



NN Group Company Profile

May 2018



Leading Dutch insurer with strong businesses in European insurance, asset management and Japan

Some facts and figures

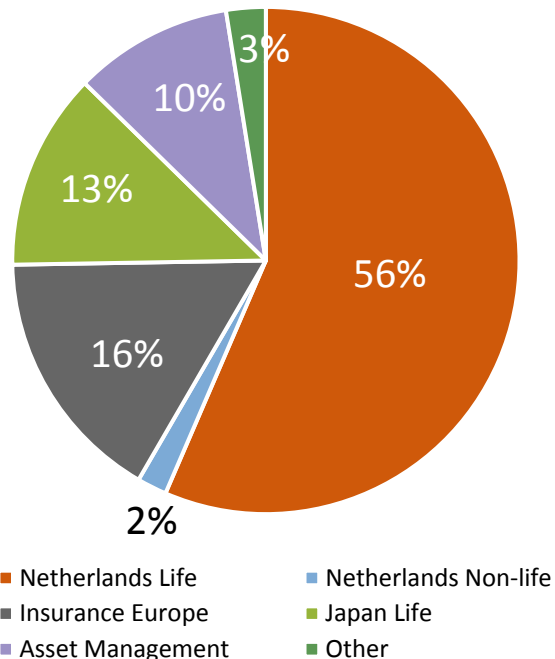
- History dating back to 1845
- Strong business positions
- Active in 18 countries
- Unified international culture with shared best practices
- Approx. 17 million customers
- Successful IPO on Euronext Amsterdam on 2 July 2014
- Acquisition of Delta Lloyd completed in April 2017
- Shareholders' equity of EUR 23.3bn at 31 March 2018
- Credit ratings¹: A/stable (S&P), A+/stable (Fitch)

Our main brands



Diversified businesses in Europe and Japan

NN Group operating result before tax of the ongoing business¹



Asset Management

- International asset manager
- EUR 240bn AuM at 1Q18
- Offers a wide variety of actively managed investment products and advisory services; also manages the assets of NN's insurance businesses

Japan Life

- Top 3 player² in corporate-owned life insurance (COLI) products in Japan

Insurance Europe

- Top 3 player in CEE focused on life and voluntary pensions
- Serving 11m customers in 10 countries
- Large and diverse footprint, mainly built organically

Netherlands Life

- #1 position: 36% market share³ in pensions and 24% market share³ in individual life
- Offers a range of pension and individual life insurance products in the Netherlands
- Run-off blocks; significant contributor to remittances

Netherlands Non-life

- 28% market share³ in D&A (#1) and 22% market share³ in P&C (#2)
- Offers a broad range of non-life insurance products in the Netherlands, including income protection, fire and motor

Banking business⁴

- Complementary product range, offering mortgages and savings in the Netherlands








1. Percentages based on total operating result before tax of the ongoing business for 2017 of EUR 1,586m

2. By APE (2016), source: internal estimate NN Group

3. Source: DNB, based on GWP 2016; market shares in the Netherlands

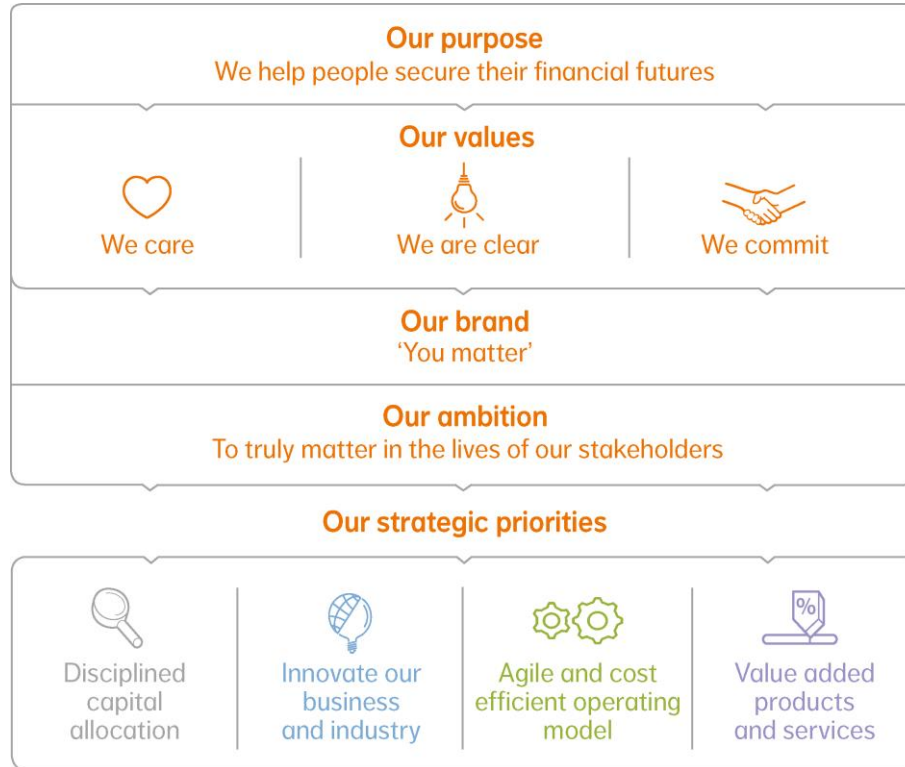
4. The banking business is reported in the segment Other; the 2017 operating result of the segment Other is EUR 40m, of which EUR 124m relates to the banking business

Committed and experienced Management Board

	Lard Frieze (NL) Joined 2008	Chair/CEO	<ul style="list-style-type: none"> Working in the financial services industry since 1988: most recently with NN Group, ING Insurance EurAsia Leadership positions at AEGON, VNU/ACNielsen, Ceska Pojistovna and Generali-PPF Holding
	Delfin Rueda (ESP) Joined 2012	Chief Financial Officer	<ul style="list-style-type: none"> Working in the financial services industry since 1993: most recently with Atradius Previously held leadership positions at J.P. Morgan, UBS and Andersen Consulting
	David Knibbe (NL) Joined 1997	CEO, Netherlands	<ul style="list-style-type: none"> Working in the financial services industry since 1997: most recently with NN Group Leadership positions at ING's life insurance joint venture with Piraeus Bank in Greece, ING Bank and ING Investment Management
	Dorothee van Vredenburg (NL) Joined 2009	Chief Change and Organisation	<ul style="list-style-type: none"> Working in the financial services industry since 1987: most recently with ING Group Previously held leadership positions at Citigate Europe and RedZebra Group
	Jan-Hendrik Erasmus (SA/UK) Joined 2016	Chief Risk Officer	<ul style="list-style-type: none"> Working in the financial services since 2003: across insurance, risk and investment management in the UK and internationally Previously Partner at Oliver Wyman Financial Services, Head of the UK Insurance Practice and member of the European Leadership Team
	Robin Spencer (UK) Joined 2014 ¹	CEO, International Insurance	<ul style="list-style-type: none"> Working in the insurance industry since 1995: across life, non-life and asset management in the UK and internationally Previously CEO Aviva UK & Ireland General Insurance, CEO and CFO Aviva Canada , and from 2010 to 2012 Aviva Group Chief Risk Officer
	Satish Bapat (NL) Joined 2010	CEO, Asset Management	<ul style="list-style-type: none"> Working in the financial services industry since 2006: both in and outside of the Netherlands Previously CEO of NN Life Japan, CEO Asia Pacific and Global CFO for ING Investment Management. He also held leadership positions at RBS, Robeco, ABN AMRO, TNT and Deloitte & Touche

