

NN (L) LIQUID

(formerly ING (L) Liquid)

Société d'Investissement à Capital Variable

R.C.S. Luxembourg N° B 86 762

Annual report and audited financial statements

LUXEMBOURG for the year ended June 30, 2016

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Warning

No subscription can be received on the basis of the financial statements alone. Subscriptions are only valid if made on the basis of the current prospectus, accompanied by the latest annual report and the most recent semi-annual report, if published thereafter.

The prospectus, the statutes, the annual and semi-annual reports are made available to the shareholders at the depositary bank and at the Company's registered office as well as at the financial servicing institutions identified in this report. They will also be sent free of charge to anyone who so requests.

The information given in this report is for reference purposes only. It is not a guide to future results.

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Organisation

Registered Office	3, rue Jean Piret, L-2350 Luxembourg
Board of Directors	
Chairman	Dirk Buggenhout (since 01/12/2015), Chief Operating Officer, NN Investment Partners (the "Group")
	Gerard Roelofs (until 30/11/2015), Head of Client Group International, NN Investment Partners (the "Group")
Directors	Benoît De Belder , Head of Fund Risk and Risk Engineering, NN Investment Partners (the "Group")
	Dirk Buggenhout (until 30/11/2015), Chief Operating Officer, NN Investment Partners (the "Group")
	Sophie Mosnier (since 13/10/2015), Independent Director
	Johannes Stoter , Chief Investment Officer, NN Investment Partners (the "Group")
Management Company	NN Investment Partners Luxembourg S.A. , 3, rue Jean Piret, L-2350 Luxembourg
Investment Manager	NN Investment Partners Luxembourg S.A. , 3, rue Jean Piret, L-2350 Luxembourg
	delegated to
	NN Investment Partners B.V. , 65, Schenkade, 2595 AS, The Hague, The Netherlands
Administrative, Registrar, Transfer and Paying Agent	NN Investment Partners Luxembourg S.A. , 3, rue Jean Piret, L-2350 Luxembourg
	delegated to
	Brown Brothers Harriman (Luxembourg) S.C.A. , 80, route d'Esch, L-1470 Luxembourg

Organisation

Depository

Brown Brothers Harriman (Luxembourg) S.C.A.,
80, route d'Esch, L-1470 Luxembourg

Independent Auditor

Ernst & Young S.A.,
35E, Avenue John F. Kennedy, L-1855 Luxembourg

Financial Servicing Institutions

France

CACEIS Bank,
1/3, Place Valhubert, 75013 Paris, France

Luxembourg

ING Luxembourg S.A.,
52, route d'Esch, L-2965 Luxembourg

Management's report

Economic context

The world economic recovery showed signs of renewed fragility in the third quarter of 2015 led by a sharp slowdown in Emerging Markets ("EM"), low commodity prices and a surge in risk aversion. The United States ("US") economy rebounded strongly in the second quarter from a weak first quarter and appeared to have kept a positive momentum over the summer led by consumption, services and housing. Conversely, emerging growth receded further as a result of the sharp slowdown in China, falling commodity prices and rising capital outflows. In the Eurozone, a deal was reached in August on a third bail-out package of 86 billion EUR for Greece. The deal implied severe fiscal austerity and another recession for Greece, while the banking sector has been badly hurt by the closures and deposit flight. The confidence effects of the Greek turmoil on the Eurozone real economy were very limited. The Eurozone economy expanded 0.4% in the second quarter, its ninth consecutive quarter of growth. Momentum remained positive over the summer thanks to strong business confidence and rising credit flows to the private sector. The Chinese economy growth momentum faded further in the quarter. Export and import growth rates painted a sharp decline in activity. New stimulus measures implemented in the third quarter were not able to stop the negative trend as confidence eroded further and capital outflows accelerated. Global inflation trends were depressed over the summer by the disinflationary forces of the weaker growth in EM and the sharp fall in commodity prices.

The world economic recovery showed signs of improvement in the fourth quarter of 2015 as some of the downside risks to the global outlook abated. US activity was fueled by the increase in consumer spending and investments in residential real estate, while manufacturing was held by weak global demand and the strong US dollar. The economic recovery in the Eurozone remained on track during the fourth quarter despite uncertainties linked to the continued inflow of refugees and the terrorist attacks in Paris on November 13. Private consumption remained the main driver of the recovery, underpinned by rising income, lower oil prices and gradually less constrained household balance sheets. Japan's private consumption is likely to have grown in the fourth quarter, supported by a fall in the unemployment rate to 3.1% in October, the lowest in nearly 20 years. EM growth slowdown decelerated a bit in October, but deteriorated again since November. While the deterioration was broad-based, South Africa, Russia and Brazil stood out as the main victims. The main reasons behind the slowdown were new disappointments in Chinese demand, the continuing weakness in global trade and commodity prices and a sharper decline in EM credit growth. China's economy continued to slow in the fourth quarter, held back by weaknesses in the industrial sector and fixed investments. Meanwhile the slowdown was partly offset by sustained growth in the service sectors and consumption. Headline inflation rates remained depressed in advanced economies, mostly reflecting the decline in oil prices and softer prices for other commodities. Meanwhile, core inflation rates remained stable. With regard to EM, lower prices for oil and other commodities have generally contributed to reductions in inflation, except in countries suffering sizable currency depreciations, such as Russia.

The global economic recovery showed signs of weakness in the first quarter of 2016. More specifically, there were growing fears that the US economy could fall into recession, which temporarily fueled a risk-averse sentiment among investors. This risk-averse sentiment in turn led to a tightening of financial conditions, which threatened to restrain private sector spending. Given the EM slowdown, global growth momentum depended mostly on the Developed Market ("DM") private sector and was driven for a large part by the feedback loop between corporate and household income and spending. In this respect, it is important to note that financial conditions deteriorated in the first quarter while no clear conclusion could be drawn from the evolution of corporate and household confidence indicators. All in all, our economists reduced our DM growth forecasts in the first semester of 2016 but they also assumed that moderate above trend DM growth will resume from the second semester of 2016 onwards. Meanwhile the environment for EM continued to deteriorate, with growth slowing more, capital outflows getting bigger and Chinese authorities struggling to stabilize their economy and prevent a broader confidence crisis. For EM space as a whole, January showed 125 billion USD of capital outflows. Ten of the twenty main EM countries suffered outflows. The weak growth and low commodity prices environment also led to a continuous widening of fiscal deficits in most emerging economies, causing some central banks to tighten their monetary policies in order to control capital outflows. Headline inflation remained subdued in most advanced economies, reflecting the decline in oil prices and softer prices for other commodities, while core inflation remained stable.

Management's report

In the second quarter of 2016, the global economy kept growing at a modest pace and sent mixed signals. The US remained the main engine of the global economy, but more questions arose about its domestic strength. In particular, there were growing concerns about the resilience of the labour market amid somewhat weaker activity data, mainly relating to corporate investment, while consumer spending showed some improvement. The euro area's economic recovery continued, albeit at a moderate pace. European consumers benefited from the ongoing improvement in the labour market and low oil prices. On top of this, there was a fair chunk of pent-up demand for consumer durables goods, which was ignited by pretty decent levels of consumer confidence and rising credit supply. Furthermore, fiscal policy was also mildly expansionary due to the refugee crisis. On June 23, UK voted to quit the European Union, sending shock waves around global markets. Japanese consumption was weaker in April and May despite an unemployment rate that was at its lowest level since the mid-1990s. Meanwhile, Japanese business surveys sent mixed messages as the manufacturing sector struggled as a result of the recent increase of the yen, while the services sector did somewhat better. The Japanese recovery clearly needed new additional policy measures to keep the deflation process on track. Overall, emerging economic growth remained muted despite Chinese credit growth steaming ahead and commodity prices benefiting from the resulting pick-up in Chinese construction growth and inventory rebuilding.

Monetary policy

Central banks again played a prominent role during the third quarter of 2015. The US Federal Reserve ("Fed") kept its key interest rate unchanged in a range of 0% to 0.25%, showing reluctance to end an era of record monetary stimulus in a time of market turmoil, rising international risks and slow inflation at home. By acting in that way, the central bank prolonged the uncertainty for at least another month. The European Central Bank ("ECB") left interest rates at record lows. In September, the 25-member Governing Council kept the main refinancing rate ("Refi") at 0.05%. The deposit rate and the marginal lending rate stayed at minus 0.2% and 0.3%, respectively. The ECB said in September that its asset-buying programme was going smoothly and that it would increase the percentage of any single issue of bonds it can buy to 33% from the current 25%. ECB President Draghi affirmed in September that it stood ready to extend the size, composition and duration of the 1.1 trillion EUR bond-buying programme to support the economic recovery and avoid a fall in deflation, if needed. The Bank of Japan ("BoJ") kept a pledge to expand the monetary base at an annual pace of 80 trillion YEN. The ECB opened the door for further quantitative easing should global market tremors and the EM slowdown threaten the Eurozone recovery. China cut key interest rates to support growth in the face of falling inflation. The mini-devaluation of the Chinese renminbi in August was a necessary first step to deal with the overvaluation of the currency, but it created a lot of uncertainty and led to pressure on other emerging currencies.

In the fourth quarter of 2015, central banks played again a prominent role in financial and economic news, with growing divergences in monetary policies between the US and other regions. In the Eurozone, the ECB conceded in December that it could fail to hit its original target for putting inflation back on a steady path towards 2% by September 2016. On December 3, it reduced the deposit rate by 10 basis points to minus 0.3%, announced that it would extend its quantitative easing programme until at least March 2017 (+6 months) and broadened the range of assets purchased. Markets however had expected more, such as a cut in the Refi or an increase in the monthly asset purchases. On December 16, the Fed hiked interest rates for the first hike in nine years. It announced a 25 basis point hike in the key federal funds rate, bringing its target range from 0-0.25% to 0.25-0.5%. The Fed cited considerable improvement in labour market conditions and reasonable confidence that inflation will approach its 2% objective over the medium term. The BoJ kept unchanged its programme of financial asset-purchasing worth some 80,000 billion YEN per year even as it saw the low inflation mainly as a result of the low oil price. In recent months, most emerging governments have opted for monetary easing to support their economies. China's central bank cut its benchmark lending rate and reserve requirements for banks in October for a sixth time in a year, stepping up efforts to cushion a deepening economic slowdown.

In the first quarter of 2016, central banks played again a prominent role in financial and economic news. The BoJ surprised the markets on January 29 with a decision to shift interest rates into negative territory. On March 10, the ECB cut the rate on cash parked overnight by banks by 10 basis points to -0.4% and lowered its benchmark Refi rate to zero. Bond purchases were increased to 80 billion EUR a month from 60 billion EUR, and non-financial corporate bonds were made eligible. A new series of long-term loans to banks will also begin in June. On March 16, the Fed left the target range for the federal funds between 0.25% and 0.5%. The Fed also indicated it only expected two interest-rate increases in 2016, half as many as in its December projection. In recent months, EM governments have often opted for different monetary policies as they tried to balance the needs to support their economies while countering inflation pressures and capital outflows. An increasing concern has been that some EM central banks were not tightening monetary policy enough. Turkey and Brazil were the most worrisome in this context. In China, weak growth, low consumer inflation and a slump in producer prices gave policy makers some room for easing. On February 29, China decided to lower the reserve requirement ratio for major banks by 50 bps to 17 %.

Management's report

In the second quarter of 2016, central banks' actions were again key drivers of financial markets. In June, the Fed left the federal funds rate in a range of 0.25-0.5% for the fourth time since the start of the year, amid growing concerns about the underlying economic momentum and market resilience. In the second quarter, the ECB left its benchmark interest rate at zero, the deposit rate at minus 0.4% and asset purchases at 80 billion EUR a month. From June 8, the ECB started buying a wide range of corporate bonds while asking governments to do more to support growth. The BoJ refrained from expanding its monetary stimulus in the second quarter. Policy makers kept the overnight interest rate at -0.1% and the target for annual asset purchases at 80 trillion JPY a year. The Bank of England also maintained its benchmark rate at a record-low 0.5% in the period under review. In May, Australia's central bank cut its benchmark cash interest rate by 25 basis points to 1.75%, as inflation slowed to 1.3% in the first quarter, well below the central bank target set between 2% and 3%. In April, the Reserve Bank of India cut its benchmark repurchase rate to 6.5% from 6.75%, following four rate cuts in 2015, as low inflation and fiscal restraint gave it more room to ease. China's central bank left the one-year lending rate unchanged at 4.25% in April and May even as inflation remained muted in May (+2.0% year-on-year). The Chinese central bank let the CNY decline marginally against the USD in the foreign exchange markets.

Fixed Income Markets

DM government bond yields trended down in the third quarter of 2015. Yields started to decline on the back of weak Chinese economic data and the sharp declines in Chinese equity markets and commodity prices. The surprise devaluation of the Chinese yuan and increased EM uncertainty further enhanced the fall as did the decision by the Fed not to raise interest rates in September. A key channel through which EM turmoil impacted DM government bond yields was through inflation expectations. EM weakness materialized in declining commodity prices, a development to which inflation expectations responded strongly over the past year. US Treasury yields fell to their lowest level since April on August 24, as collapsing stock prices around the world triggered a move toward less risky assets. Yields on 10-year German Bunds also declined in the summer. Initially yields were volatile due to worries about Greece, but in the second half of July the focus of investors turned to the weak Chinese economic data and the sharp decline in Chinese equity markets and commodity prices, which contributed to a rise in risk aversion. Strong economic data in Germany and the Eurozone however provided some support. Over the review period, most Eurozone countries also recorded lower sovereign bond yields. Debt yields of countries on the currency bloc's periphery fell in response to the deal reached in August between Greece and its creditors. Yield spreads between bonds of peripheral Eurozone countries and Germany marginally declined after the ECB pledged to increase the size, composition and duration of its bond-buying programme if needed to spur the recovery. Macroeconomic data were also supportive for the area. Corporate investment grade ("IG") bonds traded sideways in the third quarter posting slightly positive returns. During the quarter under review they underperformed the safest government bonds while they outperformed the riskier parts of the credit universe such as high yield and emerging bonds.

AAA-rated government bond yields fluctuated in the fourth quarter. Volatility was driven by mixed messages about the global economy and divergence in monetary policies between the US and other regions. US Treasury yields rose slightly as a result of resilient global economic growth, strong domestic demand and remarks made by the Fed's Yellen suggesting that the two requirements set out by the Fed for a rate hike - further improvement in the labor market and confidence that inflation will move higher - had been met. Another important reason why US yields increased in the fourth quarter was the stabilization of emerging economies. Yields on 10-year German Bunds traded sideways in the fourth quarter. Over the review period, debt yields of countries on the currency bloc's periphery such as Italy and Spain fell in response to expectations of more ECB easing and solid macroeconomic data. Due to their high correlation with government bonds, corporate IG bonds posted mixed absolute returns in the last quarter of 2015 with negative returns in US and positive ones in Europe. The fourth quarter of 2015 was again one of uneven returns for global high yield bonds and emerging market debt. After these asset classes rebounded in October on rising risk appetite, they swung back to a loss in November and December. Largely, the same concerns that investors have been focused on all year - oil, other commodities, China's slowdown, the Fed - caused investors to exhibit caution in these asset classes.

Management's report

Yields on AAA-rated government debts extended their downtrend in the first quarter of 2016. For short- and medium-term maturities, yields even fell to record lows. These bonds were actively sought after by investors, who considered them to be safe havens in periods of tension in financial markets. In the first quarter, global growth worries fed such tensions. Furthermore, low oil prices indicated that inflation should remain low, reducing the likelihood of a rise in interest rates. Finally, central banks pledged additional easing to support the economy and inflation, which encouraged demand for government bonds. Yields on 10-year German Bunds traded lower in the first quarter. Despite the significant volatility, 10-year Bund yields ended the quarter around 0.20%, down from 0.63% at the start of this year. Correlations between the core Eurozone government bonds remained positive. Spreads versus Germany tightened slightly during the first quarter. Over the review period, the spreads of bond yields of countries in the currency bloc's periphery versus German yields rose on concern political change in Spain and Portugal may reduce the pace of reforms. Focus on non-performing loans at peripheral banks equally dented sentiment on the area. Like most risky asset classes, credit spread products had a volatile first quarter, with a rally in the second part of the period offsetting a decline in the first part. Spreads on high yield and emerging debts widened in the first half of the quarter to a multi-year high. This widening took place against a backdrop of volatile oil prices and sluggish growth, leading to risk-averse sentiment. A recovery in commodity prices and dovish actions by major DM central banks (BoJ, ECB) as well as comments from the Fed caused spreads to tighten in the second part of the quarter.

In the second quarter of 2016, AAA-rated government bond yields extended their downward trend. In April, yields on US and German 10-years government bonds briefly reversed course, as participants focused on the possibility of the Fed raising interest rates sooner than had been expected. Yet the rebound petered out after weak US employment data for May, political uncertainties and global disinflationary forces led to expectations of less hiking in the US and more easing by the ECB and the BoJ. On June 14, yields on the 10-year German Bunds fell into negative territory for the first time in history as worries grew about ahead of UK leaving the EU. Credit spread products rallied in the quarter. They benefited from inflows in sharp reversal from the "risk-off" in the early part of the year and from the "search for yield" investment theme. Within the asset class, demand for EUR investment grade credit (IG) was supported by expectations the ECB would start buying these bonds in June. US high yield debt extended a rally that started mid-February on the back of improving US macroeconomic indicators and a sharp rise in oil prices. Emerging market debt also posted positive returns in the second quarter as the asset class was supported by accommodative central banks in developed markets (DM), firmer commodity prices, improved economic indicators and capital inflows. Finally, yield spreads between Eurozone periphery treasury bonds (EPT) and German Bunds of similar maturities widened in the quarter, despite positive macroeconomic data and expectations that the ECB will increase its purchases of these bonds. The pick-up in EPT yields was mainly the consequence of higher domestic political risks in Spain, Portugal and Greece and of the general sentiment of risk aversion ahead of the UK referendum on EU membership.

Equity markets

Global equities went through a turbulent third quarter of 2015. The MSCI World index ended on September 30, 8.6% lower (in EUR) than on June 30. This negative performance can be mainly explained by growing fears over China, global growth and falling commodity prices. China's stock markets tumbled throughout the summer retreating some 40% from the highs seen in June. EM underperformed the global market in the third quarter. By postponing the first hike in US interest rates in September, the Fed added to the fragility of markets. As a result, DM equity markets also posted significant declines in the third quarter. From a regional/country perspective, the relative winners and losers were well identified. Commodity-sensitive markets underperformed and in the Eurozone the German market was weak as a result of the importance of EM demand for German products. The fall in German shares accelerated in September after German carmaker VW acknowledged having cheated on gas emission tests in the US. Sector performances during the third quarter were in line with what one could have expected in a down market, with defensive sectors outperforming cyclical ones. The weakness in the Energy and Materials sectors was linked to the steep drop in commodity prices. Consumer Discretionary (luxury goods and cars) and Industrials were also quite vulnerable given their relative high sales exposure to China. The interest rate sensitive sectors from their side resisted well. Utilities gained 0.1% while global real estate declined only 2.2%.

Management's report

Global equity markets rebounded in the fourth quarter of 2015. After a summer sell-off caused by concerns about global growth and a sudden rise in risk aversion, global equities recouped part of these losses in the final three months of the year. Global equities rallied 8.4% in euro terms and cyclical sectors outperformed defensive sectors. The extreme pessimism that prevailed in the summer faded after the US earnings season brought some comfort, the ECB sent a dovish message and economic surprise indicators improved. Equities also found support from elements such as the strong dollar and the ongoing activity with regard to initial public offerings and mergers and acquisitions ("M&A"). Japanese equities returned 12.4% in EUR in the fourth quarter, supported by stronger earnings and easy monetary policy. They also benefited from the implementation of structural reforms as well as from changes in corporate behavior. The positive performance of US equities in the quarter (+9.7% in EUR) can be explained by the firm US domestic demand, the strong dollar, buoyant M&A activity and the high weight of IT companies in the indices. European equities returned 5% in the fourth quarter, underperforming US and Japanese equities. Improving domestic demand and an accommodative monetary policy supported European stocks. On the other hand, concerns over immigration, terrorist attacks and weakness in EM acted as strong headwinds. EM again underperformed the global market in the quarter (+3.5% in EUR), depressed by the weakness of the Chinese economy, sharply lower commodity prices and tighter financial conditions.

The first quarter of 2016 was one with two faces for the global equity markets. During the first half of the quarter the equity correction that started late last year gathered speed only to find a bottom around mid-February. Markets subsequently recovered as oil price rebounded, DM growth proved more resilient than feared and central banks took fresh initiatives to support growth. In addition, fears of a return of a banking crisis in the Eurozone were clearly overdone. Also, the extreme pessimism and oversold market conditions were important drivers of the rebound in February and March. A few significant differences between the sell-offs in 2015 and in the first quarter 2016 must be borne in mind. In 2015, EM equities were the biggest victims of the increased risk aversion while the Japanese and European markets fared better. Since the start of this year, the opposite has been true. The stabilisation of commodity prices and expectation of fewer Fed rates hikes supported EM equities while the strong performance of the yen and concerns over the profitability and financial robustness of European banks weighed on the value of Japanese and European shares. Sector convictions were also seriously tested in the first quarter. Sectors benefitting from a low-yield environment like Telecom and Utilities initially outperformed whereas weak sentiment and high risk aversion also had their impact on the preference from investors for low beta sectors in the first part of the quarter. Fears of a recession in the US also weighed on cyclical sectors. Just as was the case for the equity market as a whole, the sector performance also turned mid-February. Cyclical sectors, paced by the commodity sectors, started to outperform the defensive sectors. Oil producers rebounded amid a significant pick up in the price of oil. In addition, recession risks have faded, which represented an additional tailwind for cyclical sectors.

In the second quarter of 2016, global equities posted small gains in euros terms. The rebound from February lows stalled as a result of mixed economic and earnings data and geopolitical uncertainties. In the midst of a negative market, the energy and materials sectors were the main beneficiaries of the rebound in commodity prices and the stabilization of the activity in China. Corporate earnings provided little guidance. US corporate results for the first quarter of 2016 showed average year-on-year declines in profits and sales. Compared to expectations, earnings were slightly better while sales were in line. Only the results of the energy and the basic materials sectors exceeded expectations but these two sectors had extremely depressed expectations due to the drop in commodity prices from a year earlier. Relative to what we observed in the Eurozone, US earnings were good. In the Eurozone, the earnings surprise was negative. In terms of equity valuations, absolute metrics such as price-to-earnings ratios remained demanding as US ratios exceeded their 10-year average. Of course, relative ratios such as valuations against government bonds remained very attractive. The global equity risk premium (the expected equities' excess return above cash) was close to 5%, the highest level since April 2013. In Euroland and Japan, equity risk premiums even approached 7%. Many investors stayed on the sidelines during the quarter, awaiting more clues on the global economy, earnings trends and the outcome of the UK referendum. Cash levels of mutual fund managers were kept near record highs, investor sentiment remained weak and "neutral" stances among active managers were close to record-high levels.

Management's report

Outlook

Our economists expect the global economy to grow 2.7% in both 2016 and 2017, a moderate slowdown after the 3.0% rate posted in 2015. In DM economies, growth is likely to reach 1.6% in 2016 and 1.8% in 2017. They believe the imbalances in all four major DM economic blocks (US, Eurozone, Japan and UK) have been sufficiently digested to allow their economies to heal. The US consumer is therefore expected to spend more in the coming months on the back of rising real wage growth. US corporates should also remain in expansionary mode as long as margins do not deteriorate rapidly while underlying consumer demand remains robust. Despite the growing political uncertainty that should weigh on European household and corporate sentiment, the euro area's recovery has pretty robust domestic legs. Consumers are benefiting from the ongoing improvement in the labour market and low oil prices. On top of this, there is still a fair chunk of pent-up demand for consumer durables being released on the back of falling borrowing rates and rising credit supply. This also apply to corporates. The Japanese economy needs an additional policy push to keep the reflation process on track. The outlook for EM still very much depends on China and we expect past policy stimulus to induce some stabilization in the near term. In the more medium term, the EM capital flow situation will be of the utmost importance. We see EM growing by 4.1% in 2016 and 3.9% in 2017, down from a 4.6% gain in 2015. The large debt overhang, big dependence on foreign capital and weak global trade continue to be important obstacles to EM growth.

The Brexit vote sent a shock wave through financial markets. Investors must now digest the uncertainty created by the referendum and markets will surely face many unclear repercussions. It will be very hard for positive medium-term trends in financial markets to re-establish themselves. Those trends are carried by such factors as an improvement in global growth momentum and dovish central banks in developed markets. This dovishness does not necessarily mean the US Federal Reserve will not raise rates any more this year – a December hike is still a possibility - but the US central bank will remain very conscious of downside risks, perhaps even more so now. Aside from a Fed hike, other risks can have an impact on markets. The outlook for corporate earnings is clearly challenging with low productivity growth and the persistent uncertainty about global economic growth. And as mentioned before, political risks will remain a potentially disturbing factor for markets and will only intensify following the British decision to leave the EU. We anticipate therefore continuing volatility in financial markets in the second half of 2016. This implies caution and flexibility in our tactical asset allocation recommendations. Risk appetite and earnings growth are likely to provide guidance for the direction of the financial markets. Exchange rates and commodity prices changes are also expected to be key drivers of performances. In the mixed portfolios, we favoured at the end of June asset classes that benefit from the “search for yield” such as real estate, equities and credit spread products. Conversely, we held negative stances on government bonds and commodities.

Luxembourg, September 13, 2016

Independent auditor's report

**To the Shareholders of NN (L) LIQUID (formerly ING (L) Liquid),
3, rue Jean Piret, L-2350 Luxembourg**

Following our appointment by the Annual General Meeting of the Shareholders of the SICAV of October 13, 2015, we have audited the accompanying financial statements of NN (L) Liquid (formerly ING (L) Liquid) and of each of its sub-funds, which comprise the statement of net assets and the securities portfolio as at June 30, 2016 and the statement of operations and changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Board of Directors of the SICAV for the financial statements

The Board of Directors of the SICAV is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements and for such internal control as the Board of Directors of the SICAV determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the "réviseur d'entreprises agréé"

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the judgement of the "réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the "réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the SICAV, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of NN (L) Liquid (formerly ING (L) Liquid) and of each of its sub-funds as of June 30, 2016 and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Independent auditor's report

Other matter

Supplementary information included in the annual report has been reviewed in the context of our mandate but has not been subject to specific audit procedures carried out in accordance with the standards described above. Consequently, we express no opinion on such information. However, we have no observation to make concerning such information in the context of the financial statements taken as a whole.

Ernst & Young
Société Anonyme
Cabinet de révision agréé

Sylvie Testa

Luxembourg, October 4, 2016

Combined statements

(Denominated in EUR)

Combined statement of net assets as at 30/06/2016

	Notes	
Total securities portfolio		4,190,985,672.89
Bonds and other debt instruments		408,126,617.21
Money market instruments		3,782,859,055.68
Cash at bank		1,019,886,093.42
Other assets	3	226,947,049.44
Total assets		5,437,818,815.75
Current liabilities	3	(183,606,294.80)
Total liabilities		(183,606,294.80)
Net assets at the end of the year		5,254,212,520.95

Combined statement of operations and changes in net assets for the year ended 30/06/2016

	Notes	
Total income		279,661.20
Interest on bonds and other debt instruments		279,661.20
Total expenses		(5,728,040.94)
Management fees	4	(1,119,241.16)
Fixed service fees	5	(1,797,934.29)
Subscription tax	7	(527,519.23)
Bank interest		(2,283,266.54)
Other expenses		(79.72)
Net investment loss		(5,448,379.74)
Realised gains on securities portfolio		112,341.85
Realised losses on securities portfolio		(4,779.02)
Changes in net unrealised gains or (losses) on securities portfolio		208,227.23
Result of operations		(5,132,589.68)
Subscriptions		13,810,590,571.17
Redemptions		(14,283,188,579.43)
Net assets at the beginning of the year		5,731,943,118.89
Net assets at the end of the year		5,254,212,520.95

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EUR

(Denominated in EUR)

Statistics

Net assets	30/06/2016	EUR	4,816,818,645.77	Number of shares				
	30/06/2015	EUR	5,404,845,911.47					
	30/06/2014	EUR	3,087,330,549.73	Capitalisation B (EUR)	30/06/2016	271,504		
Net asset value per share					30/06/2015	397,468		
					30/06/2014	169,464		
Capitalisation A (EUR)	30/06/2016	EUR	1,242.84	Capitalisation C (EUR)	30/06/2016	339,159		
	30/06/2015	EUR	1,244.90		30/06/2015	421,479		
	30/06/2014	EUR	1,244.82		30/06/2014	93,108		
Capitalisation B (EUR)	30/06/2016	EUR	1,188.80	Capitalisation E (EUR)	30/06/2016	376,971		
	30/06/2015	EUR	1,190.78		30/06/2015	465,977		
	30/06/2014	EUR	1,190.72		30/06/2014	433,217		
Capitalisation C (EUR)	30/06/2016	EUR	1,248.76	Capitalisation F (EUR)	30/06/2016	235		
	30/06/2015	EUR	1,250.71		30/06/2015	5,652		
	30/06/2014	EUR	1,250.52		30/06/2014	7,073		
Capitalisation E (EUR)	30/06/2016	EUR	1,250.95	Capitalisation Z (EUR)	30/06/2016	749,923		
	30/06/2015	EUR	1,252.88		30/06/2015	3,556,063		
	30/06/2014	EUR	1,252.65		30/06/2014	1,960,105		
Capitalisation F (EUR)	30/06/2016	EUR	5,158.36	Distribution A (Q) (EUR)	30/06/2016	5,960		
	30/06/2015	EUR	5,162.79		30/06/2015	549		
	30/06/2014	EUR	5,161.98		30/06/2014	599		
Capitalisation Z (EUR)	30/06/2016	EUR	1,010.63	Distribution B (Q) (EUR)	30/06/2016	8,891		
	30/06/2015	EUR	1,011.57		30/06/2015	13,400		
	30/06/2014	EUR	1,010.80		30/06/2014	41,299		
Distribution A (Q) (EUR)	30/06/2016	EUR	998.06	Distribution C (Q) (EUR)	30/06/2016	-		
	30/06/2015	EUR	999.72		30/06/2015	-		
	30/06/2014	EUR	1,000.66		30/06/2014	34,991		
Distribution B (Q) (EUR)	30/06/2016	EUR	998.13	Distribution Z (HY) (EUR)	30/06/2016	544,056		
	30/06/2015	EUR	999.74		30/06/2015	-		
	30/06/2014	EUR	1,000.66		30/06/2014	-		
Distribution C (Q) (EUR)	30/06/2016	EUR	-	Distribution Z (Q) (EUR)	30/06/2016	13,094		
	30/06/2015	EUR	-		30/06/2015	25,701		
	30/06/2014	EUR	1,000.68		30/06/2014	16,071		
Distribution Z (HY) (EUR)	30/06/2016	EUR	4,997.63	Dividend				
	30/06/2015	EUR	-					
	30/06/2014	EUR	-		Distribution A (Q) (EUR)	02/01/2015	EUR	0.05
Distribution Z (Q) (EUR)	30/06/2016	EUR	4,995.53	Distribution A (Q) (EUR)	01/10/2014	EUR	0.31	
	30/06/2015	EUR	4,999.91		Distribution A (Q) (EUR)	01/07/2014	EUR	0.66
	30/06/2014	EUR	5,004.17			Distribution A (Q) (EUR)	01/04/2014	EUR
Number of shares				Distribution A (Q) (EUR)			02/01/2014	EUR
				Distribution A (Q) (EUR)	01/10/2013		EUR	0.22
					Distribution A (Q) (EUR)	01/07/2013	EUR	0.16
Capitalisation A (EUR)	30/06/2016		32,681					
	30/06/2015		41,559					
	30/06/2014		41,207					

* The portfolio turnover rate is calculated in accordance with the CSSF Circular 2003/122 issued on December 19, 2003.

The ongoing charges figure corresponds to the ongoing charges figure as mentioned in the latest available Key Investor Information Document ("KIID") as at the date of this report. Transaction costs are included in the purchase/sale price of the securities. These costs, which are not treated as operating expenses, are not included in the calculation of the ongoing charges.

The ongoing charges and the portfolio turnover rate are calculated for the last twelve months.

The ongoing charges are annualised for periods less than one year. The portfolio turnover rate is not annualised for periods less than one year.

NN (L) Liquid - EUR

(Denominated in EUR)

Ongoing charges in %*

				Capitalisation A (EUR)	30/06/2016	0.12%
Distribution B (Q) (EUR)	02/01/2015	EUR	0.08	Capitalisation B (EUR)	30/06/2016	0.12%
Distribution B (Q) (EUR)	01/10/2014	EUR	0.30	Capitalisation C (EUR)	30/06/2016	0.11%
Distribution B (Q) (EUR)	01/07/2014	EUR	0.66	Capitalisation E (EUR)	30/06/2016	0.11%
Distribution B (Q) (EUR)	01/04/2014	EUR	0.46	Capitalisation F (EUR)	30/06/2016	0.11%
Distribution B (Q) (EUR)	02/01/2014	EUR	0.29	Capitalisation Z (EUR)	30/06/2016	0.05%
Distribution B (Q) (EUR)	01/10/2013	EUR	0.22	Distribution A (Q) (EUR)	30/06/2016	0.12%
Distribution B (Q) (EUR)	01/07/2013	EUR	0.16	Distribution B (Q) (EUR)	30/06/2016	0.12%
Distribution C (Q) (EUR)	02/01/2015	EUR	0.07	Distribution Z (HY) (EUR)	30/06/2016	0.01%
Distribution C (Q) (EUR)	01/10/2014	EUR	0.33	Distribution Z (Q) (EUR)	30/06/2016	0.05%
Distribution C (Q) (EUR)	01/07/2014	EUR	0.68	Portfolio turnover in %*	30/06/2016	(536.61%)
Distribution C (Q) (EUR)	01/04/2014	EUR	0.48			
Distribution C (Q) (EUR)	02/01/2014	EUR	0.31			
Distribution C (Q) (EUR)	01/10/2013	EUR	0.25			
Distribution C (Q) (EUR)	01/07/2013	EUR	0.18			
Distribution Z (Q) (EUR)	01/04/2015	EUR	0.48			
Distribution Z (Q) (EUR)	02/01/2015	EUR	1.08			
Distribution Z (Q) (EUR)	01/10/2014	EUR	2.39			
Distribution Z (Q) (EUR)	01/07/2014	EUR	4.17			
Distribution Z (Q) (EUR)	01/04/2014	EUR	3.13			
Distribution Z (Q) (EUR)	02/01/2014	EUR	1.90			
Distribution Z (Q) (EUR)	01/10/2013	EUR	1.64			
Distribution Z (Q) (EUR)	01/07/2013	EUR	1.36			

* The portfolio turnover rate is calculated in accordance with the CSSF Circular 2003/122 issued on December 19, 2003.

The ongoing charges figure corresponds to the ongoing charges figure as mentioned in the latest available Key Investor Information Document ("KIID") as at the date of this report. Transaction costs are included in the purchase/sale price of the securities. These costs, which are not treated as operating expenses, are not included in the calculation of the ongoing charges.

The ongoing charges and the portfolio turnover rate are calculated for the last twelve months.

The ongoing charges are annualised for periods less than one year. The portfolio turnover rate is not annualised for periods less than one year.

NN (L) Liquid - EUR

(Denominated in EUR)

Financial statements

Statement of net assets as at 30/06/2016

	Notes	
Total securities portfolio		3,780,185,793.42
Bonds and other debt instruments		354,731,785.77
Money market instruments		3,425,454,007.65
Cash at bank		996,576,582.37
Other assets	3	207,297,498.90
Total assets		4,984,059,874.69
Current liabilities	3	(167,241,228.92)
Total liabilities		(167,241,228.92)
Net assets at the end of the year		4,816,818,645.77

Statement of operations and changes in net assets for the year ended 30/06/2016

	Notes	
Total expenses		(5,276,277.54)
Management fees	4	(899,045.09)
Fixed service fees	5	(1,631,294.42)
Subscription tax	7	(488,843.07)
Bank interest		(2,257,015.24)
Other expenses		(79.72)
Net investment loss		(5,276,277.54)
Realised gains on securities portfolio		91,428.67
Realised losses on securities portfolio		(4,779.02)
Changes in net unrealised gains or (losses) on securities portfolio		116,634.84
Result of operations		(5,072,993.05)
Subscriptions		13,525,656,964.98
Redemptions		(14,108,611,237.63)
Net assets at the beginning of the year		5,404,845,911.47
Net assets at the end of the year		4,816,818,645.77

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EUR

(Denominated in EUR)

Securities portfolio as at 30/06/2016

Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV	Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV
Transferable securities and money market instruments admitted to an official stock exchange listing and/or dealt in on another regulated market									
Bonds and other debt instruments									
Netherlands									
24,700,000	ABN AMRO BANK NV 01/08/2016 FRN EMTN	EUR	24,711,856.00	0.51	20,000,000	DEXIA CREDIT LOCAL SA ZCP 20/07/2016	EUR	20,002,061.00	0.42
2,747,000	BMW FINANCE NV 05/09/2016 FRN EMTN	EUR	2,746,835.18	0.06	16,000,000	DEXIA CREDIT LOCAL SA ZCP 21/11/2016	EUR	16,019,388.00	0.33
2,000,000	BMW FINANCE NV 1.000% 24/10/2016 EMTN	EUR	2,006,720.00	0.04	75,000,000	DEXIA CREDIT LOCAL SA ZCP 28/07/2016	EUR	75,021,297.75	1.55
81,500,000	BMW FINANCE NV 23/12/2016 FRN	EUR	81,512,225.00	1.69	11,500,000	EDF SA ZCP 02/09/2016	EUR	11,503,388.71	0.24
36,000,000	BMW FINANCE NV 27/01/2017 FRN EMTN	EUR	36,018,360.00	0.75	35,000,000	EDF SA ZCP 15/07/2016	EUR	35,002,682.05	0.73
26,500,000	RABOBANK NETHERLANDS 13/01/2017 FRN	EUR	26,522,525.00	0.55	25,000,000	L OREAL SA ZCP 22/07/2016	EUR	25,006,540.50	0.52
100,000,000	RABOBANK NETHERLANDS 17/02/2017 FRN	EUR	100,010,481.00	2.08	37,000,000	L OREAL SA ZCP 22/08/2016	EUR	37,020,744.42	0.77
25,000,000	RABOBANK NETHERLANDS 19/01/2017 FRN	EUR	25,021,000.00	0.52	100,000,000	NATIONAL BANK OF ABU DHABI ZCP 17/10/2016	EUR	100,085,630.00	2.07
			298,550,002.18	6.20	50,000,000	REGION ILE DE FRANCE ZCP 23/09/2016	EUR	50,041,395.50	1.04
Switzerland					20,000,000	SOCIETE DE FINANCEMENT LOCAL-ANLEIHE ZCP 20/09/2016	EUR	20,016,593.00	0.42
18,200,000	CREDIT SUISSE AG/LONDON 22/07/2016 FRN EMTN	EUR	18,203,276.00	0.38	30,000,000	SOCIETE DE FINANCEMENT LOCAL-ANLEIHE ZCP 22/11/2016	EUR	30,014,416.80	0.62
2,064,000	UBS AG/JERSEY 05/10/2016 FRN EMTN	EUR	2,073,824.64	0.04	50,000,000	SVENSKA HANDELSBANKEN AB ZCP 19/10/2016	EUR	50,057,151.00	1.04
2,574,000	UBS AG/JERSEY 22/09/2016 FRN EMTN	EUR	2,581,747.74	0.05	57,000,000	SVENSKA HANDELSBANKEN AB ZCP 22/07/2016	EUR	57,006,483.18	1.18
			22,858,848.38	0.47	60,000,000	UNIBAIL RODAMCO ZCP 07/09/2016	EUR	60,033,305.40	1.25
France					20,000,000	UNIBAIL RODAMCO ZCP 13/09/2016	EUR	20,012,186.20	0.42
19,861,000	ELECTRICITE DE FRANCE SA 5.500% 25/10/2016 EMTN	EUR	20,205,111.69	0.42				957,606,907.80	19.88
1,450,000	RTE RESEAU DE TRANSPORT D'ELECTRICITE SA 4.125% 27/09/2016 EMTN	EUR	1,464,239.00	0.03	Germany				
			21,669,350.69	0.45	87,000,000	DEKABANK DE ZCP 02/08/2016	EUR	87,014,892.66	1.80
Ireland					47,000,000	DEKABANK DE ZCP 03/02/2017	EUR	47,027,038.16	0.98
7,000,000	GE CAPITAL EUROPEAN FUNDING UNLIMITED CO 4.125% 27/10/2016 EMTN	EUR	7,093,940.00	0.15	50,000,000	DEKABANK DE ZCP 27/07/2016	EUR	50,007,039.00	1.04
			7,093,940.00	0.15	50,000,000	DEUTSCHE APOTHEKER ZCP 18/07/2016	EUR	50,004,621.50	1.04
United States					15,000,000	DEUTSCHE APOTHEKER ZCP 19/10/2016	EUR	15,015,291.30	0.31
2,593,000	BMW US CAPITAL LLC 1.250% 20/07/2016 EMTN	EUR	2,594,659.52	0.05	25,000,000	DEUTSCHE APOTHEKER ZCP 23/09/2016	EUR	25,021,289.00	0.52
			2,594,659.52	0.05	50,000,000	DEUTSCHE APOTHEKER ZCP 23/11/2016	EUR	50,056,900.50	1.03
Australia					7,000,000	HENKEL AG & CO ZCP 04/10/2016	EUR	7,004,621.75	0.15
500,000	NATIONAL AUSTRALIA BANK LTD 4.750% 15/07/2016	EUR	500,920.00	0.01	34,000,000	HENKEL AG & CO ZCP 07/11/2016	EUR	34,028,086.72	0.71
1,450,000	WESTPAC BANKING CORP 4.250% 22/09/2016 EMTN	EUR	1,464,065.00	0.03	7,000,000	HENKEL AG & CO ZCP 12/10/2016	EUR	7,005,429.55	0.15
			1,964,985.00	0.04	25,000,000	HENKEL AG & CO ZCP 19/10/2016	EUR	25,020,852.00	0.52
			354,731,785.77	7.36	25,000,000	LINDE AG ZCP 09/09/2016	EUR	25,014,655.50	0.52
Other transferable securities and money market instruments					35,000,000	LINDE AG ZCP 16/09/2016	EUR	35,021,148.40	0.73
Money market instruments					50,000,000	LINDE AG ZCP 16/09/2016	EUR	50,032,381.00	1.03
France					20,000,000	LINDE AG ZCP 18/08/2016	EUR	20,007,800.00	0.42
10,000,000	ALLIANZ BANQUE 06/03/2017 FRN	EUR	10,001,922.40	0.21	23,000,000	LINDE AG ZCP 22/09/2016	EUR	23,014,582.23	0.48
10,000,000	ALLIANZ BANQUE 13/08/2016 FRN	EUR	9,999,903.50	0.21	30,000,000	LINDE AG ZCP 22/09/2016	EUR	30,018,319.50	0.62
5,000,000	ALLIANZ BANQUE 16/09/2016 FRN	EUR	4,999,441.70	0.10	25,000,000	LINDE AG ZCP 26/08/2016	EUR	25,012,071.00	0.52
10,000,000	ALLIANZ BANQUE 17/08/2016 FRN	EUR	9,999,791.80	0.21	2,000,000	MERCK FINANCIAL ZCP 05/08/2016	EUR	2,000,370.64	0.04
50,000,000	BANK OF CHINA LIMITED PARIS ZCP 13/07/2016	EUR	50,004,014.00	1.04	20,000,000	TOYOTA LEASING ZCP 09/11/2016	EUR	20,020,281.40	0.42
60,000,000	BANK OF CHINA LIMITED PARIS ZCP 30/09/2016	EUR	60,019,173.00	1.25	18,000,000	TOYOTA LEASING ZCP 27/09/2016	EUR	18,014,945.76	0.37
60,000,000	BNP PARIBAS SA 16/02/2017 FRN	EUR	60,009,374.40	1.25				645,362,617.57	13.40
30,000,000	CARREFOUR ZCP 07/07/2016	EUR	30,000,816.60	0.62	United Kingdom				
10,000,000	COMMUNAUTE AGGL ZCP 26/07/2016	EUR	10,001,444.70	0.21	51,000,000	AON PLC ZCP 29/07/2016	EUR	51,002,649.96	1.05
40,000,000	DEXIA CREDIT LOCAL SA ZCP 05/09/2016	EUR	40,025,464.00	0.83	27,500,000	BAT INTERN ZCP 20/07/2016	EUR	27,501,512.50	0.57
65,700,000	DEXIA CREDIT LOCAL SA ZCP 07/07/2016	EUR	65,702,298.19	1.35	60,000,000	CREDIT SUISSE AG ONE CABOT SQ ZCP 22/07/2016	EUR	60,006,824.40	1.24
					7,000,000	CREDIT SUISSE ZCP 29/07/2016	EUR	7,001,061.97	0.15
					25,000,000	MITSUBISHI CORP ZCP 05/07/2016	EUR	25,000,769.75	0.52
					40,000,000	MITSUBISHI CORP ZCP 10/08/2016	EUR	40,015,405.20	0.83
					45,500,000	MITSUBISHI CORP ZCP 16/08/2016	EUR	45,520,165.60	0.95
					20,000,000	NATIONAL GRID ZCP 12/09/2016	EUR	20,006,311.80	0.42
					50,000,000	QATAR NATIONAL BANK ZCP 05/08/2016	EUR	50,009,242.00	1.04
					40,000,000	QATAR NATIONAL BANK ZCP 09/08/2016	EUR	40,008,102.00	0.83
					22,000,000	QATAR NATIONAL BANK ZCP 26/07/2016	EUR	22,002,977.26	0.46
								388,075,022.44	8.06
					Belgium				
					9,000,000	BRUSSELS MUNICIPAL ZCP 04/07/2016	EUR	9,000,025.47	0.19
					10,500,000	BRUSSELS MUNICIPAL ZCP 08/07/2016	EUR	10,500,101.96	0.22
					16,500,000	BRUSSELS MUNICIPAL ZCP 25/07/2016	EUR	16,500,303.60	0.34

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EUR

(Denominated in EUR)

Securities portfolio as at 30/06/2016

Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV
7,000,000	BRUSSELS MUNICIPAL ZCP 27/07/2016	EUR	7,000,291.41	0.15
12,000,000	BRUSSELS MUNICIPAL ZCP 28/09/2016	EUR	12,003,132.48	0.25
28,000,000	LVMH FINANCE BE ZCP 09/08/2016	EUR	28,006,207.60	0.58
26,000,000	LVMH FINANCE BE ZCP 09/09/2016	EUR	26,007,543.38	0.54
20,000,000	LVMH FINANCE BE ZCP 15/07/2016	EUR	20,001,762.60	0.42
40,500,000	LVMH FINANCE BE ZCP 16/08/2016	EUR	40,509,403.29	0.84
23,000,000	LVMH FINANCE BE ZCP 18/07/2016	EUR	23,002,530.23	0.48
35,000,000	LVMH FINANCE BE ZCP 19/08/2016	EUR	35,008,993.95	0.73
5,000,000	LVMH FINANCE BE ZCP 23/08/2016	EUR	5,001,344.05	0.10
15,000,000	LVMH FINANCE BE ZCP 27/07/2016	EUR	15,002,424.75	0.31
5,000,000	LVMH FINANCE BE ZCP 28/07/2016	EUR	5,000,836.25	0.10
10,000,000	OFFICE NATIONAL DE LA SECURITE SOCIALE ZCP 20/09/2016	EUR	10,006,927.80	0.21
5,000,000	SOCIETE WALLONNE ZCP 02/01/2017	EUR	4,996,867.25	0.10
3,000,000	SOCIETE WALLONNE ZCP 10/03/2017	EUR	2,998,925.13	0.06
30,000,000	VOLKSWAGEN GROUP ZCP 11/07/2016	EUR	29,999,842.80	0.62
19,000,000	VOLKSWAGEN GROUP ZCP 12/07/2016	EUR	18,999,889.61	0.39
			319,547,353.61	6.63
Luxembourg				
51,500,000	BANK OF CHINA ZCP 21/07/2016	EUR	51,506,564.71	1.07
80,000,000	DH EUROPE FINANCE ZCP 07/09/2016	EUR	80,024,456.80	1.65
41,500,000	DH EUROPE FINANCE ZCP 08/09/2016	EUR	41,512,774.53	0.86
10,000,000	DH EUROPE FINANCE ZCP 09/09/2016	EUR	10,003,098.60	0.21
50,000,000	DH EUROPE FINANCE ZCP 12/09/2016	EUR	50,015,779.50	1.04
20,000,000	DH EUROPE FINANCE ZCP 14/09/2016	EUR	20,006,381.60	0.42
20,000,000	INDUSTRIAL & COMMERCIAL BANK ZCP 05/09/2016	EUR	20,003,791.40	0.42
30,000,000	INDUSTRIAL & COMMERCIAL BANK ZCP 09/09/2016	EUR	30,007,519.80	0.62
			303,080,366.94	6.29
United States				
30,000,000	PROCTER & GAMBLE ZCP 02/08/2016	EUR	30,008,792.70	0.62
7,500,000	PROCTER & GAMBLE ZCP 04/10/2016	EUR	7,504,410.90	0.16
8,000,000	PROCTER & GAMBLE ZCP 05/09/2016	EUR	8,004,049.44	0.17
45,000,000	PROCTER & GAMBLE ZCP 06/07/2016	EUR	45,002,158.65	0.93
58,000,000	PROCTER & GAMBLE ZCP 12/08/2016	EUR	58,020,453.12	1.21
42,000,000	PROCTER & GAMBLE ZCP 13/09/2016	EUR	42,023,838.78	0.87
15,000,000	PROCTER & GAMBLE ZCP 18/08/2016	EUR	15,005,850.00	0.31
10,000,000	PROCTER & GAMBLE ZCP 26/08/2016	EUR	10,004,353.00	0.21
			215,573,906.59	4.48
Norway				
23,500,000	TELENOR ASA ZCP 02/09/2016	EUR	23,509,839.45	0.49
23,250,000	TELENOR ASA ZCP 15/08/2016	EUR	23,257,155.19	0.48
49,500,000	TELENOR ASA ZCP 15/09/2016	EUR	49,527,532.40	1.03
23,250,000	TELENOR ASA ZCP 22/08/2016	EUR	23,258,581.34	0.48
37,000,000	TELENOR ASA ZCP 25/08/2016	EUR	37,014,178.77	0.77
			156,567,287.15	3.25
United Arab Emirates				
75,000,000	FIRST GULF BANK ZCP 04/08/2016	EUR	75,017,996.25	1.56
80,000,000	NATIONAL BANK OF ABU DHABI 24/04/2017 FRN	EUR	80,002,054.40	1.66
			155,020,050.65	3.22
Netherlands				
50,000,000	TELEFONICA EUROPE ZCP 13/09/2016	EUR	50,007,531.50	1.04
29,500,000	TELENOR ASA ZCP 22/09/2016	EUR	29,516,529.15	0.61
35,000,000	TOYOTA LEASING ZCP 07/11/2016	EUR	35,036,510.25	0.73
			114,560,570.90	2.38

Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV
Czech Republic				
30,000,000	CESKA EXPORTNI ZCP 04/08/2016	EUR	30,011,284.20	0.62
30,000,000	CESKA EXPORTNI ZCP 26/08/2016	EUR	30,017,814.00	0.62
20,000,000	CESKA EXPORTNI ZCP 29/09/2016	EUR	20,016,859.00	0.42
			80,045,957.20	1.66
Spain				
50,000,000	SPAIN LETRAS DEL TESORO ZCP 15/07/2016	EUR	50,000,500.00	1.04
			50,000,500.00	1.04
Austria				
40,000,000	KA FINANZ AG ZCP 26/07/2016	EUR	40,013,466.80	0.83
			40,013,466.80	0.83
			3,425,454,007.65	71.12

Total securities portfolio **3,780,185,793.42** **78.48**

Summary of net assets as at 30/06/2016

		% NAV
Total securities portfolio	3,780,185,793.42	78.48
Cash at bank	996,576,582.37	20.69
Other assets and liabilities	40,056,269.98	0.83
Total net assets	4,816,818,645.77	100.00

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EURIBOR 3M

(Denominated in EUR)

Statistics

Net assets	30/06/2016	EUR	437,393,875.18
	30/06/2015	EUR	327,097,207.42
	30/06/2014	EUR	192,863,892.84
Net asset value per share			
Capitalisation A (EUR)	30/06/2016	EUR	1,029.32
	30/06/2015	EUR	1,029.73
	30/06/2014	EUR	1,028.04
Capitalisation B (EUR)	30/06/2016	EUR	1,031.22
	30/06/2015	EUR	1,031.65
	30/06/2014	EUR	1,029.98
Capitalisation C (EUR)	30/06/2016	EUR	1,004.16
	30/06/2015	EUR	1,004.46
	30/06/2014	EUR	1,002.72
Capitalisation Z (EUR)	30/06/2016	EUR	1,008.68
	30/06/2015	EUR	1,008.18
	30/06/2014	EUR	1,005.61
Number of shares			
Capitalisation A (EUR)	30/06/2016		45,799
	30/06/2015		45,028
	30/06/2014		41,186
Capitalisation B (EUR)	30/06/2016		187,376
	30/06/2015		70,630
	30/06/2014		20,249
Capitalisation C (EUR)	30/06/2016		77,279
	30/06/2015		108,516
	30/06/2014		39,119
Capitalisation Z (EUR)	30/06/2016		118,398
	30/06/2015		98,064
	30/06/2014		89,938
Ongoing charges in %*			
Capitalisation A (EUR)	30/06/2016		0.14%
Capitalisation B (EUR)	30/06/2016		0.14%
Capitalisation C (EUR)	30/06/2016		0.13%
Capitalisation Z (EUR)	30/06/2016		0.05%
Portfolio turnover in %*	30/06/2016		(75.85%)

* The portfolio turnover rate is calculated in accordance with the CSSF Circular 2003/122 issued on December 19, 2003.

The ongoing charges figure corresponds to the ongoing charges figure as mentioned in the latest available Key Investor Information Document ("KIID") as at the date of this report. Transaction costs are included in the purchase/sale price of the securities. These costs, which are not treated as operating expenses, are not included in the calculation of the ongoing charges.

The ongoing charges and the portfolio turnover rate are calculated for the last twelve months.

The ongoing charges are annualised for periods less than one year. The portfolio turnover rate is not annualised for periods less than one year.

NN (L) Liquid - EURIBOR 3M

(Denominated in EUR)

Financial statements

Statement of net assets as at 30/06/2016

	Notes	
Total securities portfolio		410,799,879.47
Bonds and other debt instruments		53,394,831.44
Money market instruments		357,405,048.03
Cash at bank		23,309,511.05
Other assets	3	19,649,550.54
Total assets		453,758,941.06
Current liabilities	3	(16,365,065.88)
Total liabilities		(16,365,065.88)
Net assets at the end of the year		437,393,875.18

Statement of operations and changes in net assets for the year ended 30/06/2016

	Notes	
Total income		279,661.20
Interest on bonds and other debt instruments		279,661.20
Total expenses		(451,763.40)
Management fees	4	(220,196.07)
Fixed service fees	5	(166,639.87)
Subscription tax	7	(38,676.16)
Bank interest		(26,251.30)
Net investment loss		(172,102.20)
Realised gains on securities portfolio		20,913.18
Changes in net unrealised gains or (losses) on securities portfolio		91,592.39
Result of operations		(59,596.63)
Subscriptions		284,933,606.19
Redemptions		(174,577,341.80)
Net assets at the beginning of the year		327,097,207.42
Net assets at the end of the year		437,393,875.18

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EURIBOR 3M

(Denominated in EUR)

Securities portfolio as at 30/06/2016

Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV	Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV
Transferable securities and money market instruments admitted to an official stock exchange listing and/or dealt in on another regulated market					Belgium				
Bonds and other debt instruments					5,000,000	A B INBEV NV ZCP 10/02/2017	EUR	5,001,206.55	1.14
Netherlands					7,000,000	AQUAFIN NV ZCP 08/08/2016	EUR	7,001,061.83	1.60
4,000,000	ALLIANZ FINANCE II BV 4.000% 23/11/2016 EMTN	EUR	4,062,600.00	0.93	7,500,000	AQUAFIN NV ZCP 25/08/2016	EUR	7,502,005.43	1.72
2,500,000	BMW FINANCE NV 1.000% 24/10/2016 EMTN	EUR	2,508,400.00	0.57	1,000,000	AQUAFIN NV ZCP 28/11/2016	EUR	1,000,486.64	0.23
6,000,000	BMW FINANCE NV 23/12/2016 FRN	EUR	6,000,900.00	1.37	1,500,000	BRUSSELS MUNICIPAL ZCP 04/07/2016	EUR	1,500,004.25	0.34
7,000,000	BMW FINANCE NV 27/01/2017 FRN EMTN	EUR	7,003,570.00	1.60	1,000,000	BRUSSELS MUNICIPAL ZCP 08/07/2016	EUR	1,000,009.71	0.23
9,000,000	DEUTSCHE TELEKOM INTERNATIONAL FINANCE BV 6.000% 20/01/2017 EMTN	EUR	9,304,020.00	2.13	5,300,000	BRUSSELS MUNICIPAL ZCP 27/07/2016	EUR	5,300,220.64	1.21
10,000,000	RABOBANK NETHERLANDS 19/01/2017 FRN	EUR	10,008,400.00	2.30	3,500,000	BRUSSELS MUNICIPAL ZCP 28/09/2016	EUR	3,500,913.64	0.80
			38,887,890.00	8.90	2,000,000	LVMH FINANCE BE ZCP 09/08/2016	EUR	2,000,443.40	0.46
Switzerland					4,000,000	LVMH FINANCE BE ZCP 09/09/2016	EUR	4,001,160.52	0.91
4,000,000	CREDIT SUISSE AG/LONDON 30/03/2017 FRN EMTN	EUR	4,001,560.00	0.91	1,500,000	LVMH FINANCE BE ZCP 18/07/2016	EUR	1,500,165.02	0.34
2,871,000	UBS AG/JERSEY 19/08/2016 FRN EMTN	EUR	2,878,579.44	0.66	10,000,000	LVMH FINANCE BE ZCP 31/08/2016	EUR	10,003,580.20	2.30
			6,880,139.44	1.57	4,000,000	REGION WALLONNE ZCP 29/07/2016	EUR	4,000,451.16	0.91
Germany					2,800,000	SOCIETE WALLONNE DU CREDIT SOCIAL ZCP 08/12/2016	EUR	2,798,787.66	0.64
3,500,000	DAIMLER AG 1.000% 08/07/2016 EMTN	EUR	3,500,595.00	0.80	1,200,000	SOCIETE WALLONNE DU CREDIT SOCIAL ZCP 11/10/2016	EUR	1,199,895.05	0.27
2,000,000	DAIMLER AG 27/01/2017 FRN EMTN	EUR	1,999,920.00	0.46	3,000,000	SOCIETE WALLONNE DU CREDIT SOCIAL ZCP 16/11/2016	EUR	3,001,420.68	0.69
			5,500,515.00	1.26	5,000,000	SOCIETE WALLONNE DU CREDIT SOCIAL ZCP 19/05/2017	EUR	4,990,159.70	1.14
United Kingdom					6,000,000	SOCIETE WALLONNE DU CREDIT SOCIAL ZCP 25/11/2016	EUR	6,002,902.14	1.37
1,000,000	HSBC BANK PLC 3.750% 30/11/2016 EMTN	EUR	1,015,560.00	0.23				71,304,874.22	16.30
1,000,000	ROYAL BANK OF SCOTLAND PLC/THE 4.300% 08/10/2016	EUR	1,010,580.00	0.23	Germany				
			2,026,140.00	0.46	4,500,000	DAIMLER AG ZCP 25/08/2016	EUR	4,501,444.28	1.03
France					3,000,000	DEKABANK DE ZCP 03/02/2017	EUR	3,001,725.84	0.69
100,000	SCHNEIDER ELECTRIC 2.875% 20/07/2016	EUR	100,147.00	0.02	4,500,000	DEKABANK DE ZCP 04/10/2016	EUR	4,501,758.60	1.03
			100,147.00	0.02	5,000,000	DEKABANK DE ZCP 22/08/2016	EUR	5,001,281.05	1.14
			53,394,831.44	12.21	6,000,000	DEKABANK DE ZCP 30/01/2017	EUR	6,003,402.90	1.37
Other transferable securities and money market instruments					9,000,000	DEUTSCHE APOTHEKER ZCP 16/03/2017	EUR	9,011,332.53	2.06
Money market instruments					5,000,000	DEUTSCHE APOTHEKER ZCP 25/10/2016	EUR	5,002,191.80	1.14
United Kingdom					9,000,000	DEUTSCHE APOTHEKER ZCP 27/09/2016	EUR	9,003,350.70	2.06
6,500,000	CREDIT SUISSE AG ONE CABOT SQ ZCP 24/03/2017	EUR	6,505,268.64	1.49	4,000,000	HENKEL AG & CO ZCP 17/10/2016	EUR	4,003,303.88	0.92
3,000,000	CREDIT SUISSE ZCP 29/07/2016	EUR	3,000,455.13	0.69	3,500,000	LINDE AG ZCP 12/09/2016	EUR	3,502,472.93	0.80
8,000,000	DEUTSCHE BANK ZCP 27/10/2016	EUR	8,003,537.36	1.83				53,532,264.51	12.24
5,000,000	IMPERIAL BRAND ZCP 13/12/2016	EUR	5,000,171.30	1.14	France				
5,500,000	IMPERIAL BRAND ZCP 20/07/2016	EUR	5,500,455.29	1.26	15,000,000	BANQUE FEDERATIVE ZCP 02/05/2017	EUR	15,015,576.75	3.43
5,000,000	LAND SECURITIES ZCP 06/07/2016	EUR	5,000,223.20	1.14	5,000,000	BANQUE FEDERATIVE ZCP 16/08/2016	EUR	5,001,160.90	1.14
10,000,000	LAND SECURITIES ZCP 10/08/2016	EUR	10,002,597.70	2.29	10,000,000	DEXIA CREDIT LOCAL SA ZCP 05/09/2016	EUR	10,006,366.00	2.29
12,000,000	LLOYDS BANK PLC ZC 10/04/2017	EUR	12,012,067.68	2.75	6,000,000	ENGIE SA ZCP 24/08/2016	EUR	6,002,913.78	1.37
5,500,000	MITSUBISHI CORP ZCP 10/08/2016	EUR	5,502,118.22	1.26	3,000,000	SUEZ FINANCE ZCP 11/07/2016	EUR	3,000,195.12	0.69
5,000,000	NATIONAL GRID ZCP 12/09/2016	EUR	5,001,577.95	1.14	8,000,000	SUEZ FINANCE ZCP 25/07/2016	EUR	8,001,036.24	1.83
6,000,000	QATAR NATIONAL BANK ZCP 01/08/2016	EUR	6,001,019.34	1.37				47,027,248.79	10.75
6,000,000	QATAR NATIONAL BANK ZCP 03/02/2017	EUR	6,003,035.34	1.37	Luxembourg				
6,000,000	QATAR NATIONAL BANK ZCP 05/08/2016	EUR	6,001,109.04	1.37	2,000,000	BANK OF CHINA ZCP 21/07/2016	EUR	2,000,254.94	0.46
2,500,000	VODAFONE GROUP ZCP 01/07/2016	EUR	2,500,009.58	0.57	2,000,000	BELFIUS BANK ZCP 04/07/2016	EUR	2,000,035.32	0.46
5,000,000	VODAFONE GROUP ZCP 06/01/2017	EUR	5,000,609.65	1.14	4,000,000	DH EUROPE FINANCE ZCP 09/08/2016	EUR	4,000,931.24	0.91
1,000,000	VODAFONE GROUP ZCP 23/01/2017	EUR	999,891.91	0.23	6,000,000	DH EUROPE FINANCE ZCP 07/09/2016	EUR	6,001,834.26	1.37
1,000,000	VODAFONE GROUP ZCP 30/09/2016	EUR	1,000,380.20	0.23	5,000,000	DH EUROPE FINANCE ZCP 08/09/2016	EUR	5,001,539.10	1.14
			93,034,527.53	21.27	3,000,000	DH EUROPE FINANCE ZCP 12/09/2016	EUR	3,000,946.77	0.69
								22,005,541.63	5.03
					United States				
					8,000,000	PROCTER & GAMBLE ZCP 05/09/2016	EUR	8,004,049.44	1.83
					11,000,000	PROCTER & GAMBLE ZCP 06/07/2016	EUR	11,000,527.67	2.51
								19,004,577.11	4.34

The accompanying notes form an integral part of these financial statements.

NN (L) Liquid - EURIBOR 3M

(Denominated in EUR)

Securities portfolio as at 30/06/2016

Quantity/ Nominal	Name	Currency	Market value in EUR	% NAV
Netherlands				
9,500,000	TELEFONICA EUROPE ZCP 28/07/2016	EUR	9,501,071.51	2.18
4,000,000	VOLKSWAGEN INTERNATIONAL FINANCE NV ZCP 10/01/2017	EUR	3,992,690.96	0.91
3,000,000	VOLKSWAGEN INTERNATIONAL FINANCE NV ZCP 28/04/2017	EUR	2,988,338.64	0.68
			16,482,101.11	3.77
Sweden				
7,000,000	ASSA ABLOY FIN ZCP 16/08/2016	EUR	7,001,625.26	1.60
4,500,000	NORDEA BANK ZCP 02/12/2016	EUR	4,502,205.63	1.03
			11,503,830.89	2.63
Spain				
3,000,000	SANTANDER ZCP 06/09/2016	EUR	3,000,967.29	0.69
8,000,000	SANTANDER ZCP 31/08/2016	EUR	8,002,312.64	1.83
			11,003,279.93	2.52
Norway				
5,500,000	TELENOR ASA ZCP 25/08/2016	EUR	5,502,107.66	1.26
			5,502,107.66	1.26
Czech Republic				
5,000,000	CESKA EXPORTNI ZCP 29/09/2016	EUR	5,004,214.75	1.14
			5,004,214.75	1.14
United Arab Emirates				
2,000,000	FIRST GULF BANK ZCP 04/08/2016	EUR	2,000,479.90	0.46
			2,000,479.90	0.46
			357,405,048.03	81.71
Total securities portfolio			410,799,879.47	93.92

Summary of net assets as at 30/06/2016

		% NAV
Total securities portfolio	410,799,879.47	93.92
Cash at bank	23,309,511.05	5.33
Other assets and liabilities	3,284,484.66	0.75
Total net assets	437,393,875.18	100.00

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1- GENERAL INFORMATION

NN (L) LIQUID (formerly ING (L) LIQUID) (the "Company" or the "SICAV") is a "Société d'Investissement à Capital Variable" ("SICAV") incorporated on April 10, 2002 for an unlimited period as a société anonyme (public limited company), governed by Part I of the Luxembourg law of December 17, 2010 on undertakings for collective investment, as amended.

The Memorandum and Articles of Association of the Company were published in the "Mémorial, Recueil Spécial des Sociétés et Associations" of the Grand Duchy of Luxembourg and filed with the Registry of the Luxembourg District Court where they may be consulted and copies may be obtained upon payment of registry fees.

The Company is registered with the Luxembourg Register of Companies under number B 86 762.

The Company currently offers the following share classes to the investors:

Share class name	Description
Capitalisation A	Capitalisation shares dedicated to Institutional Investors investing a minimum of EUR 250,000.
Capitalisation B	Capitalisation shares dedicated to Institutional Investors investing a minimum of EUR 2,500,000.
Capitalisation C	Capitalisation shares dedicated to Institutional Investors investing a minimum of EUR 25,000,000.
Capitalisation E	Capitalisation shares dedicated to Institutional Investors investing a minimum of EUR 100,000,000.
Capitalisation F	Capitalisation shares dedicated to French Institutional Investors investing a minimum of EUR 2,500,000.
Capitalisation Z	Capitalisation shares dedicated to Institutional Investors investing a minimum of EUR 5,000,000 that, at the discretion of the Management Company, have signed a special management agreement ("Special Agreement") in relation to their investment in the Fund. For this share class, the management fee is levied and collected by the Management Company directly from the shareholders as determined in the Special Agreement.
Distribution A (Q)	Distribution shares dedicated to Institutional Investors investing a minimum of EUR 250,000 - quarterly dividend.
Distribution B (Q)	Distribution shares dedicated to Institutional Investors investing a minimum of EUR 2,500,000 - quarterly dividend.
Distribution Z (HY)	Distribution shares dedicated to Institutional Investors investing a minimum of EUR 5,000,000 that, at the discretion of the Management Company, have signed a special management agreement ("Special Agreement") in relation to their investment in the Fund. For this share class, the management fee is levied and collected by the Management Company directly from the shareholders as determined in the Special Agreement – half-yearly dividend.
Distribution Z (Q)	Distribution shares dedicated to Institutional Investors investing a minimum of EUR 5,000,000 that, at the discretion of the Management Company, have signed a special management agreement ("Special Agreement") in relation to their investment in the Fund. For this share class, the management fee is levied and collected by the Management Company directly from the shareholders as determined in the Special Agreement – quarterly dividend.

The investors must be aware that every share class is not offered by every sub-fund of the Company.

Investment policies

Shareholders are advised that detailed investment policies of every sub-fund are described in the prospectus, which is made available to the shareholders at the depositary bank and at the Company's registered office as well as at the financial institutions identified in this report. The prospectus will also be sent free of charge to anyone who so requests.

Changes

The name of the Company changed from ING (L) Liquid to NN (L) Liquid as resolved by the extraordinary general meeting of the shareholders of the Company held on August 12, 2015 and reflected in the updated version of the articles of association of the Company (the "Articles") effective as of August 17, 2015.

Notes to the financial statements

The names of the existing sub-funds of the Company and, where applicable, of the commercials names changed so as to have them more consistent with the respective investment objectives and policies as follows:

Previous names	New names
ING (L) Liquid - EUR	NN (L) Liquid - EUR
ING (L) Liquid - EURIBOR 3M	NN (L) Liquid - EURIBOR 3M

2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared and presented in accordance with generally accepted accounting principles and regulations in force in Luxembourg.

Currency conversion

The financial statements have been drawn up in the accounting currency of each sub-fund. Assets and liabilities expressed in currencies other than the accounting currency of each sub-fund are converted into that currency at the exchange rates prevailing on the closing date.

Income and expenses expressed in currencies other than the accounting currency of the sub-fund are converted into that currency at the exchange rates prevailing on the transaction date.

The various items in the combined statement correspond to the sum of the corresponding items in the financial statements of each sub-fund, converted if necessary into EUR at the exchange rates prevailing on the closing date.

Securities valuation

The securities admitted to an official listing or to any other regulated market are valued at the last known prices. If these securities are traded on several markets, the valuation is made on the last known price on the main market on which the securities are listed. The last known price used for the bonds is the Bid price.

Securities not listed or not traded on a stock exchange or on any other regulated market and securities listed or traded on such a market but whose last known price is not representative, are valued with prudence and in good faith on the basis of their probable realisation value as determined by or under the direction of the Board of Directors of the SICAV.

Money market instruments and other short-term securities are valued using the straight-line amortisation method provided these instruments or securities have an initial or residual maturity at the time of their purchase by the Company of less than 12 months and if it appears that the last known price on the main market for the security in question cannot be considered as representative of the price of that security.

Income

Interest is accrued on a daily basis.

Discounts are accreted and premiums amortised as adjustments to interest on bonds and other debt instruments.

3- OTHER ASSETS AND CURRENT LIABILITIES

Other assets account includes mainly accrued interest and receivables.

Current liabilities account includes mainly fee accruals and payables.

4- MANAGEMENT FEES

In accordance with the terms and conditions of the "Collective Portfolio Management Agreement" between NN Investment Partners Luxembourg S.A. and the SICAV, the sub-funds will pay NN Investment Partners Luxembourg S.A. an annual management fee calculated on the average net assets of each class of shares as described in the table below. This fee is payable monthly in arrears.

Notes to the financial statements

As at June 30, 2016, the effective management fees rates are as follows:

Sub-funds	Management fees rate (p.a.)					
	Class A (in %)	Class B (in %)	Class C (in %)	Class E (in %)	Class F (in %)	Class Z (in %)
NN (L) Liquid - EUR	0.06	0.06	0.06	0.06	0.06	-
NN (L) Liquid - EURIBOR 3M	0.08	0.08	0.08	-	-	-

NN Investment Partners Luxembourg S.A. has entrusted, at its own expense, the management of the different sub-funds to NN Investment Partners B.V.

5- FIXED SERVICE FEES

A fixed service fee is charged at the level of the share classes of each sub-fund. The fixed service fee is paid to the Management Company and used by the latter to pay in the name of the Company the administration fees, the depositary fees, the transfer agent fees and other on-going operating and administrative expenses billed to the Company.

The fixed service fee is fixed in the sense that the Management Company will bear the excess of any expenses above the paid fixed service fee for each share class of each sub-fund.

This fee is payable monthly in arrears.

As at June 30, 2016, the fixed service fees rates are as follows:

Sub-funds	Fixed service fees rate (p.a.)					
	Class A (in %)	Class B (in %)	Class C (in %)	Class E (in %)	Class F (in %)	Class Z (in %)
NN (L) Liquid - EUR	0.05	0.05	0.04	0.04	0.04	0.04*
NN (L) Liquid - EURIBOR 3M	0.05	0.05	0.04	-	-	0.04

* Fixed service fee applies for the share classes NN (L) Liquid EUR – Capitalisation Z (EUR) and NN (L) Liquid EUR – Distribution Z (Q) (EUR).

For NN (L) Liquid EUR – Distribution Z (HY) EUR, the fixed service fee are not charged to the share class. Instead, a specific fixed service fee is levied and collected by the Management Company directly from the shareholders.

6- TRANSACTION COSTS

The sub-funds of the Company may incur transaction costs which have been defined as brokerage fees relating to purchases or sales of transferable securities, money market instruments and financial derivative instruments (or other eligible assets traded in by the sub-funds) and/or commissions relating to subscriptions or redemptions of UCITS/UCI shares/units, if applicable.

For the year ended June 30, 2016, no transaction costs were incurred by the sub-funds.

7- SUBSCRIPTION TAX

The Company is liable in Luxembourg to a subscription tax ("Taxe d'abonnement") of 0.01% per annum of its net assets, such tax being payable quarterly and calculated on the net asset value at the end of the relevant calendar quarter.

No subscription tax is paid on the net assets held by the Company in other UCIs already subject to that tax in Luxembourg.

8- CHANGES IN THE COMPOSITION OF THE SECURITIES PORTFOLIO

These changes are made available to the shareholders at the depositary bank and at the Company's registered office as well as at the financial servicing institutions identified in this report. They will also be sent free of charge to anyone who so requests.

Notes to the financial statements

9- INFORMATION TO SHAREHOLDERS

Under the Belgian Finance Act of December 22, 2003, that came into effect on January 1, 2004, a 0.06% yearly tax was applied on all money originating from Belgium included in the Company at December 31 of the prior year. This tax rate has been increased to 0.07% in 2005, to 0.08% in 2007, to 0.0965% in 2013 and decreased to 0.0925% from 2014 onwards.

The Company has lodged a complaint with the European Commission against the Belgian State for this tax to be recognized as contravening the Community law. That complaint has been rejected by the European Commission. Following another complaint introduced by the Company before the Belgian Courts, the Brussels Court of First Instance has delivered a positive judgment condemning the Belgian State to refund the amounts unduly paid. The Belgian State has, however, appealed against that decision. The procedure before the Court of Appeals is still pending.

Other information to shareholders (unaudited)

Remuneration policy

In accordance with Article 33 of the Law of May 10, 2016, modifying Article 151 of the Law of December 17, 2010, details on remuneration are published on nnip.com – country Luxembourg website under “our policies”.

ALFI Code of Conduct

During the meeting of the Board of Directors on the October 9, 2014, it was decided to adhere to the principles of the ALFI Code of Conduct for Luxembourg Investment Funds (version August 2013).

Global exposure calculation method in accordance with the provisions of CSSF Circular 11/512

Commitment approach:

For all sub-funds, the commitment approach is used to monitor and measure the global exposure.

For additional information please contact:

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