



## Full year 2008 results

Jos Streppel, Chief Financial Officer

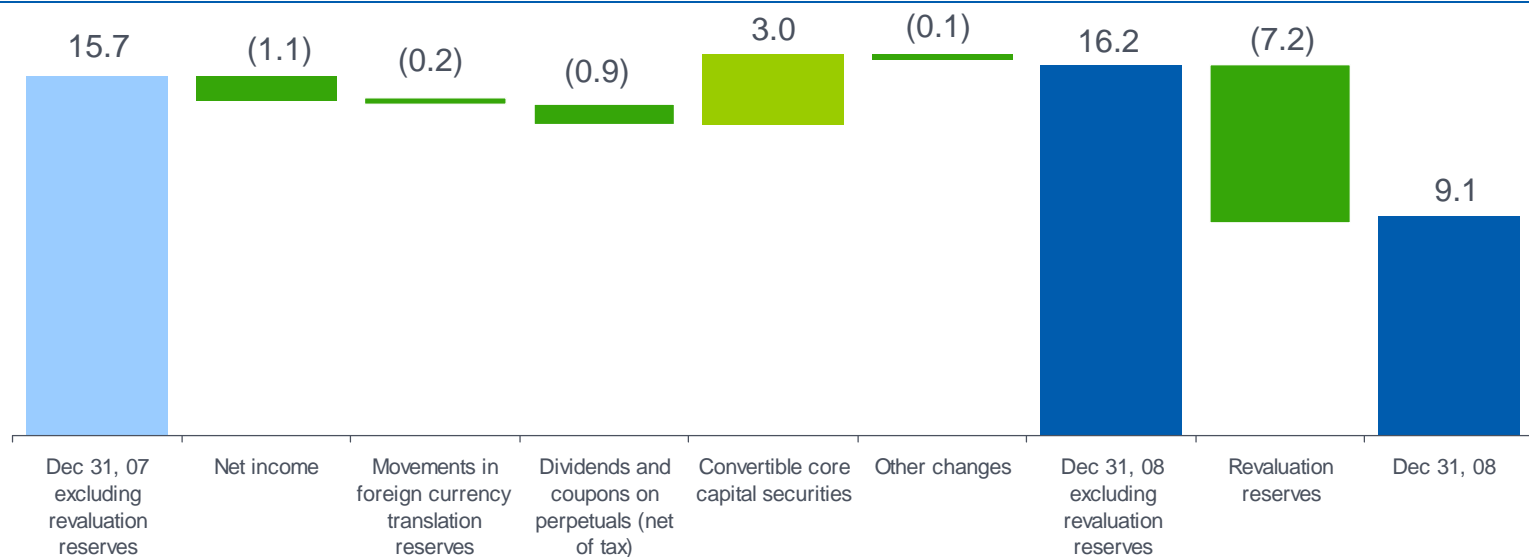
	December 31, 2007	December 31, 2008
Insurance Group Directive (IGD) surplus capital*	EUR 6.7 billion (190%)	EUR 5.6 billion (183%)
S&P risk-based insurance capital model excess capital in operating units above AA level and holding	EUR 1.6 billion	EUR 2.9 billion
NAIC RBC ratio	336%	350%

**AEGON's IGD ratio of 183% compares well with the average for European peers of 144%\*\***

\* The calculation of the IGD (Insurance Group Directive) capital surplus and ratio have been changed from the disclosure in the previous year to better reflect regulatory solvency requirements of local regulators and are based on Solvency I capital requirements on IFRS for entities within the EU, and local regulatory solvency measurements for non-EU entities. Specifically, required capital for the life insurance companies in the US is calculated as two times the upper end of the Company Action Level range (200%) as applied by the National Association of Insurance Commissioners in the US.

\*\* Peers include AXA, Aviva, Allianz, CNP, Swiss Life, Prudential plc, Zurich Financial

## Core capital\* development 2008 (EUR billion)



- Decline in core capital primarily driven by unrealized losses (revaluation reserve)
- Widening of credit spreads had a significant impact on unrealized losses
- Unrealized bond losses are not a good indication for future credit losses