1. Robin Spencer will leave NN Group effective 1 June 2018

NN Group has a clear purpose and defined values



Creating long-term value for our stakeholders

Providing an excellent customer service

- Delivering solutions with added value
- Using a multi-channel approach to reach customers
- Offering transparent products and services
- **NPS +17¹**
- **Brand awareness and preference**

Investing our assets and those entrusted to us in a responsible way

- Integrating ESG factors in our investment process
- Active ownership: voting and engagement
- Defence policy, exclusions, societal values and criteria
- Offering specialised SRI funds & tailor-made RI solutions
- **EUR 10.9bn Sustainable AuM**
- **Climate change engagement**

Attracting and retaining talent

- Providing training and development to our staff
- Ensuring a diverse workforce
- Optimising employee engagement
- **EUR 21.4m spent on training and development in 2017**
- **32% women in senior management positions**
- **66% engagement score**

Empowering people to improve their financial well being

- NN Future Matters, our global community programme, focuses on three themes:
- Promoting financial empowerment
 - Creating economic opportunities
 - Alleviating financial distress
 - **37,208 young people reached in 2017**
 - **EUR 2.4 m donated to charitable organisations in 2017**

Included in:

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



Endorsements:



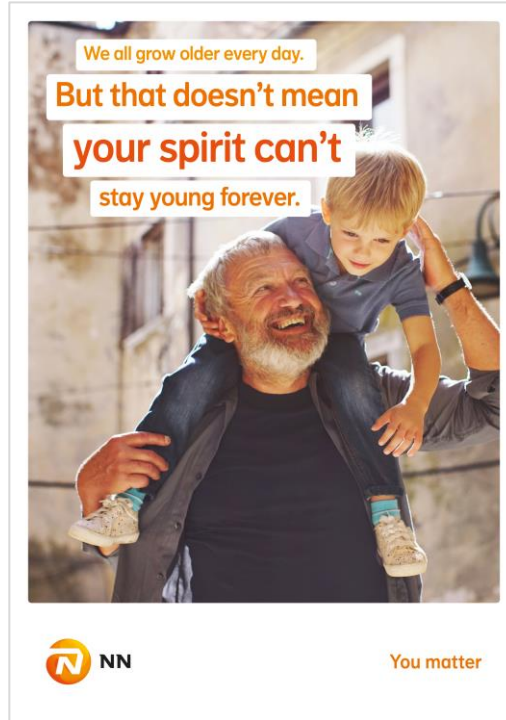
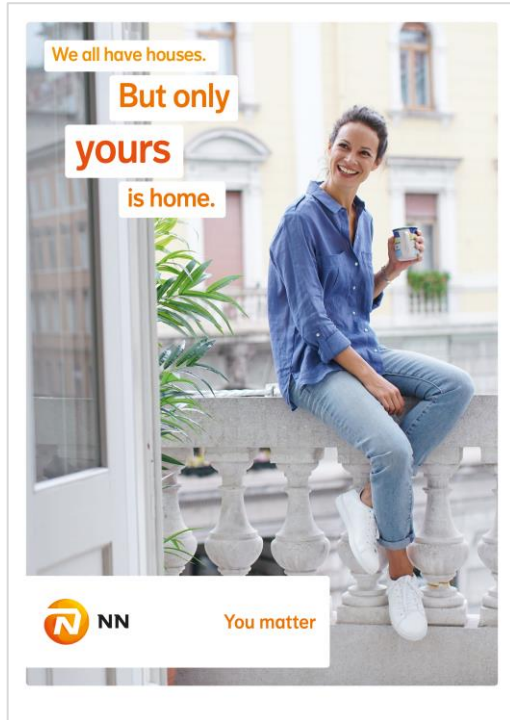
UN Sustainable
Development Goals



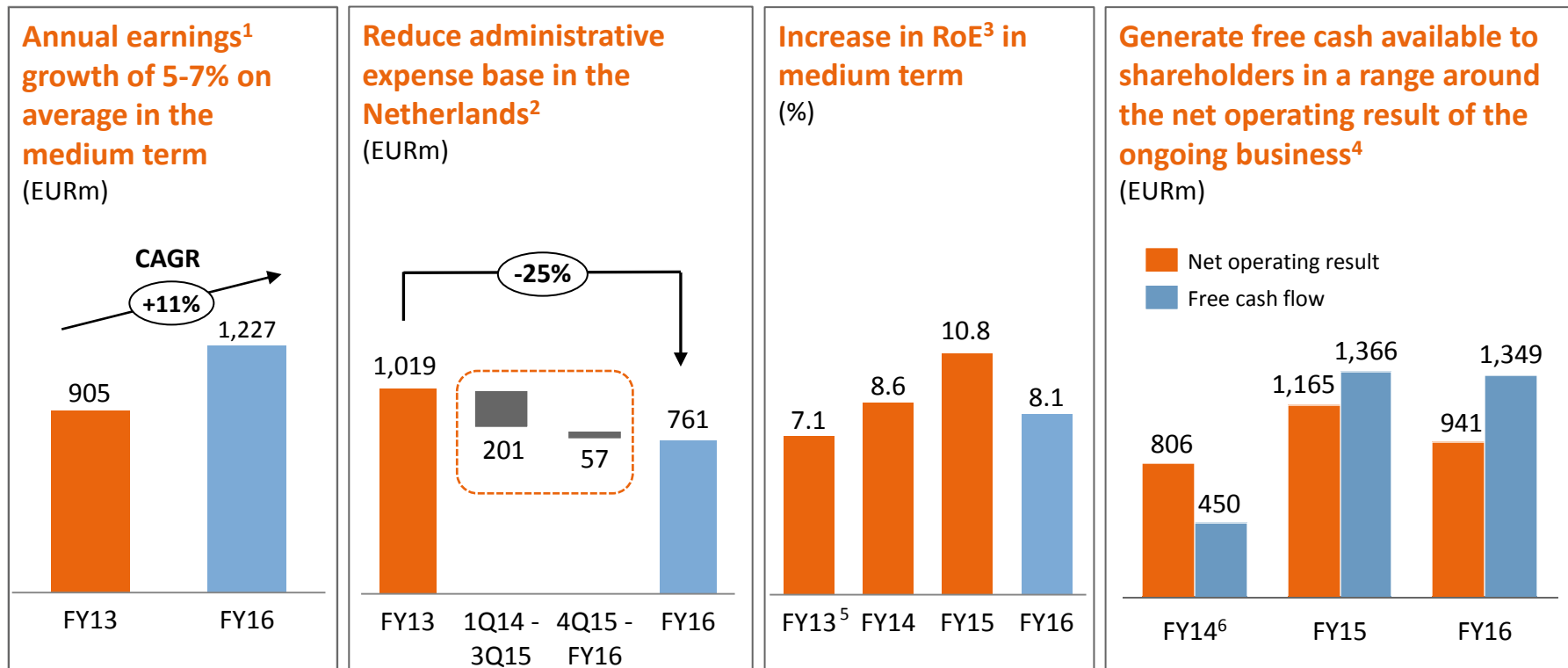
All figures at 4Q17 unless stated otherwise

