

## NN Group reports 3Q18 results

- Operating result ongoing business EUR 463 million, up 7.4% from 3Q17, reflecting an improved underwriting performance at Netherlands Non-life, higher dividends at Netherlands Life, as well as lower expenses
- Net result of EUR 788 million, up 7.3% from 3Q17, reflecting the higher operating result and an additional divestment result related to ING Life Korea
- Further cost reductions of EUR 33 million in 3Q18, bringing total cost reductions achieved to date to EUR 269 million
- Solvency II ratio increased to 239% from 226% at 2Q18, reflecting operating capital generation and positive market impacts
- Holding company cash capital increased to EUR 1,899 million, including EUR 338 million dividends received from subsidiaries

## Statement of Lard Friese, CEO

‘We look back on a quarter in which our business performed well, and we again delivered a solid set of results. The 7% increase in the operating result was supported by an improved underwriting performance in both the D&A and P&C portfolios of Netherlands Non-life and higher dividends at Netherlands Life, as well as lower expenses. The Non-life results have shown gradual improvement over the past few quarters, and in the third quarter benefited from favourable claims experience. However claims experience is volatile by nature, and we will continue to implement measures in order to structurally improve the combined ratio. New sales in the third quarter were down on last year at Netherlands Life as well as Japan Life, which continues to see intensifying competition in the COLI market. Additionally, new sales at Insurance Europe were impacted by currency effects and adverse economic conditions in Turkey.

Our continued focus on the successful integration of Delta Lloyd and on increasing efficiency is reflected in further cost savings of EUR 33 million at the units in scope of the integration, bringing total cost reductions to EUR 269 million compared with the 2016 full-year administrative expense base.

Our balance sheet remained strong with a Solvency II ratio of 239%, and a cash capital position of EUR 1.9 billion at the end of the third quarter.

As an international financial services company, we aim to create long-term value, and we want to contribute to society by further integrating environmental, social and governance (ESG) criteria into our decision making. To this end, we recently strengthened our responsible investment approach and restricted investments in companies involved in oil sands production and controversial pipelines, given the related concerns around human rights and environmental pollution. NN Group was again included in the Dow Jones Sustainability Indices (DJSI), both in the World and Europe index.

This quarter’s performance confirms that we are progressing well in executing our strategy, which focuses on successfully integrating Delta Lloyd, further improving performance, accelerating the transformation of the business model and continuing to allocate capital rationally. This will ensure a sustainable business for tomorrow, helping people secure their financial futures.’

### NN Group key figures

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
Operating result ongoing business <sup>1)</sup>	463	431	7.4%	1,283	1,241	3.4%
Net result	788	734	7.3%	1,650	1,410	17.0%
	<b>3Q18</b>	<b>2Q18</b>	<b>3Q17</b>			
Solvency II ratio <sup>2)</sup>	239%	226%	204%			

Note: All footnotes are included on page 26

## Strategy and priorities

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

### Netherlands

In line with NN's strategic focus to be more digital, personal and relevant in interactions with its customers, several new products, services, and initiatives were introduced during the quarter. For example, NN Bank launched the Senior Citizens' Residence mortgage, allowing people of 57 years and older to finance a new, smaller home, as well as the Expat Mortgage, with a tailored acceptance policy for expats wanting to settle in the Netherlands.

BeFrank introduced a Sustainable Impact Dashboard which allows employees of pension schemes to monitor the impact of their contributions on waste production, water consumption and CO2 emission, when opting for the sustainable investment mix. BeFrank is the first pension provider to offer this option to contribute to a better environment.

On 8 November, health insurance premiums for 2019 were announced. Following the rebranding of Delta Lloyd health insurance, the first NN health insurance campaign was launched aimed at attracting new customers for NN's health insurance product. NN health insurance offers a free choice of healthcare providers, access to the best medical specialists, and waiting list mediation.

OHRA introduced a solution specifically designed for self-employed workers to provide insurance cover of their business risks, for example legal assistance, liability insurance, and insurance for theft and damage of laptops and tablets.

On 18 September, Nationale-Nederlanden and ABN AMRO Verzekeringen were awarded the highest rating for their legal assistance insurance, and Nationale-Nederlanden and OHRA received the highest rating for their individual liability insurance. These ratings were awarded by MoneyView, an independent research institute that collects information about financial products.

### International Insurance

In January 2018, Sparklab Turkey successfully launched a pilot project in response to the Pillar II pension regulation, introduced at the beginning of the year. The Project 'NN Ekstra' is a digital-lead generation and distribution platform that incentivises partners to act on behalf of NN. The platform directly forwards its users to NN's digital platform, helps to create master contracts, and facilitates the process to on-board employees of pension clients. Since the beginning of this year, NN Ekstra digitally on-boarded 275 new companies and more than 7,000 new employees.

Nationale-Nederlanden in Poland launched an accidental health insurance for children. This new product, which is sold online, includes care assistance covering doctors' visits, prescriptions, and private lessons during long absences from school, as well as medical assistance providing help in arranging doctors' visits.

The Non-life business in Belgium introduced the service 'My Advisor@Home' in April. When a customer's property suffers heavy damages, an advisor visits within 24 hours, and helps to take care of all necessary arrangements and repairs throughout the claims handling process. This concept is offered through ING, and fits perfectly with NN's brand promise 'You matter'. This service has been very well received by NN's customers, as reflected in high customer satisfaction scores.

NN Life Japan continues to develop new COLI products, and expand and diversify its distribution within the increasingly competitive COLI market, with a focus on value over volume. COLI sales through Sumitomo Life accounted for 11% of NN Life Japan's total sales in the third quarter of 2018. Sumitomo Life agents started offering NN Life Japan's Accelerated Living Disability Benefit and Increasing Term products from the beginning of April 2017, and Critical Illness insurance from April 2018. In addition, Protection sales increased by 77% compared with the same quarter last year, on the back of product repricing and higher sales of the Emergency Plus product.

In September, NN Life Japan started providing a new online sales tool to Sumitomo Life, enabling its tied agents to easily advise potential customers about NN Life Japan's products and the details of insurance applications at any time.



The international business continues to roll out digital tools to support NN's distribution partners, for example, NN's businesses in the Czech Republic and Slovakia launched a user-friendly digital sales platform, 'NN Stela', in order to improve customer experience.

### **Asset Management**

NN Investment Partners (NN IP) in Poland became the country's first asset manager to launch a risk-profiling tool with a robo-matching module, which helps customers decide in which funds to invest. As mutual funds are a complex product to offer through online channels, this solution makes it easier for potential clients to start investing online.

In July, NN IP Japan and Rakuten Securities announced the launch of a new investment service called 'Target Year Wrap'. With this new service, Rakuten Securities provides retail investors with a customised investment solution.

NN IP's Dutch Residential Mortgage Fund surpassed the EUR 2 billion mark. Since its inception in November 2015, the fund has grown steadily, as institutional investors are increasingly keen to invest in Dutch mortgages in the current low-yield environment. More and more foreign investors have also shown interest, and the fund has been passported to amongst others Belgium, Germany, France, the UK and Spain.

The Principles for Responsible Investment (PRI) again awarded NN IP the top A+ score for its Strategy & Governance approach to responsible investing and ESG integration. NN IP has been a signatory of the United Nations-supported PRI since 2008, and has been active in responsible investing since 1999.

### **Other events**

NN's branding strategy is geared towards building long-term relationships with the communities we operate in. Our running sponsorship fits well with our company's values and our aim to contribute to people's well-being. In 2017, NN and its partners launched the first professional running team in the world. Since then, the team's athletes have achieved 82 victories. In September 2018, Eliud Kipchoge, member of the running team, made international headlines when he broke the existing world record at the 2018 BMW Berlin marathon.

NN Bulgaria received a special award in recognition of its work to inspire the country's students to be entrepreneurial and improve their financial literacy. As part of its efforts, NN Bulgaria launched the textbook, 'Personal Finance: Introduction', for students in non-economic specialties. This textbook aims to help young people understand, plan, and manage their personal finances. The long-term goal of the project is to introduce a 'Personal Finance' course at higher education institutions.

