



Weathering the global financial crisis

Alex Wynaendts – CEO

Merrill Lynch Conference, London, October 2008

- AEGON well positioned to withstand global financial crisis
- Capital position enhanced by actively reducing risk
- Focus on maximizing return on capital
- Executing the right strategy



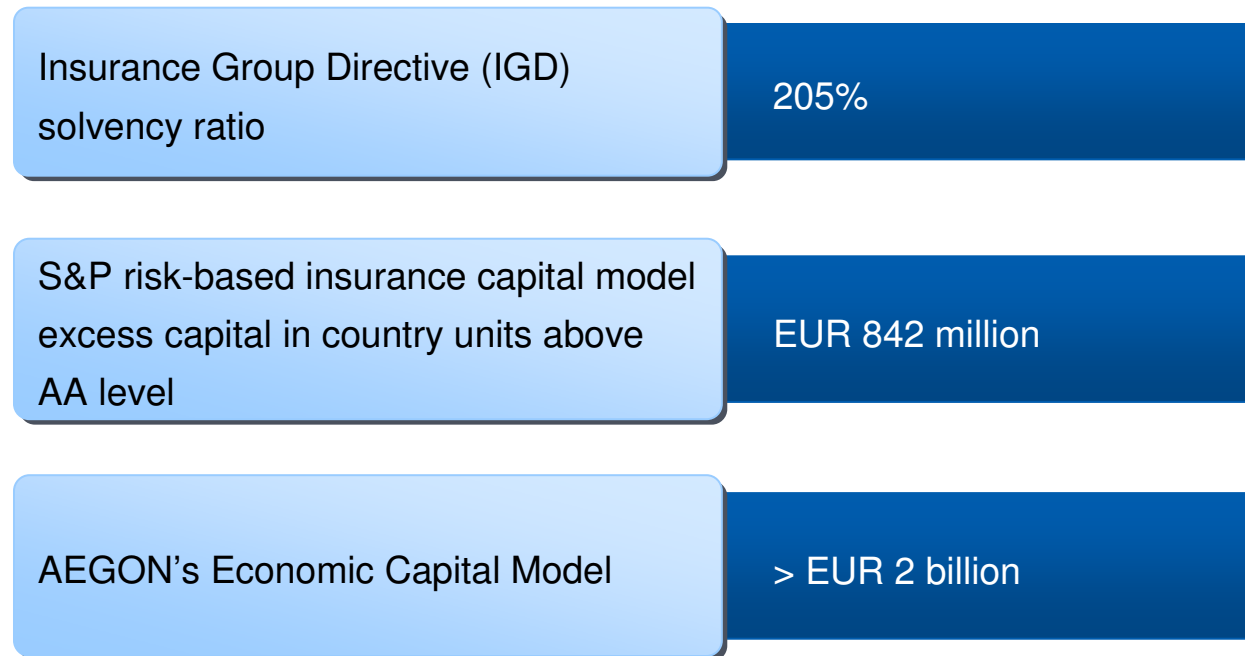
- Significant risk reductions implemented
 - Limited direct equity exposure
 - Interest rate risks lowered
 - Guarantees on products lowered
 - Hedging of guarantees
 - Asset and liability matching

- Disciplined liquidity management

- Strong global risk management organization

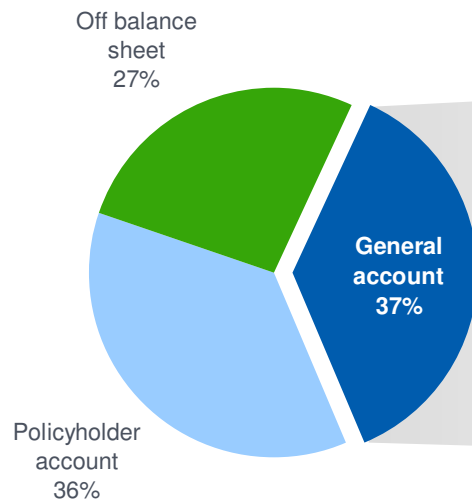
- Hedged USD cash flows to holding company
 - Remainder of 2008 and 2009
 - Putting a floor at present levels
 - Full impact of USD strengthening