1. Average increase in NPS-R in 2017, includes all business units except Belgium

Inspiring people to think about what matters to them



Delivered on 2013-2016 financial targets set at IPO



Our priorities going forward

1. Deliver on the Delta Lloyd transaction

- Clear roadmap to deliver on the financial and non-financial benefits within the expected timeline
- Strengthened competitive positions delivering sustainable cash flow

2. Improve performance further

- Improve profitability of underperforming units
- Capture growth opportunities in a disciplined manner

3. Accelerate the transformation of the business model

- Create the customer experience of tomorrow
- Use technology to make the company more agile and efficient

4. Continue to allocate capital rationally

- Generate cash flow in all business segments and upstream to holding
- Excess capital to be returned to shareholders unless it can be used for value-creating opportunities

... to achieve our medium-term targets

NN Group financial targets

- EUR ~400m cost reduction¹ by 2020, reflecting cost synergies from Delta Lloyd acquisition and existing standalone cost reduction plans
- Annual earnings growth of 5-7% on average in the medium term²
- Over time, generate free cash available to shareholders in a range around the net operating result of the ongoing business³

Benefits of Delta Lloyd acquisition will be realised as we integrate the businesses

Achieved so far

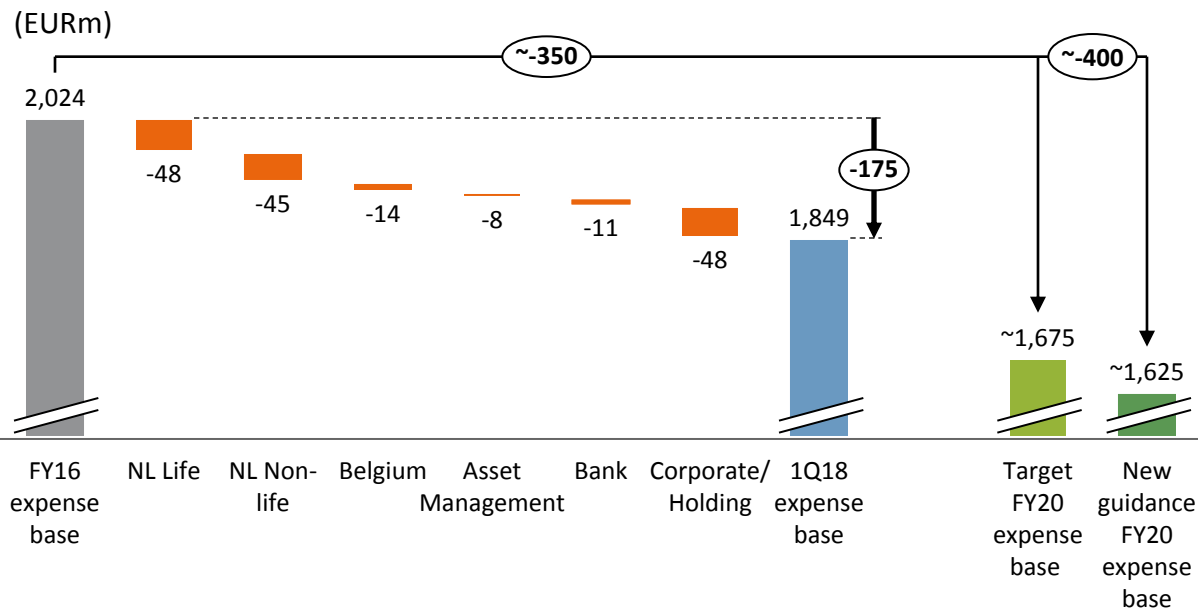
- Integration of management teams
- EUR ~350m capital synergies
- Legal merger of banking businesses and asset management businesses on 1 January 2018
- Legal merger of Belgium life businesses on 30 March 2018
- Initial cost synergies:
 - Selected Delta Lloyd office locations vacated and available for sub-letting
 - Reduction of ~900 internal and external FTE in the Netherlands and Belgium in 2017¹
 - Savings realised in projects and procurement
 - Total cost savings to date of EUR 175m³

Future milestones

- Complete integration of Head Office in 2018
- Migrate Delta Lloyd to PIM² by end of 2018
- Rebrand all Delta Lloyd business to NN
- Complete legal mergers² of Life and Non-life in 2019
- EUR ~400m cost reduction³ by 2020, of which at least half by 2018
- Complete integration by 2020
- Continue to drive efficiencies and extract capital benefits

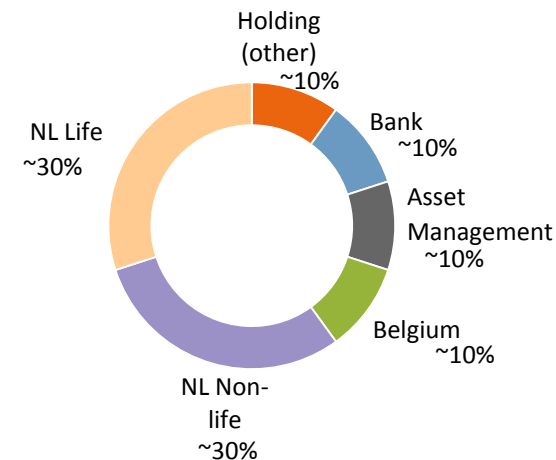
Cost reductions of EUR ~400m by 2020 of which at least half by 2018

Administrative expense base^{1,2}



Cost reductions by segment

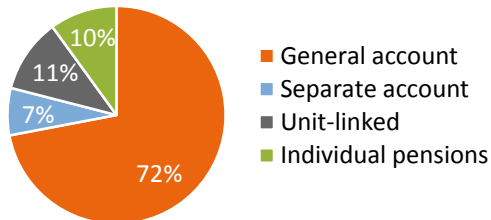
(Total reduction of EUR 400m)



Netherlands Life

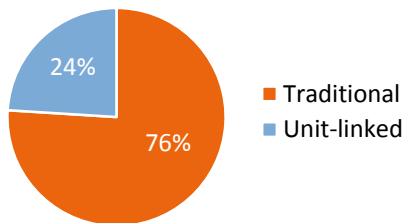
Pensions

(technical reserves 4Q17: EUR 77bn)



