

# NN GROUP FINANCIAL SUPPLEMENT

2H20

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## NN GROUP FINANCIAL SUPPLEMENT 2H20 INTRODUCTION

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- The Financial Supplement includes historical financial data and is published on a semi-annual basis.
- Figures are calculated at historical foreign exchange rates, unless otherwise stated.
- 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 the result on divestments, amortisation of acquisition intangibles and special items, gains/losses and impairments, revaluations and market and other impacts. The adjusted allocated equity is derived by adjusting the reported total equity to exclude revaluation reserves, undated subordinated notes classified as equity as well as goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition. Alternative Performance Measures are non-IFRS-EU measures that have a relevant IFRS-EU equivalent. For definitions and explanations of the Alternative Performance Measures reference is made to the section 'Alternative Performance Measures (Non-GAAP measures)' in the NN Group N.V. 30 June 2020 Condensed consolidated interim financial information
- The segment 'Other' consists of the reinsurance business, the holding company and certain other entities.
- APE represents annualised premium equivalents sold in the period, with single premiums calculated at 1/10th of the single premium amounts.
- The semi-annual figures of the previous periods, excluding currency effects, are the sum of the monthly figures calculated at the average rate of each individual month of the current half year.
- As of 2020 NN Group changed its external reporting frequency from quarterly reporting to semi-annual reporting. The reporting frequency impacts the calculation of certain metrics as explained in the Notes.
- Rounding could cause some small differences.
- All figures are unaudited.

## TABLE OF CONTENTS

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1.1	Consolidated balance sheet	4
1.2	Total equity	6
1.3	Shareholders' equity reconciliation	7
1.4	Capital base - Solvency II	8
1.5	Operating capital generation	9
1.6	Cash capital position at the holding company	10
1.7	Investments per asset type	11
1.8	Pro forma development of administrative expenses after Delta Lloyd acquisition	12
1.9	Earnings per ordinary share	13
1.10	New Business	14
	Analysis of Results:	
2.1	Total	15
2.2.1	Netherlands Life	18
2.2.2	Netherlands Life - Provisions for life insurance and investment contracts	19
2.3.1	Netherlands Non-life	20
2.3.2	Netherlands Non-life - Key figures by line of business	21
2.4.1	Insurance Europe	22
2.4.2	Insurance Europe - Key figures by country	24
2.4.3	Insurance Europe - Provisions for life insurance and investment contracts and Assets under Management pensions	26
2.5.1	Japan Life	27
2.5.2	Japan Life - Provisions for life insurance and investment contracts	29
2.6.1	Asset Management	30
2.6.2	Asset Management - AuM and AuA	31
2.7.1	Banking	32
2.7.2	Banking - Savings and deposits and Mortgages	33
2.8	Other	34
	Notes	35

## 1.1 CONSOLIDATED BALANCE SHEET: ASSETS

In EUR million	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
Cash and cash equivalents	12,382	12,388	6,436	11,131
Financial assets at fair value through profit or loss				
- investments for risk of policyholders	34,797	32,288	34,433	32,934
- non-trading derivatives	14,833	16,431	10,189	10,026
- designated as at fair value through profit or loss	1,336	1,344	1,184	1,206
Available-for-sale investments				
- debt securities	106,876	108,960	109,566	105,308
- equity securities	11,299	9,242	8,078	7,272
Loans	65,428	64,580	61,768	60,898
Reinsurance contracts	1,063	1,173	988	1,024
Associates and joint ventures	5,673	5,396	5,457	5,227
Real estate investments	2,444	2,561	2,571	2,482
Property and equipment	448	471	465	399
Intangible assets	1,063	1,093	995	1,016
Deferred acquisition costs	1,871	1,934	1,913	1,960
Assets held for sale	113	0	0	0
Deferred tax assets	73	82	84	100
Other assets	4,039	4,326	4,470	5,149
<b>Total assets</b>	<b>263,738</b>	<b>262,269</b>	<b>248,597</b>	<b>246,132</b>

## 1.1 CONSOLIDATED BALANCE SHEET: EQUITY AND LIABILITIES

In EUR million	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
Shareholders' equity (parent)	36,731	35,117	30,768	30,385
Minority interests	277	256	260	255
Undated subordinated notes	1,764	1,764	1,764	1,764
<b>Total equity</b>	<b>38,772</b>	<b>37,137</b>	<b>32,792</b>	<b>32,404</b>
Subordinated debt	2,383	2,396	2,409	2,433
Debt securities issued	1,694	1,693	1,992	1,991
Other borrowed funds	7,542	7,027	7,614	6,605
Insurance and investment contracts				
- life insurance liabilities	127,523	129,051	126,768	126,686
- non-life insurance liabilities	7,329	7,813	6,064	6,416
- liabilities for life insurance for risk of policyholders	33,568	31,176	33,259	31,824
- investment contract liabilities	2,252	2,164	2,160	2,106
Customer deposits and other funds on deposit	15,803	15,598	15,161	15,047
Financial liabilities at fair value through profit or loss				
- non-trading derivatives	4,012	4,480	3,232	3,809
Liabilities held for sale	93	0	0	0
Deferred tax liabilities	6,329	5,185	4,030	3,794
Other liabilities	16,438	18,549	13,116	13,017
<b>Total liabilities</b>	<b>224,966</b>	<b>225,132</b>	<b>215,805</b>	<b>213,728</b>
<b>Total equity and liabilities</b>	<b>263,738</b>	<b>262,269</b>	<b>248,597</b>	<b>246,132</b>

## 1.2 TOTAL EQUITY

In EUR million	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
Share capital	39	38	41	41
Share premium	12,574	12,575	12,572	12,572
Revaluation reserve available-for sale investments Debt securities	12,720	12,113	11,000	11,803
Revaluation reserve available-for sale investments Equity securities	2,660	1,793	1,855	1,589
Revaluation reserve crediting to life policyholders	-7,167	-7,156	-6,417	-6,721
Other revaluations	35	36	33	33
Cashflow hedge reserve	12,220	12,547	8,798	8,373
Currency translation reserve	-97	-3	3	4
Net defined benefit asset/liability remeasurement reserve	-138	-145	-144	-143
Retained earnings and other reserves	3,885	3,319	3,027	2,834
<b>Shareholders' equity (parent)</b>	<b>36,731</b>	<b>35,117</b>	<b>30,768</b>	<b>30,385</b>
Minority interests	277	256	260	255
Undated subordinated notes	1,764	1,764	1,764	1,764
<b>Total equity</b>	<b>38,772</b>	<b>37,137</b>	<b>32,792</b>	<b>32,404</b>
Shares outstanding in the market (in million)	310	312	322	335

## 1.3 SHAREHOLDERS' EQUITY RECONCILIATION

At 31 December 2020

In EUR million

	(Allocated) Shareholders' equity	Less: Revaluation reserves and other adjustments <sup>1)</sup>	Plus: Minority interest	Adjusted (allocated) equity
Netherlands Life	29,691	18,675	199	11,215
Netherlands Non-life	1,599	448	66	1,217
Insurance Europe	2,907	618	0	2,289
Japan Life	2,463	657	0	1,806
Asset Management	350	0	10	360
Banking	910	6	0	904
Other <sup>2)</sup>	-1,340	525	3	-1,863
of which reinsurance business	388	88	0	300
of which other	-1,728	437	3	-2,163
<b>NN Group excluding Japan Closed Block VA</b>	<b>36,580</b>	<b>20,928</b>	<b>277</b>	<b>15,929</b>
Japan Closed Block VA	151	0	0	151
<b>NN Group</b>	<b>36,731</b>	<b>20,929</b>	<b>277</b>	<b>16,080</b>