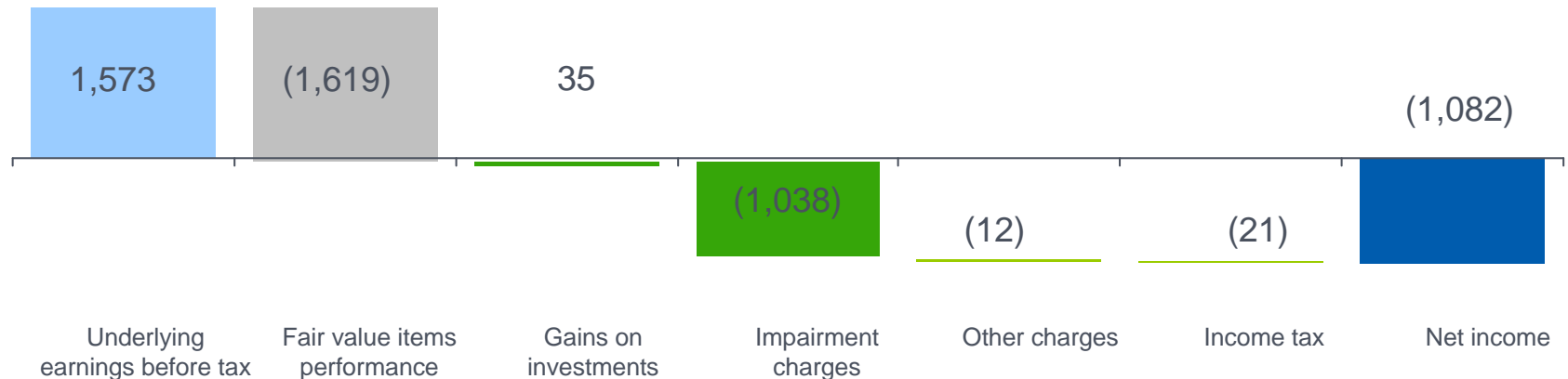
**AEGON did not reclassify securities  
from available-for-sale to held-to-maturity**

\* Core capital is the sum of shareholders' equity and the EUR 3 billion convertible core capital securities issued to Vereniging AEGON and funded by the Dutch State

2008 net income mainly impacted by financial markets:

- Underlying earnings affected by reserves strengthening, DPAC\* and lower fees
- Underperformance of fair value items
- Impairments on structured assets, financial institutions, high yield and equity
- Net income also includes an extraordinary tax charge of EUR 490 million

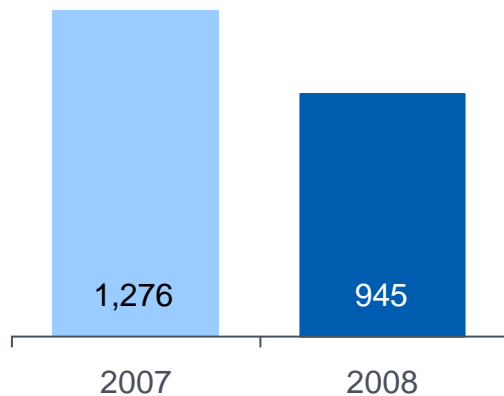
## Underlying earnings to net income development in 2008 (EUR million)



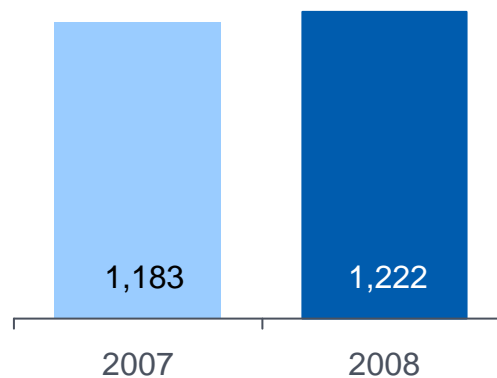
\* Deferred policy acquisition costs

- 2008 new life sales down 20% to EUR 2,631 million
  - In the Americas Boli/Coli\* and life reinsurance drove the decline in sales
  - UK sales held up well due to growth in individual annuities and corporate pension markets
  - Dutch new life sales declined although retail life sales were resilient

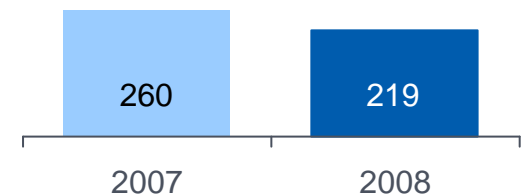
**New life sales  
Americas  
(USD million)**



**New life sales  
United Kingdom  
(GBP million)**



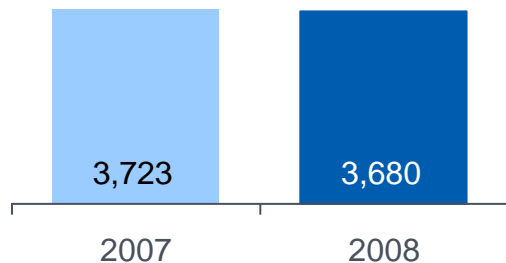
**New life sales  
The Netherlands  
(EUR million)**



