



# Execution of strategy

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- Long-term attractive industry
- Focused on Life, Pensions and Asset Management
  - strong franchise
  - well capitalized
- Continued execution of strategic priorities

*“To be a global leader in helping customers secure their financial futures”*

- Market leader in all markets we operate in
- Rebalance capital allocation
- Reduce financial markets risks
- Manage AEGON as an international company



*...resulting in **sustainable profitable growth***

# Three strategic long-term priorities to improve performance



1

Reallocate capital towards businesses with higher growth and return prospects

2

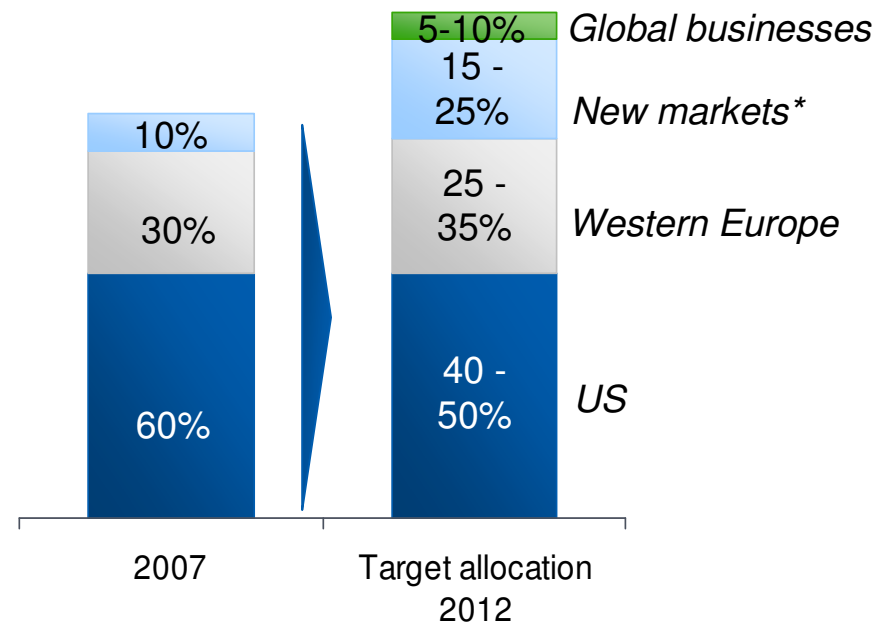
Improve growth and returns from existing businesses