Individual Life Closed Blocks

(technical reserves 4Q17: EUR 32bn)



Driving efficiency and optimising asset portfolio

- ~20% cost reduction by 2020
- Optimising risk return of investment portfolio by increasing net allocations to mortgages and loans, corporate bonds and real estate and reducing government bonds

Delivering significant and reliable cash flows over time

- Remittances from operating capital generation and surplus capital
- Capturing opportunities in changing pension market
- Managing run-off of closed books
 - Expected SCR release of EUR ~1.5bn by 2028
 - Transition from capital intense DB to capital light DC pensions over long term

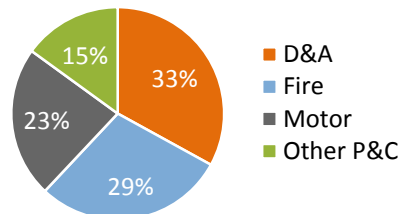
Target: Maintain operating result before tax broadly stable over the medium term¹

1. Annual growth rate of operating result before tax of the ongoing business on average in the medium term; based on 2017 operating result

Netherlands Non-life

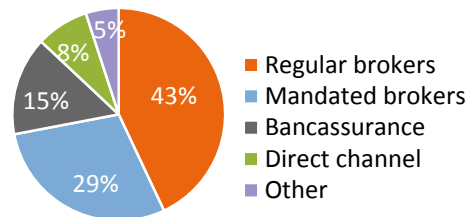
Product mix

(by GWP FY17: EUR 3.0bn¹)



Distribution channel

(by GWP FY17: EUR 3.0bn¹)



Combined ratio² by business line

	1Q18	2017 ³	2016	2015
D&A ⁴	95%	97%	90%	88%
P&C ⁴	112%	105%	108%	105%
Total	106%	102%	100%	97%

- Excluding the impact of the January storm, 1Q18 combined ratio is 98.6%

Implementing multiple initiatives to improve combined ratio

- Improving underwriting performance
 - Optimise portfolios
 - Premium adjustments
- Acquisition of Delta Lloyd created large player with scale benefits
 - ~20-25% cost reduction by 2020
- Leveraging distribution through ABN Amro and ING banking channels and OHRA direct channel

Target: Combined ratio of 97% or below

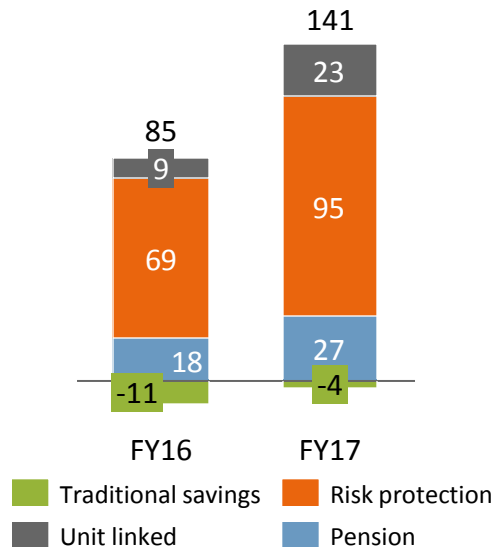


1. Pro forma, comprising full-year GWP for NN and Delta Lloyd combined
 2. As of 2Q17, the calculation methodology for the combined ratio has been updated and now excludes the discount rate unwind on the D&A insurance liabilities. All comparative combined ratios have been updated to reflect this change
 3. Combined ratio includes Delta Lloyd as from 1 April 2017
 4. D&A = Disability & Accident; P&C = Property & Casualty

Insurance Europe

Focus on profitable new business

(VNB¹ by product line, EURm)

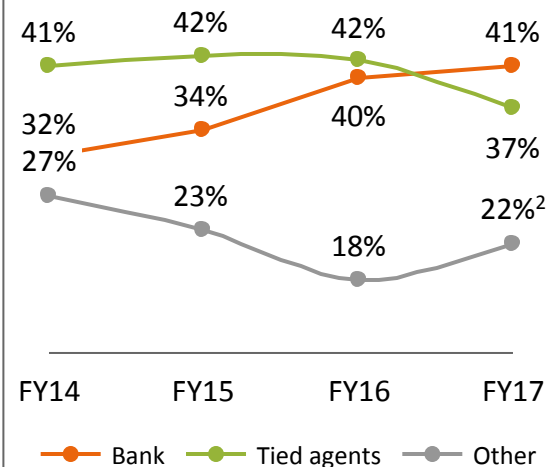


Market leading life and pensions player across CEE

- Markets with low insurance coverage
- Strong growth potential given increases in GDP, disposable income, savings and health gap
- Growing VNB through focusing on protection and capital-light products
- Innovative propositions and digitalised customer engagement

Continuing to deepen and diversify distribution

(New sales APE by distribution channel)

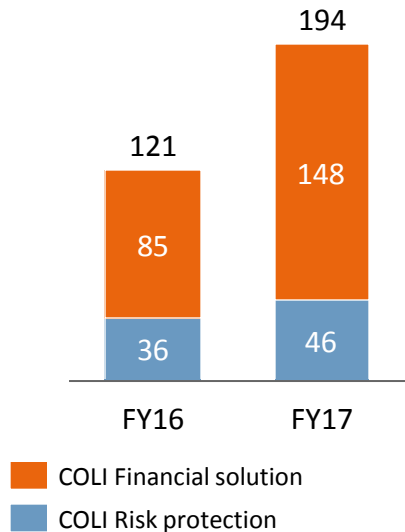


Target: Mid to high-single digit growth³

Japan Life

Focus on profitable new business

(VNB¹ by product line, EURm)

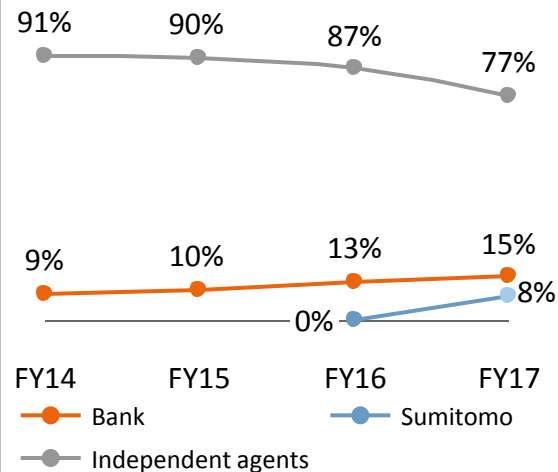


Active in niche COLI market

- Japan is second largest life market in the world
- NN is top 3 player in COLI² segment which accounts for 20% of life market
- Business started by NN in 1986 and organically built
- Broad range of products with track record of innovation
- Strong growth translates into remittances over time

