

NN GROUP FINANCIAL SUPPLEMENT

1H22



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1.1 CONSOLIDATED BALANCE SHEET

In EUR million	30 Jun 22	31 Dec 21	30 Jun 21
Assets			
Cash and cash equivalents	6,234	6,929	7,122
Financial assets at fair value through profit or loss			
- investments for risk of policyholders	34,616	39,261	37,191
- non-trading derivatives	2,055	6,419	6,900
- designated as at fair value through profit or loss	628	991	782
Available-for-sale investments			
- debt securities	77,111	95,917	103,202
- equity securities	11,008	11,966	12,225
Loans	68,037	68,200	65,870
Reinsurance contracts	1,075	954	767
Associates and joint ventures	7,298	6,919	6,120
Real estate investments	2,876	2,719	2,672
Property and equipment	426	414	430
Intangible assets	1,575	1,129	1,043
Deferred acquisition costs	1,890	1,893	1,908
Assets held for sale	2,719	4,121	119
Deferred tax assets	184	47	63
Other assets	8,013	3,706	3,801
Total assets	225,745	251,585	250,215
Equity and liabilities			
Shareholders' equity (parent)	19,920	32,888	32,863
Minority interests	215	266	286
Undated subordinated notes	1,764	1,764	1,764
Total equity	21,899	34,918	34,913
Subordinated debt	2,343	2,356	2,370
Debt securities issued	1,693	2,292	1,695
Other borrowed funds	9,318	7,301	6,832
Insurance and investment contracts			
- life insurance liabilities	116,231	121,203	125,106
- non-life insurance liabilities	8,073	7,417	7,773
- liabilities for life insurance for risk of policyholders	32,578	37,790	35,843
- investment contract liabilities	3,247	2,402	2,350
Customer deposits and other funds on deposit	16,160	15,945	16,182
Financial liabilities at fair value through profit or loss			
- non-trading derivatives	5,802	1,904	1,962
Liabilities held for sale	2,571	3,464	96
Deferred tax liabilities	702	4,817	4,712
Other liabilities	5,128	9,776	10,381
Total liabilities	203,846	216,667	215,302
Total equity and liabilities	225,745	251,585	250,215

1.2 TOTAL EQUITY

In EUR million	30 Jun 22	31 Dec 21	30 Jun 21
Share capital	37	38	38
Share premium	12,576	12,575	12,575
Revaluation reserve available-for sale investments Debt securities	-2,605	8,193	9,328
Revaluation reserve available-for sale investments Equity securities	1,101	2,665	3,006
Revaluation reserve crediting to life policyholders	-1,818	-5,306	-5,795
Other revaluations	39	33	34
Cashflow hedge reserve	3,648	8,837	9,148
Currency translation reserve	-331	-181	-173
Net defined benefit asset/liability remeasurement reserve	-47	-119	-119
Retained earnings and other reserves	7,320	6,153	4,821
Shareholders' equity (parent)	19,920	32,888	32,863
Minority interests	215	266	286
Undated subordinated notes	1,764	1,764	1,764
Total equity	21,899	34,918	34,913
Shares outstanding in the market (in million)	299	306	311

1.3 SHAREHOLDERS' EQUITY RECONCILIATION

At 30 June 2022

In EUR million	(Allocated) Shareholders' equity ¹⁵⁾	Less: Revaluation reserves and other adjustments ⁴⁾	Plus: Minority interest	Adjusted (allocated) equity
Netherlands Life	13,220	719	162	12,663
Netherlands Non-life	1,059	-215	51	1,324
Insurance Europe	2,466	-47	0	2,514
Japan Life	1,684	8	0	1,676
Asset Management ²⁵⁾	0	0	0	0
Banking	748	-33	0	781
Other ⁵⁾	732	131	2	603
of which reinsurance business	309	-89	0	398
of which other	424	221	2	205
NN Group excluding Japan Closed Block VA	19,909	563	216	19,561
Japan Closed Block VA	11	-1	0	11
NN Group	19,920	562	216	19,573

1.4 CAPITAL BASE - SOLVENCY II

In EUR million	30 Jun 22	31 Dec 21	30 Jun 21
Solvency II ³⁾			
IFRS Shareholders' equity	19,920	32,888	32,863
Minority interest	216	267	287
Elimination of deferred acquisition costs and intangible assets	-2,516	-2,149	-1,732
Valuation differences on assets	-5,638	2,268	2,524
Valuation differences on liabilities, including insurance and investment contracts	4,694	-18,687	-19,541
Deferred tax effect on valuation differences	768	4,649	4,599
Difference in treatment of non-solvency II regulated entities	-552	-951	-1,106
Excess of assets over liabilities	16,892	18,284	17,894
Deduction of participation in Bank	0	0	0
Qualifying subordinated debt	4,157	4,383	4,426
Foreseeable dividends and distributions	-1,152	-646	-700
Basic Own Funds	19,897	22,021	21,620
Non-available Own Funds	1,404	1,094	1,049
Non-eligible Own Funds	0	0	0
Eligible Own Funds (a)	18,493	20,927	20,571
of which Tier 1 Unrestricted	11,627	13,377	12,985
of which Tier 1 Restricted	1,788	1,875	1,908
of which Tier 2	2,287	2,422	2,432
of which Tier 3	973	848	899
of which non-solvency II regulated entities	1,818	2,404	2,347
Solvency Capital Requirement (b)	9,455	9,840	9,858
of which non-solvency II regulated entities	1,273	1,334	1,387
NN Group Solvency II ratio (a/b)	196%	213%	209%

