



Course of business and significant events in 2008

Alex Wynaendts, CEO & Chairman of the Executive Board

Strategic priorities to improve performance

1

Reallocate capital towards businesses with higher growth and return prospects

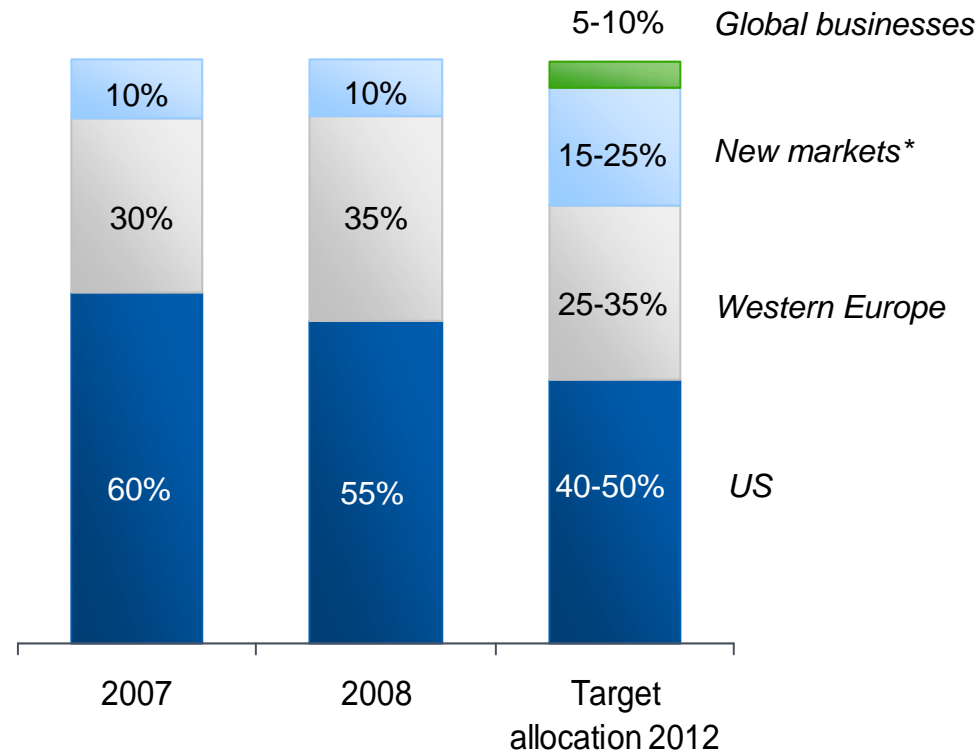
2

Improve growth and returns from existing businesses

3

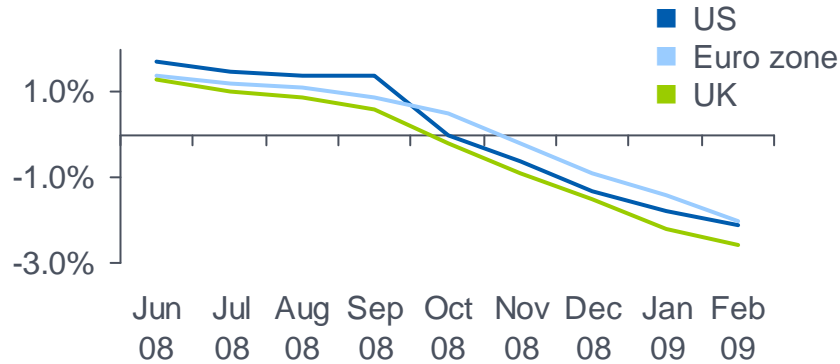
Manage AEGON as an international group

Capital allocation

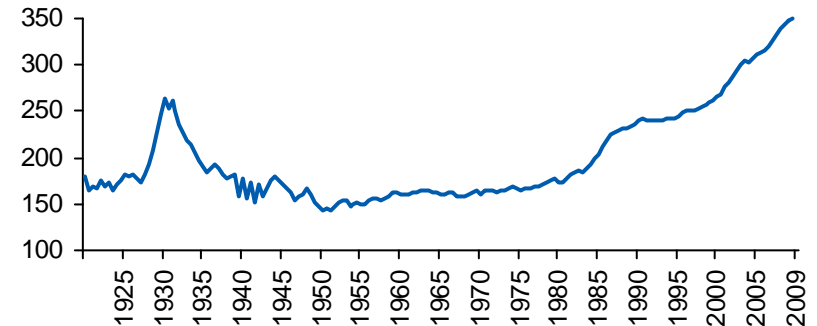


* New markets = Central & Eastern Europe, Asia and Latin America

GDP growth expectations for 2009¹ (EUR million)