Continuing to expand and diversify distribution

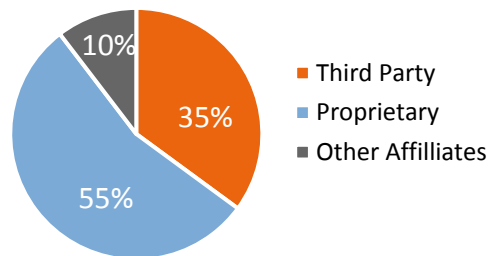
(New sales APE by distribution channel)



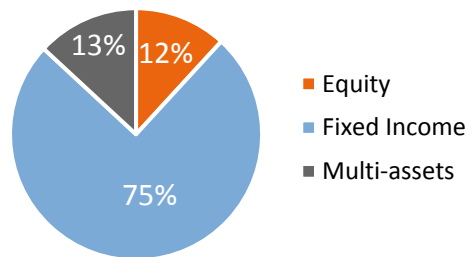
Target: Mid to high-single digit growth³

Asset Management

AuM¹ by client type



AuM¹ by asset class



Diversified active asset manager with a distinctive identity

- EUR 240bn AuM at 1Q18
- Third party franchise generates over 60% of revenues
- Increased focus on core investment capabilities, such as specialised fixed income, multi-asset, distinct equity and ESG
- Adding value to NN's insurance and pension business

Combined entity to benefit from economies of scale

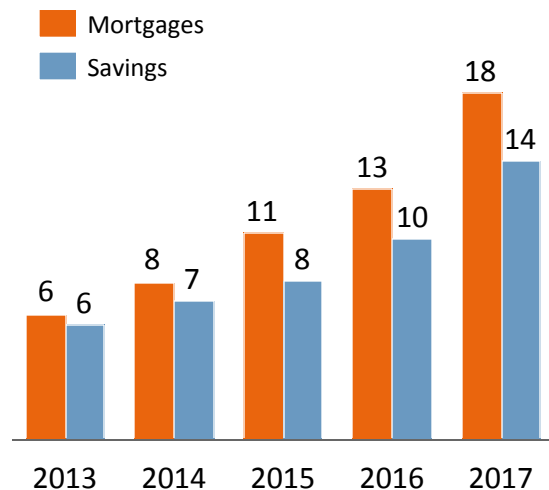
- ~10% cost reduction by 2020
- Leveraging on state-of-the-art infrastructure
- Merging and re-branding DLAM funds into NNIP fund range
- Integrating and rightsizing investment teams
- Legal merger NNIP and DLAM completed on 1 January 2018

Target: Mid-single digit growth²

Banking business

Steady growth in mortgages and savings¹

(EURbn)



Complementary products to NN's insurance offering

- Facilitating the long-term savings need in the Netherlands
- Offering frequent points of contact with customers and cross-selling opportunities
- Strong new production of bank savings products
- Originating mortgages at attractive spreads
- Top 7 mortgage originator, with 6% market share

Combined bank to benefit from economies of scale

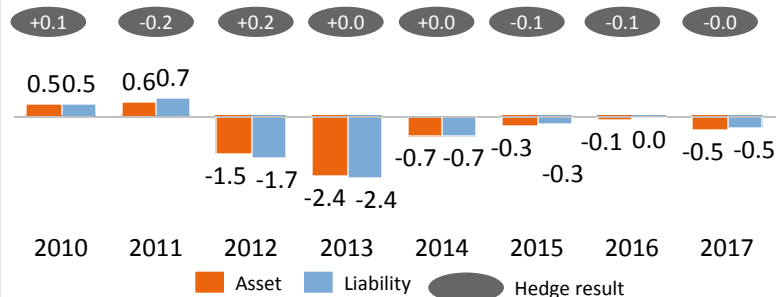
- ~10-15% cost reduction by 2020
- Self-funded growth
- RoE 15.0% in 2017
- Legal merger NN Bank and Delta Lloyd Bank completed on 1 January 2018

Target: Net operating RoE of 10% or higher

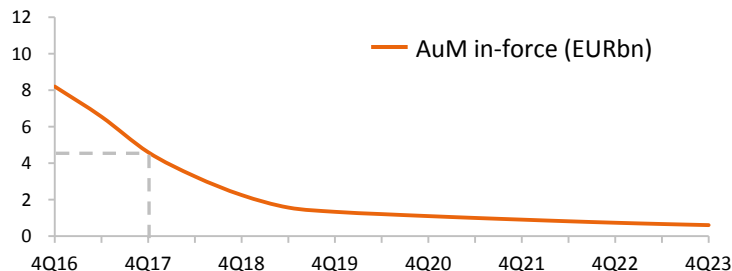
1. 2013 – 2016 numbers for NN Bank; As of 2017 numbers for NN Bank including Delta Lloyd Bank

Japan Closed Block VA

Liabilities are actively managed and hedged (EURbn)



Run-off driven by maturities



Portfolio continues to run-off in line with expectations

Fee-based operating earnings

- Declines in line with portfolio run-off

Hedge results

- Can be positive or negative
- Proven track record of hedge strategy

Release of capital as book matures

- EUR 160m remittances expected from NN Re Netherlands by end of 2019, plus or minus hedge results

Disciplined capital framework

Operating units

- Manage operating units to commercial capital levels
- Surplus capital to be returned to holding subject to regulatory restrictions

Cash capital at holding

- Hold cash capital to cover stress events and to fund holding costs
- Target cash capital position within a range of EUR 0.5-1.5bn
- Cash capital requirement anticipated to reduce on the merger of the legal entities

Financial leverage

- Maintain financial leverage and fixed-cost cover ratios consistent with a Single 'A' financial strength rating

NN Life Solvency II ratio 219%

DL Life Solvency II ratio 169%

Cash capital at holding EUR 1.6bn

LTM fixed charge coverage ratio 12.7x

Leverage ratio 27.5%

Gross financial leverage¹ EUR 6.1bn

NN Group Solvency II ratio 213%

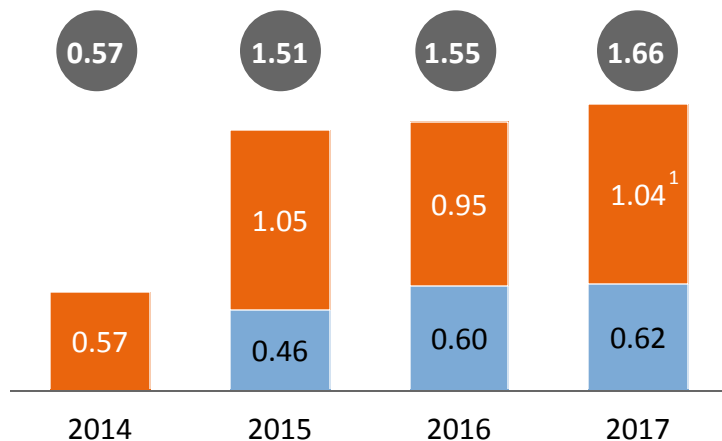
Remittances largely driven by own funds generation

