Integrated capital & risk management

Michiel van Katwijk, Executive Vice President
Tom Grondin, Chief Risk Officer

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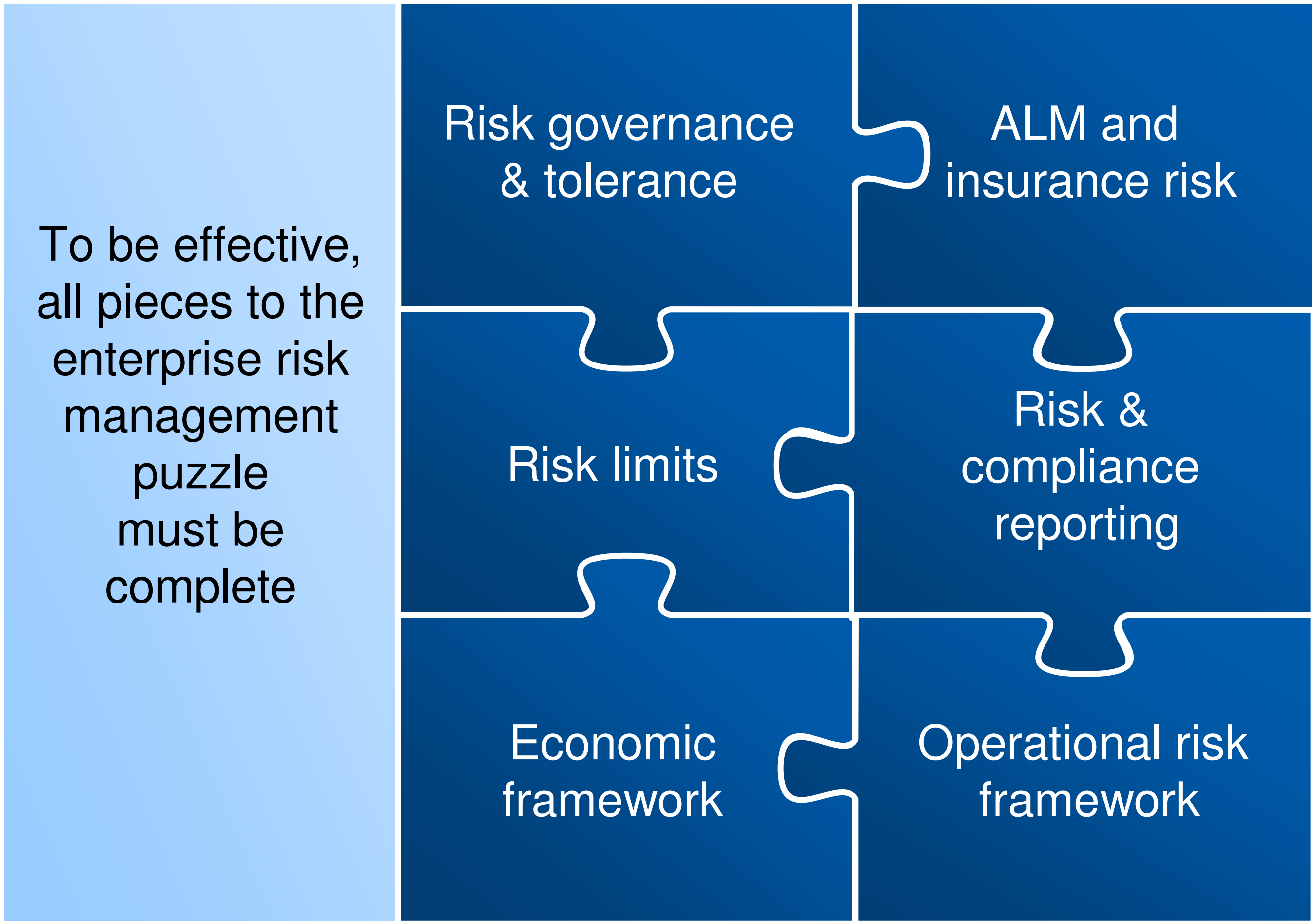
Key messages

- AEGON has very strong liquidity management
- Even in stress scenarios, AEGON is unlikely to be a forced seller of assets into 2010
- About 63% of variable annuity living benefits are hedged

- Strong capital position with significant buffer above AA rating requirements
- Expect to free up EUR 600-800 million of capital in Q4
- Limited impact on earnings from capital efficiency plans


Risk
Capital
INDIAN OCEAN

Enterprise risk management



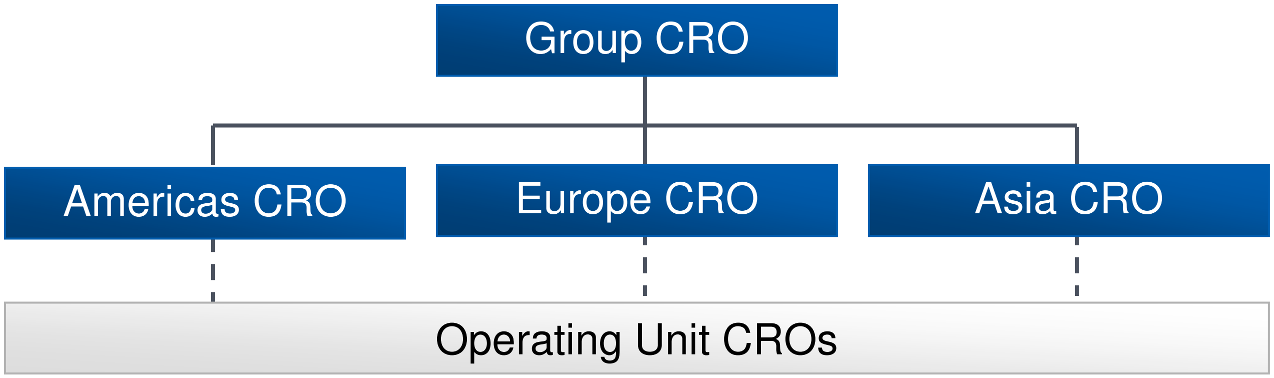
AEGON risk lines of defense

3rd Line	Assurance	Review and Audit
2nd Line	Oversight	Risk Management
1st Line	Business	Components of Business: Marketing, Pricing, Investment, Legal, …