## 1.4 CAPITAL BASE - SOLVENCY II

In EUR million	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
<b>Solvency II <sup>3)</sup></b>				
<b>IFRS Shareholders' equity</b>	<b>36,731</b>	<b>35,117</b>	<b>30,768</b>	<b>30,385</b>
Minority interest	277	256	260	255
Elimination of deferred acquisition costs and intangible assets	-1,669	-1,724	-1,580	-1,627
Valuation differences on assets	2,611	2,161	2,888	2,516
Valuation differences on liabilities, including insurance and investment contracts	-25,582	-22,416	-18,577	-17,697
Deferred tax effect on valuation differences	6,039	4,653	3,622	3,332
Difference in treatment of non-solvency II regulated entities	-1,082	-1,222	-1,240	-1,485
<b>Excess of assets over liabilities</b>	<b>17,325</b>	<b>16,825</b>	<b>16,141</b>	<b>15,679</b>
Deduction of participation in Bank	0	-992	-930	-911
Qualifying subordinated debt	4,498	4,495	4,483	4,506
Foreseeable dividends and distributions	-595	-817	-203	-865
<b>Basic Own Funds</b>	<b>21,228</b>	<b>19,510</b>	<b>19,491</b>	<b>18,409</b>
Non-available Own Funds	1,200	1,123	1,252	1,164
Non-eligible Own Funds	0	0	0	0
<b>Eligible Own Funds (a)</b>	<b>20,028</b>	<b>18,388</b>	<b>18,240</b>	<b>17,245</b>
of which Tier 1 Unrestricted	12,484	12,235	11,836	10,984
of which Tier 1 Restricted	1,927	1,938	1,922	1,946
of which Tier 2	2,484	2,470	2,474	2,470
of which Tier 3	733	500	703	701
of which non-solvency II regulated entities	2,400	1,244	1,305	1,144
<b>Solvency Capital Requirement (b)</b>	<b>9,534</b>	<b>8,338</b>	<b>8,154</b>	<b>8,203</b>
of which non-solvency II regulated entities	1,368	486	542	551
<b>NN Group Solvency II ratio (a/b) <sup>28) 29)</sup></b>	<b>210%</b>	<b>221%</b>	<b>224%</b>	<b>210%</b>



## 1.5 OPERATING CAPITAL GENERATION

In EUR million

	2H20	1H20	2H19	1H19	FY20	FY19
<b>Operating capital generation <sup>25)</sup></b>						
Netherlands Life	266	376	330	441	642	770
Netherlands Non-life	14	61	83	49	76	132
Insurance Europe	135	119	121	130	253	251
Japan Life	63	70	103	70	133	173
Asset Management	53	50	60	62	103	122
Banking	0	0	26	56	0	82
Other	-81	-133	-70	-111	-214	-180
<b>Operating capital generation</b>	<b>450</b>	<b>543</b>	<b>653</b>	<b>697</b>	<b>993</b>	<b>1,349</b>

## 1.6 CASH CAPITAL POSITION AT THE HOLDING COMPANY

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Cash capital position - beginning of period <sup>8)</sup></b>	<b>1,315</b>	<b>1,989</b>	<b>2,220</b>	<b>2,005</b>	<b>1,989</b>	<b>2,005</b>
Cash divestment proceeds	0	0	0	4	0	4
Remittances from subsidiaries <sup>4)</sup>	592	718	632	827	1,310	1,459
Capital injections into subsidiaries <sup>5)</sup>	-5	-52	-67	-9	-56	-76
Other <sup>6)</sup>	26	-209	-108	-92	-183	-200
<b>Free cash flow to the holding <sup>7)</sup></b>	<b>613</b>	<b>458</b>	<b>457</b>	<b>729</b>	<b>1,070</b>	<b>1,187</b>
Acquisition	0	-572	-15	-102	-572	-117
Capital flows from / (to) shareholders	-758	-260	-673	-412	-1,017	-1,085
Increase / (decrease) in debt and loans	0	-300	0	0	-300	0
<b>Cash capital position - end of period</b>	<b>1,170</b>	<b>1,315</b>	<b>1,989</b>	<b>2,220</b>	<b>1,170</b>	<b>1,989</b>

## 1.7 INVESTMENTS PER ASSET TYPE

At 31 December 2020

In EUR million	Asset-backed securities	Financial institutions and Covered bonds	Corporate bonds	Government bonds	Total debt securities	Public equity	Real estate equity	Private equity	Other equity securities	Total equity securities	Real estate	Mortgages	Deposits and other Loans	Other	Investments for risk of policyholders	Total
<b>IFRS classification</b>																
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0	0	0	0	12,382	0	12,382
Financial assets at fair value through profit or loss																
- investments for risk of policyholders	0	0	0	0	0	0	0	0	0	0	0	0	0	34,797	0	34,797
- non-trading derivatives	0	0	0	0	0	0	0	0	0	0	0	0	14,833	0	0	14,833
- designated as at fair value through profit or loss	0	0	26	2	28	0	0	0	1,308	1,308	0	0	0	0	0	1,336
Available-for-sale investments																
- debt securities	3,369	12,247	20,543	70,717	106,876	0	0	0	0	0	0	0	0	0	0	106,876
- equity securities	0	0	0	0	0	6,538	1,950	240	2,571	11,299	0	0	0	0	0	11,299
Loans	667	0	0	0	667	0	0	0	0	0	0	55,280	9,481	0	0	65,428
Associates and joint ventures	0	0	0	0	0	0	0	596	0	596	4,834	0	221	22	0	5,673
Real estate investments	0	0	0	0	0	0	0	0	0	0	2,444	0	0	0	0	2,444
Other assets <sup>9)</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	8,671	0	8,671
<b>Total</b>	<b>4,036</b>	<b>12,247</b>	<b>20,569</b>	<b>70,719</b>	<b>107,570</b>	<b>6,538</b>	<b>1,950</b>	<b>836</b>	<b>3,879</b>	<b>13,203</b>	<b>7,278</b>	<b>55,280</b>	<b>9,702</b>	<b>35,908</b>	<b>34,797</b>	<b>263,738</b>

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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19	FY18	FY17	FY16
<b>Pro forma development of administrative expenses after Delta Lloyd acquisition <sup>15)</sup></b>									
Netherlands Life <sup>10)</sup>	220	221	232	230	440	462	494	551	591
Netherlands Non-life <sup>11)</sup>	186	183	190	191	369	381	393	450	481
Belgium	48	58	55	62	107	117	122	121	137
Asset Management	142	140	142	141	281	283	298	328	327
Banking	111	105	108	102	216	210	206	232	237
Corporate/holding (including reinsurance business)	70	83	74	84	153	158	167	154	196
<b>Total</b>	<b>776</b>	<b>790</b>	<b>800</b>	<b>810</b>	<b>1,566</b>	<b>1,610</b>	<b>1,681</b>	<b>1,837</b>	<b>1,970</b>

## 1.9 EARNINGS PER ORDINARY SHARE

	2H20	1H20	2H19	1H19	FY20	FY19
<b>Basic earnings per ordinary share <sup>12)</sup></b>						
Net result (in EUR million)	1,317	587	844	1,118	1,904	1,962
Coupon on undated subordinated notes (in EUR million)	-29	-29	-29	-29	-59	-59
<b>Basic earnings (in EUR million)</b>	<b>1,288</b>	<b>558</b>	<b>815</b>	<b>1,089</b>	<b>1,846</b>	<b>1,903</b>
<b>Weighted average number of ordinary shares (in million)</b>	<b>312.6</b>	<b>315.7</b>	<b>327.5</b>	<b>333.6</b>	<b>314.1</b>	<b>330.5</b>
<b>Basic earnings per ordinary share (in EUR)</b>	<b>4.12</b>	<b>1.77</b>	<b>2.49</b>	<b>3.26</b>	<b>5.88</b>	<b>5.76</b>
<b>Diluted earnings per ordinary share <sup>13)</sup></b>						
<b>Basic earnings (in EUR million)</b>	1,288	558	815	1,089	1,846	1,903
Weighted average number of ordinary shares (in million)	313	316	328	334	314	331
Dilutive instruments: Stock option and share plans (in million)	1	0	1	0	1	1
<b>Weighted average number of ordinary shares (including dilutive instruments in million)</b>	<b>313.0</b>	<b>316.1</b>	<b>328.0</b>	<b>334.1</b>	<b>314.6</b>	<b>331.0</b>
<b>Diluted earnings per ordinary share (in EUR)</b>	<b>4.11</b>	<b>1.76</b>	<b>2.48</b>	<b>3.26</b>	<b>5.87</b>	<b>5.75</b>