Capital position as of June 30, 2008



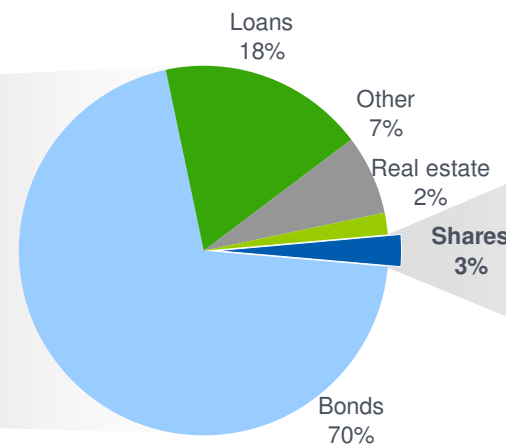
Total investments

EUR 344 billion



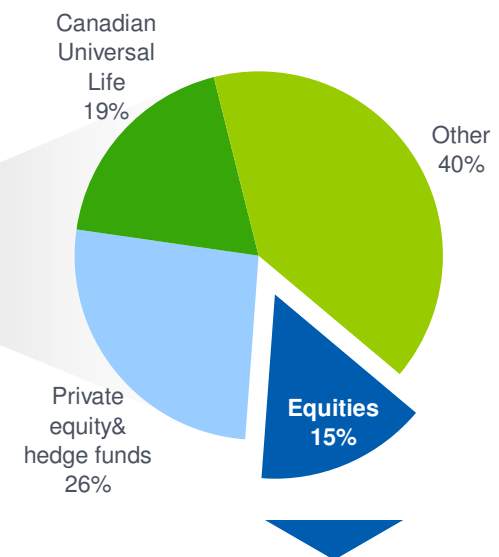
General account

EUR 127 billion



Shares

EUR 3.5 billion



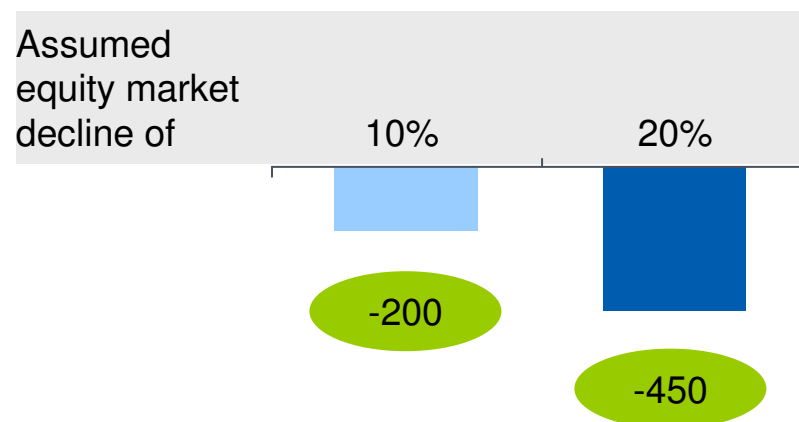
Direct equity exposure limited to EUR 0.5 billion

As of 30 June 2008

Based on equity markets as of June 30, 2008

Impact on earnings

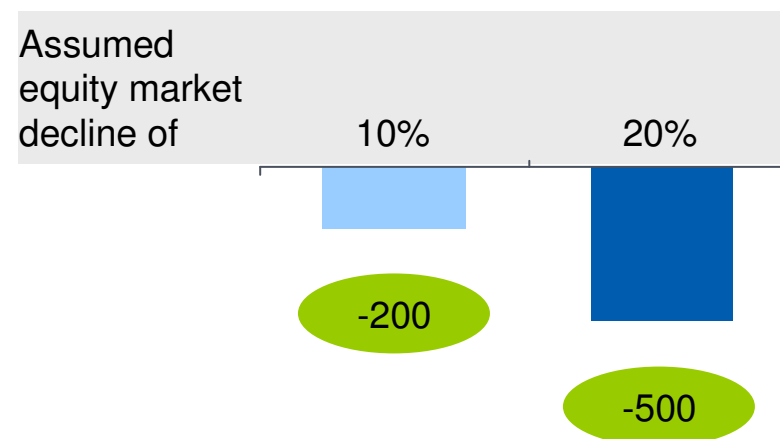
(12 month period, EUR million)



- Lower fees
- Reserve strengthening for guarantees
- DAC unlocking* (only for 20% decline)

