

Amsterdam, 10 November 2015

Delta Lloyd: commercial and operational performance shows robust progress

Strategic and business highlights

- Increase in Life new business, NAPI¹ € 342 million (9M 2014: € 324 million), of which € 182 million (9M 2014: € 135 million) originated from new defined contribution (DC) contracts
- Gross written premiums (GWP) General Insurance up 2% to € 1,068 million², combined ratio (COR) remained strong at 96.6%³ (9M 2014: 95.8%³)
- Update on capital and transition to Solvency II on 2 December 2015

Financial highlights

- IGD group solvency ratio of 181%⁴ at end September (year-end 2014: 183%), mainly impacted by assumptions recalibration
- Shareholders' funds -2% at € 2,422 million at end September (year-end 2014: € 2,468 million)

Hans van der Noordaa, chairman of the Executive Board:

“The first nine months of the year have shown a continued strong commercial and operational performance. Our capital position and risk management remain our main priorities. We have spent the last several months on a detailed analysis of our capital position. We will update you on capital and transition to Solvency II at our Investor Day on 2 December 2015.”

Key performance indicators

<i>(in millions of euros, unless otherwise stated)</i>	9M 2015	9M 2014
IGD group solvency ratio (compared to year-end 2014)	181%	183%
NAPI	342	324
Operational expenses	465	468

Strategic and business overview

We made strong progress in executing actions aimed at creating a sound basis for our future:

- We expect to announce our new CFO and member of the Executive Board shortly
- We are gearing the organisation towards a more agile and more customer focused orientation
- We completed the sale of our non-core activities Delta Lloyd Bank Belgium and Delta Lloyd Deutschland
- The shift from defined benefit (DB) to defined contribution (DC) has accelerated
- We maintain a strong focus on the profitability of our new business

Customers

In the third quarter, we have taken new steps to meet our customers' and business partners' demand for access to products and services at any time and using any device. Later this year, we will launch the 'my Delta Lloyd' website, where clients and advisors have access to information regarding their policies and various self-service options. We launched a simplified application process for online retail insurance products. For OHRA customers we implemented Touch ID for the OHRA app; customers can log on to the OHRA app just using their finger print. Customer satisfaction scores for Delta Lloyd and OHRA (both private and commercial clients) over 2015 were higher than in 2014, and Net Promoter Scores for all OHRA and Delta Lloyd commercial businesses were up.

Cost savings on track

In the first nine months of 2015, operational expenses amounted to € 465 million (9M 2014: € 468 million), including the impact of higher pension service costs. We have an ongoing commitment to drive cost efficiencies.

Segments

Life Insurance

- NAPI at € 342 million (9M 2014: € 324 million)
- Shift to DC continued, NAPI in DC increased by 35%
- Profitability in new contracts improved during Q3 2015

In the first nine months, NAPI amounted to € 342 million (9M 2014: € 324 million), reflecting our continued strong position in the group life market. Our customers' demand continued to shift from defined benefit (DB) to DC pension arrangements, as illustrated by a 35% increase in NAPI in DC to € 182 million. BeFrank remains a leader in the PPI market, with assets under management of € 521 million (year-end 2014: approximately € 400 million). Overall, new annual premiums grew by 2% to € 266 million (9M 2014: € 260 million), while the volume in new single premium increased by 19% to € 762 million (9M 2014: € 639 million). In the Netherlands, we had a market share at half-year 2015 of 33% in new business in group life annual premiums. Life GWP in Belgium grew by 6%, mainly due to a strong increase in unit linked products.

The new business margin (NBM) for Life reached 1.4% (9M 2014: 3.1%) and improved compared to half year 2015 (1.1%). The low interest rate environment negatively affected the Dutch DB portfolio and resulted in a decrease of profitability. NBM for Life based on new contracts (hence excluding extensions to existing contracts) reached 3.1% and NBM for the Dutch DC portfolio was 3.1%. NBM

for the Belgian portfolio slightly decreased mainly due to low interest rates suppressing group business profitability. New business value fell to € 57 million (9M 2014: € 107 million).

General Insurance

- COR better than target at 96.6%
- GWP 2% higher at € 1,068 million

In General Insurance, GWP rose to € 1,068 million (9M 2014: € 1,044 million), mainly due to a 3% increase in GWP at Property and Casualty. The COR remained strong at 96.6% (9M 2014: 95.8%), better than the target of 98% through the cycle. The 0.8pp increase was the result of higher claims and higher commissions.

Asset management

- Net outflow new money of € 100 million (9M 2014: outflow of € 316 million)
- Assets under management declined to € 70 billion (year-end 2014: € 85 billion)

Delta Lloyd's total assets under management declined to € 70 billion (year-end 2014: € 85.3 billion), due to the sale of Delta Lloyd Bank Belgium and Delta Lloyd Deutschland (€ 13.5 billion) and to market developments. Net outflows of new money totalled € 100 million (9M 2014: outflow of € 316 million), due to challenging market conditions and a decrease in retail funds. However the volume of institutional mandates was positively impacted by a large inflow.

Bank

- Strong increase in new mortgages
- Margin over volume approach for banking annuities

Supported by the developments in the Dutch housing market and an improved operational performance, the production of new mortgages increased to € 719 million (9M 2014: € 492 million). There is a healthy pipeline of new mortgages for the remainder of the year. The portfolio was stable at € 13.1 billion (year-end 2014: € 13.1 billion). Our savings portfolio was also stable at € 3.4 billion (year-end 2014: € 3.5 billion).