## 1.10 NEW BUSINESS

In EUR million

	2H20	1H20	2H19	1H19	FY20	FY19
<b>NN Group</b>						
Value of new business	144	122	122	236	266	358
Present value of new business premiums	4,564	4,263	4,714	7,798	8,826	12,513
New business margin <sup>17)</sup>	3.2%	2.9%	2.6%	3.0%	3.0%	2.9%
<b>Netherlands Life</b>						
Value of new business	-1	9	8	1	8	9
Present value of new business premiums	319	724	1,441	1,926	1,043	3,367
New business margin <sup>17)</sup>	-0.2%	1.2%	0.6%	0.0%	0.8%	0.3%
<b>Insurance Europe</b>						
Value of new business	99	84	96	108	183	204
Present value of new business premiums	3,194	2,627	2,720	2,750	5,821	5,470
New business margin <sup>17)</sup>	3.1%	3.2%	3.5%	3.9%	3.1%	3.7%
<b>Japan Life</b>						
Value of new business	46	29	18	128	75	146
Present value of new business premiums	1,051	911	553	3,122	1,962	3,675
New business margin <sup>17)</sup>	4.3%	3.2%	3.2%	4.1%	3.8%	4.0%

## 2.1 ANALYSIS OF RESULTS: TOTAL

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Netherlands Life	500	494	397	524	994	922
Netherlands Non-life	103	111	119	84	215	203
Insurance Europe	152	133	143	140	285	283
Japan Life	102	138	100	118	240	218
Asset Management	78	74	85	76	152	161
Banking	74	80	92	60	154	152
Other	-47	-104	-56	-88	-151	-144
<b>Operating result</b>	<b>963</b>	<b>926</b>	<b>881</b>	<b>914</b>	<b>1,889</b>	<b>1,794</b>
Non-operating items	605	57	295	593	662	887
of which gains/losses and impairments	472	168	241	94	640	335
of which revaluations	170	167	254	573	337	827
of which market and other impacts	-36	-278	-200	-75	-315	-275
Special items	-155	-123	-155	-108	-278	-262
Acquisition intangibles and goodwill	-11	-13	-16	17	-24	1
Result on divestments	100	0	0	8	100	8
<b>Result before tax</b>	<b>1,502</b>	<b>846</b>	<b>1,005</b>	<b>1,424</b>	<b>2,349</b>	<b>2,429</b>
Taxation	172	250	148	296	422	444
Minority interests	13	9	13	10	22	23
<b>Net result</b>	<b>1,317</b>	<b>587</b>	<b>844</b>	<b>1,118</b>	<b>1,904</b>	<b>1,962</b>
Shares outstanding in the market (in million)	310	312	322	335	310	322
Basic earnings per ordinary share in EUR <sup>12)</sup>	4.12	1.77	2.49	3.26	5.88	5.76
Diluted earnings per ordinary share in EUR <sup>13)</sup>	4.11	1.76	2.48	3.26	5.87	5.75
<b>New business</b>						
Single premiums	867	795	1,609	922	1,662	2,531
Regular premiums	420	540	392	1,096	961	1,488
New sales life insurance (APE)	507	620	553	1,188	1,127	1,741
Value of new business	144	122	122	236	266	358

## 2.1 ANALYSIS OF RESULTS: TOTAL

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	450	543	653	697	993	1,349
Gross premium income	6,071	7,751	6,689	7,819	13,822	14,508
Total administrative expenses	1,078	1,043	1,046	1,030	2,121	2,076
Combined ratio (Netherlands Non-life) <sup>14)</sup>	95.7%	94.9%	93.9%	96.8%	95.3%	95.4%
Asset Management Assets under Management (in EUR billion, end of period)	300	285	276	268	300	276
Life general account invested assets (in EUR billion, end of period)	149	148	143	142	149	143
Total provisions for insurance and investment contracts (in EUR billion, end of period)	171	170	168	167	171	168
of which for risk policyholder (in EUR billion, end of period)	35	32	34	33	35	34
NN Group Solvency II ratio <sup>3) 28) 29)</sup>	210%	221%	224%	210%	210%	224%
CET1 ratio <sup>24)</sup>	17.4%	16.7%	15.7%	16.0%	17.4%	15.7%
NN Life Solvency II ratio <sup>3)</sup>	220%	226%	213%	212%	220%	213%
Total assets (in EUR billion, end of period)	264	262	249	246	264	249
Employees (internal FTEs, end of period)	14,845	14,884	14,343	14,227	14,845	14,343



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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Netherlands Life	500	494	397	524	994	922
Netherlands Non-life	103	111	119	84	215	203
Insurance Europe	152	132	141	137	284	278
Japan Life	102	131	97	117	234	214
Asset Management	78	74	84	76	152	159
Banking	74	80	92	60	154	152
Other	-47	-104	-56	-88	-151	-145
<b>Operating result</b>	<b>963</b>	<b>918</b>	<b>873</b>	<b>910</b>	<b>1,881</b>	<b>1,783</b>
Non-operating items	605	58	295	592	663	888
of which gains/losses and impairments	472	169	241	94	641	335
of which revaluations	170	168	254	573	337	827
of which market and other impacts	-36	-278	-200	-75	-315	-275
Special items	-155	-123	-155	-107	-278	-262
Acquisition intangibles and goodwill	-11	-13	-16	17	-24	1
Result on divestments	100	0	0	8	100	8
<b>Result before tax</b>	<b>1,502</b>	<b>840</b>	<b>998</b>	<b>1,421</b>	<b>2,343</b>	<b>2,419</b>
Taxation	172	248	146	295	421	442
Minority interests	13	9	13	10	22	23
<b>Net result</b>	<b>1,317</b>	<b>583</b>	<b>839</b>	<b>1,115</b>	<b>1,900</b>	<b>1,954</b>
Shares outstanding in the market (in million)	310	312	322	335	310	322
Basic earnings per ordinary share in EUR <sup>12)</sup>	4.12	1.75	2.47	3.26	5.86	5.74
Diluted earnings per ordinary share in EUR <sup>13)</sup>	4.11	1.75	2.47	3.25	5.85	5.73
<b>New business</b>						
New sales life insurance (APE)	507	606	532	1,171	1,113	1,703
<b>Key figures</b>						
Gross premium income	6,071	7,661	6,605	7,788	13,732	14,393
Total administrative expenses	1,078	1,036	1,033	1,022	2,114	2,055
Total assets (in EUR billion, end of period)	264	261	247	245	264	247