Risks

Process facilitates conscious risk-return decisions and minimizes chances of surprises

Local risk management in a global framework



- It is important that risk management in the operating units is part of the local management team
- Risk management is integrated across the Group to ensure best risk management practices are utilized and a consistent ERM framework is adhered to
- To achieve both objectives, functional lines are in place between group risk and operating unit risk management

Resources

Methodology

Applications & data

Group level risk initiatives

Independence

Liquidity risk management methodology dates back to early 90s

Liquidity stress sources

- Disintermediation
- Downgrade

→ Policyholder behaviour

- Catastrophic claims
- Impaired capital markets
- Capital markets behaviour
- Collateral and encumbered assets

→ **Liquidity scenarios and combinations**

- All liquidity stress scenarios provide valuable input to the building blocks of liquidity risk
- The most severe liability stress scenario (downgrade & disintermediation) and “frozen capital markets” scenario forms the basis of the ultimate liquidity adequacy test for AEGON

Liquidity policy and liquidity stress management plans

Liquidity Policy

- Methodology
- Liquidity limits and reporting requirements
- Sources of liquidity permitted
- Frequency of measurement and monitoring
- Liquidity risk ownership
  - Operational level
  - Oversight responsibility
- Process for violations
- Policy update frequency and approval process

Liquidity Stress Planning

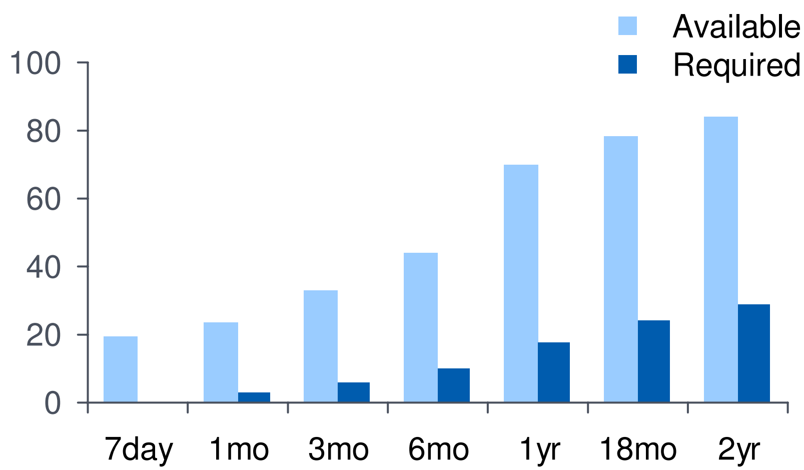
- Requirement under the Liquidity Policy
- Liquidity stress management team clearly identified in advance
- Frequency of assessment increased
- Special reporting requirements
- Communication protocol
  - Liability preservation program
  - Warehousing cash program
- Engagement with senior management

**Even in severe stress scenarios,
AEGON is unlikely to be a forced seller of assets into 2010**

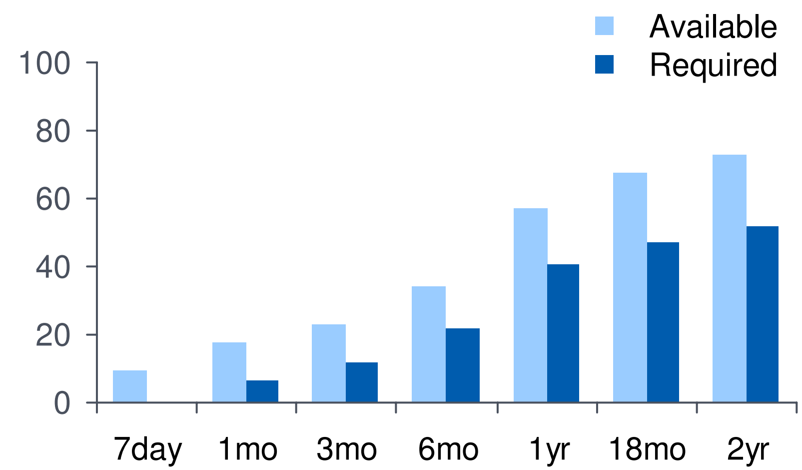
AEGON's liquidity position remains very strong

Normal scenario	Nightmare scenario

Total AEGON liquidity (EUR billion)



Total AEGON liquidity (EUR billion)

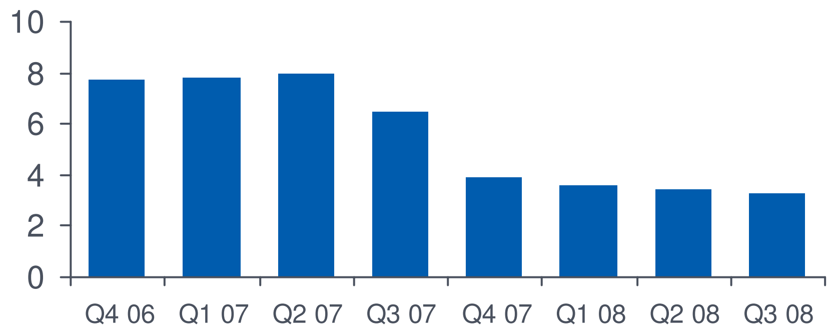


Nightmare assumptions

- Extreme possibility of 'frozen' markets has been anticipated for years
  - Impaired capital markets liquidity test assumes an extended period and normal liquidity only resuming in 2 years
- Immediate and permanent increase in interest rates
- Liabilities are assumed to withdraw at their earliest conceivable date

