

## NN Group reports 3Q16 results

### Strong capital position and net result

- Operating result ongoing business of EUR 319 million compared with EUR 392 million in 3Q15, which was supported by EUR 127 million private equity dividends versus EUR 13 million in 3Q16; excluding these, the operating result improved by 15.5%
- Net result of EUR 436 million versus EUR 329 million in 3Q15, mainly driven by higher capital gains and revaluations as well as a lower hedge-related loss for Japan Closed Block VA
- Cost savings in the Netherlands of EUR 21 million in 3Q16, bringing the expense base down to EUR 765 million
- Solvency II ratio decreased to 236% from 252% at 2Q16 primarily due to market impacts
- Holding company cash capital increased to EUR 2.4 billion driven by dividends from several units, partly offset by the payment of the 2016 interim dividend and share buybacks

### Statement of Lard Friese, CEO

‘Despite the prevailing uncertain economic conditions, we continue to deliver on our targets to generate capital and improve earnings, while bringing our brand promise ‘You matter’ to life for our customers every day. We maintain a strong balance sheet, with a solvency ratio of 236%.

Given the market dynamics and the competitive operating environment, we believe there is a clear and compelling logic to bring consolidation to the Dutch insurance market. Being one of the best capitalised and less leveraged insurance companies in Europe, NN Group is well-positioned to take a significant step in this consolidation process. On 5 October, we announced our intention to make an offer to acquire all issued and outstanding ordinary shares of Delta Lloyd. We see strong merit in a combination of Delta Lloyd and the Dutch and Belgian activities of NN Group, and remain open to a constructive and substantive dialogue with Delta Lloyd to come to a recommended transaction. We consider this potential transaction to be financially and strategically compelling and beneficial to both companies’ stakeholder groups.

We take a disciplined and rational approach in executing our strategy, and regardless of the outcome of the above-mentioned process, will continue to focus on earnings improvement and free cash generation – while maintaining a strong balance sheet and solvency position. At the same time we are committed to innovating our businesses in order to keep improving our services and products to customers, and proactively respond to the trends in our sector.

Our strong customer relationships were reflected in our performance in the first nine months. In the Netherlands, NN Bank is welcoming new customers in the savings and mortgage market and growing its operating result. NN Life Japan entered into a long-term collaboration with Sumitomo Life Insurance focusing on our COLI products for small and medium-sized enterprises. New sales at Japan Life grew more than 22% year-on-year, excluding currency effects, driven by the launch of a critical illness COLI product. And in this quarter NN Investment Partners was able to attract EUR 600 million of net inflows in Third-Party assets.

NN Group has a history that stretches back more than 170 years. We have been an active member of society, involved in the lives of our customers, and doing what we do best – helping people secure their financial futures. We want to contribute to the well-being of society and have the ambition to further integrate ethical, social and environmental components into our core strategy. We feel encouraged by the improvement of our position in the ranking of the Dow Jones Sustainability Index to 77 points (out of 100), which places NN Group in the top quartile of the global insurance industry.’

#### NN Group key figures

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
Operating result ongoing business	319	392	-18.7%	945	1,184	-20.2%
Net result	436	329	32.6%	1,041	1,205	-13.6%
Net operating ROE	8.1%	12.2%		8.4%	12.0%	
Solvency II ratio <sup>1)</sup>	236%	247%		236%	247%	

Note: All footnotes are included on page 26

## Quarterly Business Update

NN Group's strong financial position during the first nine months of 2016 reflects the resilience of its businesses in an environment which continues to be characterised by low interest rates and market volatility. This provides a solid foundation for executing its strategy, which is to deliver an excellent customer experience based on transparent products and services and long-term relationships. NN Group aims to help people secure their financial futures, and is committed to delivering products and services that are easy to understand and meet customers' lifetime needs.

### **Transparent products and services**

NN Life Japan launched a new Corporate-Owned Life Insurance (COLI) critical illness product in July, driving significant growth of new sales in the third quarter. Our Dutch Non-life business launched a marketing campaign in Belgium in the third quarter to promote its new Home and Family insurance product covering Building and Contents, as well as legal aid and liability. The product involves a fast online subscription process and initial results are encouraging. NN Hellas, our insurance company in Greece, was the first to introduce the Growing Guarantee product in July 2016. This product is less capital intensive and provides a guarantee for customers with upward potential. In the fourth quarter of 2016, this product will also be made available through NN Hellas' bancassurance partner Piraeus Bank.

### **Capturing growth**

The fundamental need of people to protect themselves against uncertainties will continue to drive growth in the insurance industry over the long-term. NN Group continues to adapt its businesses to optimally capture this growth potential. For example, in Hungary, NN launched a special programme for clients with maturing policies, offering them tailored advice from financial advisors. This way, NN is fostering customer relationships by recognising and rewarding long-term loyalty.

NN Hayat ve Emeklilik, our business in Turkey, is developing a new pension product to meet both customers' needs and regulatory requirements following a new auto-enrollment pension law passed in August. Under this law, which will be effective as of 1 January 2017, all employees under the age of 45 will be enrolled in the new compulsory pension system while their employers can select a pension company. In the Netherlands, NN Bank welcomed over 7,000 new customers during the third quarter, as well as another 13,600 insurance customers through cross-selling efforts. And in this quarter NN Investment Partners was able to attract net inflows from third parties.

### **Multi-access distribution**

NN Group serves its customers through multiple channels, comprising tied agents, bancassurance partners, brokers and direct channels. It is our aim to achieve profitable growth through multi-access distribution. In line with this strategy, NN Life Japan recently announced that it has entered into a long-term collaboration with Sumitomo Life Insurance. Sumitomo Life Insurance will sell NN Life Japan's COLI products to Small and Medium-sized Enterprises (SMEs) through its nationwide tied agency network. The agreement also provides a framework for collaboration on potential future product initiatives.

### **Effective and efficient operations**

NN Group aims to make its processes as efficient and effective as possible across all segments, and is sharpening its client focus tailored by type and country, increasing organisational agility. In the Netherlands, the strategy is centred around providing digital, personal and relevant services with the aim of enhancing the customer experience. As part of this strategy, Nationale-Nederlanden continues to expand its digital outreach to customers via its 'My NN' web portal. In the third quarter, it introduced My Mortgage Application, which makes it possible to track and trace the status of applications, and also made available online Consumer Credit and Revolving Credit applications. As a result of these digital expansions, the number of visitors on My NN has increased to 200,000 visitors on average each month.

In November 2016, our general pension fund 'De Nationale APF', which was set up by AZL, NN Life's pension administrator, and NN Investment Partners received its license from DNB. De Nationale APF is an independent entity which provides an attractive solution for pension funds and employers to comply with increasingly complex pension regulations and to benefit from economies of scale.

The international business continues to focus on protection products via bancassurance channels and tied agents. In addition, sales channels are being digitalised, leading to more efficient operations. The implementation of digital solutions in the international businesses is progressing well. Following the example from Spain, Poland, the Czech Republic and Slovakia also launched paperless sales processes. This quarter, NN Hungary introduced an online client portal, NN Direkt, which is the first online client portal in the market with an audited electronic signature. NN Direkt increases the means of communication with customers, while simultaneously reducing costs.

### **Innovation**

In July, the Dutch Non-life business launched a pilot for a new customer service called 'prevention scan', which provides for an independent Prevention Coach to perform a comprehensive check on a client's house. The safety assessment by the coach is accompanied by tailor-made advice on how to improve fire safety, prevent burglary and avoid water damage. NN Non-life also offers assistance to implement these safety improvements.

### **Other events**

Further strengthening our corporate brand, a new multi-media campaign was launched in the Netherlands during the third quarter, adopting the theme 'There is only one like you' ('Er is maar een Nederlander zoals jij'). The campaign features a variety of unique individuals with their own circumstances, wishes and goals. Nationale-Nederlanden recognises this uniqueness of their customers, and knows that every person deserves personal services that suit their individual lives. After a period of two weeks the first two products were added to the campaign; Managed investments ('Beheerd Beleggen') and Your future income ('Jouw inkomen later'). These new products exemplify our goal of offering services that fit each individual customer's needs.

It is our ambition to make a positive impact on society through integrating sustainability aspects into our core activities. NN Group improved its position in the ranking of the Dow Jones Sustainability Index (DJSI). NN Group scored 77 points (out of 100), an increase of 9 points compared with 2015 mainly driven by improved scores on Tax strategy, Customer Relationship Management and Financial Inclusion. The average for the insurance sector is 50 points. The research executed by RobecoSAM helps us gain insight on areas for further improvement.