Impact on capital

(EUR million)

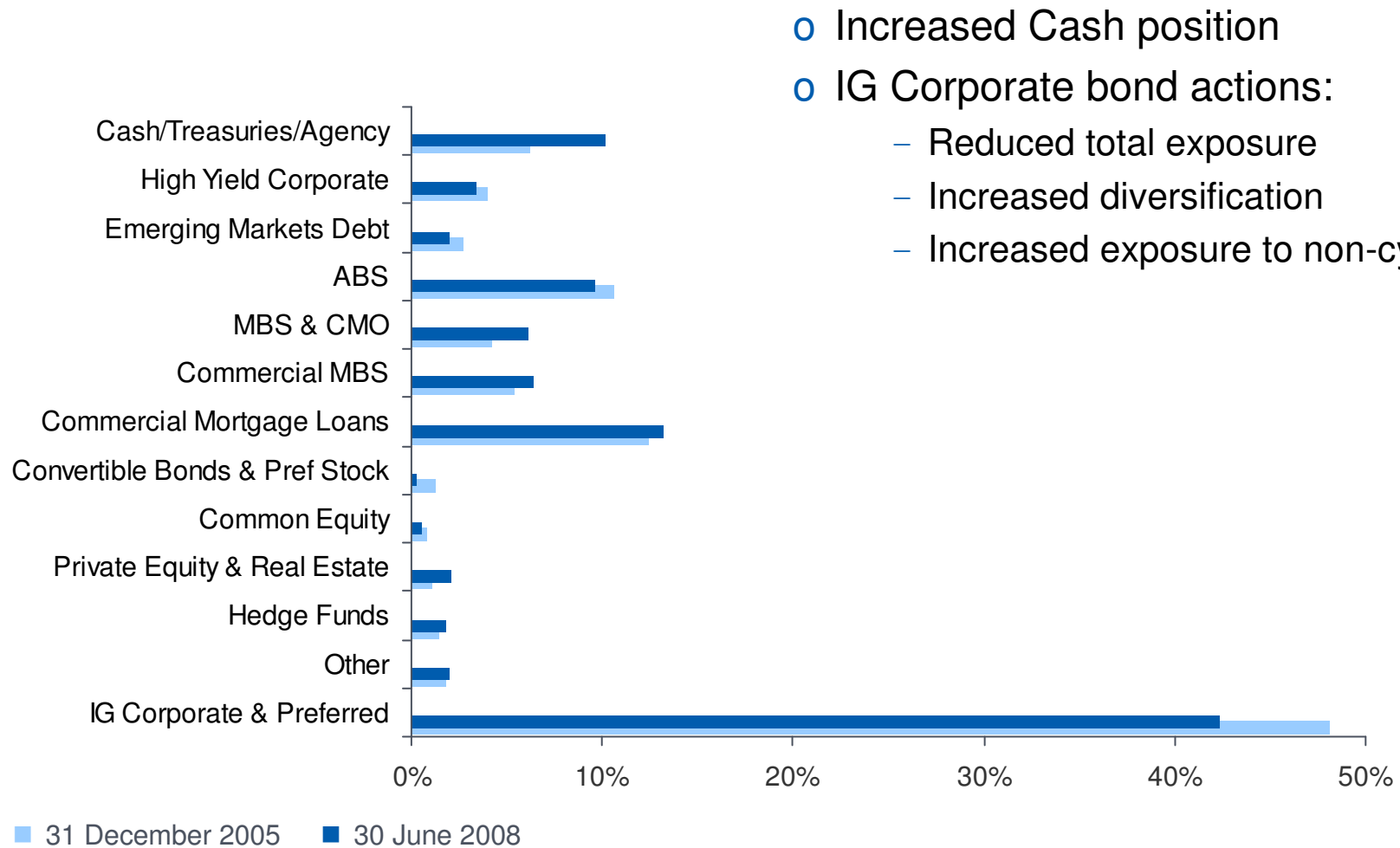


- Direct exposure
- Reserve strengthening for guarantees

* Acceleration of amortization of deferred acquisition costs

Shifts in US investment portfolio

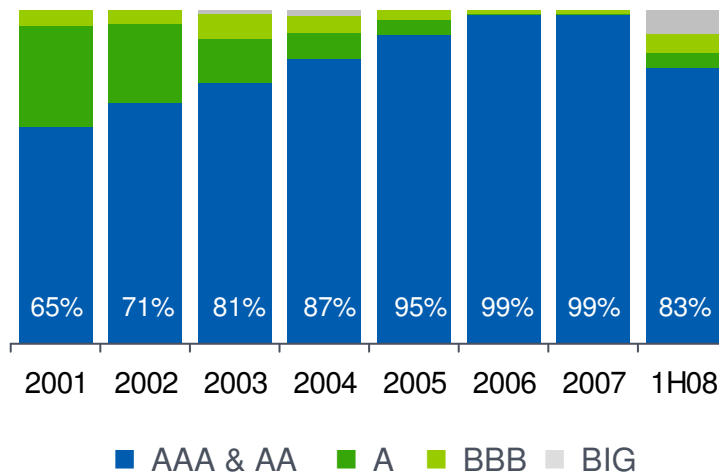
EUR 78.7 billion as per June 30, 2008



- Increased Cash position
- IG Corporate bond actions:
 - Reduced total exposure
 - Increased diversification
 - Increased exposure to non-cyclical

