Press release

Amstelveen, September 5, 2019

VIVAT Interim Results 2019

Resilient performance while preparing for new ownership

Solvency II ratio impacted by decrease of volatility adjustment

> Net Underlying Result improved to EUR 161 million (1H18: EUR 115 million), driven by higher investment income (interest rate derivatives and re-risking) and improved claims ratio of P&C
> Gross premium income (excluding pension fund buy-outs) down 4% as a result of the shrinking individual life market. Premium income for Life Corporate and Property & Casualty was stable
> Total operating costs remained stable compared to the first half of 2018
> Combined ratio improved to 96.0% reflecting an improved claims ratio (1H18: 100.9%)
> Net Result IFRS increased to EUR 279 million (1H18: -/- EUR 173 million), driven by a release of the Liability Adequacy Test (LAT) shortfall primarily as a result of market movements, partly offset by the decrease in the Ultimate Forward Rate (UFR)

> Solvency II ratio (standard model) of VIVAT NV decreased to 151% (YE18: 192%) mainly as a result of a sharp decrease of the Volatility Adjustment (VA) and a decrease in interest rates
> Solvency II ratio (standard model) of SRLEV NV decreased to 145% (YE18: 188%)
> Liquidity position holding at EUR 526 million (YE18: EUR 535 million)
> Re-risking on track, sovereign investment exposure decreased to 52% in the investment portfolio (57% YE18), direct investment income improved by 7%

> Anbang has reached a conditional agreement on the sale of VIVAT NV to Athora with a follow-on sale of the P&C business to NN Group. High level integration and migration preparations have started. Closing expected in the first quarter of 2020, subject to certain conditions such as the receipt of relevant regulatory approvals and antitrust clearance
> The sustainable investment policy of VIVAT again received a high rating from the Association of Investors for Sustainable Development (VBDO)

Key Figures

in € millions/percentage	1H19	1H18
Net Underlying Result VIVAT[1]	161	115
Net Result IFRS	279	-173
Combined Ratio Property & Casualty	96.0%	100.9%

in € millions/percentage	1H19	FY18
Solvency-II ratio VIVAT	151%	192%
Equity	3,722	3,541

[1] Net Underlying Result consists of Net Result IFRS excluding changes in fair value of assets and liabilities (incl. LAT-shortfall) and non-recurring expenses (e.g. restructuring costs and impairments).

Ron van Oijen, Chairman of VIVAT's Executive Board:

"During the first half year of 2019, we continued to deliver on our strategic priorities and were informed by our shareholder Anbang that it reached a conditional agreement on the sale of VIVAT to Athora with a follow-on sale of the P&C business NN Group. The Executive Board of VIVAT is supportive of this transaction. High-level preparations for the integration and migration have started. The transaction is conditional upon regulatory approvals and antitrust clearance, and is expected to be completed in the first quarter of 2020.

In the first half of 2019, VIVAT showed a resilient performance. The Net Underlying Result as well as the Net Result IFRS were up significantly compared to the first half of 2018, costs remained stable and we kept strong commercial positions in Pensions and P&C, our focus markets. This was supported by a high retention rate of 87% at Life Corporate, new inflow in the Zwitserleven PPI and 10% commercial growth at P&C on a like-for-like basis. Also we saw an improvement of the combined ratio due to a further reduced claims ratio. The ongoing efforts in optimising the investment portfolio resulted in a higher investment income.

While VIVAT's capital generation was positive in the first half of 2019, the Solvency II ratio of 151% was impacted by a sharp decrease of the Volatility Adjustment (VA) and lower interest rates.

In the first half of 2019, VIVAT has started a number of new initiatives and kept focusing on innovation. Under the brand name Reaal, P&C introduced a liability insurance for SMEs and entered into an agreement with the largest 'self-employed without personnel'-network in the Netherlands to offer disability insurance. Individual Life introduced term life insurances for first time home owners and seniors under the brand name Reaal. Life Corporate launched the MijnZwitserleven-portal in which all pension participants of Zwitserleven can find detailed information on their pension accrual and can make changes accordingly. Dier & Zorg, our pet insurer, saw an increase of new business of 55% after a successful advertising campaign.

In the field of sustainability, VIVAT continued to put effort in the Sustainable Development Goals. The sustainable investment policy of VIVAT was once again awarded by a high rating from the Association of Investors for Sustainable Development (VBDO). ACTIAM saw the inaugural launch of their Luxembourg Fund and saw growing demand for its new Global Equity Impact strategy.