In the Netherlands, Nationale-Nederlanden signed up to a 'green deal' to promote car sharing, and will modify its policy terms and conditions to extend insurance coverage for car sharing initiatives. Green deals are partnerships between the Dutch government and third parties to achieve sustainability targets. The aim is to achieve 100,000 shareable cars in the Netherlands by the end of 2018.

## Consolidated results

### Consolidated profit and loss account NN Group

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Netherlands Life	178	267	-33.4%	547	751	-27.2%
Netherlands Non-life	21	24	-12.9%	49	93	-47.0%
Insurance Europe	52	53	-2.0%	138	148	-6.9%
Japan Life	40	37	9.4%	130	133	-2.1%
Asset Management	38	34	11.8%	100	108	-7.8%
Other	-11	-23		-20	-50	
<b>Operating result ongoing business</b>	<b>319</b>	<b>392</b>	<b>-18.7%</b>	<b>945</b>	<b>1,184</b>	<b>-20.2%</b>
Non-operating items ongoing business	251	54	362.3%	526	302	74.1%
of which gains/losses and impairments	188	131	43.9%	306	349	-12.4%
of which revaluations	58	-56		161	85	89.3%
of which market & other impacts	5	-21		59	-132	
Japan Closed Block VA	-13	-64		-110	-4	
Special items before tax	-10	-12		-56	-67	
Result on divestments	0	1	-100.0%	0	1	-100.0%
<b>Result before tax</b>	<b>547</b>	<b>372</b>	<b>47.0%</b>	<b>1,305</b>	<b>1,416</b>	<b>-7.9%</b>
Taxation	111	41	171.6%	263	183	44.0%
Minority interests	0	3	-95.1%	1	28	-98.0%
<b>Net result</b>	<b>436</b>	<b>329</b>	<b>32.6%</b>	<b>1,041</b>	<b>1,205</b>	<b>-13.6%</b>
Basic earnings per ordinary share in EUR <sup>2)</sup>	1.31	0.95				

### Key Figures

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Ongoing business</b>						
Gross premium income	2,123	1,911	11.1%	7,421	7,435	-0.2%
New sales life insurance (APE)	326	261	24.9%	1,088	1,037	4.9%
Total administrative expenses	422	439	-3.7%	1,272	1,306	-2.6%
Cost/income ratio (Administrative expenses/Operating income)	33.4%	32.6%		33.3%	32.6%	
Combined ratio (Netherlands Non-life) <sup>3)</sup>	101.8%	105.6%		103.3%	101.8%	
Asset Management Assets under Management <sup>4)8)</sup>	199	190	5.0%	199	190	5.0%
Life general account invested assets <sup>4)</sup>	89	83	7.3%	89	83	7.3%
Investment margin/Life general account invested assets (bps) <sup>5)</sup>	90	114				
Total provisions for insurance & investment contracts <sup>4)</sup>	110	105	4.3%	110	105	4.3%
of which for risk policyholder <sup>4)</sup>	23	25	-7.5%	23	25	-7.5%
NN Life Solvency II ratio <sup>1)</sup>	211%	225%	-6.3%	211%	225%	-6.3%
Net operating result <sup>6)</sup>	239	330	-27.6%	727	960	-24.3%
Net operating ROE <sup>7)</sup>	8.1%	12.2%		8.4%	12.0%	
<b>Japan Closed Block VA</b>						
Account value	8,699	10,217	-14.9%	8,699	10,217	-14.9%
Number of policies	163,450	219,824	-25.6%	163,450	219,824	-25.6%
<b>Total NN Group</b>						
Solvency II ratio <sup>1)</sup>	236%	247%		236%	247%	
Total assets <sup>4)</sup>	178	162	9.6%	178	162	9.6%
Shareholders' equity	25,470	20,271	25.6%	25,470	20,271	25.6%
Employees (internal FTEs, end of period)	11,533	11,531	0.0%	11,533	11,531	0.0%

Note: All footnotes are included on page 26

Note: 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, 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 and the undated subordinated notes classified as equity. 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 30 June 2016 Condensed consolidated interim financial information.

- NN Group's operating result of the ongoing business decreased to EUR 319 million from EUR 392 million in the third quarter of 2015, which was supported by a EUR 127 million private equity dividend
- The result before tax increased to EUR 547 million from EUR 372 million in the third quarter of 2015, reflecting higher non-operating items and an improved result for Japan Closed Block VA, partly offset by the lower operating result of the ongoing business
- Cost savings in the Netherlands of EUR 21 million in the third quarter of 2016, bringing the expense base down to EUR 765 million
- New sales (APE) were EUR 326 million, up 13.7% from the third quarter of 2015 on a constant currency basis

### **Operating result**

The operating result of the ongoing business was EUR 319 million, down 18.7% from the third quarter of 2015. The third quarter last year included a private equity dividend for a total amount of EUR 127 million which supported the results of Netherlands Life and Netherlands Non-life, whereas Netherlands Life benefited from a private equity dividend of EUR 13 million in the current quarter. Excluding the impact of these private equity dividends, the operating result of the ongoing business was up 15.5% with most segments contributing to this increase.

The administrative expenses for Netherlands Life, Netherlands Non-life and corporate/holding entities decreased by EUR 21 million in the third quarter of 2016 to EUR 765 million on a last 12-months basis. The decrease was due to lower staff-related expenses and IT costs as well as timing effects.

The operating result of Netherlands Life decreased to EUR 178 million from EUR 267 million in the third quarter of 2015, which was supported by a EUR 110 million private equity dividend. The current quarter includes a EUR 13 million private equity dividend.

The operating result of Netherlands Non-life decreased to EUR 21 million from EUR 24 million in the third quarter of 2015, which was supported by a EUR 17 million private equity dividend. The combined ratio improved to 101.8% from 105.6% in the third quarter of 2015 driven by a better underwriting performance in both Property & Casualty (P&C) and Disability & Accident (D&A).

The operating result of Insurance Europe was EUR 52 million, broadly stable compared with the third quarter of 2015. Higher fees and premium-based revenues and lower commissions were offset by higher administrative expenses.

The operating result of Japan Life was EUR 40 million, down 7.9% from the third quarter of 2015, excluding currency effects, reflecting a lower technical margin. Fees and premium-based revenues were higher partly offset by an increase in DAC amortisation and trail commissions, both driven by volume growth.

The operating result of Asset Management increased to EUR 38 million from EUR 34 million in the third quarter of 2015 due to a decrease in expenses partly offset by lower fees.

The operating result of the segment Other improved to EUR -11 million from EUR -23 million in the third quarter of 2015, which was impacted by a EUR 6 million addition to the technical provisions of a legacy entity. The current quarter result was supported by lower holding expenses.

In the first nine months of 2016, the operating result of the ongoing business decreased to EUR 945 million from EUR 1,184 million in the same period last year, which benefited from higher private equity dividends and a significantly higher technical margin in Netherlands Life. In addition, higher claims in Netherlands Non-life as a result of severe storms impacted the result in the first nine months of 2016.

### **Result before tax**

The result before tax for the third quarter of 2016 increased to EUR 547 million from EUR 372 million in the third quarter last year, reflecting higher non-operating items and an improved result at Japan Closed Block VA, partly offset by the lower operating result of the ongoing business.

Gains/losses and impairments were EUR 188 million compared with EUR 131 million in the third quarter of 2015. Higher capital gains on debt securities and lower impairments on equity securities were partly offset by lower capital gains on private equity securities.

Revaluations increased to EUR 58 million from EUR -56 million in the third quarter of 2015 reflecting positive revaluations on private equity in the current quarter.

Market and other impacts amounted to EUR 5 million compared with EUR -21 million in the third quarter of 2015, reflecting movements in the provision for guarantees on separate account pension contracts (net of hedging) at Netherlands Life.

The result before tax of Japan Closed Block VA was EUR -13 million compared with EUR -64 million in the third quarter of 2015, reflecting a lower hedge-related loss as well as a lower operating result in line with the run-off of the portfolio.

Special items amounted to EUR -10 million compared with EUR -12 million in the third quarter of 2015. Special items in the current quarter consist of EUR 7 million of rebranding expenses and EUR 3 million restructuring expenses related to the target to reduce the administrative expense base of Netherlands Life, Netherlands Non-life and corporate/holding entities.

In the first nine months of 2016, the result before tax decreased to EUR 1,305 million from EUR 1,416 million in the same period last year, largely reflecting the lower operating result of the ongoing business and lower results at Japan Closed Block VA, partly compensated by higher non-operating items.

### **Net result**

The third-quarter net result increased to EUR 436 million from EUR 329 million in the third quarter of 2015. The effective tax rate in the third quarter of 2016 was 20% compared with 11% in the same quarter last year, which included higher tax-exempt dividends and capital gains in the Netherlands mainly related to shareholdings of 5% or more.