## 2.2.1 ANALYSIS OF RESULTS: NETHERLANDS LIFE

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment margin	457	433	362	482	890	844
Fees and premium-based revenues	191	201	202	209	392	412
Technical margin	87	98	80	81	184	161
Operating income non-modelled business	0	0	0	0	0	0
<b>Operating income</b>	<b>735</b>	<b>731</b>	<b>645</b>	<b>772</b>	<b>1,467</b>	<b>1,417</b>
Administrative expenses	220	221	232	230	440	462
DAC amortisation and trail commissions	16	17	16	17	33	33
<b>Total expenses</b>	<b>235</b>	<b>237</b>	<b>247</b>	<b>248</b>	<b>473</b>	<b>495</b>
<b>Operating result</b>	<b>500</b>	<b>494</b>	<b>397</b>	<b>524</b>	<b>994</b>	<b>922</b>
Non-operating items	531	149	269	564	680	833
of which gains/losses and impairments	409	211	191	15	620	205
of which revaluations	159	212	251	614	371	864
of which market and other impacts	-36	-274	-172	-64	-310	-237
Special items	-46	-32	-36	-20	-77	-57
Result on divestments	0	0	0	5	0	5
<b>Result before tax</b>	<b>985</b>	<b>612</b>	<b>630</b>	<b>1,073</b>	<b>1,597</b>	<b>1,703</b>
Taxation	138	192	84	224	330	308
Minority interests	0	7	4	5	8	8
<b>Net result</b>	<b>847</b>	<b>413</b>	<b>542</b>	<b>844</b>	<b>1,260</b>	<b>1,386</b>
<b>New business</b>						
Single premiums	244	241	1,056	230	485	1,286
Regular premiums	17	153	46	305	170	351
New sales life insurance (APE) <sup>19)</sup>	41	178	152	328	219	480
Value of new business	-1	9	8	1	8	9
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	266	376	330	441	642	770
Gross premium income	1,551	1,993	2,252	2,121	3,544	4,373
Administrative expenses	220	221	232	230	440	462
Life general account invested assets (in EUR billion, end of period)	113	113	108	107	113	108
Assets under Management DC Business Total (in EUR billion, end of period) <sup>18)</sup>	25	22	21	20	25	21
Total provisions for insurance and investment contracts (in EUR billion, end of period)	117	116	116	115	117	116
of which for risk policyholder (in EUR billion, end of period)	24	22	24	23	24	24
NN Life Solvency II ratio <sup>3)</sup>	220%	226%	213%	212%	220%	213%
Employees (internal FTEs, end of period)	2,172	2,234	2,317	2,375	2,172	2,317

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

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Provisions for life insurance and investment contracts for risk of company - roll forward</b>						
<b>Beginning of period</b>	<b>93.8</b>	<b>92.2</b>	<b>92.3</b>	<b>91.2</b>	<b>92.2</b>	<b>91.2</b>
Deposits	1.5	1.2	1.6	1.4	2.6	3.0
Withdrawals / Benefits	-3.0	-2.0	-2.5	-2.7	-5.0	-5.2
Net production	-1.5	-0.8	-0.9	-1.3	-2.4	-2.2
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.5	2.4	0.8	2.4	2.9	3.1
FX impact and other	0.0	0.0	0.0	0.0	0.0	0.0
<b>End of period</b>	<b>92.7</b>	<b>93.8</b>	<b>92.2</b>	<b>92.3</b>	<b>92.7</b>	<b>92.2</b>
In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Provisions for life insurance and investment contracts for risk of policyholders - roll forward</b>						
<b>Beginning of period</b>	<b>22.5</b>	<b>23.9</b>	<b>22.8</b>	<b>20.6</b>	<b>23.9</b>	<b>20.6</b>
Deposits	0.7	0.8	0.7	0.7	1.5	1.4
Withdrawals / Benefits	-0.4	-1.7	-0.9	-0.9	-2.1	-1.7
Net production	0.3	-0.9	-0.2	-0.1	-0.6	-0.3
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	1.6	-0.5	1.3	2.4	1.1	3.7
FX impact and other	0.0	0.0	0.0	0.0	0.0	0.0
<b>End of period</b>	<b>24.4</b>	<b>22.5</b>	<b>23.9</b>	<b>22.8</b>	<b>24.4</b>	<b>23.9</b>

## 2.3.1 ANALYSIS OF RESULTS: NETHERLANDS NON-LIFE

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Earned premiums	1,780	1,638	1,464	1,477	3,418	2,941
Investment income	48	50	51	55	98	106
Other income	1	-2	-4	-1	-1	-5
<b>Operating income</b>	<b>1,829</b>	<b>1,686</b>	<b>1,511</b>	<b>1,531</b>	<b>3,515</b>	<b>3,042</b>
<b>Claims incurred, net of reinsurance</b>	<b>1,212</b>	<b>1,137</b>	<b>1,000</b>	<b>1,045</b>	<b>2,350</b>	<b>2,045</b>
Acquisition costs	338	291	254	262	630	516
Administrative expenses	183	157	151	154	340	305
<b>Acquisition costs and administrative expenses</b>	<b>521</b>	<b>448</b>	<b>405</b>	<b>416</b>	<b>970</b>	<b>821</b>
<b>Expenditure</b>	<b>1,734</b>	<b>1,585</b>	<b>1,405</b>	<b>1,461</b>	<b>3,319</b>	<b>2,866</b>
<b>Operating result insurance businesses</b>	<b>95</b>	<b>101</b>	<b>105</b>	<b>70</b>	<b>196</b>	<b>176</b>
Operating result non-insurance businesses	8	11	13	14	19	28
<b>Total operating result</b>	<b>103</b>	<b>111</b>	<b>119</b>	<b>84</b>	<b>215</b>	<b>203</b>
Non-operating items	40	-36	49	12	3	61
of which gains/losses and impairments	24	-24	40	8	0	48
of which revaluations	7	-16	8	4	-9	12
of which market and other impacts	9	4	1	0	12	1
Special items	-45	-35	-41	-26	-79	-67
Result on divestments	0	0	0	0	0	0
<b>Result before tax</b>	<b>98</b>	<b>40</b>	<b>127</b>	<b>70</b>	<b>138</b>	<b>197</b>
Taxation	21	10	26	15	31	42
Minority interests	11	0	7	5	11	13
<b>Net result</b>	<b>67</b>	<b>30</b>	<b>93</b>	<b>50</b>	<b>97</b>	<b>143</b>
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	14	61	83	49	76	132
Gross premium income	1,428	2,093	1,142	1,956	3,521	3,097
Total administrative expenses <sup>11)</sup>	249	202	193	191	451	385
Combined ratio <sup>14)</sup>	95.7%	94.9%	93.9%	96.8%	95.3%	95.4%
of which Claims ratio <sup>14)</sup>	66.4%	67.5%	66.2%	68.7%	67.0%	67.4%
of which Expense ratio <sup>14)</sup>	29.3%	27.4%	27.7%	28.2%	28.4%	27.9%
Total insurance provisions (in EUR billion, end of period)	7	8	6	6	7	6
Employees (internal FTEs, end of period)	3,330	3,309	2,775	2,718	3,330	2,775

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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Gross premium income by line of business</b>						
<b>Disability and Accident</b>	<b>263</b>	<b>788</b>	<b>243</b>	<b>809</b>	<b>1,051</b>	<b>1,052</b>
Fire	472	563	376	489	1,035	865
Marine and Aviation	40	50	29	42	89	71
Motor	435	439	326	389	874	716
Miscellaneous	217	254	168	225	471	392
Indirect business	0	0	-1	1	0	0
<b>Property and Casualty</b>	<b>1,165</b>	<b>1,305</b>	<b>898</b>	<b>1,147</b>	<b>2,470</b>	<b>2,045</b>
<b>Total</b>	<b>1,428</b>	<b>2,093</b>	<b>1,142</b>	<b>1,956</b>	<b>3,521</b>	<b>3,097</b>
In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Operating result by line of business</b>						
<b>Disability and Accident</b>	<b>-10</b>	<b>-20</b>	<b>52</b>	<b>39</b>	<b>-30</b>	<b>92</b>
Fire	104	60	51	12	164	63
Marine and Aviation	-1	7	4	3	6	7
Motor	2	47	-8	12	49	3
Miscellaneous	2	5	5	5	7	10
Indirect business	-2	1	0	0	-1	0
<b>Property and Casualty</b>	<b>105</b>	<b>120</b>	<b>53</b>	<b>31</b>	<b>226</b>	<b>84</b>
Health business and broker business	8	11	13	14	19	28
<b>Total</b>	<b>103</b>	<b>111</b>	<b>119</b>	<b>84</b>	<b>215</b>	<b>203</b>
<b>Combined ratios Disability and Accident, as well as Property and Casualty <sup>14)</sup></b>						
<b>Disability and Accident</b>						
Combined ratio	102.0%	103.1%	90.9%	93.7%	102.6%	92.3%
of which Claims ratio	81.7%	83.4%	71.0%	74.5%	82.6%	72.7%
of which Expense ratio	20.3%	19.7%	19.9%	19.3%	20.0%	19.6%
<b>Property and Casualty</b>						
Combined ratio	93.0%	90.8%	95.5%	98.5%	92.0%	97.0%
of which Claims ratio	59.9%	59.7%	63.6%	65.6%	59.8%	64.6%
of which Expense ratio	33.2%	31.1%	31.9%	33.0%	32.2%	32.4%
<b>Total</b>						
Combined ratio	95.7%	94.9%	93.9%	96.8%	95.3%	95.4%
of which Claims ratio	66.4%	67.5%	66.2%	68.7%	67.0%	67.4%
of which Expense ratio	29.3%	27.4%	27.7%	28.2%	28.4%	27.9%