## Consolidated results

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

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results<sup>1)</sup></b>						
Netherlands Life	236	215	9.7%	780	726	7.5%
Netherlands Non-life	46	1		54	5	
Insurance Europe	65	77	-14.7%	200	192	3.9%
Japan Life	45	52	-14.2%	138	175	-21.1%
Asset Management	43	45	-5.8%	125	115	8.1%
Other	28	41	-31.9%	-13	29	-146.1%
<b>Operating result ongoing business</b>	<b>463</b>	<b>431</b>	<b>7.4%</b>	<b>1,283</b>	<b>1,241</b>	<b>3.4%</b>
Non-operating items ongoing business	516	541	-4.6%	1,007	920	9.4%
of which gains/losses and impairments	457	433	5.7%	828	709	16.8%
of which revaluations	12	89	-86.1%	216	174	24.0%
of which market & other impacts	47	20	134.6%	-37	37	
Japan Closed Block VA	8	3	204.9%	12	-6	
Special items	-57	-45		-222	-132	
Amortisation of acquisition intangibles	-33	-33		-99	-66	
Result on divestments	56	0		60	-178	
<b>Result before tax</b>	<b>953</b>	<b>898</b>	<b>6.2%</b>	<b>2,041</b>	<b>1,780</b>	<b>14.7%</b>
Taxation	160	159	0.5%	382	360	6.4%
Minority interests	5	4	27.4%	9	10	-15.0%
<b>Net result</b>	<b>788</b>	<b>734</b>	<b>7.3%</b>	<b>1,650</b>	<b>1,410</b>	<b>17.0%</b>
Basic earnings per ordinary share in EUR <sup>3)</sup>	2.29	2.14		4.79	4.16	
<b>Key figures ongoing business<sup>1)</sup></b>						
Gross premium income	2,949	2,926	0.8%	10,390	9,268	12.1%
New sales life insurance (APE)	328	394	-16.7%	1,233	1,414	-12.8%
Total administrative expenses	523	553	-5.4%	1,588	1,562	1.7%
Cost/income ratio (Administrative expenses/Operating income)	29.1%	31.5%		29.3%	31.4%	
Combined ratio (Netherlands Non-life) <sup>4)5)</sup>	97.1%	102.5%		100.5%	102.9%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	72	68				
Net operating result <sup>8)</sup>	339	315	7.7%	962	935	2.8%
Net operating ROE <sup>9)</sup>	9.9%	10.6%		9.7%	10.8%	
<b>In EUR billion</b>						
<b>Key figures ongoing business</b>						
Asset Management Assets under Management	238	240	-0.7%	238	244	-2.4%
Life general account invested assets	137	136	0.4%	137	135	1.0%
Total provisions for insurance & investment contracts	159	159	-0.5%	159	158	0.3%
of which for risk policyholder	29	29	1.6%	29	28	4.1%
NN Life Solvency II ratio <sup>2)</sup>	253%	239%		253%	218%	
Delta Lloyd Life Solvency II ratio <sup>2)</sup>	202%	190%		202%	149%	
<b>Key figures Japan Closed Block VA</b>						
Account value <sup>6)</sup>	2,853	3,466	-17.7%	2,853	5,384	-47.0%
Number of policies	41,224	54,587	-24.5%	41,224	97,847	-57.9%
<b>Key figures total NN Group</b>						
Solvency II ratio <sup>2)</sup>	239%	226%		239%	204%	
Total assets	225	228	-1.3%	225	230	-2.1%
Shareholders' equity <sup>6)</sup>	23,014	23,568	-2.4%	23,014	22,009	4.6%
Employees (internal FTEs, end of period)	14,200	14,031	1.2%	14,200	14,732	-3.6%

Note: All footnotes are included on page 26

- NN Group's operating result of the ongoing business increased to EUR 463 million from EUR 431 million in the third quarter of 2017, reflecting an improved underwriting performance at Netherlands Non-life, higher dividends at Netherlands Life, as well as lower expenses
- Result before tax increased to EUR 953 million from EUR 898 million in the third quarter of 2017, reflecting the higher operating result and an additional divestment result related to ING Life Korea, partly offset by lower revaluations
- Administrative expense base of the business units in scope of the cost reduction target reduced by EUR 33 million in the third quarter of 2018; total cost reductions achieved to date of EUR 269 million
- New sales (APE) down 14.5% from the third quarter of 2017 on a constant currency basis to EUR 328 million, due to lower sales at Netherlands Life and Japan Life

## Operating result

The operating result of the ongoing business increased to EUR 463 million from EUR 431 million in the third quarter of 2017. The higher operating result was driven by an improved underwriting performance at Netherlands Non-life, higher dividends at Netherlands Life, as well as lower expenses. This was partly offset by a lower technical margin at Netherlands Life and lower operating results at Insurance Europe and the segment Other mainly due to non-recurring benefits in the third quarter of 2017.

The administrative expenses of the business units in the scope of the integration - Netherlands Life, Netherlands Non-life, Belgium, Asset Management, the banking business and Corporate/Holding entities - decreased by EUR 33 million, bringing the expense base down to EUR 1,754 million at the end of the third quarter of 2018, on a last 12-months basis. Total cost reductions achieved to date amount to EUR 269 million compared with the full-year 2016 administrative expense base of EUR 2,024 million.

The operating result of Netherlands Life increased to EUR 236 million from EUR 215 million in the third quarter of 2017, reflecting private equity and special dividends of EUR 48 million and lower administrative expenses, partly offset by a lower technical margin.

The operating result of Netherlands Non-life increased to EUR 46 million from EUR 1 million in the third quarter of 2017. The increase was mainly driven by an improved underwriting performance in both Disability & Accident and Property & Casualty, as well as lower administrative expenses. The current quarter benefited from favourable claims experience and a EUR 5 million private equity dividend. The combined ratio improved to 97.1% from 102.5% in the third quarter of 2017.

The operating result of Insurance Europe decreased to EUR 65 million from EUR 77 million in the third quarter of 2017, which included EUR 5 million of non-recurring benefits related to the life business in Greece. The decrease was also due to a lower investment margin, lower fees and premium-based revenues and higher administrative expenses, partly offset by a higher technical margin.

The operating result of Japan Life was EUR 45 million, down 14.6% from the third quarter of 2017, excluding currency effects, reflecting higher DAC amortisation on surrenders, partially offset by higher fees and premium-based revenues.

The operating result of Asset Management decreased to EUR 43 million from EUR 45 million in the third quarter of 2017, due to lower fees, partly compensated by expense reductions.

The operating result of the segment Other decreased to EUR 28 million from EUR 41 million in the third quarter of 2017, which included a total of EUR 32 million non-recurring benefits at the reinsurance business and in the other results as well as a EUR 6 million non-recurring benefit in the holding results. The current quarter reflects EUR 14 million of non-recurring benefits in the other results, as well as higher results at the reinsurance business, offset by a lower operating result at the banking business.

In the first nine months of 2018, the operating result of the ongoing business was EUR 1,283 million versus EUR 1,241 million in the same period last year. The first nine months of 2018 benefited from a total of EUR 48 million of private equity and special dividends and non-recurring items, versus a total of EUR 90 million in the first nine months of 2017. Excluding these items, the increase reflects the inclusion of Delta Lloyd from the second quarter of 2017, an improved underwriting performance at Netherlands Non-life and expense reductions, partly offset by a lower operating result at Japan Life.

### **Result before tax**

The result before tax for the third quarter of 2018 increased to EUR 953 million from EUR 898 million in the third quarter of 2017, reflecting the higher operating result and an additional divestment result related to ING Life Korea, partly offset by lower revaluations.

Gains/losses and impairments were EUR 457 million compared with EUR 433 million in the third quarter of 2017. The current quarter reflects EUR 432 million of gains on the sale of government bonds and EUR 28 million of gains on the sale of public equities.

Revaluations were EUR 12 million compared with EUR 89 million in the third quarter of 2017. The current quarter reflects positive revaluations of EUR 90 million on real estate, and negative revaluations of EUR 55 million on derivatives and of EUR 16 million on private equity.

Market and other impacts were EUR 47 million versus EUR 20 million in the third quarter of 2017, reflecting the movement in the provisions for guarantees on unit-linked, separate account pension contracts and inflation-linked liabilities (all net of hedging) at Netherlands Life.

The result before tax of Japan Closed Block VA was EUR 8 million compared with EUR 3 million in the third quarter of 2017, reflecting a positive hedge-related result partly offset by a lower operating result.

Special items amounted to EUR -57 million compared with EUR -45 million in the third quarter of 2017, and mainly relate to restructuring expenses incurred in respect of the cost reduction target for Netherlands Life, Netherlands Non-life, Belgium, Asset Management, the banking business and Corporate/Holding entities.

