



## **NN Group N.V.**

*(a public limited liability company (naamloze vennootschap) incorporated under the laws of The Netherlands)*

**€3,000,000,000**

## **Debt Issuance Programme**

This supplement (the “Supplement”) is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus dated 24 March 2016 (the “Prospectus”) prepared in connection with the Euro 3,000,000,000 Debt Issuance Programme (the “Programme”) established by NN Group N.V. (the “Issuer” or “NN Group”). This Supplement, together with the Prospectus, constitutes a base prospectus for the purposes of Article 5:23 of the Netherlands Financial Markets Supervision Act (*Wet op het financieel toezicht*, the “WFT”). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus (to be) issued by the Issuer.

This Supplement has been filed with and approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the “AFM”) as a prospectus supplement, in accordance with Directive 2003/71/EC, as amended, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the “Prospectus Directive”).

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in this Supplement or the Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in the Prospectus). Neither the delivery of this Supplement or the Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which the Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which the Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Supplement and the Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement or the Prospectus

comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the benefit of, U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Supplement and the Prospectus, see "Subscription and Sale" of the Prospectus.

This Supplement and the Prospectus do not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arranger accepts any responsibility for the contents of this Supplement and the Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Supplement and the Prospectus or any such statement. Neither this Supplement nor the Prospectus nor any other financial statements should be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Supplement and the Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Supplement and the Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

### **Amendments and additions to the Prospectus**

The purpose of this Supplement is (a) to incorporate by reference the Issuer's (i) Q1 Press Release (as defined below) and (ii) the Q1 interim accounts (as defined below); (b) to include the recently obtained rating from Fitch Ratings Limited and the withdrawal of the solicited rating from Moody's; (c) to reflect that NN Group has been designated as financial conglomerate; (d) to include the revised solvency capital ratio; (e) to update on a consultation paper issued by EIOPA on the methodology to derive the UFR and its implementation; (f) to give an update on the liquidation of Orion and L&O; (g) to reflect the full divestment of ING Groep's shareholding in NN Group; (h) to include a further update on a KiFiD ruling in respect of Dutch unit-linked products; (i) to include the intended acquisition of Notus Financial Advisors in Poland; (j) to update on the reappointment of Jan Holsboer and Yvonne van Rooij as members of the Supervisory Board; (k) to provide for optional deferral of interest payments in respect of Subordinated Notes to be applicable at the option of the Issuer and (l) to reflect that KPMG is the auditor of NN Group as of 1 January 2016.

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Prospectus shall be supplemented in the manner described below:

#### ***1. Documents incorporated by reference***

On page 49 of the Prospectus under caption "*Documents incorporated by reference*" the following documents are added to the list of documents deemed to be incorporated by reference in, and to form part of, the Prospectus (directly prior to "which have been previously published" and with deletion of the "and" before "(iv)");

"(v) the press release published by NN Group on 26 May 2016 entitled "NN Group reports 1Q16 results" (the "Q1 Press Release") and (vi) the Issuer's condensed consolidated interim accounts as at, and for the

three-month period ended, 31 March 2016, together with the review report of KPMG Accountants N.V. dated 25 May 2016, which appears on page 28 of the interim accounts (the “Q1 interim accounts”).”

## 2. **Ratings**

The sixth paragraph on the cover page of the Prospectus regarding the ratings of the Issuer is replaced by the following paragraph:

“The Issuer is rated A- by Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) and A by Fitch Ratings Limited (“Fitch”). Both Standard & Poor’s and Fitch are established in the EU and registered under Regulation (EC) No 1060/2009 (the “CRA Regulation”).”

The caption and first paragraph of the risk factor on page 4 of the Prospectus with caption “*The Issuer has the following credit ratings: Standard & Poor’s: A- (last updated 30 September 2015, when Standard & Poor’s regarded the outlook as “stable”); Moody’s: Baa2 (last updated 17 December 2015, when Moody’s regarded the outlook as “stable”).*” is replaced by the following caption and paragraph:

**“The Issuer has the following solicited credit ratings: Standard & Poor’s: A- (last updated 3 June 2016, when Standard & Poor’s regarded the outlook as “stable”) Fitch: A (last updated on 10 May 2016, when Fitch regarded the outlook as “stable”). Furthermore, the Issuer has withdrawn its solicited credit rating from Moody’s and is rated by Moody’s on an unsolicited basis as of 18 May 2016.**

The following operating subsidiaries of the Issuer are the only operating subsidiaries with financial strength ratings.