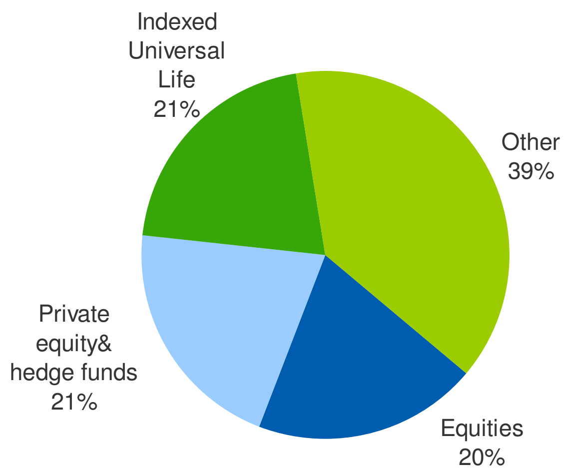
Reduction of direct equity exposure

Shares (EUR billion)



Shares (per September 30, 2008)

EUR 3.3 billion



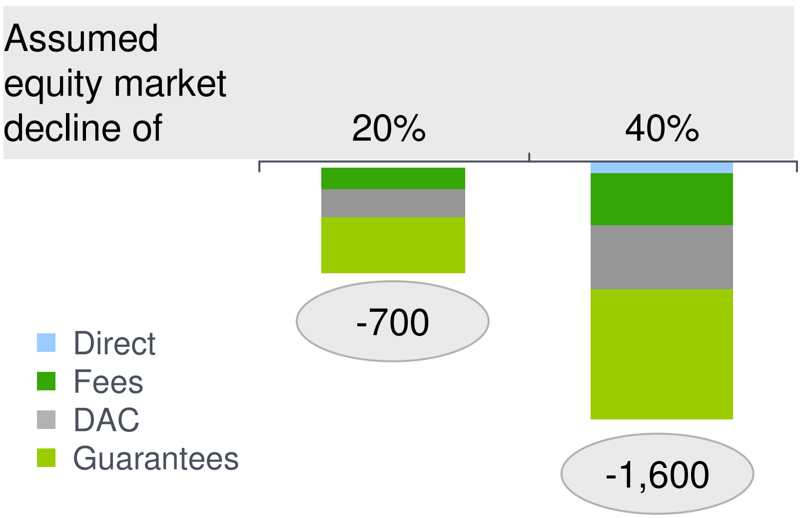
Reduction group wide equity exposure

- Reduced equity exposure in the Netherlands and US before market began to fall in 2007
- Pulled GMIB product from markets in 2003, significantly reducing sales and market share
- Innovated new GMWB products with hedging programs beginning in 2004

Equity market sensitivity increased due to market deterioration

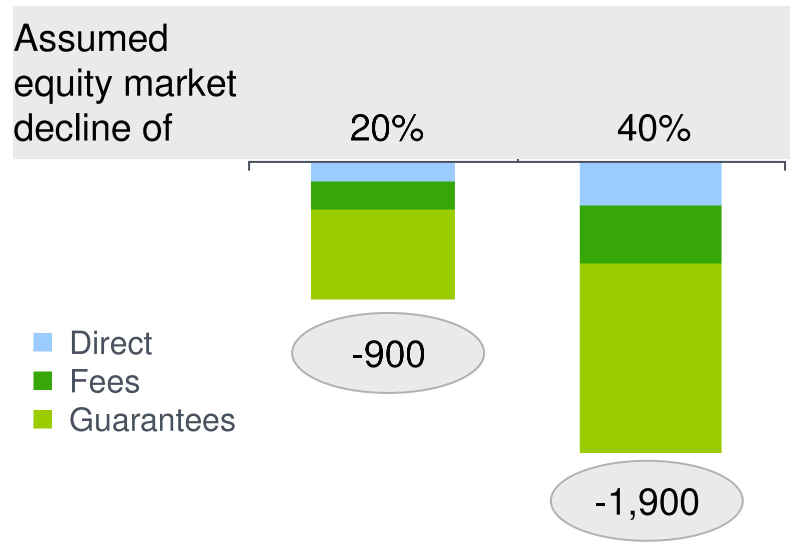
Based on equity markets as of September 30, 2008

Estimated impact on earnings
(12 month period, EUR million)



- Lower fees
- Reserve strengthening for VA guarantees (old book before 2004; new VA is delta hedged)
- DAC unlocking*

Estimated impact on capital
(EUR million)



- Direct exposure
- Reserve strengthening for guarantees
- Impact of first 20% decline can be absorbed by capital preservation actions

* Acceleration of amortization of deferred acquisition costs

Earnings sensitivities

- Equity market shocks are considered immediate
- Only fully operational hedge plans are modelled as an offset
  - Potential hedge ineffectiveness is captured
- Impact on earnings and capital grows as markets deteriorate due to non-linear nature of guarantees
  - If in-the-moneyness continues to deepen, the impact will flatten
- Much of the earnings and capital implications are unrealized implications (DAC, reserve and capital provisioning)
  - Realization of losses will occur over many years and requires policyholders meet certain age or policy duration requirements, guarantees to remain in the money and the policyholder to “take down” the option
- Most DAC implications on earnings would be reversed when markets recover