The result on divestments of EUR 56 million in the third quarter of 2018 reflects the recognition of an additional divestment result (before tax) related to the sale of NN Group's former insurance subsidiary ING Life Korea to MBK in December 2013. This additional divestment result was recognised following the sale of MBK's stake in ING Life Korea to Shinhan Financial Group, which was announced in September 2018 and is expected to be completed in 2019. As a result, NN Group's remaining indirect stake in ING Life Korea is expected to be sold in 2019.

In the first nine months of 2018, the result before tax increased to EUR 2,041 million from EUR 1,780 million in the same period last year, which included a provision related to ING Australia Holdings. The increase reflects the higher operating result, higher non-operating items and an additional divestment result related to ING Life Korea, partly offset by higher special items and the inclusion of the amortisation of acquisition intangibles from the second quarter of 2017.

### **Net result**

The third-quarter net result increased to EUR 788 million from EUR 734 million in the same period of 2017. The effective tax rate in the third quarter of 2018 was 16.8%, reflecting tax-exempt dividends and capital gains in the Netherlands related to shareholdings of 5% or more.

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

Total new sales (APE) at NN Group were EUR 328 million, down 14.5% from the third quarter of 2017 on a constant currency basis. New sales were down 27.4% at Netherlands Life due to a lower volume of group pension contracts. At Japan Life, new sales were down 20.0%, reflecting increased competition in the COLI market. New sales remained stable at Insurance Europe on a constant currency basis.

In the first nine months of 2018, total new sales were EUR 1,233 million, down 9.8% on a constant currency basis, largely due to lower sales at Netherlands Life and Japan Life.

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

The net operating ROE of the ongoing business of NN Group decreased to 9.9% compared with 10.6% in the third quarter of 2017, due to higher equity.

For the same reason, the net operating ROE in the first nine months of 2018 decreased to 9.7% from 10.8% in the same period of 2017.

## Netherlands Life

- Operating result increased to EUR 236 million from EUR 215 million in the third quarter of 2017, reflecting private equity and special dividends of EUR 48 million and lower administrative expenses, partly offset by a lower technical margin
- Result before tax increased to EUR 772 million from EUR 745 million in the third quarter of 2017, reflecting the higher operating result and the additional divestment result related to ING Life Korea, partly offset by lower non-operating items and higher special items

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Investment margin	215	179	20.4%	688	631	9.1%
Fees and premium-based revenues	102	103	-0.6%	338	319	6.2%
Technical margin	44	77	-42.4%	144	174	-17.4%
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>361</b>	<b>358</b>	<b>0.9%</b>	<b>1,171</b>	<b>1,124</b>	<b>4.2%</b>
Administrative expenses	117	133	-12.1%	361	366	-1.4%
DAC amortisation and trail commissions	9	10	-14.9%	29	32	-8.1%
<b>Expenses</b>	<b>125</b>	<b>143</b>	<b>-12.3%</b>	<b>390</b>	<b>398</b>	<b>-1.9%</b>
<b>Operating result</b>	<b>236</b>	<b>215</b>	<b>9.7%</b>	<b>780</b>	<b>726</b>	<b>7.5%</b>
Non-operating items	499	538	-7.2%	986	821	20.0%
of which gains/losses and impairments	453	439	3.2%	799	630	26.8%
of which revaluations	-3	77		206	153	35.0%
of which market & other impacts	49	22	127.2%	-19	39	
Special items	-19	-8		-46	-30	
Result on divestments	56	0		56	0	
<b>Result before tax</b>	<b>772</b>	<b>745</b>	<b>3.5%</b>	<b>1,776</b>	<b>1,517</b>	<b>17.1%</b>
Taxation	116	129	-10.2%	323	268	20.2%
Minority interests	2	2	-17.4%	5	6	-6.1%
<b>Net result</b>	<b>654</b>	<b>614</b>	<b>6.5%</b>	<b>1,449</b>	<b>1,243</b>	<b>16.5%</b>
<b>New business</b>						
Single premiums	117	120	-2.2%	342	315	8.6%
Regular premiums	24	38	-35.4%	193	306	-36.9%
New sales life insurance (APE)	36	50	-27.4%	227	337	-32.7%
<b>Key figures</b>						
Gross premium income	724	731	-1.0%	2,842	2,373	19.7%
Total administrative expenses	117	133	-12.1%	361	366	-1.4%
Cost/income ratio (Administrative expenses/Operating income)	32.3%	37.1%		30.8%	32.6%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	88	80				
Net operating ROE <sup>10)</sup>	7.4%	7.8%		8.7%	9.9%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Life general account invested assets	103	102	0.5%	103	102	0.7%
Total provisions for insurance & investment contracts	113	114	-0.5%	113	114	-0.9%
of which for risk policyholder	22	21	1.3%	22	21	3.1%
Allocated equity (end of period) <sup>6)10)</sup>	16,322	16,776	-2.7%	16,322	15,467	5.5%
NN Life Solvency II ratio <sup>2)</sup>	253%	239%		253%	218%	
Delta Lloyd Life Solvency II ratio <sup>2)</sup>	202%	190%		202%	149%	
Employees (internal FTEs, end of period)	2,498	2,499	-0.1%	2,498	2,642	-5.5%



The operating result of Netherlands Life increased to EUR 236 million from EUR 215 million in the third quarter of 2017, reflecting private equity and special dividends of EUR 48 million and lower administrative expenses, partly offset by a lower technical margin.

The investment margin increased to EUR 215 million compared with EUR 179 million in the third quarter of 2017. The current quarter benefited from private equity and special dividends of EUR 48 million, whereas the third quarter of 2017 included private equity dividends of EUR 7 million. The investment spread, calculated on a four-quarter rolling average, increased to 88 basis points from 80 basis points in the third quarter of 2017.

Fees and premium-based revenues decreased to EUR 102 million versus EUR 103 million in the third quarter of 2017 due to the run-off of the individual life closed book as well as lower margins in the pension business.

The technical margin decreased to EUR 44 million versus EUR 77 million in the third quarter of 2017, which included EUR 12 million of non-recurring benefits as well as favourable experience variances related to mortality results.

Administrative expenses decreased to EUR 117 million compared with EUR 133 million in the third quarter of 2017 as a result of lower staff and IT-related expenses.

DAC amortisation and trail commissions decreased to EUR 9 million compared with EUR 10 million in the third quarter of 2017 due to the run-off of the individual life closed book.

The result before tax increased to EUR 772 million from EUR 745 million in the third quarter of 2017, reflecting the higher operating result and the additional divestment result related to ING Life Korea, partly offset by lower non-operating items and higher special items. Gains/losses and impairments increased to EUR 453 million from EUR 439 million in the third quarter last year reflecting higher gains on the sale of government bonds. Revaluations decreased to EUR -3 million compared with EUR 77 million in the third quarter of 2017. The current quarter reflects positive revaluations on real estate offset by negative revaluations on derivatives and on private equity. Market and other impacts were EUR 49 million reflecting movements in provisions for guarantees on unit-linked, separate account pension contracts and inflation-linked liabilities (all net of hedging). The result on divestments of EUR 56 million in the third quarter of 2018 reflects an additional divestment result related to ING Life Korea.

New sales (APE) decreased to EUR 36 million compared with EUR 50 million in the third quarter of 2017, reflecting a lower volume of group pension contracts.

In the first nine months of 2018, Netherlands Life's operating result increased to EUR 780 million from EUR 726 million in the same period last year. The increase reflects the inclusion of Delta Lloyd from the second quarter of 2017, higher private equity and special dividends and expense reductions, partly offset by a lower technical margin.

The result before tax increased to EUR 1,776 million in the first nine months of 2018 compared with EUR 1,517 million in the same period last year. The increase reflects the higher operating result and higher revaluations on real estate. Higher gains on the sale of real estate, public equity and government bonds and the additional divestment result related to ING Life Korea also contributed to the increase. This was partly offset by lower revaluations on private equity, as well as lower market and other impacts.

New sales (APE) decreased to EUR 227 million in the first nine months of 2018 from EUR 337 million in the same period last year, reflecting a lower volume of group pension contracts up for renewal, partly offset by the inclusion of Delta Lloyd from the second quarter of 2017.