In the first half of 2019, we saw an increase in the Net Promotor Score (NPS) which underpins the continuous efforts of our motivated and dedicated employees to put customer interest first. Our customers can expect that the high service level will be continued going forward."

Financial result

in € millions	1H19	1H18
Result		
Premium Income	1,334	1,607
Premium Income excl. buy-outs	1,334	1,396
Direct Investment Income	663	619
Operating expenses	182	182
Net underlying result VIVAT	161	115
Net Result IFRS	**279**	**-173**

[1] Net Underlying Result consists of Net Result IFRS excluding changes in fair value of assets and liabilities (incl. LAT-shortfall) and non-recurring expenses (e.g. restructuring costs and impairments).

The Net Result IFRS increased by EUR 452 million compared to the first half of 2018 driven by a release of the LAT shortfall EUR 376 million primarily as result of market movements. This included positive effects from sharply lower interest rates, spread tightening and decreased inflation expectations. This was partly offset by the decrease of the UFR from 4.05% to 3.90%.

The Net Underlying Result improved in the first half of 2019 by EUR 46 million to EUR 161 million, driven by higher interest income from the interest derivatives portfolio and higher investment income due to re-risking, including amongst others a switch from government bonds to higher yielding bonds.

Gross premium income (excluding buy-outs) decreased by 4% from EUR 1,396 million to EUR 1,334 million. This decrease was caused by the shrinking individual life market. Gross premium income (excluding buy-outs) in Life Corporate remained stable and increased 10% for P&C on a like-for-like basis.

Direct investment income increased in the first half of 2019 compared to the first half of 2018, mainly due to an increase in interest income from the interest derivatives portfolio and the ongoing re-risking activities.

Operating expenses remained stable compared to the first half of 2018. Higher costs following the Collective Labour Agreement are fully offset by further costs savings in the first half of 2019 and lower costs to activate clients to review their position regarding unit-linked insurances compared to the first half of 2018.

The reconciliation of the Net Underlying Result to Net Result IFRS is presented in the table below:

in € millions	1H19	1H18
Net Underlying Result VIVAT	**161**	**115**
1) Change LAT-shortfall Life in P&L	122	-254
2) Other (un)realised changes in fair value of A/L	-4	-34
3) One offs and Non operating expenses and profits	0	0
Net Result IFRS VIVAT	**279**	**-173**

The movement in the LAT was driven by a release of the LAT shortfall due to market movements. This included positive effects from sharply lower interest rates, spread tightening and decreased inflation expectations. This was partly offset by the positive effect on the LAT shortfall of the decrease of the UFR from 4.05% to 3.90%.

Other (un)realised changes in fair value of A/L (assets and liabilities) in the first half of 2018 were impacted by the tender offer on the SRLEV notes.

No non-operating expenses and profits were reported in the first half year of 2019 and 2018.

Financial result per segment

Life Corporate

in € millions	1H19	1H18
Result		
Gross Premium Income	561	788
Premium Income excluded buy outs	561	577
Net Inflow Zwitserleven PPI	68	47
Direct Investment income	385	319
Operating expenses	48	49
Net Result IFRS	**190**	**-212**
Net Underlying Result	**105**	**61**

Commercial performance for Life Corporate was strong in the first half of 2019 and proved resilient to uncertainty following the strategic review for VIVAT by Anbang. Customer retention remained stable and high in the first half of 2019 at 87%. Gross premium income (excluding buy-outs of EUR 211 million in the first half of 2018) decreased slightly from EUR 577 million to EUR 561 million. Growth of the net inflow of EUR 21 million in the Zwitserleven PPI (Premie Pensioen Instelling) compensated for the slightly lower premium income.

Operating expenses were in line with the first half of 2018 and decreased by EUR 1 million.

The Net Result IFRS increased from -/- EUR 212 million in the first half of 2018 to EUR 190 million. This improvement was largely driven by a release of the LAT shortfall in the first half of 2019 primarily as a result of market movements.

The Net Underlying Result increased by EUR 44 million to EUR 105 million, primarily due to higher interest income from the interest derivatives portfolio (which also increased the direct investment income) and higher investment income due to ongoing re-risking activities.