3

Manage AEGON as an international Group

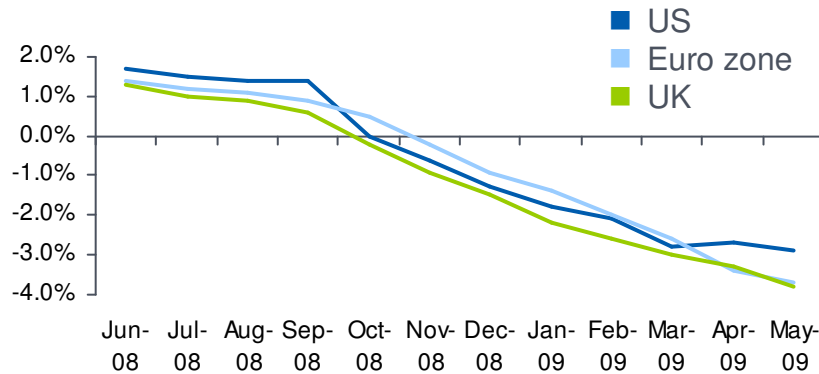
## Geographic mix

Capital allocation

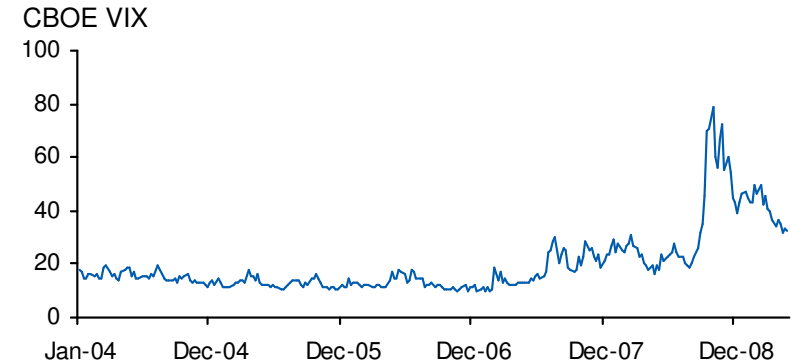


\* New markets = CEE, Asia and Latin America

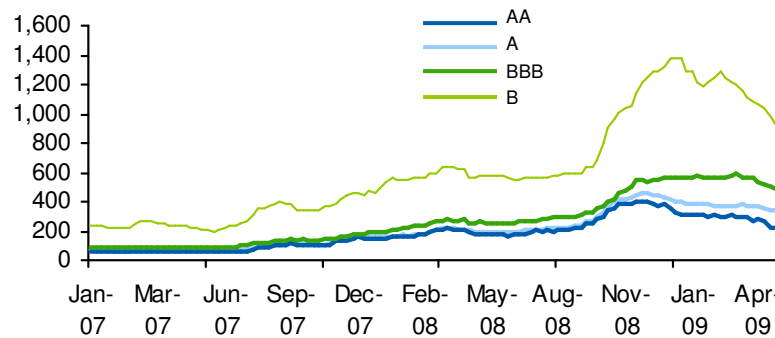
## GDP growth expectations for 2009<sup>1</sup>



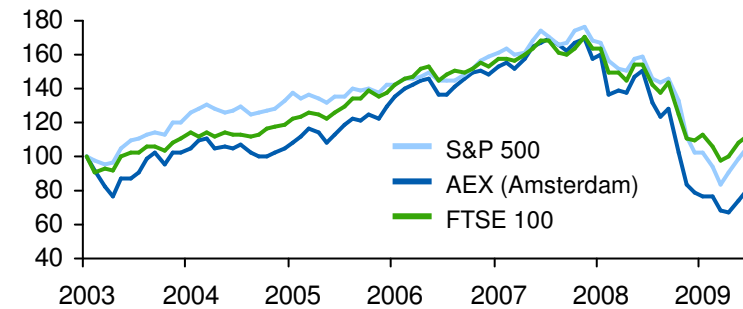
## Implied volatility<sup>2</sup>



## Credit spreads<sup>2</sup>



## Equity markets<sup>2</sup>



1. Source: Consensus Economics Inc. 2008

2. Source: Bloomberg

## Financial markets

- *Volatility*
- *Illiquidity*

Increased cost of capital & less availability of capital

## Regulators

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

Fungibility of capital restricted

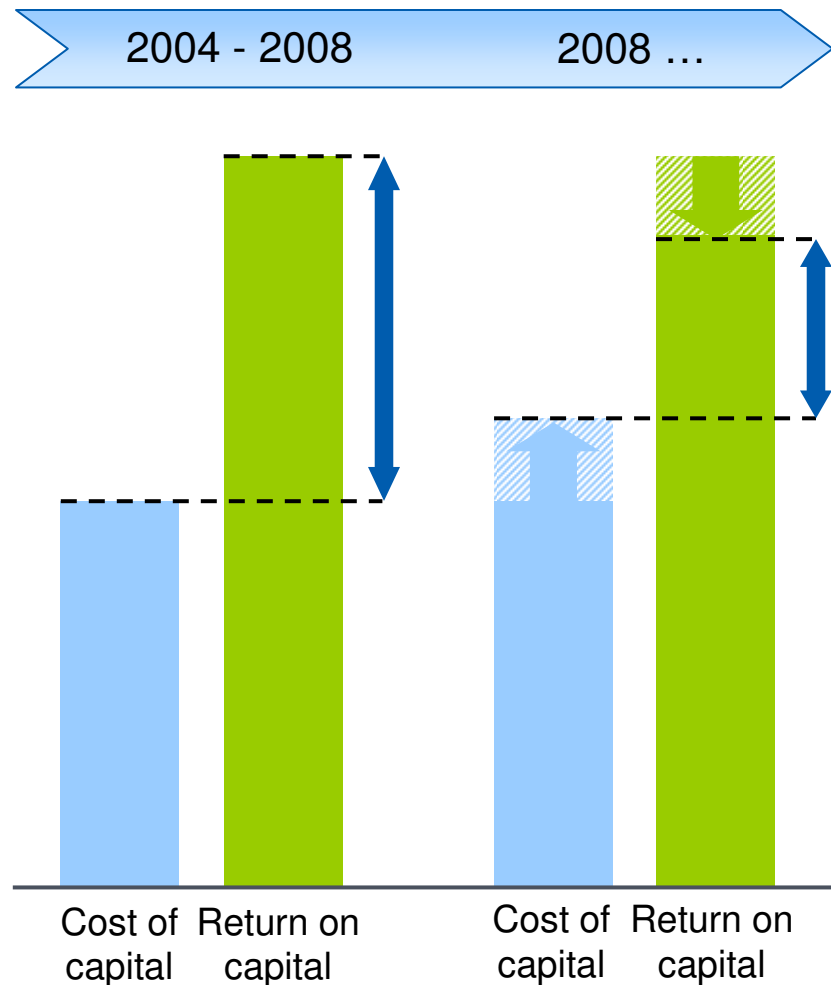
## Customers

- *Demand for guarantees*
- *Trust*

Increase of required capital

Maintaining strong capital buffer remains key





- The cost of capital has increased during the crisis and is expected to remain higher
- Expected returns will be impacted by higher required capital
- Reducing our financial market risk will result in more stable earnings
- More rational pricing is evolving in the industry
- This new environment of lower margins will likely lead to more consolidation within market segments