## Netherlands Non-life

- Operating result increased to EUR 46 million from EUR 1 million in the third quarter of 2017, reflecting an improved underwriting performance in both D&A and P&C, as well as lower administrative expenses. The current quarter benefited from favourable claims experience and a EUR 5 million private equity dividend
- Combined ratio was 97.1% versus 102.5% in the third quarter of 2017

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Earned premiums	741	686	8.0%	2,168	1,785	21.5%
Investment income	31	24	28.0%	93	84	10.6%
Other income	3	1	159.6%	0	2	-96.8%
<b>Operating income</b>	<b>775</b>	<b>711</b>	<b>9.0%</b>	<b>2,261</b>	<b>1,871</b>	<b>20.8%</b>
<b>Claims incurred, net of reinsurance</b>	<b>525</b>	<b>530</b>	<b>-0.9%</b>	<b>1,608</b>	<b>1,378</b>	<b>16.6%</b>
Acquisition costs	136	103	32.1%	387	273	41.6%
Administrative expenses	75	86	-11.9%	233	232	0.5%
<b>Acquisition costs and administrative expenses</b>	<b>211</b>	<b>188</b>	<b>12.1%</b>	<b>620</b>	<b>505</b>	<b>22.7%</b>
<b>Expenditure</b>	<b>736</b>	<b>718</b>	<b>2.5%</b>	<b>2,228</b>	<b>1,884</b>	<b>18.3%</b>
<b>Operating result insurance businesses</b>	<b>39</b>	<b>-7</b>		<b>33</b>	<b>-12</b>	
Operating result health business and broker businesses	7	8	-5.9%	21	17	25.2%
<b>Total operating result</b>	<b>46</b>	<b>1</b>		<b>54</b>	<b>5</b>	
Non-operating items	5	4	20.2%	17	20	-16.4%
of which gains/losses and impairments	1	1	6.7%	11	5	128.8%
of which revaluations	4	4	22.8%	6	15	-58.1%
of which market & other impacts	0	0		-1	0	
Special items	-8	-3		-60	-5	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>43</b>	<b>2</b>		<b>11</b>	<b>20</b>	<b>-44.9%</b>
Taxation	9	-3		-1	0	
Minority interests	3	2	72.4%	3	4	-28.4%
<b>Net result</b>	<b>30</b>	<b>3</b>		<b>9</b>	<b>16</b>	<b>-41.8%</b>
<b>Key figures</b>						
Gross premium income	590	585	0.8%	2,530	2,026	24.8%
Total administrative expenses <sup>11)</sup>	94	104	-9.7%	290	280	3.5%
Combined ratio <sup>4)5)</sup>	97.1%	102.5%		100.5%	102.9%	
of which Claims ratio <sup>4)5)</sup>	68.7%	75.0%		71.9%	74.6%	
of which Expense ratio <sup>5)</sup>	28.5%	27.4%		28.6%	28.3%	
Net operating ROE <sup>10)</sup>	19.9%	-0.0%		8.1%	0.4%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Total insurance provisions	6	6	-3.0%	6	6	3.3%
Allocated equity (end of period) <sup>6)10)</sup>	915	920	-0.6%	915	1,001	-8.5%
Employees (internal FTEs, end of period)	2,802	2,609	7.4%	2,802	2,720	3.0%

The operating result of Netherlands Non-life increased to EUR 46 million from EUR 1 million in the third quarter of 2017. The increase is mainly driven by an improved underwriting performance in both Disability & Accident and Property & Casualty, as well as lower administrative expenses. The current quarter benefited from favourable claims experience and a EUR 5 million private equity dividend. The combined ratio improved to 97.1% from 102.5% in the third quarter of 2017.

The operating result in Disability & Accident (D&A) improved to EUR 21 million from EUR -12 million in the third quarter of 2017 reflecting favourable claims experience and lower administrative expenses. The D&A combined ratio was 94.3% compared with 105.8% in the third quarter of 2017.

The operating result in Property & Casualty (P&C) increased to EUR 18 million from EUR 5 million in the third quarter of 2017. This reflects an improved underwriting performance, supported by favourable claims experience in the main lines of business and lower administrative expenses. The P&C combined ratio improved to 98.6% from 100.8% in the third quarter of 2017.

Administrative expenses decreased to EUR 75 million from EUR 86 million in the third quarter of 2017 reflecting the synergy benefits from the integration of Delta Lloyd and expense reductions.

The operating result of the broker business was EUR 7 million versus EUR 8 million in the third quarter of 2017.

The result before tax of Netherlands Non-life increased to EUR 43 million from EUR 2 million in the third quarter of 2017. The increase reflects the higher operating result, partly offset by higher special items reflecting restructuring expenses.

In the first nine months of 2018, the operating result of Netherlands Non-life increased to EUR 54 million from EUR 5 million in the same period last year. The first nine months of 2018 included the EUR 56 million impact of the January storm, while the first nine months of 2017 included the EUR 40 million impact of the strengthening of insurance liabilities for bodily injury claims. Excluding these items the increase was mainly driven by an improved underwriting performance in P&C and D&A, expense reductions and the inclusion of Delta Lloyd from the second quarter of 2017.

The result before tax for the first nine months of 2018 decreased to EUR 11 million from EUR 20 million in the same period of 2017. The decrease is mainly due to the impact of special items related to restructuring expenses and a charge related to the agreement with Van Ameyde to insource claims handling activities, partly compensated by the higher operating result.

The combined ratio for the first nine months of 2018 was 100.5% compared with 102.9% in the same period last year. Excluding the impact of the January storm and the strengthening of insurance liabilities, the combined ratio for the first nine months of 2018 improved to 97.9% from 100.7% in the same period last year.

## Insurance Europe

- Operating result decreased to EUR 65 million from EUR 77 million in the third quarter of 2017, which included EUR 5 million of non-recurring benefits related to the life business in Greece; the decrease was also due to a lower investment margin
- New sales (APE) were EUR 129 million, down 0.7% from the third quarter of 2017 at constant currencies

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Investment margin	17	23	-28.8%	63	62	2.4%
Fees and premium-based revenues	171	181	-5.0%	526	503	4.5%
Technical margin	59	50	18.1%	160	143	11.7%
Operating income non-modelled business	0	1	-78.3%	1	2	-52.6%
<b>Operating income Life Insurance</b>	<b>247</b>	<b>255</b>	<b>-2.9%</b>	<b>750</b>	<b>710</b>	<b>5.6%</b>
Administrative expenses	101	97	4.5%	299	278	7.6%
DAC amortisation and trail commissions	80	81	-2.0%	247	240	2.9%
<b>Expenses Life Insurance</b>	<b>181</b>	<b>178</b>	<b>1.5%</b>	<b>546</b>	<b>518</b>	<b>5.4%</b>
<b>Operating result Life Insurance</b>	<b>66</b>	<b>76</b>	<b>-13.3%</b>	<b>204</b>	<b>192</b>	<b>6.1%</b>
Operating result Non-life	-1	0		-4	0	
<b>Operating result</b>	<b>65</b>	<b>77</b>	<b>-14.7%</b>	<b>200</b>	<b>192</b>	<b>3.9%</b>
Non-operating items	19	-9		30	42	-28.9%
of which gains/losses and impairments	3	-12		14	28	-52.1%
of which revaluations	16	5	229.3%	21	15	38.1%
of which market & other impacts	0	-2		-5	-2	
Special items	-6	-3		-19	-11	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>78</b>	<b>64</b>	<b>22.1%</b>	<b>210</b>	<b>222</b>	<b>-5.4%</b>
Taxation	20	18	7.6%	49	44	12.4%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>59</b>	<b>46</b>	<b>27.8%</b>	<b>161</b>	<b>179</b>	<b>-9.8%</b>
<b>New business</b>						
Single premiums	213	269	-20.6%	806	918	-12.2%
Regular premiums	107	114	-5.9%	381	394	-3.5%
New sales life insurance (APE)	129	141	-8.7%	461	486	-5.1%
<b>Key figures</b>						
Gross premium income	673	699	-3.7%	2,169	2,072	4.7%
Total administrative expenses (Life & Non-life)	105	100	5.6%	312	286	9.0%
Cost/income ratio (Administrative expenses/Operating income)	41.2%	38.2%		40.4%	39.3%	
Investment margin/Life general account invested assets (bps) <sup>7)</sup>	49	50				
Net operating ROE <sup>10)</sup>	10.6%	11.4%		10.6%	9.9%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Life general account invested assets	18	19	-1.1%	18	19	-4.1%
Total provisions for insurance & investment contracts	25	25	-0.3%	25	26	-0.9%
of which for risk policyholder	7	7	2.8%	7	7	7.4%
Assets under management pensions <sup>12)</sup>	19	18	4.6%	19	19	-0.6%
Allocated equity (end of period) <sup>6)10)</sup>	2,273	2,328	-2.3%	2,273	2,500	-9.0%
Employees (internal FTEs, end of period)	4,558	4,518	0.9%	4,558	4,599	-0.9%

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

The operating result of Insurance Europe decreased to EUR 65 million from EUR 77 million in the third quarter of 2017, which included EUR 5 million of non-recurring benefits related to the life business in Greece. The decrease was also due to a lower investment margin, lower fees and premium-based revenues and higher administrative expenses, partly offset by a higher technical margin.

