

NN Group

Third quarter 2015 results

Lard Friese – CEO

Delfin Rueda – CFO

The Hague – 4 November 2015



Highlights and financial targets

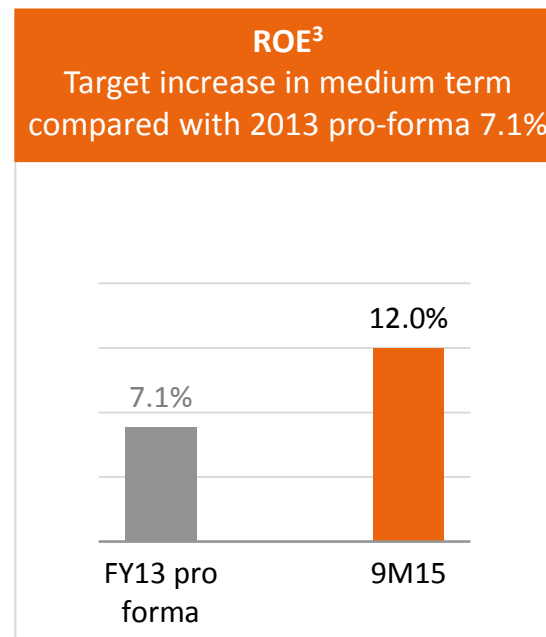
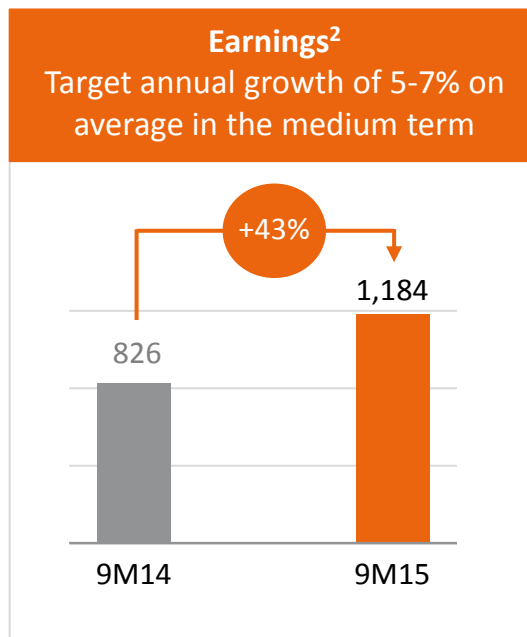
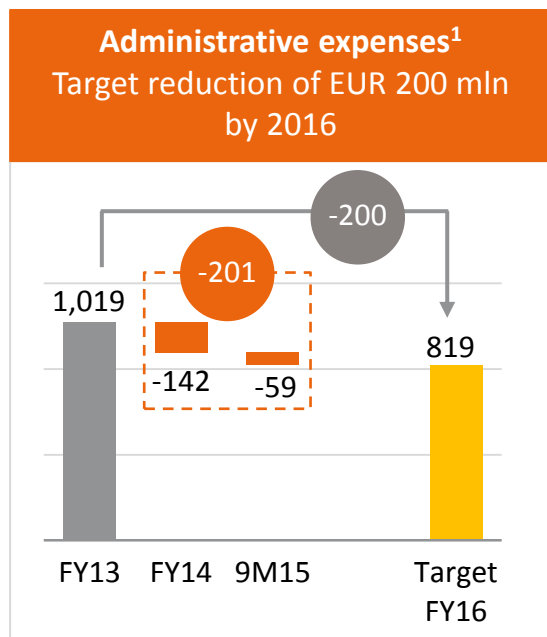
Lard Friese – CEO

3Q15 highlights

Operating result ongoing business	Net result	Net operating ROE ongoing business	IGD
EUR 392 mln	EUR 329 mln	12.2%	322%
<i>EUR 274 mln in 3Q14</i>	<i>EUR 354 mln in 3Q14</i>	<i>8.3% in 3Q14 Pro forma 7.1% in 2013</i>	<i>306% in 2Q15</i>