## 2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment margin	61	48	53	49	110	102
Fees and premium-based revenues	363	367	377	360	730	737
Technical margin	128	125	119	120	252	239
Operating income non-modelled business	0	1	0	1	1	1
<b>Operating income Life Insurance</b>	<b>552</b>	<b>541</b>	<b>550</b>	<b>530</b>	<b>1,093</b>	<b>1,080</b>
Administrative expenses	203	214	212	206	417	419
DAC amortisation and trail commissions	193	196	197	189	389	386
<b>Expenses Life Insurance</b>	<b>396</b>	<b>410</b>	<b>410</b>	<b>396</b>	<b>806</b>	<b>805</b>
<b>Operating result Life Insurance</b>	<b>156</b>	<b>131</b>	<b>140</b>	<b>134</b>	<b>287</b>	<b>275</b>
Operating result Non-life	-4	2	3	5	-3	8
<b>Operating result</b>	<b>152</b>	<b>133</b>	<b>143</b>	<b>140</b>	<b>285</b>	<b>283</b>
Non-operating items	11	-22	15	36	-11	51
of which gains/losses and impairments	5	-1	8	65	4	73
of which revaluations	2	-14	8	-28	-12	-20
of which market and other impacts	3	-7	-1	-1	-4	-2
Special items	-16	-13	-18	-17	-29	-35
Acquisition intangibles and goodwill	0	0	0	33	0	33
Result on divestments	-11	0	0	0	-11	0
<b>Result before tax</b>	<b>136</b>	<b>98</b>	<b>140</b>	<b>191</b>	<b>234</b>	<b>331</b>
Taxation	39	24	37	36	63	73
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>97</b>	<b>74</b>	<b>103</b>	<b>156</b>	<b>171</b>	<b>259</b>
<b>New business</b>						
Single premiums	623	554	553	692	1,177	1,245
Regular premiums	264	263	270	279	527	550
New sales life insurance (APE)	326	319	326	348	644	674
Value of new business	99	84	96	108	183	204
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	135	119	121	130	253	251
Gross premium income	1,489	1,512	1,540	1,533	3,001	3,073
Total administrative expenses (Life and Non-life)	212	220	218	213	432	431
Life general account invested assets (in EUR billion, end of period)	18	18	18	18	18	18
Total provisions for insurance and investment contracts (in EUR billion, end of period)	27	26	27	27	27	27
of which for risk policyholder (in EUR billion, end of period)	9	8	8	8	9	8
Assets under Management Pensions (in EUR billion, end of period) <sup>22)</sup>	22	20	22	21	22	22
Employees (internal FTEs, end of period)	4,820	4,952	4,942	4,834	4,820	4,942

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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment margin	61	48	52	48	109	101
Fees and premium-based revenues	363	362	366	349	725	715
Technical margin	128	123	116	117	251	233
Operating income non-modelled business	0	1	0	1	1	1
<b>Operating income Life Insurance</b>	<b>552</b>	<b>534</b>	<b>535</b>	<b>515</b>	<b>1,086</b>	<b>1,049</b>
Administrative expenses	203	211	206	199	414	405
DAC amortisation and trail commissions	193	194	191	184	387	375
<b>Expenses Life Insurance</b>	<b>396</b>	<b>404</b>	<b>397</b>	<b>384</b>	<b>800</b>	<b>781</b>
<b>Operating result Life Insurance</b>	<b>156</b>	<b>130</b>	<b>138</b>	<b>131</b>	<b>286</b>	<b>269</b>
Operating result Non-life	-4	2	3	6	-2	9
<b>Operating result</b>	<b>152</b>	<b>132</b>	<b>141</b>	<b>137</b>	<b>284</b>	<b>278</b>
Non-operating items	11	-22	15	36	-11	51
of which gains/losses and impairments	5	-1	8	65	4	73
of which revaluations	2	-14	8	-28	-12	-20
of which market and other impacts	3	-7	-1	-1	-4	-2
Special items	-16	-13	-18	-17	-29	-35
Acquisition intangibles and goodwill	0	0	0	33	0	33
Result on divestments	-11	0	0	0	-11	0
<b>Result before tax</b>	<b>136</b>	<b>97</b>	<b>138</b>	<b>189</b>	<b>233</b>	<b>327</b>
Taxation	39	24	37	35	63	72
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>97</b>	<b>73</b>	<b>101</b>	<b>154</b>	<b>170</b>	<b>255</b>
<b>New business</b>						
New sales life insurance (APE)	326	310	308	330	636	638
<b>Key figures</b>						
Gross premium income	1,489	1,499	1,509	1,504	2,988	3,013
Total administrative expenses (Life and Non-life)	212	217	210	205	429	415

## 2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Gross premium income by country</b>						
Belgium	410	405	471	502	815	973
Poland	196	184	188	181	380	368
Spain	256	300	265	279	556	544
Other	627	623	615	572	1,250	1,188
<b>Insurance Europe</b>	<b>1,489</b>	<b>1,512</b>	<b>1,540</b>	<b>1,533</b>	<b>3,001</b>	<b>3,073</b>

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Operating result by country</b>						
Belgium	46	19	38	28	65	66
Poland	36	44	47	45	81	92
Spain	19	14	22	17	32	39
Other	51	55	36	50	107	85
<b>Insurance Europe</b>	<b>152</b>	<b>133</b>	<b>143</b>	<b>140</b>	<b>285</b>	<b>283</b>

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>New sales (APE) by country</b>						
Belgium	38	40	48	59	77	107
Poland	79	55	73	52	134	125
Spain	45	54	46	55	100	101
Other	164	170	159	182	333	341
<b>Insurance Europe</b>	<b>326</b>	<b>319</b>	<b>326</b>	<b>348</b>	<b>644</b>	<b>674</b>



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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Gross premium income by country</b>						
Belgium	410	405	471	502	815	973
Poland	196	181	180	172	377	353
Spain	256	300	265	279	556	544
Other	627	613	592	551	1,240	1,144
<b>Insurance Europe</b>	<b>1,489</b>	<b>1,499</b>	<b>1,509</b>	<b>1,504</b>	<b>2,988</b>	<b>3,013</b>
In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Operating result by country</b>						
Belgium	46	19	38	28	65	66
Poland	36	44	45	43	80	88
Spain	19	14	22	17	32	39
Other	51	55	35	49	106	84
<b>Insurance Europe</b>	<b>152</b>	<b>132</b>	<b>141</b>	<b>137</b>	<b>284</b>	<b>278</b>
In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>New sales (APE) by country</b>						
Belgium	38	40	48	59	77	107
Poland	79	54	70	49	133	119
Spain	45	54	46	55	100	101
Other	164	162	144	166	326	311
<b>Insurance Europe</b>	<b>326</b>	<b>310</b>	<b>308</b>	<b>330</b>	<b>636</b>	<b>638</b>