### Capital

- o EUR 2.6 billion of capital freed-up since 1H08
- o EUR 0.6 billion to be freed-up in the remainder of the year
- o Strong capital position with EUR 2.7 billion in excess capital above AA
- o Able to withstand further market shocks

### Costs

- o EUR 150 million of cost measures in 2009
- o Approximately 1/3 realized in Q1

### Contingency

- o EUR 3 billion of additional core capital secured
- o Aim is to pay back EUR 1 billion before December 2009
- o Contingency plans in place



## 1 Reallocate capital towards businesses with higher growth and return prospects

- o Run-off institutional spread based business
- o Sale of Taiwanese life business
- o Refocus of Canadian business
- o Withdrawal from Group Risk market in the UK
- o Entrance in Turkey and Brazilian life market
- o Joint ventures with saving banks in Spain

## 2 Improve growth and returns from existing businesses

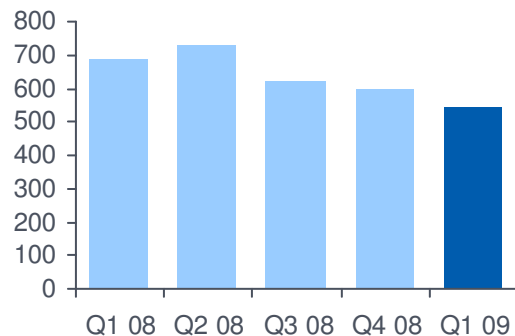
- o Cost savings
- o De-risking
- o Organizational changes
  - o Alignment Americas organization
  - o New senior management in the Netherlands and Canada

## 3 Manage AEGON as an international Group

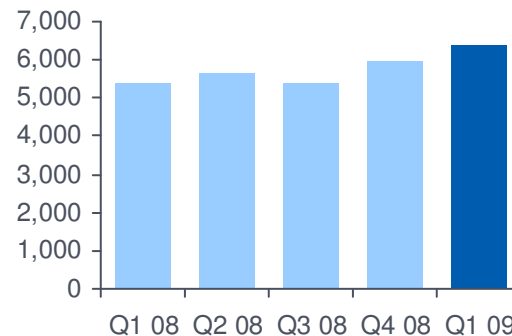
- o Integrated Risk & Capital management
- o One global asset management organization
- o Implementation of European VA strategy
- o Global life reinsurance

- Focus on Life, Pension and Asset Management
- Strong franchise
- Well-positioned in key markets
- Focus on customer service

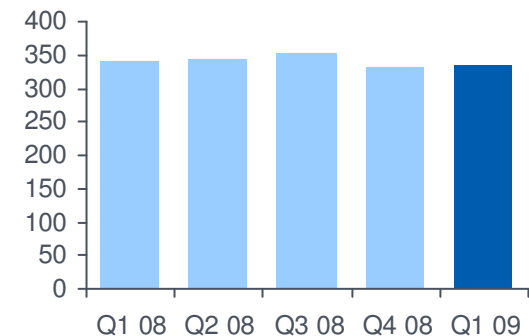
**New life sales**  
(EUR million)



**Gross deposits<sup>1</sup>**  
(EUR million)



**Revenue generating investments** (EUR billion)



Normalized underlying earnings before tax of  
~ EUR 2 billion per year<sup>2</sup>

1) Excl. Institutional guaranteed products

2) At today's market levels

- Refocus business - three main divisions:
  - Life & Protection
  - Individual Savings & Retirement
  - Employer Solutions & Pensions
  
- Expand in Employer Solutions & Pensions
  
- Broaden distribution
  
- Capture synergies



- Increase market share in the SME pension market
- Expand direct distribution
- Change culture:
  - better focus
  - clear accountability
  - service excellence
- Reduce operational expenses



- Targets 2010 delivered ahead of plan
  - Market share of 10%
  - Value of new business margin of 23%
- Drive more value from the in-force portfolio:
  - Retention
  - Cost containment
- Grow scale and returns of new business with focus on:
  - At-retirement
  - Corporate market
  - Advice & Asset Management
- Improve customer service, product & channel innovation and brand awareness