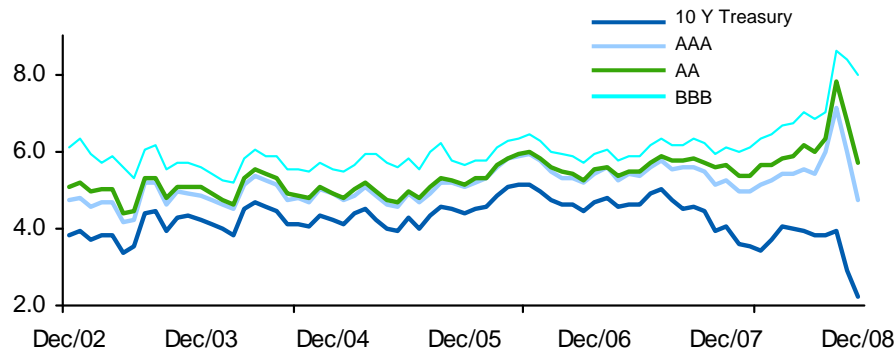


Total US credit market debt/GDP³ (%)



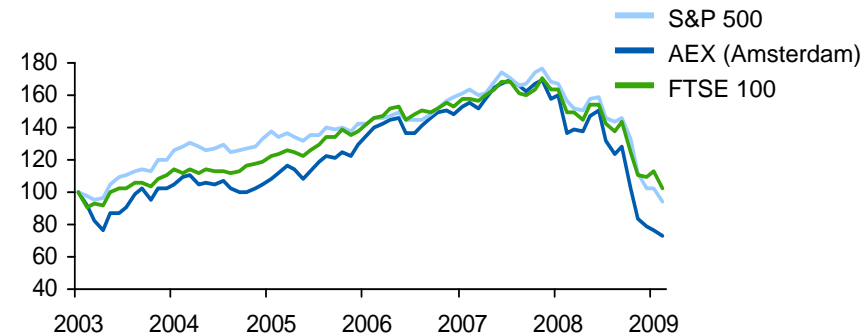
Credit spread gapping²

Average corporate bond yields (%)



Equity markets²

Indexed level (December 31, 2002=100)



1. Source: Consensus Economics Inc. 2008

2. Bloomberg

3. Total US credit market debt measured by the US Federal Reserve includes debt owed by domestic financial services firms, mortgages, corporate debt, federal government debt, small business debt, consumer debt, state and local government debt, and foreign debt

Financial markets

- *Volatility*
- *Illiquidity*
- *Closed capital markets*

Increased cost of capital & less availability of capital

Regulators

- *Focus on capital*
- *Take a more conservative stance*

Fungibility of capital restricted

Customers

- *Demand for guarantees*
- *Trust*

Increase of required capital

Maintaining strong capital buffer remains key





Americas

- Active risk reduction and diversification:
 - Investment risks
 - Optimization of asset and liability management
 - Securitization
 - Reinsurance transactions

United Kingdom

- Transferring risk through reinsurance
- ViF securitization
- Further improvements ALM

Netherlands

- Sale of risky investments

Other countries

- Reinsurance of non-life catastrophic risk

EUR 1.7 billion of capital released in 2008
through capital preservation and de-risking measures

Americas

- Salary freeze
- Staff reductions / deferred hiring: headcount reduction of ~560
- Additional savings at various divisions