US variable annuity guarantees

Per September 30, 2008 (USD billion)	Total fund value	Hedged fund value	% of fund value hedged	Net amount at risk	Statutory reserve
Direct - GMIB	9.3	1.2*	13%	2.1	0.5
Direct - GMWB	5.5	5.5	100%	0.8	0.1
Reinsurance	8.7	8.2	94%	0.7	0.3
Total living benefits	*23.5*	*14.9*	*63%*	*3.6*	*0.9*
GMDB	17.3	0.0	-	3.5	0.4
Reinsurance	2.1	0.8	39%	0.6	0.2
Total death benefits	*19.4*	*0.8*	*4%*	*4.1*	*0.6*

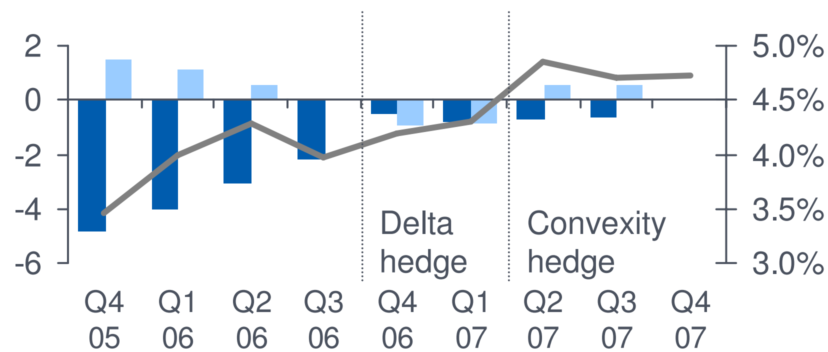
- Approximately 63% of living benefit guarantees currently hedged or reinsured
- GMIB requires policyholder to exercise into life annuity after waiting period
- The NAR is the net amount at risk, which is the sum by individual policy, the difference between fund value and the guarantee value**

* Reinsurance capped at USD 200 million benefit

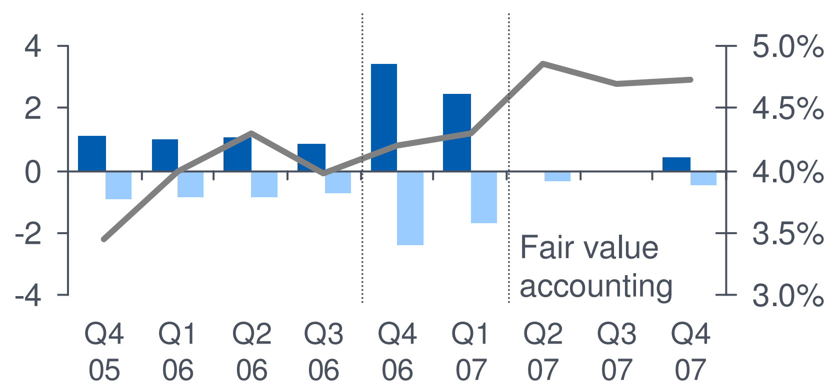
** Before reinsurance and hedging

Reduction of capital intensity: interest rate hedge AEGON NL

Impact on Economic Value (EUR billion)



Impact on Earnings (EUR billion)



- 2% interest rate decrease
- 2% interest rate increase
- 10 year swap

AEGON Netherlands interest rate hedge

- Impact on Economic Value significantly reduced
- Hedging both duration and convexity hedge
- Swaptions are used to hedge reinvestment risk in products with guarantees
- Swaptions reduce exposure to interest rate volatility significantly
- Daily monitoring of the performance of the hedge
- Guarantees accounted at fair value – reducing earnings at risk

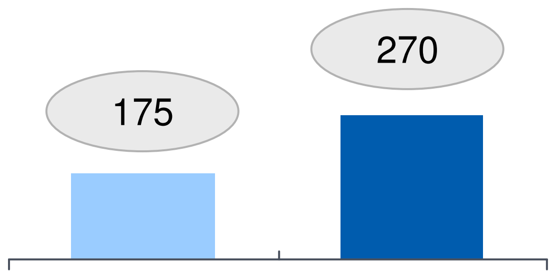
Interest rate sensitivity

AEGON

Based on interest rates as of September 30, 2008

Impact on earnings
(12 month period, EUR million)

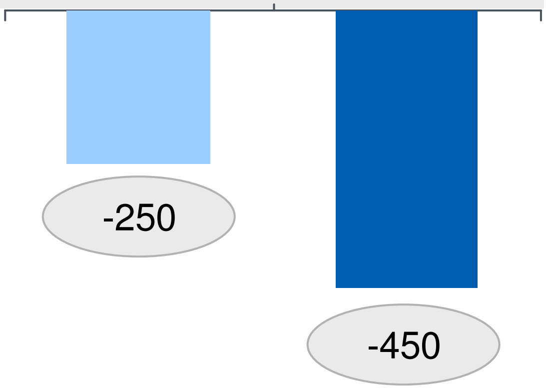
Assumed* interest rate decline of	1%	2%



- Lower funding costs
- Higher capital gains

Impact on capital
(EUR million)