The investment margin decreased to EUR 17 million from EUR 23 million in the third quarter of 2017, which included higher dividends in Belgium.

Fees and premium-based revenues declined to EUR 171 million from EUR 181 million in the third quarter of 2017, which included EUR 5 million of non-recurring benefits related to the life business in Greece. The current quarter reflects EUR 5 million lower fees in Turkey due to currency impacts and adverse economic conditions, as well as the sale of Luxembourg in October 2017, partly offset by higher fees on portfolio growth.

The technical margin increased to EUR 59 million from EUR 50 million in the third quarter of 2017 driven by favourable morbidity experience in Belgium and Poland.

Administrative expenses increased to EUR 101 million from EUR 97 million reflecting higher project and IT-related expenses.

DAC amortisation and trail commissions were broadly stable at EUR 80 million.

The result before tax increased to EUR 78 million from EUR 64 million in the third quarter of 2017, which included EUR 10 million impairments on corporate loans, whereas the current quarter is supported by positive revaluations of real estate. This was partly offset by the lower operating result.

New sales (APE) decreased to EUR 129 million from EUR 141 million in the third quarter of 2017, reflecting currency impacts in Turkey as well as the sale of NN Life Luxembourg in October 2017.

In the first nine months of 2018, the operating result of Insurance Europe increased to EUR 200 million from EUR 192 million in the same period of 2017, mainly driven by a higher technical margin and the inclusion of Delta Lloyd Belgium from the second quarter of 2017, partly offset by higher administrative expenses.

The result before tax in the first nine months of 2018 decreased to EUR 210 million from EUR 222 million in the same period of 2017, reflecting lower gains on the sale of bonds and equity investments and higher special items due to the integration in Belgium, partly offset by the higher operating result.

New sales (APE) in the first nine months of 2018 decreased to EUR 461 million from EUR 486 million in the same period of 2017. The decrease is mainly due to lower sales of savings products in Greece, the sale of NN Life Luxembourg in October 2017 and currency impacts in Turkey. This was partly offset by the inclusion of Delta Lloyd Belgium from the second quarter of 2017.

## Japan Life

- Operating result was EUR 45 million, down 14.6% from the third quarter of 2017, excluding currency effects, reflecting higher DAC amortisation, partially offset by higher fees and premium-based revenues
- New sales (APE) were EUR 164 million, down 20.0% from the third quarter of 2017, excluding currency effects

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Investment margin	-1	-1		-7	-5	
Fees and premium-based revenues	157	154	2.5%	475	482	-1.4%
Technical margin	0	0		-2	14	
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>156</b>	<b>152</b>	<b>2.4%</b>	<b>466</b>	<b>491</b>	<b>-5.0%</b>
Administrative expenses	35	35	-1.6%	100	103	-3.1%
DAC amortisation and trail commissions	76	65	17.8%	229	213	7.3%
<b>Expenses</b>	<b>111</b>	<b>100</b>	<b>10.9%</b>	<b>328</b>	<b>316</b>	<b>3.9%</b>
<b>Operating result</b>	<b>45</b>	<b>52</b>	<b>-14.2%</b>	<b>138</b>	<b>175</b>	<b>-21.1%</b>
Non-operating items	-3	-3		-16	-7	
of which gains/losses and impairments	0	0		-3	8	
of which revaluations	-3	-3		-14	-15	
of which market & other impacts	0	0		0	0	
Special items	-1	0		-2	0	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>40</b>	<b>49</b>	<b>-17.9%</b>	<b>119</b>	<b>167</b>	<b>-28.6%</b>
Taxation	14	14	4.7%	34	47	-28.6%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>26</b>	<b>35</b>	<b>-26.8%</b>	<b>86</b>	<b>120</b>	<b>-28.6%</b>
<b>New business</b>						
Single premiums	0	0		0	0	
Regular premiums	164	203	-19.6%	544	590	-7.8%
New sales life insurance (APE)	164	203	-19.6%	544	590	-7.8%
<b>Key figures</b>						
Gross premium income	956	904	5.7%	2,831	2,780	1.8%
Total administrative expenses	35	35	-1.6%	100	103	-3.1%
Cost/income ratio (Administrative expenses/Operating income)	22.3%	23.2%		21.4%	21.0%	
Net operating ROE <sup>10)13)</sup>	7.9%	9.6%		7.6%	10.4%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Life general account invested assets	16	15	1.8%	16	14	10.3%
Total provisions for insurance & investment contracts	14	14	0.6%	14	13	11.8%
of which for risk policyholder	0	0	0.6%	0	0	5.9%
Allocated equity (end of period) <sup>6)10)13)</sup>	2,124	2,265	-6.2%	2,124	2,121	0.1%
Employees (internal FTEs, end of period)	830	839	-1.1%	830	804	3.2%

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

The operating result of Japan Life was EUR 45 million, down 14.6% from the third quarter of 2017, excluding currency effects, reflecting higher DAC amortisation on surrenders, partially offset by higher fees and premium-based revenues.

Fees and premium-based revenues were EUR 157 million, up 2.1% from the third quarter of 2017, excluding currency effects, driven by higher in-force volumes.

The technical margin was broadly stable compared with the third quarter of 2017.

Administrative expenses were stable at EUR 35 million.

DAC amortisation and trail commissions were EUR 76 million, up 17.3% from the third quarter of 2017, excluding currency effects, reflecting higher DAC amortisation on surrenders.

The result before tax was EUR 40 million, down 18.4% from the third quarter of 2017, at constant currencies, reflecting the lower operating result.

New sales (APE) were EUR 164 million, down 20.0% from the third quarter of 2017, excluding currency effects, reflecting increased competition in the COLI market.

In the first nine months of 2018, the operating result of Japan Life was EUR 138 million, down 17.0% compared with the same period last year, excluding currency effects. The decrease was due to lower mortality and surrender results including the impact of DAC amortisation, partially offset by an increase in fees and premium-based revenues due to larger in-force volumes.

The result before tax for the first nine months of 2018 was EUR 119 million, down 24.9% at constant currencies compared with the same period of 2017, due to the lower operating result and lower non-operating items.

New sales (APE) for the first nine months of 2018 were EUR 544 million, down 3.4% from 2017 at constant currencies, due to increasing competition, partly offset by higher sales through the Sumitomo partnership which started in April 2017.

## Asset Management

- Total Assets under Management (AuM) decreased to EUR 238 billion compared with EUR 240 billion at the end of the second quarter of 2018
- Operating result decreased to EUR 43 million from EUR 45 million in the third quarter of 2017 due to lower fees, partly compensated by expense reductions

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Investment income	0	0		-1	0	
Fees	129	134	-4.2%	385	387	-0.5%
<b>Operating income</b>	<b>128</b>	<b>134</b>	<b>-4.4%</b>	<b>384</b>	<b>387</b>	<b>-0.7%</b>
<b>Administrative expenses</b>	<b>86</b>	<b>89</b>	<b>-3.8%</b>	<b>259</b>	<b>271</b>	<b>-4.4%</b>
<b>Operating result</b>	<b>43</b>	<b>45</b>	<b>-5.8%</b>	<b>125</b>	<b>115</b>	<b>8.1%</b>
Non-operating items	0	0		0	0	
of which gains/losses and impairments	0	0		0	0	
of which revaluations	0	0		0	0	
of which market & other impacts	0	0		0	0	
Special items	-1	-2		-17	-7	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>42</b>	<b>43</b>	<b>-2.4%</b>	<b>108</b>	<b>108</b>	<b>-0.1%</b>
Taxation	10	9	15.1%	25	26	-3.3%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>32</b>	<b>34</b>	<b>-6.8%</b>	<b>83</b>	<b>82</b>	<b>1.0%</b>
<b>Key figures</b>						
Total administrative expenses	86	89	-3.8%	259	271	-4.4%
Cost/income ratio (Administrative expenses/Operating income)	66.8%	66.3%		67.5%	70.2%	
Fees/average Assets under Management (in bps)	22	22		21	23	
Net operating ROE <sup>10)</sup>	30.9%	30.4%		29.0%	26.5%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Assets under Management	238	240	-0.7%	238	244	-2.4%
Allocated equity (end of period) <sup>(6)(10)</sup>	409	427	-4.2%	409	453	-9.6%
Employees (internal FTEs, end of period)	1,030	1,066	-3.4%	1,030	1,185	-13.0%
<b>AuM roll-forward</b>						
<b>Beginning of period</b>	<b>240</b>	<b>240</b>	<b>-0.2%</b>	<b>246</b>	<b>195</b>	<b>26.5%</b>
Net inflow	-1	-3		-6	0	
Acquisition / Divestments	0	0		-3	52	
Market performance (incl. FX impact) and Other	0	2		1	-3	
<b>End of period</b>	<b>238</b>	<b>240</b>	<b>-0.7%</b>	<b>238</b>	<b>244</b>	<b>-2.4%</b>