- Nationale-Nederlanden Bank N.V. has the following financial strength rating: Standard & Poor’s: A (established 20 January 2016, when Standard & Poor’s regarded the outlook as “stable”).
- NN Re (Netherlands) N.V. (“NN Re”) has the following financial strength rating: Standard & Poor’s: A+ (last updated 3 June 2016, when Standard & Poor’s regarded the outlook as “stable”).
- NN Life Insurance Company, Ltd. (“NN Japan”) has the following financial strength rating: Standard & Poor’s: A- (last updated 29 July 2015, when Standard & Poor’s regarded the outlook as “stable”).”

In the Overview of the Programme, the first paragraph under caption “*Ratings*” on page 56 of the Prospectus is replaced by the following paragraph:

“The Issuer is rated A- by Standard & Poor’s and A by Fitch”

The definition of Rating Agency on page 112 of the Prospectus is replaced by the following definition:

““Rating Agency” means Standard & Poor’s Credit Market Services Europe Limited or Fitch Ratings Limited (or any of their affiliates) or any other rating agency that has assigned a solicited rating to Subordinated Notes at the Issue Date of any such Subordinated Notes, or any successor;”

The wording in item 2 (Rating) of the Form of Final Terms for Senior Notes on page 158 of the Prospectus and the wording in item 2 (Rating) of Form of Final Terms for Subordinated Notes on page 168 of the Prospectus is replaced by the following paragraph:

“Ratings: [The Notes to be issued [have been/are expected to be] rated]:  
[S & P: [●]]  
[Fitch: [●]]  
[[Other]: [●]]”

### **3. Designation as FICO**

The paragraph on page 22 of the Prospectus with caption “*Financial Conglomerate (“FICO”)*” in the risk factor with caption “*The impact on NN of recent and ongoing financial regulatory reform initiatives is uncertain*” is replaced by the following paragraph:

“***Financial Conglomerate (“FICO”)***. On 19 April 2016, DNB designated NN Group as a financial conglomerate (FICO) effective from 1 January 2016. Additional requirements stemming from other European directives and regulations, such as the Recovery and Resolution Directive (2014/59/EU), CRD IV (2013/36/EU) and CRR (575/2013/EU), might also apply to a FICO. For insurance led FICOs, DNB is currently of the view that the CRD IV and CRR requirements do not apply to the holding company given that it is already subject to Solvency II group supervision requirements. However, a different interpretation of these requirements by the EC might lead to DNB taking a different view in this respect. If so, this could lead to increased capital requirements, make it more expensive for NN to conduct its business and requires NN to make changes to its business model.”

### **4. Revised Solvency Capital Ratio**

The seventh sentence “NN Group’s Solvency II capital ratio can be found in the Financial Report 2015, which has been incorporated by reference, on page 4.” of the third paragraph on page 23 of the Prospectus in the risk factor with caption “*As of 1 January 2016 a new solvency framework and prudential regime, known as “Solvency II”, has become applicable to insurance companies, reinsurance companies and insurance holding companies.*” is replaced by the following sentence:

“NN Group’s Solvency II capital ratio can be found in the Q1 Press Release on page 1, which has been incorporated by reference.”

### **5. EIOPA consultation paper**

The following additional paragraph is included as second paragraph on page 24 of the Prospectus:

“On 20 April 2016, EIOPA issued a consultation paper on the methodology to derive the UFR and its implementation. EIOPA has invited stakeholders and interested parties to provide feedback on the proposal for the UFR methodology. The consultation period ends on 18 July 2016. EIOPA has indicated that it plans to decide on the outcome of the review in September 2016 and has communicated that the current UFR will not be changed until at least the end of 2016.”