Capital management

- IGD group solvency ratio -2pp at 181% (year-end 2014: 183%)
- Shareholders' funds slightly lower at € 2,422 million (year-end 2014: € 2,468 million)

Capital

<i>(in millions of euros)</i>	9M 2015	12M 2014	Change
Regulatory (IGD) group solvency ratio	181%	183%	-2pp
Regulatory (IGD) solvency ratio insurance entities ⁵	221%	221%	-
Shareholders' funds after non-controlling interests	2,422	2,468	-2%
Common equity tier-1 ratio (Delta Lloyd Bank NL)	14.8%	13.6%	1.2pp

At end September 2015, shareholders' funds were slightly lower (-2%) at € 2,422 million (year-end 2014: € 2,468 million). This was mainly due to a negative IFRS result, the cash payment of final

dividend 2014 and interim dividend 2015 (€ -113 million) and negative impact on available for sale (AFS) reserves. This was partly offset by the equity offering of 19.9 million new ordinary shares via an accelerated bookbuild (€ 337m) in March.

At end September, IGD group solvency decreased 2pp to 181%, compared to 183% at year-end 2014. The IGD available capital was affected by the cash dividend and market movements. We recalibrated certain assumptions in our IGD calculation during the first nine months of 2015, including the internal asset management fees for our insurance entities and the mortgage valuation. These recalibrations impacted IGD group solvency (total effect of -16pp). This effect was partly offset by the equity offering in March (+15pp).

As at 30 September 2015, the common equity tier-1 ratio was 14.8% (year-end 2014: 13.6%). The ratios are on a Basel III phased-in basis.

Financial calendar 2015-2016

Date	Event
2 December 2015	Investor Day
24 February 2016	Publication full year 2015 results
23 March 2016	Publication annual report
18 May 2016	Publication of Interim management statement Q1 2016
19 May 2016	Annual General Meeting
17 August 2016	Publication of half-year 2016 results
16 November 2016	Publication of Interim management statement first nine months of 2016

Conference call on 10 November 2015

On Tuesday 10 November 2015 at 09.30 am (CET) Delta Lloyd will host a conference call for analysts, which can also be followed via audiocast on our website.

Conference call: 10 November 2015, 09.30 am (CET)
+31 20 531 58 71 (English language)

This press release is also available at www.deltalloyd.com.

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About Delta Lloyd NV

Delta Lloyd has been a trusted partner for insurance, pensions, investing and banking since 1807. It is our goal to offer financial security, now and in the future. We deliver clear, reliable and contemporary products and services that meet our customers' needs and create value for them, our shareholders and our employees. Our primary markets are the Netherlands and Belgium. In the Netherlands, we operate under the Delta Lloyd, OHRA and ABN AMRO Verzekeringen brands, while in Belgium we use the Delta Lloyd brand. Delta Lloyd is listed on Euronext Amsterdam and Brussels, and included in the DJSI World, DJSI Europe, AEX- and Bel-20 indices.

Important information

- This interim management statement contains figures for the first nine months of 2015 for Delta Lloyd NV ('Delta Lloyd'), inclusive of Delta Lloyd Levensverzekering, Delta Lloyd Schadeverzekering, ABN AMRO Verzekeringen, Delta Lloyd Life Belgium, Delta Lloyd Asset Management and Delta Lloyd Bank Netherlands.
- Delta Lloyd Deutschland and Delta Lloyd Bank Belgium have been sold; the figures of these entities are excluded from the operational expenses and commercial KPI's (a.o. Gross Written Premiums, Assets under Management and New Business). However, the entities are not excluded from the IFRS-based metrics (Delta Lloyd Deutschland is included for the first nine months and Delta Lloyd Bank Belgium for the first seven months).
- Certain statements contained in this press release that are not historical facts are "forward-looking statements". Forward-looking statements are typically identified by the use of forward looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes", "anticipates", "annualised", "goal", "target" or "aim" or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risk and uncertainties. The forward-looking statements in this press release are based on management's beliefs and projections and on information currently available to them. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Delta Lloyd's control and all of which are based on management's current beliefs and expectations about future events.
- Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Delta Lloyd undertakes no duty to and will not update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing Delta Lloyd and its subsidiaries. Such risks, uncertainties and other important factors include, among others: (i) changes in the financial markets and general economic conditions, (ii) changes in competition from local, national and international companies, new entrants in the market and self-insurance and changes to the competitive landscape in which Delta Lloyd operates, (iii) the adoption of new, or changes to existing, laws and regulations including Solvency II, (iv) catastrophes and terrorist-related events, (v) default by third parties owing money, securities or other assets on their financial obligations, (vi) equity market losses, (vii) long- and/or short-term interest rate volatility, (viii) illiquidity of certain investment assets, (ix) flaws in underwriting assumptions, pricing and/or claims reserves, (x) the termination of or changes to relationships with principal intermediaries or partnerships, (xi) the unavailability and unaffordability of reinsurance, (xii) flaws in Delta Lloyd's underwriting, operating controls or IT systems, or a failure to prevent fraud, (xiii) a downgrade (or potential downgrade) of Delta Lloyd's credit ratings, and (xiv) the outcome of pending, threatened or future litigation or investigations, or other factors referred to in this press release.
- Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Delta Lloyd's actual financial condition or results of operations could differ materially from those described herein as anticipated, believed, estimated or expected.
- Please see the Annual Report for the year-ended 31 December 2014 for a description of certain important factors, risks and uncertainties that may affect Delta Lloyd's businesses.

¹ New Annualised Premium Income, 10% of new single premium, 100% of new annual premium

² Excluding terminated and run-off activities

³ Excluding terminated and run-off activities and market interest movements

⁴ Including the effect of 1pp from the sale of Delta Lloyd Deutschland

⁵ Excluding Delta Lloyd Deutschland