Subprime in US investment portfolio

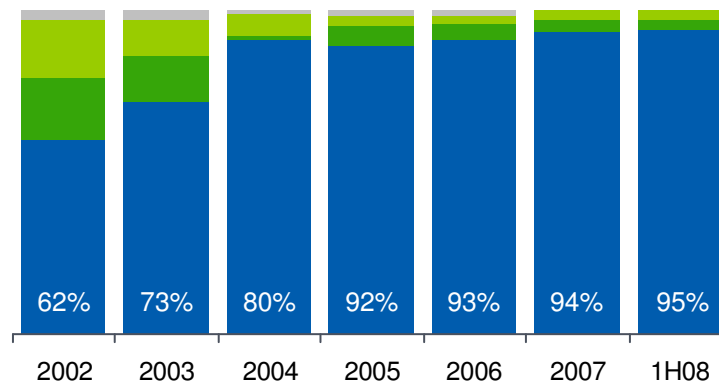
EUR 2.5 billion as per June 30, 2008



- Increased quality
- Limited impairments
- Subprime CDOs of EUR 13 million

CMBS in US investment portfolio

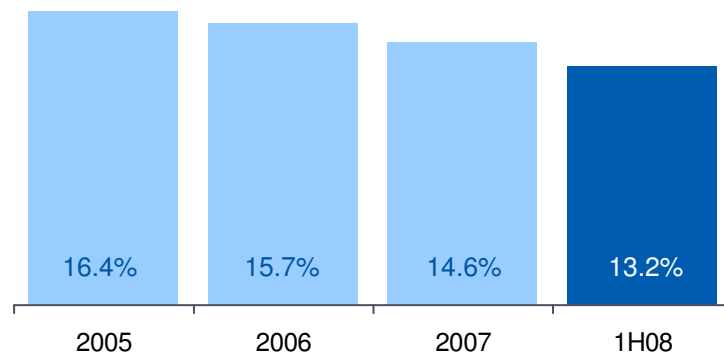
EUR 5.1 billion as per June 30, 2008



- Increased quality
- No impairments

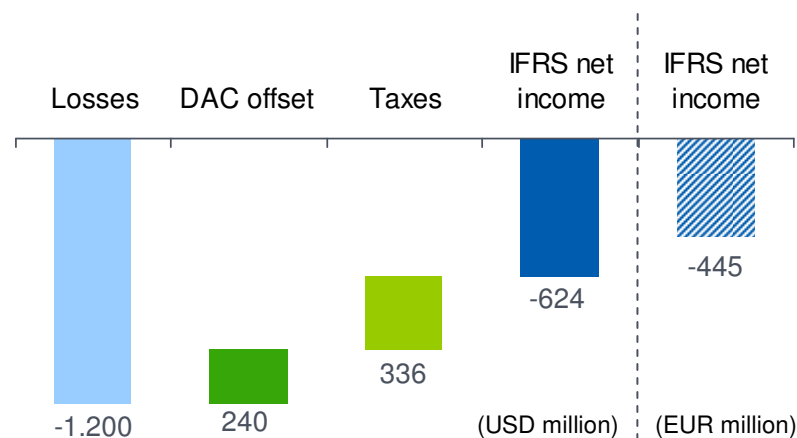
Financials as % of general account assets in US investment portfolio