### **Sales**

Total new sales (APE) at NN Group were EUR 326 million, up 13.7% from the third quarter of 2015 on a constant currency basis. New sales were up 22.6% at Japan Life driven by the launch of a critical illness product in the COLI market in July 2016. At Insurance Europe, new sales were up 13.9%, mainly due to higher life sales in Spain and Greece. New sales were down 42.2% at Netherlands Life due to lower group pension renewals. In the first nine months of 2016, total new sales amounted to EUR 1,088 million, broadly stable on the same period last year.

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

The net operating ROE of the ongoing business of NN Group was 8.1% versus 12.2% in the third quarter of 2015, which benefited from higher private equity dividends in the Netherlands.

The net operating ROE in the first nine months of 2016 decreased to 8.4% from 12.0% in the same period in 2015 reflecting the lower operating result of the ongoing business.

### **Divestments**

NN Group announced that its wholly-owned reinsurance entity in Ireland, NN Re (Ireland) Ltd., signed a portfolio transfer agreement with Canada Life International Re Limited in October 2016. The agreement is a result of the continuous strategic assessment of NN Group's portfolio. As a result of this portfolio transfer, NN Re (Ireland) Ltd. has handed back its reinsurance license and is expected to repatriate capital for an amount of approximately EUR 65 million to NN Group in the fourth quarter of 2016. The portfolio transfer and the capital repatriation are expected to result in a total after tax loss of approximately EUR 25 million (pre-tax loss of approximately EUR 55 million), which will be recognised in the segment 'Other' in the fourth quarter of 2016. These transactions will not impact NN Group's reinsurance business in the Netherlands.

## Netherlands Life

- Operating result was EUR 178 million versus EUR 267 million in the third quarter of 2015, which was supported by a private equity dividend of EUR 110 million
- Result before tax increased to EUR 358 million compared with EUR 315 million in the third quarter of 2015 driven by higher non-operating items
- NN Life Solvency II ratio of 211%, down from 239% at the end of the second quarter of 2016 primarily due to market impacts

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Investment margin	178	260	-31.4%	578	681	-15.1%
Fees and premium-based revenues	78	83	-6.0%	254	279	-8.8%
Technical margin	30	43	-29.1%	60	150	-59.9%
Operating income non-modelled business	0	0		0	0	
<b>Operating income</b>	<b>286</b>	<b>385</b>	<b>-25.7%</b>	<b>893</b>	<b>1,110</b>	<b>-19.6%</b>
Administrative expenses	100	107	-7.1%	316	322	-2.0%
DAC amortisation and trail commissions	9	11	-18.4%	30	37	-18.9%
<b>Expenses</b>	<b>108</b>	<b>118</b>	<b>-8.1%</b>	<b>346</b>	<b>359</b>	<b>-3.8%</b>
<b>Operating result</b>	<b>178</b>	<b>267</b>	<b>-33.4%</b>	<b>547</b>	<b>751</b>	<b>-27.2%</b>
Non-operating items	181	46	292.9%	438	244	79.6%
of which gains/losses and impairments	112	104	8.5%	209	282	-26.0%
of which revaluations	58	-37		161	94	72.2%
of which market & other impacts	11	-21		68	-132	
Special items before tax	-1	0		-3	-2	
Result on divestments	0	1	-100.0%	0	1	-100.0%
<b>Result before tax</b>	<b>358</b>	<b>315</b>	<b>13.9%</b>	<b>982</b>	<b>995</b>	<b>-1.3%</b>
Taxation	64	37	74.2%	184	112	64.7%
Minority interests	0	3	-95.1%	1	25	-97.8%
<b>Net result</b>	<b>294</b>	<b>275</b>	<b>6.9%</b>	<b>797</b>	<b>858</b>	<b>-7.1%</b>
<b>New business</b>						
Single premiums	66	89	-25.0%	233	715	-67.4%
Regular premiums	9	19	-50.3%	189	160	18.3%
New sales life insurance (APE)	16	28	-42.2%	212	231	-8.2%
<b>Key figures</b>						
Gross premium income	377	448	-15.9%	1,795	2,314	-22.4%
Total administrative expenses	100	107	-7.1%	316	322	-2.0%
Cost/income ratio (Administrative expenses/Operating income)	34.8%	27.8%		35.4%	29.0%	
Life general account invested assets <sup>4)</sup>	64	61	5.3%	64	61	5.3%
Investment margin/Life general account invested assets (bps) <sup>5)</sup>	114	143				
Total provisions for insurance & investment contracts <sup>4)</sup>	75	72	3.1%	75	72	3.1%
of which for risk policyholder <sup>4)</sup>	15	17	-12.7%	15	17	-12.7%
Allocated equity (end of period) <sup>9)</sup>	18,148	14,148	28.3%	18,148	14,148	28.3%
Net operating ROE <sup>9)</sup>	7.7%	13.6%		8.4%	12.7%	
NN Life Solvency II ratio <sup>1)</sup>	211%	225%		211%	225%	
Employees (internal FTEs, end of period)	2,097	2,099	-0.1%	2,097	2,099	-0.1%



The operating result of Netherlands Life decreased to EUR 178 million from EUR 267 million in the third quarter of 2015, which was supported by a EUR 110 million private equity dividend.

The investment margin decreased to EUR 178 million from EUR 260 million in the third quarter of 2015, which included a EUR 110 million private equity dividend. The current quarter reflects a private equity dividend of EUR 13 million. An increased allocation to higher-yielding assets helped to offset the impact of the low interest rate environment on reinvestments. The investment spread, calculated on a four-quarter rolling average, decreased to 114 basis points from 143 basis points in the third quarter of 2015.

Fees and premium-based revenues decreased to EUR 78 million from EUR 83 million in the third quarter of 2015 due to the individual life closed book run-off and lower margins in the pension business.

The technical margin decreased to EUR 30 million from EUR 43 million in the third quarter of 2015, which was supported by a EUR 6 million release from a provision for transferring liabilities to industry-wide pension funds and higher mortality results. The current quarter reflects a EUR 8 million addition to the unit-linked guarantee provision due to a decrease in interest rates, compared with a EUR 7 million addition to this provision in the third quarter of 2015.

Administrative expenses decreased to EUR 100 million from EUR 107 million in the third quarter of 2015 due to lower staff-related expenses and IT costs as well as timing effects.

DAC amortisation and trail commissions were EUR 9 million versus EUR 11 million in the third quarter of 2015 reflecting the run-off of the individual life closed book.

The result before tax increased to EUR 358 million from EUR 315 million in the third quarter of 2015. Gains/losses and impairments increased to EUR 112 million from EUR 104 million in the same period last year due to higher gains on bonds and lower impairments of public equities partly offset by lower private equity gains. Revaluations were EUR 58 million compared with EUR -37 million in the third quarter of 2015 mainly driven by higher revaluations of private equity. Market and other impacts were EUR 11 million compared with EUR -21 million in the third quarter of 2015, reflecting movements in the provision for guarantees on separate account pension contracts (net of hedging).

The effective tax rate in the third quarter of 2016 was 18% compared with 12% in the same quarter last year, which included higher tax-exempt dividends and capital gains mainly related to shareholdings of 5% or more.

New sales (APE) decreased to EUR 16 million from EUR 28 million in the third quarter of 2015 due to lower group pension renewals.

In the first nine months of 2016, Netherlands Life's operating result declined to EUR 547 million from EUR 751 million in the same period last year. The operating result last year benefited from EUR 123 million higher private equity dividends and EUR 27 million non-recurring items in the technical margin. The technical margin in the first nine months of 2016 also reflects an addition to the unit-linked guarantee provision of EUR 40 million due to a decrease in interest rates, compared with a EUR 1 million release of the provision in the same period last year.

The result before tax was EUR 982 million in the first nine months of 2016 compared with EUR 995 million in the same period last year. A lower operating result was partly offset by higher non-operating items.

New sales (APE) decreased to EUR 212 million in the first nine months of 2016 from EUR 231 million in the same period last year, which included a EUR 420 million single premium relating to the buy-out of a large company pension fund. Excluding the impact of this buy-out, APE increased 12.1%, mainly driven by the renewal of a few large group pension contracts.