Assumed* interest rate decline of	1%	2%



- Reserve strengthening for guarantees

* Assumes a parallel shift in the yield curve

Risk

Capital

Capital position after drawdown of additional capital

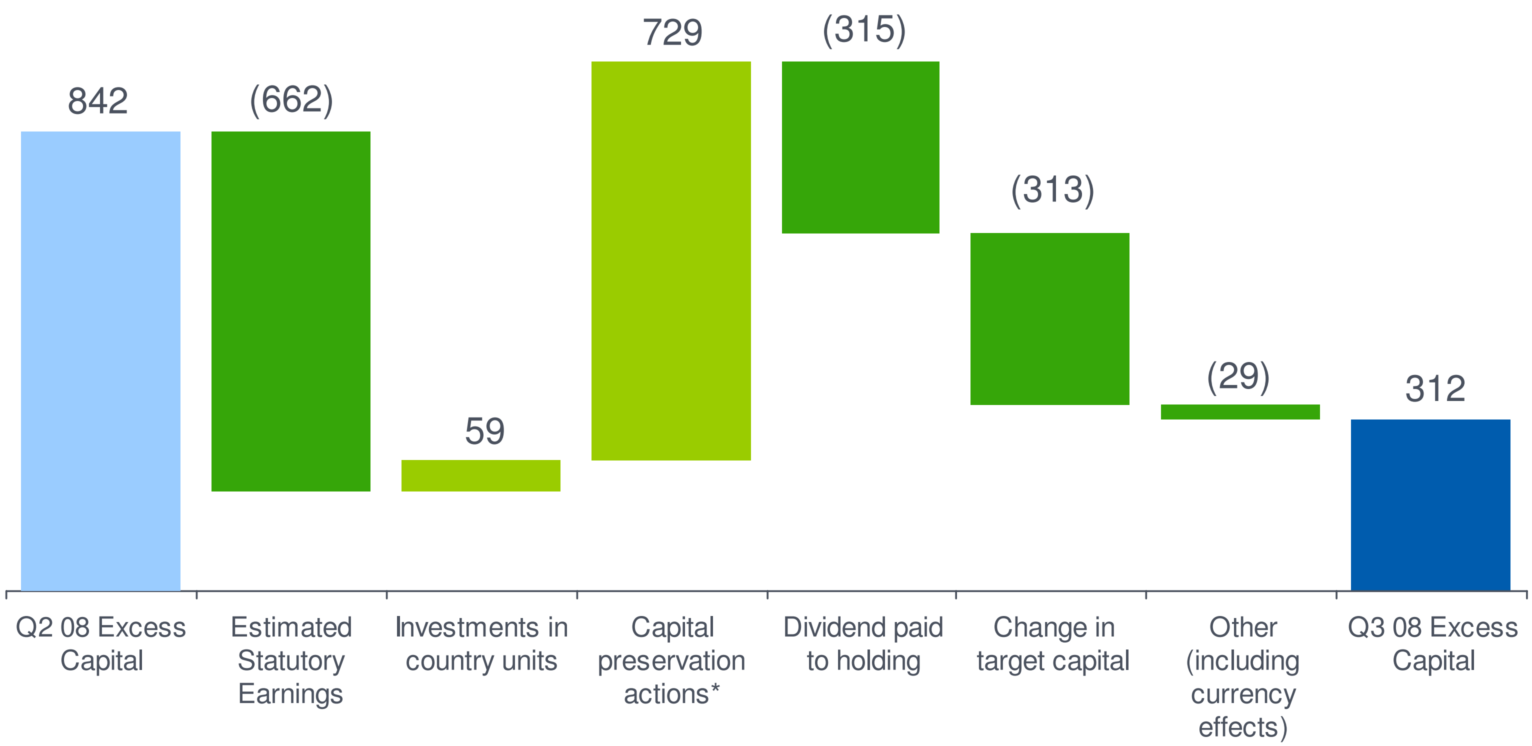
	September 30, 2008	Pro-forma post draw down
Insurance Group Directive (IGD) surplus capital	EUR 5.0 billion (160%)	EUR 8.0 billion (195%)
S&P risk-based insurance capital model excess capital in operating units above AA level	EUR 312 million	EUR 312 million

Capital buffer of EUR 3 billion will be initially held at holding level, therefore not included in excess capital in operating units

- Insurance Group Directive surplus capital includes unrealized losses on bond portfolio
- Excluding unrealized losses IGD ratio would be ~225% and ~260% pro-forma

Excess capital roll-forward

Excess capital in operating units development Q3 2008 (EUR million)



* Capital preservation actions includes UK ViF securitization and hedging

Ongoing acceleration of de-risking and capital release

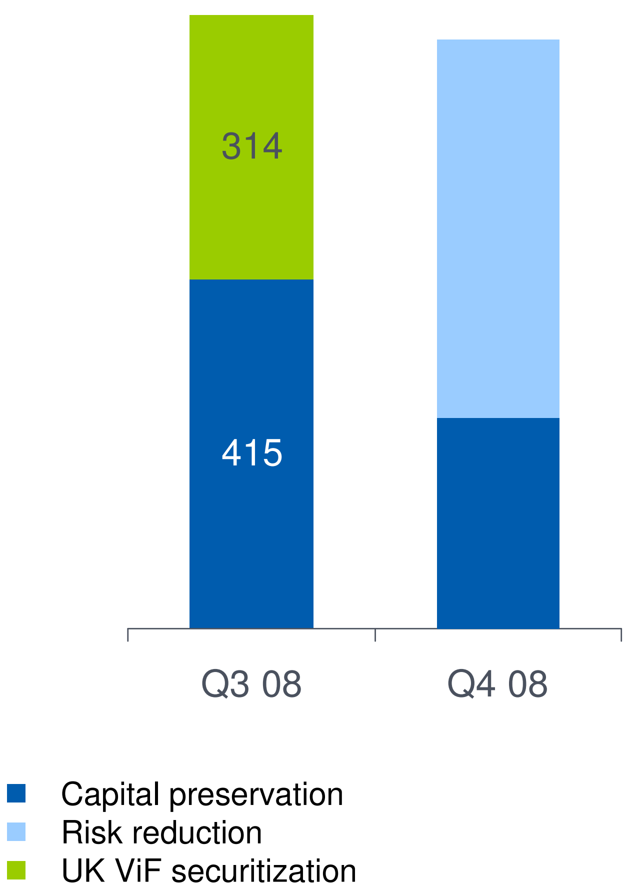
Complete execution on identified capital preservation and risk mitigation actions of EUR 600 - 800 million in Q4, including:

- Lowering investment risk
  - New money
  - Existing portfolio
- Risk transfer through reinsurance
  - Fixed annuities
  - Non-life catastrophic risk
- Securitizations

Capital preservation and risk mitigation actions important to enhance capital buffer

Capital preservation and risk mitigation

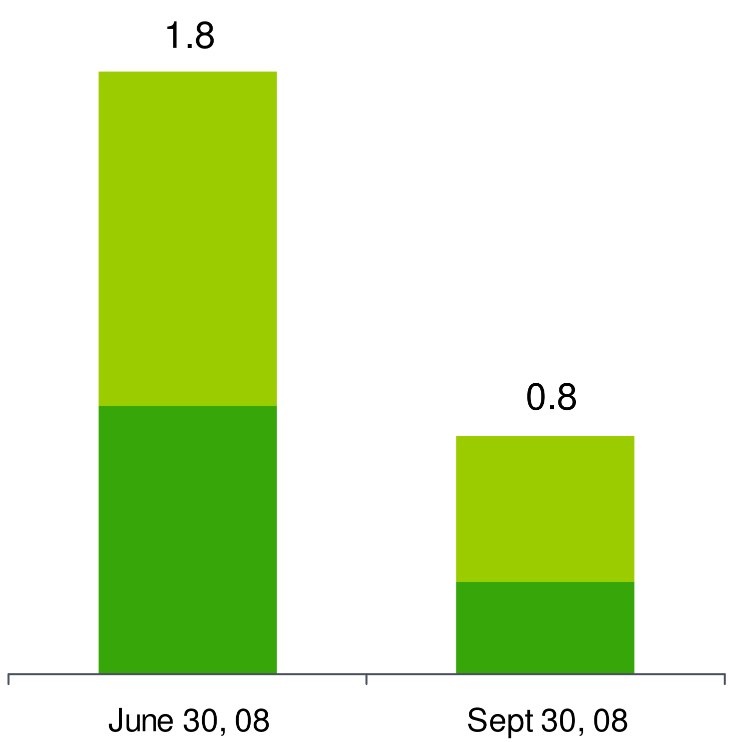
Capital preservation and risk mitigation
(EUR million)



- About EUR 1.5 billion of capital initiatives will be completed in 2008
- No expected earnings impact from executed capital efficiency plans
- Limited impact on earnings from de-risking plans
  - Q3 close to zero impact
  - Q4 about EUR 40 million annual impact
  - Earnings impact is temporary since we can reverse the de-risking at any time

Financial flexibility

Financial flexibility (EUR billion)



- Additional leverage capital
- Excess capital in operating units: *available capital -/- required capital for AA-rating*

(EUR million)		
Shareholders' equity	9,412	
Revaluation reserve	5,458	
Shareholders' equity excl. revaluation reserve		14,870

Group equity	19,232	
Capital leverage	1,568	
Total capital base		20,800

Target is minimum 70% of total capital base in shareholders' equity

Shareholders' equity excl. revaluation reserve	*14,870*	
Maximum capital base allowed	21,244	
Actual capital base	*20,800*	
Additional leverage capacity		444
Excess capital in operating units		312
Financial flexibility		756

Conclusions

- AEGON has very strong liquidity management
- Even in stress scenarios, AEGON is unlikely to be a forced seller of assets into 2010
- About 63% of variable annuity living benefits are hedged

- Strong capital position with significant buffer above AA rating requirements
- Expect to free up EUR 600-800 million of capital in Q4
- Limited impact on earnings from capital efficiency plans

Q&A

For questions please contact Investor Relations
+31 70 344 8305

ir@aegon.com

P.O. Box 85
2501 CB The Hague
The Netherlands

Cautionary note regarding forward-looking statements

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The statements contained in this presentation that are not historical facts are forward-looking statements as defined in the US Private Securities Litigation Reform Act of 1995. The following are words that identify such forward-looking statements: believe, estimate, target, intend, may, expect, anticipate, predict, project, counting on, plan, continue, want, forecast, should, would, is confident, will, and similar expressions as they relate to our company. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. We undertake no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which merely reflect company expectations at the time of writing. Actual results may differ materially from expectations conveyed in forward-looking statements due to changes caused by various risks and uncertainties. Such risks and uncertainties include but are not limited to the following:

- 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.