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

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Provisions for life insurance and investment contracts for risk of company - roll forward</b>						
<b>Beginning of period</b>	<b>18.1</b>	<b>18.1</b>	<b>18.4</b>	<b>17.9</b>	<b>18.1</b>	<b>17.9</b>
Deposits	0.8	0.6	0.8	0.6	1.4	1.4
Withdrawals / Benefits	-1.1	-1.0	-1.2	-1.0	-2.0	-2.3
Net production	-0.3	-0.4	-0.5	-0.4	-0.7	-0.9
Acquisition / Divestments / Transfers	-0.1	0.0	0.0	0.0	-0.1	0.0
Market performance / Interest credited	0.3	0.4	0.2	0.9	0.8	1.1
FX impact and other	0.0	-0.1	0.0	0.0	-0.1	0.0
<b>End of period</b>	<b>18.0</b>	<b>18.1</b>	<b>18.1</b>	<b>18.4</b>	<b>18.0</b>	<b>18.1</b>
In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Provisions for life insurance and investment contracts for risk of policyholders - roll forward</b>						
<b>Beginning of period</b>	<b>8.0</b>	<b>8.5</b>	<b>8.1</b>	<b>7.1</b>	<b>8.5</b>	<b>7.1</b>
Deposits	0.7	0.5	0.7	0.5	1.2	1.2
Withdrawals / Benefits	-0.5	-0.4	-0.5	-0.3	-0.9	-0.9
Net production	0.2	0.0	0.1	0.2	0.2	0.3
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.2	0.0	0.2
Market performance / Interest credited	0.5	-0.4	0.3	0.6	0.1	0.9
FX impact and other	0.0	-0.1	0.0	0.0	-0.2	0.0
<b>End of period</b>	<b>8.7</b>	<b>8.0</b>	<b>8.5</b>	<b>8.1</b>	<b>8.7</b>	<b>8.5</b>
In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Assets under Management pensions - roll forward</b>						
<b>Beginning of period</b>	<b>19.6</b>	<b>21.9</b>	<b>20.6</b>	<b>18.4</b>	<b>21.9</b>	<b>18.4</b>
Deposits	1.1	0.8	1.0	1.0	1.8	2.0
Withdrawals / Benefits	-0.4	-0.4	-0.4	-0.4	-0.8	-0.8
Net production	0.6	0.4	0.6	0.6	1.0	1.1
Acquisition / Divestments / Transfers	0.0	0.0	0.1	0.7	0.0	0.7
Market performance / Interest credited	1.7	-2.1	0.7	0.9	-0.4	1.6
FX impact and other	-0.3	-0.6	-0.1	0.0	-0.9	-0.1
<b>End of period</b>	<b>21.7</b>	<b>19.6</b>	<b>21.9</b>	<b>20.6</b>	<b>21.7</b>	<b>21.9</b>

## 2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment margin	-6	-8	-9	-7	-14	-16
Fees and premium-based revenues	275	364	294	366	639	659
Technical margin	10	8	18	7	17	24
Operating income non-modelled business	0	0	0	0	0	0
<b>Operating income</b>	<b>279</b>	<b>364</b>	<b>302</b>	<b>365</b>	<b>642</b>	<b>667</b>
Administrative expenses	73	71	79	69	144	148
DAC amortisation and trail commissions	103	155	123	179	258	302
<b>Total expenses</b>	<b>176</b>	<b>226</b>	<b>202</b>	<b>247</b>	<b>402</b>	<b>449</b>
<b>Operating result</b>	<b>102</b>	<b>138</b>	<b>100</b>	<b>118</b>	<b>240</b>	<b>218</b>
Non-operating items	5	-32	-16	-18	-27	-34
of which gains/losses and impairments	10	-17	-2	-4	-7	-6
of which revaluations	-4	-16	-14	-14	-20	-28
of which market and other impacts	0	0	0	0	0	0
Special items	-1	-2	-2	-2	-3	-4
Result on divestments	0	0	0	0	0	0
<b>Result before tax</b>	<b>106</b>	<b>104</b>	<b>82</b>	<b>98</b>	<b>210</b>	<b>180</b>
Taxation	28	29	21	28	57	48
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>78</b>	<b>75</b>	<b>61</b>	<b>70</b>	<b>152</b>	<b>131</b>
<b>New business</b>						
Single premiums	0	0	0	0	0	0
Regular premiums	140	123	75	512	263	587
New sales life insurance (APE)	140	123	75	512	263	587
Value of new business	46	29	18	128	75	146
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	63	70	103	70	133	173
Gross premium income	1,590	2,138	1,744	2,195	3,728	3,939
Administrative expenses	73	71	79	69	144	148
Life general account invested assets (in EUR billion, end of period)	17	18	17	17	17	17
Total provisions for insurance and investment contracts (in EUR billion, end of period)	17	18	17	16	17	17
of which for risk policyholder (in EUR billion, end of period)	0	0	0	0	0	0
Employees (internal FTEs, end of period)	855	848	820	847	855	820

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

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment margin	-6	-7	-9	-7	-14	-16
Fees and premium-based revenues	275	347	283	365	623	648
Technical margin	10	7	17	7	17	23
Operating income non-modelled business	0	0	0	0	0	0
<b>Operating income</b>	<b>279</b>	<b>347</b>	<b>291</b>	<b>364</b>	<b>626</b>	<b>655</b>
Administrative expenses	73	68	76	69	141	145
DAC amortisation and trail commissions	103	148	118	179	251	297
<b>Total expenses</b>	<b>176</b>	<b>216</b>	<b>194</b>	<b>247</b>	<b>392</b>	<b>441</b>
<b>Operating result</b>	<b>102</b>	<b>131</b>	<b>97</b>	<b>117</b>	<b>234</b>	<b>214</b>
Non-operating items	5	-31	-16	-18	-26	-33
of which gains/losses and impairments	10	-16	-2	-4	-6	-6
of which revaluations	-4	-15	-14	-14	-19	-27
of which market and other impacts	0	0	0	0	0	0
Special items	-1	-2	-2	-2	-3	-4
Result on divestments	0	0	0	0	0	0
<b>Result before tax</b>	<b>106</b>	<b>99</b>	<b>79</b>	<b>97</b>	<b>205</b>	<b>176</b>
Taxation	28	28	20	28	56	47
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>78</b>	<b>71</b>	<b>59</b>	<b>70</b>	<b>149</b>	<b>129</b>
<b>New business</b>						
New sales life insurance (APE)	140	118	73	513	258	585
<b>Key figures</b>						
Gross premium income	1,590	2,041	1,676	2,194	3,630	3,870
Administrative expenses	73	68	76	69	141	145

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

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Provisions for life insurance and investment contracts for risk of company - roll forward</b>						
<b>Beginning of period</b>	<b>17.5</b>	<b>16.8</b>	<b>16.2</b>	<b>14.9</b>	<b>16.8</b>	<b>14.9</b>
Deposits	1.4	1.9	1.6	2.0	3.3	3.6
Withdrawals / Benefits	-1.1	-1.3	-1.2	-1.2	-2.5	-2.4
Net production	0.3	0.6	0.4	0.8	0.9	1.2
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.1	0.1	0.1	0.1	0.2	0.2
FX impact and other	-0.7	0.1	0.1	0.3	-0.6	0.4
<b>End of period</b>	<b>17.2</b>	<b>17.5</b>	<b>16.8</b>	<b>16.2</b>	<b>17.2</b>	<b>16.8</b>