1.5 OPERATING CAPITAL GENERATION

In EUR million

	1H22	2H21	1H21	FY21
OCG by segment ¹⁾				
Netherlands Life	580	451	395	846
Netherlands Non-life	144	163	162	325
Insurance Europe	198	137	182	318
Japan Life	74	72	57	129
Asset Management ²⁵⁾	31	68	67	135
Banking	11	49	55	104
Other	-140	-136	-136	-272
Operating capital generation	899	804	780	1,584

	1H22	2H21	1H21	FY21
OCG by source ¹⁾				
Investment return	702	688	647	1,335
Life - UFR drag	-318	-394	-431	-825
Life - Risk margin release	165	196	204	400
Life - Experience variance	71	-21	3	-18
Life - New business	102	59	79	138
Non-life underwriting	95	125	129	254
Non-Solvency II entities (Asset Management ²⁵⁾ , Japan Life, Banking, Other ²⁸⁾)	192	246	234	479
Holding expenses and debt costs	-144	-143	-140	-283
Change in SCR	35	48	55	103
Operating capital generation	899	804	780	1,584

1.6 CASH CAPITAL POSITION AT THE HOLDING COMPANY

In EUR million	1H22	2H21	1H21	FY21
Cash capital position - beginning of period ⁶⁾	1,998	1,533	1,170	1,170
Remittances from subsidiaries ⁷⁾	960	856	978	1,835
Capital injections into subsidiaries ⁸⁾	-5	-13	-6	-19
Other ⁹⁾	-219	-150	-194	-344
Free cash flow to the holding ¹⁰⁾	735	693	779	1,472
Cash divestment proceeds	1,626	76	0	76
Acquisitions	-524	-358	0	-358
Capital flows from / (to) shareholders	-768	-544	-416	-960
Increase / (decrease) in debt and loans	-600	597	0	597
Cash capital position - end of period	2,467	1,998	1,533	1,998

	1H22	2H21	1H21	FY21
Remittances from subsidiaries	960	856	978	1,835
Netherlands Life ⁷⁾	520	528	520	1,048
Netherlands Non-life ⁷⁾	74	38	85	123
Insurance Europe ^{7, 11)}	133	67	125	192
Japan Life	75	0	146	146
Asset Management	0	50	60	110
Banking ⁷⁾	112	125	13	138
Other	45	48	30	78
of which reinsurance business	45	30	30	60
of which other	0	18	0	18

1.7 INVESTMENTS PER ASSET TYPE

At 30 June 2022

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
IFRS classification																
Cash and cash equivalents			0	0	0	0	0	0	0	0	0	0	0	6,234	0	6,234
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	34,616	0	34,616
- non-trading derivatives	0	0	0	0	0	0	0	0	0	0	0	0	2,055	0	0	2,055
- designated as at fair value through profit or loss	0	0	25	1	26	0	0	0	602	602	0	0	0	0	0	628
Available-for-sale investments																0
- debt securities	3,254	8,895	18,263	46,699	77,111	0	0	0	0	0	0	0	0	0	0	77,111
- equity securities	0	0	0	0	0	5,129	3,025	679	2,175	11,008	0	0	0	0	0	11,008
Loans	172	0	0	0	172	0	0	0	0	0	0	59,558	8,307	0	0	68,037
Associates and joint ventures	0	0	0	0	0	0	0	715	0	715	5,675	0	885	23	0	7,298
Real estate investments	0	0	0	0	0	0	0	0	0	0	2,876	0	0	0	0	2,876
Other assets ¹⁴⁾	0	0	0	0	0	0	0	0	0	0	0	0	0	15,882	0	15,882
Total	3,426	8,895	18,288	46,700	77,309	5,129	3,025	1,394	2,777	12,325	8,551	59,558	9,192	24,194	34,616	225,745

