR 240 million in the second quarter of 2017. The effective tax rate in the second quarter of 2018 was 23.7%.

#### **Sales and Value of New Business**

Total new sales (APE) at NN Group were EUR 357 million, down 7.5% from the second quarter of 2017 on a constant currency basis. New sales were down 43.8% at Netherlands Life reflecting a lower volume of group pension contracts. At Insurance Europe, new sales were down 10.0%, mainly due to lower sales of savings products in Greece and Spain and lower life sales in Turkey. New sales at Japan Life were up 18.0%, driven by higher sales through the bancassurance channel and the Sumitomo partnership.

In the first six months of 2018, total new sales were EUR 904 million, down 7.7% on a constant currency basis, mainly due to lower sales at Netherlands Life, partly compensated by higher sales at Japan Life.

In the first six months of 2018 the value of new business (VNB) increased to EUR 205 million from EUR 170 million in the same period last year. The increase was driven by higher sales and a more profitable business mix at Japan Life, while at Insurance Europe the impact of lower sales was more than offset by a more profitable business mix.

#### **Net operating Return On Equity (ROE)**

The net operating ROE of the ongoing business of NN Group increased to 11.7% compared with 10.7% in the second quarter of 2017, mainly driven by a higher net operating result.

The net operating ROE in the first six months of 2018 decreased to 9.5% from 10.9% in the same period of 2017, due to higher equity.

## Netherlands Life

- Operating result increased to EUR 332 million from EUR 290 million in the second quarter of 2017, mainly driven by private equity dividends for a total amount of EUR 55 million and lower administrative expenses
- Result before tax increased to EUR 557 million from EUR 419 million in the second quarter of 2017 reflecting the higher operating result and higher gains on the sale of government bonds, real estate and public equity

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Investment margin	292	254	15.1%	473	452	4.6%
Fees and premium-based revenues	111	127	-12.8%	236	216	9.4%
Technical margin	54	55	-1.4%	100	98	2.2%
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>457</b>	<b>436</b>	<b>4.9%</b>	<b>809</b>	<b>766</b>	<b>5.7%</b>
Administrative expenses	115	134	-14.2%	244	233	4.7%
DAC amortisation and trail commissions	9	11	-15.5%	21	22	-4.9%
<b>Expenses</b>	<b>125</b>	<b>146</b>	<b>-14.3%</b>	<b>265</b>	<b>255</b>	<b>3.8%</b>
<b>Operating result</b>	<b>332</b>	<b>290</b>	<b>14.5%</b>	<b>544</b>	<b>511</b>	<b>6.6%</b>
Non-operating items	237	141	68.0%	487	284	71.7%
of which gains/losses and impairments	317	76	316.8%	346	191	81.2%
of which revaluations	-7	19		210	76	176.8%
of which market & other impacts	-74	46		-68	17	
Special items before tax	-12	-12		-27	-22	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>557</b>	<b>419</b>	<b>32.8%</b>	<b>1,005</b>	<b>772</b>	<b>30.2%</b>
Taxation	129	70	84.1%	207	139	48.3%
Minority interests	2	3	-30.1%	4	4	0.2%
<b>Net result</b>	<b>426</b>	<b>346</b>	<b>23.1%</b>	<b>794</b>	<b>629</b>	<b>26.3%</b>
<b>New business</b>						
Single premiums	101	112	-9.2%	224	195	15.2%
Regular premiums	38	74	-49.0%	169	268	-37.1%
New sales life insurance (APE)	48	85	-43.8%	191	288	-33.6%
Value of new business				5	6	-18.3%
<b>Key figures</b>						
Gross premium income	775	763	1.6%	2,118	1,642	29.0%
Total administrative expenses	115	134	-14.2%	244	233	4.7%
Cost/income ratio (Administrative expenses/Operating income)	25.2%	30.8%		30.2%	30.5%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	83	85				
Net operating ROE <sup>10)</sup>	11.2%	12.5%		9.3%	12.0%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Life general account invested assets	102	102	-0.2%	102	102	0.1%
Total provisions for insurance & investment contracts	114	114	0.1%	114	115	-0.9%
of which for risk policyholder	21	21	2.4%	21	22	-2.1%
Allocated equity (end of period) <sup>6)10)</sup>	16,776	16,481	1.8%	16,776	15,298	9.7%
NN Life Solvency II ratio <sup>2)</sup>	239%	219%		239%	220%	
Delta Lloyd Life Solvency II ratio <sup>2)</sup>	190%	169%		190%	139%	
Employees (internal FTEs, end of period)	2,499	2,535	-1.4%	2,499	2,664	-6.2%

The operating result of Netherlands Life increased to EUR 332 million from EUR 290 million in the second quarter of 2017 mainly driven by private equity dividends for a total amount of EUR 55 million and lower administrative expenses. The operating result in the second quarter of 2017 benefited from non-recurring and seasonal items for a total amount of EUR 16 million at Delta Lloyd Life.

The investment margin increased to EUR 292 million compared with EUR 254 million in the second quarter of 2017. The current quarter benefited from a private equity dividend and a dividend from an indirect stake in ING Life Korea for a total amount of EUR 55 million, whereas the second quarter of 2017 included a dividend from an indirect stake in ING Life Korea of EUR 14 million. The investment spread, calculated on a four quarter rolling average, decreased to 83 basis points from 85 basis points in the second quarter of 2017.

Fees and premium-based revenues decreased to EUR 111 million from EUR 127 million in the second quarter of 2017 which benefited from non-recurring items at Delta Lloyd Life. The decrease also reflects the run-off of the individual life closed book as well as lower margins in the pension business.

The technical margin was broadly stable at EUR 54 million versus EUR 55 million in the second quarter of 2017 which benefited from non-recurring items at Delta Lloyd Life. The current quarter included favourable mortality results.

Administrative expenses decreased to EUR 115 million compared with EUR 134 million in the second quarter of 2017 as a result of lower staff and IT-related expenses, and non-recurring benefits.

DAC amortisation and trail commissions decreased to EUR 9 million compared with EUR 11 million in the second quarter of 2017 due to the run-off of the individual life closed book.

The result before tax increased to EUR 557 million from EUR 419 million in the second quarter of 2017, reflecting the higher operating result and higher capital gains. Gains/losses and impairments increased to EUR 317 million from EUR 76 million in the same period last year. The current quarter reflects gains on the sale of government bonds, a gain related to Vesteda following the sale of a Dutch residential real estate portfolio and gains on the sale of public equities. Revaluations decreased to EUR -7 million compared with EUR 19 million in the second quarter of 2017. Market and other impacts were EUR -74 million reflecting movements in provisions for guarantees on unit-linked, separate account pension contracts and inflation-linked liabilities (all net of hedging) as well as the impact of the amended pricing system for mortgage loans.

New sales (APE) decreased to EUR 48 million compared with EUR 85 million in the second quarter of 2017, reflecting a lower volume of group pension contracts.

In the first six months of 2018, Netherlands Life's operating result increased to EUR 544 million from EUR 511 million in the same period last year. The increase reflects the inclusion of Delta Lloyd from the second quarter of 2017 and expense reductions.

The result before tax increased to EUR 1,005 million in the first six months of 2018 compared with EUR 772 million in the same period last year. The increase reflects the higher operating result and higher revaluations on real estate investments. Higher gains on the sale of public equity, real estate and government bonds also contributed to the increase. This was partly offset by lower revaluations on private equity, as well as lower market and other impacts.