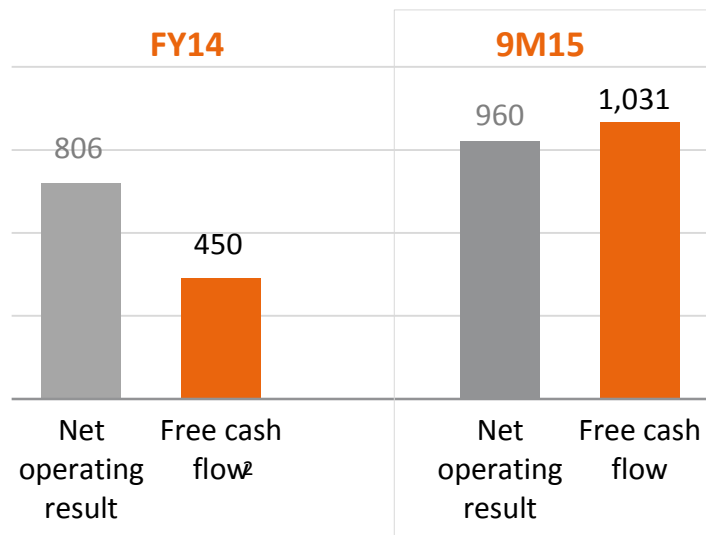
- Operating result ongoing business higher at EUR 392 mln, supported by a private equity dividend, partly offset by unfavourable claims experience in Property & Casualty in the Netherlands
- Net result lower at EUR 329 mln, due to lower non-operating items and negative hedge result in Japan Closed Block VA
- Cumulative cost savings in the Netherlands of EUR 201 mln compared with 2013
- Net operating ROE of 12.2%, reflecting improved profitability mainly in Netherlands Life
- Capital position remains strong; IGD ratio at 322%; holding company cash capital stable at EUR 1.6 bln

Delivering on our financial targets ...

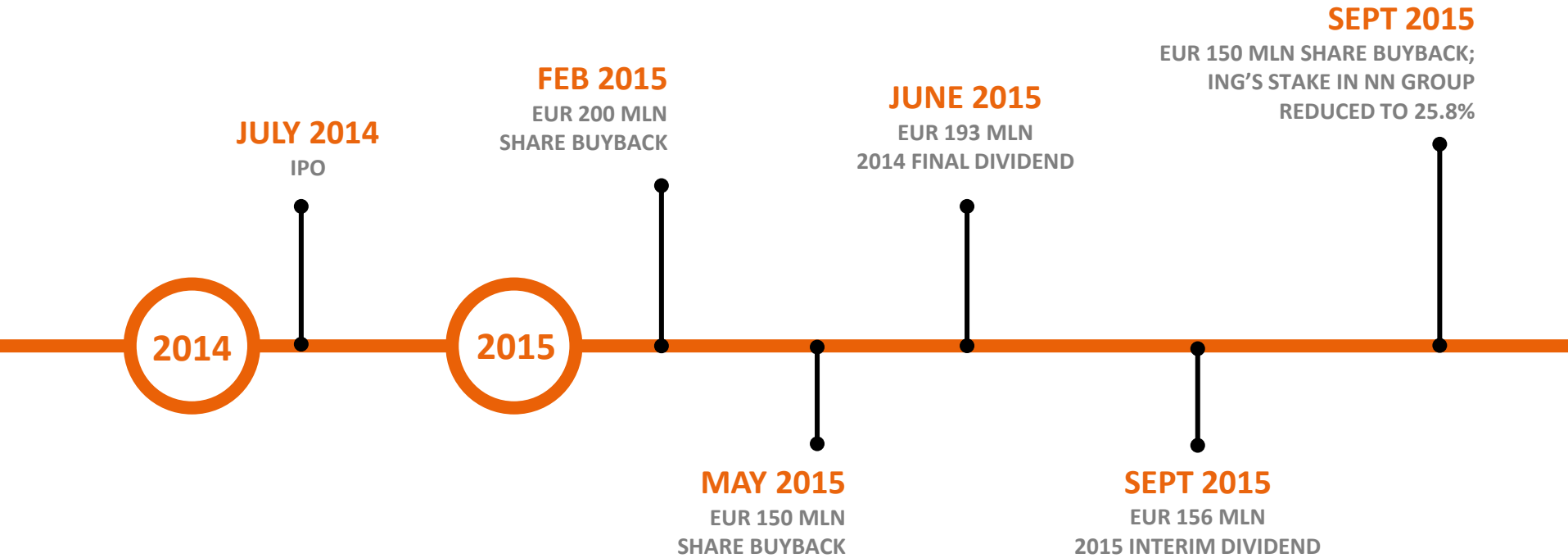


... and generating free cash

Over time NN Group expects to generate free cash available to shareholders in a range around the Group's net operating result of the ongoing business¹