Segment	Own Funds generation	Capital requirements	Capital levels	Drivers remittances	Remittances vs Net operating result
Netherlands Life	+	+	+	Excess return, UFR unwind, release of risk margin, expense reduction Limited new business and large closed blocks releasing SCR Surplus capital above commercial level	>
Netherlands Non-life	+			Profitable new business and expense reduction	=
Insurance Europe	+			Excess return and profitable new business Capital light new business and some SCR release from closed blocks	=
Japan Life ¹	+	-		Contribution on JGAAP basis meaning high new business strain Pay-back period of ~5 years	<
Asset Management	+			IFRS earnings	=
Japan Closed Block VA ²		+	+	Capital release of EUR 160m by 2019, plus or minus hedge results	>
Other – holding	-			Holding expenses, debt costs and restructuring charges	
Other – banking business ³				Contribution to Own Funds driven by remittances	

Over time, generate free cash available to shareholders in a range around the net operating result of the ongoing business⁴

Committed to our dividend policy

- Interim dividend per share (EUR)
- Final dividend per share (EUR)
- Total dividend per share (EUR)



Payout ratio

41%

52%

45%

- Priority is a sustainable ordinary dividend per share
- NN Group intends to pay an ordinary dividend in line with its medium term financial performance and envisages an ordinary dividend pay-out ratio of 40-50% of the net operating result from ongoing business
- Double digit increase in dividend per share anticipated for 2018, reflecting first full year of incremental free cash flows from the Delta Lloyd transaction
- Excess capital returned to shareholders unless it can be used for value creating opportunities
- Interim dividend at 40% of prior year's full year dividend

1. 2017 final dividend proposed to shareholders at the AGM on 31 May 2018

Our capital allocation decisions focus on creating value

Invest to realise our ambitions and strategy

- Innovation
- Agility
- Value discipline



Innovate to transform the business model and deliver excellent customer experience

Invest to strengthen current position of our business units

- Hurdle rates
- Market and business position
- Readiness



Focus on driving efficiency, writing profitable new business and disciplined capital allocation

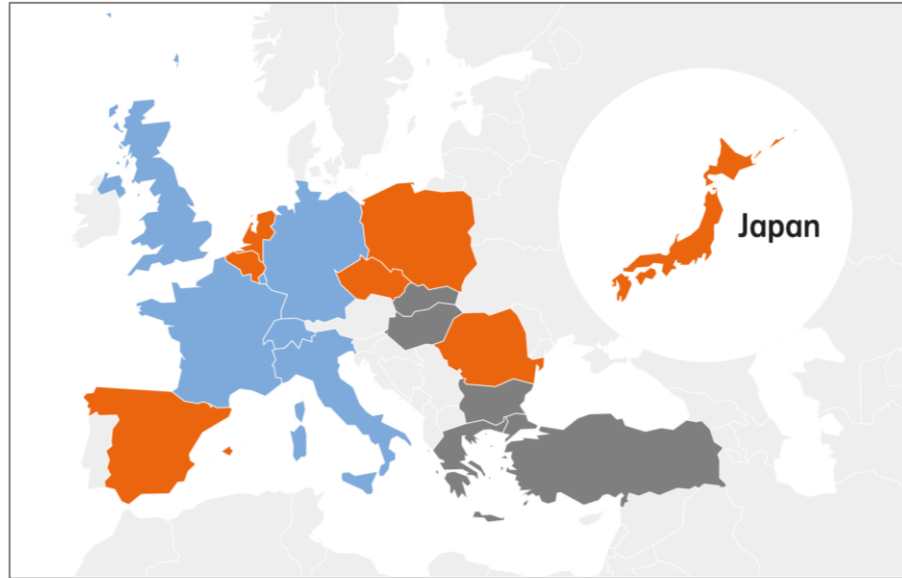
Invest in value-creating opportunities

- Best owner concept
- Risk versus return
- Readiness and deliverability



Deploy capital based on clear principles around return, risk and understanding of the opportunity; otherwise return capital to shareholders in most efficient form

International footprint



■ Insurance and Asset Management ■ Insurance ■ Asset Management¹

- **Netherlands:** No need for further acquisitions given leading market position; integrate and drive up Return on Capital
- **Insurance Europe:** Strongly positioned in most markets; open to bolt-on acquisitions and portfolio optimisation
- **Japan:** Strong niche position, organically built and performing well
- **Asset Management:** Diversified active asset manager with focused investment capabilities

NN Group's investment proposition

Strong business positions and balance sheet

- Leading market player
- Competitive positions strengthened
- Solvency II ratio of 213%¹

Transformation in the Netherlands

- Continued focus on cost reductions
- Scale player with growth in pensions
- Large closed books releasing capital
- Continued risk return optimisation of investment portfolio
- Actions to restore non-life profitability

Profitable growth in other segments

- VNB growth in Insurance Europe and Japan Life
- Continued expense discipline resulting in operating leverage
- Focused asset manager (AuM EUR 240bn¹)

Focus on generating capital and improving earnings

- Since IPO, EUR 2.7bn of cumulative dividends and share buybacks²
- EUR 2.4bn of cash deployed in acquisition of Delta Lloyd
- Free cash flow has been in a range around the net operating result