New sales (APE) decreased to EUR 191 million in the first six months of 2018 from EUR 288 million in the same period last year, reflecting a lower volume of group pension contracts up for renewal, partly offset by the inclusion of Delta Lloyd from the second quarter of 2017.

The value of new business (VNB) was EUR 5 million in the first six months of 2018 versus EUR 6 million in the same period last year.

## Netherlands Non-life

- Operating result increased to EUR 40 million from EUR -27 million in the second quarter of 2017 which included a EUR 40 million strengthening of insurance liabilities in P&C; increase largely driven by lower administrative expenses and improved claims experience in P&C
- Combined ratio was 97.9% versus 107.4% in the second quarter of 2017

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Earned premiums	692	700	-1.1%	1,427	1,099	29.8%
Investment income	38	32	19.4%	62	60	3.6%
Other income	-3	1		-3	1	
<b>Operating income</b>	<b>727</b>	<b>732</b>	<b>-0.7%</b>	<b>1,486</b>	<b>1,160</b>	<b>28.1%</b>
<b>Claims incurred, net of reinsurance</b>	<b>497</b>	<b>567</b>	<b>-12.4%</b>	<b>1,082</b>	<b>848</b>	<b>27.6%</b>
Acquisition costs	121	106	14.1%	251	170	47.4%
Administrative expenses	76	94	-19.5%	158	147	7.7%
<b>Acquisition costs and administrative expenses</b>	<b>196</b>	<b>200</b>	<b>-1.7%</b>	<b>409</b>	<b>317</b>	<b>29.0%</b>
<b>Expenditure</b>	<b>693</b>	<b>767</b>	<b>-9.6%</b>	<b>1,492</b>	<b>1,165</b>	<b>28.0%</b>
<b>Operating result insurance businesses</b>	<b>34</b>	<b>-35</b>		<b>-6</b>	<b>-5</b>	
Operating result health business and broker businesses	6	8	-22.6%	14	9	52.4%
<b>Total operating result</b>	<b>40</b>	<b>-27</b>		<b>8</b>	<b>4</b>	<b>100.8%</b>
Non-operating items	3	12	-75.1%	12	16	-26.4%
of which gains/losses and impairments	7	2	181.2%	11	4	148.1%
of which revaluations	-3	10		2	11	-83.5%
of which market & other impacts	-1	0		-1	0	
Special items before tax	-29	-2		-52	-2	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>14</b>	<b>-17</b>		<b>-32</b>	<b>18</b>	
Taxation	4	-5		-10	2	
Minority interests	1	2	-50.7%	0	2	-111.1%
<b>Net result</b>	<b>9</b>	<b>-14</b>		<b>-21</b>	<b>13</b>	
<b>Key figures</b>						
Gross premium income	678	653	3.9%	1,940	1,441	34.6%
Total administrative expenses <sup>11)</sup>	94	113	-16.4%	196	176	11.3%
Combined ratio <sup>4)5)</sup>	97.9%	107.4%		102.2%	103.2%	
of which Claims ratio <sup>4)5)</sup>	69.5%	78.8%		73.6%	74.4%	
of which Expense ratio <sup>5)</sup>	28.4%	28.6%		28.7%	28.8%	
Net operating ROE <sup>10)</sup>	17.4%	-12.8%		2.3%	1.2%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Total insurance provisions	6	6	-1.3%	6	6	5.2%
Allocated equity (end of period) <sup>6)10)</sup>	920	936	-1.7%	920	1,029	-10.6%
Employees (internal FTEs, end of period)	2,609	2,672	-2.4%	2,609	2,684	-2.8%

The operating result of Netherlands Non-life increased to EUR 40 million from EUR -27 million in the second quarter of 2017 largely driven by lower administrative expenses and an improved claims experience in Property & Casualty (P&C). The second quarter of 2017 was impacted by a EUR 40 million strengthening of insurance liabilities in P&C, whereas the current quarter benefited from a EUR 6 million private equity dividend. The combined ratio improved to 97.9% from 107.4% in the second quarter of 2017.

The operating result in Disability & Accident (D&A) remained stable at EUR 29 million as a less favourable claims development was compensated by lower administrative expenses and a private equity dividend of EUR 3 million. The D&A combined ratio was 93.1% compared with 91.9% in the second quarter of 2017.

The operating result in Property & Casualty (P&C) increased to EUR 5 million from EUR -63 million in the second quarter of 2017 which included a EUR 40 million strengthening of insurance liabilities for bodily-injury claims in the Motor and Miscellaneous portfolios. The current quarter reflects an improved underwriting performance in all lines of business. The P&C combined ratio improved to 100.9% from 115.4% in the second quarter of 2017.

Administrative expenses decreased to EUR 76 million from EUR 94 million in the second quarter of 2017 reflecting the synergy benefits from the integration of Delta Lloyd, expense reductions and non-recurring benefits.

The operating result of the broker business was EUR 6 million versus EUR 8 million in the second quarter of 2017.

The result before tax of Netherlands Non-life increased to EUR 14 million from EUR -17 million in the second quarter of 2017. The increase reflects the higher operating result, partly offset by higher special items reflecting a charge related to the agreement with Van Ameyde to insource claims handling activities and restructuring expenses.

In the first six months of 2018, the operating result of Netherlands Non-life increased to EUR 8 million from EUR 4 million in the same period last year. The first six months of 2018 included the EUR 56 million impact of the January storm, while the first six months of 2017 included the EUR 40 million impact of the strengthening of insurance liabilities. Excluding these items the increase was mainly attributable to lower administrative expenses and an improved claims experience in P&C, partly offset by a less favourable claims experience in D&A.

The result before tax for the first six months of 2018 decreased to EUR -32 million from EUR 18 million in the same period of 2017, mainly due to the impact of special items related to restructuring expenses and a charge related to the agreement with Van Ameyde to insource claims handling activities.

The combined ratio for the first six months of 2018 was 102.2% compared with 103.2% in the same period of 2017. Excluding the impact of the January storm and the strengthening of insurance liabilities, the combined ratio for the first six months of 2018 improved to 98.3% from 99.6% in the same period last year.