### **6. Update on liquidation of Orion and L&O**

The last three sentences “The Amending Scheme of Arrangement will be approved by the relevant classes of creditors by the requisite majorities referred to above, and following the filing of the High Court’s Order with the UK Registrar of Companies, has become effective on 14 January 2016. In case more than 30% in value of the qualifying ILU policyholders opt out, the Amending Scheme of Arrangement will be deemed to have failed and revert to run-off in its entirety. The determination of the relevant opt out percentage is scheduled to take place during the first quarter of 2017.” of the second paragraph on page 35 of the Prospectus in the risk factor with caption “*NN’s technical reserves reflected in its IFRS financial statements to pay insurance and other claims, now and in the future, could prove inadequate, which could require that*

*NN strengthen its reserves, which may have a material adverse effect on NN's results of operations and financial condition.*” are replaced by the following sentences:

“The relevant classes of creditors have approved the Amending Scheme of Arrangement by the requisite majorities referred to above and, following the filing of the High Court’s Order with the UK Registrar of Companies, the Amending Scheme of Arrangement became effective on 14 January 2016. Creditors now have until 12 September 2016 to file their claims or – qualifying ILU policyholders only – to decide to opt-out from the Amending Scheme of Arrangement. In case more than 30% in value of the qualifying ILU policyholders opt out, the Amending Scheme of Arrangement will be deemed to have failed and revert to run-off in its entirety. The determination of the relevant opt out percentage is scheduled to take place during the first quarter of 2017.”

## **7. Divestment of NN Group by ING Groep**

The risk factor on page 36 of the Prospectus with caption *“Even after the completion of the Share Offering, additional sales of shares in the Issuer in February 2015, May 2015, September 2015 and January 2016 and the exchange of in total three tranches of mandatory exchangeable subordinated notes by ING Groep, ING Groep continues to hold 14.1 per cent. of the outstanding shares (net of treasury shares) in the Issuer. NN cannot predict the possible effect of a failure by ING Groep to satisfy its commitment under the EC Restructuring Plan to divest NN, for instance by having a remaining ownership interest in the Issuer and its subsidiaries beyond the deadline agreed with the EC.”* is deleted.

The risk factor on page 36 and 37 of the Prospectus with caption *“ING Groep’s divestment of the remaining stake in the Issuer may take place by means of a sale to a single buyer or group of buyers. A sale to one or more third parties could result in a change to the strategy, management and risk profile of NN. There can be no assurance that the taking of any such actions would not adversely affect the ability of NN to effectively conduct its business or to satisfy its obligations under the Notes.”* is deleted.

The paragraph on page 121 of the Prospectus with caption *“Share Capital”* is replaced by the following paragraph:

### **“Share capital**

The Issuer’s authorised share capital amounts to EUR 168,000,000, divided into 700,000,000 ordinary shares and 700,000,000 preference shares, each with a nominal value of EUR 0.12. The Issuer’s issued capital amounts to EUR 40,026,344.64, consisting of 333,552,872 ordinary shares, with a nominal value of EUR 0.12 each. The Issuer holds 8,551,215 ordinary shares, all or part of which it intends to cancel in due course. The rights of the shareholders are described in the Articles of Association.

A foundation, Stichting Continuïteit NN Group, has been granted a call option by the Issuer. On each exercise of the call option, Stichting Continuïteit NN Group is entitled to acquire from the Issuer up to a maximum corresponding with 100 per cent. of the issued share capital of the Issuer in the form of ordinary shares, as outstanding immediately prior to the exercise of the call option, less one share, from which maximum any Preference Shares already placed with Stichting Continuïteit NN Group at the time of the exercise of the call option shall be deducted. Stichting Continuïteit NN Group may exercise its option right repeatedly, each time up to the aforementioned maximum.

At the date of this Prospectus, major shareholders are RRJ Capital II Ltd., Temasek Holdings (Private) Limited and BlackRock, Inc. Based on Dutch legislation, the holder of a substantial holding or gross short position that equals or exceeds 3 per cent. of the issued capital of an issuer, should notify the AFM. These notifications are subsequently included in a public register kept by the AFM.”

The following additional paragraph is included as third paragraph on page 123 of the Prospectus:

“On 14 April 2016, NN Group announced that ING Groep has agreed to sell 45.7 million shares of NN Group. The transaction completes ING’s divestment of NN Group. The transaction is in line with ING’s previously announced intention to divest its remaining stake in NN Group ultimately by the end of 2016, and its strategy to divest all of its insurance and investment management businesses as part of the EC Restructuring Plan. In this context, ING Groep sold shares of NN Group through an initial public offering in July 2014 and follow-on offerings in February 2015, May 2015, September 2015 and January 2016. ING Groep continues to hold warrants, as further described below under “*Material Agreements-Warrant agreement.*””

#### **8. *KiFiD ruling on Dutch unit-linked products***

The last sentence “*NN believes that this interim ruling is incorrect on several legal grounds.*” of the third paragraph on page 129 of the Prospectus regarding the KiFiD ruling is replaced by the following sentences:

“On 29 March 2016, the KiFiD issued its final ruling (in first instance) in line with its conclusions made in its interim ruling of 13 May 2013. NN believes that both the interim ruling and final ruling are incorrect on several legal grounds and is appealing the KiFiD ruling with the Appeals Committee of the KiFiD.”