1.9 NEW BUSINESS

In EUR million

	1H22	2H21	1H21	FY21
NN Group				
Value of new business	254	186	242	428
Present value of new business premiums	4,814	4,525	5,175	9,700
New business margin ¹⁷⁾	5.3%	4.1%	4.7%	4.4%
Netherlands Life				
Value of new business	44	6	15	21
Present value of new business premiums	808	483	720	1,203
New business margin ¹⁷⁾	5.4%	1.3%	2.1%	1.8%
Insurance Europe				
Value of new business	126	115	135	250
Present value of new business premiums	2,786	2,870	2,980	5,850
New business margin ¹⁷⁾	4.5%	4.0%	4.5%	4.3%
Japan Life				
Value of new business	84	64	92	156
Present value of new business premiums	1,221	1,172	1,475	2,647
New business margin ¹⁷⁾	6.9%	5.5%	6.2%	5.9%

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Netherlands Life	552	466	520	986
Netherlands Non-life	127	125	189	314
Insurance Europe	176	154	161	315
Japan Life	130	107	156	263
Asset Management ²⁵⁾	38	91	91	181
Banking	48	55	79	134
Other	-88	-81	-76	-157
Operating result ²⁾	983	917	1,119	2,036
Non-operating items	277	1,332	719	2,051
of which gains/losses and impairments	268	986	684	1,671
of which revaluations	-455	445	40	485
of which market and other impacts	465	-99	-6	-105
Special items	-59	-56	-47	-103
Acquisition intangibles and goodwill	-16	-18	-11	-28
Result on divestments	1,062	54	0	54
Result before tax	2,248	2,230	1,780	4,010
Taxation	234	357	355	712
Minority interests	7	9	11	19
Net result	2,006	1,864	1,414	3,278
Shares outstanding in the market (in million)	299	306	311	306
Basic earnings per ordinary share in EUR ¹²⁾	6.52	5.96	4.47	10.42
Diluted earnings per ordinary share in EUR ¹³⁾	6.51	5.95	4.47	10.41
New business				
Single premiums	892	1,022	1,070	2,093
Regular premiums	722	465	636	1,101
New sales life insurance (APE) ³¹⁾	811	568	743	1,311
Value of new business	254	186	242	428

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS

In EUR million

	1H22	2H21	1H21	FY21
Key figures				
Operating capital generation ¹⁾	899	804	780	1,584
Gross premium income	7,635	6,242	8,070	14,312
Total administrative expenses	1,068	1,201	1,079	2,280
Combined ratio (Netherlands Non-life) ¹⁶⁾	96.1%	95.1%	92.0%	93.5%
Asset Management Assets under Management (in EUR billion, end of period) ²⁵⁾	0	301	298	301
Life general account invested assets (in EUR billion, end of period)	140	144	146	144
Total provisions for insurance and investment contracts (in EUR billion, end of period)	160	169	171	169
of which for risk policyholder (in EUR billion, end of period)	35	39	37	39
NN Group Solvency II ratio ³⁾	196%	213%	209%	213%
CET1 ratio ²⁴⁾	14.6%	17.4%	18.6%	17.4%
NN Life Solvency II ratio ³⁾	187%	219%	213%	219%
Total assets (in EUR billion, end of period)	226	252	250	252
Employees (internal FTEs, end of period)	14,599	15,158	14,787	15,158

2.1 ANALYSIS OF RESULTS: CONSOLIDATED RESULTS - EXCLUDING CURRENCY EFFECTS

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Netherlands Life	552	466	520	986
Netherlands Non-life	127	125	189	314
Insurance Europe	176	154	161	315
Japan Life	130	104	152	256
Asset Management ²⁵⁾	38	91	91	182
Banking	48	55	79	134
Other	-88	-80	-76	-157
Operating result ²⁾	983	914	1,116	2,030
Non-operating items	277	1,332	719	2,051
of which gains/losses and impairments	268	987	684	1,671
of which revaluations	-455	445	41	485
of which market and other impacts	465	-99	-6	-105
Special items	-59	-55	-47	-103
Acquisition intangibles and goodwill	-16	-18	-11	-28
Result on divestments	1,062	54	0	54
Result before tax	2,248	2,228	1,777	4,005
Taxation	234	356	354	710
Minority interests	7	9	11	19
Net result	2,006	1,863	1,412	3,275
Shares outstanding in the market (in million)	299	306	311	306
Basic earnings per ordinary share in EUR ¹²⁾	6.52	5.95	4.46	10.41
Diluted earnings per ordinary share in EUR ¹³⁾	6.51	5.95	4.46	10.40
New business				
New sales life insurance (APE) ³¹⁾	811	556	727	1,283
Key figures				
Gross premium income	7,635	6,198	8,020	14,218
Total administrative expenses	1,068	1,196	1,074	2,270
Total assets (in EUR billion, end of period)	226	250	248	250