EUR 849 mln of capital returned to shareholders since IPO



Capital position remains strong

Operating units

- Manage operating units to commercial capital levels
- Surplus capital above commercial levels to be returned to holding

NN Life solvency I ratio 299%¹
(281% at 2Q15)

Cash capital at holding

- Hold cash capital in holding to cover stress events and to fund holding costs

Cash capital at holding EUR 1.6 bln
(EUR 1.6 bln at 2Q15)

Financial leverage

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

Fixed-cost coverage ratio 13.2x
(12.9x at 2Q15)

Financial leverage ratio 22.4%
(22.1% at 2Q15)

Financial leverage EUR 3.7 bln
(EUR 3.7 bln at 2Q15)

IGD ratio 322%
(306% at 2Q15)

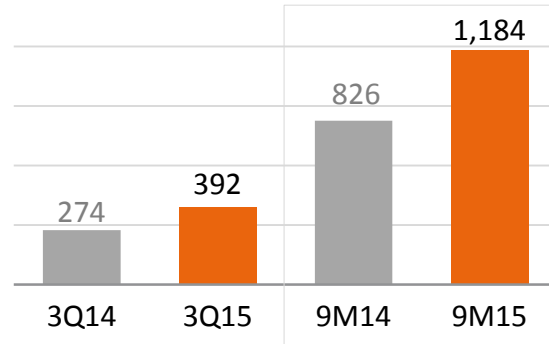
1. Reflects the EUR 125 mln dividend paid by NN Life to NN Group in October 2015

Discussion of 3Q15 results

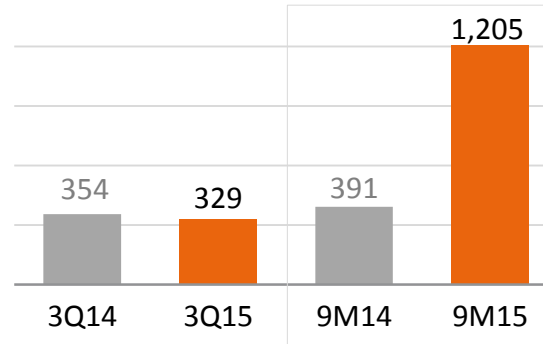
Delfin Rueda – CFO

Operating result ongoing business of EUR 392 mln in 3Q15

Operating result ongoing business
(EUR mln)