## Netherlands Non-life

- Operating result decreased to EUR 21 million from EUR 24 million in the third quarter of 2015 which was supported by a EUR 17 million private equity dividend whilst the current quarter reflects an additional EUR -3 million impact from the severe storms in the previous quarter
- Combined ratio improved to 101.8% from 105.6% in the third quarter of 2015 reflecting an improved claims development

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Earned premiums	383	372	3.1%	1,154	1,134	1.8%
Investment income	27	43	-37.1%	84	110	-24.2%
Other income	0	2	-87.7%	1	2	-72.8%
<b>Operating income</b>	<b>411</b>	<b>417</b>	<b>-1.5%</b>	<b>1,238</b>	<b>1,246</b>	<b>-0.6%</b>
<b>Claims incurred, net of reinsurance</b>	<b>276</b>	<b>277</b>	<b>-0.5%</b>	<b>849</b>	<b>805</b>	<b>5.4%</b>
Acquisition costs	60	61	-0.2%	181	181	0.5%
Administrative expenses	54	55	-2.2%	162	169	-4.2%
<b>Acquisition costs and administrative expenses</b>	<b>114</b>	<b>116</b>	<b>-1.2%</b>	<b>343</b>	<b>349</b>	<b>-1.8%</b>
<b>Expenditure</b>	<b>390</b>	<b>393</b>	<b>-0.7%</b>	<b>1,192</b>	<b>1,154</b>	<b>3.2%</b>
<b>Operating result insurance businesses</b>	<b>21</b>	<b>24</b>	<b>-15.1%</b>	<b>46</b>	<b>92</b>	<b>-49.6%</b>
Operating result broker businesses	0	0		3	2	76.5%
<b>Total operating result</b>	<b>21</b>	<b>24</b>	<b>-12.9%</b>	<b>49</b>	<b>93</b>	<b>-47.0%</b>
Non-operating items	7	4	77.9%	37	17	124.6%
of which gains/losses and impairments	1	11	-93.2%	24	15	54.9%
of which revaluations	6	-8		13	1	
of which market & other impacts	0	0		0	0	
Special items before tax	0	0		-12	-1	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>27</b>	<b>28</b>	<b>-1.6%</b>	<b>75</b>	<b>109</b>	<b>-31.3%</b>
Taxation	4	0		14	15	-9.9%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>23</b>	<b>28</b>	<b>-16.0%</b>	<b>61</b>	<b>93</b>	<b>-34.8%</b>
<b>Key figures</b>						
Gross premium income	282	274	2.8%	1,334	1,297	2.8%
Total administrative expenses <sup>10)</sup>	69	73	-5.4%	208	221	-5.8%
Combined ratio <sup>3)</sup>	101.8%	105.6%		103.3%	101.8%	
of which Claims ratio <sup>3)</sup>	72.0%	74.5%		73.6%	71.0%	
of which Expense ratio <sup>3)</sup>	29.8%	31.1%		29.7%	30.8%	
Total insurance provisions <sup>4)</sup>	3	3	0.7%	3	3	0.7%
Allocated equity (end of period) <sup>9)</sup>	733	729	0.6%	733	729	0.6%
Net operating ROE <sup>9)</sup>	18.4%	22.8%		14.5%	25.2%	
Employees (internal FTEs, end of period)	1,619	1,692	-4.3%	1,619	1,692	-4.3%

The operating result of Netherlands Non-life decreased to EUR 21 million from EUR 24 million in the third quarter of 2015, which was supported by a EUR 17 million private equity dividend. The combined ratio improved to 101.8% from 105.6% in the third quarter of 2015 driven by a better underwriting performance in both Property & Casualty (P&C) and Disability & Accident (D&A).

The operating result in Disability & Accident (D&A) decreased to EUR 25 million from EUR 32 million in the third quarter of 2015, which included a EUR 12 million private equity dividend. The current quarter reflects a positive claims development in both the Individual disability and the Group income protection portfolios. The D&A combined ratio was 96.8% compared with 99.7% in the third quarter of 2015.

The operating result in Property & Casualty (P&C) improved to EUR -5 million from EUR -7 million in the third quarter of 2015, which included a EUR 5 million private equity dividend. The current quarter reflects an additional impact from the severe storms witnessed in the second quarter of 2016 of EUR -3 million as well as an unfavourable claims experience in the Motor and Miscellaneous portfolios. The third quarter of 2015 was impacted by severe summer storms in both the Fire and Motor portfolios. The P&C combined ratio improved to 106.0% from 110.3% in the third quarter of 2015.

Administrative expenses decreased to EUR 54 million, down 2.2% from the third quarter of 2015.

The result before tax of Netherlands Non-life was broadly stable at EUR 27 million as the lower operating result and lower gains on private equity were compensated by higher revaluations on private equity.

In the first nine months of 2016, the operating result of Netherlands Non-life decreased to EUR 49 million from EUR 93 million in the same period of 2015. The decrease is mainly attributable to the impact of the severe storms in the second quarter of 2016, lower private equity dividends and an unfavourable claims experience in Motor and Miscellaneous, partly compensated by fewer large claims in Fire.

The result before tax in the first nine months of 2016 was EUR 75 million compared with EUR 109 million in the same period of 2015. The lower operating result and higher special items reflecting restructuring expenses were partly compensated by higher gains on the sale of debt securities and positive revaluations on private equity.

The combined ratio for the first nine months of 2016 was 103.3% compared with 101.8% in the same period of 2015.

## Insurance Europe

- Operating result was EUR 52 million, broadly stable compared with the third quarter of 2015
- Result before tax increased to EUR 113 million up from EUR 50 million in the third quarter of 2015, mainly due to capital gains following the sale of Belgian government bonds
- New sales (APE) were EUR 101 million, up 13.9% from the third quarter of 2015 at constant currencies, mainly due to higher sales of less capital intensive savings products in Spain and Greece

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Investment margin	16	17	-8.1%	49	58	-15.5%
Fees and premium-based revenues	136	135	0.6%	407	402	1.2%
Technical margin	50	50	0.7%	143	146	-1.8%
Operating income non-modelled business	1	1	25.6%	2	3	-13.4%
<b>Operating income Life Insurance</b>	<b>202</b>	<b>202</b>	<b>0.0%</b>	<b>601</b>	<b>609</b>	<b>-1.2%</b>
Administrative expenses	77	73	4.5%	233	225	3.6%
DAC amortisation and trail commissions	75	77	-2.0%	232	238	-2.2%
<b>Expenses Life Insurance</b>	<b>152</b>	<b>150</b>	<b>1.2%</b>	<b>466</b>	<b>463</b>	<b>0.6%</b>
<b>Operating result Life Insurance</b>	<b>50</b>	<b>52</b>	<b>-3.4%</b>	<b>136</b>	<b>146</b>	<b>-6.8%</b>
Operating result Non-life	2	1	66.5%	2	3	-13.9%
<b>Operating result</b>	<b>52</b>	<b>53</b>	<b>-2.0%</b>	<b>138</b>	<b>148</b>	<b>-6.9%</b>
Non-operating items	67	5		60	28	114.4%
of which gains/losses and impairments	71	3		66	23	184.1%
of which revaluations	1	2	-47.1%	3	5	-39.9%
of which market & other impacts	-6	0		-9	0	
Special items before tax	-6	-8		-28	-38	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>113</b>	<b>50</b>	<b>124.0%</b>	<b>170</b>	<b>138</b>	<b>22.8%</b>
Taxation	23	17	32.4%	37	39	-5.4%
Minority interests	0	0	-100.0%	0	3	-100.0%
<b>Net result</b>	<b>90</b>	<b>33</b>	<b>172.1%</b>	<b>133</b>	<b>96</b>	<b>38.1%</b>
<b>New business</b>						
Single premiums	207	211	-2.2%	686	695	-1.2%
Regular premiums	80	69	16.8%	295	293	0.7%
New sales life insurance (APE)	101	90	12.4%	364	363	0.3%
<b>Key figures</b>						
Gross premium income	554	505	9.6%	1,720	1,676	2.6%
Total administrative expenses (Life & Non-life)	80	77	3.6%	243	237	2.3%
Cost/income ratio (Administrative expenses/Operating income)	35.9%	34.8%		36.7%	35.6%	
Life general account invested assets <sup>4)</sup>	10	11	-7.1%	10	11	-7.1%
Investment margin/Life general account invested assets (bps) <sup>5)</sup>	70	71				
Total provisions for insurance & investment contracts <sup>4)</sup>	18	19	-1.4%	18	19	-1.4%
of which for risk policyholder <sup>4)</sup>	8	7	4.3%	8	7	4.3%
Assets under management pensions <sup>4)11)</sup>	16	15	5.8%	16	15	5.8%
Allocated equity (end of period) <sup>9)</sup>	1,941	1,975	-1.7%	1,941	1,975	-1.7%
Net operating ROE <sup>9)</sup>	13.0%	11.1%		10.6%	9.8%	
Employees (internal FTEs, end of period)	4,192	4,045	3.6%	4,192	4,045	3.6%

The operating result of Insurance Europe was EUR 52 million, broadly stable compared with the third quarter of 2015. Higher fees and premium-based revenues and lower commissions were offset by higher administrative expenses.