Total Assets under Management (AuM) at Asset Management decreased to EUR 238 billion at the end of the third quarter of 2018 from EUR 240 billion at the end of the second quarter of 2018, due to net outflows of EUR 1.4 billion in Proprietary and Other Affiliates, and negative market performance of EUR 0.3 billion.

The operating result decreased to EUR 43 million from EUR 45 million in the third quarter of 2017, due to lower fees, partly compensated by expense reductions.

Fees were EUR 129 million, down from EUR 134 million in the third quarter of 2017, reflecting lower average AuM, a change in the asset mix and fee pressure.

Administrative expenses decreased to EUR 86 million from EUR 89 million in the third quarter of 2017, driven by the synergy benefits from the integration of Delta Lloyd Asset Management, as well as expense reductions.

The result before tax decreased to EUR 42 million compared with EUR 43 million in the third quarter of 2017, due to the lower operating result, partly compensated by lower special items reflecting restructuring expenses.

In the first nine months of 2018, the operating result increased to EUR 125 million from EUR 115 million in the same period of 2017, mainly driven by lower administrative expenses.

The result before tax for the first nine months of 2018 was EUR 108 million, in line with the same period of 2017, as the higher operating result was offset by higher special items reflecting restructuring expenses.

## Other

- Operating result decreased to EUR 28 million from EUR 41 million in the third quarter of 2017, which included a total of EUR 38 million non-recurring benefits versus EUR 14 million in the current quarter
- Operating result of the reinsurance business was EUR 19 million, reflecting positive hedge-related results as well as improved underwriting results
- Operating result of the banking business decreased to EUR 33 million from EUR 35 million in the third quarter of 2017, mainly reflecting continuing pressure on the interest margin, partly compensated by lower administrative expenses

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Interest on hybrids and debt <sup>14)</sup>	-27	-35		-81	-99	
Investment income and fees	25	39	-36.1%	72	73	-1.9%
Holding expenses	-37	-37		-108	-92	
Amortisation of intangible assets	0	0		-1	-1	
<b>Holding result</b>	<b>-40</b>	<b>-34</b>		<b>-118</b>	<b>-119</b>	
Operating result reinsurance business	19	21	-11.1%	-14	35	
Operating result banking business	33	35	-4.6%	100	92	8.7%
Other results	16	19	-16.3%	18	21	-11.0%
<b>Operating result</b>	<b>28</b>	<b>41</b>	<b>-31.9%</b>	<b>-13</b>	<b>29</b>	
Non-operating items	-3	12		-9	45	
of which gains/losses and impairments	1	5	-89.8%	7	38	-82.4%
of which revaluations	-1	6		-4	6	
of which market & other impacts	-3	0		-12	0	
Special items	-22	-29		-79	-78	
Amortisation of acquisition intangibles	-33	-33		-99	-66	
Result on divestments	0	0		4	-178	
<b>Result before tax</b>	<b>-30</b>	<b>-9</b>		<b>-196</b>	<b>-249</b>	
Taxation	-11	-9		-50	-24	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>-19</b>	<b>0</b>		<b>-146</b>	<b>-225</b>	
<b>Key figures</b>						
Total administrative expenses	87	92	-6.0%	266	255	4.3%
of which reinsurance business	2	3	-39.3%	6	10	-34.9%
of which banking business	47	55	-15.7%	149	154	-3.3%
of which corporate/holding	38	34	12.9%	110	90	21.5%
Net operating ROE banking business <sup>15)</sup>	13.5%	15.5%		13.8%	15.5%	

In EUR billion	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
NN Bank common equity Tier 1 ratio <sup>16)</sup>	16.4%	16.2%		16.4%	14.2%	
Total assets banking business	22	22	-0.3%	22	21	1.3%
Employees (internal FTEs, end of period)	2,441	2,457	-0.6%	2,441	2,733	-10.7%

The operating result of the segment Other decreased to EUR 28 million from EUR 41 million in the third quarter of 2017, which included a total of EUR 32 million non-recurring benefits at the reinsurance business and in the other results as well as a EUR 6 million non-recurring benefit in the holding results. The current quarter reflects EUR 14 million of non-recurring benefits in the other results, as well as improved results at the reinsurance business, offset by a lower operating result at the banking business.

The holding result decreased to EUR -40 million from EUR -34 million in the third quarter of 2017. Investment income and fees decreased to EUR 25 million from EUR 39 million in the same quarter last year, which included a EUR 12 million year-to-date benefit related to the amortisation of senior debt issued by Delta Lloyd. This was partly compensated by lower interest on hybrids and debt, which improved to EUR -27 million from EUR -35 million in the third quarter of 2017 following the redemption of EUR 575 million senior notes in November 2017.

The operating result of the reinsurance business was EUR 19 million compared with EUR 21 million in the third quarter of 2017, which included EUR 16 million of non-recurring benefits. The current quarter reflects EUR 8 million of positive hedge-related results on the VA Europe portfolio as well as improved underwriting results.

The operating result of the banking business decreased to EUR 33 million from EUR 35 million in the third quarter of 2017. This mainly reflects continuing pressure on the interest margin, partly compensated by lower administrative expenses driven by synergy benefits following the integration of Delta Lloyd Bank.

Other results decreased to EUR 16 million from EUR 19 million in the third quarter of 2017, which included a EUR 16 million provision release, while the current quarter includes a provision release of EUR 14 million, both related to a legacy entity (NNOFIC).

The result before tax of the segment Other decreased to EUR -30 million from EUR -9 million in the third quarter of 2017, mainly due to lower non-operating items and the lower operating result, partly compensated by lower special items related to restructuring expenses.

In the first nine months of 2018, the operating result of the segment Other was EUR -13 million compared with EUR 29 million in the same period of 2017, which benefited from non-recurring items for a total amount of EUR 32 million at the reinsurance business and in the other results. The first nine months of 2018 reflect a lower operating result of the reinsurance business due to the impact of the January storm, partly compensated by the provision release related to a legacy entity in other results as well as a higher operating result of the banking business.

The operating result of the reinsurance business decreased to EUR -14 million in the first nine months of 2018 from EUR 35 million in the same period of 2017, which benefited from EUR 16 million of non-recurring items. The first nine months of 2018 mainly reflect the EUR 33 million impact of the January storm as well as a EUR 8 million claim from a legacy reinsurance portfolio. These items were partly compensated by positive hedge-related results on the VA Europe portfolio and lower administrative expenses.

The operating result of the banking business increased to EUR 100 million in the first nine months of 2018 from EUR 92 million in the same period of 2017, mainly driven by the inclusion of Delta Lloyd from the second quarter of 2017, lower administrative expenses and favourable risk costs, partly offset by a lower interest result.

The result before tax of the segment Other was EUR -196 million versus EUR -249 million in the first nine months of 2017, which included a provision related to ING Australia Holdings, a realised gain on Delta Lloyd shares, a gain on the sale of the equity portfolio for rebalancing the assets of NN Re as well as a gain on the sale of Mandema & Partners. The result before tax for the first nine months of 2018 reflects a lower operating result and the inclusion of amortisation of acquisition intangibles from the second quarter of 2017.