## Insurance Europe

- Operating result decreased to EUR 63 million from EUR 73 million in the second quarter of 2017, which benefited from EUR 7 million non-recurring items versus EUR -5 million in the current quarter
- New sales (APE) were EUR 146 million, down 10.0% from the second quarter of 2017 at constant currencies, mainly due to lower sales in Greece, Turkey and Spain
- Value of new business (VNB) for the first six months of 2018 was EUR 83 million, up from EUR 72 million in the same period last year reflecting a more profitable business mix

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Investment margin	23	24	-4.6%	46	38	21.5%
Fees and premium-based revenues	173	179	-3.1%	354	322	9.9%
Technical margin	46	47	-1.1%	101	93	8.3%
Operating income non-modelled business	1	1	-10.1%	1	2	-39.8%
<b>Operating income Life Insurance</b>	<b>243</b>	<b>251</b>	<b>-2.9%</b>	<b>503</b>	<b>456</b>	<b>10.4%</b>
Administrative expenses	98	99	-1.4%	198	181	9.3%
DAC amortisation and trail commissions	80	78	1.5%	167	159	5.3%
<b>Expenses Life Insurance</b>	<b>177</b>	<b>178</b>	<b>-0.1%</b>	<b>365</b>	<b>340</b>	<b>7.4%</b>
<b>Operating result Life Insurance</b>	<b>66</b>	<b>73</b>	<b>-9.7%</b>	<b>138</b>	<b>116</b>	<b>19.0%</b>
Operating result Non-life	-3	0		-4	0	
<b>Operating result</b>	<b>63</b>	<b>73</b>	<b>-13.2%</b>	<b>134</b>	<b>115</b>	<b>16.3%</b>
Non-operating items	10	30	-64.7%	10	51	-79.5%
of which gains/losses and impairments	18	22	-18.8%	11	41	-74.0%
of which revaluations	-2	8		5	10	-49.1%
of which market & other impacts	-6	0		-5	0	
Special items before tax	-7	-8		-13	-8	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>67</b>	<b>95</b>	<b>-30.1%</b>	<b>132</b>	<b>158</b>	<b>-16.6%</b>
Taxation	16	15	6.8%	29	25	15.9%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>50</b>	<b>80</b>	<b>-37.2%</b>	<b>103</b>	<b>133</b>	<b>-22.8%</b>
<b>New business</b>						
Single premiums	288	343	-16.3%	592	649	-8.7%
Regular premiums	117	135	-13.2%	273	280	-2.5%
New sales life insurance (APE)	146	170	-13.8%	332	345	-3.6%
Value of new business				83	72	15.2%
<b>Key figures</b>						
Gross premium income	724	763	-5.1%	1,496	1,372	9.0%
Total administrative expenses (Life & Non-life)	104	102	1.2%	207	187	10.8%
Cost/income ratio (Administrative expenses/Operating income)	41.3%	39.8%		40.0%	39.9%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	52	49				
Net operating ROE <sup>10)</sup>	10.3%	13.3%		10.6%	11.9%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Life general account invested assets	19	19	-1.8%	19	19	-3.7%
Total provisions for insurance & investment contracts	25	26	-0.8%	25	26	-1.0%
of which for risk policyholder	7	7	0.9%	7	7	7.2%
Assets under management pensions <sup>12)</sup>	18	19	-3.8%	18	18	-3.0%
Allocated equity (end of period) <sup>6)10)</sup>	2,328	2,530	-8.0%	2,328	2,464	-5.5%
Employees (internal FTEs, end of period)	4,518	4,519	-0.0%	4,518	4,629	-2.4%

Note: For data in constant currencies, refer to the 'NN Group Financial Supplement: 2.4.1 Analysis of results: Insurance Europe – Excluding currency effects'

The operating result of Insurance Europe decreased to EUR 63 million from EUR 73 million in the second quarter of 2017 which benefited from non-recurring items for a total amount of EUR 7 million. The current quarter result includes a EUR -5 million non-recurring impact.

The investment margin was broadly stable at EUR 23 million.

Fees and premium-based revenues declined to EUR 173 million from EUR 179 million in the second quarter of 2017, which included EUR 4 million of non-recurring benefits. The current quarter was impacted by EUR 3 million negative currency effects in Turkey.

The technical margin decreased to EUR 46 million from EUR 47 million in the second quarter of 2017. The current quarter was impacted by a EUR -5 million non-recurring item in Belgium, partly offset by higher mortality and morbidity results in Poland and Spain.

Administrative expenses were broadly stable at EUR 98 million.

DAC amortisation and trail commissions were EUR 80 million compared with EUR 78 million in the second quarter of 2017, which benefited from EUR 3 million non-recurring items.

The result before tax decreased to EUR 67 million from EUR 95 million in the second quarter of 2017 due to the lower operating result as well as lower non-operating items.

New sales (APE) decreased to EUR 146 million from EUR 170 million in the second quarter of 2017, mainly due to lower sales of savings products in Greece and Spain and lower life sales in Turkey.

In the first six months of 2018, the operating result of Insurance Europe increased to EUR 134 million from EUR 115 million in the same period of 2017, mainly driven by higher fees and premium-based revenues, favourable mortality results and the inclusion of Delta Lloyd Belgium from the second quarter of 2017.

The result before tax in the first six months of 2018 decreased to EUR 132 million from EUR 158 million in the same period of 2017, reflecting lower gains on the sale of bonds and equity investments, partly offset by the higher operating result.

New sales (APE) in the first six months of 2018 decreased to EUR 332 million from EUR 345 million in the same period of 2017. The decrease is mainly due to lower sales of savings products in Greece and the sale of NN Life Luxembourg in October 2017, partly offset by the inclusion of Delta Lloyd Belgium from the second quarter of 2017.

In the first six months of 2018, the value of new business (VNB) increased to EUR 83 million from EUR 72 million in the same period of 2017 as the impact of lower sales was more than offset by a more profitable business mix and the inclusion of Delta Lloyd Belgium from the second quarter of 2017.

## Japan Life

- The operating result of Japan Life was EUR 27 million, down 24.1% from the second quarter of 2017, excluding currency effects, reflecting higher DAC amortisation and a lower technical margin, partially offset by higher fees and premium-based revenues
- New sales (APE) were EUR 163 million, up 18.0% from the second quarter of 2017, at constant currencies
- Value of new business (VNB) increased to EUR 117 million in the first six months of 2018, compared with EUR 93 million in the first six month of 2017

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Investment margin	-2	-2		-5	-4	
Fees and premium-based revenues	130	135	-3.2%	318	328	-3.3%
Technical margin	-1	1		-2	14	
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>127</b>	<b>134</b>	<b>-5.5%</b>	<b>311</b>	<b>339</b>	<b>-8.3%</b>
Administrative expenses	33	36	-8.6%	65	68	-3.9%
DAC amortisation and trail commissions	67	61	9.2%	152	148	2.7%
<b>Expenses</b>	<b>100</b>	<b>97</b>	<b>2.6%</b>	<b>217</b>	<b>216</b>	<b>0.6%</b>
<b>Operating result</b>	<b>27</b>	<b>37</b>	<b>-26.6%</b>	<b>93</b>	<b>123</b>	<b>-24.0%</b>
Non-operating items	-8	-4		-13	-4	
of which gains/losses and impairments	-4	0		-3	8	
of which revaluations	-4	-4		-10	-12	
of which market & other impacts	0	0		0	0	
Special items before tax	0	0		-1	0	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>19</b>	<b>34</b>	<b>-43.4%</b>	<b>79</b>	<b>118</b>	<b>-33.0%</b>
Taxation	3	10	-65.2%	19	33	-42.3%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>16</b>	<b>24</b>	<b>-34.7%</b>	<b>60</b>	<b>85</b>	<b>-29.4%</b>
<b>New business</b>						
Single premiums	0	0		0	0	
Regular premiums	163	145	12.7%	381	387	-1.6%
New sales life insurance (APE)	163	145	12.7%	381	387	-1.6%
Value of new business				117	93	26.5%
<b>Key figures</b>						
Gross premium income	767	762	0.8%	1,875	1,876	-0.1%
Total administrative expenses	33	36	-8.6%	65	68	-3.9%
Cost/income ratio (Administrative expenses/Operating income)	25.7%	26.6%		21.0%	20.0%	
Net operating ROE <sup>(10)(13)</sup>	3.7%	6.6%		7.5%	10.8%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Life general account invested assets	15	15	2.3%	15	14	8.9%
Total provisions for insurance & investment contracts	14	14	2.9%	14	13	10.8%
of which for risk policyholder	0	0	2.8%	0	0	5.8%
Allocated equity (end of period) <sup>(6)(10)(13)</sup>	2,265	2,231	1.5%	2,265	2,162	4.8%
Employees (internal FTEs, end of period)	839	804	4.4%	839	792	5.9%

Note: For data in constant currencies, refer to the 'NN Group Financial Supplement: 2.5.1 Analysis of results: Japan Life – Excluding currency effects'

The operating result of Japan Life was EUR 27 million, down 24.1% from the second quarter of 2017, excluding currency effects, reflecting higher DAC amortisation and a lower technical margin, partially offset by higher fees and premium-based revenues.