The investment margin was EUR 16 million, down from EUR 17 million in the third quarter of 2015, due to lower reinvestment rates and lower invested volumes.

Fees and premium-based revenues increased to EUR 136 million from EUR 135 million in the third quarter of 2015 as higher revenues in Turkey, Romania and Greece were partly offset by a higher contribution to the Pension Guarantee Fund in Poland.

The technical margin was stable at EUR 50 million.

Administrative expenses increased to EUR 77 million from EUR 73 million in the third quarter of 2015, reflecting the tax on assets of insurance companies that became effective in Poland as of February 2016 and higher project expenses.

DAC amortisation and trail commissions decreased to EUR 75 million from EUR 77 million in the third quarter of 2015 mainly due to lower commission expenses in Hungary and Poland.

The result before tax increased to EUR 113 million from EUR 50 million in the third quarter of 2015, mainly due to capital gains following the sale of Belgian government bonds.

New sales (APE) were EUR 101 million, up 13.9% from the third quarter of 2015 at constant currencies, mainly due to higher sales of less capital intensive savings products in Spain and Greece.

In the first nine months of 2016, the operating result of Insurance Europe decreased to EUR 138 million, from EUR 148 million in the same period of 2015. A decline in the investment margin and technical margin as well as an increase in administrative expenses were only partly compensated by an increase in fees and premium-based revenues and a decrease in DAC amortisation and trail commissions.

The result before tax in the first nine months of 2016 increased to EUR 170 million from EUR 138 million in the same period last year reflecting higher capital gains and lower special items, partly offset by the lower operating result.

New sales were EUR 364 million in the first nine months of 2016, up 2.8% from the same period last year at constant currencies mainly because of higher life sales in Greece, Romania and Poland.

## Japan Life

- Operating result was EUR 40 million, down 7.9% from the third quarter of 2015, excluding currency effects, reflecting a lower technical margin
- New sales (APE) were EUR 209 million, up 22.6% from the third quarter of 2015, excluding currency effects, due to the launch of a new product in the COLI market in July 2016

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Investment margin	-6	-5		-18	-10	
Fees and premium-based revenues	162	128	26.9%	468	401	16.7%
Technical margin	-11	-3		-20	-11	
Operating income non-modelled business	0	0	-124.3%	0	0	-179.7%
<b>Operating income</b>	<b>145</b>	<b>119</b>	<b>21.8%</b>	<b>429</b>	<b>380</b>	<b>13.0%</b>
Administrative expenses	32	29	13.5%	88	80	9.3%
DAC amortisation and trail commissions	72	54	34.8%	212	167	26.8%
<b>Expenses</b>	<b>105</b>	<b>82</b>	<b>27.4%</b>	<b>299</b>	<b>247</b>	<b>21.1%</b>
<b>Operating result</b>	<b>40</b>	<b>37</b>	<b>9.4%</b>	<b>130</b>	<b>133</b>	<b>-2.1%</b>
Non-operating items	-1	-3		-4	0	
of which gains/losses and impairments	2	10	-84.4%	2	14	-82.9%
of which revaluations	-3	-13		-7	-14	
of which market & other impacts	0	0		0	0	
Special items before tax	0	-1		-2	-8	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>39</b>	<b>33</b>	<b>17.7%</b>	<b>124</b>	<b>125</b>	<b>-1.4%</b>
Taxation	7	5	48.5%	25	20	22.8%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>32</b>	<b>28</b>	<b>12.4%</b>	<b>99</b>	<b>105</b>	<b>-6.1%</b>
<b>New business</b>						
Single premiums	0	2	-100.0%	6	13	-53.9%
Regular premiums	209	143	45.8%	512	442	15.6%
New sales life insurance (APE)	209	143	45.6%	512	444	15.4%
<b>Key figures</b>						
Gross premium income	906	682	32.8%	2,557	2,135	19.8%
Total administrative expenses	32	29	13.5%	88	80	9.3%
Cost/income ratio (Administrative expenses/Operating income)	22.3%	24.4%		20.4%	21.1%	
Life general account invested assets <sup>4)</sup>	14	11	33.5%	14	11	33.5%
Total provisions for insurance & investment contracts <sup>4)</sup>	13	10	33.0%	13	10	33.0%
of which for risk policyholder <sup>4)</sup>	0	0	11.3%	0	0	11.3%
Allocated equity (end of period) <sup>9)</sup>	2,650	1,757	50.9%	2,650	1,757	50.9%
Net operating ROE <sup>9)</sup>	6.9%	7.8%		8.0%	9.6%	
Employees (internal FTEs, end of period)	686	610	12.5%	686	610	12.5%

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 40 million, down 7.9% from the third quarter of 2015, excluding currency effects, reflecting a lower technical margin. Fees and premium-based revenues grew driven by in-force volumes, partially offset by higher DAC amortisation and trail commissions.

Fees and premium-based revenues increased to EUR 162 million, up 6.9% from the third quarter of 2015 excluding currency effects, driven by higher in-force volumes.

The technical margin was EUR -11 million, down from EUR -3 million in the third quarter of 2015, due to lower mortality results.

Administrative expenses were EUR 32 million, down 4.4% from third quarter of 2015, on a constant currency basis, due to lower IT expenses.

DAC amortisation and trail commissions were EUR 72 million up 13.6% from the third quarter of 2015 excluding currency effects, due to higher in-force volumes.

The result before tax was EUR 39 million, stable on the third quarter of 2015 at constant currencies, as the lower operating result was compensated by an improvement in non-operating items and lower rebranding expenses reflected as special items.

New sales (APE) were EUR 209 million, an increase of 22.6% from the third quarter of 2015 at constant currencies, due to the launch of a critical illness product in the COLI market in July 2016.

In the first nine months of 2016, the operating result of Japan Life was EUR 130 million compared with EUR 133 million in the same period of 2015, down 11.4% excluding currency effects. Higher fees and premium-based revenues on higher in-force volumes were more than offset by a lower investment margin, lower mortality results and higher DAC amortisation and trail commissions.

The result before tax was EUR 124 million, down 10.7% at constant currencies.

New sales (APE) were EUR 512 million in the first nine months of 2016, up 3.5% at constant currencies, due to the launch of the new critical illness product in July 2016.

## Asset Management

- Total Assets under Management (AuM) increased to EUR 199 billion from EUR 197 billion at the end of the second quarter of 2016 driven by positive market performance and net inflows in Third-Party assets
- Operating result increased to EUR 38 million from EUR 34 million in the third quarter 2015, as lower fees were more than compensated by lower expenses

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Investment income	0	0	-250.7%	0	0	
Fees	119	124	-3.7%	343	377	-9.2%
<b>Operating income</b>	<b>119</b>	<b>124</b>	<b>-3.7%</b>	<b>343</b>	<b>377</b>	<b>-9.1%</b>
<b>Administrative expenses</b>	<b>81</b>	<b>90</b>	<b>-9.6%</b>	<b>243</b>	<b>269</b>	<b>-9.7%</b>
<b>Operating result</b>	<b>38</b>	<b>34</b>	<b>11.8%</b>	<b>100</b>	<b>108</b>	<b>-7.8%</b>
Non-operating items	-1	0		-1	0	
of which gains/losses and impairments	-1	0		-1	0	
of which revaluations	0	0		0	0	
of which market & other impacts	0	0		0	0	
Special items before tax	-1	-3		-3	-18	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>36</b>	<b>31</b>	<b>16.2%</b>	<b>95</b>	<b>90</b>	<b>5.4%</b>
Taxation	10	8	27.1%	24	24	2.0%
Minority interests	0	0		0	0	
<b>Net result</b>	<b>27</b>	<b>24</b>	<b>12.8%</b>	<b>71</b>	<b>67</b>	<b>6.7%</b>
<b>Key figures</b>						
Total administrative expenses	81	90	-9.6%	243	269	-9.7%
Cost/income ratio (Administrative expenses/Operating income)	68.0%	72.6%		70.9%	71.4%	
Net inflow Assets under Management (in EUR billion)	0	-2		-3	-5	
Assets under Management <sup>4)8)</sup>	199	190	5.0%	199	190	5.0%
Fees/average Assets under Management (in bps)	24	26		24	25	
Allocated equity (end of period) <sup>9)</sup>	395	404	-2.3%	395	404	-2.3%
Net operating ROE <sup>9)</sup>	28.4%	25.2%		24.7%	27.0%	
Employees (internal FTEs, end of period)	1,129	1,188	-4.9%	1,129	1,188	-4.9%

In EUR billion	3Q16	3Q15	Change	9M16	9M15	Change
<b>AuM roll-forward<sup>8)14)</sup></b>						
<b>Beginning of period</b>	<b>197</b>	<b>193</b>	<b>1.8%</b>	<b>187</b>	<b>195</b>	<b>0</b>
Net inflow	0	-2		-3	-5	
Acquisition / Divestments	0	0		0	0	
Market performance (incl. FX impact) and Other	2	-1		16	-1	
<b>End of period</b>	<b>199</b>	<b>190</b>	<b>5.0%</b>	<b>199</b>	<b>190</b>	<b>0</b>



Total Assets under Management (AuM) at Asset Management were EUR 199 billion at the end of the third quarter of 2016, up from EUR 197 billion at the end of the second quarter of 2016. The increase reflects a positive market impact of EUR 2.4 billion mainly as a result of lower interest rates increasing the value of fixed income assets, partly offset by net outflows of EUR 0.1 billion. Net inflows in Third-Party assets of EUR 0.6 billion, mainly in the Institutional business, were more than offset by net outflows in Other Affiliated Business (EUR 0.5 billion) and Proprietary assets (EUR 0.2 billion).