Netherlands

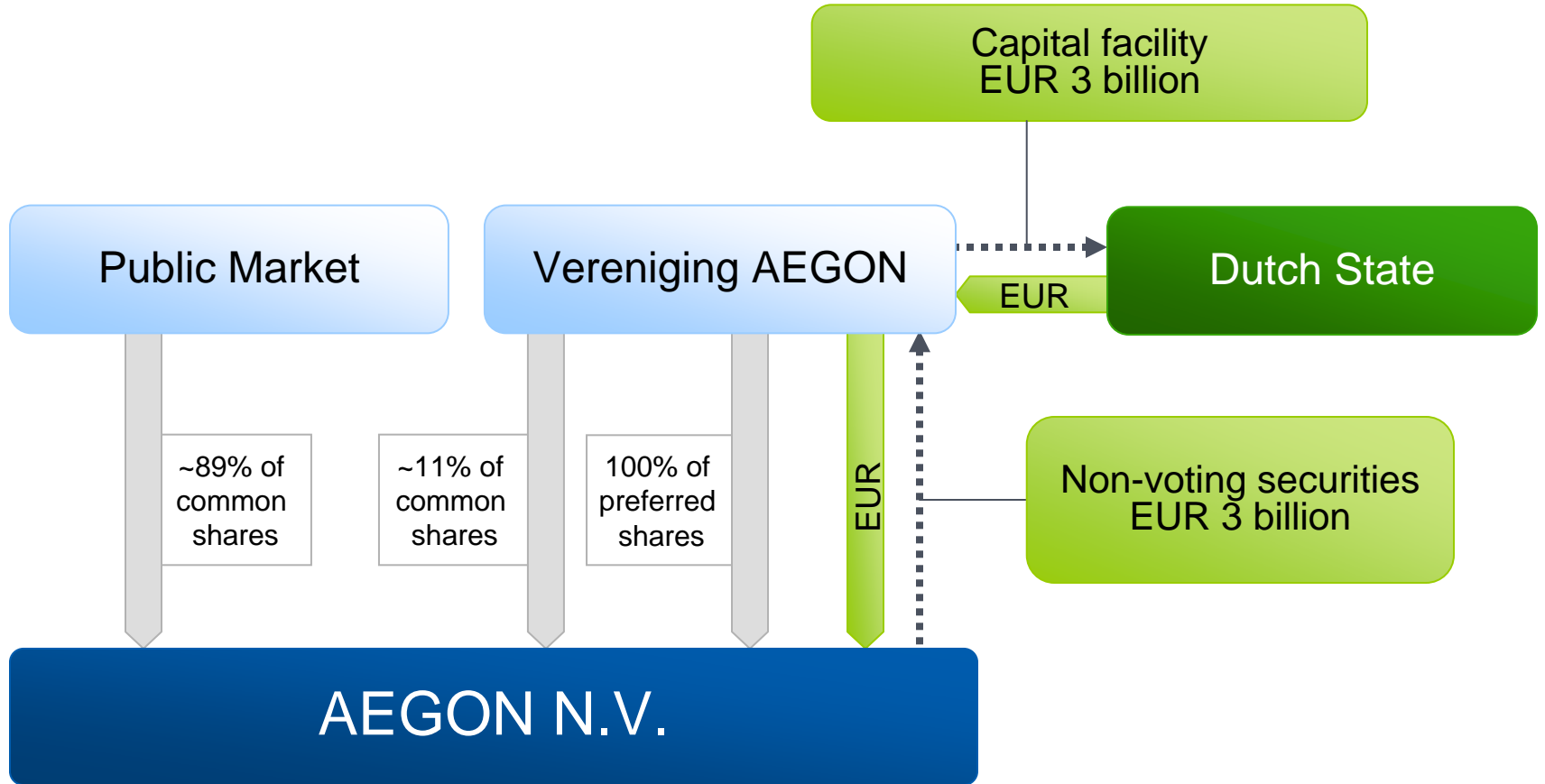
- Return to 2007 cost base
- Restructuring program in the distribution business
- Reduction in number of contract services
- Limited salary increases

United Kingdom

- Operational changes to sourcing and IT
- Reorganization marketing and customer services
- Headcount reduction of ~110
- Limited salary increases
- Savings in distribution

Other countries

- Cost containment but room for growth



- Dutch State representation on AEGON Supervisory Board
 - Two seats granted
 - Formal appointment by Annual General Meeting of Shareholders
 - Membership of Audit, Compensation and Nominating Committees

- State representatives approval required on certain decisions

- AEGON maintains full discretion to determine dividend on common shares

US

- New organizational structure
- Downsizing of institutional spread based balances in the US
- Closing down of car credit insurance
- Merger of broker-dealers

Canada

- Strategic refocus of Canadian business

Netherlands

- Sale of real estate brokerage

Other countries

- Sale of AEGON Taiwan Life Insurance

Measures taken in line with long term strategy

- Enhanced position in pension markets Hungary and Poland
- First step in fast-developing Turkish life insurance and pension market
- Expanded footprint in Latin America with Brazilian life insurance joint venture
- Presence in Spanish bank distribution channel extended
- Continued roll-out across highly developed coastal provinces and new asset management joint venture in China
- Launch of India life insurance and pension business