Individual Life

in € millions	1H19	1H18
Result		
Gross Premium Income	398	440
Direct Investment income	252	277
Operating expenses	43	48
Net Result IFRS	**58**	**55**
Net Underlying Result	**54**	**67**

Gross premium income decreased by 10% mainly as a result of the shrinking individual life market.

Operating expenses were lower compared to the first half year of 2018 as a result of further digitalisation efforts and lower costs for activating clients to review their position regarding unit-linked insurances.

The Net Result IFRS increased by EUR 3 million to EUR 58 million compared to the first half year of 2018. In the first half of 2019 the result on costs related to (lower) new business and the result on interest (driven by lower direct investment income as a result of a shrinking portfolio) were lower compared to the first half of 2018. These negative elements were compensated for by the fact that the result in the first half of 2018 was negatively impacted by the tender offer on the EUR SRLEV notes.

The Net Underlying Result of EUR 54 million was EUR 13 million lower compared to the first half year of 2018, mainly due to a lower direct investment income as a result of a shrinking portfolio.

Property & Casualty

in € millions	1H19	1H18
Result		
Gross Premium Income	379	379
Direct Investment income	8	6
Operating expenses	56	55
Net Result IFRS	**27**	**2**
Net Underlying Result	**11**	**-5**
Combined Ratio (COR)	**96.0%**	**100.9%**

In the first half of 2019 P&C showed a sound commercial performance. Gross premium income was stable, but grew 10% on a like-for-like basis. A release of both unearned premium and risk reserves (EUR 34 million before tax) positively impacted the gross premium income in the first half of 2018. The commercial growth was present in all P&C channels.

Direct investment income is higher as a result of the ongoing re-risking activities.

Operating expenses are modestly higher than in the first half of 2018 as a result of the new Collective Labour Agreement and extra costs for handling the growth of the portfolio.

The Net Result IFRS in the first half of 2019 was positively impacted by an improved technical result and the results on interest rate derivatives.

The Net Underlying Result was EUR 16 million higher than the first half year of 2018 driven by a better claims ratio as a result of a better performance of the underlying portfolio from continuous efforts to improve underwriting and claim management. The combined ratio improved to 96.0% due to an improved claims ratio driven by positive developments on the most recent accidents years.

ACTIAM

in € millions	1H19	1H18
Result		
Fee and commission income	32	35
Fee and commission expenses	14	17
Net fee and commission income	**18**	**18**
Operating expenses	26	23
Net Result IFRS	**-6**	**-4**
Net Underlying Result	**-6**	**-4**
Assets under management (€ billions)	**60.5**	**56.3**

Fee and commission income decreased to EUR 32 million in the first half of 2019. This was mainly due to the outflow of funds related to changes in client portfolios.

Operating expenses rose by EUR 3 million due to volume increases and higher data costs, both in terms of volume and unit pricing.

Both Net Underlying Result and the Net Result IFRS decreased by EUR 2 million compared to the first half of 2018. This is as a result of lower fees and commission income due to changing client demand as well as higher operating expenses.

Assets under management increased to EUR 60.5 billion, mainly as a result of market movements. ACTIAM established a new distribution partnership with a Dutch bank and a Dutch pension fund has awarded a mandate of EUR 100 million for ACTIAM's new Global Equity Impact strategy.

Holding

in € millions	1H19	1H18
Result		
Direct Investment income	22	21
Operating expenses	10	7
Other interest expenses	17	19
Net Result IFRS	**10**	**-14**
Net Underlying Result	**-3**	**-4**

The improvement of the Net Underlying Result was driven by the technical claims and benefits to the own pension contract of VIVAT NV. This is partly offset by higher strategic operational expenses.

The Net Result IFRS in the first half of 2019 increased by EUR 24 million, driven by a positive result on hedges (EUR 19 million).

Operating expenses in the first half of 2019 are EUR 3 million higher as result of strategic operational expenses.

Capital Management

in € millions/percentage	1H19	FY18
Eligible own funds VIVAT NV	4,238	4,635
Consolidated Group SCR	2,800	2,412
Solvency II ratio VIVAT NV	151%	192%
Eligible own funds SRLEV NV	3,655	4,000
Consolidated SRLEV SCR	2,523	2,127
Solvency II ratio SRLEV NV	145%	188%

VIVAT's Solvency II ratio decreased from 192% at year-end 2018 to 151% at the end of June 2019. This was both the effect of a decrease in Own Funds from EUR 4,635 million to EUR 4,238 million and an increase in the Solvency Capital Requirement (SCR) from EUR 2,412 million to EUR 2,800 million.