The third quarter operating result increased to EUR 38 million from EUR 34 million in the third quarter of 2015 due to a decrease in expenses partly offset by lower fees.

Fees were EUR 119 million, down 3.7% from the third quarter of 2015, reflecting a movement towards lower margin AuM.

Administrative expenses decreased to EUR 81 million from EUR 90 million in the third quarter of 2015 mainly reflecting lower staff-related expenses and lower project costs.

The result before tax increased to EUR 36 million in the third quarter of 2016 from EUR 31 million in the third quarter of 2015, reflecting the higher operating result and lower special items related to rebranding expenses.

In the first nine months of 2016, the operating result of Asset Management was EUR 100 million, down 7.8% from the same period of 2015. Lower average AuM as well as a movement towards lower margin AuM led to lower fee income, which was only partly offset by a decrease in administrative expenses.

The result before tax in the first nine months of 2016 increased to EUR 95 million from EUR 90 million in the same period of 2015 primarily due to lower special items related to rebranding expenses, which compensated the lower operating result.

## Other

- Operating result improved to EUR -11 million from EUR -23 million in the third quarter of 2015 supported by lower holding expenses, while the results last year included an addition to the technical provisions of a legacy entity
- NN Bank operating result increased 8.6% to EUR 17 million, reflecting a higher interest margin partly offset by higher expenses to support the bank's continued growth

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Interest on hybrids and debt	-26	-27		-77	-78	
Investment income and fees	14	16	-12.0%	41	47	-11.3%
Holding expenses	-16	-21		-41	-53	
Amortisation of intangible assets	-2	-2		-5	-5	
<b>Holding result</b>	<b>-30</b>	<b>-34</b>		<b>-81</b>	<b>-90</b>	
Operating result reinsurance business	2	4	-50.7%	14	17	-20.4%
Operating result NN Bank	17	15	8.6%	47	26	77.4%
Other results	0	-9		1	-4	
<b>Operating result</b>	<b>-11</b>	<b>-23</b>		<b>-20</b>	<b>-50</b>	
Non-operating items	-1	2		-4	13	-134.4%
of which gains/losses and impairments	3	2	38.9%	6	13	-58.4%
of which revaluations	-4	0		-10	-1	
of which market & other impacts	0	0		0	0	
Special items before tax	-2	0		-7	0	
Result on divestments	0	0	-100.0%	0	0	
<b>Result before tax</b>	<b>-14</b>	<b>-21</b>		<b>-31</b>	<b>-38</b>	
Taxation	6	-7		5	-11	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>-20</b>	<b>-14</b>		<b>-36</b>	<b>-27</b>	
<b>Key figures</b>						
Total administrative expenses	61	63	-4.5%	175	176	-0.5%
of which reinsurance business	4	3	34.3%	11	8	32.8%
of which NN Bank	41	35	15.3%	123	109	13.3%
of which corporate/holding	16	25	-36.6%	41	59	-30.6%
NN Bank common equity Tier 1 ratio phased in <sup>12)</sup>	14.1%	13.8%		14.1%	13.8%	
NN Bank BIS ratio phased in <sup>12)</sup>	15.9%	15.8%		15.9%	15.8%	
Total assets NN Bank <sup>4)</sup>	14	11	23.2%	14	11	23.2%
Net operating ROE NN Bank <sup>13)</sup>	10.6%	10.7%		10.1%	6.6%	
Total provisions for insurance and investment contracts <sup>4)</sup>	0	1	-71.1%	0	1	-71.1%
Employees (internal FTEs, end of period)	1,759	1,793	-1.9%	1,759	1,793	-1.9%

The operating result of the segment Other improved to EUR -11 million from EUR -23 million in the third quarter of 2015, which was impacted by a EUR 6 million addition to the technical provisions of a legacy entity. The current quarter result was supported by lower holding expenses.

The holding result improved to EUR -30 million from EUR -34 million in the third quarter of 2015, mainly driven by lower holding expenses due to lower staff and IT costs as well as timing effects.

The operating result of the reinsurance business decreased to EUR 2 million from EUR 4 million in the third quarter of 2015 due to lower underwriting results.

The operating result of NN Bank increased to EUR 17 million from EUR 15 million in the third quarter of 2015, reflecting a higher interest margin, partly offset by higher administrative expenses to support the bank's continued growth.

The result before tax of the segment Other was EUR -14 million versus EUR -21 million in the third quarter of 2015, as the higher operating result was partly offset by lower non-operating items.

The operating result of the segment Other for the first nine months of 2016 improved to EUR -20 million from EUR -50 million in the same period last year mainly driven by the higher operating result of NN Bank and lower holding expenses.

NN Bank's operating result for the first nine months of 2016 increased to EUR 47 million from EUR 26 million in the same period last year. The expansion of its mortgage and customer savings activities led to a higher interest margin, partly offset by higher administrative expenses supporting the bank's growth.

The result before tax for the first nine months of 2016 was EUR -31 million compared with EUR -38 million in the same period last year. The improved operating result in the first nine months of 2016 was offset by lower non-operating items and higher special items reflecting restructuring expenses in the holding company.

## Japan Closed Block VA

- Result before tax was EUR -13 million compared with EUR -64 million in the third quarter of 2015, reflecting a lower hedge-related loss
- Portfolio run-off resulted in a 6.0% decrease in the number of policies compared with the second quarter of 2016

In EUR million	3Q16	3Q15	Change	9M16	9M15	Change
<b>Analysis of results</b>						
Investment margin	-1	0		-2	0	
Fees and premium-based revenues	14	23	-37.3%	43	74	-41.5%
Technical margin	0	0		0	0	
Operating income non-modelled business	0	0		0	0	233.8%
<b>Operating income</b>	<b>14</b>	<b>23</b>	<b>-39.0%</b>	<b>42</b>	<b>74</b>	<b>-43.7%</b>
Administrative expenses	4	4	-4.7%	12	14	-14.3%
DAC amortisation and trail commissions	2	2	-29.6%	5	8	-34.7%
<b>Expenses</b>	<b>6</b>	<b>6</b>	<b>-13.8%</b>	<b>17</b>	<b>22</b>	<b>-21.7%</b>
<b>Operating result</b>	<b>8</b>	<b>16</b>	<b>-49.1%</b>	<b>24</b>	<b>52</b>	<b>-53.0%</b>
Non-operating items	-21	-80		-134	-56	
of which gains/losses and impairments	0	0		0	0	
of which revaluations	0	0		0	0	
of which market & other impacts	-21	-80		-134	-56	
Special items before tax	0	0		0	0	
Result on divestments	0	0		0	0	
<b>Result before tax</b>	<b>-13</b>	<b>-64</b>		<b>-110</b>	<b>-4</b>	
Taxation	-3	-19		-27	-17	
Minority interests	0	0		0	0	
<b>Net result</b>	<b>-9</b>	<b>-44</b>		<b>-83</b>	<b>13</b>	
<b>Key figures<sup>14)</sup></b>						
Allocated equity <sup>9)</sup>	627	963	-34.8%	627	963	-34.8%
Account value	8,699	10,217	-14.9%	8,699	10,217	-14.9%
Net Amount at Risk	917	379		917	379	
IFRS Reserves	1,176	688	71.1%	1,176	688	71.1%
Number of policies	163,450	219,824	-25.6%	163,450	219,824	-25.6%
Employees (internal FTEs, end of period)	51	104	-51.0%	51	104	-51.0%

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 -13 million compared with EUR -64 million in the third quarter of 2015, reflecting a lower hedge-related loss. The operating result decreased to EUR 8 million from EUR 16 million in the third quarter of 2015, as fees and premium-based revenues declined due to the run-off of the portfolio.

Fees and premium-based revenues were EUR 14 million, down 47.2% from the third quarter of 2015 excluding currency effects, mainly due to a lower account value reflecting a decreasing number of policies.