EUR 9.9 billion as per June 30, 2008

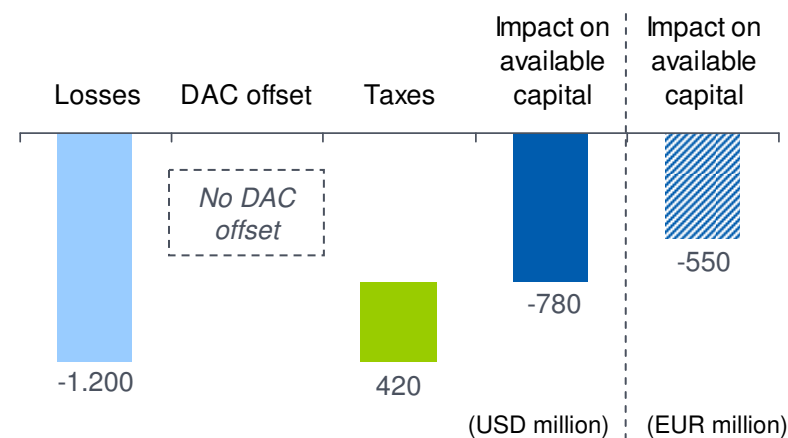


- Actively reduced financial sector exposure, esp. in 2007 and 2008
- 20% reduction of stakes in financials in 1H08
- USD 3.6 billion of gross sales, with a net reduction of sector exposure of USD 2.8 billion

Impact on IFRS net income



Impact on available capital



Example:

- 100 bps of losses on USD 120 billion of assets*
- 20% DAC offset (possible range 0% – 60%, depending on business line)
- 35% tax offset (depending on geography)

Impairment policy:

- Almost all fixed income instruments are held as available-for-sale securities and as such are only impaired through IFRS earnings if
 - we do not have the ability to hold, or
 - we decide to sell them, or
 - we expect to receive less than full principal and interest
- This differs from US GAAP

* includes bonds and mortgages of US fixed income portfolio

Attractive prospects for life insurance and pension companies:

- Fundamental demographic and economic changes
... generating new customers and new needs...
... driving demand for financial solutions
- Opportunities arising from current market conditions

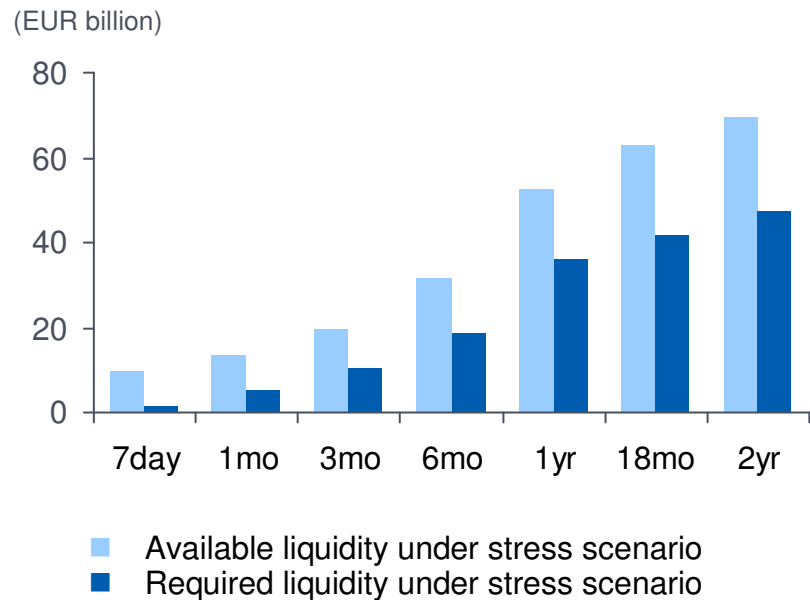


- o AEGON has a sound business model
- o Our business is to attract long term liabilities and invest in long term assets
 - Assets and liabilities matched
 - Long dated illiquid liabilities



Liquidity management

Stress scenario



This stress scenario assumes:

- severely impaired capital markets liquidity;
- a 3% immediate and permanent increase in interest rates;
- liabilities are assumed to withdraw at their earliest conceivable date.

