

Press release

5 July 2021

NN Group to acquire MetLife's business activities in Poland and Greece

- **NN Group (NN) to acquire MetLife's business activities in Poland and Greece for a consideration of EUR 584 million¹**
- **Bolstering NN's leading positions in two attractive European growth markets by adding strong and profitable businesses and creating synergies**
- **Strengthening current top positions in life and pensions in Poland, and creating the number one life insurance company in Greece**
- **Expanding distribution capabilities by adding strong (tied) agent and broker networks**
- **Incremental operating capital generation expected to grow to around EUR 50 million in 2024 partially excluding cost synergies; expected double-digit return on investment**
- **Maintaining strong solvency post transaction, solvency ratio negative impact of around 6%-points (proforma 31 Dec 2020)**

NN Group today announces that it has agreed to acquire MetLife's business activities in Poland and Greece, for a total consideration of EUR 584 million. The acquisition will further bolster NN's leading market positions, strengthening its position in life and pensions in Poland, while creating the market leading insurance company in Greece.

David Knibbe, CEO of NN Group: 'Strategically and financially this is a unique opportunity for NN to enhance value and consolidate our leading positions in these markets. The acquisition will add scale, provide growth opportunities and drive diversification in life and protection in markets with low insurance penetration rates. Having built our NN business in Greece since 1980 and in Poland since 1994, we know and understand these markets well. MetLife's activities tie in well with ours, with a cultural fit and a mirrored business model, allowing for a smooth integration. While combining the strengths of both companies, we will continue to focus on the well-being of both our new and existing customers. We look forward to welcome around 2.7 million new customers and 450 new colleagues to our company, and to work together with around 1,600 additional (tied) agents and brokers.'

Strategic rationale

The acquisition will almost double NN's total customer base in Poland and Greece and will create a strong platform for future growth, with potential for cost synergies.

Poland

In Poland, the largest market in Central and Eastern Europe, NN's market share in life will increase to 12% from 8%, which strengthens its position to around EUR 500 million annual gross written premium (GWP). NN's distribution reach will be expanded by adding a large network of 1,200 tied agents, as well as external partnerships.

Greece

In Greece, the transaction will make NN a leading life insurance company, with a combined 31% market share in life and health, and an 18% overall market share. NN will become market leader in employee

benefits and group pensions and expand the attractive Greek accident & health portfolio. The transaction includes a network of more than 400 tied agents, so adding 50% of capacity to the current tied agent sales force. NN in Greece will further diversify its distribution platform by adding broker and direct channels.

Financial impact

The acquisition is expected to create synergies and to lead to an incremental operating capital generation of EUR 50 million per annum in 2024 excluding part of the synergies that will be capitalised via assumption changes, and to generate a double-digit return on investments.

The transaction will be financed by a combination of cash capital at holding and around EUR 100 million of local surplus capital. NN's dividend policy and share buyback programme will not be affected.

Conditions and process

Closing of the transaction is subject to obtaining the necessary regulatory and competition clearances and is expected in the first half of 2022.

Footnote

1. Cash flows, including dividends, to be paid to current shareholders prior to completion, expected to be around EUR 36 million, will be deducted from the total consideration of EUR 620 million (at current PLN-EUR FX rate).

For more information an [investor presentation](#) is available on our website.

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NN Group profile

NN Group is an international financial services company, active in 20 countries, with a strong presence in a number of European countries and Japan. With all its employees, the Group provides retirement services, pensions, insurance, investments and banking to approximately 18 million customers. NN Group includes Nationale-Nederlanden, NN, NN Investment Partners, ABN AMRO Insurance, Movir, AZL, BeFrank and OHRA. NN Group is listed on Euronext Amsterdam (NN).

Important legal information

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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