Market and other impacts were EUR -21 million compared with EUR -80 million in the third quarter of 2015, reflecting a lower hedge-related loss.

The Net Amount at Risk in the Japan Closed Block VA increased to EUR 917 million from EUR 379 million in the third quarter of 2015 and decreased from EUR 1,021 million in the second quarter of 2016, primarily as a result of equity markets movements.

In the first nine months of 2016 the result before tax decreased to EUR -110 million from EUR -4 million in the same period last year. The first nine months of 2016 included a EUR 124 million hedge-related loss due to higher market volatility and a EUR 16 million technical provision increase following a refinement of lapse assumptions. The first nine months of 2015 benefited from a EUR 12 million reserve release from higher lapse assumptions of out-of-the-money policies.

In the first nine month of 2016 the operating result was EUR 24 million compared with EUR 52 million in the same period last year, down 57.7% excluding currency impacts, mainly reflecting the continuing run-off of the portfolio.

## Consolidated Balance Sheet

- Total assets of NN Group remain broadly stable at EUR 177.5 billion compared with the second quarter of 2016
- Shareholders' equity increased by EUR 0.2 billion to EUR 25.5 billion reflecting the third-quarter net result of EUR 0.4 billion partly offset by the EUR 0.1 billion cash part of the 2016 interim dividend and EUR 0.1 billion of share buybacks

in EUR million	30 Sep 16	30 Jun 16	31 Dec 15	30 Sep 16	30 Jun 16	31 Dec 15	
<b>Assets</b>				<b>Equity and liabilities</b>			
Cash and cash equivalents	9,131	9,894	7,436	Shareholders' equity (parent)	25,470	25,254	20,469
Financial assets at fair value through profit or loss				Minority interests	9	10	9
- investments for risk of policyholders	31,485	31,623	35,154	Undated subordinated notes	986	986	986
- non-trading derivatives	6,809	7,266	4,656	<b>Total equity</b>	<b>26,465</b>	<b>26,250</b>	<b>21,464</b>
- designated as at fair value through profit or loss	1,308	1,321	443	Subordinated loans	2,288	2,289	2,290
Available-for-sale investments				Debt securities issued	597	597	597
- debt securities	76,748	76,678	67,553	Other borrowed funds	7,952	8,198	6,785
- equity securities	7,007	6,595	6,840	Insurance and investment contracts			
Loans	34,533	33,649	31,013	- life insurance provisions	84,240	84,325	75,827
Reinsurance contracts	251	258	236	- non-life insurance provisions	3,666	3,764	3,509
Associates and joint ventures	2,537	2,450	2,197	- provision for risk of policyholders	31,558	31,704	35,212
Real estate investments	1,913	1,802	1,564	- other	703	734	1,436
Property and equipment	84	83	86	Customer deposits and other funds on deposit	9,682	9,257	8,034
Intangible assets	346	341	351	Financial liabilities at fair value through profit or loss			
Deferred acquisition costs	1,699	1,696	1,531	- non-trading derivatives	2,472	2,557	1,701
Assets held for sale	961	985	0	Liabilities held for sale	709	726	0
Other assets	2,710	3,215	3,092	Other liabilities	7,190	7,455	5,297
<b>Total assets</b>	<b>177,522</b>	<b>177,856</b>	<b>162,152</b>	<b>Total liabilities</b>	<b>151,057</b>	<b>151,606</b>	<b>140,688</b>
				<b>Total equity and liabilities</b>	<b>177,522</b>	<b>177,856</b>	<b>162,152</b>

## Assets

### Cash and cash equivalents

Cash and cash equivalents decreased by EUR 0.8 billion to EUR 9.1 billion as part of the cash position has been invested in short term credits, reported as available-for-sale investments.

### Non-trading derivatives

Non-trading derivatives decreased by EUR 0.5 billion to EUR 6.8 billion, reflecting the unwinding of interest rate swaps related to the Dutch investment portfolio.

### Loans

Loans increased by EUR 0.9 billion to EUR 34.5 billion reflecting an increase in the Dutch mortgages portfolio and deposits.

### Assets and Liabilities held for sale

Assets and Liabilities held for sale reflect the balance sheet items of Mandema & Partners as a result of the announced sale and NN Re Ireland which signed a portfolio transfer agreement with Canada Life International Re Limited in October 2016.

## Equity

Shareholders' equity increased by EUR 0.2 billion to EUR 25.5 billion at the end of the third quarter of 2016, reflecting the EUR 0.4 billion net result partly offset by the EUR 0.1 billion cash part of the 2016 interim dividend and EUR 0.1 billion of share buybacks executed in the third quarter.

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

in EUR million	3Q16	9M16	FY15
<b>Shareholders' equity beginning of period</b>	<b>25,254</b>	20,469	20,355
Net result for the period	436	1,041	1,565
Unrealised revaluations available-for-sale investments and other	64	5,282	-720
Realised gains/losses transferred to the profit and loss account	-151	-238	-345
Change in cash flow hedge reserve	91	1,517	-435
Deferred interest crediting to life policyholders	31	-1,942	644
Share of other comprehensive income of associates and joint ventures	2	2	9
Exchange rate differences	-6	183	188
Remeasurement of the net defined benefit asset/liability	-9	-50	28
Capital contributions and change in share capital	0	0	57
Dividend	-113	-298	-251
Purchase/sale treasury shares	-131	-448	-597
Employee stock option & share plans	2	-14	5
Coupon on undated subordinated notes	0	-34	-34
<b>Total changes</b>	<b>216</b>	5,001	114
<b>Shareholders' equity end of period</b>	<b>25,470</b>	25,470	20,469

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

in EUR million	30 Sep 16	30 Jun 16	31 Dec 15
Share capital	40	40	40
Share premium	12,153	12,153	12,153
Revaluation reserve available-for-sale investments and other	7,366	7,427	4,292
Cash flow hedge reserve	5,546	5,455	4,029
Currency translation reserve	198	196	-24
Net defined benefit asset/liability remeasurement reserve	-140	-131	-90
Retained earnings and other reserves	307	114	69
<b>Shareholders' equity (parent)</b>	<b>25,470</b>	25,254	20,469
Minority interests	9	10	9
Undated subordinated notes	986	986	986
<b>Total equity</b>	<b>26,465</b>	26,250	21,464
<b>Shareholders' equity per share in EUR</b>	<b>78</b>	77	62



## Capital Management

- Solvency II ratio of NN Group decreased to 236% from 252% at the end of the second quarter of 2016 primarily due to market impacts
- Free cash flow to the holding in the third quarter of 2016 was EUR 298 million, driven by dividends mainly from Dutch units
- Cash capital position at the holding company increased to EUR 2.4 billion
- The EUR 500 million share buyback programme has been suspended following NN Group's intended offer for Delta Lloyd; the remaining outstanding amount of EUR 333 million continues to be deducted from Solvency II Own Funds as at 30 September 2016
- The previously announced share buybacks to neutralise stock dividends will continue as planned

## Solvency II

in EUR million	30 Sep 16	30 Jun 16
Basic Own Funds	15,255	15,912
Non-available Own Funds	1,382	1,436
Non-eligible Own Funds	0	0
<b>Eligible Own Funds (a)</b>	<b>13,873</b>	<b>14,476</b>
of which Tier 1 Unrestricted	9,173	10,174
of which Tier 1 Restricted	1,929	1,983
of which Tier 2	1,054	1,039
of which Tier 3	631	273
of which non-solvency II regulated entities	1,086	1,007
<b>Solvency Capital Requirements (b)</b>	<b>5,871</b>	<b>5,735</b>
of which non-solvency II regulated entities	476	455
<b>NN Group Solvency II ratio (a/b)<sup>1)</sup></b>	<b>236%</b>	<b>252%</b>
<b>NN Life Solvency II ratio<sup>1)</sup></b>	<b>211%</b>	<b>239%</b>

The NN Group Solvency II ratio decreased to 236% at the end of the third quarter of 2016 from 252% at the end of the second quarter of 2016 mainly due to an increase of credit spreads on highly rated government bonds and a decrease of credit spreads on corporate bonds. This was partly offset by operating return and positive equity revaluations. In light of the intended offer for Delta Lloyd, the EUR 500 million share buyback programme has been suspended for an amount of EUR 333 million. This remaining outstanding amount of EUR 333 million continues to be deducted from Solvency II Own Funds as at 30 September 2016.

The NN Life Solvency II ratio decreased to 211% from 239% at the end of the second quarter of 2016, mainly due to the aforementioned credit spread movements and a EUR 150 million dividend paid to the holding company, partly offset by positive equity revaluations.