Assumptions:

- Extreme possibility of 'frozen' markets for years anticipated
- Impaired capital markets liquidity test assumes an extended period and normal liquidity only resuming in 2 years



Results:

- Our liquidity position remains very strong even ignoring contingent liquidity sources
- Under a conservative best estimate basis, AEGON has positive net inflows into 2010

3 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

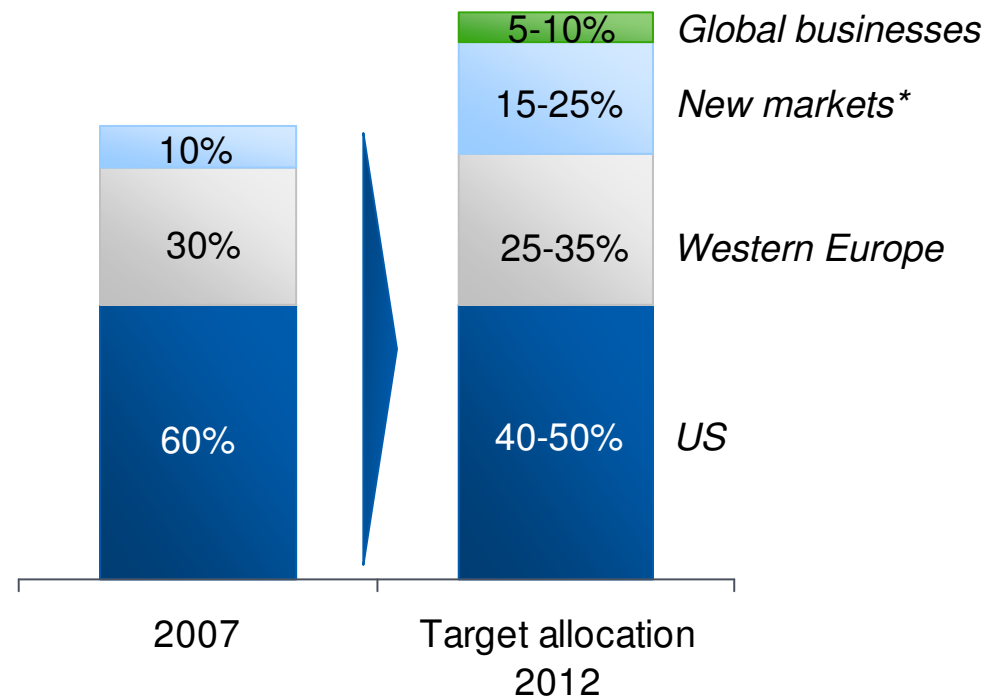
Manage AEGON as an international group

1

Reallocate capital towards businesses with higher growth and return prospects

Geographic mix

Capital allocation



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

2 Improve growth and returns from existing businesses

- Reshape business model in Canada
- Implementation of plan to improve return on capital in US by 100 bps
- Release of EUR 315 million through innovative securitization in the UK



- Enhance the Group's financial flexibility:
 - Securitizations of in-force life insurance and pension books
 - De-risking

- Further opportunities are explored to:
 - Improve capital efficiency
 - Optimize capital allocation
 - Improve returns



3 Manage AEGON as an international group

- Asset management
- Variable annuities
- Life reinsurance



- Strong financial position
- Action to further release capital
- Focus on maximizing return on capital
- Clear direction, priorities and targets

Well positioned for the future

A horizontal banner image featuring a stylized world map in shades of blue and white. The map is overlaid with a grid of latitude and longitude lines. The background has a subtle motion blur effect, suggesting global connectivity and progress.

Unlocking the global potential

Q&A

A stylized world map in shades of blue and white, with a grid of latitude and longitude lines. The map is set against a background of light blue rays emanating from the center, creating a sense of global connectivity and movement.

Unlocking the global potential

For questions please contact Investor Relations

+31 70 344 8305

ir@aegon.com

P.O. Box 85

2501 CB The Hague

The Netherlands

6 November 2008	AEGON Q3 2008 Results	
13 November 2008	Cheuvreux Conference, <i>New York</i>	Jos Streppel
24 November 2008	AEGON Analyst and Investor Day, <i>London</i>	
4 December 2008	Société Générale Conference, <i>Paris</i>	Alex Wynaendts



Cautionary note regarding forward-looking statements



Cautionary note regarding forward-looking statements

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.