2.2.1 ANALYSIS OF RESULTS: NETHERLANDS LIFE

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Investment margin	502	501	494	996
Fees and premium-based revenues	203	199	192	391
Technical margin	76	29	74	103
Operating income non-modelled business	0	0	0	0
Operating income	781	730	760	1,490
Administrative expenses	215	249	225	473
DAC amortisation and trail commissions	14	15	16	31
Total expenses	229	264	241	504
Operating result ²⁾	552	466	520	986
Non-operating items	254	1,286	661	1,946
of which gains/losses and impairments	309	957	661	1,618
of which revaluations	-586	386	-7	379
of which market and other impacts	531	-58	7	-51
Special items	-14	-11	-6	-17
Result on divestments	0	0	0	0
Result before tax	792	1,741	1,174	2,915
Taxation	124	226	204	431
Minority interests	4	-2	-2	-4
Net result	664	1,516	972	2,488
New business				
Single premiums	261	396	411	807
Regular premiums	264	30	127	158
New sales life insurance (APE) ^{19) 31)}	290	70	168	239
Value of new business	44	6	15	21
Key figures				
Operating capital generation ¹⁾	580	451	395	846
Gross premium income	1,954	1,716	2,256	3,972
Administrative expenses	215	249	225	473
Life general account invested assets (in EUR billion, end of period)	109	113	112	113
Assets under Management DC Business Total (in EUR billion, end of period) ¹⁸⁾	27.0	29.9	27.4	29.9
Total provisions for insurance and investment contracts (in EUR billion, end of period)	110	118	117	118
of which for risk policyholder (in EUR billion, end of period)	24	28	26	28
NN Life Solvency II ratio ³⁾	187%	219%	213%	219%
Employees (internal FTEs, end of period)	2,021	2,058	2,089	2,058

2.2.2 NETHERLANDS LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

In EUR billion	1H22	2H21	1H21	FY21
Provisions for life insurance and investment contracts for risk of company - roll forward				
Beginning of period	90.4	91.1	92.7	92.7
Deposits	0.9	0.8	1.6	2.4
Withdrawals / Benefits	-2.5	-2.0	-2.3	-4.4
Net production	-1.5	-1.2	-0.8	-2.0
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0
Market performance / Interest credited	-2.4	0.5	-0.8	-0.3
FX impact and other	0.0	0.0	0.0	0.0
End of period	86.5	90.4	91.1	90.4
In EUR billion	1H22	2H21	1H21	FY21
Provisions for life insurance and investment contracts for risk of policyholders - roll forward				
Beginning of period	27.8	26.1	24.4	24.4
Deposits	0.8	0.9	0.8	1.7
Withdrawals / Benefits	-1.0	-0.6	-1.2	-1.8
Net production	-0.1	0.3	-0.4	-0.1
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0
Market performance / Interest credited	-4.1	1.4	2.2	3.5
FX impact and other	0.0	0.0	0.0	0.0
End of period	23.6	27.8	26.1	27.8

2.3.1 ANALYSIS OF RESULTS: NETHERLANDS NON-LIFE

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Earned premiums	1,797	1,798	1,819	3,617
Investment income	70	64	64	128
Other income	0	-6	0	-6
Operating income	1,867	1,857	1,882	3,739
Claims incurred, net of reinsurance	1,267	1,219	1,205	2,424
Acquisition costs	322	330	330	660
Administrative expenses	167	189	168	357
Acquisition costs and administrative expenses	488	519	498	1,017
Expenditure	1,755	1,738	1,703	3,440
Operating result insurance businesses	112	119	180	299
Operating result non-insurance businesses	16	6	10	16
Total operating result ²⁾	127	125	189	314
Non-operating items	18	53	4	57
of which gains/losses and impairments	6	24	9	33
of which revaluations	12	29	-5	24
of which market and other impacts	0	0	0	0
Special items	-10	-14	-21	-35
Result on divestments	0	0	0	0
Result before tax	135	164	172	336
Taxation	27	33	37	71
Minority interests	2	7	9	16
Net result	105	124	126	250
Key figures				
Operating capital generation ¹⁾	144	163	162	325
Gross premium income	2,327	1,491	2,307	3,798
Total administrative expenses ²⁰⁾	271	272	224	496
Combined ratio ¹⁶⁾	96.1%	95.1%	92.0%	93.5%
of which Claims ratio ¹⁶⁾	69.0%	66.2%	64.6%	65.4%
of which Expense ratio ¹⁶⁾	27.2%	28.9%	27.4%	28.1%
Total insurance provisions (in EUR billion, end of period)	8	7	8	7
Employees (internal FTEs, end of period)	3,897	3,853	3,281	3,853