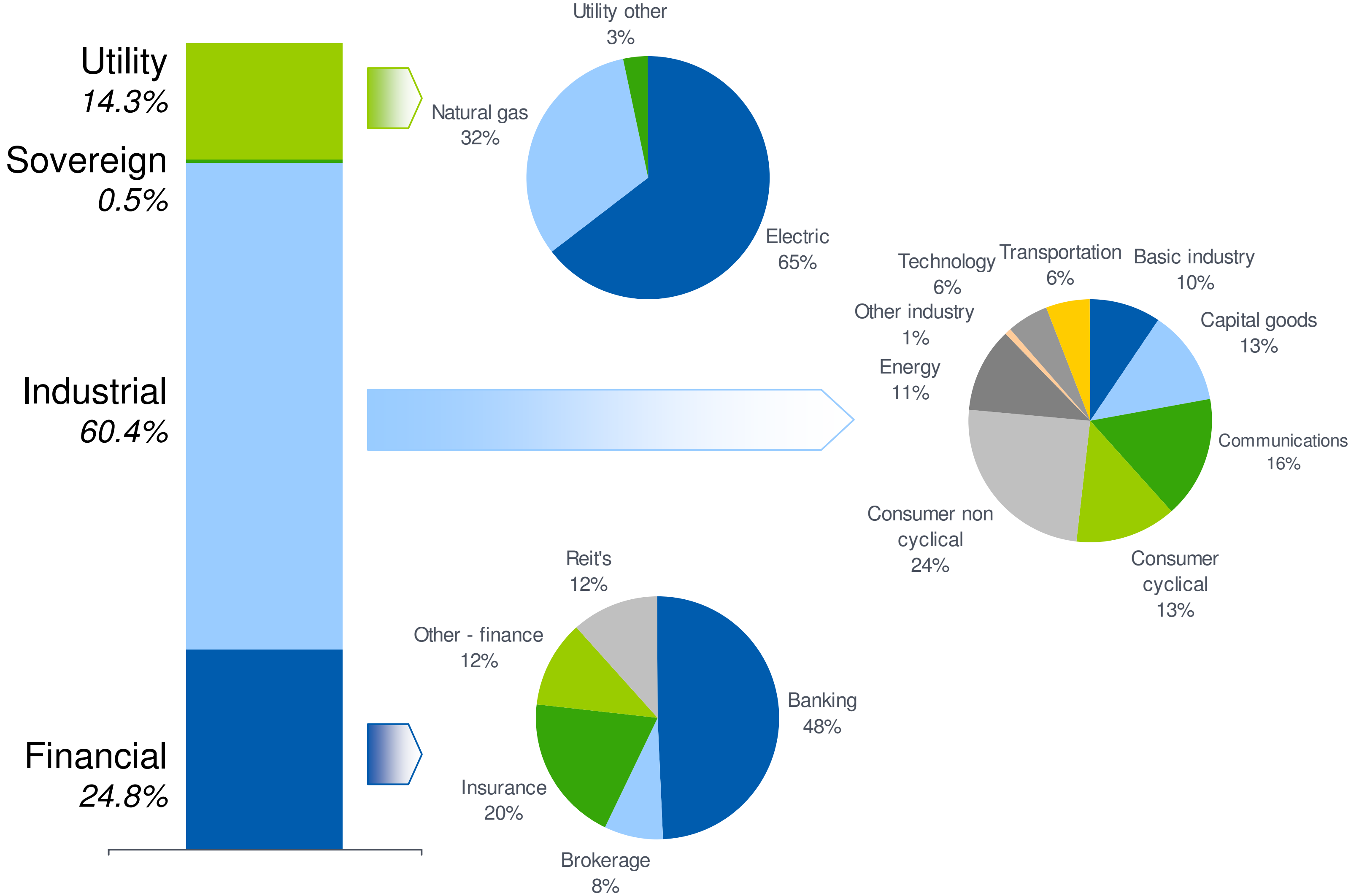
Cautionary note regarding Regulation G (non-GAAP measure)

This presentation includes non-GAAP financial measures: net underlying earnings, operating earnings before tax, value of new business and embedded value. Value of new business and embedded value are not based on IFRS, which are used to prepare and report AEGON's financial statements and should not be viewed as a substitute for IFRS financial measures. AEGON believes the non-GAAP measures shown herein, together with GAAP information, provides a meaningful measure for the investment community to evaluate AEGON's business relative to the businesses of our peers.

Appendix

Corporate bonds breakdown AEGON USA

Total corporate bonds USD 54 billion (per September 30, 2008)



AEGON USA CMBS portfolio

Capital Structure Classification	Vintage Year ($ in millions by Amortized Cost)							
CMBS -- Total Exposure	2008	2007	2006	2005	Pre-2005	Amortized Cost	Fair Value	Unrealized Gain/(Loss)
AAA	$390	$1,959	$1,877	$847	$2,377	$7,449	$6,872	($577)
AA	-	114	220	121	380	835	681	(154)
A	43	67	40	12	119	280	231	(49)
BBB	-	61	59	13	42	174	137	(37)
BIG	-	16	6	-	-	22	20	(2)
Total	433	2,216	2,202	993	2,917	8,760	7,941	(819)

Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008

AEGON USA CMBS portfolio detail – conduit deals

Capital Structure Classification — Vintage Year ($ in millions by Amortized Cost)

CMBS -- Conduit Deals	2008	2007	2006	2005	Pre-2005	Amortized Cost	Fair Value	Unrealized Gain/(Loss)
AAA - Senior *	$366	$1,377	$1,308	$620	$1,950	$5,621	$5,263	($358)
AAA - Mezzanine	-	252	298	46	-	596	479	(118)
AAA - Junior	-	34	12	36	-	81	59	(22)
AA	-	77	79	97	276	529	423	(106)
A	-	25	6	12	52	95	71	(24)
BBB	-	5	7	8	13	33	17	(16)
BIG	-	-	-	-	-	-	-	-
Total	366	1,769	1,710	820	2,291	6,956	6,311	(644)

Capital Structure Classification — Vintage Year (Current Credit Enhancement %)

CMBS -- Conduit Deals	2008	2007	2006	2005	Pre-2005	Weighted Average C/E
AAA - Senior *	29.8	28.8	30.0	27.4	24.5	27.5
AAA - Mezzanine		19.9	20.4	19.3		20.1
AAA - Junior		12.8	12.2	13.9		13.2
AA		10.9	11.1	10.5	13.0	12.0
A		7.7	7.2	7.4	9.5	8.6
BBB		4.7	4.6	5.2	5.0	4.9
BIG						-
Weighted Average C/E	29.8	26.1	27.1	23.8	22.7	25.1

*All Pre-2005 AAA's are classified as 'AAA - Senior'. This was prior to the market convention of Credit Enhanced tiering within AAA's, which started in 2005.

Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008

AEGON USA CMBS portfolio detail – single-borrower deals

Capital Structure Classification	Vintage Year ($ in millions by Amortized Cost)							
CMBS -- Single-Borrower Deals	**2008**	**2007**	**2006**	**2005**	**Pre-2005**	**Amortized Cost**	**Fair Value**	**Unrealized Gain/(Loss)**
AAA	$24	$124	$49	$49	$224	$470	$451	($20)
AA	-	22	107	-	37	166	143	(23)
A	43	29	29	-	28	129	118	(10)
BBB	-	56	52	5	4	116	96	(20)
BIG	-	16	6	-	-	22	20	(2)
Total	67	247	243	54	293	903	828	(75)

Capital Structure Classification	Vintage Year (Loan-to-Value %)					
CMBS -- Single-Borrower Deals	**2008**	**2007**	**2006**	**2005**	**Pre-2005**	**Weighted Average LTV**
AAA	21.7	18.8	21.4	12.9	22.7	20.5
AA		33.0	43.5		50.0	43.5
A	25.0	35.8	46.1		52.0	38.0
BBB		36.1	53.2	70.2	55.6	45.8
BIG		42.7	42.0			42.5
Weighted Average LTV	23.8	27.5	41.4	17.7	29.4	31.0

*Loan-to-value % is based on appraised value at origination
Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008

AEGON USA CMBS portfolio detail – large loan deals

Capital Structure Classification	Vintage Year ($ in millions by Amortized Cost)							
CMBS -- Large Loan Deals	2008	2007	2006	2005	Pre-2005	Amortized Cost	Fair Value	Unrealized Gain/(Loss)
AAA - Senior *	-	$100	$70	$1	$74	$245	$231	($13)
AAA - Mezzanine	-	2	77	65	-	144	133	(11)
AAA - Junior	-	10	8	29	-	47	43	(3)
AA	-	15	34	25	6	80	71	(10)
A	-	13	5	-	-	18	15	(3)
BBB	-	-	-	-	-	-	-	-
BIG	-	-	-	-	-	-	-	-
Total	-	140	194	119	80	533	492	(41)

Capital Structure Classification	Vintage Year (Current Credit Enhancement %)					
CMBS -- Large Loan Deals	2008	2007	2006	2005	Pre-2005	Weighted Average C/E
AAA - Senior *		46.6	59.5	49.3	42.7	49.2
AAA - Mezzanine		23.5	25.6	42.0		32.9
AAA - Junior		20.0	30.8	35.5		31.4
AA		16.0	17.3	22.9	32.6	20.0
A		15.3	20.7			16.8
BBB						-
BIG						-
Weighted Average C/E	-	38.2	36.4	36.5	41.9	37.8

*All Pre-2005 AAA's are classified as 'AAA - Senior'. This was prior to the market convention of Credit Enhanced tiering within AAA's, which started in 2005.

Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008

AEGON USA CMBS portfolio detail – CRE CDO deals

Capital Structure Classification	Vintage Year ($ in millions by Amortized Cost)							
CMBS -- CRE CDO Deals	2008	2007	2006	2005	Pre-2005	Amortized Cost	Fair Value	Unrealized Gain/(Loss)
AAA - Senior *	-	$41	$19	-	$70	$130	$106	($24)
AAA - Mezzanine	-	5	-	-	-	5	2	(3)
AAA - Junior	-	-	15	-	-	15	7	(8)
AA	-	-	-	-	60	60	44	(16)
A	-	-	-	-	38	38	27	(11)
BBB	-	-	-	-	25	25	24	(0)
BIG	-	-	-	-	-	-	-	-
Total	-	47	34	-	193	274	210	(63)

Capital Structure Classification	Vintage Year (Current Credit Enhancement %)					
CMBS -- CRE CDO Deals	2008	2007	2006	2005	Pre-2005	Weighted Average C/E
AAA - Senior *		51.6	31.5		68.5	57.8
AAA - Mezzanine		24.0				24.0
AAA - Junior			18.3			18.3
AA					36.8	36.8
A					49.1	49.1
BBB					18.0	18.0
BIG						-
Weighted Average C/E	-	48.5	25.6	-	48.3	45.6

*All Pre-2005 AAA's are classified as 'AAA - Senior'. This was prior to the market convention of Credit Enhanced tiering within AAA's, which started in 2005.

Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008

AEGON USA CMBS portfolio detail – other deals

Capital Structure Classification	Vintage Year ($ in millions by Amortized Cost)							
CMBS -- Other	2008	2007	2006	2005	Pre-2005	Amortized Cost	Fair Value	Unrealized Gain/(Loss)
Gov't Guaranteed / Agency	-	$14	$22	-	$59	$94	$98	$4

Amortized Cost data based on ratings hierarchy of S&P, Moody's, Fitch, Internal, NAIC as of 9/30/2008