## 2.6.1 ANALYSIS OF RESULTS: ASSET MANAGEMENT

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Investment income	-2	-1	-1	1	-3	1
Fees	224	216	228	215	440	443
<b>Operating income</b>	<b>222</b>	<b>215</b>	<b>227</b>	<b>217</b>	<b>438</b>	<b>444</b>
<b>Administrative expenses</b>	<b>144</b>	<b>141</b>	<b>142</b>	<b>141</b>	<b>286</b>	<b>283</b>
<b>Operating result</b>	<b>78</b>	<b>74</b>	<b>85</b>	<b>76</b>	<b>152</b>	<b>161</b>
Non-operating items	0	0	0	0	0	0
Special items	0	0	-9	-6	0	-15
Result on divestments	0	0	0	0	0	0
<b>Result before tax</b>	<b>78</b>	<b>74</b>	<b>76</b>	<b>70</b>	<b>152</b>	<b>146</b>
Taxation	18	19	19	16	37	35
Minority interests	2	2	2	0	4	2
<b>Net result</b>	<b>58</b>	<b>53</b>	<b>55</b>	<b>53</b>	<b>111</b>	<b>108</b>
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	53	50	60	62	103	122
Administrative expenses	144	141	142	141	286	283
Cost/income ratio (Administrative expenses/Operating income)	64.9%	65.6%	62.7%	64.9%	65.2%	63.8%
Fees/average Assets under Management (bps) <sup>26)</sup>	15	15	17	17	15	17
Net inflow Assets under Management (in EUR billion)	6	1	3	-2	7	2
Assets under Management (in EUR billion, end of period)	300	285	276	268	300	276
Net operating result <sup>27)</sup>	60	55	63	57	115	120
Employees (internal FTEs, end of period)	955	943	941	942	955	941

## 2.6.2 ASSET MANAGEMENT - AUM AND AUA

In EUR billion	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
<b>Assets under Management (AuM) and Assets under Advice and Administration (AuA)</b>				
<b>Affiliates</b>	<b>198</b>	<b>197</b>	<b>187</b>	<b>181</b>
Proprietary (general account assets)	170	172	165	157
Other affiliates business	28	26	23	23
<b>Third parties</b>	<b>102</b>	<b>88</b>	<b>89</b>	<b>87</b>
Institutional customers	56	48	46	46
Retail customers home markets	32	27	31	30
Retail customers others	14	12	12	11
<b>Total Assets under Management</b>	<b>300</b>	<b>285</b>	<b>276</b>	<b>268</b>
<b>Assets under Advice and Administration</b>	<b>70</b>	<b>53</b>	<b>53</b>	<b>51</b>

In EUR billion	31 Dec 20	30 Jun 20	31 Dec 19	30 Jun 19
<b>AuM by investment</b>				
Equity	25	23	25	23
Fixed income	227	218	213	207
Multi asset	48	45	39	37
<b>Total</b>	<b>300</b>	<b>285</b>	<b>276</b>	<b>268</b>

Period 2H20	Affiliates	Proprietary	Other	Third Parties	Institutional	Retail home markets	Retail Others	Total
In EUR billion								
<b>AuM roll forward</b>								
<b>Beginning of period</b>	<b>197</b>	<b>172</b>	<b>26</b>	<b>88</b>	<b>48</b>	<b>27</b>	<b>12</b>	<b>285</b>
Net inflow	-4	-5	0	10	8	1	1	6
Acquisition / Divestments / Transfers	0	0	0	0	0	0	0	0
Market performance (incl. FX Impact) and other	5	3	2	4	0	3	0	9
<b>End of period</b>	<b>198</b>	<b>170</b>	<b>28</b>	<b>102</b>	<b>56</b>	<b>32</b>	<b>14</b>	<b>300</b>

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>AuM roll forward</b>						
<b>Beginning of period</b>	<b>285</b>	<b>276</b>	<b>268</b>	<b>246</b>	<b>276</b>	<b>246</b>
Net inflow	6	1	3	-2	7	2
Acquisition / Divestments / Transfers	0	3	0	0	3	0
Market performance (incl. FX Impact) and other	9	5	6	23	14	29
<b>End of period</b>	<b>300</b>	<b>285</b>	<b>276</b>	<b>268</b>	<b>300</b>	<b>276</b>

## 2.7.1 ANALYSIS OF RESULTS: BANKING

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Interest result	141	140	132	127	280	259
Commission income	30	18	18	17	48	35
Total investment and other income	17	27	47	20	45	67
<b>Operating income</b>	<b>187</b>	<b>185</b>	<b>197</b>	<b>164</b>	<b>373</b>	<b>361</b>
Operating expenses	103	93	100	92	195	192
Regulatory levies	8	12	7	10	20	17
Addition to loan loss provision	3	0	-2	2	3	-1
<b>Total expenses</b>	<b>114</b>	<b>105</b>	<b>105</b>	<b>104</b>	<b>219</b>	<b>209</b>
<b>Operating result</b>	<b>74</b>	<b>80</b>	<b>92</b>	<b>60</b>	<b>154</b>	<b>152</b>
Non-operating items	27	1	-11	-3	27	-14
of which gains/losses and impairments	8	3	3	4	11	7
of which revaluations	0	0	0	0	0	0
of which market and other impacts	19	-2	-14	-7	17	-21
Special items	-7	-7	-6	-8	-14	-15
<b>Result before tax</b>	<b>93</b>	<b>73</b>	<b>74</b>	<b>49</b>	<b>167</b>	<b>123</b>
Taxation	16	19	17	13	35	30
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>77</b>	<b>54</b>	<b>58</b>	<b>35</b>	<b>132</b>	<b>93</b>
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	0	0	26	56	0	82
Total administrative expenses <sup>21)</sup>	111	105	108	102	216	210
Cost/income ratio (Operating expenses/Operating income)	54.7%	50.1%	50.8%	56.4%	52.4%	53.3%
Net Interest Margin (NIM) <sup>16)</sup>	1.13%	1.11%	1.11%	1.15%		
Net operating ROE <sup>20)</sup>	12.8%	15.0%	18.1%	11.6%	13.8%	15.0%
CET1 ratio <sup>24)</sup>	17.4%	16.7%	15.7%	16.0%	17.4%	15.7%
Total Capital ratio <sup>24)</sup>	18.9%	18.1%	17.2%	17.5%	18.9%	17.2%
Risk Weighted Assets (RWA) (in EUR billion, end of period) <sup>24)</sup>	6	6	6	6	6	6
Savings and deposits (in EUR billion, end of period)	16	16	15	15	16	15
Mortgages (in EUR billion, end of period)	20	20	19	19	20	19
Total assets (in EUR billion, end of period)	25	25	25	23	25	25
Net operating result <sup>27)</sup>	55	60	69	45	115	114
Adjusted allocated equity (end of period)	904	827	772	745	904	772
Employees (internal FTEs, end of period)	919	875	847	842	919	847



## 2.7.2 BANKING - SAVINGS AND DEPOSITS AND MORTGAGES

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Savings and Deposits - roll forward</b>						
<b>Beginning of period</b>	<b>15.5</b>	<b>15.1</b>	<b>14.9</b>	<b>14.5</b>	<b>15.1</b>	<b>14.5</b>
Deposits	2.1	2.2	1.9	2.0	4.3	3.9
Withdrawals / Benefits	-1.9	-1.8	-1.8	-1.5	-3.6	-3.3
Net production	0.2	0.4	0.1	0.5	0.7	0.6
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0	0.0	0.0
<b>End of period</b>	<b>15.7</b>	<b>15.5</b>	<b>15.1</b>	<b>14.9</b>	<b>15.7</b>	<b>15.1</b>

In EUR billion	2H20	1H20	2H19	1H19	FY20	FY19
<b>Mortgages - roll forward</b>						
<b>Beginning of period</b>	<b>20.0</b>	<b>19.4</b>	<b>18.6</b>	<b>18.1</b>	<b>19.4</b>	<b>18.1</b>
Origination	3.8	4.4	4.2	3.7	8.2	7.9
Redemptions	-1.3	-1.1	-1.1	-0.8	-2.3	-1.9
Net production	2.5	3.3	3.1	2.9	5.9	6.0
Acquisition / Divestments / Transfers	-2.5	-2.7	-2.3	-2.3	-5.2	-4.6
<b>End of period</b>	<b>20.1</b>	<b>20.0</b>	<b>19.4</b>	<b>18.6</b>	<b>20.1</b>	<b>19.4</b>