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

In EUR million	1H22	2H21	1H21	FY21
Gross premium income by line of business				
Disability and Accident	845	294	822	1,116
Fire	650	492	639	1,132
Marine and Aviation	61	40	64	104
Motor	484	440	496	937
Miscellaneous	287	223	285	508
Indirect business	1	1	1	2
Property and Casualty	1,482	1,197	1,485	2,682
Total	2,327	1,491	2,307	3,798
In EUR million	1H22	2H21	1H21	FY21
Operating result by line of business				
Disability and Accident	58	-3	42	38
Fire	-11	66	102	168
Marine and Aviation	0	2	26	28
Motor	33	41	15	56
Miscellaneous	30	10	-4	6
Indirect business	1	3	-1	2
Property and Casualty	53	122	138	260
Health business and broker business	16	6	10	16
Total	127	125	189	314
Combined ratios Disability and Accident, as well as Property and Casualty ¹⁶⁾				
Disability and Accident				
Combined ratio	93.6%	103.6%	94.6%	99.0%
of which Claims ratio	74.0%	83.3%	75.1%	79.1%
of which Expense ratio	19.6%	20.2%	19.6%	19.9%
Property and Casualty				
Combined ratio	97.3%	91.4%	90.8%	91.1%
of which Claims ratio	66.6%	58.8%	60.0%	59.4%
of which Expense ratio	30.7%	32.6%	30.8%	31.7%
Total				
Combined ratio	96.1%	95.1%	92.0%	93.5%
of which Claims ratio	69.0%	66.2%	64.6%	65.4%
of which Expense ratio	27.2%	28.9%	27.4%	28.1%

2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Investment margin	55	59	57	116
Fees and premium-based revenues	419	418	393	811
Technical margin	142	115	119	235
Operating income non-modelled business	0	1	0	1
Operating income Life Insurance	617	593	569	1,163
Administrative expenses	225	235	210	446
DAC amortisation and trail commissions	215	204	197	401
Expenses Life Insurance	440	439	407	847
Operating result Life Insurance	177	154	162	316
Operating result Non-life	-1	0	-1	-1
Total operating result ²⁾	176	154	161	315
Non-operating items	-9	29	19	48
of which gains/losses and impairments	-47	1	1	2
of which revaluations	40	31	15	46
of which market and other impacts	-2	-2	2	0
Special items	-13	-9	-5	-14
Acquisition intangibles and goodwill	-1	-7	0	-7
Result on divestments	0	54	0	54
Result before tax	153	222	175	396
Taxation	38	41	40	80
Minority interests	0	0	0	0
Net result	115	181	135	316
New business				
Single premiums	632	626	659	1,285
Regular premiums	299	285	314	599
New sales life insurance (APE) ³¹⁾	363	347	380	727
Value of new business	126	115	135	250
Key figures				
Operating capital generation ¹⁾	198	137	182	318
Gross premium income	1,606	1,558	1,569	3,127
Total administrative expenses (Life and Non-life)	231	242	216	458
Life general account invested assets (in EUR billion, end of period)	15	14	17	14
Total provisions for insurance and investment contracts (in EUR billion, end of period)	24	24	27	24
of which for risk policyholder (in EUR billion, end of period)	10	10	9	10
Assets under Management Pensions (in EUR billion, end of period) ²²⁾	22	25	25	25
Employees (internal FTEs, end of period)	4,892	4,652	4,846	4,652

2.4.1 ANALYSIS OF RESULTS: INSURANCE EUROPE - EXCLUDING CURRENCY EFFECTS

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Investment margin	55	58	57	115
Fees and premium-based revenues	419	414	387	802
Technical margin	142	115	119	235
Operating income non-modelled business	0	1	0	1
Operating income Life Insurance	617	589	563	1,152
Administrative expenses	225	232	206	438
DAC amortisation and trail commissions	215	202	195	397
Expenses Life Insurance	440	434	401	836
Operating result Life Insurance	177	154	162	316
Operating result Non-life	-1	0	-1	-1
Total operating result ²⁾	176	154	161	315
Non-operating items	-9	29	19	48
of which gains/losses and impairments	-47	1	1	2
of which revaluations	40	31	15	46
of which market and other impacts	-2	-2	2	0
Special items	-13	-9	-5	-14
Acquisition intangibles and goodwill	-1	-7	0	-7
Result on divestments	0	54	0	54
Result before tax	153	222	175	397
Taxation	38	40	40	80
Minority interests	0	0	0	0
Net result	115	182	135	317
New business				
New sales life insurance (APE) ³¹⁾	363	340	370	709
Key figures				
Gross premium income	1,606	1,549	1,558	3,107
Total administrative expenses (Life and Non-life)	231	238	212	450

2.4.2 INSURANCE EUROPE - KEY FIGURES BY COUNTRY

In EUR million	1H22	2H21	1H21	FY21
Gross premium income by country				
Belgium	387	393	388	782
Poland	183	194	192	386
Spain	309	289	320	608
Other countries	727	682	669	1,351
Insurance Europe	1,606	1,558	1,569	3,127
In EUR million	1H22	2H21	1H21	FY21
Operating result by country				
Belgium	34	32	30	61
Poland	52	31	38	69
Spain	19	19	16	35
Other countries	72	72	78	150
Insurance Europe	176	154	161	315
In EUR million	1H22	2H21	1H21	FY21
New sales (APE) by country				
Belgium	49	45	51	96
Poland	63	93	67	161
Spain	53	56	68	124
Other countries	198	152	194	346
Insurance Europe	363	347	380	727