## Japan Closed Block VA

- Result before tax was EUR 8 million compared with EUR 3 million in the third quarter of 2017, reflecting a positive hedge-related result
- Portfolio run-off resulted in a 24.5% decrease in the number of policies compared with the second quarter of 2018

In EUR million	3Q18	3Q17	Change	9M18	9M17	Change
<b>Analysis of results</b>						
Investment margin	-1	-1		-2	-2	
Fees and premium-based revenues	5	9	-37.4%	19	32	-41.8%
Technical margin	0	0		0	0	
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>5</b>	<b>8</b>	<b>-42.0%</b>	<b>17</b>	<b>30</b>	<b>-44.0%</b>
Administrative expenses	2	3	-30.7%	7	9	-30.5%
DAC amortisation and trail commissions	1	1	-35.3%	2	4	-36.1%
<b>Expenses</b>	<b>3</b>	<b>4</b>	<b>-31.9%</b>	<b>9</b>	<b>13</b>	<b>-32.1%</b>
<b>Operating result</b>	<b>2</b>	<b>4</b>	<b>-53.0%</b>	<b>8</b>	<b>17</b>	<b>-53.2%</b>
Non-operating items	6	-1		5	-23	
of which gains/losses and impairments	0	0		0	0	
of which revaluations	0	0		0	0	
of which market & other impacts	6	-1		5	-23	
Special items	0	0		0	0	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>8</b>	<b>3</b>	<b>204.9%</b>	<b>12</b>	<b>-6</b>	
Taxation	2	1	164.9%	3	-1	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>6</b>	<b>2</b>	<b>221.6%</b>	<b>9</b>	<b>-5</b>	

In EUR million	3Q18	2Q18	Change	9M18	9M17	Change
<b>Key figures</b>						
Allocated equity <sup>10)</sup>	241	275	-12.6%	241	404	-40.4%
Account value	2,853	3,466	-17.7%	2,853	5,384	-47.0%
Net Amount at Risk	38	80		38	80	
IFRS Reserves	157	218	-27.9%	157	271	-42.1%
Number of policies	41,224	54,587	-24.5%	41,224	97,847	-57.9%
Employees (internal FTEs)	41	43	-4.7%	41	49	-16.3%

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

The result before tax of Japan Closed Block VA was EUR 8 million compared with EUR 3 million in the third quarter of 2017, reflecting a positive hedge-related result partly offset by a lower operating result.

The operating result decreased to EUR 2 million from EUR 4 million in the third quarter of 2017, as fees and premium-based revenues declined due to the run-off of the portfolio.

Fees and premium-based revenues were EUR 5 million, down 37.5% from the third quarter of 2017, excluding currency effects, mainly due to a lower account value reflecting a decreasing number of policies.

Administrative expenses decreased to EUR 2 million.

Market and other impacts were EUR 6 million compared with EUR -1 million in the third quarter of 2017, reflecting a positive hedge-related result.

The Net Amount at Risk in the Japan Closed Block VA decreased to EUR 38 million from EUR 80 million both in the second quarter of 2018 and the third quarter of 2017, primarily as a result of equity markets movements and the run-off of the portfolio.

In the first nine months of 2018 the result before tax was EUR 12 million compared with EUR -6 million in the same period a year ago, reflecting hedge-related results and a lower operating result.

In the first nine months of 2018, the operating result before tax was EUR 8 million compared with EUR 17 million in the same period a year ago, down 51.8% excluding currency impacts, mainly due to lower fees and premium-based revenues driven by the run-off of the portfolio.

## Consolidated Balance Sheet

- Total assets of NN Group decreased by EUR 3.0 billion compared with the second quarter of 2018 to EUR 224.8 billion reflecting the impact of increased long-term interest rates
- Shareholders' equity decreased by EUR 0.6 billion to EUR 23.0 billion mainly reflecting lower revaluation reserves due to higher interest rates, partly offset by the third-quarter net result

in EUR million	30 Sep 18	30 Jun 18	31 Dec 17 <sup>(1)</sup>		30 Sep 18	30 Jun 18	31 Dec 17 <sup>(1)</sup>
<b>Assets</b>				<b>Equity and liabilities</b>			
Cash and cash equivalents	8,540	9,722	9,383	Shareholders' equity (parent)	23,014	23,568	22,718
Financial assets at fair value through profit or loss				Minority interests	269	267	317
- investments for risk of policyholders	32,095	32,250	33,508	Undated subordinated notes	1,764	1,764	1,764
- non-trading derivatives	4,385	4,784	5,116	<b>Total equity</b>	<b>25,047</b>	<b>25,599</b>	<b>24,799</b>
- designated as at fair value through profit or loss	830	786	934	Subordinated debt	2,451	2,457	2,468
Available-for-sale investments	104,524	105,605	104,982	Debt securities issued	1,989	1,989	1,988
Loans	57,427	56,635	56,043	Other borrowed funds	5,467	5,567	6,044
Reinsurance contracts	1,007	1,017	880	Insurance and investment contracts	162,201	163,683	163,639
Associates and joint ventures	5,092	4,921	3,450	Customer deposits and other funds on deposit	14,949	14,942	14,434
Real estate investments	2,368	2,364	3,582	Financial liabilities at fair value through profit or loss			
Property and equipment	154	148	150	- non-trading derivatives	2,458	2,428	2,305
Intangible assets	1,739	1,781	1,841	Deferred tax liabilities	1,740	1,973	1,830
Deferred acquisition costs	1,788	1,822	1,691	Other liabilities	8,490	9,157	9,555
Deferred tax assets	118	119	125	<b>Total liabilities</b>	<b>199,745</b>	<b>202,196</b>	<b>202,263</b>
Other assets	4,725	5,841	5,377	<b>Total equity and liabilities</b>	<b>224,792</b>	<b>227,795</b>	<b>227,062</b>
<b>Total assets</b>	<b>224,792</b>	<b>227,795</b>	<b>227,062</b>				

## Assets

### Available for sale Investments

Available-for-sale investments decreased by EUR 1.1 billion in the third quarter to EUR 104.5 billion, mainly due to the impact of increased long-term interest rates, partly offset by new investments.

## Liabilities

### Insurance and investment contracts

Insurance and investment contracts decreased to EUR 162.2 billion partly reflecting the run-off of Japan Closed Block VA.

## Equity

Shareholders' equity decreased by EUR 0.6 billion to EUR 23.0 billion reflecting a decrease in the available-for-sale debt securities revaluation reserves due to increased long-term interest rates and capital gains realised on the sale of government bonds, as well as a decrease in the cash flow hedge reserve. This was partly offset by the third-quarter 2018 net result and a lower deferred interest credited to policyholders.

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

in EUR million	3Q18	9M18	FY17
<b>Shareholders' equity beginning of period</b>	<b>23,568</b>	22,718	22,695
Net result for the period	788	1,650	2,110
Unrealised revaluations available-for-sale investments and other	-794	-480	-545
Realised gains/losses transferred to the profit and loss account	-354	-666	-963
Change in cash flow hedge reserve	-332	-125	-714
Deferred interest crediting to life policyholders	359	384	598
Share of other comprehensive income of associates and joint ventures	2	0	-1
Exchange rate differences	-40	1	-163
Remeasurement of the net defined benefit asset/liability	8	7	-3
Capital contributions and change in share capital	0	0	420
Dividend	-127	-332	-317
Purchase/sale treasury shares	-66	-84	-340
Employee stock option & share plans	2	-1	0
Coupon on undated subordinated notes	0	-58	-59
<b>Total changes</b>	<b>-554</b>	296	23
<b>Shareholders' equity end of period</b>	<b>23,014</b>	23,014	22,718

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

in EUR million	30 Sep 18	30 Jun 18	31 Dec 17
Share capital	41	41	41
Share premium	12,572	12,572	12,572
Revaluation reserve available-for-sale investments and other	4,107	4,900	4,876
Cash flow hedge reserve	3,596	3,928	3,721
Currency translation reserve	-134	-97	-139
Net defined benefit asset/liability remeasurement reserve	-99	-107	-106
Retained earnings and other reserves	2,931	2,331	1,753
<b>Shareholders' equity (parent)</b>	<b>23,014</b>	23,568	22,718
Minority interests	269	267	317
Undated subordinated notes	1,764	1,764	1,764
<b>Total equity</b>	<b>25,047</b>	25,599	24,799
<b>Shareholders' equity per share in EUR</b>	<b>68</b>	70	68



## Capital Management

- Solvency II ratio of NN Group increased to 239% from 226% at the end of the second quarter of 2018 reflecting operating capital generation and positive market impacts
- Free cash flow to the holding in the third quarter of 2018 was EUR 293 million, mainly driven by EUR 338 million of dividends from subsidiaries
- Cash capital position at the holding company increased to EUR 1,899 million