NN Group intends to refinance the EUR 0.8 billion of hybrid loans outstanding with ING Group, which are currently grandfathered as Tier 1 capital under Solvency II. These hybrid loans, should they remain outstanding, will cease to be grandfathered as Solvency II capital from 1 January 2017.

## Cash capital position at the holding company

in EUR million	3Q16	9M16
<b>Beginning of period</b>	<b>2,337</b>	<b>1,953</b>
Cash divestment proceeds	0	0
Dividends from subsidiaries <sup>15)</sup>	320	1,241
Capital injections into subsidiaries <sup>16)</sup>	0	-8
Other <sup>17)</sup>	-22	-38
<b>Free cash flow to the holding<sup>18)</sup></b>	<b>298</b>	<b>1,195</b>
Acquisitions	0	0
Capital flow from / (to) shareholders	-244	-757
Increase / (decrease) in debt and loans	0	0
<b>End of period</b>	<b>2,391</b>	<b>2,391</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 2,391 million at the end of the third quarter of 2016 from EUR 2,337 million at the end of the second quarter of 2016. This increase was driven by EUR 320 million of dividends received from the Dutch insurance units, NN Investment Partners and NN Re Netherlands, partly offset by capital flows to shareholders of EUR 244 million representing the cash part of the 2016 interim dividend (EUR 113 million) and the amount of shares repurchased in the third quarter of 2016 (EUR 131 million).

## Financial leverage

in EUR million	30 Sep 16	30 Jun 16	30 Sep 15
Shareholders' equity	25,470	25,254	20,271
Adjustment for revaluation reserves <sup>19)</sup>	-11,528	-11,715	-7,349
Goodwill	-257	-260	-257
Minority interests	9	10	44
<b>Capital base for financial leverage (a)</b>	<b>13,694</b>	<b>13,290</b>	<b>12,709</b>
Undated subordinated notes <sup>20)</sup>	986	986	986
Subordinated debt	2,288	2,289	2,291
Total subordinated debt	3,274	3,275	3,277
Debt securities issued (financial leverage)	398	398	398
<b>Financial leverage (b)</b>	<b>3,672</b>	<b>3,673</b>	<b>3,675</b>
Debt securities issued (operational leverage)	199	199	199
<b>Total debt</b>	<b>3,871</b>	<b>3,872</b>	<b>3,874</b>
Financial leverage ratio (b/(a+b))	21.1%	21.7%	22.4%
Fixed-cost coverage ratio <sup>20)21)</sup>	13.0x	12.1x	13.2x

The financial leverage ratio of NN Group decreased to 21.1% at the end of the third quarter of 2016 from 21.7% at the end of the second quarter of 2016. The capital base for financial leverage increased by EUR 404 million mainly due to the third-quarter net result of EUR 436 million and positive equity revaluations, offset by the cash part of the 2016 interim dividend (EUR 113 million) as well as the amount of shares repurchased in the third quarter of 2016 (EUR 131 million).

The fixed-cost coverage ratio improved to 13.0x at the end of the third quarter of 2016 from 12.1x at the end of the second quarter of 2016 (on a last 12-months basis).

## Interim dividend

On 9 September 2016, NN Group paid an interim dividend of EUR 0.60 per ordinary share. Approximately 42% of shareholders elected to receive the dividend in ordinary shares. Consequently, 3,086,014 new ordinary shares were issued for the settlement of the stock dividend. The dilutive effect of the stock dividend will be neutralised through the repurchase of shares for an amount of EUR 82 million, equivalent to the value of the stock dividend.

## Share buyback

On 26 May 2016, NN Group announced an open market share buyback programme for an amount up to EUR 500 million over a period of 12 months commencing 1 June 2016. Following NN Group's intended offer for Delta Lloyd as announced on 5 October 2016, this share buyback programme has been suspended. Up until the date of the announcement, share buybacks under this programme had been executed for an amount of EUR 167 million. The remaining outstanding amount of EUR 333 million continues to be deducted from Solvency II Own Funds as at 30 September 2016.

In addition to this share buyback programme, NN Group intends to neutralise the dilutive effect of stock dividends. Following payment of the 2015 final dividend on 28 June 2016 and the 2016 interim dividend on 9 September 2016, NN Group will repurchase ordinary shares for an amount of EUR 238 million, equivalent to the value of the stock dividends.

These share buybacks will be executed under the programme by financial intermediaries by 31 May 2017. Shares for an amount of EUR 131 million were repurchased in the third quarter of 2016.

The share buyback programme is being executed within the limitations of the existing authority granted by the AGM on 2 June 2016 and is being 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 ([www.nn-group.com/Investors.htm](http://www.nn-group.com/Investors.htm)). The execution of the share buyback programme is subject to NN Group maintaining a robust capital position and overall financial flexibility. NN Group will continue to explore options for deploying excess capital for value creating corporate opportunities, in line with its dividend policy.

## Share capital

The total number of NN Group shares outstanding (net of 9,930,131 treasury shares) at 15 November 2016 was 324,921,240.

## Credit ratings

On 7 October 2016, Standard & Poor's announced that it had placed the credit ratings of NN Group on 'CreditWatch negative', meaning that Standard & Poor's will assess any offer that NN Group may make for Delta Lloyd over the course of the 90 days following the Standard & Poor's announcement. Upon the completion of their review, Standard & Poor's could either affirm the ratings of NN Group or lower them. On 7 October 2016, Fitch announced that it will not take any rating action as a result of the offer that NN Group may make for Delta Lloyd.

Credit ratings of NN Group N.V. at 17 November 2016	Financial Strength Rating	NN Group N.V. Counterparty Credit Rating
Standard & Poor's	A+ CreditWatch negative	A- CreditWatch negative
Fitch	A+ Stable	A Stable

## Footnotes reference page

- 1) The solvency ratios are not final until filed with the regulators. The Solvency II ratio is based on the partial internal model.
- 2) 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).
- 3) Excluding Mandema & Partners and Zicht broker businesses.
- 4) End of period, in EUR billion.
- 5) Four-quarter rolling average.
- 6) Net operating result of the ongoing business, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity.
- 7) 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 and undated subordinated notes classified as equity. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the 30 June 2016 Condensed consolidated interim financial information.
- 8) AuM include the mortgage portfolio managed on behalf of NN Life and NN Non-life since 2Q14. The comparative figures have been restated accordingly.
- 9) 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 and undated subordinated notes classified as equity. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the 30 June 2016 Condensed consolidated interim financial information.
- 10) Including Mandema & Partners and Zicht broker businesses.
- 11) 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.
- 12) The 'NN Bank common equity Tier 1 ratio phased in' and the 'NN Bank BIS ratio phased in' are not final until filed with the regulators.
- 13) Net operating ROE is calculated as the (annualised) net operating result of NN Bank, divided by (average) adjusted allocated equity. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves and undated subordinated notes classified as equity. Reference is made to the section 'Alternative Performance measures (Non-GAAP measures)' in the 30 June 2016 Condensed consolidated interim financial information.
- 14) End of period.
- 15) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 16) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 17) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 18) 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 and capital transactions with shareholders and debtholders.
- 19) Includes revaluations on debt securities, on the cash flow hedge reserve and on the reserves crediting to life policyholders.
- 20) 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.
- 21) 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 insurance and asset management company, active in more than 18 countries, with a strong presence in a number of European countries and Japan. With around 11,500 employees the group offers retirement services, insurance, investments and banking to more than 15 million customers. NN Group includes Nationale-Nederlanden, NN and NN Investment Partners. NN Group is listed on Euronext Amsterdam (NN).

## Investor conference call and webcast

Lard Friese and Delfin Rueda will host an analyst and investor conference call to discuss the 3Q16 results at 09.30 am CET on Thursday 17 November 2016. 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 call

Lard Friese and Delfin Rueda will host a press call to discuss the 3Q16 results, which will be held at 11.30 am CET on Thursday 17 November 2016. Journalists can join the press call at +31 (0)20 531 5863.

## Financial calendar

- Publication 4Q16 results: 16 February 2017
- Publication 1Q17 results: 18 May 2017
- Annual General Meeting: 1 June 2017
- Publication 2Q17 results: 17 August 2017
- Publication 3Q17 results: 16 November 2017

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

- NN Group 3Q16 Financial Supplement, NN Group 3Q16 Analyst Presentation and NN Group 3Q16 Condensed consolidated interim financial information
- Photos of NN Group executives, buildings and events are available for download at [Flickr](#)

## Important legal information

NN Group's Consolidated Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 on the Dutch Civil Code.

In preparing the financial information in this document, the same accounting principles are applied as in the NN Group N.V. condensed consolidated interim accounts for the period ended 30 September 2016.

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, (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, (13) changes in the policies 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 us 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 and (18) the other risks and uncertainties detailed in the Risk Factors section 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.