## 2.8 ANALYSIS OF RESULTS: OTHER

In EUR million	2H20	1H20	2H19	1H19	FY20	FY19
<b>Analysis of results</b>						
Interest on hybrids and debt <sup>23)</sup>	-54	-54	-54	-54	-108	-108
Investment income and fees	52	55	53	51	107	105
Holding expenses	-63	-79	-64	-81	-142	-145
Amortisation of intangible assets	0	0	0	0	0	0
<b>Holding result</b>	<b>-65</b>	<b>-78</b>	<b>-65</b>	<b>-83</b>	<b>-143</b>	<b>-148</b>
Operating result reinsurance business	17	-25	0	-5	-8	-5
Other results	1	-1	10	0	0	10
<b>Operating result</b>	<b>-47</b>	<b>-104</b>	<b>-56</b>	<b>-88</b>	<b>-151</b>	<b>-144</b>
Non-operating items	-8	-2	-11	1	-10	-9
of which gains/losses and impairments	17	-5	1	6	12	8
of which revaluations	6	1	2	-3	7	-1
of which market and other impacts	-31	1	-13	-2	-29	-16
Special items	-40	-35	-42	-27	-75	-69
Acquisition intangibles and goodwill	-11	-13	-16	-16	-24	-32
Result on divestments	111	0	0	4	111	4
<b>Result before tax</b>	<b>6</b>	<b>-155</b>	<b>-124</b>	<b>-126</b>	<b>-149</b>	<b>-251</b>
Taxation	-88	-43	-56	-36	-131	-92
Minority interests	0	0	0	0	0	0
<b>Net result</b>	<b>94</b>	<b>-112</b>	<b>-68</b>	<b>-90</b>	<b>-18</b>	<b>-158</b>
<b>Key figures</b>						
Operating capital generation <sup>25)</sup>	-81	-133	-70	-111	-214	-180
Gross premium income	13	14	12	13	27	26
Total administrative expenses	70	83	74	84	153	158
of which reinsurance business	5	4	3	3	8	7
of which corporate/holding	65	79	71	81	144	152
Employees (internal FTEs, end of period)	1,794	1,722	1,700	1,669	1,794	1,700
Total provisions for insurance and investment contracts (in EUR billion, end of period)	2	3	3	3	2	3
<b>Key figures Japan Closed Block VA</b>						
Account value	1,691	1,691	1,865	1,885	1,691	1,865
Net Amount at Risk	20	78	34	92	20	34
Number of policies	17,888	19,105	20,047	22,721	17,888	20,047

## NOTES

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- 1) Revaluation reserves for debt securities, equity securities and property in own use, the cash flow hedge reserve, the related crediting to policyholders, the coupon on undated subordinated notes recognised in equity as well as the goodwill and intangible assets recognised as a result of the Delta Lloyd acquisition.
- 2) The segment 'Other' comprises the allocated equity of the reinsurance business and the cash capital position, other assets and debt of the holding company.
- 3) The solvency ratios are not final until filed with the regulators. The Solvency II ratios for NN Group and NN Life are based on the partial internal model.
- 4) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 5) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 6) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 7) Free cash flow to the holding company is defined as the change in cash capital position of the holding company over the period, excluding acquisitions, capital transactions with shareholders and debtholders.
- 8) Cash capital is defined as net current assets available at the holding company.
- 9) Other assets contain Reinsurance contracts, Property and equipment, Intangible assets, Deferred acquisition costs, Deferred tax assets and Other assets.
- 10) Including AZL.
- 11) Including non-insurance businesses (health business and broker business).
- 12) 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).
- 13) Diluted earnings per share is calculated as if the share plans and warrants outstanding at the end of the period had been exercised at the beginning of the period and assuming that the cash received from exercised share plans and warrants was used to buy own shares against the average market price during the period. The net decrease in the number of shares results from the cancellation of shares following the share buy back programme.
- 14) Excluding non-insurance businesses (health business and broker business).
- 15) The original 2016 cost base of EUR 2,024m and target FY20 cost base of EUR 1,625m have been adjusted for the reclassification of the Fixed Service Fee expenses from Administrative expenses to Fees within Asset Management and the transfer of certain investment administrative activities from Asset Management to segment Other. Furthermore, acquisitions as from 2019 have been excluded.
- 16) Four-quarter rolling average.
- 17) Value of new business as a percentage of Present value of new business premiums.
- 18) Assets under Management DC Business Total includes both the AuM DC business in accumulation phase and AuM DC business in decumulation phase. For the latter the IFRS insurance liabilities are used as proxy for the AuM.
- 19) APE excludes the APE for the investment part of the DC business as of 2020
- 20) Net operating RoE is calculated as the (annualised) net operating result of the segment, divided by (average) adjusted allocated equity. Adjusted allocated equity is an Alternative Performance Measure. It is derived from IFRS equity by excluding revaluation reserves. Reference is made to the section 'Alternative Performance Measures (Non-GAAP measures)' in the NN Group N.V. 30 June 2020 Condensed consolidated interim financial information. As from 2H19, the average adjusted allocated equity is calculated based on the average of the adjusted allocated equity at the beginning and end of the half-year reporting period. Prior-period numbers were calculated on a quarterly basis and have not been restated.
- 21) Operating expenses plus regulatory levies.
- 22) 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.
- 23) Does not include interest costs on subordinated debt treated as equity.
- 24) The Common Equity Tier 1 (CET1) ratio, Total Capital ratio and Risk Weighted Assets (RWA) are not final until filed with the regulators.
- 25) NN Group analyses the change in the excess of Solvency II Own Funds over the Solvency Capital Requirement ('SCR') in the following components: Operating Capital Generation, Market variance, Capital flows and Other. Operating Capital Generation is the movement in the Solvency II surplus (Own Funds before eligibility over SCR at 100%) in the period due to operating items, including the impact of new business, expected investment returns in excess of the unwind of liabilities, release of the risk margin, operating variances, non-life underwriting result, contribution of non-Solvency II entities and holding expenses and debt costs and the change in the SCR. It excludes economic variances, economic assumption changes and non-operating expenses
- 26) Fees/average Assets under Management (bps) is calculated as the (annualised) fees, divided by average AuM at the beginning and end of the half-year reporting period. The comparative figures have been restated accordingly.
- 27) Net operating result, adjusted to reflect the deduction of the accrued coupon on undated subordinated notes classified in equity.
- 28) The year-end 2019 NN Group Solvency II ratio was restated to reverse the deduction of the proposed 2019 final dividend following the decision to suspend dividend payments in light of the recommendations of EIOPA and the Dutch Central Bank (DNB).
- 29) NN Bank is included in the calculation of the NN Group Solvency II ratio as of the end of 2020.

## IMPORTANT LEGAL INFORMATION

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NN Group's Consolidated Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU") and with Part 9 of Book 2 of 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 June 2020. The Annual Accounts for 2020 are in progress and may be subject to adjustments from subsequent events.

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) the effects of the Covid-19 pandemic and related response measures, including lockdowns and travel restrictions, on economic conditions in countries in which NN Group operates, on NN Group's business and operations and on NN Group's employees, customers and counterparties (3) changes in performance of financial markets, including developing markets, (4) consequences of a potential (partial) break-up of the euro or European Union countries leaving the European Union, (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 and the interpretation and application thereof, (14) changes in the policies and actions 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 NN Group 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, (19) catastrophes and terrorist-related events, (20) adverse developments in legal and other proceedings and (21) the other risks and uncertainties contained in recent public disclosures made by NN Group.

Any forward-looking statements made by or on behalf of NN Group speak only as of the date they are made, and NN Group assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities.