AEGON Central & Eastern Europe

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Member of the Management Board, CEO AEGON CEE

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Key messages

- Clear and ambitious strategy to strongly grow our leadership positions in the region
- Develop strong tied network and strengthen broker relationships
- Capture more synergies at regional level
- Focus on existing markets
- The region will continue to offer attractive long term opportunities
  - AEGON is well positioned to take advantage of them
Central & Eastern Europe offers attractive growth prospects

Life insurance penetration - Size of bubble shows 2007 insurance density (life insurance premiums per capita)

Overview

Strategy

Earnings drivers

Short term priorities

Conclusion

Local knowledge. Global power.
Growing Polish profitability mainly due to increasing risk component of life
Positive Turkish growth following political environment developments

Return on equity versus technical reserves growth

- Growing Polish profitability mainly due to increasing risk component of life
- Positive Turkish growth following political environment developments

Return on equity (%) vs. Technical reserves growth* (%)

* 2004-2005 growth vs. 2006-2007 growth

Overview
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Local knowledge. Global power.
Pension fund market assets under management (EUR billion)

Turkey voluntary pension fund
Slovakia mandatory pension fund
Hungary mandatory pension fund
Poland mandatory pension fund

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## Execution of strategy

### Ambition
- Achieve market leadership (top 5) in all our markets
- Increase market share in life and pension
- Expand into mortgages throughout the region
- Maintain our market share in general insurance in Hungary
- Benefit from regulatory changes such as health reforms
- Exploit strong asset management performance in CEE

### Progress
- Step by step improving position in every country
- Acquisitions in pensions
- Growing sales life / pension
- Postponing mortgages in Poland and Slovakia
- Strong new sales in home-insurance in 2008 in Hungary
- No reforms
- Mixed performance in volatile markets

### Continued focus on profitability
Central & Eastern Europe has seen good growth and profitability

Value of new business
(in EUR million)

2005 2006 2007 2008
27 46 72 74

Sales (APE)
(in EUR million)

2005 2006 2007 2008
32 82 126 98

Underlying earning before tax
(in EUR million)

2005 2006 2007 2008
52 36 94 108

Revenue generating investments
(in EUR billion)

2005 2006 2007 2008
2.6 3.7 5.9 6.0

Local knowledge. Global power.
Target is 10% market share in CEE mandatory pension fund market

<table>
<thead>
<tr>
<th>Country</th>
<th>Members in mandatory and voluntary pension</th>
<th>Market share in mandatory pension</th>
<th>Rank in mandatory pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hungary</td>
<td>820,000</td>
<td>21%</td>
<td>2</td>
</tr>
<tr>
<td>Slovakia</td>
<td>200,000</td>
<td>13%</td>
<td>4</td>
</tr>
<tr>
<td>Poland</td>
<td>780,000</td>
<td>6%</td>
<td>6</td>
</tr>
<tr>
<td>Romania</td>
<td>140,000</td>
<td>3%</td>
<td>8</td>
</tr>
<tr>
<td>Turkey</td>
<td>70,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Czech Republic</td>
<td>50,000</td>
<td></td>
<td></td>
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</tbody>
</table>

Data per December 31, 2008
<table>
<thead>
<tr>
<th>Country</th>
<th>Gross Written Premiums¹ (EUR million)</th>
<th>Market share life insurance (by GWP)</th>
<th>Rank life insurance (by GWP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>260</td>
<td>13% ²</td>
<td>3 ²</td>
</tr>
<tr>
<td>Hungary</td>
<td>184</td>
<td>10%</td>
<td>3</td>
</tr>
<tr>
<td>Slovakia</td>
<td>16</td>
<td>1%</td>
<td>12</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>10</td>
<td>1%</td>
<td>14</td>
</tr>
<tr>
<td>Turkey</td>
<td>1</td>
<td>1%</td>
<td>19</td>
</tr>
<tr>
<td>Romania</td>
<td>Greenfield</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Data from local regulatory bodies and per year end 2008
2. Unit-linked insurance
Earnings drivers

- Life
  - Mortality risk
  - Fees and growth in assets under management

- Pension
  - Cost-efficiency
  - Fees and growth in assets under management

- Non-life
  - Underwriting risk
  - Cost-efficiency

- Mortgage
  - Fee income
Limited impact from regulatory change

- **Poland**: minimal expected impact on profitability
  - Measures have been anticipated but brought forward

- **Hungary**: significant changes, but step by step approach
  - Opening system for older generation (over 52 years)
  - Decreasing asset fees (with guaranteed yields)

- **Czech Republic**: limited business impact
  - New capital requirements

- **Slovakia**: significant changes
  - Maximum asset management fees lowered
  - Demanding capital guarantee

Regulatory changes provide important opportunities for strong and well positioned companies like AEGON
Focus on sales and short term priorities

- Distribution expansion
  - Building tied networks: focus on quality
  - Strong broker relationships
  - Alternative channels: growing importance for growth

- Sharing best practices
  - Product design – Czech product range copied in Romania
  - Sales solutions – Common tied network concept
    - Sales Call Centre in Poland (copy of Hungary)
  - IT – FutureFirst (reduced time-to-market)

- Direct sales channel in Hungary successfully launched
  - New direct sales channel for non-life
  - Making use of existing call centres to create a strong sales channel

- Turkey
  - Reorganised sales force
  - Launch of life insurance in July 2009
Positive results from sales focus

New pension fund members

Regular premium life production

(EUR million)
Short term priorities

Capital
- EUR 170 million capital release from reinsurance of non-life catastrophic risk
- Postponing mortgages in Poland and Slovakia
- Fully centralized general account (cash management)

Costs
- Poland: relocate offices from Warsaw to Chorzow
- Reduced variable salary payments
- Lowering investments in IT

Contingencies
- Contingency plans are in place
Conclusion

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- Focus on existing markets
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  - AEGON is well positioned to take advantage of them
Q&A

For questions please contact Investor Relations
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Appendix
1. Tied network
   - New approach
     - building up in Czech / Slovakia / Turkey
     - increased by 200 agents
   - Restructuring in Hungary / Poland

2. Brokers
   - New mid-size partners
   - Strengthening existing big partner relationships
   - More demanding (commission)
   - Strict control for quality

3. Banking
   - New start-ups Polbank (Poland) and Raiffeisen (Hungary)
   - Citibank: limited sales in crisis
   - New distribution agreement with Banca Transilvania
   - No real strategic partner

4. Call Centre / Internet
   - New on-line company in Hungary (non-life)
   - Growing non-life / pension in Hungary and Poland
   - Pilot in Turkey
Focus and ambitions differ per segment

<table>
<thead>
<tr>
<th>Adults</th>
<th>Children</th>
<th>Babies „Tigers“</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market-leading position</td>
<td>Mid-players</td>
<td>New sales in top 5</td>
</tr>
<tr>
<td>Preferred segments</td>
<td>5th position as minimum</td>
<td>No sales and admin expense overrun before the end of the period</td>
</tr>
<tr>
<td>Market leader in efficiency</td>
<td>No sales and admin expense overrun before the end of the period</td>
<td>No sales and admin expense overrun at the end of the period</td>
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<tr>
<td>RoC substantially ahead of other AEGON operating units</td>
<td>RoC (total) over 12%</td>
<td>Profitable operations</td>
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</table>
Local knowledge. Global power.