## Solvency II

in EUR million	30 Sep 18	30 Jun 18
Basic Own Funds	18,965	18,305
Non-available Own Funds	1,482	1,412
Non-eligible Own Funds	0	74
<b>Eligible Own Funds (a)</b>	<b>17,483</b>	<b>16,819</b>
of which Tier 1 Unrestricted	11,228	10,375
of which Tier 1 Restricted	1,854	1,894
of which Tier 2	2,377	2,404
of which Tier 3	933	1,042
of which non-solvency II regulated entities	1,091	1,104
<b>Solvency Capital Requirements (b)</b>	<b>7,304</b>	<b>7,429</b>
of which non-solvency II regulated entities	495	483
<b>NN Group Solvency II ratio (a/b)<sup>2)</sup></b>	<b>239%</b>	<b>226%</b>
<b>NN Life Solvency II ratio<sup>2)</sup></b>	<b>253%</b>	<b>239%</b>
<b>Delta Lloyd Life Solvency II ratio<sup>2)</sup></b>	<b>202%</b>	<b>190%</b>

The NN Group Solvency II ratio increased to 239% at the end of the third quarter of 2018 from 226% at the end of the second quarter of 2018 mainly driven by a combination of operating capital generation and positive market impacts. Market impacts reflect the favourable impact from movements in credit spreads, positive real estate revaluations and higher interest rates.

The NN Life Solvency II ratio increased to 253% at the end of the third quarter of 2018 from 239% at the end of the second quarter of 2018. The increase was mainly driven by the aforementioned market impacts as well as operating capital generation. These items were partly offset by a EUR 175 million dividend paid to the holding company.

The Delta Lloyd Life Solvency II ratio increased to 202% at the end of the third quarter of 2018 from 190% at the end of the second quarter of 2018. The increase was mainly driven by operating capital generation, the favourable impact from movements in credit spreads and higher interest rates.

## Cash capital position at the holding company

in EUR million	3Q18	9M18
<b>Beginning of period</b>	<b>1,799</b>	<b>1,434</b>
Cash divestment proceeds	0	0
Dividends from subsidiaries <sup>18)</sup>	338	1,130
Capital injections into subsidiaries <sup>19)</sup>	-19	-24
Other <sup>20)</sup>	-26	-219
<b>Free cash flow to the holding<sup>21)</sup></b>	<b>293</b>	<b>887</b>
Acquisitions	0	0
Addition Delta Lloyd cash capital position	0	0
Capital flow from / (to) shareholders	-193	-422
Increase / (decrease) in debt and loans	0	0
<b>End of period</b>	<b>1,899</b>	<b>1,899</b>

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

The cash capital position at the holding company increased to EUR 1,899 million at the end of the third quarter of 2018 from EUR 1,799 million at the end of the second quarter of 2018. The increase was driven by EUR 338 million of dividends from subsidiaries, partly offset by capital flows to shareholders of EUR 193 million representing the cash part of the 2018 interim dividend of EUR 127 million and shares repurchased in the third quarter of 2018 for an amount of EUR 66 million. Other movements include holding company expenses, interest on loans and debt, and other holding company cash flows.

## Financial leverage

in EUR million	30 Sep 18	30 Jun 18	30 Sep 17
Shareholders' equity	23,014	23,568	22,009
Adjustment for revaluation reserves <sup>22)</sup>	-6,067	-7,221	-6,402
Minority interests	269	267	321
<b>Capital base for financial leverage (a)<sup>23)</sup></b>	<b>17,217</b>	<b>16,614</b>	<b>15,928</b>
Undated subordinated notes <sup>24)</sup>	1,764	1,764	1,764
Subordinated debt	2,451	2,457	2,474
Total subordinated debt	4,215	4,221	4,237
Debt securities issued (financial leverage)	1,989	1,989	2,566
<b>Financial leverage (b)</b>	<b>6,204</b>	<b>6,209</b>	<b>6,803</b>
Debt securities issued (operational leverage)	0	0	0
<b>Total debt</b>	<b>6,204</b>	<b>6,209</b>	<b>6,803</b>
Financial leverage ratio (b/(a+b))	26.5%	27.2%	29.9%
Fixed-cost coverage ratio <sup>24)25)</sup>	14.7x	14.1x	12.4x

The financial leverage ratio of NN Group improved to 26.5% at the end of the third quarter of 2018 compared with 27.2% at the end of the second quarter of 2018, reflecting an increase of the capital base for financial leverage driven by the third-quarter net result of EUR 788 million, partly offset by capital flows to shareholders of EUR 193 million.

The fixed-cost coverage ratio increased to 14.7x at the end of the third quarter of 2018 from 14.1x at the end of the second quarter of 2018 (on a last 12-months basis).

As part of the legal restructuring process, NN Life (Nationale-Nederlanden Levensverzekering Maatschappij N.V.) and Delta Lloyd Life (Delta Lloyd Levensverzekering N.V.) have started preparations for a legal merger of Delta Lloyd Life into NN Life. As a result of the legal merger, Delta Lloyd Life will cease to exist and NN Life will assume all assets and liabilities of Delta Lloyd Life, including its subordinated notes of EUR 500 million. The legal merger is anticipated to be completed in 2019, subject to regulatory approval. NN Life intends to have a credit rating from Standard & Poor's on completion of the legal merger.

## Interim dividend

On 10 September 2018, NN Group paid an interim dividend of EUR 0.66 per ordinary share. Approximately 42.8% of shareholders elected to receive the dividend in ordinary shares. Consequently, 2,566,901 new ordinary shares were issued for the settlement of the stock dividend. The dilutive effect of the stock dividend will be neutralised through repurchase of shares for an amount of EUR 95 million, equivalent to the value of the stock dividend.

## Share buyback

NN Group intends to neutralise the dilutive effect of stock dividends. Following payment of the 2017 final dividend and the 2018 interim dividend, NN Group announced that it will repurchase ordinary shares for a total amount of EUR 237 million, equivalent to the value of the stock dividends. The remaining outstanding amount on 9 November 2018 was EUR 60 million. These share buybacks are being executed by financial intermediaries under the open market share buyback programme by 31 December 2018. In the third quarter of 2018, shares for an amount of EUR 66 million were repurchased.

The share buyback programme will be executed within the limitations of the existing authority granted by the General Meeting on 31 May 2018 and will be performed in compliance with the safe harbour provisions for share

buybacks. The shares will be repurchased at a price that does not exceed the last independent trade or the highest current independent bid on Euronext Amsterdam. NN Group intends to cancel all of the shares acquired under the programme. NN Group reports on the progress of the share buyback programme on its corporate website on a weekly basis (<https://www.nn-group.com/Investors/Share-information-1/Share-buyback-programme.htm>).

## Share capital

The total number of NN Group shares outstanding (net of 4,951,854 treasury shares) on 9 November 2018 was 336,107,217.

## Credit ratings

Credit ratings of NN Group on 14 November 2018	Financial Strength Rating	NN Group N.V. Counterparty Credit Rating
Standard & Poor's	A Stable	BBB+ Stable
Fitch	A+ Stable	A Stable

## Footnotes reference page

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

## NN Group Profile

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

## Analyst call

Lard Friese and Delfin Rueda will host an analyst and investor conference call to discuss the 3Q18 results at 10.30 am CET on Thursday 15 November 2018. Members of the investment community can join the conference call at +31 20 531 5865 (NL), +44 203 365 3210 (UK), +1 866 349 6093 (US) or follow the webcast on [www.nn-group.com](http://www.nn-group.com).

## Press

Lard Friese and Delfin Rueda will host a press call to discuss the 3Q18 results, which will be held at 07.45 am CET on Thursday 15 November 2018. Journalists can join the press call at +31 20 531 5863 (NL).

## Financial calendar

- Publication 4Q18 results: 14 February 2019
- Publication 1Q19 results: 16 May 2019
- Annual General Meeting: 29 May 2019
- Publication 2Q19 results: 15 August 2019

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

- NN Group 3Q18 Financial Supplement, NN Group 3Q18 Analyst Presentation
- NN Group 30 September 2018 Condensed consolidated interim accounts
- Photos of NN Group executives, buildings and events are available for download at [Flickr](#)

## Important legal information

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

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

Any forward-looking statements made by or on behalf of NN Group speak only as of the date they are made, and, NN Group assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.