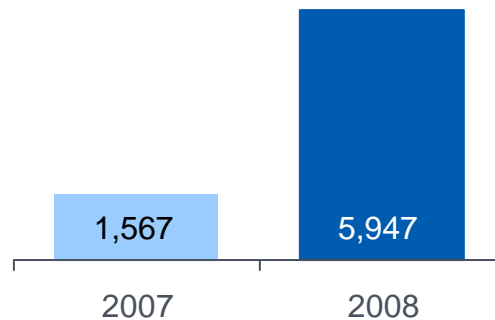
\* Bank-owned and corporate-owned life insurance

- 2008 net deposits of EUR 3.4 billion (+38%)
  - Continued strong inflows in institutional fee based products, retirement plans in the US
  - Strong increase in net deposits driven by fixed annuities
- 2008 gross deposits of EUR 40.8 billion (-8%)
  - Growth of fixed annuities in the US
  - Other countries higher due to inclusion of asset management JV in China

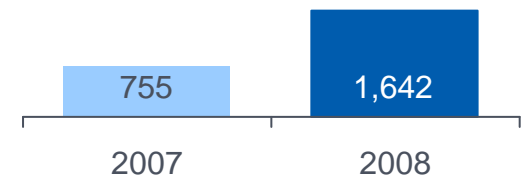
**Gross VA\* deposits  
Americas**  
(USD million)



**Gross FA\* deposits  
Americas**  
(USD million)



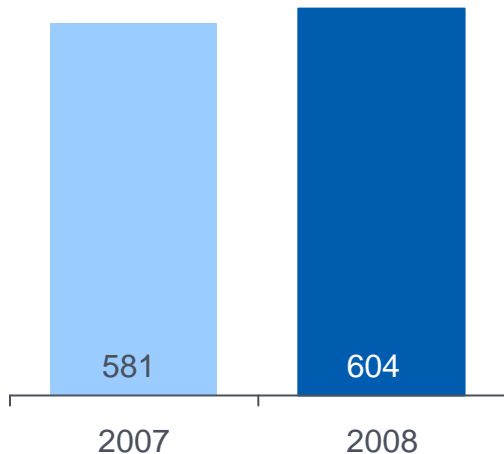
**Total gross deposits  
Other countries**  
(EUR million)



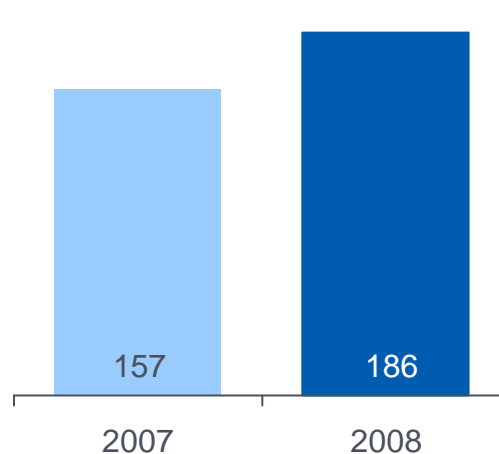
\* VA = Variable annuities; FA = Fixed annuities

- 2008 value of new business down 10% to EUR 837 million
  - VNB in Americas up 4% due to a rise in fixed annuities sales
  - Higher VNB in the UK driven by higher margins
  - Lower VNB in Other countries mainly due to lower sales in Taiwan
  - VNB in the Netherlands declined whereas the IRR rose to 10.8%

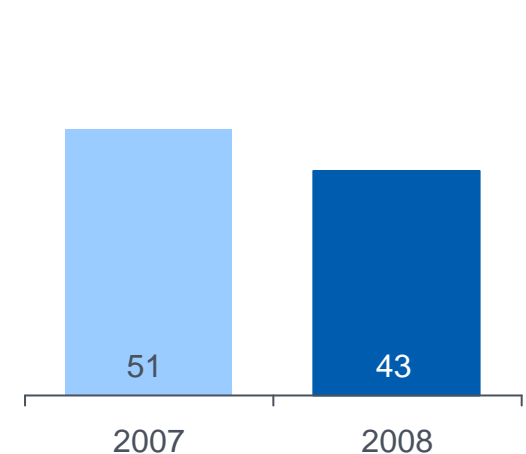
**Value of new business  
Americas**  
(USD million after tax)



**Value of new business  
United Kingdom**  
(GBP million after tax)



**Value of new business  
The Netherlands**  
(EUR million after tax)



- Earnings clearly impacted by financial markets
- Core business remains resilient
- Capital position remains strong
- Cost reductions underway
- Adequate contingencies in place

**Weathering the storm**