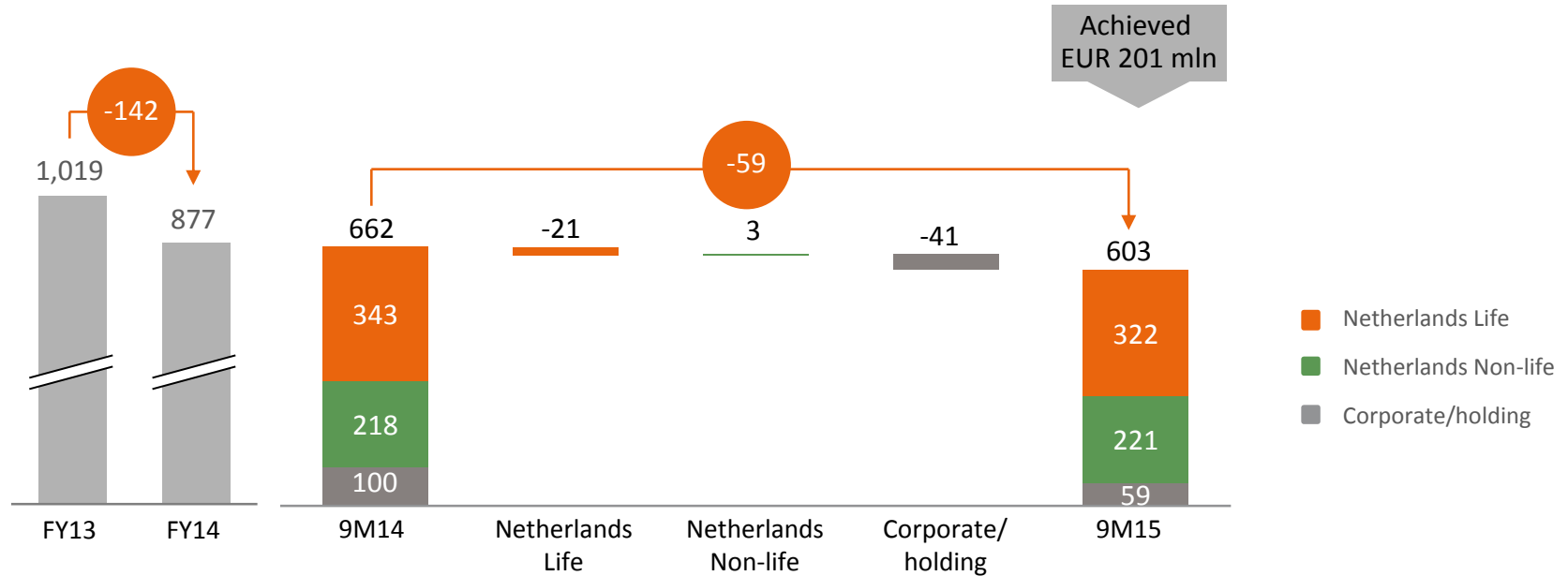
Net result
(EUR mln)



- Operating result ongoing business up 43.0%, supported by a private equity dividend, partly offset by unfavourable claims experience in Property & Casualty in the Netherlands
- Net result decreased to EUR 329 mln, reflecting negative hedge-related result in Japan Closed Block VA and lower non-operating items, partly offset by a higher operating result of the ongoing business

Total expense reductions of EUR 201 mln from 2013 levels

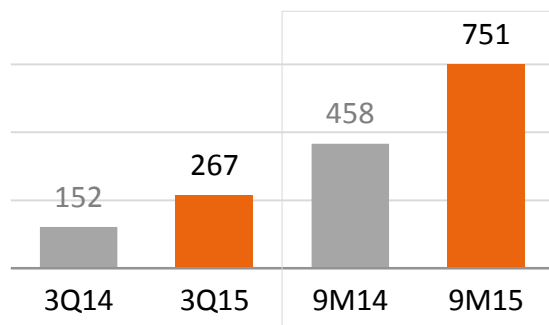
Administrative expenses in the Netherlands¹ (EUR mln)



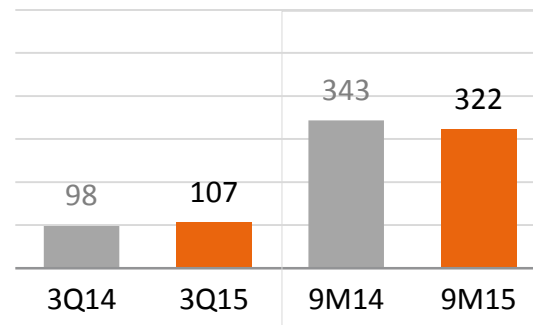
1. Netherlands Life, Netherlands Non-life and Corporate/holding

Netherlands Life

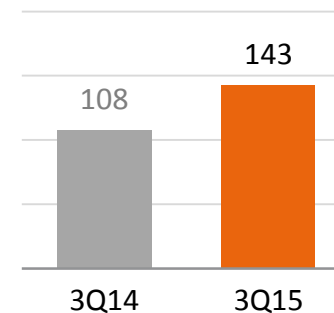
Operating result before tax (EUR mln)



Administrative expenses (EUR mln)



Investment spread¹ (bps)

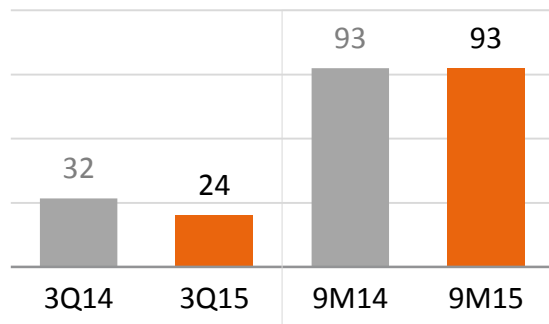


- Operating result up, driven by a EUR 110 mln private equity dividend and higher technical margin, partly offset by lower fees and premium-based revenues
- Administrative expenses down 1.2%, mainly due to lower staff costs, excluding the impact of the transfer of the personnel provisions in the third quarter of 2014
- Investment spread benefited from higher private equity dividends

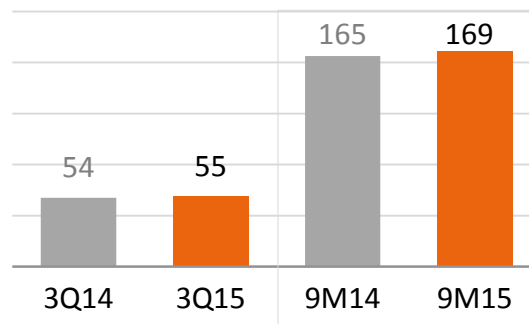
1. Four-quarter rolling average

Netherlands Non-life

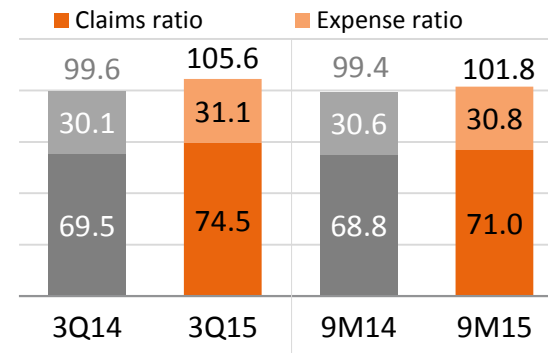
Operating result before tax
(EUR mln)



Administrative expenses¹
(EUR mln)



Combined ratio¹
(%)

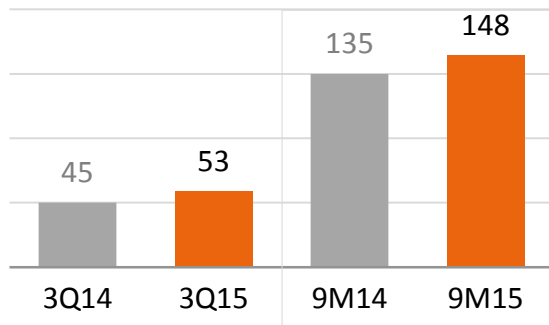


- Lower operating result impacted by large weather-related and fire claims and lower results on prior accident years, partly offset by EUR 17 mln private equity dividend
- Administrative expenses increased, due to higher project expenses
- Total combined ratio increased to 105.6% mainly due to an unfavourable claims experience in Property & Casualty

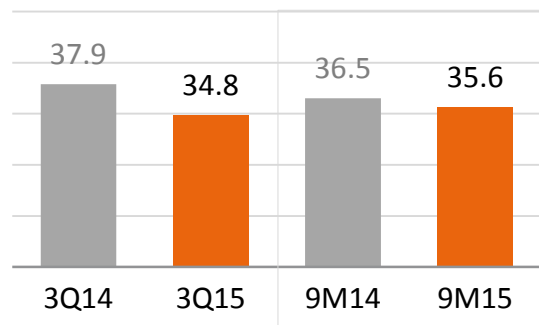
1. Excludes Mandema and Zicht broker businesses

Insurance Europe

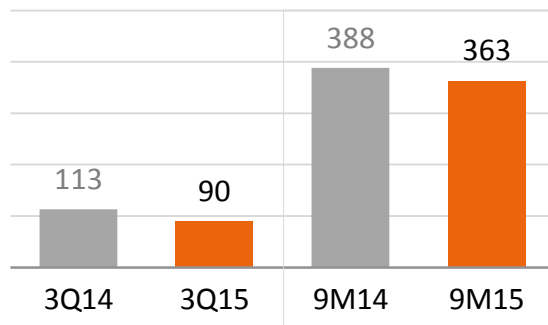
Operating result before tax
(EUR mln)



Cost-income ratio
(%)



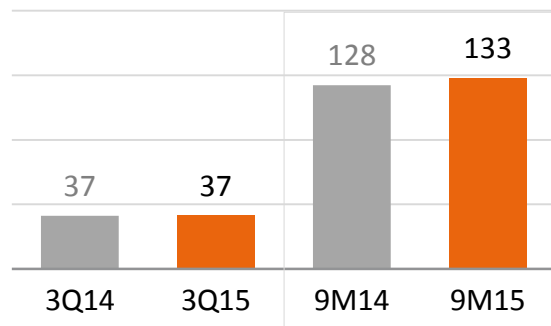
New sales (APE)
(EUR mln)



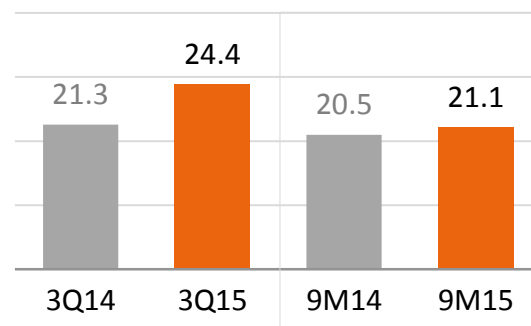
- Operating result up on 3Q14, which included EUR 12 mln of write-offs; increase in fees and premium-based revenues more than offset by decline in investment margin and technical margin
- Cost-income ratio improved due to lower expenses
- New sales (APE) down 18.9% at constant currencies, mainly in Belgium, Poland, Spain and Turkey

Japan Life

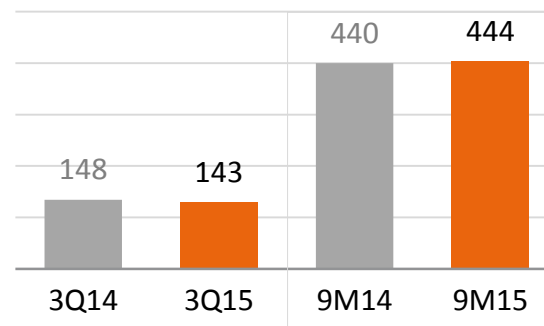
Operating result before tax
(EUR mln)



Cost-income ratio
(%)



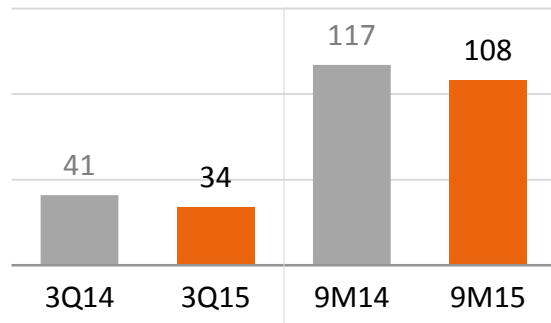
New sales (APE)
(EUR mln)



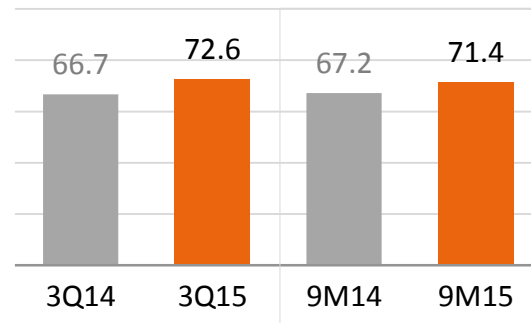
- Operating result broadly stable compared with 3Q14, which included a EUR 6 mln benefit from a change in pension liability; higher fees and premium-based revenues partly offset by lower investment margin
- Cost-income ratio up on higher administrative expenses; excluding EUR 6 mln pension liability benefit in 3Q14, administrative expenses were stable
- New sales (APE) down 4.2% at constant currencies

Asset Management

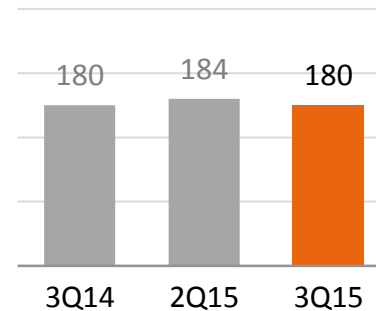
Operating result before tax
(EUR mln)



Cost-income ratio
(%)



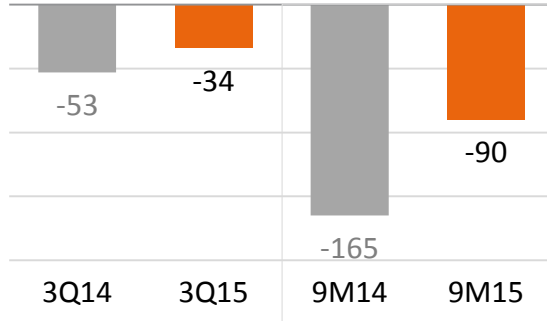
Assets under Management
(EUR bln, end of period)



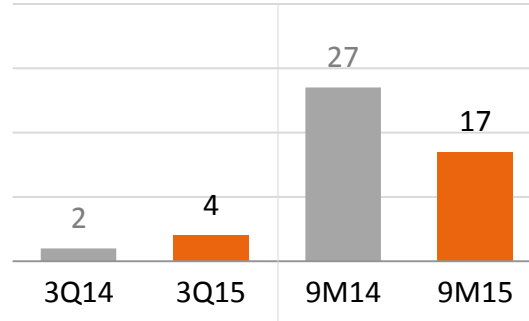
- Assets under Management decreased due to net outflows and negative market performance
- Operating result down 16.0% mainly due to higher expenses
- Administrative expenses up 9.1% due to higher staff-related expenses, as well as higher market data expenses

Other

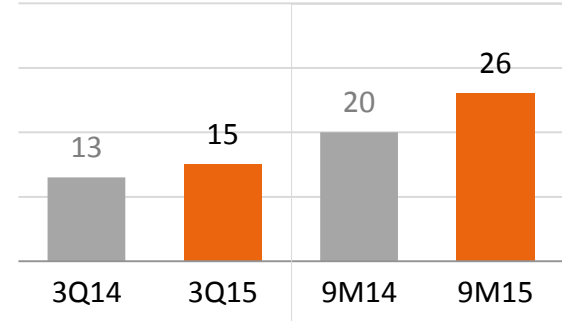
Holding - Operating result before tax (EUR mln)



Reinsurance - Operating result before tax (EUR mln)



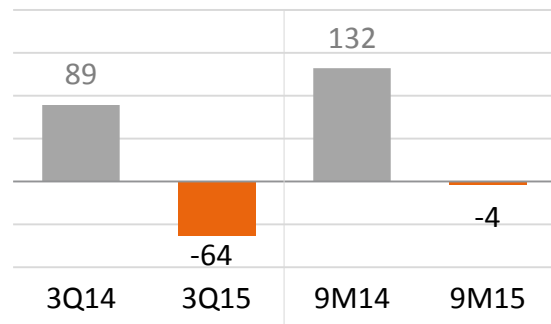
NN Bank - Operating result before tax (EUR mln)



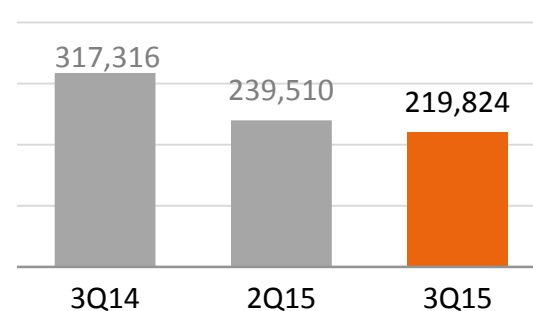
- Operating result of the segment Other improved from EUR -33 mln to EUR -23 mln
- Better holding result reflecting lower holding expenses
- Operating result of the reinsurance business increased due to better underwriting results
- NN Bank's operating result increased driven by a higher interest margin following growth of its mortgage and customer savings activities, partly offset by higher administrative expenses supporting the bank's continued growth

Japan Closed Block VA

Result before tax (EUR mln)



Number of policies (end of period)



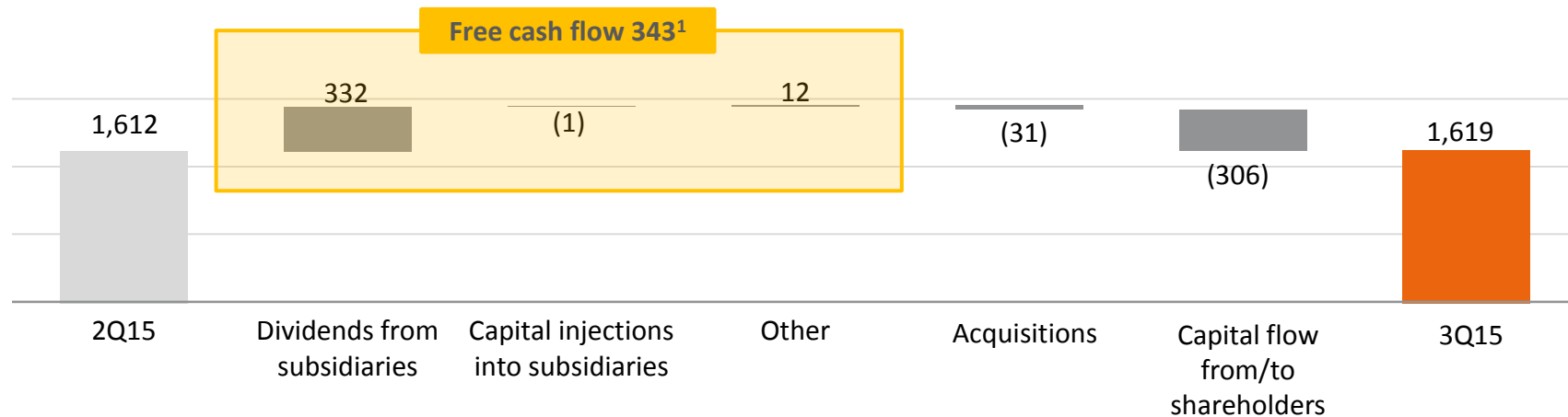
Account value, NAR and IFRS reserves

	3Q14	2Q15	3Q15
Account value (EUR bln)	14.3	11.6	10.2
NAR (EUR mln)	393	76	379
IFRS reserves (EUR mln)	792	403	688

- Result before tax impacted by negative hedge-related results due to higher global market volatility in August and September
- Number of policies down 8.2% compared with 2Q15 as portfolio continues to run off
- Net Amount at Risk (NAR) increased to EUR 379 mln, primarily as a result of equity markets depreciation

Free cash flow

Movement in holding company cash capital in 3Q15 (in EUR mln, end of period)



- Free cash flow at the holding company of EUR 343 mln in 3Q15 mainly due to dividends received from subsidiaries
- Acquisition of remaining 20% stake in the Polish Pension fund from ING Bank Slaski
- Capital flows to shareholders include the 2015 interim dividend of EUR 156 mln and EUR 150 mln share buyback in September

1. Free cash flow at the holding company is the change in cash capital position, excluding acquisitions and capital transactions with shareholders and debtholders

Wrap-up

Lard Friese – CEO

Wrap-up

- NN Group reports operating result of EUR 392 mln for 3Q15
- Cumulative costs savings in the Netherlands of EUR 201 mln compared with 2013
- Capital position remains strong: IGD ratio 322%
- Holding company cash capital stable at EUR 1.6 bln; EUR 332 mln dividends received from subsidiaries in 3Q15

Q&A

Lard Friese – CEO

Delfin Rueda – CFO

Doug Caldwell – CRO



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 financial information for the period ended 30 June 2015.

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) the implementation of the EC Restructuring Plan, (5) changes in the availability of, and costs associated with, sources of liquidity as well as conditions in the credit markets generally, (6) the frequency and severity of insured loss events, (7) changes affecting mortality and morbidity levels and trends, (8) changes affecting persistency levels, (9) changes affecting interest rate levels, (10) changes affecting currency exchange rates, (11) changes in investor, customer and policyholder behaviour, (12) changes in general competitive factors, (13) changes in laws and regulations, (14) changes in the policies of governments and/or regulatory authorities, (15) conclusions with regard to accounting assumptions and methodologies, (16) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (17) changes in credit and financial strength ratings, (18) NN Group's ability to achieve projected operational synergies and (19) the other risks and uncertainties contained in recent public disclosures made by NN Group and/or related to NN Group.

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