

# NN GROUP FINANCIAL SUPPLEMENT

2Q2018

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## NN GROUP FINANCIAL SUPPLEMENT 2Q2018 INTRODUCTION

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- The Financial Supplement includes quarterly financial trend data and is published on a quarterly basis.
- Figures are calculated at historical foreign exchange rates, unless otherwise stated.
- All 2Q2017, 3Q2017, 4Q2017, 1Q2018 and 2Q2018 figures are including Delta Lloyd, figures of 1Q2017 have not been restated.
- 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 2017 NN Group Consolidated Annual Accounts.
- The segment 'Other' consists of banking business, reinsurance business, the holding company and certain other entities.
- APE represents annualised premium equivalents sold in the period, with single premiums calculated at 1/10th of the single premium amounts.
- The quarterly figures of the previous periods, excluding currency effects, are the sum of the monthly figures calculated at the average rate of each individual month of the current quarter.
- Rounding could cause some small differences.
- All figures are unaudited.

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## 1.1 CONSOLIDATED BALANCE SHEET: ASSETS

| In EUR million  | 30 Jun<br>2018 | 31 Mar<br>2018 | 31 Dec<br>2017 | 30 Sep<br>2017 | 30 Jun<br>2017 | 31 Mar<br>2017 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Cash and cash equivalents                             | 9,722          | 10,273         | 9,383          | 9,665          | 10,022         | 10,827         |
| Financial assets at fair value through profit or loss |                |                |                |                |                |                |
| - investments for risk of policyholders               | 32,250         | 32,196         | 33,508         | 33,532         | 34,506         | 26,282         |
| - non-trading derivatives                             | 4,784          | 4,905          | 5,116          | 4,910          | 5,297          | 3,817          |
| - designated as at fair value through profit or loss  | 786            | 806            | 934            | 866            | 815            | 618            |
| Available-for-sale investments                        |                |                |                |                |                |                |
| - debt securities                                     | 98,013         | 97,971         | 97,002         | 97,228         | 99,368         | 71,186         |
| - equity securities                                   | 7,592          | 7,908          | 7,980          | 8,610          | 8,493          | 7,451          |
| Loans <sup>1)</sup>                                   | 56,635         | 56,131         | 56,043         | 55,736         | 54,395         | 33,938         |
| Reinsurance contracts                                 | 1,017          | 969            | 880            | 919            | 1,053          | 262            |
| Associates and joint ventures                         | 4,921          | 3,523          | 3,450          | 3,153          | 3,113          | 3,001          |
| Real estate investments                               | 2,364          | 3,629          | 3,582          | 3,470          | 3,428          | 2,137          |
| Property and equipment                                | 148            | 140            | 150            | 151            | 155            | 88             |
| Intangible assets                                     | 1,781          | 1,816          | 1,841          | 1,859          | 1,899          | 338            |
| Deferred acquisition costs                            | 1,822          | 1,803          | 1,691          | 1,666          | 1,682          | 1,715          |
| Assets held for sale                                  | -              | -              | -              | 2,422          | 2,422          | 2,491          |
| Deferred tax assets                                   | 119            | 117            | 125            | 121            | 139            | 42             |
| Other assets <sup>1)</sup>                            | 5,841          | 5,360          | 5,377          | 5,281          | 5,088          | 3,218          |
| <b>Total assets</b>                                   | <b>227,795</b> | <b>227,547</b> | <b>227,062</b> | <b>229,590</b> | <b>231,874</b> | <b>167,411</b> |

## 1.1 CONSOLIDATED BALANCE SHEET: EQUITY AND LIABILITIES

| In EUR million   | 30 Jun<br>2018 | 31 Mar<br>2018 | 31 Dec<br>2017 | 30 Sep<br>2017 | 30 Jun<br>2017 | 31 Mar<br>2017 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Shareholders' equity (parent)                              | 23,568         | 23,345         | 22,718         | 22,009         | 21,824         | 22,108         |
| Minority interests   | 267            | 315            | 317            | 321            | 313            | 12             |
| Undated subordinated notes                                 | 1,764          | 1,764          | 1,764          | 1,764          | 1,764          | 986            |
| <b>Total equity</b>  | <b>25,599</b>  | <b>25,424</b>  | <b>24,799</b>  | <b>24,094</b>  | <b>23,901</b>  | <b>23,106</b>  |
| Subordinated debt  | 2,457          | 2,463          | 2,468          | 2,474          | 2,478          | 2,301          |
| Debt securities issued                                     | 1,989          | 1,988          | 1,988          | 2,566          | 2,577          | 1,093          |
| Other borrowed funds <sup>1)</sup>                         | 5,567          | 5,409          | 6,044          | 5,684          | 5,224          | 3,696          |
| Insurance and investment contracts <sup>2)3)</sup>         |                |                |                |                |                |                |
| - life insurance liabilities                               | 124,196        | 124,504        | 123,459        | 124,084        | 124,240        | 82,754         |
| - non-life insurance liabilities                           | 6,312          | 6,382          | 5,772          | 5,903          | 6,008          | 3,882          |
| - liabilities for life insurance for risk of policyholders | 31,227         | 31,347         | 32,571         | 33,210         | 35,110         | 26,219         |
| - investment contract liabilities                          | 1,948          | 1,883          | 1,837          | 1,183          | 1,213          | 773            |
| Customer deposits and other funds on deposit               | 14,942         | 14,725         | 14,434         | 14,583         | 14,572         | 10,603         |
| Financial liabilities at fair value through profit or loss |                |                |                |                |                |                |
| - non-trading derivatives                                  | 2,428          | 2,413          | 2,305          | 2,835          | 2,764          | 1,602          |
| Liabilities held for sale                                  | -              | -              | -              | 2,408          | 2,408          | 2,473          |
| Deferred tax liabilities                                   | 1,973          | 1,940          | 1,830          | 1,655          | 1,632          | 2,706          |
| Other liabilities <sup>1)</sup>                            | 9,157          | 9,069          | 9,555          | 8,912          | 9,747          | 6,203          |
| <b>Total liabilities</b>                                   | <b>202,196</b> | <b>202,123</b> | <b>202,263</b> | <b>205,496</b> | <b>207,973</b> | <b>144,305</b> |
| <b>Total equity and liabilities</b>                        | <b>227,795</b> | <b>227,547</b> | <b>227,062</b> | <b>229,590</b> | <b>231,874</b> | <b>167,411</b> |

## 1.2 TOTAL EQUITY

| In EUR million   | 30 Jun<br>2018 | 31 Mar<br>2018 | 31 Dec<br>2017 | 30 Sep<br>2017 | 30 Jun<br>2017 | 31 Mar<br>2017 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Share capital  | 41             | 41             | 41             | 41             | 42             | 40             |
| Share premium  | 12,572         | 12,572         | 12,572         | 12,572         | 12,571         | 12,153         |
| Revaluation reserve available-for sale investments Debt securities   | 8,237          | 8,508          | 8,224          | 7,957          | 8,199          | 8,525          |
| Revaluation reserve available-for sale investments Equity securities | 1,585          | 1,519          | 1,602          | 1,973          | 1,843          | 1,627          |
| Revaluation reserve crediting to life policyholders                  | -4,951         | -5,030         | -4,976         | -4,823         | -4,884         | -5,061         |
| Other revaluations   | 29             | 26             | 26             | 28             | 28             | 27             |
| Cashflow hedge reserve   | 3,928          | 3,760          | 3,721          | 3,264          | 3,492          | 4,103          |
| Currency translation reserve   | -97            | -95            | -139           | -118           | -48            | 71             |
| Net defined benefit asset/liability remeasurement reserve            | -107           | -106           | -106           | -94            | -92            | -105           |
| Retained earnings and other reserves                                 | 2,331          | 2,150          | 1,753          | 1,209          | 673            | 728            |
| <b>Shareholders' equity (parent)</b>                                 | <b>23,568</b>  | <b>23,345</b>  | <b>22,718</b>  | <b>22,009</b>  | <b>21,824</b>  | <b>22,108</b>  |
| Minority interests   | 267            | 315            | 317            | 321            | 313            | 12             |
| Undated subordinated notes   | 1,764          | 1,764          | 1,764          | 1,764          | 1,764          | 986            |
| <b>Total equity</b>  | <b>25,599</b>  | <b>25,424</b>  | <b>24,799</b>  | <b>24,094</b>  | <b>23,901</b>  | <b>23,106</b>  |
| Shareholders' equity per share in EUR                                | 70             | 70             | 68             | 65             | 65             | 69             |
| Shares outstanding in the market (in million)                        | 338            | 334            | 334            | 337            | 337            | 322            |

## 1.3 SHAREHOLDERS' EQUITY RECONCILIATION

30 June 2018

In EUR million

|                               | (Allocated)<br>Shareholders'<br>equity | Less:<br>Revaluation<br>reserves and other<br>adjustments <sup>4) 27)</sup> | Plus:<br>Minority<br>interest | Adjusted<br>(allocated)<br>equity |
|-------------------------------|--|---|-------------------------------|-----------------------------------|
| Netherlands Life              | 16,776                                 | 7,426   | 208                           | 9,558                             |
| Netherlands Non-life          | 920                                    | 302   | 57                            | 676                               |
| Insurance Europe              | 2,328                                  | 421   | -                             | 1,907                             |
| Japan Life                    | 2,265                                  | 631   | -                             | 1,634                             |
| Asset Management              | 427                                    | -0  | -                             | 428                               |
| Other <sup>2)</sup>           | 576                                    | 1,396   | 2                             | -818                              |
| of which reinsurance business | 243                                    | 52  | -                             | 191                               |
| of which banking business     | 734                                    | 5   | -                             | 730                               |
| of which other                | -401                                   | 1,340   | 2                             | -1,739                            |
| <b>Ongoing business</b>       | <b>23,293</b>                          | <b>10,176</b>   | <b>267</b>                    | <b>13,385</b>                     |
| Japan Closed Block VA         | 275                                    | -0  | -                             | 275                               |
| <b>NN Group</b>               | <b>23,568</b>                          | <b>10,176</b>   | <b>267</b>                    | <b>13,660</b>                     |

## 1.4 CAPITAL BASE - SOLVENCY II

| In EUR million   | 30 Jun<br>2018 | 31 Mar<br>2018 | 31 Dec<br>2017 | 30 Sep<br>2017 | 30 Jun<br>2017 | 31 Mar<br>2017 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Solvency II <sup>(6)</sup></b>  |                |                |                |                |                |                |
| <b>IFRS Shareholders' equity</b>   | <b>23,568</b>  | <b>23,345</b>  | <b>22,718</b>  | <b>22,009</b>  | <b>21,824</b>  | <b>22,108</b>  |
| Minority interest  | 267            | 315            | 317            | 321            | 313            | 12             |
| Elimination of deferred acquisition costs and intangible assets                    | -2,405         | -2,446         | -2,356         | -2,396         | -2,428         | -849           |
| Valuation differences on assets  | 1,423          | 1,530          | 1,948          | 1,570          | 1,596          | 1,500          |
| Valuation differences on liabilities, including insurance and investment contracts | -8,405         | -8,890         | -9,558         | -7,965         | -8,157         | -11,584        |
| Deferred tax effect on valuation differences                                       | 2,036          | 2,134          | 2,179          | 1,886          | 1,943          | 2,675          |
| Difference in treatment of non-solvency II regulated entities                      | -1,221         | -1,237         | -1,163         | -1,297         | -1,098         | -1,064         |
| <b>Excess of assets over liabilities</b>   | <b>15,263</b>  | <b>14,751</b>  | <b>14,085</b>  | <b>14,128</b>  | <b>13,993</b>  | <b>12,799</b>  |
| Deduction of participation in Bank   | -890           | -874           | -884           | -866           | -843           | -605           |
| Qualifying subordinated debt   | 4,386          | 4,388          | 4,394          | 4,345          | 4,378          | 3,059          |
| Foreseeable dividends and distributions  | -454           | -486           | -474           | -190           | -439           | -456           |
| <b>Basic Own Funds</b>   | <b>18,305</b>  | <b>17,779</b>  | <b>17,121</b>  | <b>17,417</b>  | <b>17,089</b>  | <b>14,797</b>  |
| Non-available Own Funds  | 1,412          | 1,404          | 1,339          | 1,259          | 1,422          | 1,311          |
| Non-eligible Own Funds   | 74             | 212            | 370            | 299            | 376            | 224            |
| <b>Eligible Own Funds (a)</b>  | <b>16,819</b>  | <b>16,163</b>  | <b>15,412</b>  | <b>15,859</b>  | <b>15,291</b>  | <b>13,263</b>  |
| of which Tier 1 Unrestricted   | 10,375         | 9,650          | 8,935          | 9,495          | 8,807          | 8,220          |
| of which Tier 1 Restricted   | 1,894          | 1,896          | 1,885          | 1,868          | 1,891          | 1,095          |
| of which Tier 2  | 2,404          | 2,405          | 2,420          | 2,390          | 2,399          | 1,891          |
| of which Tier 3  | 1,042          | 1,067          | 1,085          | 1,091          | 1,097          | 747            |
| of which non-solvency II regulated entities  | 1,104          | 1,145          | 1,087          | 1,015          | 1,098          | 1,309          |
| <b>Solvency Capital Requirement (b)</b>  | <b>7,429</b>   | <b>7,606</b>   | <b>7,731</b>   | <b>7,782</b>   | <b>7,818</b>   | <b>5,566</b>   |
| of which non-solvency II regulated entities  | 483            | 489            | 501            | 507            | 508            | 505            |
| <b>NN Group Solvency II ratio (a/b)</b>  | <b>226%</b>    | <b>213%</b>    | <b>199%</b>    | <b>204%</b>    | <b>196%</b>    | <b>238%</b>    |



## 1.5 CASH CAPITAL POSITION AT THE HOLDING COMPANY

| In EUR million  | 2Q2018       | 1Q2018       | 4Q2017       | 3Q2017       | 2Q2017       | 1Q2017       | 6M2018       | 6M2017       | FY2017       |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Cash capital position - beginning of period</b>          | <b>1,631</b> | <b>1,434</b> | <b>1,789</b> | <b>1,731</b> | <b>2,977</b> | <b>2,489</b> | <b>1,434</b> | <b>2,489</b> | <b>2,489</b> |
| Cash divestment proceeds                                    | -            | -            | 32           | -            | -            | 26           | -            | 26           | 58           |
| Dividends from subsidiaries <sup>7)</sup>                   | 536          | 256          | 370          | 332          | 820          | 296          | 792          | 1,115        | 1,818        |
| Capital injections into subsidiaries <sup>8)</sup>          | -0           | -4           | -45          | -            | -531         | -21          | -4           | -552         | -597         |
| Other <sup>9)</sup>   | -139         | -54          | -21          | -64          | -254         | -58          | -193         | -312         | -397         |
| <b>Free cash flow to the holding <sup>10)</sup></b>         | <b>397</b>   | <b>198</b>   | <b>336</b>   | <b>268</b>   | <b>34</b>    | <b>242</b>   | <b>595</b>   | <b>277</b>   | <b>881</b>   |
| Addition Delta Lloyd cash capital position                  | -            | -            | -            | -            | 413          | -            | -            | 413          | 413          |
| Acquisition   | -            | -            | -            | -            | -2,054       | -180         | -            | -2,234       | -2,234       |
| Capital flows from / (to) shareholders                      | -229         | -            | -117         | -209         | -256         | -82          | -229         | -339         | -665         |
| Increase / (decrease) in debt and loans                     | -            | -            | -575         | -0           | 616          | 508          | -            | 1,124        | 549          |
| <b>Cash capital position - end of period <sup>11)</sup></b> | <b>1,799</b> | <b>1,631</b> | <b>1,434</b> | <b>1,789</b> | <b>1,731</b> | <b>2,977</b> | <b>1,799</b> | <b>1,731</b> | <b>1,434</b> |

