

NN Group semi-annual pre-close note for 2H25

NN Group Investor Relations

8 January 2026

The note is primarily intended to assist the sell side analyst community covering NN Group, and may be useful for their analysis. NN Group will aggregate estimates received by sell side analysts and publish a consensus estimate. The document does not contain inside information or current trading comments. Unless stated otherwise, the guidance and outlook comments come from the 1H25 results on 8 August 2025 or the Capital Markets Day on 27 May 2025, and as such should be considered a repetition rather than a confirmation.

Capital

- The NN Group pro-forma Solvency II ratio as of 30 June 2025 was 205% (the reported ratio was 208%). This pro-forma ratio is corrected to deduct the untendered grandfathered RT1 notes of EUR 237m. These notes will no longer be part of our reported year-end Solvency II ratio, following notice given on 16 December that these notes will be called in January.
- The Operating Capital Generation (OCG) earned over 2H25 added to the ratio. Guidance on OCG is provided in a separate section of this document.
- A final dividend and share buyback programme are typically announced with the full-year results. The final dividend impacts the reported solvency ratio at year-end 2025, whilst the share buyback will impact the reported solvency ratio at the half-year results.
- Over 2H25, estimates based on observable market movements and our most recently disclosed solvency sensitivities would suggest a positive net impact from markets.
 - Our disclosed sensitivities ([link](#), page 20) are high-level point-in-time estimates based on specific shocks and, therefore, may not fully reflect our underlying portfolio movements.
 - NN Group's government bond and corporate bond portfolio compositions are disclosed ([link](#), page 26).
 - NN Group's equity portfolio is a more concentrated midcap portfolio, making it challenging to model the equity portfolio based on an index. The portfolio is underweight to tech and financials.
 - To avoid double-counting when estimating market impacts for equity and real estate, the total return assumptions for equity and real estate should be deducted as this is included in OCG.
- Notable macroeconomic movements over 2H25 are:
 - Higher interest rates, with the EUR swap curve increasing by 32bps at the 10 year point and 42bps at the 20 year point
 - The risk free curve steepened slightly between the 20 and 30 year point during the period (6bps steepening).
 - AAA-rated government bond spreads narrowed during the period (10bps¹ narrowing)
 - AA and lower rated government bond spreads narrowed during the period (11bps² narrowing).
 - Note that sensitivities for government bond spreads do not capture the impact of the rating downgrade for France, which will have a small negative impact on the group solvency ratio.
 - Our through the cycle average mortgage spread expectation is around 100bps. As per end of June, the mortgage spread was 90bps. Between end of June and end of December the mortgage spread tightened by c.15bps.
 - Corporate spreads have narrowed during the period (10bps³ narrowing)
 - Most European equity indices performed positively over the period.

¹ Proxy based on the weighted movements in spreads of Dutch, German and EU government bonds (at the 10yr point).

² Proxy based on the weighted movements in spreads for the top 5 Euro denominated AA and lower rated government bonds (France, Belgium, Austria, Spain and Finland) during the period. Spreads are taken at the 10yr point, with the exception of French government bonds that are taken at the 20yr point.

³ Proxy based on the movements in spreads of A Financial Corporate Bonds and BBB Non-financial Corporate Bonds (at the 5yr point).

Operating capital generation

- The latest guidance for the Group indicated some upside for 2025 OCG versus 2024 levels of EUR 1.9bn. This included the following guidance per segment:

Segment	Reported 1H25	Guidance
Netherlands Life	EUR 595m	Some upside for FY25 versus 2024 levels, mainly driven by the increase of fixed return assumptions. The 1H25 OCG does contain positive one-offs and should not be taken as a run rate: <ul style="list-style-type: none"> 1H25 results contained positive experience variance, not expected to repeat (material contributor to reported EUR 31m experience variance at group level) DB renewals and rider sales are typically skewed to 1H. Therefore, OCG 2H25 is likely to see less VNB contribution.
Netherlands Non-life	EUR 175m	On track to exceed our implied run-rate OCG of ~EUR 400m, benefitting from benign weather and an increased seasonal effect from new business recognition.
Insurance Europe	EUR 251m	Flattish OCG expected versus 1H25
Japan	EUR 59m	Dependent on the speed of sales recovery, increased new business strain could put some pressure on the 2025 target of EUR 125m.
Banking	EUR 66m	2H25 OCG expected to be lower than that of 1H25, due to NIM pressure and a positive one-off capital release in 1H
Other	EUR -126m	1H25 NN Re results contained positive one-offs, not expected to repeat