A sharp decrease in the Volatility Adjustment (VA) from 24bps to 9bps and a decrease in the interest rates have had a substantial negative impact on the Solvency II ratio.

VIVAT has a more conservative asset portfolio compared to the VA reference portfolio. Furthermore, the spread duration of the asset portfolio excluding interest rate derivatives is shorter than the liabilities. As a result, the impact of the VA on the liabilities valuation was only offset for a small part by an increase in spread assets value. The combined negative impact on the Solvency II ratio is about 25 %-points.

VIVAT hedges the Solvency II ratio for interest rates movements: when the interest rates decrease, Own Funds increase to offset the impact of an increase in the SCR. Although the interest rate risk of the Solvency II ratio was within the Risk Appetite of VIVAT, the Solvency II ratio was slightly exposed to interest rate downward movement. As a result, the Solvency II ratio decreased by 7 %-points due to the decrease in interest rates in the first half of 2019.

The sharp decrease in interest rates and VA also led to an exposure to the Solvency II standard formula interest rate down shock, whereas the interest rate up shock was leading at the end of 2018. This shift causes lower diversification benefits within the market risk module and therefore an increase in the SCR, with a negative impact of 7%-point on the Solvency II ratio.

The capital generation of 2% during the first half of 2019 was largely offset by the interest payments on subordinated notes. One-off items have a negative impact of 5%-point on the Solvency II ratio, mainly due to the UFR decrease from 4.05% to 3.90% and re-risking initiatives and partly offset by other Balance Sheet Management initiatives.

The Solvency II ratio of SRLEV decreased from 188% at YE 2018 to 145%, caused by movements similar to the movements on the VIVAT balance sheet.

VIVAT

Balance Sheet

in € millions	1H19	FY18
Statement of financial position		
Total assets	**61,615**	**55,674**
Investments	41,594	38,656
Investments for account of policyholders	12,945	11,989
Investments for account of third parties	884	676
Loans and advances to banks	1,412	1,566
Cash and cash equivalents	262	275
Shareholders equity	**3,422**	**3,241**
Holders of other equity instruments	300	300
Total equity	**3,722**	**3,541**
Total liabilities	**57,893**	**52,133**
Insurance liabilities	49,907	46,283
Subordinated debt	864	863
Borrowings	644	644
Liabilities investments for account of third parties	884	676
Amounts due to banks	3,232	1,358

Assets

Investments for own account have increased in the first half of 2019 by EUR 2.9 billion. Main inflows originated from higher received cash collateral for derivatives and increased prices of investments due to decreased market interest rates.

The increase of investments for account of policyholders and third parties was mainly driven by higher market value of equities, fixed income funds and lower interest rates.

Liabilities

Insurance liabilities increased mainly as a result of decreased market interest rates in the first half of 2019.

Amounts due to banks increased mainly as a result of higher received cash collateral for derivatives.

VIVAT

Statement of consolidated balance sheet VIVAT NV

in € millions	1H19	FY18
Assets		
Intangible assets	-	-
Property and equipment	67	62
Investments in associates	40	-
Investment property	413	402
Investments	41,594	38,656
Investments for account of policyholders	12,945	11,989
Investments for account of third parties	884	676
Derivatives	3,114	1,076
Deferred tax assets	405	465
Reinsurance share	141	160
Loans and advances to banks	1,412	1,566
Corporate income tax	50	52
Other assets	288	295
Cash and cash equivalents	262	275
Total assets	**61,615**	**55,674**
Equity and liabilities		
Share capital[1]	0	0
Reserves	3,422	3,241
Shareholders equity	**3,422**	**3,241**
Holders of other equity instruments	300	300
Total equity	**3,722**	**3,541**
Subordinated debt	864	863
Borrowings	644	644
Insurance liabilities	49,907	46,283
Liabilities investments for account of third parties	884	676
Provision for employee benefits	664	548
Other provisions	22	26
Derivatives	614	602
Amounts due to banks	3,232	1,358
Other liabilities	1,062	1,133
Total equity and liabilities	**61,615**	**55,674**