Appendices

Operating result development

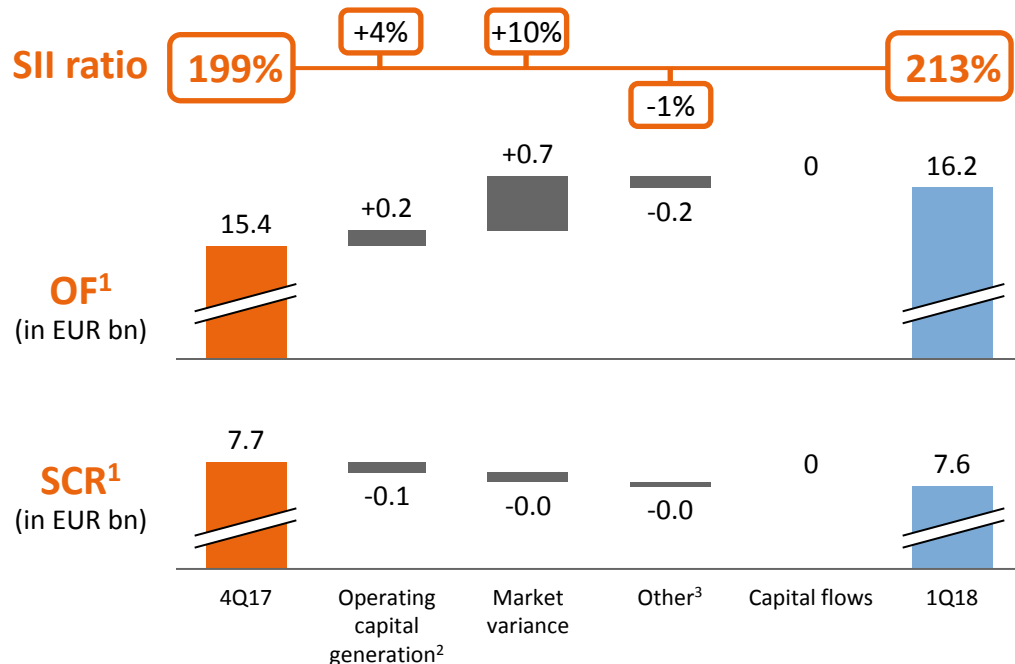
Segment (EURm)	2017	2016	2015	
Netherlands Life	896	710	906	<ul style="list-style-type: none"> Operating result expected to be broadly stable¹: <ul style="list-style-type: none"> Investment decisions to improve Solvency II capital generation may negatively impact the IFRS investment margin Fees and premium-based revenues and technical margin expected to trend lower due to the run-off of the individual life closed block, lower fees from the pension business and pressure on the mortality and morbidity margins Administrative expenses reductions FY17 benefited from EUR 93m private equity dividends
Netherlands Non-life	30	62	122	<ul style="list-style-type: none"> Increase operating result by improving combined ratio to 97% or below FY17 impacted by EUR 40m P&C reserve strengthening and EUR 16m DL fire claims, while on the other hand benefited from EUR 10m private equity dividends
Insurance Europe	260	198	197	<ul style="list-style-type: none"> Mid to high-single digit operating result growth¹ FY17 included non-recurring benefits of EUR 15m
Japan Life	200	154	160	<ul style="list-style-type: none"> Mid to high-single digit operating result growth¹
Asset Management	161	133	129	<ul style="list-style-type: none"> Mid-single digit operating result growth¹ FY17 included non-recurring performance fees of EUR 10m
Other	40	-30	-79	<ul style="list-style-type: none"> Continued reduction of holding expenses Increasing contribution from Banking business FY17 included non-recurring benefits of EUR 32m
NN Group – ongoing business	1,586	1,227	1,435	<ul style="list-style-type: none"> Operating result growth¹ of 5-7%

1. Annual growth rate of operating result before tax of the ongoing business on average in the medium term; new targets based on 2017 operating result; 2017 includes Delta Lloyd from 1 April 2017 and benefited from a total of EUR 104m of private equity dividends and non-recurring items

Dividends upstreamed by segments / subsidiaries

(EURm)	1Q18	2017	2016	2015
Netherlands Life ¹	190	1,035	642	807
Netherlands Non-life ¹	1	100	154	93
Insurance Europe ^{1,2}	2	230	251	227
NN Japan Life	-	57	80	74
Asset Management	22	96	93	90
NN Re Netherlands	40	200	250	185
Other ¹	1	100	140	73
Total	256	1,818	1,611	1,548

Solvency II movement 1Q18



- Solvency II ratio increased to 213% driven by a combination of operating capital generation and market movements
- Own Funds operating capital generation EUR ~0.3bn when excluding EUR 67m after-tax impact of the January storm
- Positive market variance driven by favourable movements in credit spreads and interest rates and positive revaluations of real estate investments
- Other includes the impact of the UFR reduction from 4.2% to 4.05%

Solvency capital

Basic Own Funds vs Eligible Own Funds

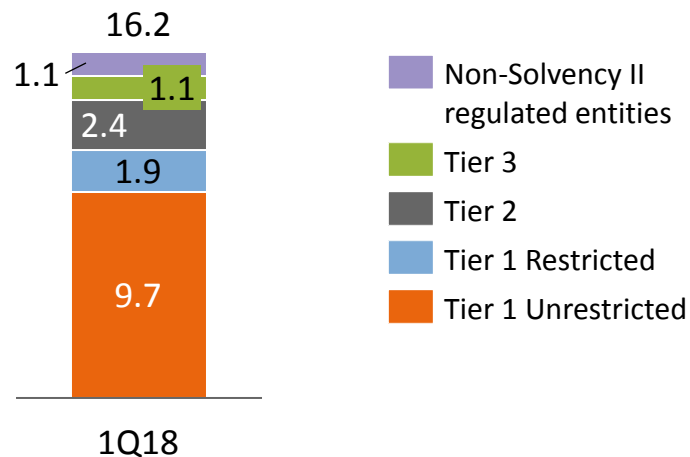
(1Q18, EURbn)



- Non-available Own Funds is our view of capital that cannot be distributed within 9 months
- Non-eligible Own Funds is DTA above the Tier 3 cap of 15% of SCR

Tiering Solvency II Eligible Own Funds

(EURbn)



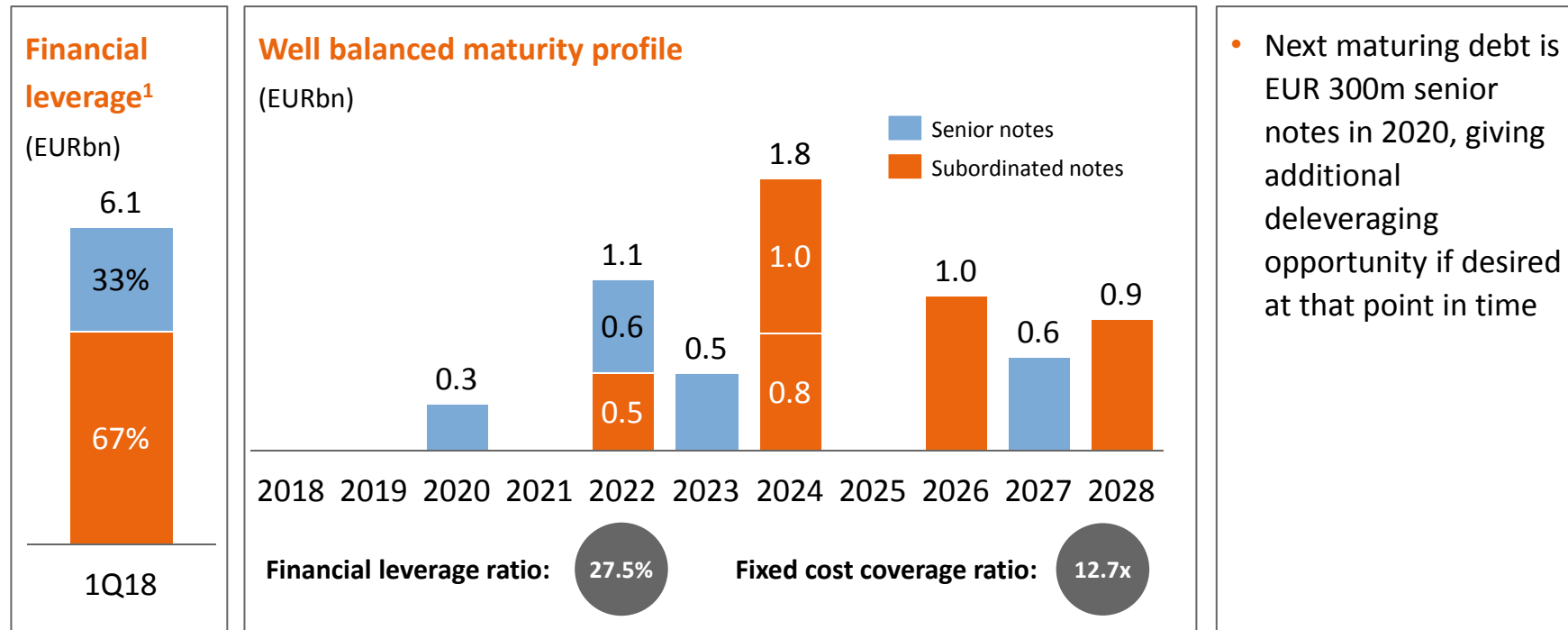
- NN Group Own Funds excludes EUR 1.0bn of regulatory capital held in banking business