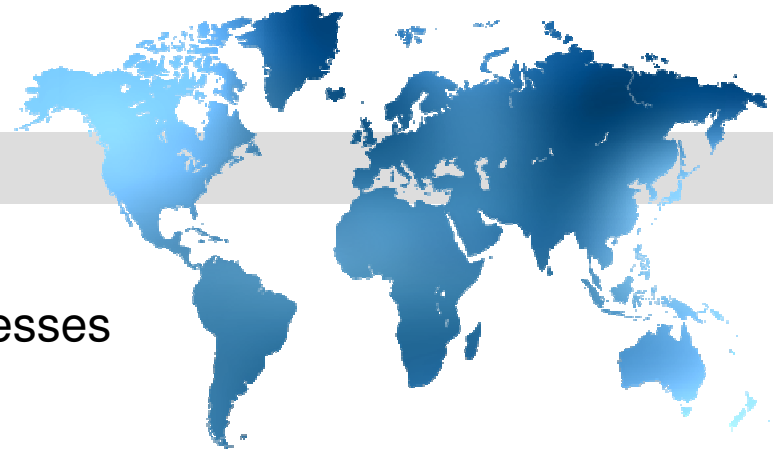


### CEE - grow leadership positions in the region

- o Develop strong tied network and strengthen broker relationships
- o Capture more synergies at regional level
- o Focus on existing markets

### Asia – focused strategy

- o Sold life insurance business in Taiwan
- o Further develop AEGON's existing businesses




### Latin America – grow in existing markets

- o Entered the largest life insurance market in Latin America, Brazil (JV with Mongeral)
- o Focus on Mexico and Brazil

AEGON's long-term strategic priorities remain unchanged, refining long-term strategy



Refining long-term strategy post the crisis		
2008	2H08 - 2009	2010+ 
<b>Strategic long term priorities</b>	<b>Short term priorities</b>	<b>Position AEGON as a global leader</b>
<b>1</b> Reallocate capital to the most attractive businesses	<b>C</b> apital <b>C</b> osts <b>C</b> ontingency	<b>1</b> Reallocate capital to the most attractive businesses <ul style="list-style-type: none"> <li>o No entry into new countries</li> </ul>
<b>2</b> Improve growth and returns		<b>2</b> Improve growth and returns <ul style="list-style-type: none"> <li>o Reduce financial markets risks</li> <li>o Consolidation within market segments</li> </ul>
<b>3</b> Manage AEGON as an international Group		<b>3</b> Manage AEGON as an international Group <ul style="list-style-type: none"> <li>o One global asset management organization</li> </ul>

- Focused on Life, Pensions and Asset Management
  - strong franchise
  - well capitalized
- Executing our strategy

**AEGON well-positioned**





## Q&A

For questions please contact Investor Relations  
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# Cautionary note regarding forward-looking statements

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## Cautionary note regarding forward-looking statements

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- Changes in general economic conditions, particularly in the United States, the Netherlands and the United Kingdom;
- Changes in the performance of financial markets, including emerging markets, such as with regard to:
  - The frequency and severity of defaults by issuers in our fixed income investment portfolios; and
  - The effects of corporate bankruptcies and/or accounting restatements on the financial markets and the resulting decline in the value of equity and debt securities we hold;
- The frequency and severity of insured loss events;
- Changes affecting mortality, morbidity and other factors that may impact the profitability of our insurance products;
- Changes affecting interest rate levels and continuing low or rapidly changing interest rate levels;
- Changes affecting currency exchange rates, in particular the EUR/USD and EUR/GBP exchange rates;
- Increasing levels of competition in the United States, the Netherlands, the United Kingdom and emerging markets;
- Changes in laws and regulations, particularly those affecting our operations, the products we sell, and the attractiveness of certain products to our consumers;
- Regulatory changes relating to the insurance industry in the jurisdictions in which we operate;
- Acts of God, acts of terrorism, acts of war and pandemics;
- Changes in the policies of central banks and/or governments;
- Litigation or regulatory action that could require us to pay significant damages or change the way we do business;
- Customer responsiveness to both new products and distribution channels;
- Competitive, legal, regulatory, or tax changes that affect the distribution cost of or demand for our products;
- Our failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives; and
- The impact our adoption of the International Financial Reporting Standards may have on our reported financial results and financial condition.

Further details of potential risks and uncertainties affecting the company are described in the company's filings with Euronext Amsterdam and the US Securities and Exchange Commission, including the Annual Report on Form 20-F. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, the company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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