Fees and premium-based revenues were EUR 130 million, up 1.5% from the second quarter of 2017, excluding currency effects, driven by higher in-force volumes.

The technical margin was EUR -1 million, down from EUR 1 million in the second quarter of 2017, due to lower surrender results.

Administrative expenses were EUR 33 million, down 3.8% from the second quarter of 2017, excluding currency effects, mainly driven by lower personnel costs.

DAC amortisation and trail commissions were EUR 67 million, up 15.0% from the second quarter of 2017, excluding currency effects, mainly reflecting higher DAC amortisation on surrenders.

The result before tax was EUR 19 million, down 41.6% from the second quarter of 2017, at constant currencies, reflecting the lower operating result and lower non-operating items.

New sales (APE) were EUR 163 million, up 18.0% from the second quarter of 2017, excluding currency effects, driven by higher sales through the bancassurance channel and the Sumitomo partnership.

In the first six months of 2018 the operating result of Japan Life was EUR 93 million, down 18.0% compared with the same period last year, excluding currency effects. The decrease was due to lower mortality and surrender results and higher DAC amortisation, partially offset by an increase in fees and premium-based revenues due to larger in-force volumes.

The result before tax for the first six months of 2018 was EUR 79 million, down 27.6% compared with the same period last year, at constant currencies, due to the lower operating result and lower non-operating items.

New sales (APE) for the first six months of 2018 were EUR 381 million, up 6.2% compared with the same period last year, at constant currencies, driven by higher sales through the Sumitomo partnership which started in April 2017 and the bancassurance channel, despite increasing competition.

The value of new business (VNB) for the first six months of 2018 increased to EUR 117 million, up 35.8% from the same period of 2017 excluding currency effects, driven by higher sales and a more profitable business mix.

## Asset Management

- Total Assets under Management (AuM) remained stable at EUR 240 billion compared with the end of the first quarter of 2018
- Operating result increased to EUR 41 million from EUR 37 million in the second quarter of 2017 driven by expense reductions, partly offset by lower fees

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Investment income	0	0		0	0	
Fees	126	135	-6.4%	256	253	1.4%
<b>Operating income</b>	<b>126</b>	<b>135</b>	<b>-6.4%</b>	<b>256</b>	<b>252</b>	<b>1.3%</b>
<b>Administrative expenses</b>	<b>85</b>	<b>97</b>	<b>-12.9%</b>	<b>174</b>	<b>182</b>	<b>-4.7%</b>
<b>Operating result</b>	<b>41</b>	<b>37</b>	<b>10.7%</b>	<b>82</b>	<b>70</b>	<b>17.0%</b>
Non-operating items	0	0		0	0	
of which gains/losses and impairments	0	0		0	0	
of which revaluations	0	0		0	0	
of which market & other impacts	0	0		0	0	
Special items before tax	-11	-5		-16	-5	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>30</b>	<b>32</b>	<b>-5.6%</b>	<b>66</b>	<b>65</b>	<b>1.5%</b>
Taxation	7	10	-26.5%	15	17	-12.4%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>23</b>	<b>23</b>	<b>3.3%</b>	<b>51</b>	<b>48</b>	<b>6.5%</b>
<b>Key figures</b>						
Total administrative expenses	85	97	-12.9%	174	182	-4.7%
Cost/income ratio (Administrative expenses/Operating income)	67.4%	72.4%		67.9%	72.2%	
Fees/average Assets under Management (in bps)	21	25		21	24	
Net operating ROE <sup>10)</sup>	28.4%	25.6%		28.1%	24.7%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Assets under Management	240	240	-0.2%	240	245	-2.2%
Allocated equity (end of period) <sup>6)10)</sup>	427	454	-5.8%	427	452	-5.4%
Employees (internal FTEs, end of period)	1,066	1,080	-1.3%	1,066	1,220	-12.7%
<b>AuM roll-forward</b>						
<b>Beginning of period</b>	<b>240</b>	<b>246</b>	<b>-2.4%</b>	<b>246</b>	<b>195</b>	<b>26.5%</b>
Net inflow	-3	-2		-5	2	
Acquisition / Divestments	0	-3		-3	52	
Market performance (incl. FX impact) and Other	2	-1		1	-3	
<b>End of period</b>	<b>240</b>	<b>240</b>	<b>-0.2%</b>	<b>240</b>	<b>245</b>	<b>-2.2%</b>

Total Assets under Management (AuM) at Asset Management remained stable at EUR 240 billion at the end of the second quarter of 2018 compared with the first quarter of 2018. Net outflows were EUR 2.6 billion, of which EUR 3.1 billion in Third Party, partly offset by net inflows of EUR 0.5 billion in Proprietary and Affiliates. These were largely compensated by positive market performance of EUR 2.1 billion.

The operating result increased to EUR 41 million from EUR 37 million in the second quarter of 2017 driven by expense reductions, partly offset by lower fees.

Fees were EUR 126 million, down from EUR 135 million in the second quarter of 2017, reflecting lower average AuM, a change in the asset mix and fee pressure.

Administrative expenses decreased to EUR 85 million from EUR 97 million in the second quarter of 2017, driven by the synergy benefits from the integration of Delta Lloyd Asset Management as well as expense reductions.

The second-quarter result before tax decreased to EUR 30 million compared with EUR 32 million in the second quarter of 2017 due to higher special items reflecting restructuring expenses, partly compensated by the higher operating result.

In the first six months of 2018, the operating result increased to EUR 82 million from EUR 70 million in the same period of 2017, driven by higher fee income as a result of the inclusion of Delta Lloyd Asset Management from the second quarter of 2017 and lower administrative expenses.

The result before tax for the first six months of 2018 was EUR 66 million, up from EUR 65 million for the same period of 2017, as the higher operating result was partly offset by higher special items reflecting restructuring expenses.