Sensitivities of the NN Group Solvency II ratio to specified shocks

Sensitivities to shocks ¹ at 4Q17	Δ OF (in EURbn)	Δ SCR (in EURbn)	Δ Solvency II ratio (in %-points)
Interest rate: Parallel shock +50bps	-0.6	-0.4	+4%
Interest rate: Parallel shock -50bps	+0.7	+0.5	-4%
Interest rate: 10bps steepening between 20y–30y	-0.5	+0.0	-7%
Credit spread: Parallel shock for AAA-rated government bonds +50bps	-1.0	+0.0	-14%
Credit spread: Parallel shock for AA and lower-rated government bonds +50bps	-1.1	-0.1	-13%
Credit spread: Parallel shock corporates +50bps	+0.5	-0.2	+10%
Equity: Downward shock -25%	-1.3	-0.3	-8%
Real estate: Downward shock -10%	-0.8	-0.1	-9%
UFR: Downward adjustment to 4.05%	-0.3	+0.0	-5%

1. Sensitivities are performed for Solvency II entities and NN Life Japan

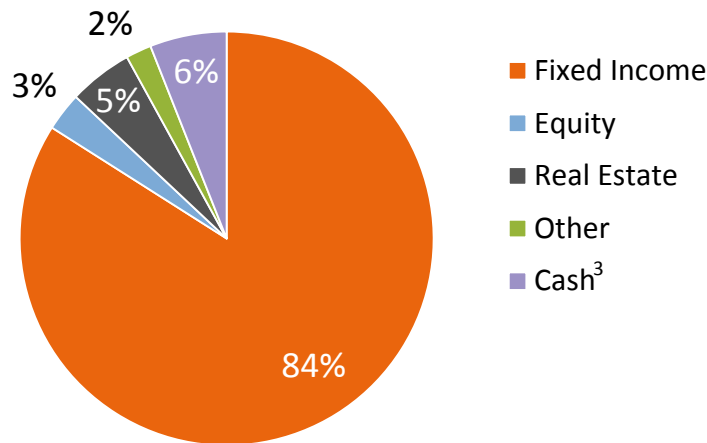
Financial leverage position and maturity profile



Breakdown of asset portfolio (1)

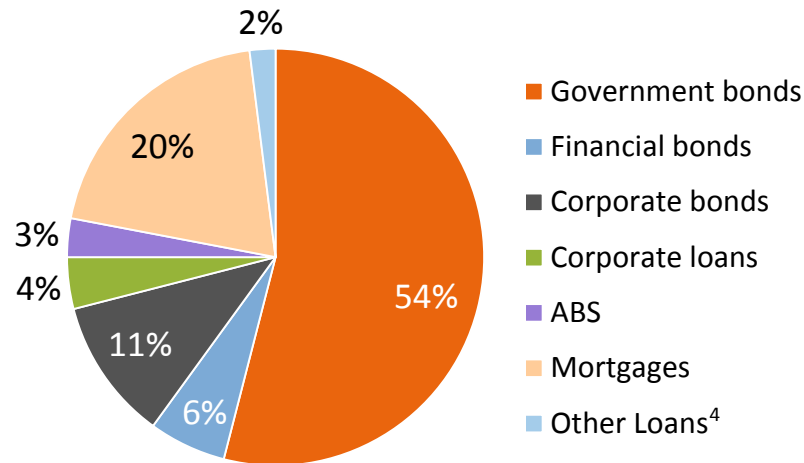
Assets (NN Group excl. Banking)

(4Q17, total EUR 157bn)¹



Fixed income portfolio

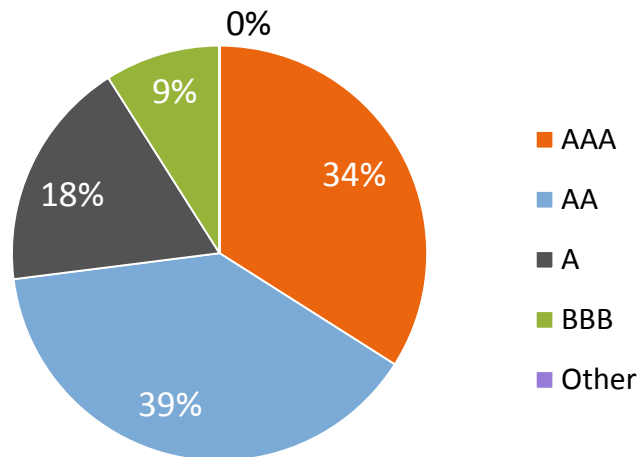
(4Q17, total EUR 131bn)²



Breakdown of asset portfolio (2)

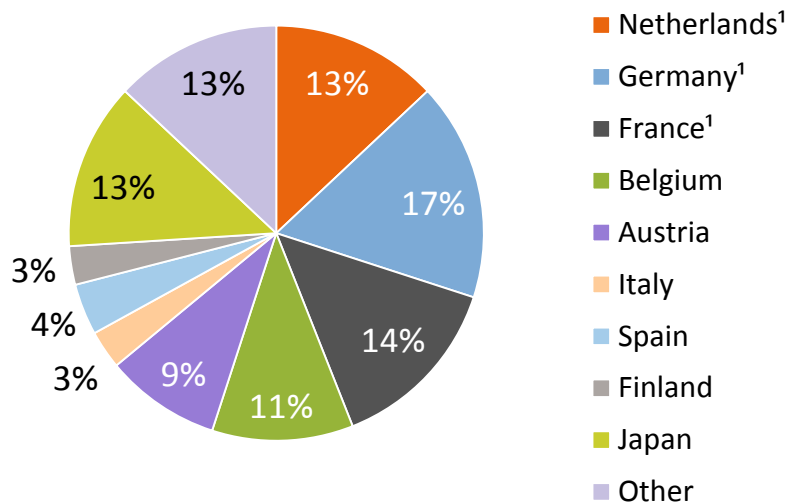
Government bonds by rating

(4Q17, total EUR 70bn)



Government bonds by country

(4Q17, total EUR 70bn)



1. A combination of Dutch, German and French government bonds were included in the spread lock programme executed in 2016 and 2017

Important legal information

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 accounts for the period ended 31 March 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.



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