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

In EUR million	1H22	2H21	1H21	FY21
Gross premium income by country				
Belgium	387	393	388	782
Poland	183	191	188	380
Spain	309	289	320	608
Other countries	727	675	662	1,338
Insurance Europe	1,606	1,549	1,558	3,107
In EUR million	1H22	2H21	1H21	FY21
Operating result by country				
Belgium	34	32	30	61
Poland	52	30	38	68
Spain	19	19	16	35
Other countries	72	73	78	151
Insurance Europe	176	154	161	315
In EUR million	1H22	2H21	1H21	FY21
New sales (APE) by country				
Belgium	49	45	51	96
Poland	63	92	66	158
Spain	53	56	68	124
Other countries	198	146	185	331
Insurance Europe	363	340	370	709

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

In EUR billion	1H22	2H21	1H21	FY21
Provisions for life insurance and investment contracts for risk of company - roll forward				
Beginning of period	14.0	17.4	18.0	18.0
Deposits	0.6	0.7	0.6	1.3
Withdrawals / Benefits	-0.9	-0.9	-0.8	-1.7
Net production	-0.3	-0.2	-0.2	-0.4
Acquisition / Divestments / Transfers	2.0	-3.1	0.0	-3.1
Market performance / Interest credited	-1.6	-0.1	-0.5	-0.5
FX impact and other	0.0	0.0	0.0	0.0
End of period	14.0	14.0	17.4	14.0
In EUR billion	1H22	2H21	1H21	FY21
Provisions for life insurance and investment contracts for risk of policyholders - roll forward				
Beginning of period	9.7	9.3	8.7	8.7
Deposits	0.6	0.7	0.6	1.2
Withdrawals / Benefits	-0.4	-0.5	-0.5	-1.0
Net production	0.2	0.1	0.1	0.2
Acquisition / Divestments / Transfers	1.3	0.0	0.0	0.0
Market performance / Interest credited	-1.2	0.3	0.5	0.8
FX impact and other	-0.1	0.0	0.1	0.0
End of period	9.9	9.7	9.3	9.7
In EUR billion	1H22	2H21	1H21	FY21
Assets under Management pensions - roll forward				
Beginning of period	24.6	24.6	21.7	21.7
Deposits	1.0	1.0	1.0	2.0
Withdrawals / Benefits	-0.5	-0.5	-0.5	-1.0
Net production	0.5	0.5	0.5	1.0
Acquisition / Divestments / Transfers	0.0	-1.0	0.0	-1.0
Market performance / Interest credited	-3.1	1.0	2.3	3.3
FX impact and other	-0.3	-0.4	0.0	-0.4
End of period	21.7	24.6	24.6	24.6

2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Investment margin	4	-4	-8	-12
Fees and premium-based revenues	308	271	339	610
Technical margin	6	9	21	30
Operating income non-modelled business	0	0	0	0
Operating income	318	276	352	628
Administrative expenses	59	71	64	135
DAC amortisation and trail commissions	128	99	132	230
Total expenses	188	169	196	365
Operating result ²⁾	130	107	156	263
Non-operating items	5	-1	2	2
of which gains/losses and impairments	-1	0	4	4
of which revaluations	6	-1	-2	-2
of which market and other impacts	0	0	0	0
Special items	-1	-1	-1	-3
Result on divestments	0	0	0	0
Result before tax	134	105	157	262
Taxation	37	30	44	74
Minority interests	0	0	0	0
Net result	96	74	113	188
New business				
Single premiums	0	0	0	0
Regular premiums	159	150	195	345
New sales life insurance (APE) ³¹⁾	159	150	195	345
Value of new business	84	64	92	156
Key figures				
Operating capital generation ¹⁾	74	72	57	129
Gross premium income	1,718	1,459	1,921	3,381
Administrative expenses	59	71	64	135
Life general account invested assets (in EUR billion, end of period)	16	17	17	17
Total provisions for insurance and investment contracts (in EUR billion, end of period)	16	18	17	18
of which for risk policyholder (in EUR billion, end of period)	0	0	0	0
Employees (internal FTEs, end of period)	911	859	859	859

2.5.1 ANALYSIS OF RESULTS: JAPAN LIFE - EXCLUDING CURRENCY EFFECTS

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Investment margin	4	-4	-8	-12
Fees and premium-based revenues	308	263	331	594
Technical margin	6	9	20	29
Operating income non-modelled business	0	0	0	0
Operating income	318	268	343	611
Administrative expenses	59	68	62	131
DAC amortisation and trail commissions	128	96	129	224
Total expenses	188	164	191	355
Operating result ²⁾	130	104	152	256
Non-operating items	5	0	2	2
of which gains/losses and impairments	-1	0	4	4
of which revaluations	6	-1	-2	-2
of which market and other impacts	0	0	0	0
Special items	-1	-1	-1	-3
Result on divestments	0	0	0	0
Result before tax	134	102	153	255
Taxation	37	29	43	72
Minority interests	0	0	0	0
Net result	96	73	111	183
New business				
New sales life insurance (APE) ³¹⁾	159	146	189	335
Key figures				
Gross premium income	1,718	1,415	1,875	3,290
Administrative expenses	59	68	62	131