## Other

- Operating result improved to EUR 4 million from EUR -7 million in the second quarter of 2017 supported by an improved holding result, driven by lower interest on hybrids and debt
- Operating result of the banking business and reinsurance business broadly stable

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Interest on hybrids and debt <sup>14)</sup>	-27	-34		-54	-64	
Investment income and fees	24	23	4.9%	47	34	36.6%
Holding expenses	-36	-38		-71	-54	
Amortisation of intangible assets	0	0		-1	-1	
<b>Holding result</b>	<b>-39</b>	<b>-50</b>		<b>-78</b>	<b>-85</b>	
Operating result reinsurance business	7	8	-20.7%	-33	14	
Operating result banking business	35	34	1.4%	67	58	16.7%
Other results	2	0		3	2	40.0%
<b>Operating result</b>	<b>4</b>	<b>-7</b>		<b>-41</b>	<b>-12</b>	
Non-operating items	-9	32		-6	33	
of which gains/losses and impairments	4	32	-88.0%	6	33	-81.3%
of which revaluations	-3	0		-3	0	
of which market & other impacts	-9	0		-9	0	
Special items before tax	-26	-41		-57	-49	
Amortisation of acquisition intangibles	-33	-33		-66	-33	
Result on divestments	0	-188		4	-179	
<b>Result before tax</b>	<b>-64</b>	<b>-237</b>		<b>-166</b>	<b>-240</b>	
Taxation	-12	-11		-39	-16	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>-52</b>	<b>-226</b>		<b>-127</b>	<b>-225</b>	
<b>Key figures</b>						
Total administrative expenses	88	99	-11.2%	179	162	10.1%
of which reinsurance business	2	3	-40.1%	5	7	-32.9%
of which banking business	50	56	-11.2%	103	99	3.6%
of which corporate/holding	36	39	-8.9%	72	56	26.7%
Net operating ROE banking business <sup>15)</sup>	14.3%	17.2%		14.0%	18.1%	

In EUR billion	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
NN Bank common equity Tier 1 ratio <sup>16)</sup>	16.2%	15.6%		16.2%	14.0%	
Total assets banking business	22	21	1.9%	22	21	3.9%
Employees (internal FTEs, end of period)	2,457	2,538	-3.2%	2,457	2,958	-16.9%

The operating result of the segment Other improved to EUR 4 million from EUR -7 million in the second quarter of 2017 driven by an improved holding result, while the operating result of the banking business and reinsurance business remained broadly stable.

The holding result improved to EUR -39 million from EUR -50 million in the second quarter of 2017, driven by lower interest on hybrids and debt and lower holding expenses. Interest on hybrids and debt was EUR -27 million compared with EUR -34 million in the second quarter of 2017 following the redemption of EUR 476 million subordinated notes in May 2017 and EUR 575 million senior notes in November 2017.

The operating result of the reinsurance business was broadly stable at EUR 7 million.

The operating result of the banking business was broadly stable at EUR 35 million. This reflects lower operating income due to continuing pressure on the interest result on the back of increasing competition in the mortgage market. This was compensated by lower administrative expenses driven by synergy benefits following the integration of Delta Lloyd Bank as well as favourable risk costs.

The result before tax of the segment Other improved to EUR -64 million from EUR -237 million in the second quarter of 2017 which included a EUR 188 million provision related to ING Australia Holdings. The current quarter reflects lower non-operating items, partly compensated by lower special items related to restructuring expenses as well as the improved operating result.

In the first six months of 2018, the operating result of the segment Other decreased to EUR -41 million from EUR -12 million in the same period of 2017. This decrease is mainly due to a lower operating result of the reinsurance business, partly compensated by a higher operating result of the banking business and an improved holding result.

The operating result of the reinsurance business decreased to EUR -33 million in the first six months of 2018 from EUR 14 million in the same period of 2017, mainly reflecting the EUR 33 million impact of the January storm as well as a EUR 8 million claim from a legacy reinsurance portfolio.

The operating result of the banking business increased to EUR 67 million in the first six months of 2018 from EUR 58 million in the same period of 2017, mainly driven by the inclusion of Delta Lloyd from the second quarter of 2017, partly offset by a lower interest result.

The result before tax of the segment Other improved to EUR -166 million in the first six months of 2018 from EUR -240 million in the first six months of 2017 which included a provision related to ING Australia Holdings, a realised gain on Delta Lloyd shares, a gain on the sale of the equity portfolio for rebalancing the assets of NN Re, as well as a gain on the sale of Mandema & Partners. The result before tax for the first six months of 2018 reflects a lower operating result, the inclusion of amortisation of acquisition intangibles from the second quarter of 2017, as well as higher special items related to restructuring expenses.

## Japan Closed Block VA

- Result before tax was EUR -11 million compared with EUR 12 million in the second quarter of 2017, reflecting a hedge-related loss
- Portfolio run-off resulted in a 20.3% decrease in the number of policies compared with the first quarter of 2018

In EUR million	2Q18	2Q17	Change	6M18	6M17	Change
<b>Analysis of results</b>						
Investment margin	-1	-1		-1	-1	
Fees and premium-based revenues	7	11	-38.1%	13	23	-43.4%
Technical margin	0	0		0	0	
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>6</b>	<b>11</b>	<b>-40.4%</b>	<b>12</b>	<b>22</b>	<b>-44.7%</b>
Administrative expenses	2	3	-31.6%	4	6	-30.4%
DAC amortisation and trail commissions	1	1	-37.0%	2	3	-36.5%
<b>Expenses</b>	<b>3</b>	<b>4</b>	<b>-33.2%</b>	<b>6</b>	<b>9</b>	<b>-32.2%</b>
<b>Operating result</b>	<b>3</b>	<b>6</b>	<b>-45.4%</b>	<b>6</b>	<b>13</b>	<b>-53.3%</b>
Non-operating items	-14	5		-2	-22	
of which gains/losses and impairments	0	0		0	0	
of which revaluations	0	0		0	0	
of which market & other impacts	-14	5		-2	-22	
Special items before tax	0	0		0	0	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>-11</b>	<b>12</b>		<b>4</b>	<b>-8</b>	
Taxation	-3	3		1	-2	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>-8</b>	<b>9</b>		<b>3</b>	<b>-7</b>	

In EUR million	2Q18	1Q18	Change	6M18	6M17	Change
<b>Key figures</b>						
Allocated equity <sup>10)</sup>	275	323	-14.8%	275	452	-39.2%
Account value	3,466	4,074	-14.9%	3,466	6,546	-47.0%
Net Amount at Risk	80	106		80	180	
IFRS Reserves	218	256	-15.1%	218	401	-45.7%
Number of policies	54,587	68,462	-20.3%	54,587	122,394	-55.4%
Employees (internal FTEs)	43	43	0.0%	43	53	-18.9%

Note: For data in constant currencies, refer to the 'NN Group Financial Supplement: 2.8.1 Analysis of results: Japan Closed block VA – Excluding currency effects'

The result before tax of Japan Closed Block VA was EUR -11 million compared with EUR 12 million in the second quarter of 2017, reflecting a hedge-related loss and a lower operating result.

The operating result decreased to EUR 3 million from EUR 6 million in the second quarter of 2017, as fees and premium-based revenues declined due to the run-off of the portfolio.

Fees and premium-based revenues were EUR 7 million, down 34.5% from the second quarter of 2017, excluding currency effects, mainly due to a lower account value reflecting a decreasing number of policies.

Administrative expenses decreased to EUR 2 million.

Market and other impacts were EUR -14 million compared with EUR 5 million in the second quarter of 2017, reflecting a hedge-related loss.

The Net Amount at Risk in the Japan Closed Block VA decreased to EUR 80 million from EUR 106 million in the first quarter of 2018 and from EUR 180 million in the second quarter of 2017, primarily as a result of equity markets movements and the run-off of the portfolio.

In the first six months of 2018 the result before tax was EUR 4 million compared with EUR -8 million in the same period a year ago, reflecting hedge-related results and a lower operating result.