[1] The issued and paid up share capital of VIVAT NV is € 238.500

Statement of consolidated profit or loss VIVAT NV

in € millions	1H19	1H18
Income		
Premium income	1,334	1,607
Less: Reinsurance premiums*	120	24
Net premium income	1,214	1,583
Fee and commission income	34	41
Fee and commission expense	8	13
Net fee and commission income	26	28
Share in result of associates	-1	4
Investment income	657	653
Result on derivatives	1,624	-160
Investment income for account of policyholders	1,358	101
Result on investments for account of third parties	97	5
Total income	**4,975**	**2,214**
Expenses		
Technical claims and benefits	2,786	1,884
Charges for account of policyholders	1,409	200
Acquisition costs for insurance activities	88	90
Result on liabilities from investments for account of third parties	97	5
Staff costs	135	130
Depreciation and amortisation of non-current assets	4	3
Other operating expenses	43	49
Impairment losses	-	3
Other interest expenses	56	88
Total expenses	**4,618**	**2,452**
Result before taxation	**357**	**-238**
Taxation	78	-65
Net result continued operations for the period	**279**	**-173**
Net underlying result	**161**	**115**

*Reinsurance premiums in 2019 increased as result of the longevity transaction closed YE 2018.

Alternative Performance Measures

This press release contains alternative performance measures (APM's) in addition to the figures which have been prepared in accordance with the International Financial Reporting Standards (IFRS).

- *Definition and usefulness of Net Underlying Result (NUR):*
  Net result IFRS of VIVAT has a high volatility as result of the valuation of all assets and liabilities on a fair value basis. In the NUR major fair value movements as result of market developments and parameter changes have been eliminated from IFRS-result. VIVAT believes that the NUR provides useful information to stakeholders and investors which results in greater comparability of results with peers and that it enhances their understanding on the financial impact of management decisions (e.g. re-risking of investments, additional cost-savings). The NUR should be viewed as complementary to, and not as a substitute for net result IFRS.

- *Limitations of the usefulness Net Underlying Result:*
  The large difference between net result IFRS and NUR is driven by a number of items.

  Besides the result of new business the NUR also includes realisation of interest and technical results on the existing (old) business portfolio. As VIVAT values virtually all of its assets and liabilities on a fair value basis, these specific results are already included within Equity. Reported results on existing (old) portfolio in NUR are reversed in net result IFRS by means of a change in the LAT shortfall. The NUR is therefore not a full reflection of economic value added.

  The increase in NUR is partly driven by the interest income on derivatives that will balance out when these instruments mature. This impact is offset by the fair value of technical provisions (LAT shortfall) in the net result IFRS, whilst any changes in LAT shortfall have been excluded from the net underlying result. This therefore increases the difference between NUR and net result IFRS.

  Given the complexity in valuation of derivatives it is not possible to fully eliminate all fair value movements from NUR. This could lead to distortion in comparability of figures between different periods. In addition to the impact of additional investment income from derivatives the increase of the NUR was also supported by ongoing re-risking activities, lower costs and lower interest expenses.

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About VIVAT

VIVAT NV is the holding company for, among others, SRLEV NV,VIVAT Schadeverzekeringen NV, Proteq Levensverzekeringen NV, ACTIAM NV and Zwitserleven PPI NV. VIVAT's subsidiaries are also active on the Dutch market with, among others, the Zwitserleven, Reaal and ACTIAM brands. A balance sheet total of EUR 62 billion (end of June 2019) makes VIVAT one of the largest insurers in the Netherlands. Anbang Group Holdings Co. Ltd., a full subsidiary of Anbang Insurance Group Co. Ltd, is the sole shareholder of VIVAT NV. For more information please visit www.vivat.nl.

Disclaimer

This press release is released by VIVAT NV and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the interim results 2019 of VIVAT NV as described above.

This press release exclusively contains factual information and must not be interpreted as an opinion or recommendation with regard to the purchase or sale of securities issued by VIVAT NV and/or one or more of its subsidiaries. This press release does not contain any value judgements or predictions with regard to the financial results of VIVAT NV and/or its subsidiaries. If you do not wish to receive any press releases from VIVAT, please send an email to info@vivat.nl.

This press release contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be used as) the sole basis of any analysis or other evaluation and should be read in combination with the annual report 2018 of VIVAT NV.

As per June 30 2019 the same accounting principles have been applied as per December 31 2018 for the annual report 2018 of VIVAT NV.

All figures in this document are unaudited.