#### **9. *Acquisition of Notus Financial Advisors in Poland***

The following additional paragraph is included as second paragraph on page 135 of the Prospectus:

##### **“Recent Developments**

##### **Acquisition of Notus Financial Advisors in Poland**

On 18 May 2016, NN Group announced that it has reached an agreement to acquire 100% of the shares of Dom Kredytowy Notus S.A. (“Notus”). Notus is a leading financial broker in Poland, offering mortgage loans, insurance, investment and savings products.

The transaction is not expected to have a material impact on the capital position and operating result of NN Group and will be funded by Nationale-Nederlanden Poland. It is subject to regulatory approval and is expected to close in the second half of 2016.”

#### **10. *Reappointment of Jan Holsboer and Yvonne van Rooij as members of the Supervisory Board***

The following additional paragraph is included as third paragraph of the section with caption “*Members of the Supervisory Board*” on page 140 of the Prospectus:

“On 2 June 2016, the Annual General Meeting of NN Group has reappointed Jan Holsboer and Yvonne van Rooij as members of the Supervisory Board.”

#### **11. *Optional deferral of interest payments in respect of Subordinated Notes***

The first sentence of the second paragraph of the risk factor with caption “*Under certain conditions, interest payments under the Subordinated Notes must be deferred and in other instances interest payments under the Subordinated Notes may be deferred at the option of the Issuer.*” on page 39 of the Prospectus is replaced by the following sentence:

“If so specified in the applicable Final Terms, the Issuer may defer paying interest on each Optional Interest Payment Date until the Subordinated Notes are redeemed in full, subject to Condition 5(b) of the Subordinated Notes.”

The second sentence of the penultimate paragraph of the risk factor with caption “*NN is subject to capital adequacy requirements and breach of these requirements will cause interest payments under Subordinated Notes to be deferred and, in other circumstances, interest payments under Subordinated Notes may be deferred at NN's election.*” on page 43 of the Prospectus is replaced by the following sentence:

“In other circumstances, if so specified in the applicable Final Terms, interest payments under Subordinated Notes may be deferred at NN's election.”

The first sentence of the first paragraph of the section entitled “PROVISIONS RELATING TO SUBORDINATED NOTES ONLY – Deferral of Interest” on page 57 of the Prospectus is replaced by the following sentence:

“If so specified in the applicable Final Terms, the Issuer may, in respect of any Optional Interest Payment Date, elect to defer payment of all (but not some only) of the interest accrued to that date and the Issuer shall not have any obligation to make such payment on that date.”

The first paragraph of Condition 5(a)(i) (Optional Deferral of Interest Payments) of the Subordinated Notes on page 95 of the Prospectus is replaced by the following sentence:

“If so specified hereon, the Issuer may elect in respect of any Optional Interest Payment Date by notice to the Noteholders pursuant to Condition 5(c) below, to defer payment of all (but not some only) of the interest accrued to that date and the Issuer shall not have any obligation to make such payment on that date.”

The first sentence of the first paragraph of Condition 5(a)(ii) (Mandatory Deferral of Interest Payments) of the Subordinated Notes on page 95 of the Prospectus is replaced by the following sentence:

“In addition to the right of the Issuer to defer payment of interest in accordance with Condition 5(a)(i), if so specified hereon, payments of interest on the Subordinated Notes will be mandatorily deferred on each Mandatory Interest Deferral Date and the Issuer shall not have any obligation to make such payment on that date.”

In item 9 (Interest Basis) of the Form of Final Terms for Subordinated Notes on page 162 the following wording is added at the end:

“[Optional deferral of interest payments (Condition 5(a)(i)): [Applicable/Not Applicable]]”

## **12. KPMG**

The wording on page 182 of the Prospectus under caption “*Auditors*” is replaced by the following:

“Up to 2016	From 2016 – 2019
Ernst & Young Accountants LLP	KPMG Accountants N.V.
Antonio Vivaldistraat 150	Laan van Langerhuize 1
1083 HP Amsterdam	1186 DS Amstelveen
The Netherlands	The Netherlands”

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