Free Cash Flow⁴

- The last guidance was that NN Group is on track to reach its 2025 FCF target of EUR 1.6bn.
- The following guidance applies per segment:

Segment	Guidance
Netherlands Life	We expect stable and predictable remittances until 2040, barring large real economic losses.
Netherlands Non-life	Typically expect strong FCF/OCG conversion rate >80%.
International units	We expect remittance growth at least in line with OCG. Most international units typically pay dividends in the first half of the year however there are several larger business units that typically remit in the second half year. Belgium is not expected to pay a dividend in FY25.
Japan	Remittances remain restricted by local GAAP however are expected to grow in line with OCG.
Banking	FCF/OCG conversion rate equal or above the group. Basel IV strengthened remittance capacity which we intend to utilise in 2025 and 1H26
Other	Includes remittances from the Reinsurance business, as well as holding free cashflows: <ul style="list-style-type: none"> FCF from the holding includes interest on subordinated loans and debt, holding company expenses and other cash flows. FCF from the holding expected to be EUR 50m lower in FY25 and FY26 due to Future Ready investments

⁴ Free Cash Flow is defined as remittances from subsidiaries, capital injections into subsidiaries, and other movements including holding company expenses and interest on loans and debt and other holding company cash flows.

Cash capital position at the holding company

- NN Group's holding company cash capital at the end of June 2025 was EUR 1,625m.
- Apart from Free Cash Flow, capital flows to shareholders impacted the cash position by EUR 526m during 2H25:
 - Deduction of the 2025 interim dividend (paid solely in cash) of approximately EUR 365m
 - Deduction for the repurchase of NN Group shares for a total amount of EUR 161m
- Other items that could impact the cash capital position include changes in debts and loans, divestment proceeds and acquisitions.
- The announcement to call the remaining outstanding grandfathered RT1 regulatory capital of EUR 237m does not affect the year end 2025 cash capital position. This impact will be deducted when the notes are called in January.

Closed period

Please note that the closed period commences on 13 January 2026.

Important legal information

All figures in this document are unaudited. Small differences are possible in the tables due to rounding. Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in NN Group's core markets, (2) changes in performance of financial markets, including developing markets, (3) consequences of a potential (partial) break-up of the euro or European Union countries leaving the European Union, (4) changes in the availability of, and costs associated with, sources of liquidity as well as conditions in the credit markets generally, (5) the frequency and severity of insured loss events, (6) changes affecting mortality and morbidity levels and trends, (7) changes affecting persistency levels, (8) changes affecting interest rate levels, (9) changes affecting currency exchange rates, (10) changes in investor, customer and policyholder behaviour, (11) changes in general competitive factors, (12) changes in laws and regulations and the interpretation and application thereof, (13) changes in the policies and actions of governments and/or regulatory authorities, (14) conclusions with regard to accounting assumptions and methodologies, (15) changes in ownership that could affect the future availability to NN Group of net operating loss, net capital and built-in loss carry forwards, (16) changes in credit and financial strength ratings, (17) NN Group's ability to achieve projected operational synergies, (18) catastrophes and terrorist-related events, (19) operational and IT risks, such as system disruptions or failures, breaches of security, cyber-attacks, human error, changes in operational practices or inadequate controls including in respect of third parties with which we do business, (20) risks and challenges related to cybercrime including the effects of cyberattacks and changes in legislation and regulation related to cybersecurity and data privacy, (21) business, operational, regulatory, reputation and other risks and challenges in connection with Sustainability Matters (please see the link to our sustainability matters definition <https://www.nn-group.com/sustainability-society/policies-reports-memberships.htm>) (22) the inability to retain key personnel, (23) adverse developments in legal and other proceedings and (24) the other risks and uncertainties contained in recent public disclosures made by NN Group.

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