## 1.6 INVESTMENTS PER ASSET TYPE

30 June 2018

| In EUR million  | Asset-backed securities | Covered bonds | Financial institutions bonds | Corporate bonds | Government bonds | Total debt securities | Public equity | Real estate equity | Private equity | Other equity securities | Total equity securities | Real estate  | Mortgage      | Deposits and other Loans | Other         | Investments for risk of policyholders | Total          |
|---|-------------------------|---------------|------------------------------|-----------------|------------------|-----------------------|---------------|--------------------|----------------|-------------------------|-------------------------|--------------|---------------|--------------------------|---------------|---------------------------------------|----------------|
| <b>IFRS classification</b>                            |                         |               |                              |                 |                  |                       |               |                    |                |                         |                         |              |               |                          |               |                                       |                |
| Cash and cash equivalents                             | -                       | -             | -                            | -               | -                | -                     | -             | -                  | -              | -                       | -                       | -            | -             | -                        | 9,722         | -                                     | 9,722          |
| Financial assets at fair value through profit or loss |                         |               |                              |                 |                  |                       |               |                    |                |                         |                         |              |               |                          |               |                                       |                |
| - investments for risk of policyholders               | -                       | -             | -                            | -               | -                | -                     | -             | -                  | -              | -                       | -                       | -            | -             | -                        | -             | 32,250                                | 32,250         |
| - non-trading derivatives                             | -                       | -             | -                            | -               | -                | -                     | -             | -                  | -              | -                       | -                       | -            | -             | -                        | 4,784         | -                                     | 4,784          |
| - designated as at fair value through profit or loss  | -                       | -             | -                            | -               | 10               | 10                    | -             | -                  | -              | 776                     | 776                     | -            | -             | -                        | -             | -                                     | 786            |
| Available-for-sale investments                        |                         |               |                              |                 |                  |                       |               |                    |                |                         |                         |              |               |                          |               |                                       |                |
| - debt securities                                     | 1,913                   | 336           | 9,643                        | 15,552          | 70,569           | 98,013                | -             | -                  | -              | -                       | -                       | -            | -             | -                        | -             | -                                     | 98,013         |
| - equity securities                                   | -                       | -             | -                            | -               | -                | -                     | 3,810         | 734                | 172            | 2,876                   | 7,592                   | -            | -             | -                        | -             | -                                     | 7,592          |
| Loans   | 1,387                   | -             | -                            | -               | -                | 1,387                 | -             | -                  | -              | -                       | -                       | -            | 44,412        | 10,837                   | -             | -                                     | 56,635         |
| Associates and joint ventures                         | -                       | -             | -                            | -               | -                | -                     | 2             | -                  | 645            | -                       | 647                     | 4,131        | -             | 115                      | 28            | -                                     | 4,921          |
| Real estate investments                               | -                       | -             | -                            | -               | -                | -                     | -             | -                  | -              | -                       | -                       | 2,364        | -             | -                        | -             | -                                     | 2,364          |
| Other assets <sup>12)</sup>                           | -                       | -             | -                            | -               | -                | -                     | -             | -                  | -              | -                       | -                       | -            | -             | -                        | 10,728        | -                                     | 10,728         |
| <b>Total</b>  | <b>3,300</b>            | <b>336</b>    | <b>9,643</b>                 | <b>15,552</b>   | <b>70,579</b>    | <b>99,410</b>         | <b>3,811</b>  | <b>734</b>         | <b>817</b>     | <b>3,652</b>            | <b>9,014</b>            | <b>6,495</b> | <b>44,412</b> | <b>10,952</b>            | <b>25,262</b> | <b>32,250</b>                         | <b>227,795</b> |

## 1.7 PRO FORMA DEVELOPMENT OF ADMINISTRATIVE EXPENSES AFTER DELTA LLOYD ACQUISITION

| In EUR million  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017       | FY2016       |
|---|------------|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|
| <b>Pro forma development of administrative expenses after Delta Lloyd acquisition</b> |            |            |            |            |            |            |            |            |              |              |
| Netherlands Life <sup>13)</sup>   | 115        | 129        | 147        | 133        | 134        | 137        | 244        | 271        | 551          | 591          |
| Netherlands Non-life <sup>14)</sup>   | 94         | 102        | 118        | 104        | 113        | 115        | 196        | 228        | 450          | 481          |
| Belgium   | 31         | 31         | 31         | 29         | 31         | 30         | 62         | 61         | 121          | 137          |
| Asset Management  | 85         | 89         | 97         | 89         | 97         | 98         | 174        | 196        | 382          | 381          |
| Banking business  | 50         | 53         | 60         | 55         | 56         | 59         | 103        | 115        | 230          | 235          |
| Corporate/holding (including reinsurance business)                                    | 38         | 38         | 32         | 37         | 43         | 44         | 76         | 87         | 156          | 198          |
| <b>Total</b>  | <b>413</b> | <b>442</b> | <b>485</b> | <b>447</b> | <b>475</b> | <b>483</b> | <b>855</b> | <b>959</b> | <b>1,891</b> | <b>2,024</b> |

## 1.8 EARNINGS PER ORDINARY SHARE

|   | 2Q2018       | 1Q2018       | 4Q2017       | 3Q2017       | 2Q2017       | 1Q2017       | 6M2018       | 6M2017       | FY2017       |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Basic earnings per ordinary share <sup>15)</sup></b>                                       |              |              |              |              |              |              |              |              |              |
| Net result (in EUR million)   | 463          | 399          | 700          | 734          | 240          | 435          | 862          | 676          | 2,110        |
| Coupon on undated subordinated notes (in EUR million)   | -15          | -15          | -15          | -15          | -15          | -8           | -29          | -23          | -52          |
| <b>Basic earnings (in EUR million)</b>  | <b>449</b>   | <b>384</b>   | <b>686</b>   | <b>720</b>   | <b>226</b>   | <b>427</b>   | <b>833</b>   | <b>653</b>   | <b>2,058</b> |
| <b>Weighted average number of ordinary shares (in million)</b>                                | <b>334.6</b> | <b>334.2</b> | <b>335.7</b> | <b>336.9</b> | <b>328.8</b> | <b>322.9</b> | <b>334.4</b> | <b>325.9</b> | <b>331.1</b> |
| <b>Basic earnings per ordinary share (in EUR)</b>   | <b>1.34</b>  | <b>1.15</b>  | <b>2.04</b>  | <b>2.14</b>  | <b>0.69</b>  | <b>1.32</b>  | <b>2.49</b>  | <b>2.00</b>  | <b>6.21</b>  |
| <b>Diluted earnings per ordinary share <sup>16)</sup></b>                                     |              |              |              |              |              |              |              |              |              |
| <b>Basic earnings (in EUR million)</b>  | <b>449</b>   | <b>384</b>   | <b>686</b>   | <b>720</b>   | <b>226</b>   | <b>427</b>   | <b>833</b>   | <b>653</b>   | <b>2,058</b> |
| Weighted average number of ordinary shares (in million)                                       | 334.6        | 334.2        | 335.7        | 336.9        | 328.8        | 322.9        | 334.4        | 325.9        | 331.1        |
| Dilutive instruments: Stock option and share plans (in million)                               | 0.6          | 0.8          | 0.7          | 0.6          | 0.7          | 0.9          | 0.6          | 0.7          | 0.7          |
| <b>Weighted average number of ordinary shares (including dilutive instruments in million)</b> | <b>335.1</b> | <b>335.0</b> | <b>336.4</b> | <b>337.6</b> | <b>329.5</b> | <b>323.8</b> | <b>334.9</b> | <b>326.5</b> | <b>331.8</b> |
| <b>Diluted earnings per ordinary share (in EUR)</b>   | <b>1.34</b>  | <b>1.15</b>  | <b>2.04</b>  | <b>2.13</b>  | <b>0.69</b>  | <b>1.32</b>  | <b>2.49</b>  | <b>2.00</b>  | <b>6.20</b>  |

## 1.9 NEW BUSINESS

|  |  |               |               |               |               |
|--|--|---------------|---------------|---------------|---------------|
| In EUR million                         |  |               |               |               |               |
|  |  | <b>1H2018</b> | <b>2H2017</b> | <b>1H2017</b> | <b>FY2017</b> |
| <b>NN Group</b>                        |  |               |               |               |               |
| Value of new business                  |  | 205           | 174           | 170           | 345           |
| Present value of new business premiums |  | 5,721         | 5,072         | 6,043         | 11,115        |
| New business margin <sup>33)</sup>     |  | 3.6%          | 3.4%          | 2.8%          | 3.1%          |
| In EUR million                         |  |               |               |               |               |
|  |  | <b>1H2018</b> | <b>2H2017</b> | <b>1H2017</b> | <b>FY2017</b> |
| <b>Netherlands Life</b>                |  |               |               |               |               |
| Value of new business                  |  | 5             | 4             | 6             | 10            |
| Present value of new business premiums |  | 1,300         | 715           | 1,437         | 2,151         |
| New business margin <sup>33)</sup>     |  | 0.4%          | 0.6%          | 0.4%          | 0.5%          |
| In EUR million                         |  |               |               |               |               |
|  |  | <b>1H2018</b> | <b>2H2017</b> | <b>1H2017</b> | <b>FY2017</b> |
| <b>Insurance Europe</b>                |  |               |               |               |               |
| Value of new business                  |  | 83            | 69            | 72            | 141           |
| Present value of new business premiums |  | 2,382         | 2,401         | 2,418         | 4,819         |
| New business margin <sup>33)</sup>     |  | 3.5%          | 2.9%          | 3.0%          | 2.9%          |
| In EUR million                         |  |               |               |               |               |
|  |  | <b>1H2018</b> | <b>2H2017</b> | <b>1H2017</b> | <b>FY2017</b> |
| <b>Japan Life</b>                      |  |               |               |               |               |
| Value of new business                  |  | 117           | 101           | 93            | 194           |
| Present value of new business premiums |  | 2,038         | 1,957         | 2,188         | 4,145         |
| New business margin <sup>33)</sup>     |  | 5.8%          | 5.2%          | 4.2%          | 4.7%          |

## 2.1 ANALYSIS OF RESULTS: TOTAL

| In EUR million  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017     | FY2017       |
|---|------------|------------|------------|------------|------------|------------|--------------|------------|--------------|
| <b>Analysis of results</b>                                |            |            |            |            |            |            |              |            |              |
| Netherlands Life  | 332        | 212        | 170        | 215        | 290        | 220        | 544          | 511        | 896          |
| Netherlands Non-life                                      | 40         | -32        | 25         | 1          | -27        | 31         | 8            | 4          | 30           |
| Insurance Europe  | 63         | 71         | 68         | 77         | 73         | 42         | 134          | 115        | 260          |
| Japan Life  | 27         | 66         | 25         | 52         | 37         | 85         | 93           | 123        | 200          |
| Asset Management  | 41         | 41         | 46         | 45         | 37         | 33         | 82           | 70         | 161          |
| Other   | 4          | -45        | 11         | 41         | -7         | -5         | -41          | -12        | 40           |
| <b>Operating result ongoing business</b>                  | <b>508</b> | <b>313</b> | <b>345</b> | <b>431</b> | <b>404</b> | <b>406</b> | <b>821</b>   | <b>810</b> | <b>1,586</b> |
| Non-operating items ongoing business                      | 233        | 257        | 510        | 541        | 211        | 168        | 490          | 379        | 1,430        |
| of which gains/losses and impairments                     | 342        | 28         | 356        | 433        | 132        | 145        | 370          | 276        | 1,065        |
| of which revaluations                                     | -18        | 222        | 172        | 89         | 34         | 52         | 204          | 86         | 346          |
| of which market & other impacts                           | -90        | 6          | -18        | 20         | 45         | -29        | -84          | 17         | 19           |
| Japan Closed Block VA                                     | -11        | 15         | -3         | 3          | 12         | -20        | 4            | -8         | -9           |
| Special items before tax                                  | -86        | -79        | -102       | -45        | -68        | -19        | -165         | -87        | -234         |
| Amortisation of acquisition intangibles                   | -33        | -33        | -33        | -33        | -33        | -          | -66          | -33        | -99          |
| Result on divestments                                     | 0          | 4          | 28         | 0          | -188       | 9          | 4            | -179       | -150         |
| <b>Result before tax</b>                                  | <b>611</b> | <b>477</b> | <b>744</b> | <b>898</b> | <b>338</b> | <b>544</b> | <b>1,088</b> | <b>882</b> | <b>2,524</b> |
| Taxation  | 145        | 78         | 32         | 159        | 92         | 109        | 222          | 200        | 391          |
| Minority interests  | 4          | -0         | 12         | 4          | 6          | 0          | 3            | 6          | 22           |
| <b>Net result</b>   | <b>463</b> | <b>399</b> | <b>700</b> | <b>734</b> | <b>240</b> | <b>435</b> | <b>862</b>   | <b>676</b> | <b>2,110</b> |
| Shares outstanding in the market (in million)             | 338        | 334        | 334        | 337        | 337        | 322        | 338          | 337        | 334          |
| Basic earnings per ordinary share in EUR <sup>15)</sup>   | 1.34       | 1.15       | 2.04       | 2.14       | 0.69       | 1.32       | 2.49         | 2.00       | 6.21         |
| Diluted earnings per ordinary share in EUR <sup>16)</sup> | 1.34       | 1.15       | 2.04       | 2.13       | 0.69       | 1.32       | 2.49         | 2.00       | 6.20         |
| <b>New business ongoing business</b>                      |            |            |            |            |            |            |              |            |              |
| Single premiums   | 389        | 428        | 497        | 388        | 455        | 389        | 817          | 844        | 1,730        |
| Regular premiums  | 318        | 505        | 327        | 355        | 354        | 581        | 823          | 935        | 1,618        |
| New sales life insurance (APE)                            | 357        | 547        | 377        | 394        | 400        | 620        | 904          | 1,020      | 1,791        |
| Value of new business                                     |            |            |            |            |            |            | 205          | 170        | 345          |