2.5.2 JAPAN LIFE - PROVISIONS FOR LIFE INSURANCE AND INVESTMENT CONTRACTS

In EUR billion	1H22	2H21	1H21	FY21
Provisions for life insurance and investment contracts for risk of company - roll forward				
Beginning of period	17.4	17.1	17.2	17.2
Deposits	1.6	1.3	1.7	3.0
Withdrawals / Benefits	-1.3	-1.2	-1.2	-2.4
Net production	0.2	0.1	0.5	0.7
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0
Market performance / Interest credited	0.1	0.1	0.1	0.2
FX impact and other	-1.4	0.1	-0.7	-0.6
End of period	16.3	17.4	17.1	17.4

2.6 ANALYSIS OF RESULTS: ASSET MANAGEMENT

In EUR million	1H22 ²⁵⁾	2H21	1H21	FY21
Analysis of results				
Investment income	0	-1	0	-1
Fees	110	249	234	482
Operating income	110	248	233	481
Administrative expenses	72	157	143	300
Operating result ²⁾	38	91	91	181
Non-operating items	0	0	0	0
Special items	-1	-3	-1	-4
Result on divestments	0	0	0	0
Result before tax	37	88	90	178
Taxation	9	22	22	43
Minority interests	2	4	3	7
Net result	26	62	65	127
Key figures				
Operating capital generation ¹⁾	31	68	67	135
Administrative expenses	72	157	143	300
Cost/income ratio (Administrative expenses/Operating income)	65.7%	63.4%	61.2%	62.3%
Fees/average Assets under Management (bps) ²⁶⁾	15	17	16	16
Net inflow Assets under Management (in EUR billion)	0	1	2	3
Assets under Management (in EUR billion, end of period)	0	301	298	301
Net operating result ²⁷⁾	28	67	68	136
Employees (internal FTEs, end of period)	0	952	943	952

2.7.1 ANALYSIS OF RESULTS: BANKING

In EUR million

	1H22	2H21	1H21	FY21
Analysis of results				
Interest result	125	141	139	280
Commission income	26	25	34	59
Total investment and other income	18	17	16	33
Operating income	170	183	189	372
Operating expenses	105	121	98	219
Regulatory levies	18	11	16	27
Addition to loan loss provision	-1	-5	-4	-8
Total expenses	122	128	110	239
Operating result ²⁾	48	55	79	134
Non-operating items	10	-25	-1	-27
of which gains/losses and impairments	0	1	0	2
of which revaluations	0	0	0	0
of which market and other impacts	10	-27	-2	-28
Special items	0	0	0	0
Result before tax	58	29	77	106
Taxation	15	5	19	25
Minority interests	0	0	0	0
Net result	43	24	58	82
Key figures				
Operating capital generation ¹⁾	11	49	55	104
Total administrative expenses ²¹⁾	123	133	114	247
Cost/income ratio (Operating expenses/Operating income)	61.9%	66.3%	51.9%	59.0%
Net Interest Margin (NIM) ²⁹⁾	1.09%	1.13%	1.12%	
Net operating ROE ²³⁾	8.7%	9.2%	12.7%	11.0%
CET1 ratio ²⁴⁾	14.6%	17.4%	18.6%	17.4%
Total Capital ratio ²⁴⁾	15.9%	18.8%	20.0%	18.8%
Risk Weighted Assets (RWA) (in EUR billion, end of period) ²⁴⁾	6	6	6	6
Savings and deposits (in EUR billion, end of period)	16	16	16	16
Mortgages (in EUR billion, end of period)	21	21	21	21
Total assets (in EUR billion, end of period)	24	24	25	24
Net operating result ²⁷⁾	36	41	59	100
Adjusted allocated equity (end of period) ²⁾	781	850	950	850
Employees (internal FTEs, end of period)	970	944	937	944

2.7.2 BANKING - SAVINGS AND DEPOSITS AND MORTGAGES

In EUR billion	1H22	2H21	1H21	FY21
Savings and Deposits - roll forward				
Beginning of period	15.9	16.1	15.7	15.7
Deposits	1.9	2.4	2.4	4.8
Withdrawals / Benefits	-1.7	-2.7	-2.0	-4.7
Net increase / decrease	0.2	-0.2	0.4	0.2
Acquisition / Divestments / Transfers	0.0	0.0	0.0	0.0
End of period	16.1	15.9	16.1	15.9