In the first six months of 2018 the operating result before tax was EUR 6 million compared with EUR 13 million in the same period a year ago, down 49.9% excluding currency impacts, mainly due to lower fees and premium-based revenues driven by the run-off of the portfolio.

## Consolidated Balance Sheet

- Total assets of NN Group broadly stable at EUR 227.8 billion
- Shareholders' equity increased by EUR 0.2 billion to EUR 23.6 billion reflecting the second-quarter net result partly offset by the payment of the cash part of the 2017 final dividend

in EUR million	30 Jun 18	31 Mar 18	31 Dec 17 <sup>17</sup>		30 Jun 18	31 Mar 18	31 Dec 17 <sup>17</sup>
<b>Assets</b>				<b>Equity and liabilities</b>			
Cash and cash equivalents	9,722	10,273	9,383	Shareholders' equity (parent)	23,568	23,345	22,718
Financial assets at fair value through profit or loss				Minority interests	267	315	317
- investments for risk of policyholders	32,250	32,196	33,508	Undated subordinated notes	1,764	1,764	1,764
- non-trading derivatives	4,784	4,905	5,116	<b>Total equity</b>	<b>25,599</b>	<b>25,424</b>	<b>24,799</b>
- designated as at fair value through profit or loss	786	806	934	Subordinated debt	2,457	2,463	2,468
Available-for-sale investments	105,605	105,879	104,982	Debt securities issued	1,989	1,988	1,988
Loans	56,635	56,131	56,043	Other borrowed funds	5,567	5,409	6,044
Reinsurance contracts	1,017	969	880	Insurance and investment contracts	163,683	164,116	163,639
Associates and joint ventures	4,921	3,523	3,450	Customer deposits and other funds on deposit	14,942	14,725	14,434
Real estate investments	2,364	3,629	3,582	Financial liabilities at fair value through profit or loss			
Property and equipment	148	140	150	- non-trading derivatives	2,428	2,413	2,305
Intangible assets	1,781	1,816	1,841	Deferred tax liabilities	1,973	1,940	1,830
Deferred acquisition costs	1,822	1,803	1,691	Other liabilities	9,157	9,069	9,555
Deferred tax assets	119	117	125	<b>Total liabilities</b>	<b>202,196</b>	<b>202,123</b>	<b>202,263</b>
Other assets	5,841	5,360	5,377	<b>Total equity and liabilities</b>	<b>227,795</b>	<b>227,547</b>	<b>227,062</b>
<b>Total assets</b>	<b>227,795</b>	<b>227,547</b>	<b>227,062</b>				

## Assets

### Associates and joint ventures

Associates and joint ventures increased by EUR 1.4 billion reflecting the increased participation rights in the Vesteda fund received on the sale of the Dutch residential real estate portfolio.

### Real estate investments

Real estate investments decreased by EUR 1.3 billion as a result of the aforementioned sale of the Dutch residential real estate portfolio to Vesteda.

## Equity

Shareholders' equity increased by EUR 0.2 billion to EUR 23.6 billion mainly driven by the second-quarter net result of EUR 0.5 billion, partly offset by the payment of the cash part of the 2017 final dividend of EUR 0.2 billion.

Changes in Shareholders' equity for the current quarter, the first six months and the previous full year were as follows:

in EUR million	2Q18	6M18	FY17
<b>Shareholders' equity beginning of period</b>	<b>23,345</b>	22,718	22,695
Net result for the period	463	862	2,110
Unrealised revaluations available-for-sale investments and other	83	314	-545
Realised gains/losses transferred to the profit and loss account	-275	-312	-963
Change in cash flow hedge reserve	168	207	-714
Deferred interest crediting to life policyholders	79	25	598
Share of other comprehensive income of associates and joint ventures	-2	-2	-1
Exchange rate differences	-6	41	-163
Remeasurement of the net defined benefit asset/liability	-1	-1	-3
Capital contributions and change in share capital	0	0	420
Dividend	-205	-205	-317
Purchase/sale treasury shares	-22	-18	-340
Employee stock option & share plans	-1	-3	0
Coupon on undated subordinated notes	-58	-58	-59
<b>Total changes</b>	<b>223</b>	850	23
<b>Shareholders' equity end of period</b>	<b>23,568</b>	23,568	22,718

The composition of Total equity at the end of the current quarter, at the end of the previous quarter and at the end of the previous year was as follows:

in EUR million	30 Jun 18	31 Mar 18	31 Dec 17
Share capital	41	41	41
Share premium	12,572	12,572	12,572
Revaluation reserve available-for-sale investments and other	4,900	5,023	4,876
Cash flow hedge reserve	3,928	3,760	3,721
Currency translation reserve	-97	-95	-139
Net defined benefit asset/liability remeasurement reserve	-107	-106	-106
Retained earnings and other reserves	2,331	2,150	1,753
<b>Shareholders' equity (parent)</b>	<b>23,568</b>	23,345	22,718
Minority interests	267	315	317
Undated subordinated notes	1,764	1,764	1,764
<b>Total equity</b>	<b>25,599</b>	25,424	24,799
<b>Shareholders' equity per share in EUR</b>	<b>70</b>	70	68

## Capital Management

- Solvency II ratio of NN Group increased to 226% from 213% at the end of the first quarter of 2018 reflecting operating capital generation, positive market impacts and the deduction of the 2018 interim dividend
- Free cash flow to the holding in the second quarter of 2018 was EUR 397 million, mainly driven by EUR 536 million of dividends from subsidiaries
- Cash capital position at the holding company increased to EUR 1,799 million
- 2018 Interim dividend of EUR 0.66 per ordinary share or approximately EUR 222 million

## Solvency II

in EUR million	30 Jun 18	31 Mar 18
Basic Own Funds	18,305	17,779
Non-available Own Funds	1,412	1,404
Non-eligible Own Funds	74	212
<b>Eligible Own Funds (a)</b>	<b>16,819</b>	<b>16,163</b>
of which Tier 1 Unrestricted	10,375	9,650
of which Tier 1 Restricted	1,894	1,896
of which Tier 2	2,404	2,405
of which Tier 3	1,042	1,067
of which non-solvency II regulated entities	1,104	1,145
<b>Solvency Capital Requirements (b)</b>	<b>7,429</b>	<b>7,606</b>
of which non-solvency II regulated entities	483	489
<b>NN Group Solvency II ratio (a/b)<sup>2)</sup></b>	<b>226%</b>	<b>213%</b>
<b>NN Life Solvency II ratio<sup>2)</sup></b>	<b>239%</b>	<b>219%</b>
<b>Delta Lloyd Life Solvency II ratio<sup>2)</sup></b>	<b>190%</b>	<b>169%</b>

The NN Group Solvency II ratio increased to 226% at the end of the second quarter of 2018 from 213% at the end of the first quarter of 2018 mainly driven by a combination of operating capital generation and positive market impacts, partly offset by the 2018 interim dividend. Market impacts were positive, reflecting the favourable impact from movements in credit spreads and positive equity revaluations, partly offset by unfavourable movements in interest rates.

The NN Life Solvency II ratio increased to 239% at the end of the second quarter of 2018 from 219% at the end of the first quarter of 2018. The increase was mainly driven by the aforementioned market impacts as well as operating capital generation. The positive impact of a reduction of non-eligible Own Funds also contributed to the increase. These items were partly offset by a EUR 175 million dividend paid to the holding company.

The Delta Lloyd Life Solvency II ratio increased to 190% at the end of the second quarter of 2018 from 169% at the end of the first quarter of 2018. The increase was mainly driven by the favourable impact from movements in credit spreads as well as operating capital generation, partly offset by unfavourable movements in interest rates.

## Cash capital position at the holding company

in EUR million	2Q18	6M18
<b>Beginning of period</b>	<b>1,631</b>	<b>1,434</b>
Cash divestment proceeds	0	0
Dividends from subsidiaries <sup>18)</sup>	536	792
Capital injections into subsidiaries <sup>19)</sup>	0	-4
Other <sup>20)</sup>	-139	-193
<b>Free cash flow to the holding<sup>21)</sup></b>	<b>397</b>	<b>595</b>
Acquisitions	0	0
Addition Delta Lloyd cash capital position	0	0
Capital flow from / (to) shareholders	-229	-229
Increase / (decrease) in debt and loans	0	0
<b>End of period</b>	<b>1,799</b>	<b>1,799</b>

Note: cash capital is defined as net current assets available at the holding company

The cash capital position at the holding company increased to EUR 1,799 million at the end of the second quarter of 2018 from EUR 1,631 million at the end of the first quarter of 2018. The increase was driven by EUR 536 million of dividends from subsidiaries, partly offset by capital flows to shareholders of EUR 229 million representing the cash part of the 2017 final dividend of EUR 205 million and shares repurchased in the second quarter of 2018 for an amount of EUR 24 million. Other movements include holding company expenses, interest on loans and debt, and other holding company cash flows.

## Financial leverage

in EUR million	30 Jun 18	31 Mar 18	30 Jun 17
Shareholders' equity	23,568	23,345	21,824
Adjustment for revaluation reserves <sup>22)</sup>	-7,221	-7,246	-6,807
Minority interests	267	315	313
<b>Capital base for financial leverage (a)<sup>23)</sup></b>	<b>16,614</b>	<b>16,415</b>	<b>15,330</b>
Undated subordinated notes <sup>24)</sup>	1,764	1,764	1,764
Subordinated debt	2,457	2,463	2,478
Total subordinated debt	4,221	4,227	4,242
Debt securities issued (financial leverage)	1,989	1,988	2,577
<b>Financial leverage (b)</b>	<b>6,209</b>	<b>6,215</b>	<b>6,819</b>
Debt securities issued (operational leverage)	0	0	0
<b>Total debt</b>	<b>6,209</b>	<b>6,215</b>	<b>6,819</b>
Financial leverage ratio (b/(a+b))	27.2%	27.5%	30.8%
Fixed-cost coverage ratio <sup>24)</sup> <sup>25)</sup>	14.1x	12.7x	12.0x

The financial leverage ratio of NN Group improved to 27.2% at the end of the second quarter of 2018 compared with 27.5% at the end of the first quarter of 2018, reflecting an increase of the capital base for financial leverage driven by the second-quarter net result of EUR 463 million, partly offset by capital flows to shareholders of EUR 229 million.

The fixed-cost coverage ratio increased to 14.1x at the end of the second quarter of 2018 from 12.7x at the end of the first quarter of 2018 (on a last 12-months basis).

## Interim dividend

NN Group will pay a 2018 interim dividend of EUR 0.66 per ordinary share, or approximately EUR 222 million in total, calculated as 40% of the 2017 full year dividend per ordinary share. The 2018 interim dividend will be paid either in cash, after deduction of withholding tax if applicable, or ordinary shares from the share premium reserve at the election of the shareholder. To neutralise the dilutive effect of the stock dividend, NN Group will repurchase ordinary shares for an amount equivalent to the stock dividend. The NN Group ordinary shares will be quoted ex-dividend on 20 August 2018. The record date for the dividend will be 21 August 2018. The election period will run from 20 August up to and including 3 September 2018. The stock fraction for the stock dividend will be based on the volume weighted average price of NN Group ordinary shares on Euronext Amsterdam for the five trading days from 28 August through 3 September 2018. The dividend will be payable on 10 September 2018. (For more information: <https://www.nn-group.com/Investors/Share-information-1/Dividend-policy-and-dividend-history.htm>)

## Share buyback

As announced on 15 February 2018, NN Group's shareholders were given the option to receive the final dividend for 2017 of EUR 1.04 per ordinary share either fully in cash or fully in ordinary shares. Following the election by shareholders, NN Group will neutralise the dilutive effect of the stock dividend through the repurchase of ordinary shares for a total amount of EUR 142 million, equivalent to the value of the stock dividend. The remaining outstanding amount on 10 August 2018 was EUR 94 million. This share buyback will be executed by financial intermediaries under an open market share buyback programme which is expected to end by 31 December 2018. In the second quarter of 2018, shares for an amount of EUR 24 million were repurchased.

The share buyback programme will be executed within the limitations of the existing authority granted by the General Meeting on 31 May 2018 and will be performed in compliance with the safe harbour provisions for share buybacks. The shares will be repurchased at a price that does not exceed the last independent trade or the highest current independent bid on Euronext Amsterdam. NN Group intends to cancel all of the shares acquired under the programme. NN Group reports on the progress of the share buyback programme on its corporate website on a weekly basis (<https://www.nn-group.com/Investors/Share-information-1/Share-buyback-programme.htm>).

## Share capital

On 25 June 2018, NN Group issued 3,918,712 ordinary shares as stock dividend, representing an aggregate value of EUR 142 million.

The total number of NN Group shares outstanding (net of 1,542,372 treasury shares) on 10 August 2018 was 336,949,798.

## Syndicated revolving credit facility

On 31 July 2018, NN Group (as borrower) entered into a EUR 1,750 million revolving credit facility with an international syndicate of banks. This facility replaces the two existing revolving credit facilities for a total amount of EUR 1,600 million. The credit facility has a maturity of 5 years and is undrawn at the date of this publication. Any amounts borrowed under the credit facility shall be applied towards general corporate purposes of NN Group.

## Credit ratings

On 6 June 2018, Standard & Poor's published a full analysis report confirming NN Group's 'A' financial strength rating and 'BBB+' credit rating with a stable outlook.

On 7 June 2018, Standard & Poor's affirmed NN Life Japan's 'A-' financial strength rating with a stable outlook, following the company's revision of past calculations of policy reserves and given its strategically important status to NN Group.

On 20 June 2018, Fitch affirmed NN Group's 'A+' financial strength rating and 'A' credit rating with a stable outlook.

Credit ratings of NN Group on 16 August 2018	Financial Strength Rating	NN Group N.V. Counterparty Credit Rating
Standard & Poor's	A Stable	BBB+ Stable
Fitch	A+ Stable	A Stable

## Footnotes reference page

- 1) Operating result and Adjusted allocated equity (as used in the calculation of Net operating ROE) are Alternative Performance Measures. These measures are derived from figures according to IFRS-EU. The operating result is derived by adjusting the reported result before tax to exclude the impact of result on divestments, the amortisation of acquisition intangibles, discontinued operations and special items, gains/losses and impairments, revaluations and market & other impacts. The adjusted allocated equity is derived by adjusting the reported total equity to exclude revaluation reserves, the undated subordinated notes classified as equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition. Alternative Performance Measures are non-IFRS-EU measures that have a relevant IFRS-EU equivalent. For definitions and explanations of the Alternative Performance Measures reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the NN Group N.V. condensed consolidated interim financial information for the period ended 30 June 2018.
- 2) The solvency ratios are not final until filed with the regulators. The Solvency II ratios for NN Group and NN Life are based on the partial internal model. The Solvency II ratio for Delta Lloyd Life (Delta Lloyd Levensverzekering N.V.) is based on the standard formula.
- 3) Basic earnings per ordinary share is calculated as the net result, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity, divided by the weighted average number of ordinary shares outstanding (net of treasury shares).
- 4) As of 2Q17, the calculation methodology for the combined ratio has been updated and now excludes the discount rate unwind on the D&A insurance liabilities. All comparative combined ratios have been updated to reflect this change.
- 5) Excluding health and broker businesses.
- 6) End of period, in EUR million.
- 7) Four-quarter rolling average. As of 2Q17, the calculation reflects the impact of including Delta Lloyd on an annualised basis.
- 8) Net operating result of the ongoing business, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity.
- 9) Net operating ROE is calculated as the (annualised) net operating result of the ongoing business, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity, divided by (average) adjusted allocated equity of ongoing business. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves, the undated subordinated notes classified as equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the 2017 Consolidated Annual Accounts.
- 10) Net operating ROE is calculated as the (annualised) net operating result of the segment, divided by (average) adjusted allocated equity. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the NN Group N.V. condensed consolidated interim financial information for the period ended 30 June 2018.
- 11) Including health and broker businesses.
- 12) The numbers shown under AuM are client balances which exclude IFRS shareholders' equity related to the respective pension businesses and include the assets under administration.
- 13) As of 2Q17, the net operating result and adjusted allocated equity used to calculate the Net operating ROE of Japan Life are adjusted for the impact of internal reinsurance ceded to NN Group's reinsurance business.
- 14) Does not include interest costs on subordinated debt treated as equity.
- 15) Net operating ROE is calculated as the (annualised) net operating result of the banking business, divided by (average) adjusted allocated equity. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the NN Group N.V. condensed consolidated interim financial information for the period ended 30 June 2018.
- 16) The Common equity Tier 1 ratio is not final until filed with the regulators. The 2017 ratios are for NN Bank, prior to the merger with Delta Lloyd Bank. The ratios for 2018 onwards are for the merged banking business of NN Bank and Delta Lloyd Bank.
- 17) As of the first quarter of 2018 the various cash collateral amounts paid and received are all presented in Other assets and Other liabilities. The relevant comparative figures for previous periods have been amended. This change impacts the classification in the Condensed consolidated balance sheet, impacting the line items Loans, Other borrowed funds and Other assets and liabilities, with no net impact on shareholders' equity. There was no impact on the Condensed consolidated profit and loss account.
- 18) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 19) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 20) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 21) Free cash flow to the holding company is defined as the change in cash capital position of the holding company over the period, excluding acquisitions, capital transactions with shareholders and debtholders.
- 22) Includes revaluations on debt securities, on the cash flow hedge reserve and on the reserves crediting to life policyholders.
- 23) As of 2Q17, the calculation methodology for the financial leverage ratio has been updated to better align with market practice. Goodwill is no longer deducted from the capital base for financial leverage and historical figures have been updated to reflect this change.
- 24) The undated subordinated notes classified as equity are considered financial leverage in the calculation of the financial leverage ratio. The related interest is included on an accrual basis in the calculation of the fixed-cost coverage ratio.
- 25) Measures the ability of earnings before interest and tax (EBIT) of ongoing business to cover funding costs on financial leverage; calculated on a last 12-months basis.

## NN Group Profile

NN Group is an international financial services company, active in 18 countries, with a strong presence in a number of European countries and Japan. With all its employees, the Group provides retirement services, pensions, insurance, investments and banking to approximately 17 million customers. NN Group includes Nationale-Nederlanden, NN, Delta Lloyd, NN Investment Partners, ABN AMRO Insurance, Movir, AZL, BeFrank and OHRA. NN Group is listed on Euronext Amsterdam (NN).

## Analyst call

Lard Friese and Delfin Rueda will host an analyst and investor conference call to discuss the 2Q18 results at 10.30 am CET on Thursday 16 August 2018. Members of the investment community can join the conference call at +31 20 531 5865 (NL), +44 203 365 3210 (UK), +1 866 349 6093 (US) or follow the webcast on [www.nn-group.com](http://www.nn-group.com).

## Press

Lard Friese and Delfin Rueda will host a press call to discuss the 2Q18 results, which will be held at 07.45 am CET on Thursday 16 August 2018. Journalists can join the press call at +31 20 531 5863 (NL).

## Financial calendar

Publication 3Q18 results: 15 November 2018

Publication 4Q18 results: 14 February 2019

Publication 1Q19 results: 16 May 2019

Annual General Meeting: 29 May 2019

## Contact information

---

### Press enquiries

Media Relations

+31 70 513 1918

[mediarelations@nn-group.com](mailto:mediarelations@nn-group.com)

---

---

### Investor enquiries

Investor Relations

+31 88 663 5464

[investor.relations@nn-group.com](mailto:investor.relations@nn-group.com)

---

## Additional information on [www.nn-group.com](http://www.nn-group.com)

NN Group 2Q18 Financial Supplement, NN Group 2Q18 Analyst Presentation

NN Group 30 June 2018 Condensed consolidated interim financial information

Photos of NN Group executives, buildings and events are available for download at [Flickr](#)

## Important legal information

Elements of this press release contain or may contain information about NN Group N.V. within the meaning of Article 7(1) to (4) of EU Regulation No 596/ 2014 (Market Abuse Regulation). NN Group's Consolidated Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 on the Dutch Civil Code. In preparing the financial information in this document, the same accounting principles are applied as in the NN Group N.V. condensed consolidated interim financial information for the period ended 30 June 2018.

All figures in this document are unaudited. Small differences are possible in the tables due to rounding. Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in NN Group's core markets, (2) changes in performance of financial markets, including developing markets, (3) consequences of a potential (partial) break-up of the euro or European Union countries leaving the European Union, (4) changes in the availability of, and costs associated with, sources of liquidity as well as conditions in the credit markets generally, (5) the frequency and severity of insured loss events, (6) changes affecting mortality and morbidity levels and trends, (7) changes affecting persistency levels, (8) changes affecting interest rate levels, (9) changes affecting currency exchange rates, (10) changes in investor, customer and policyholder behaviour, (11) changes in general competitive factors, (12) changes in laws and regulations and the interpretation and application thereof, (13) changes in the policies and actions of governments and/or regulatory authorities, (14) conclusions with regard to accounting assumptions and methodologies, (15) changes in ownership that could affect the future availability to NN Group of net operating loss, net capital and built-in loss carry forwards, (16) changes in credit and financial strength ratings, (17) NN Group's ability to achieve projected operational synergies, (18) catastrophes and terrorist-related events, (19) adverse developments in legal and other proceedings and (20) the other risks and uncertainties contained in recent public disclosures made by NN Group.

Any forward-looking statements made by or on behalf of NN Group speak only as of the date they are made, and, NN Group assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.