## 2.1 ANALYSIS OF RESULTS: TOTAL

| In EUR million  | 2Q2018 | 1Q2018 | 4Q2017 | 3Q2017 | 2Q2017  | 1Q2017  | 6M2018 | 6M2017  | FY2017 |
|---|--------|--------|--------|--------|---------|---------|--------|---------|--------|
| <b>Key figures ongoing business</b>   |        |        |        |        |         |         |        |         |        |
| Gross premium income  | 2,951  | 4,490  | 2,796  | 2,926  | 2,945   | 3,397   | 7,441  | 6,343   | 12,064 |
| Total administrative expenses   | 519    | 546    | 602    | 553    | 582     | 427     | 1,065  | 1,009   | 2,164  |
| Cost/income ratio (Administrative expenses/Operating income)                | 28.5%  | 30.2%  | 34.6%  | 31.5%  | 31.8%   | 30.9%   | 29.4%  | 31.4%   | 32.3%  |
| Combined ratio (Netherlands Non-life) <sup>17) 18)</sup>                    | 97.9%  | 106.3% | 99.6%  | 102.5% | 107.4%  | 95.9%   | 102.2% | 103.2%  | 102.0% |
| Asset Management Assets under Management <sup>19)</sup>                     | 240    | 240    | 246    | 244    | 245     | 194     | 240    | 245     | 246    |
| Life general account invested assets <sup>19)</sup>                         | 136    | 136    | 135    | 135    | 136     | 91      | 136    | 136     | 135    |
| Investment margin/Life general account invested assets (bps) <sup>20)</sup> | 69     | 68     | 70     | 68     | 70      | 92      |        |         |        |
| Total provisions for insurance and investment contracts <sup>19)</sup>      | 159    | 159    | 158    | 158    | 159     | 104     | 159    | 159     | 158    |
| of which for risk policyholder <sup>19)</sup>                               | 29     | 28     | 29     | 28     | 29      | 18      | 29     | 29      | 29     |
| NN Life Solvency II ratio <sup>6)</sup>                                     | 239%   | 219%   | 217%   | 218%   | 220%    | 197%    | 239%   | 220%    | 217%   |
| Delta Lloyd Life Solvency II ratio <sup>6)</sup>                            | 190%   | 169%   | 153%   | 149%   | 139%    |         | 190%   | 139%    | 153%   |
| Net operating result <sup>21)</sup>   | 387    | 236    | 255    | 315    | 321     | 299     | 623    | 620     | 1,191  |
| Adjusted allocated equity (end of period) <sup>22)</sup>                    | 13,385 | 13,139 | 12,661 | 12,094 | 11,569  | 12,355  | 13,385 | 11,569  | 12,661 |
| Net operating ROE <sup>23)</sup>  | 11.7%  | 7.3%   | 8.2%   | 10.6%  | 10.7%   | 9.9%    | 9.5%   | 10.9%   | 10.3%  |
| <b>Key figures Japan Closed Block VA</b>                                    |        |        |        |        |         |         |        |         |        |
| Account value   | 3,466  | 4,074  | 4,755  | 5,384  | 6,546   | 7,926   | 3,466  | 6,546   | 4,755  |
| Number of policies  | 54,587 | 68,462 | 81,808 | 97,847 | 122,394 | 145,457 | 54,587 | 122,394 | 81,808 |
| <b>Key figures Total NN Group</b>   |        |        |        |        |         |         |        |         |        |
| Solvency II ratio <sup>6)</sup>   | 226%   | 213%   | 199%   | 204%   | 196%    | 238%    | 226%   | 196%    | 199%   |
| Total assets <sup>19)</sup>   | 228    | 228    | 227    | 230    | 232     | 167     | 228    | 232     | 227    |
| Shareholders' equity  | 23,568 | 23,345 | 22,718 | 22,009 | 21,824  | 22,108  | 23,568 | 21,824  | 22,718 |
| Employees (internal FTEs, end of period)                                    | 14,031 | 14,191 | 14,505 | 14,732 | 15,000  | 11,327  | 14,031 | 15,000  | 14,505 |

## 2.1 ANALYSIS OF RESULTS: TOTAL - EXCLUDING CURRENCY EFFECTS

| In EUR million  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017     | FY2017       |
|---|------------|------------|------------|------------|------------|------------|--------------|------------|--------------|
| <b>Analysis of results</b>                                |            |            |            |            |            |            |              |            |              |
| Netherlands Life  | 332        | 212        | 170        | 215        | 290        | 220        | 544          | 511        | 896          |
| Netherlands Non-life                                      | 40         | -32        | 25         | 1          | -27        | 31         | 8            | 4          | 30           |
| Insurance Europe  | 63         | 70         | 68         | 76         | 73         | 43         | 133          | 116        | 260          |
| Japan Life  | 27         | 67         | 26         | 53         | 36         | 79         | 95           | 115        | 194          |
| Asset Management  | 41         | 41         | 46         | 45         | 37         | 33         | 82           | 70         | 160          |
| Other   | 4          | -45        | 11         | 41         | -7         | -5         | -41          | -12        | 41           |
| <b>Operating result ongoing business</b>                  | <b>508</b> | <b>314</b> | <b>346</b> | <b>432</b> | <b>403</b> | <b>401</b> | <b>821</b>   | <b>804</b> | <b>1,581</b> |
| Non-operating items ongoing business                      | 233        | 257        | 509        | 541        | 211        | 168        | 490          | 379        | 1,430        |
| of which gains/losses and impairments                     | 342        | 28         | 356        | 433        | 132        | 144        | 370          | 276        | 1,064        |
| of which revaluations                                     | -18        | 222        | 171        | 89         | 34         | 52         | 204          | 86         | 347          |
| of which market & other impacts                           | -90        | 6          | -18        | 20         | 45         | -29        | -84          | 17         | 19           |
| Japan Closed Block VA                                     | -11        | 15         | -3         | 3          | 11         | -21        | 4            | -9         | -10          |
| Special items before tax                                  | -86        | -79        | -102       | -45        | -68        | -19        | -165         | -87        | -234         |
| Amortisation of acquisition intangibles                   | -33        | -33        | -33        | -33        | -33        | -          | -66          | -33        | -99          |
| Result on divestments                                     | 0          | 4          | 28         | 0          | -188       | 9          | 4            | -179       | -150         |
| <b>Result before tax</b>                                  | <b>611</b> | <b>477</b> | <b>745</b> | <b>899</b> | <b>336</b> | <b>538</b> | <b>1,088</b> | <b>875</b> | <b>2,518</b> |
| Taxation  | 145        | 78         | 32         | 159        | 91         | 107        | 223          | 198        | 389          |
| Minority interests  | 4          | -0         | 12         | 4          | 6          | 0          | 3            | 6          | 22           |
| <b>Net result</b>   | <b>463</b> | <b>399</b> | <b>701</b> | <b>735</b> | <b>239</b> | <b>432</b> | <b>863</b>   | <b>671</b> | <b>2,107</b> |
| Shares outstanding in the market (in million)             | 338        | 334        | 334        | 337        | 337        | 322        | 338          | 337        | 334          |
| Basic earnings per ordinary share in EUR <sup>15)</sup>   | 1.34       | 1.15       | 2.04       | 2.14       | 0.68       | 1.31       | 2.49         | 1.99       | 6.20         |
| Diluted earnings per ordinary share in EUR <sup>16)</sup> | 1.34       | 1.15       | 2.04       | 2.13       | 0.68       | 1.31       | 2.49         | 1.98       | 6.19         |
| <b>New business ongoing business</b>                      |            |            |            |            |            |            |              |            |              |
| New sales life insurance (APE)                            | 357        | 549        | 379        | 391        | 386        | 596        | 906          | 982        | 1,751        |
| <b>Key figures ongoing business</b>                       |            |            |            |            |            |            |              |            |              |
| Gross premium income                                      | 2,951      | 4,507      | 2,806      | 2,927      | 2,904      | 3,316      | 7,459        | 6,220      | 11,954       |
| Total administrative expenses                             | 519        | 546        | 602        | 551        | 577        | 422        | 1,064        | 1,000      | 2,153        |
| <b>Key figures Total NN Group</b>                         |            |            |            |            |            |            |              |            |              |
| Total assets <sup>19)</sup>                               | 228        | 228        | 228        | 230        | 231        | 165        | 228          | 231        | 228          |



## 2.2.1 ANALYSIS OF RESULTS: NETHERLANDS LIFE

| In EUR million  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017     | FY2017       |
|---|------------|------------|------------|------------|------------|------------|--------------|------------|--------------|
| <b>Analysis of results</b>  |            |            |            |            |            |            |              |            |              |
| Investment margin   | 292        | 181        | 212        | 179        | 254        | 198        | 473          | 452        | 843          |
| Fees and premium-based revenues   | 111        | 125        | 110        | 103        | 127        | 89         | 236          | 216        | 429          |
| Technical margin  | 54         | 46         | 5          | 77         | 55         | 43         | 100          | 98         | 180          |
| Operating income non-modelled business                                      | 0          | 0          | 0          | -0         | 0          | -0         | 0            | 0          | 0            |
| <b>Operating income</b>   | <b>457</b> | <b>352</b> | <b>328</b> | <b>358</b> | <b>436</b> | <b>330</b> | <b>809</b>   | <b>766</b> | <b>1,452</b> |
| Administrative expenses   | 115        | 129        | 147        | 133        | 134        | 99         | 244          | 233        | 513          |
| DAC amortisation and trail commissions                                      | 9          | 11         | 11         | 10         | 11         | 10         | 21           | 22         | 43           |
| <b>Expenses</b>   | <b>125</b> | <b>140</b> | <b>158</b> | <b>143</b> | <b>146</b> | <b>110</b> | <b>265</b>   | <b>255</b> | <b>556</b>   |
| <b>Operating result</b>   | <b>332</b> | <b>212</b> | <b>170</b> | <b>215</b> | <b>290</b> | <b>220</b> | <b>544</b>   | <b>511</b> | <b>896</b>   |
| Non-operating items   | 237        | 251        | 529        | 538        | 141        | 143        | 487          | 284        | 1,351        |
| of which gains/losses and impairments                                       | 317        | 28         | 337        | 439        | 76         | 115        | 346          | 191        | 967          |
| of which revaluations   | -7         | 217        | 187        | 77         | 19         | 57         | 210          | 76         | 340          |
| of which market & other impacts   | -74        | 6          | 5          | 22         | 46         | -28        | -68          | 17         | 44           |
| Special items before tax  | -12        | -14        | -12        | -8         | -12        | -10        | -27          | -22        | -42          |
| Result on divestments   | -          | -          | -0         | -          | -          | -          | -            | -          | -0           |
| <b>Result before tax</b>  | <b>557</b> | <b>448</b> | <b>687</b> | <b>745</b> | <b>419</b> | <b>353</b> | <b>1,005</b> | <b>772</b> | <b>2,204</b> |
| Taxation  | 129        | 78         | 61         | 129        | 70         | 70         | 207          | 139        | 329          |
| Minority interests  | 2          | 1          | 7          | 2          | 3          | 0          | 4            | 4          | 13           |
| <b>Net result</b>   | <b>426</b> | <b>369</b> | <b>619</b> | <b>614</b> | <b>346</b> | <b>283</b> | <b>794</b>   | <b>629</b> | <b>1,862</b> |
| <b>New business</b>   |            |            |            |            |            |            |              |            |              |
| Single premiums   | 101        | 123        | 114        | 120        | 112        | 83         | 224          | 195        | 428          |
| Regular premiums  | 38         | 131        | 19         | 38         | 74         | 194        | 169          | 268        | 325          |
| New sales life insurance (APE)  | 48         | 143        | 30         | 50         | 85         | 202        | 191          | 288        | 368          |
| Value of new business   |            |            |            |            |            |            | 5            | 6          | 10           |
| <b>Key figures</b>  |            |            |            |            |            |            |              |            |              |
| Gross premium income  | 775        | 1,343      | 699        | 731        | 763        | 880        | 2,118        | 1,642      | 3,072        |
| Total administrative expenses   | 115        | 129        | 147        | 133        | 134        | 99         | 244          | 233        | 513          |
| Cost/income ratio (Administrative expenses/Operating income)                | 25.2%      | 36.7%      | 44.9%      | 37.1%      | 30.8%      | 30.1%      | 30.2%        | 30.5%      | 35.4%        |
| Life general account invested assets <sup>19)</sup>                         | 102        | 102        | 102        | 102        | 102        | 67         | 102          | 102        | 102          |
| Investment margin/Life general account invested assets (bps) <sup>20)</sup> | 83         | 81         | 84         | 80         | 85         | 116        |              |            |              |
| Total provisions for insurance and investment contracts <sup>19)</sup>      | 114        | 114        | 114        | 114        | 115        | 72         | 114          | 115        | 114          |
| of which for risk policyholder <sup>19)</sup>                               | 21         | 21         | 21         | 21         | 22         | 13         | 21           | 22         | 21           |
| Allocated equity (end of period) <sup>24)</sup>                             | 16,776     | 16,481     | 16,128     | 15,467     | 15,298     | 15,152     | 16,776       | 15,298     | 16,128       |
| NN Life Solvency II ratio <sup>6)</sup>                                     | 239%       | 219%       | 217%       | 218%       | 220%       | 197%       | 239%         | 220%       | 217%         |
| Delta Lloyd Life Solvency II ratio <sup>6)</sup>                            | 190%       | 169%       | 153%       | 149%       | 139%       |            | 190%         | 139%       | 153%         |
| Net operating result  | 266        | 171        | 141        | 168        | 247        | 169        | 437          | 415        | 724          |
| Adjusted allocated equity (end of period)                                   | 9,558      | 9,384      | 9,199      | 8,800      | 8,325      | 7,489      | 9,558        | 8,325      | 9,199        |
| Net operating ROE <sup>24)</sup>  | 11.2%      | 7.4%       | 6.3%       | 7.8%       | 12.5%      | 9.1%       | 9.3%         | 12.0%      | 9.0%         |
| Employees (internal FTEs, end of period)                                    | 2,499      | 2,535      | 2,610      | 2,642      | 2,664      | 2,046      | 2,499        | 2,664      | 2,610        |

## 2.2.2 NETHERLANDS LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

| In EUR billion   | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provisions for life insurance and investment contracts for risk of company - roll forward</b>       |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>   | <b>92.7</b> | <b>92.5</b> | <b>93.1</b> | <b>92.9</b> | <b>59.1</b> | <b>57.8</b> | <b>92.5</b> | <b>57.8</b> | <b>57.8</b> |
| Deposits   | 0.4         | 1.0         | 0.4         | 0.3         | 0.4         | 2.0         | 1.3         | 2.4         | 3.1         |
| Withdrawals / Benefits   | -1.3        | -1.3        | -1.6        | 0.9         | -1.3        | -0.9        | -2.5        | -2.2        | -2.9        |
| Net production   | -0.9        | -0.3        | -1.2        | 1.2         | -0.9        | 1.1         | -1.2        | 0.2         | 0.2         |
| Acquisition / Divestments / Transfers  | -0.0        | 0.0         | 0.1         | -1.3        | 34.5        | 0.0         | -           | 34.5        | 33.2        |
| Market performance / Interest credited   | 0.5         | 0.5         | 0.5         | 0.3         | 0.3         | 0.2         | 1.0         | 0.5         | 1.3         |
| FX impact and other  | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| <b>End of period</b>   | <b>92.3</b> | <b>92.7</b> | <b>92.5</b> | <b>93.1</b> | <b>92.9</b> | <b>59.1</b> | <b>92.3</b> | <b>92.9</b> | <b>92.5</b> |
| In EUR billion   | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
| <b>Provisions for life insurance and investment contracts for risk of policyholders - roll forward</b> |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>   | <b>20.9</b> | <b>21.4</b> | <b>21.0</b> | <b>21.9</b> | <b>12.5</b> | <b>14.6</b> | <b>21.4</b> | <b>14.6</b> | <b>14.6</b> |
| Deposits   | 0.3         | 0.4         | 0.3         | 0.3         | 0.3         | 0.1         | 0.7         | 0.4         | 1.1         |
| Withdrawals / Benefits   | -0.4        | -0.6        | -0.5        | -2.6        | -0.6        | -2.3        | -1.0        | -3.0        | -6.0        |
| Net production   | -0.1        | -0.2        | -0.1        | -2.3        | -0.3        | -2.2        | -0.2        | -2.5        | -4.9        |
| Acquisition / Divestments / Transfers  | 0.0         | -0.0        | 0.0         | 1.3         | 9.9         | -           | -           | 9.9         | 11.2        |
| Market performance / Interest credited   | 0.6         | -0.4        | 0.5         | 0.2         | -0.2        | 0.1         | 0.2         | -0.1        | 0.6         |
| FX impact and other  | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| <b>End of period</b>   | <b>21.4</b> | <b>20.9</b> | <b>21.4</b> | <b>21.0</b> | <b>21.9</b> | <b>12.5</b> | <b>21.4</b> | <b>21.9</b> | <b>21.4</b> |

## 2.3.1 ANALYSIS OF RESULTS: NETHERLANDS NON-LIFE

| In EUR million                                       | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
|--|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| <b>Analysis of results</b>                           |            |            |            |            |            |            |              |              |              |
| Earned premiums                                      | 692        | 735        | 712        | 686        | 700        | 400        | 1,427        | 1,099        | 2,497        |
| Investment income                                    | 38         | 24         | 33         | 24         | 32         | 28         | 62           | 60           | 117          |
| Other income   | -3         | -0         | 1          | 1          | 1          | 1          | -3           | 1            | 3            |
| <b>Operating income</b>                              | <b>727</b> | <b>759</b> | <b>745</b> | <b>711</b> | <b>732</b> | <b>428</b> | <b>1,486</b> | <b>1,160</b> | <b>2,617</b> |
| <b>Claims incurred, net of reinsurance</b>           | <b>497</b> | <b>585</b> | <b>520</b> | <b>530</b> | <b>567</b> | <b>281</b> | <b>1,082</b> | <b>848</b>   | <b>1,898</b> |
| Acquisition costs                                    | 121        | 130        | 108        | 103        | 106        | 64         | 251          | 170          | 382          |
| Administrative expenses                              | 76         | 82         | 97         | 86         | 94         | 53         | 158          | 147          | 329          |
| <b>Acquisition costs and administrative expenses</b> | <b>196</b> | <b>213</b> | <b>205</b> | <b>188</b> | <b>200</b> | <b>117</b> | <b>409</b>   | <b>317</b>   | <b>710</b>   |
| <b>Expenditure</b>                                   | <b>693</b> | <b>798</b> | <b>725</b> | <b>718</b> | <b>767</b> | <b>398</b> | <b>1,492</b> | <b>1,165</b> | <b>2,608</b> |
| <b>Operating result insurance businesses</b>         | <b>34</b>  | <b>-39</b> | <b>20</b>  | <b>-7</b>  | <b>-35</b> | <b>30</b>  | <b>-6</b>    | <b>-5</b>    | <b>8</b>     |
| Operating result health business and broker business | 6          | 8          | 5          | 8          | 8          | 1          | 14           | 9            | 22           |
| <b>Total operating result</b>                        | <b>40</b>  | <b>-32</b> | <b>25</b>  | <b>1</b>   | <b>-27</b> | <b>31</b>  | <b>8</b>     | <b>4</b>     | <b>30</b>    |
| Non-operating items                                  | 3          | 8          | 29         | 4          | 12         | 3          | 12           | 16           | 49           |
| of which gains/losses and impairments                | 7          | 4          | 29         | 1          | 2          | 2          | 11           | 4            | 34           |
| of which revaluations                                | -3         | 4          | 7          | 4          | 10         | 1          | 2            | 11           | 22           |
| of which market & other impacts                      | -1         | -          | -6         | -          | -          | -          | -1           | -            | -6           |
| Special items before tax                             | -29        | -22        | -14        | -3         | -2         | -0         | -52          | -2           | -19          |
| Result on divestments                                | -          | -          | -          | -          | -          | -          | -            | -            | -            |
| <b>Result before tax</b>                             | <b>14</b>  | <b>-46</b> | <b>40</b>  | <b>2</b>   | <b>-17</b> | <b>34</b>  | <b>-32</b>   | <b>18</b>    | <b>60</b>    |
| Taxation   | 4          | -14        | -3         | -3         | -5         | 7          | -10          | 2            | -3           |
| Minority interests                                   | 1          | -1         | 5          | 2          | 2          | -          | -0           | 2            | 9            |
| <b>Net result</b>                                    | <b>9</b>   | <b>-30</b> | <b>38</b>  | <b>3</b>   | <b>-14</b> | <b>27</b>  | <b>-21</b>   | <b>13</b>    | <b>54</b>    |
| <b>Key figures</b>                                   |            |            |            |            |            |            |              |              |              |
| Gross premium income                                 | 678        | 1,262      | 553        | 585        | 653        | 788        | 1,940        | 1,441        | 2,579        |
| Total administrative expenses <sup>14)</sup>         | 94         | 102        | 118        | 104        | 113        | 63         | 196          | 176          | 398          |
| Combined ratio <sup>17) 18)</sup>                    | 97.9%      | 106.3%     | 99.6%      | 102.5%     | 107.4%     | 95.9%      | 102.2%       | 103.2%       | 102.0%       |
| of which Claims ratio <sup>17) 18)</sup>             | 69.5%      | 77.4%      | 70.8%      | 75.0%      | 78.8%      | 66.5%      | 73.6%        | 74.4%        | 73.5%        |
| of which Expense ratio <sup>17) 18)</sup>            | 28.4%      | 28.9%      | 28.8%      | 27.4%      | 28.6%      | 29.4%      | 28.7%        | 28.8%        | 28.4%        |
| Total insurance provisions <sup>19)</sup>            | 6          | 6          | 6          | 6          | 6          | 4          | 6            | 6            | 6            |
| Allocated equity (end of period) <sup>24)</sup>      | 920        | 936        | 978        | 1,001      | 1,029      | 694        | 920          | 1,029        | 978          |
| Net operating result                                 | 30         | -22        | 22         | -0         | -18        | 25         | 8            | 7            | 29           |
| Adjusted allocated equity (end of period)            | 676        | 699        | 728        | 726        | 767        | 379        | 676          | 767          | 728          |
| Net operating ROE <sup>24)</sup>                     | 17.4%      | -12.3%     | 12.2%      | 0.0%       | -12.8%     | 26.9%      | 2.3%         | 1.2%         | 4.3%         |
| Employees (internal FTEs, end of period)             | 2,609      | 2,672      | 2,682      | 2,720      | 2,684      | 1,458      | 2,609        | 2,684        | 2,682        |

## 2.3.2 NETHERLANDS NON-LIFE - KEY FIGURES BY LINE OF BUSINESS

| In EUR million  | 2Q2018     | 1Q2018       | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
|---|------------|--------------|------------|------------|------------|------------|--------------|--------------|--------------|
| <b>Gross premium income by line of business</b>   |            |              |            |            |            |            |              |              |              |
| <b>Disability &amp; Accident</b>  | <b>178</b> | <b>613</b>   | <b>101</b> | <b>140</b> | <b>156</b> | <b>478</b> | <b>791</b>   | <b>634</b>   | <b>875</b>   |
| Fire  | 220        | 269          | 190        | 190        | 230        | 136        | 489          | 366          | 746          |
| Marine & Aviation   | 20         | 23           | 14         | 16         | 20         | 9          | 42           | 29           | 59           |
| Motor   | 175        | 218          | 167        | 160        | 162        | 91         | 393          | 254          | 581          |
| Miscellaneous   | 88         | 139          | 82         | 79         | 88         | 73         | 227          | 161          | 323          |
| Indirect business   | -3         | 0            | -1         | -1         | -4         | 1          | -2           | -3           | -4           |
| <b>Property &amp; Casualty</b>  | <b>500</b> | <b>649</b>   | <b>451</b> | <b>445</b> | <b>497</b> | <b>310</b> | <b>1,149</b> | <b>807</b>   | <b>1,704</b> |
| <b>Total</b>  | <b>678</b> | <b>1,262</b> | <b>553</b> | <b>585</b> | <b>653</b> | <b>788</b> | <b>1,940</b> | <b>1,441</b> | <b>2,579</b> |
| In EUR million  | 2Q2018     | 1Q2018       | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>Operating result by line of business</b>   |            |              |            |            |            |            |              |              |              |
| <b>Disability &amp; Accident</b>  | <b>29</b>  | <b>13</b>    | <b>2</b>   | <b>-12</b> | <b>29</b>  | <b>29</b>  | <b>41</b>    | <b>58</b>    | <b>48</b>    |
| Fire  | 6          | -53          | 19         | 5          | -6         | 12         | -47          | 6            | 30           |
| Marine & Aviation   | 0          | 2            | 1          | 0          | -0         | 1          | 2            | 1            | 2            |
| Motor   | -0         | -7           | -4         | -3         | -44        | -6         | -7           | -50          | -57          |
| Miscellaneous   | -1         | 7            | 3          | 2          | -13        | -8         | 6            | -21          | -15          |
| Indirect business   | -0         | -1           | -1         | 1          | 0          | 1          | -1           | 1            | 1            |
| <b>Property &amp; Casualty</b>  | <b>5</b>   | <b>-52</b>   | <b>18</b>  | <b>5</b>   | <b>-63</b> | <b>0</b>   | <b>-47</b>   | <b>-63</b>   | <b>-39</b>   |
| Health business and broker business   | 6          | 8            | 5          | 8          | 8          | 1          | 14           | 9            | 22           |
| <b>Total</b>  | <b>40</b>  | <b>-32</b>   | <b>25</b>  | <b>1</b>   | <b>-27</b> | <b>31</b>  | <b>8</b>     | <b>4</b>     | <b>30</b>    |
|   | 2Q2018     | 1Q2018       | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>Combined ratios Disability &amp; Accident and Property &amp; Casualty <sup>17) 18)</sup></b> |            |              |            |            |            |            |              |              |              |
| <b>Disability &amp; Accident</b>  |            |              |            |            |            |            |              |              |              |
| Combined ratio  | 93.1%      | 94.9%        | 102.1%     | 105.8%     | 91.9%      | 86.6%      | 94.0%        | 89.6%        | 97.2%        |
| of which Claims ratio   | 74.2%      | 73.7%        | 80.4%      | 84.8%      | 71.1%      | 65.5%      | 73.9%        | 68.7%        | 76.1%        |
| of which Expense ratio  | 18.9%      | 21.1%        | 21.7%      | 20.9%      | 20.8%      | 21.1%      | 20.0%        | 21.0%        | 21.2%        |
| <b>Property &amp; Casualty</b>  |            |              |            |            |            |            |              |              |              |
| Combined ratio  | 100.9%     | 112.4%       | 98.3%      | 100.8%     | 115.4%     | 103.6%     | 106.9%       | 111.6%       | 104.6%       |
| of which Claims ratio   | 66.6%      | 79.3%        | 65.8%      | 69.9%      | 82.9%      | 67.4%      | 73.3%        | 77.9%        | 72.1%        |
| of which Expense ratio  | 34.2%      | 33.1%        | 32.5%      | 30.9%      | 32.5%      | 36.2%      | 33.6%        | 33.7%        | 32.5%        |
| <b>Total</b>  |            |              |            |            |            |            |              |              |              |
| Combined ratio  | 97.9%      | 106.3%       | 99.6%      | 102.5%     | 107.4%     | 95.9%      | 102.2%       | 103.2%       | 102.0%       |
| of which Claims ratio   | 69.5%      | 77.4%        | 70.8%      | 75.0%      | 78.8%      | 66.5%      | 73.6%        | 74.4%        | 73.5%        |
| of which Expense ratio  | 28.4%      | 28.9%        | 28.8%      | 27.4%      | 28.6%      | 29.4%      | 28.7%        | 28.8%        | 28.4%        |

## 2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE

| In EUR million  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>  |            |            |            |            |            |            |            |            |            |
| Investment margin   | 23         | 23         | 30         | 23         | 24         | 14         | 46         | 38         | 91         |
| Fees and premium-based revenues   | 173        | 181        | 176        | 181        | 179        | 143        | 354        | 322        | 679        |
| Technical margin  | 46         | 55         | 52         | 50         | 47         | 47         | 101        | 93         | 196        |
| Operating income non-modelled business                                      | 1          | 0          | 1          | 1          | 1          | 1          | 1          | 2          | 3          |
| <b>Operating income Life Insurance</b>                                      | <b>243</b> | <b>260</b> | <b>259</b> | <b>255</b> | <b>251</b> | <b>205</b> | <b>503</b> | <b>456</b> | <b>969</b> |
| Administrative expenses   | 98         | 100        | 108        | 97         | 99         | 82         | 198        | 181        | 386        |
| DAC amortisation and trail commissions                                      | 80         | 88         | 85         | 81         | 78         | 81         | 167        | 159        | 325        |
| <b>Expenses Life Insurance</b>  | <b>177</b> | <b>188</b> | <b>193</b> | <b>178</b> | <b>178</b> | <b>162</b> | <b>365</b> | <b>340</b> | <b>711</b> |
| <b>Operating result Life Insurance</b>                                      | <b>66</b>  | <b>72</b>  | <b>66</b>  | <b>76</b>  | <b>73</b>  | <b>43</b>  | <b>138</b> | <b>116</b> | <b>258</b> |
| Operating result Non-life   | -3         | -1         | 1          | 0          | -0         | -0         | -4         | -0         | 1          |
| <b>Operating result</b>   | <b>63</b>  | <b>71</b>  | <b>68</b>  | <b>77</b>  | <b>73</b>  | <b>42</b>  | <b>134</b> | <b>115</b> | <b>260</b> |
| Non-operating items   | 10         | -0         | -52        | -9         | 30         | 21         | 10         | 51         | -10        |
| of which gains/losses and impairments                                       | 18         | -7         | -20        | -12        | 22         | 19         | 11         | 41         | 9          |
| of which revaluations   | -2         | 7          | -15        | 5          | 8          | 2          | 5          | 10         | -0         |
| of which market & other impacts   | -6         | 0          | -17        | -2         | -0         | -0         | -5         | -0         | -19        |
| Special items before tax  | -7         | -5         | -10        | -3         | -8         | -0         | -13        | -8         | -21        |
| Result on divestments   | -          | -          | 20         | -          | -          | -          | -          | -          | 20         |
| <b>Result before tax</b>  | <b>67</b>  | <b>65</b>  | <b>26</b>  | <b>64</b>  | <b>95</b>  | <b>63</b>  | <b>132</b> | <b>158</b> | <b>248</b> |
| Taxation  | 16         | 13         | -18        | 18         | 15         | 10         | 29         | 25         | 26         |
| Minority interests  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>   | <b>50</b>  | <b>53</b>  | <b>43</b>  | <b>46</b>  | <b>80</b>  | <b>53</b>  | <b>103</b> | <b>133</b> | <b>222</b> |
| <b>New business</b>   |            |            |            |            |            |            |            |            |            |
| Single premiums   | 288        | 305        | 384        | 269        | 343        | 306        | 592        | 649        | 1,301      |
| Regular premiums  | 117        | 156        | 137        | 114        | 135        | 145        | 273        | 280        | 531        |
| New sales life insurance (APE)  | 146        | 186        | 175        | 141        | 170        | 175        | 332        | 345        | 661        |
| Value of new business   |            |            |            |            |            |            | 83         | 72         | 141        |
| <b>Key figures</b>  |            |            |            |            |            |            |            |            |            |
| Gross premium income  | 724        | 772        | 849        | 699        | 763        | 609        | 1,496      | 1,372      | 2,921      |
| Total administrative expenses (Life & Non-life)                             | 104        | 103        | 111        | 100        | 102        | 84         | 207        | 187        | 398        |
| Cost/income ratio (Administrative expenses/Operating income)                | 41.3%      | 38.8%      | 41.9%      | 38.2%      | 39.8%      | 40.0%      | 40.0%      | 39.9%      | 40.0%      |
| Life general account invested assets <sup>19)</sup>                         | 19         | 19         | 19         | 19         | 19         | 10         | 19         | 19         | 19         |
| Investment margin/Life general account invested assets (bps) <sup>20)</sup> | 52         | 52         | 51         | 50         | 49         | 72         |            |            |            |
| Total provisions for insurance and investment contracts <sup>19)</sup>      | 25         | 26         | 26         | 26         | 26         | 16         | 25         | 26         | 26         |
| of which for risk policyholder <sup>19)</sup>                               | 7          | 7          | 7          | 7          | 7          | 6          | 7          | 7          | 7          |
| Assets under Management Pensions <sup>19)(26)</sup>                         | 18         | 19         | 19         | 19         | 18         | 18         | 18         | 18         | 19         |
| Allocated equity (end of period) <sup>24)</sup>                             | 2,328      | 2,530      | 2,481      | 2,500      | 2,464      | 1,942      | 2,328      | 2,464      | 2,481      |
| Net operating result  | 51         | 56         | 53         | 58         | 58         | 33         | 108        | 91         | 202        |
| Adjusted allocated equity (end of period)                                   | 1,907      | 2,069      | 2,034      | 2,031      | 2,021      | 1,477      | 1,907      | 2,021      | 2,034      |
| Net operating ROE <sup>24)</sup>  | 10.3%      | 11.0%      | 10.5%      | 11.4%      | 13.3%      | 9.2%       | 10.6%      | 11.9%      | 10.2%      |
| Employees (internal FTEs, end of period)                                    | 4,518      | 4,519      | 4,521      | 4,599      | 4,629      | 4,215      | 4,518      | 4,629      | 4,521      |

## 2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE - EXCLUDING CURRENCY EFFECTS

| In EUR million                                  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>                      |            |            |            |            |            |            |            |            |            |
| Investment margin                               | 23         | 23         | 30         | 23         | 24         | 14         | 46         | 38         | 91         |
| Fees and premium-based revenues                 | 173        | 179        | 174        | 178        | 176        | 141        | 352        | 317        | 669        |
| Technical margin                                | 46         | 55         | 52         | 50         | 46         | 47         | 101        | 93         | 195        |
| Operating income non-modelled business          | 1          | 0          | 1          | 1          | 1          | 1          | 1          | 2          | 3          |
| <b>Operating income Life Insurance</b>          | <b>243</b> | <b>257</b> | <b>257</b> | <b>251</b> | <b>247</b> | <b>203</b> | <b>500</b> | <b>450</b> | <b>958</b> |
| Administrative expenses                         | 98         | 99         | 107        | 96         | 97         | 80         | 197        | 178        | 380        |
| DAC amortisation and trail commissions          | 80         | 87         | 84         | 80         | 77         | 79         | 166        | 156        | 320        |
| <b>Expenses Life Insurance</b>                  | <b>177</b> | <b>186</b> | <b>191</b> | <b>176</b> | <b>174</b> | <b>160</b> | <b>363</b> | <b>334</b> | <b>700</b> |
| <b>Operating result Life Insurance</b>          | <b>66</b>  | <b>71</b>  | <b>66</b>  | <b>76</b>  | <b>73</b>  | <b>43</b>  | <b>137</b> | <b>116</b> | <b>258</b> |
| Operating result Non-life                       | -3         | -1         | 1          | 1          | 0          | -0         | -3         | 0          | 2          |
| <b>Operating result</b>                         | <b>63</b>  | <b>70</b>  | <b>68</b>  | <b>76</b>  | <b>73</b>  | <b>43</b>  | <b>133</b> | <b>116</b> | <b>260</b> |
| Non-operating items                             | 10         | -0         | -52        | -9         | 30         | 21         | 10         | 51         | -10        |
| of which gains/losses and impairments           | 18         | -7         | -20        | -12        | 22         | 19         | 11         | 41         | 9          |
| of which revaluations                           | -2         | 7          | -15        | 5          | 8          | 2          | 5          | 10         | -0         |
| of which market & other impacts                 | -6         | 0          | -17        | -2         | -0         | -0         | -5         | -0         | -19        |
| Special items before tax                        | -7         | -5         | -10        | -3         | -8         | -0         | -13        | -8         | -21        |
| Result on divestments                           | -          | -          | 20         | -          | -          | -          | -          | -          | 20         |
| <b>Result before tax</b>                        | <b>67</b>  | <b>65</b>  | <b>26</b>  | <b>64</b>  | <b>95</b>  | <b>64</b>  | <b>131</b> | <b>159</b> | <b>249</b> |
| Taxation  | 16         | 13         | -18        | 18         | 15         | 10         | 29         | 25         | 26         |
| Minority interests                              | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>                               | <b>50</b>  | <b>52</b>  | <b>44</b>  | <b>46</b>  | <b>80</b>  | <b>54</b>  | <b>102</b> | <b>134</b> | <b>223</b> |
| <b>New business</b>                             |            |            |            |            |            |            |            |            |            |
| New sales life insurance (APE)                  | 146        | 183        | 171        | 135        | 162        | 168        | 329        | 331        | 637        |
| <b>Key figures</b>                              |            |            |            |            |            |            |            |            |            |
| Gross premium income                            | 724        | 767        | 844        | 692        | 758        | 607        | 1,491      | 1,364      | 2,901      |
| Total administrative expenses (Life & Non-life) | 104        | 102        | 110        | 98         | 100        | 83         | 206        | 183        | 391        |

## 2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY

| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
|--|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| <b>Gross premium income by country</b> |            |            |            |            |            |            |              |              |              |
| Belgium                                | 221        | 251        | 279        | 208        | 237        | 86         | 472          | 323          | 810          |
| Poland                                 | 89         | 93         | 136        | 90         | 90         | 85         | 183          | 175          | 401          |
| Czech Republic                         | 38         | 39         | 41         | 36         | 38         | 38         | 77           | 76           | 153          |
| Hungary                                | 63         | 60         | 67         | 95         | 63         | 58         | 123          | 120          | 282          |
| Spain                                  | 134        | 153        | 146        | 114        | 161        | 156        | 287          | 317          | 577          |
| Other                                  | 179        | 175        | 180        | 157        | 174        | 186        | 354          | 360          | 698          |
| <b>Insurance Europe</b>                | <b>724</b> | <b>772</b> | <b>849</b> | <b>699</b> | <b>763</b> | <b>609</b> | <b>1,496</b> | <b>1,372</b> | <b>2,921</b> |
| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>Operating result by country</b>     |            |            |            |            |            |            |              |              |              |
| Belgium                                | 13         | 9          | 25         | 16         | 15         | 1          | 23           | 17           | 57           |
| Poland                                 | 23         | 25         | 25         | 22         | 20         | 17         | 48           | 37           | 84           |
| Czech Republic                         | 8          | 8          | 7          | 8          | 10         | 7          | 16           | 17           | 32           |
| Hungary                                | 3          | 3          | 1          | 4          | 4          | 4          | 7            | 8            | 13           |
| Spain                                  | 6          | 9          | 12         | 8          | 7          | 7          | 15           | 15           | 35           |
| Other                                  | 10         | 16         | -2         | 18         | 16         | 6          | 26           | 22           | 37           |
| <b>Insurance Europe</b>                | <b>63</b>  | <b>71</b>  | <b>68</b>  | <b>77</b>  | <b>73</b>  | <b>42</b>  | <b>134</b>   | <b>115</b>   | <b>260</b>   |
| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>New sales (APE) by country</b>      |            |            |            |            |            |            |              |              |              |
| Belgium                                | 27         | 32         | 31         | 19         | 22         | 6          | 59           | 28           | 77           |
| Poland                                 | 24         | 24         | 39         | 24         | 23         | 27         | 48           | 50           | 113          |
| Czech Republic                         | 5          | 4          | 4          | 4          | 6          | 6          | 10           | 12           | 21           |
| Hungary                                | 7          | 6          | 7          | 9          | 6          | 6          | 13           | 12           | 28           |
| Spain                                  | 23         | 35         | 28         | 19         | 30         | 30         | 58           | 60           | 107          |
| Other                                  | 60         | 85         | 67         | 66         | 82         | 100        | 145          | 182          | 315          |
| <b>Insurance Europe</b>                | <b>146</b> | <b>186</b> | <b>175</b> | <b>141</b> | <b>170</b> | <b>175</b> | <b>332</b>   | <b>345</b>   | <b>661</b>   |

## 2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY - EXCLUDING CURRENCY EFFECTS

| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
|--|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| <b>Gross premium income by country</b> |            |            |            |            |            |            |              |              |              |
| Belgium                                | 221        | 251        | 279        | 208        | 237        | 86         | 472          | 323          | 810          |
| Poland                                 | 89         | 91         | 134        | 89         | 89         | 86         | 181          | 175          | 398          |
| Czech Republic                         | 38         | 39         | 41         | 37         | 39         | 40         | 77           | 79           | 157          |
| Hungary                                | 63         | 59         | 66         | 91         | 61         | 56         | 122          | 117          | 274          |
| Spain                                  | 134        | 153        | 146        | 114        | 161        | 156        | 287          | 317          | 577          |
| Other                                  | 179        | 174        | 179        | 154        | 170        | 183        | 353          | 353          | 685          |
| <b>Insurance Europe</b>                | <b>724</b> | <b>767</b> | <b>844</b> | <b>692</b> | <b>758</b> | <b>607</b> | <b>1,491</b> | <b>1,364</b> | <b>2,901</b> |
| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>Operating result by country</b>     |            |            |            |            |            |            |              |              |              |
| Belgium                                | 13         | 9          | 25         | 16         | 15         | 1          | 23           | 17           | 57           |
| Poland                                 | 23         | 24         | 24         | 22         | 20         | 17         | 47           | 37           | 84           |
| Czech Republic                         | 8          | 8          | 7          | 8          | 11         | 7          | 16           | 18           | 33           |
| Hungary                                | 3          | 3          | 1          | 4          | 4          | 4          | 7            | 8            | 13           |
| Spain                                  | 6          | 9          | 12         | 8          | 7          | 7          | 15           | 15           | 35           |
| Other                                  | 10         | 16         | -2         | 18         | 16         | 6          | 26           | 22           | 38           |
| <b>Insurance Europe</b>                | <b>63</b>  | <b>70</b>  | <b>68</b>  | <b>76</b>  | <b>73</b>  | <b>43</b>  | <b>133</b>   | <b>116</b>   | <b>260</b>   |
| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018       | 6M2017       | FY2017       |
| <b>New sales (APE) by country</b>      |            |            |            |            |            |            |              |              |              |
| Belgium                                | 27         | 32         | 31         | 19         | 22         | 6          | 59           | 28           | 77           |
| Poland                                 | 24         | 23         | 38         | 23         | 23         | 27         | 47           | 50           | 112          |
| Czech Republic                         | 5          | 4          | 4          | 5          | 6          | 7          | 10           | 13           | 22           |
| Hungary                                | 7          | 6          | 6          | 9          | 6          | 6          | 13           | 12           | 27           |
| Spain                                  | 23         | 35         | 28         | 19         | 30         | 30         | 58           | 60           | 107          |
| Other                                  | 60         | 82         | 64         | 60         | 75         | 92         | 142          | 168          | 292          |
| <b>Insurance Europe</b>                | <b>146</b> | <b>183</b> | <b>171</b> | <b>135</b> | <b>162</b> | <b>168</b> | <b>329</b>   | <b>331</b>   | <b>637</b>   |



## 2.4.3 INSURANCE EUROPE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS AND ASSETS UNDER MANAGEMENT PENSIONS

| In EUR billion   | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provisions for life insurance and investment contracts for risk of company - roll forward</b> |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>   | <b>18.5</b> | <b>18.7</b> | <b>18.6</b> | <b>18.9</b> | <b>9.8</b>  | <b>10.1</b> | <b>18.7</b> | <b>10.1</b> | <b>10.1</b> |
| Deposits   | 0.3         | 0.3         | 0.5         | 0.2         | 0.2         | 0.2         | 0.6         | 0.4         | 1.0         |
| Withdrawals / Benefits   | -0.5        | -0.5        | -0.8        | -0.4        | -0.4        | -0.4        | -1.0        | -0.8        | -1.9        |
| Net production   | -0.2        | -0.2        | -0.3        | -0.2        | -0.2        | -0.2        | -0.4        | -0.4        | -0.9        |
| Acquisition / Divestments / Transfers  | -0.0        | -0.0        | -           | -           | 9.2         | -           | -0.0        | 9.2         | 9.2         |
| Market performance / Interest credited   | -0.0        | 0.0         | 0.3         | -0.1        | 0.0         | -0.1        | 0.0         | -0.0        | 0.2         |
| FX impact and other  | -0.1        | -0.0        | 0.0         | -0.0        | 0.0         | 0.0         | -0.1        | 0.0         | 0.0         |
| <b>End of period</b>   | <b>18.2</b> | <b>18.5</b> | <b>18.7</b> | <b>18.6</b> | <b>18.9</b> | <b>9.8</b>  | <b>18.2</b> | <b>18.9</b> | <b>18.7</b> |

| In EUR billion   | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Provisions for life insurance and investment contracts for risk of policyholders - roll forward</b> |            |            |            |            |            |            |            |            |            |
| <b>Beginning of period</b>   | <b>7.1</b> | <b>7.0</b> | <b>6.8</b> | <b>6.7</b> | <b>5.8</b> | <b>7.9</b> | <b>7.0</b> | <b>7.9</b> | <b>7.9</b> |
| Deposits   | 0.3        | 0.3        | 0.3        | 0.2        | 0.3        | 0.3        | 0.5        | 0.5        | 1.0        |
| Withdrawals / Benefits   | -0.2       | -0.1       | -0.2       | -0.2       | -0.3       | -0.2       | -0.3       | -0.5       | -0.8       |
| Net production   | 0.1        | 0.1        | 0.1        | -0.0       | -0.0       | 0.1        | 0.3        | 0.1        | 0.2        |
| Acquisition / Divestments / Transfers  | 0.0        | 0.0        | -          | 0.0        | 0.9        | -          | 0.0        | 0.9        | 0.9        |
| Market performance / Interest credited   | 0.0        | -0.1       | 0.0        | 0.2        | 0.0        | -2.2       | -0.1       | -2.2       | -2.0       |
| FX impact and other  | -0.1       | -0.0       | 0.0        | -0.0       | 0.0        | 0.0        | -0.1       | 0.1        | 0.1        |
| <b>End of period</b>   | <b>7.1</b> | <b>7.1</b> | <b>7.0</b> | <b>6.8</b> | <b>6.7</b> | <b>5.8</b> | <b>7.1</b> | <b>6.7</b> | <b>7.0</b> |

| In EUR billion   | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Assets under management pensions - roll forward</b> |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>                             | <b>18.5</b> | <b>19.2</b> | <b>18.8</b> | <b>18.4</b> | <b>17.6</b> | <b>16.1</b> | <b>19.2</b> | <b>16.1</b> | <b>16.1</b> |
| Deposits   | 0.4         | 0.4         | 0.4         | 0.4         | 0.4         | 0.4         | 0.8         | 0.8         | 1.6         |
| Withdrawals / Benefits                                 | -0.2        | -0.3        | -0.3        | -0.2        | -0.2        | -0.2        | -0.5        | -0.4        | -0.9        |
| Net production   | 0.2         | 0.2         | 0.1         | 0.2         | 0.2         | 0.1         | 0.3         | 0.4         | 0.7         |
| Acquisition / Divestments / Transfers                  | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| Market performance / Interest credited                 | -0.4        | -0.7        | 0.1         | 0.4         | 0.5         | 1.0         | -1.1        | 1.5         | 2.0         |
| FX impact and other                                    | -0.4        | -0.1        | 0.3         | -0.2        | 0.0         | 0.3         | -0.6        | 0.4         | 0.4         |
| <b>End of period</b>                                   | <b>17.8</b> | <b>18.5</b> | <b>19.2</b> | <b>18.8</b> | <b>18.4</b> | <b>17.6</b> | <b>17.8</b> | <b>18.4</b> | <b>19.2</b> |

## 2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE

| In EUR million   | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>   |            |            |            |            |            |            |            |            |            |
| Investment margin  | -2         | -3         | -2         | -1         | -2         | -3         | -5         | -4         | -7         |
| Fees and premium-based revenues  | 130        | 187        | 117        | 154        | 135        | 194        | 318        | 328        | 599        |
| Technical margin   | -1         | -1         | -3         | -0         | 1          | 13         | -2         | 14         | 11         |
| Operating income non-modelled business                                 | -0         | 0          | 0          | 0          | -0         | 0          | -0         | -0         | -0         |
| <b>Operating income</b>  | <b>127</b> | <b>184</b> | <b>112</b> | <b>152</b> | <b>134</b> | <b>204</b> | <b>311</b> | <b>339</b> | <b>602</b> |
| Administrative expenses  | 33         | 32         | 36         | 35         | 36         | 32         | 65         | 68         | 139        |
| DAC amortisation and trail commissions                                 | 67         | 85         | 51         | 65         | 61         | 87         | 152        | 148        | 264        |
| <b>Expenses</b>  | <b>100</b> | <b>118</b> | <b>86</b>  | <b>100</b> | <b>97</b>  | <b>119</b> | <b>217</b> | <b>216</b> | <b>403</b> |
| <b>Operating result</b>  | <b>27</b>  | <b>66</b>  | <b>25</b>  | <b>52</b>  | <b>37</b>  | <b>85</b>  | <b>93</b>  | <b>123</b> | <b>200</b> |
| Non-operating items  | -8         | -5         | -4         | -3         | -4         | -1         | -13        | -4         | -11        |
| of which gains/losses and impairments                                  | -4         | 1          | -0         | -0         | -0         | 8          | -3         | 8          | 8          |
| of which revaluations  | -4         | -6         | -4         | -3         | -4         | -9         | -10        | -12        | -19        |
| of which market & other impacts  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Special items before tax   | -0         | -0         | -0         | -          | -          | -          | -1         | -          | -0         |
| Result on divestments  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Result before tax</b>   | <b>19</b>  | <b>60</b>  | <b>21</b>  | <b>49</b>  | <b>34</b>  | <b>85</b>  | <b>79</b>  | <b>118</b> | <b>188</b> |
| Taxation   | 3          | 16         | 8          | 14         | 10         | 24         | 19         | 33         | 55         |
| Minority interests   | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>  | <b>16</b>  | <b>44</b>  | <b>13</b>  | <b>35</b>  | <b>24</b>  | <b>61</b>  | <b>60</b>  | <b>85</b>  | <b>133</b> |
| <b>New business</b>  |            |            |            |            |            |            |            |            |            |
| Single premiums  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Regular premiums   | 163        | 218        | 171        | 203        | 145        | 243        | 381        | 387        | 762        |
| New sales life insurance (APE)   | 163        | 218        | 171        | 203        | 145        | 243        | 381        | 387        | 762        |
| Value of new business  |            |            |            |            |            |            | 117        | 93         | 194        |
| <b>Key figures</b>   |            |            |            |            |            |            |            |            |            |
| Gross premium income   | 767        | 1,108      | 690        | 904        | 762        | 1,114      | 1,875      | 1,876      | 3,470      |
| Total administrative expenses  | 33         | 32         | 36         | 35         | 36         | 32         | 65         | 68         | 139        |
| Cost/income ratio (Administrative expenses/Operating income)           | 25.7%      | 17.7%      | 32.2%      | 23.2%      | 26.6%      | 15.6%      | 21.0%      | 20.0%      | 23.1%      |
| Life general account invested assets <sup>19)</sup>                    | 15         | 15         | 14         | 14         | 14         | 15         | 15         | 14         | 14         |
| Total provisions for insurance and investment contracts <sup>19)</sup> | 14         | 14         | 13         | 13         | 13         | 13         | 14         | 13         | 13         |
| of which for risk policyholder <sup>19)</sup>                          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Allocated equity (end of period) <sup>24)</sup>                        | 2,265      | 2,231      | 2,116      | 2,121      | 2,162      | 2,336      | 2,265      | 2,162      | 2,116      |
| Net operating result   | 15         | 44         | 17         | 37         | 26         | 61         | 59         | 87         | 141        |
| Adjusted allocated equity (end of period) <sup>27)</sup>               | 1,634      | 1,607      | 1,514      | 1,527      | 1,550      | 1,673      | 1,634      | 1,550      | 1,514      |
| Net operating ROE <sup>24) 27)</sup>                                   | 3.7%       | 11.4%      | 4.4%       | 9.6%       | 6.6%       | 15.1%      | 7.5%       | 10.8%      | 9.0%       |
| Employees (internal FTEs, end of period)                               | 839        | 804        | 801        | 804        | 792        | 734        | 839        | 792        | 801        |

## 2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE - EXCLUDING CURRENCY EFFECTS

| In EUR million                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>             |            |            |            |            |            |            |            |            |            |
| Investment margin                      | -2         | -3         | -2         | -1         | -1         | -2         | -5         | -4         | -7         |
| Fees and premium-based revenues        | 130        | 192        | 120        | 155        | 128        | 180        | 322        | 308        | 584        |
| Technical margin                       | -1         | -1         | -3         | -0         | 2          | 12         | -2         | 14         | 10         |
| Operating income non-modelled business | -0         | 0          | -0         | 0          | -0         | 0          | -0         | -0         | -0         |
| <b>Operating income</b>                | <b>127</b> | <b>188</b> | <b>115</b> | <b>154</b> | <b>128</b> | <b>190</b> | <b>315</b> | <b>318</b> | <b>587</b> |
| Administrative expenses                | 33         | 33         | 37         | 36         | 34         | 30         | 66         | 64         | 136        |
| DAC amortisation and trail commissions | 67         | 87         | 52         | 65         | 58         | 81         | 154        | 139        | 257        |
| <b>Expenses</b>                        | <b>100</b> | <b>120</b> | <b>89</b>  | <b>101</b> | <b>92</b>  | <b>111</b> | <b>220</b> | <b>203</b> | <b>393</b> |
| <b>Operating result</b>                | <b>27</b>  | <b>67</b>  | <b>26</b>  | <b>53</b>  | <b>36</b>  | <b>79</b>  | <b>95</b>  | <b>115</b> | <b>194</b> |
| Non-operating items                    | -8         | -5         | -4         | -3         | -4         | -1         | -13        | -4         | -11        |
| of which gains/losses and impairments  | -4         | 1          | -0         | -0         | -0         | 7          | -3         | 7          | 7          |
| of which revaluations                  | -4         | -6         | -4         | -3         | -3         | -8         | -10        | -11        | -18        |
| of which market & other impacts        | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Special items before tax               | -0         | -0         | -0         | -          | -          | -          | -1         | -          | -0         |
| Result on divestments                  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Result before tax</b>               | <b>19</b>  | <b>61</b>  | <b>22</b>  | <b>50</b>  | <b>33</b>  | <b>79</b>  | <b>80</b>  | <b>111</b> | <b>183</b> |
| Taxation                               | 3          | 16         | 8          | 14         | 9          | 22         | 20         | 31         | 53         |
| Minority interests                     | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>                      | <b>16</b>  | <b>45</b>  | <b>14</b>  | <b>36</b>  | <b>23</b>  | <b>56</b>  | <b>61</b>  | <b>80</b>  | <b>129</b> |
| <b>New business</b>                    |            |            |            |            |            |            |            |            |            |
| New sales life insurance (APE)         | 163        | 223        | 177        | 206        | 138        | 225        | 386        | 363        | 747        |
| <b>Key figures</b>                     |            |            |            |            |            |            |            |            |            |
| Gross premium income                   | 767        | 1,132      | 712        | 913        | 726        | 1,036      | 1,899      | 1,762      | 3,387      |
| Total administrative expenses          | 33         | 33         | 37         | 36         | 34         | 30         | 66         | 64         | 136        |

## 2.5.2 JAPAN LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

| In EUR billion   | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Provisions for life insurance and investment contracts for risk of company - roll forward</b> |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>   | <b>13.5</b> | <b>12.5</b> | <b>12.5</b> | <b>12.5</b> | <b>13.2</b> | <b>12.2</b> | <b>12.5</b> | <b>12.2</b> | <b>12.2</b> |
| Deposits   | 0.7         | 1.0         | 0.6         | 0.8         | 0.7         | 1.0         | 1.7         | 1.7         | 3.1         |
| Withdrawals / Benefits   | -0.5        | -0.5        | -0.4        | -0.4        | -0.4        | -0.5        | -1.0        | -0.9        | -1.8        |
| Net production   | 0.2         | 0.5         | 0.2         | 0.4         | 0.2         | 0.5         | 0.7         | 0.7         | 1.3         |
| Acquisition / Divestments / Transfers  | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| Market performance / Interest credited   | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.1         | 0.1         | 0.2         |
| FX impact and other  | 0.2         | 0.4         | -0.2        | -0.5        | -0.9        | 0.4         | 0.6         | -0.5        | -1.2        |
| <b>End of period</b>   | <b>13.9</b> | <b>13.5</b> | <b>12.5</b> | <b>12.5</b> | <b>12.5</b> | <b>13.2</b> | <b>13.9</b> | <b>12.5</b> | <b>12.5</b> |

## 2.6.1 ANALYSIS OF RESULTS: ASSET MANAGEMENT

| In EUR million   | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>                                   |            |            |            |            |            |            |            |            |            |
| Investment income  | -0         | -0         | -0         | 0          | -0         | -0         | -0         | -0         | -0         |
| Fees   | 126        | 130        | 143        | 134        | 135        | 118        | 256        | 253        | 530        |
| <b>Operating income</b>                                      | <b>126</b> | <b>130</b> | <b>143</b> | <b>134</b> | <b>135</b> | <b>118</b> | <b>256</b> | <b>252</b> | <b>530</b> |
| <b>Administrative expenses</b>                               | <b>85</b>  | <b>89</b>  | <b>97</b>  | <b>89</b>  | <b>97</b>  | <b>85</b>  | <b>174</b> | <b>182</b> | <b>369</b> |
| <b>Operating result</b>                                      | <b>41</b>  | <b>41</b>  | <b>46</b>  | <b>45</b>  | <b>37</b>  | <b>33</b>  | <b>82</b>  | <b>70</b>  | <b>161</b> |
| Non-operating items  | 0          | -0         | 0          | 0          | -0         | 0          | -0         | 0          | 0          |
| Special items before tax                                     | -11        | -5         | -15        | -2         | -5         | -0         | -16        | -5         | -22        |
| Result on divestments  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Result before tax</b>                                     | <b>30</b>  | <b>36</b>  | <b>31</b>  | <b>43</b>  | <b>32</b>  | <b>33</b>  | <b>66</b>  | <b>65</b>  | <b>139</b> |
| Taxation   | 7          | 8          | 6          | 9          | 10         | 8          | 15         | 17         | 32         |
| Minority interests   | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>  | <b>23</b>  | <b>27</b>  | <b>25</b>  | <b>34</b>  | <b>23</b>  | <b>25</b>  | <b>51</b>  | <b>48</b>  | <b>107</b> |
| <b>Key figures</b>   |            |            |            |            |            |            |            |            |            |
| Total administrative expenses                                | 85         | 89         | 97         | 89         | 97         | 85         | 174        | 182        | 369        |
| Cost/income ratio (Administrative expenses/Operating income) | 67.4%      | 68.4%      | 68.1%      | 66.3%      | 72.4%      | 72.0%      | 67.9%      | 72.2%      | 69.6%      |
| Net inflow Assets under Management (in EUR billion)          | -3         | -2         | -0         | -2         | 2          | -1         | -5         | 2          | -0         |
| Assets under Management <sup>19)</sup>                       | 240        | 240        | 246        | 244        | 245        | 194        | 240        | 245        | 246        |
| Fees/average Assets under Management (bps)                   | 21         | 21         | 23         | 22         | 25         | 24         | 21         | 24         | 24         |
| Allocated equity (end of period) <sup>24)</sup>              | 427        | 454        | 447        | 453        | 452        | 426        | 427        | 452        | 447        |
| Net operating result   | 31         | 31         | 34         | 34         | 28         | 25         | 63         | 53         | 121        |
| Adjusted allocated equity (end of period)                    | 428        | 454        | 447        | 453        | 452        | 427        | 428        | 452        | 447        |
| Net operating ROE <sup>24)</sup>                             | 28.4%      | 27.8%      | 30.2%      | 30.4%      | 25.6%      | 23.9%      | 28.1%      | 24.7%      | 27.7%      |
| Employees (internal FTEs, end of period)                     | 1,066      | 1,080      | 1,171      | 1,185      | 1,220      | 1,086      | 1,066      | 1,220      | 1,171      |

## 2.6.1 ANALYSIS OF RESULTS: ASSET MANAGEMENT - EXCLUDING CURRENCY EFFECTS

| In EUR million                 | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Analysis of results</b>     |            |            |            |            |            |            |            |            |            |
| Investment income              | -0         | -0         | -0         | 0          | -0         | -0         | -0         | -0         | -0         |
| Fees                           | 126        | 130        | 143        | 134        | 134        | 117        | 256        | 251        | 528        |
| <b>Operating income</b>        | <b>126</b> | <b>130</b> | <b>143</b> | <b>134</b> | <b>134</b> | <b>117</b> | <b>256</b> | <b>251</b> | <b>528</b> |
| <b>Administrative expenses</b> | <b>85</b>  | <b>89</b>  | <b>97</b>  | <b>89</b>  | <b>97</b>  | <b>84</b>  | <b>174</b> | <b>181</b> | <b>368</b> |
| <b>Operating result</b>        | <b>41</b>  | <b>41</b>  | <b>46</b>  | <b>45</b>  | <b>37</b>  | <b>33</b>  | <b>82</b>  | <b>70</b>  | <b>160</b> |
| Non-operating items            | 0          | -0         | 0          | 0          | -0         | 0          | -0         | 0          | 0          |
| Special items before tax       | -11        | -5         | -15        | -2         | -5         | -0         | -16        | -5         | -22        |
| Result on divestments          | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Result before tax</b>       | <b>30</b>  | <b>36</b>  | <b>31</b>  | <b>43</b>  | <b>32</b>  | <b>33</b>  | <b>66</b>  | <b>64</b>  | <b>138</b> |
| Taxation                       | 7          | 8          | 6          | 9          | 9          | 8          | 15         | 17         | 31         |
| Minority interests             | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| <b>Net result</b>              | <b>23</b>  | <b>27</b>  | <b>25</b>  | <b>34</b>  | <b>22</b>  | <b>25</b>  | <b>51</b>  | <b>47</b>  | <b>107</b> |
| <b>Key figures</b>             |            |            |            |            |            |            |            |            |            |
| Total administrative expenses  | 85         | 89         | 97         | 89         | 97         | 84         | 174        | 181        | 368        |

## 2.6.2 ASSET MANAGEMENT - ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADMINISTRATION

| In EUR billion  | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     |
|---|------------|------------|------------|------------|------------|------------|
| <b>Assets under Management (AuM) and Assets under Advice and Administration (AuA)</b> |            |            |            |            |            |            |
| <b>Affiliates</b>   | <b>158</b> | <b>156</b> | <b>159</b> | <b>158</b> | <b>160</b> | <b>118</b> |
| Proprietary (general account assets)  | 133        | 131        | 133        | 132        | 134        | 99         |
| Other affiliates business   | 25         | 25         | 26         | 26         | 26         | 19         |
| <b>Third parties</b>  | <b>82</b>  | <b>84</b>  | <b>87</b>  | <b>86</b>  | <b>86</b>  | <b>76</b>  |
| Institutional customers   | 40         | 41         | 43         | 41         | 41         | 34         |
| Retail customers home markets   | 29         | 31         | 31         | 31         | 30         | 27         |
| Retail customers others   | 12         | 13         | 14         | 14         | 14         | 15         |
| <b>Total Assets under Management</b>  | <b>240</b> | <b>240</b> | <b>246</b> | <b>244</b> | <b>245</b> | <b>194</b> |
| <b>Assets under Advice and Administration</b>   | <b>48</b>  | <b>47</b>  | <b>48</b>  | <b>49</b>  | <b>53</b>  | <b>68</b>  |

| In EUR billion           | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     |
|--------------------------|------------|------------|------------|------------|------------|------------|
| <b>AuM by investment</b> |            |            |            |            |            |            |
| Equity                   | 28         | 28         | 31         | 31         | 31         | 26         |
| Fixed income             | 181        | 180        | 185        | 184        | 186        | 145        |
| Multi asset              | 32         | 32         | 30         | 29         | 28         | 23         |
| <b>Total</b>             | <b>240</b> | <b>240</b> | <b>246</b> | <b>244</b> | <b>245</b> | <b>194</b> |

| 30 June 2018                                   |            |             |           |               |               |                     |               | Total      |
|--|------------|-------------|-----------|---------------|---------------|---------------------|---------------|------------|
|  | Affiliates | Proprietary | Other     | Third Parties | Institutional | Retail home markets | Retail Others |            |
| In EUR billion                                 |            |             |           |               |               |                     |               |            |
| <b>AuM roll forward</b>                        |            |             |           |               |               |                     |               |            |
| <b>Beginning of period</b>                     | <b>156</b> | <b>131</b>  | <b>25</b> | <b>84</b>     | <b>41</b>     | <b>31</b>           | <b>13</b>     | <b>240</b> |
| Net inflow                                     | 0          | 1           | -0        | -3            | -1            | -2                  | -0            | -3         |
| Acquisition / Divestments / Transfers          | -          | -           | -         | -             | -             | -                   | -             | -          |
| Market performance (incl. FX Impact) and Other | 1          | 1           | 0         | 1             | 0             | 0                   | 0             | 2          |
| <b>End of period</b>                           | <b>158</b> | <b>133</b>  | <b>25</b> | <b>82</b>     | <b>40</b>     | <b>29</b>           | <b>12</b>     | <b>240</b> |

| In EUR billion                                 | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     |
|--|------------|------------|------------|------------|------------|------------|
| <b>AuM roll forward</b>                        |            |            |            |            |            |            |
| <b>Beginning of period</b>                     | <b>240</b> | <b>246</b> | <b>244</b> | <b>245</b> | <b>194</b> | <b>195</b> |
| Net inflow                                     | -3         | -2         | -0         | -2         | 2          | -1         |
| Acquisition / Divestments / Transfers          | -          | -3         | 0          | -0         | 52         | -          |
| Market performance (incl. FX Impact) and Other | 2          | -1         | 2          | 1          | -3         | -0         |
| <b>End of period</b>                           | <b>240</b> | <b>240</b> | <b>246</b> | <b>244</b> | <b>245</b> | <b>194</b> |

## 2.7.1 ANALYSIS OF RESULTS: OTHER

| In EUR million   | 2Q2018     | 1Q2018      | 4Q2017     | 3Q2017     | 2Q2017      | 1Q2017     | 6M2018      | 6M2017      | FY2017      |
|--|------------|-------------|------------|------------|-------------|------------|-------------|-------------|-------------|
| <b>Analysis of results</b>   |            |             |            |            |             |            |             |             |             |
| Interest on hybrids and debt <sup>28)</sup>                            | -27        | -27         | -31        | -35        | -34         | -31        | -54         | -64         | -130        |
| Investment income and fees   | 24         | 23          | 29         | 39         | 23          | 12         | 47          | 34          | 102         |
| Holding expenses   | -36        | -35         | -30        | -37        | -38         | -16        | -71         | -54         | -121        |
| Amortisation of intangible assets                                      | -0         | -0          | -0         | -0         | -0          | -0         | -1          | -1          | -2          |
| <b>Holding result</b>  | <b>-39</b> | <b>-39</b>  | <b>-31</b> | <b>-34</b> | <b>-50</b>  | <b>-36</b> | <b>-78</b>  | <b>-85</b>  | <b>-150</b> |
| Operating result reinsurance business                                  | 7          | -39         | 9          | 21         | 8           | 5          | -33         | 14          | 43          |
| Operating result banking business                                      | 35         | 33          | 32         | 35         | 34          | 24         | 67          | 58          | 124         |
| Other results  | 2          | 1           | 3          | 19         | 0           | 2          | 3           | 2           | 23          |
| <b>Operating result</b>  | <b>4</b>   | <b>-45</b>  | <b>11</b>  | <b>41</b>  | <b>-7</b>   | <b>-5</b>  | <b>-41</b>  | <b>-12</b>  | <b>40</b>   |
| Non-operating items  | -9         | 3           | 7          | 12         | 32          | 1          | -6          | 33          | 51          |
| of which gains/losses and impairments                                  | 4          | 2           | 10         | 5          | 32          | 1          | 6           | 33          | 48          |
| of which revaluations  | -3         | 1           | -3         | 6          | -0          | 0          | -3          | 0           | 4           |
| of which market & other impacts  | -9         | -           | -0         | -          | -           | -          | -9          | -           | -0          |
| Special items before tax   | -26        | -31         | -51        | -29        | -41         | -8         | -57         | -49         | -129        |
| Amortisation of acquisition intangibles                                | -33        | -33         | -33        | -33        | -33         | -          | -66         | -33         | -99         |
| Result on divestments  | 0          | 4           | 9          | 0          | -188        | 9          | 4           | -179        | -170        |
| <b>Result before tax</b>   | <b>-64</b> | <b>-102</b> | <b>-57</b> | <b>-9</b>  | <b>-237</b> | <b>-3</b>  | <b>-166</b> | <b>-240</b> | <b>-306</b> |
| Taxation   | -12        | -27         | -21        | -9         | -11         | -5         | -39         | -16         | -45         |
| Minority interests   | -0         | 0           | 0          | 0          | 0           | -0         | 0           | 0           | 0           |
| <b>Net result</b>  | <b>-52</b> | <b>-75</b>  | <b>-36</b> | <b>-0</b>  | <b>-226</b> | <b>2</b>   | <b>-127</b> | <b>-225</b> | <b>-261</b> |
| <b>Key figures</b>   |            |             |            |            |             |            |             |             |             |
| Gross premium income   | 7          | 6           | 5          | 6          | 5           | 6          | 13          | 11          | 22          |
| Total administrative expenses  | 88         | 91          | 92         | 92         | 99          | 63         | 179         | 162         | 347         |
| of which reinsurance business  | 2          | 3           | 3          | 3          | 3           | 4          | 5           | 7           | 13          |
| of which banking business  | 50         | 53          | 60         | 55         | 56          | 43         | 103         | 99          | 214         |
| of which corporate/holding   | 36         | 36          | 29         | 34         | 39          | 17         | 72          | 56          | 120         |
| NN Bank common equity Tier 1 ratio <sup>29)</sup>                      | 16.2%      | 15.6%       | 15.2%      | 14.2%      | 14.0%       | 13.2%      | 16.2%       | 14.0%       | 15.2%       |
| Total assets banking business <sup>19)</sup>                           | 22         | 21          | 21         | 21         | 21          | 15         | 22          | 21          | 21          |
| Net operating result banking business                                  | 26         | 25          | 24         | 26         | 26          | 18         | 50          | 43          | 93          |
| Adjusted allocated equity banking business (end of period)             | 730        | 722         | 700        | 686        | 658         | 528        | 730         | 658         | 700         |
| Net operating ROE banking business <sup>30)</sup>                      | 14.3%      | 13.8%       | 13.6%      | 15.5%      | 17.2%       | 13.6%      | 14.0%       | 18.1%       | 15.0%       |
| Total provisions for insurance and investment contracts <sup>19)</sup> | 0          | 0           | 0          | 0          | 0           | 0          | 0           | 0           | 0           |
| Allocated equity (end of period) <sup>24)</sup>                        | 576        | 389         | 216        | 64         | -33         | 1,038      | 576         | -33         | 216         |
| Net operating result <sup>31)</sup>                                    | -6         | -46         | -12        | 18         | -19         | -13        | -52         | -33         | -27         |
| Adjusted allocated equity (end of period) <sup>22) 27)</sup>           | -818       | -1,074      | -1,262     | -1,442     | -1,547      | 911        | -818        | -1,547      | -1,262      |
| Employees (internal FTEs, end of period)                               | 2,457      | 2,538       | 2,674      | 2,733      | 2,958       | 1,740      | 2,457       | 2,958       | 2,674       |



## 2.7.1 ANALYSIS OF RESULTS: OTHER - EXCLUDING CURRENCY EFFECTS

| In EUR million                          | 2Q2018     | 1Q2018      | 4Q2017     | 3Q2017     | 2Q2017      | 1Q2017     | 6M2018      | 6M2017      | FY2017      |
|---|------------|-------------|------------|------------|-------------|------------|-------------|-------------|-------------|
| <b>Analysis of results</b>              |            |             |            |            |             |            |             |             |             |
| Interest on hybrids and debt            | -27        | -27         | -31        | -35        | -34         | -31        | -54         | -64         | -130        |
| Investment income and fees              | 24         | 23          | 29         | 39         | 23          | 12         | 47          | 34          | 102         |
| Holding expenses                        | -36        | -35         | -30        | -37        | -38         | -16        | -71         | -54         | -121        |
| Amortisation of intangible assets       | -0         | -0          | -0         | -0         | -0          | -0         | -1          | -1          | -1          |
| <b>Holding result</b>                   | <b>-39</b> | <b>-39</b>  | <b>-31</b> | <b>-34</b> | <b>-49</b>  | <b>-36</b> | <b>-78</b>  | <b>-85</b>  | <b>-150</b> |
| Operating result reinsurance business   | 7          | -39         | 9          | 21         | 8           | 5          | -33         | 14          | 43          |
| Operating result banking business       | 35         | 33          | 32         | 35         | 34          | 24         | 67          | 58          | 124         |
| Other results                           | 2          | 1           | 3          | 19         | 0           | 2          | 3           | 2           | 24          |
| <b>Operating result</b>                 | <b>4</b>   | <b>-45</b>  | <b>11</b>  | <b>41</b>  | <b>-7</b>   | <b>-5</b>  | <b>-41</b>  | <b>-12</b>  | <b>41</b>   |
| Non-operating items                     | -9         | 3           | 7          | 12         | 32          | 1          | -6          | 33          | 51          |
| of which gains/losses and impairments   | 4          | 2           | 10         | 5          | 32          | 1          | 6           | 33          | 48          |
| of which revaluations                   | -3         | 1           | -3         | 6          | -0          | 0          | -3          | 0           | 4           |
| of which market & other impacts         | -9         | -           | -0         | -          | -           | -          | -9          | -           | -0          |
| Special items before tax                | -26        | -31         | -51        | -29        | -41         | -8         | -57         | -49         | -129        |
| Amortisation of acquisition intangibles | -33        | -33         | -33        | -33        | -33         | -          | -66         | -33         | -99         |
| Result on divestments                   | 0          | 4           | 9          | 0          | -188        | 9          | 4           | -179        | -170        |
| <b>Result before tax</b>                | <b>-64</b> | <b>-102</b> | <b>-57</b> | <b>-9</b>  | <b>-237</b> | <b>-3</b>  | <b>-166</b> | <b>-240</b> | <b>-306</b> |
| Taxation                                | -12        | -27         | -21        | -9         | -11         | -5         | -39         | -16         | -45         |
| Minority interests                      | -0         | 0           | 0          | 0          | 0           | -0         | 0           | 0           | 0           |
| <b>Net result</b>                       | <b>-52</b> | <b>-75</b>  | <b>-36</b> | <b>0</b>   | <b>-226</b> | <b>2</b>   | <b>-127</b> | <b>-224</b> | <b>-260</b> |
| <b>Key figures</b>                      |            |             |            |            |             |            |             |             |             |
| Gross premium income                    | 7          | 4           | -1         | 5          | 5           | 6          | 10          | 11          | 16          |
| Total administrative expenses           | 88         | 91          | 92         | 92         | 99          | 63         | 179         | 162         | 347         |
| of which reinsurance business           | 2          | 3           | 3          | 3          | 3           | 4          | 5           | 7           | 13          |
| of which banking business               | 50         | 53          | 60         | 55         | 56          | 43         | 103         | 99          | 214         |
| of which corporate/holding              | 36         | 36          | 29         | 34         | 39          | 17         | 72          | 56          | 119         |

## 2.7.2 BANKING BUSINESS - SAVINGS AND DEPOSITS AND MORTGAGES

| In EUR billion                               | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Savings &amp; Deposits - roll forward</b> |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>                   | <b>14.4</b> | <b>14.1</b> | <b>14.2</b> | <b>13.7</b> | <b>10.6</b> | <b>10.2</b> | <b>14.1</b> | <b>10.2</b> | <b>10.2</b> |
| Deposits                                     | 1.0         | 1.3         | 1.1         | 0.8         | 1.0         | 1.3         | 2.3         | 2.4         | 4.3         |
| Withdrawals / Benefits                       | -0.7        | -1.0        | -1.2        | -0.8        | -0.9        | -1.0        | -1.7        | -1.8        | -3.9        |
| Net production                               | 0.2         | 0.4         | -0.1        | 0.0         | 0.2         | 0.4         | 0.6         | 0.6         | 0.4         |
| Acquisition / Divestments / Transfers        | -           | -           | -           | 0.5         | 2.9         | -           | -           | 2.9         | 3.4         |
| Market performance / Interest credited       | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| FX impact and other                          | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| <b>End of period</b>                         | <b>14.7</b> | <b>14.4</b> | <b>14.1</b> | <b>14.2</b> | <b>13.7</b> | <b>10.6</b> | <b>14.7</b> | <b>13.7</b> | <b>14.1</b> |
| In EUR billion                               | 2Q2018      | 1Q2018      | 4Q2017      | 3Q2017      | 2Q2017      | 1Q2017      | 6M2018      | 6M2017      | FY2017      |
| <b>Mortgages - roll forward</b>              |             |             |             |             |             |             |             |             |             |
| <b>Beginning of period</b>                   | <b>17.5</b> | <b>17.6</b> | <b>17.8</b> | <b>17.4</b> | <b>13.1</b> | <b>12.7</b> | <b>17.6</b> | <b>12.7</b> | <b>12.7</b> |
| Production                                   | 1.2         | 1.5         | 1.1         | 1.1         | 0.9         | 1.1         | 2.7         | 2.0         | 4.1         |
| Redemptions                                  | -0.4        | -0.4        | -0.4        | -0.4        | -0.4        | -0.3        | -0.7        | -0.6        | -1.5        |
| Net production                               | 0.9         | 1.1         | 0.6         | 0.6         | 0.5         | 0.8         | 2.0         | 1.4         | 2.7         |
| Acquisition / Divestments / Transfers        | -0.8        | -1.3        | -0.8        | -0.2        | 3.8         | -0.5        | -2.1        | 3.3         | 2.3         |
| Market performance / Interest credited       | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| FX impact and other                          | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| <b>End of period</b>                         | <b>17.5</b> | <b>17.5</b> | <b>17.6</b> | <b>17.8</b> | <b>17.4</b> | <b>13.1</b> | <b>17.5</b> | <b>17.4</b> | <b>17.6</b> |

## 2.8.1 ANALYSIS OF RESULTS: JAPAN CLOSED BLOCK VA

| In EUR million                                  | 2Q2018     | 1Q2018    | 4Q2017    | 3Q2017   | 2Q2017    | 1Q2017     | 6M2018    | 6M2017    | FY2017    |
|---|------------|-----------|-----------|----------|-----------|------------|-----------|-----------|-----------|
| <b>Analysis of results</b>                      |            |           |           |          |           |            |           |           |           |
| Investment margin                               | -1         | -1        | -1        | -1       | -1        | -1         | -1        | -1        | -2        |
| Fees and premium-based revenues                 | 7          | 6         | 7         | 9        | 11        | 12         | 13        | 23        | 39        |
| Technical margin                                | -          | -         | -         | -        | -         | -          | -         | -         | -         |
| Operating income non-modelled business          | 0          | 0         | -0        | -0       | -0        | 0          | 0         | 0         | 0         |
| <b>Operating income</b>                         | <b>6</b>   | <b>6</b>  | <b>7</b>  | <b>8</b> | <b>11</b> | <b>11</b>  | <b>12</b> | <b>22</b> | <b>37</b> |
| Administrative expenses                         | 2          | 2         | 3         | 3        | 3         | 3          | 4         | 6         | 12        |
| DAC amortisation and trail commissions          | 1          | 1         | 1         | 1        | 1         | 1          | 2         | 3         | 5         |
| <b>Expenses</b>                                 | <b>3</b>   | <b>3</b>  | <b>4</b>  | <b>4</b> | <b>4</b>  | <b>5</b>   | <b>6</b>  | <b>9</b>  | <b>17</b> |
| <b>Operating result</b>                         | <b>3</b>   | <b>3</b>  | <b>3</b>  | <b>4</b> | <b>6</b>  | <b>7</b>   | <b>6</b>  | <b>13</b> | <b>20</b> |
| Non-operating items                             | -14        | 12        | -6        | -1       | 5         | -27        | -2        | -22       | -29       |
| of which gains/losses and impairments           | -0         | -0        | -0        | -0       | -0        | -0         | -0        | -0        | -0        |
| of which revaluations                           | -          | -         | -         | -        | -         | -          | -         | -         | -         |
| of which market & other impacts                 | -14        | 12        | -6        | -1       | 5         | -27        | -2        | -22       | -29       |
| Special items before tax                        | 0          | -0        | -         | -        | -         | -          | 0         | -         | -         |
| Result on divestments                           | -          | -         | -         | -        | -         | -          | -         | -         | -         |
| <b>Result before tax</b>                        | <b>-11</b> | <b>15</b> | <b>-3</b> | <b>3</b> | <b>12</b> | <b>-20</b> | <b>4</b>  | <b>-8</b> | <b>-9</b> |
| Taxation  | -3         | 4         | -1        | 1        | 3         | -5         | 1         | -2        | -2        |
| Minority interests                              | -          | -         | -         | -        | -         | -          | -         | -         | -         |
| <b>Net result</b>                               | <b>-8</b>  | <b>11</b> | <b>-2</b> | <b>2</b> | <b>9</b>  | <b>-15</b> | <b>3</b>  | <b>-7</b> | <b>-7</b> |
| <b>Key figures <sup>25)</sup></b>               |            |           |           |          |           |            |           |           |           |
| Gross premium income                            | 1          | 1         | 1         | 1        | 1         | 1          | 1         | 1         | 3         |
| Allocated equity (end of period) <sup>32)</sup> | 275        | 323       | 351       | 404      | 452       | 519        | 275       | 452       | 351       |
| Account value                                   | 3,466      | 4,074     | 4,755     | 5,384    | 6,546     | 7,926      | 3,466     | 6,546     | 4,755     |
| Net Amount at Risk                              | 80         | 106       | 25        | 80       | 180       | 434        | 80        | 180       | 25        |
| IFRS Reserves                                   | 218        | 256       | 188       | 271      | 401       | 677        | 218       | 401       | 188       |
| Number of policies                              | 54,587     | 68,462    | 81,808    | 97,847   | 122,394   | 145,457    | 54,587    | 122,394   | 81,808    |
| Employees (internal FTEs, end of period)        | 43         | 43        | 46        | 49       | 53        | 49         | 43        | 53        | 46        |

## 2.8.1 ANALYSIS OF RESULTS: JAPAN CLOSED BLOCK VA - EXCLUDING CURRENCY EFFECTS

| In EUR million                         | 2Q2018     | 1Q2018    | 4Q2017    | 3Q2017   | 2Q2017    | 1Q2017     | 6M2018    | 6M2017    | FY2017     |
|--|------------|-----------|-----------|----------|-----------|------------|-----------|-----------|------------|
| <b>Analysis of results</b>             |            |           |           |          |           |            |           |           |            |
| Investment margin                      | -1         | -1        | -1        | -1       | -1        | -1         | -1        | -1        | -2         |
| Fees and premium-based revenues        | 7          | 6         | 7         | 9        | 11        | 11         | 13        | 22        | 38         |
| Technical margin                       | -          | -         | -         | -        | -         | -          | -         | -         | -          |
| Operating income non-modelled business | 0          | 0         | -0        | -0       | -0        | 0          | 0         | 0         | 0          |
| <b>Operating income</b>                | <b>6</b>   | <b>6</b>  | <b>7</b>  | <b>8</b> | <b>10</b> | <b>10</b>  | <b>12</b> | <b>21</b> | <b>36</b>  |
| Administrative expenses                | 2          | 2         | 3         | 3        | 3         | 3          | 4         | 6         | 12         |
| DAC amortisation and trail commissions | 1          | 1         | 1         | 1        | 1         | 1          | 2         | 3         | 5          |
| <b>Expenses</b>                        | <b>3</b>   | <b>3</b>  | <b>4</b>  | <b>4</b> | <b>4</b>  | <b>4</b>   | <b>6</b>  | <b>8</b>  | <b>17</b>  |
| <b>Operating result</b>                | <b>3</b>   | <b>3</b>  | <b>3</b>  | <b>4</b> | <b>6</b>  | <b>6</b>   | <b>6</b>  | <b>12</b> | <b>19</b>  |
| Non-operating items                    | -14        | 12        | -6        | -1       | 5         | -27        | -2        | -22       | -29        |
| of which gains/losses and impairments  | -0         | -0        | -0        | -0       | -0        | -0         | -0        | -0        | -0         |
| of which revaluations                  | -          | -         | -         | -        | -         | -          | -         | -         | -          |
| of which market & other impacts        | -14        | 12        | -6        | -1       | 5         | -27        | -2        | -22       | -29        |
| Special items before tax               | 0          | -0        | -         | -        | -         | -          | -0        | -         | -          |
| Result on divestments                  | -          | -         | -         | -        | -         | -          | -         | -         | -          |
| <b>Result before tax</b>               | <b>-11</b> | <b>15</b> | <b>-3</b> | <b>3</b> | <b>11</b> | <b>-21</b> | <b>4</b>  | <b>-9</b> | <b>-10</b> |
| Taxation                               | -3         | 4         | -1        | 1        | 3         | -5         | 1         | -2        | -2         |
| Minority interests                     | -          | -         | -         | -        | -         | -          | -         | -         | -          |
| <b>Net result</b>                      | <b>-8</b>  | <b>11</b> | <b>-2</b> | <b>2</b> | <b>8</b>  | <b>-16</b> | <b>3</b>  | <b>-7</b> | <b>-8</b>  |

## 2.8.2 JAPAN CLOSED BLOCK VA - ACCOUNT VALUE

| In EUR billion                         | 2Q2018     | 1Q2018     | 4Q2017     | 3Q2017     | 2Q2017     | 1Q2017     | 6M2018     | 6M2017     | FY2017     |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Account value - roll forward</b>    |            |            |            |            |            |            |            |            |            |
| <b>Beginning of period</b>             | <b>4.1</b> | <b>4.8</b> | <b>5.4</b> | <b>6.5</b> | <b>7.9</b> | <b>8.2</b> | <b>4.8</b> | <b>8.2</b> | <b>8.2</b> |
| Deposits                               | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        | 0.0        |
| Withdrawals / Benefits                 | -0.7       | -0.7       | -0.8       | -1.1       | -1.1       | -0.5       | -1.4       | -1.6       | -3.5       |
| Net production                         | -0.7       | -0.7       | -0.8       | -1.1       | -1.1       | -0.5       | -1.4       | -1.6       | -3.5       |
| Acquisition / Divestments / Transfers  | -          | -          | -          | -          | -          | -          | -          | -          | -          |
| Market performance / Interest credited | 0.0        | -0.2       | 0.2        | 0.2        | 0.3        | -0.0       | -0.1       | 0.2        | 0.6        |
| FX impact and other                    | 0.0        | 0.1        | -0.1       | -0.2       | -0.5       | 0.3        | 0.2        | -0.3       | -0.6       |
| <b>End of period</b>                   | <b>3.5</b> | <b>4.1</b> | <b>4.8</b> | <b>5.4</b> | <b>6.5</b> | <b>7.9</b> | <b>3.5</b> | <b>6.5</b> | <b>4.8</b> |

## NOTES

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- 1) 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.
- 2) To be better aligned with external presentations, investment contract liabilities for risk policyholders are no longer presented as liabilities for life insurance for risk policyholders, but included in investment contracts. Previous quarters have been adjusted accordingly.
- 3) The 30 June 2017 presentation of life insurance liabilities and investment contract liabilities was adjusted as the result of the integration of Delta Lloyd.
- 4) Revaluation reserves for debt securities, equity securities and property in own use, the cash flow hedge reserve, the related crediting to policyholders, the coupon on undated subordinated notes recognised in equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition.
- 5) The segment 'Other' comprises of the allocated equity of banking business, reinsurance business and the cash capital position, other assets and debt of the holding company.
- 6) 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. The 31 December 2017 Solvency II ratio of Delta Lloyd Life has been updated.
- 7) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 8) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 9) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 10) 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.
- 11) Cash capital is defined as net current assets available at the holding company.
- 12) Other assets contain Reinsurance contracts, Property and equipment, Intangible assets, and Deferred acquisition costs.
- 13) Including AZL.
- 14) Including health business and broker business.
- 15) 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).
- 16) Diluted earnings per share is calculated as if the share plans and warrants outstanding at the end of the period had been exercised at the beginning of the period and assuming that the cash received from exercised share plans and warrants was used to buy own shares against the average market price during the period. The net decrease in the number of shares results from the cancellation of shares following the share buy back programme.
- 17) 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.
- 18) Excluding health business and broker business.
- 19) End of period, in EUR billion.
- 20) Four-quarter rolling average. As of 2Q17, the calculation reflects the impact of including Delta Lloyd on an annualised basis.
- 21) Net operating result of the ongoing business, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity.
- 22) Allocated equity, adjusted for revaluation reserves and excluding undated subordinated notes classified in equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition.
- 23) 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 NN Group N.V. condensed consolidated interim financial information for the period ended 30 June 2018.
- 24) 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.
- 25) End of period, except Gross premium income.
- 26) 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.
- 27) 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.
- 28) Does not include interest costs on subordinated debt treated as equity.
- 29) 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.
- 30) 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.
- 31) Net operating result is adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity.
- 32) Allocated equity, adjusted for revaluation reserve.
- 33) Value of new business as a percentage of Present value of new business premiums.

## IMPORTANT LEGAL INFORMATION

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• 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.

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