In EUR billion	1H22	2H21	1H21	FY21
Mortgages - roll forward				
Beginning of period	20.8	20.6	20.1	20.1
Origination	4.9	5.5	4.4	9.9
Redemptions	-1.3	-1.4	-1.2	-2.6
Net increase / decrease	3.6	4.2	3.2	7.3
Acquisition / Divestments / Transfers	-3.1	-3.9	-2.7	-6.6
End of period	21.4	20.8	20.6	20.8

2.8 ANALYSIS OF RESULTS: OTHER

In EUR million	1H22	2H21	1H21	FY21
Analysis of results				
Interest on hybrids and debt ³⁰⁾	-54	-55	-53	-108
Investment income and fees	54	52	51	103
Holding expenses	-90	-72	-89	-161
Amortisation of intangible assets	0	0	0	0
Holding result	-91	-75	-91	-166
Operating result reinsurance business	11	-7	18	11
Other results	-8	1	-4	-3
Operating result ²⁾	-88	-81	-76	-157
Non-operating items	0	-10	35	25
of which gains/losses and impairments	1	3	9	12
of which revaluations	73	-1	40	39
of which market and other impacts	-74	-12	-14	-26
Special items	-19	-18	-13	-30
Acquisition intangibles and goodwill	-15	-11	-11	-21
Result on divestments	1,062	0	0	0
Result before tax	940	-119	-65	-184
Taxation	-17	0	-11	-11
Minority interests	0	0	0	0
Net result	957	-118	-54	-172
Key figures				
Operating capital generation ¹⁾	-140	-136	-136	-272
Gross premium income	29	18	16	34
Total administrative expenses	97	78	93	172
of which reinsurance business	4	5	4	8
of which corporate/holding	92	74	90	163
Employees (internal FTEs, end of period)	1,907	1,840	1,832	1,840
Total provisions for insurance and investment contracts (in EUR billion, end of period)	2	2	2	2
Key figures Japan Closed Block VA				
Account value	1,294	1,591	1,633	1,591
Net Amount at Risk	29	9	10	9
Number of policies	14,443	15,615	16,686	15,615

NOTES

General notes:

- The Financial Supplement includes historical financial data and is published on a semi-annual basis.
- All figures are unaudited.
- Figures are calculated at historical foreign exchange rates, unless otherwise stated.
- 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.
- Rounding could cause some small differences.
- The segment 'Other' consists of the reinsurance business, the holding company and certain other entities.

Footnotes:

- 1) 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 surplus (Own Funds before eligibility constraints 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.
- 2) Operating result and Adjusted allocated equity (as used in the calculation of Net operating ROE) are Alternative Performance Measures. These measures are derived from figures according to IFRS-EU. The operating result is derived by adjusting the reported result before tax to exclude the impact of result on divestments, amortisation of acquisition intangibles, discontinued operations 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 2022 Condensed consolidated interim financial information
- 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) 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.
- 5) The segment 'Other' comprises the allocated equity of the reinsurance business and the cash capital position, other assets and debt of the holding company.
- 6) Cash capital is defined as net current assets available at the holding company.
- 7) Includes interest on subordinated loans provided to subsidiaries by the holding company.
- 8) Includes the change of subordinated loans provided to subsidiaries by the holding company.
- 9) Includes interest on subordinated loans and debt, holding company expenses and other cash flows.
- 10) 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, divestments and capital transactions with shareholders and debtholders.
- 11) Refers to Insurance Europe entities' consolidated totals excluding NN Czech Life insurance business (branch of NN Life).
- 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) Other assets contain Reinsurance contracts, Property and equipment, Intangible assets, Deferred acquisition costs, Deferred tax assets and Other assets.
- 15) The adjusted allocated equity of Japan Life is adjusted for the impact of internal reinsurance ceded to NN Group's reinsurance business.
- 16) Excluding non-insurance businesses (health business and broker business).
- 17) Value of new business as a percentage of Present value of new business premiums.
- 18) Assets under Management (AuM) 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 a proxy for the AuM.
- 19) APE excludes the APE for the investment part of the DC business as of 2020.
- 20) Including non-insurance businesses (health business and broker business).
- 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) 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 2022 Condensed consolidated interim financial information.
- 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) Following the sale of NN IP on 11 April 2022, the 1H22 numbers reported for Asset Management reflect the results for the first quarter of 2022. Period-end balances, including shareholders' equity, Assets under Management and employees, relating to the Asset Management segment are nil at 30 June 2022.
- 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. For 1H22 bps are calculated based on a three month period, given the sale of NNIP on 11 April 2022.
- 27) Operating result after tax.
- 28) Other comprises CEE pension funds as well as broker and services companies.
- 29) Four-quarter rolling average.
- 30) Does not include interest costs on subordinated debt treated as equity.
- 31) APE represents annualised premium equivalents sold in the period, with single premiums calculated at 1/10th of the single premium amounts.

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 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 financial information for the period ended 30 June 2022.

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.

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