



# Financial transformation and capital framework

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*Helping people achieve a lifetime of financial security*

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**AEGON**  
Transform Tomorrow

# Transformation driving excellence in financial management

## Key priorities

- Acceleration of group-wide finance transformation program to increase efficiency and predictability
- New disclosures to align with how business is managed and highlight growth potential
- Maintain strong capital position supported by growing capital generation

## Capital management framework

- Managing capital based on a multi-dimension framework
- Capital ratios of major units to remain well within target zones despite anticipated changes
- Diversified and growing capital generation driven by business growth and management actions

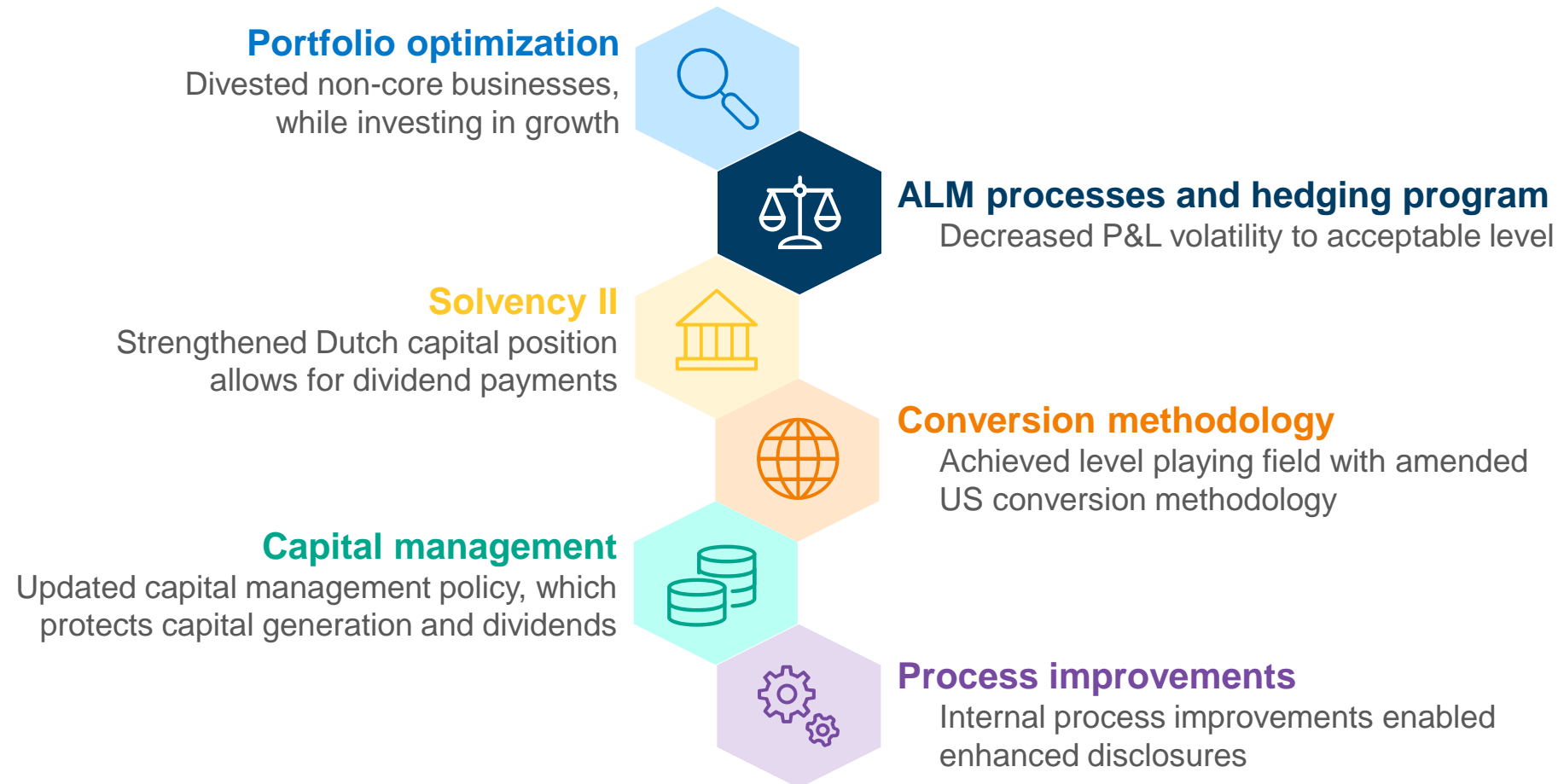
## Capital deployment

- Managing leverage ratio towards the lower-end of target range to increase financial flexibility
- New business strain to generate significant capital supported by reduced payback periods and increased IRRs
- Increased geographical diversification of remittances to Holding as NL and UK to resume payments in 1H18

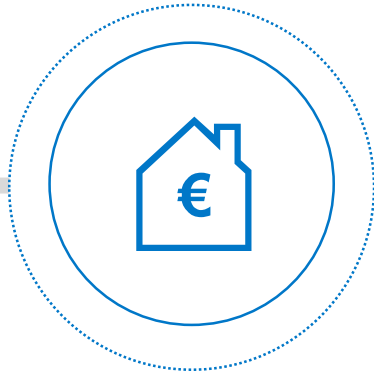


# Key achievements and priorities

# Key achievements driven by ongoing financial transformation



# Priorities going forward



## Finance transformation

- Model validation and conversion program focused on increasing control and efficiency
- Implementing IFRS 9 / 17



## Disclosure enhancement

- Reporting the way the business is managed
- Highlighting growth prospects



## Capital management

- Managing capital across multiple frameworks
- Maintaining strong financial strength ratings
- Growing free cash flows



## Financial results

- Achieving 2018 financial targets
- Investing in new business to drive growth
- Actively managing in-force business

# Programs focused on increasing control and efficiency

## Model Validation

- Significant progress made on Model Validation program
  - Model Validation formally embedded in business as usual processes as of 2016
  - Effectively completed base-line validation of the most complex models; less complex models will be validated after conversion

## Model Conversion

- Finance transformation program includes focus on conversion of actuarial models for IFRS valuation
  - Moving to fewer actuarial calculation engines will streamline processes, enable increased automation and enhance IT controlled processes for valuation
- The most complex US products are already on the desired calculation platforms
  - Variable Annuities ✓
  - Universal Life SG ✓
  - LTC ✓

**Model Validation  
embedded in business  
as usual processes**

**Conversion and validation  
medium rated models**

● 2016

● 2017

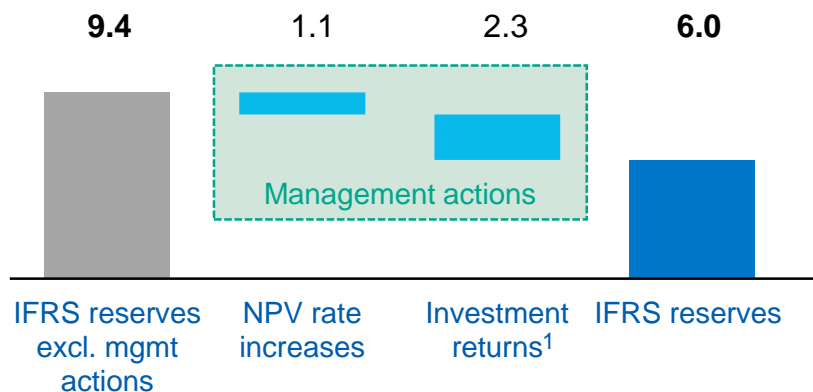
○ 2018 onwards

**Completion complex  
model conversions**

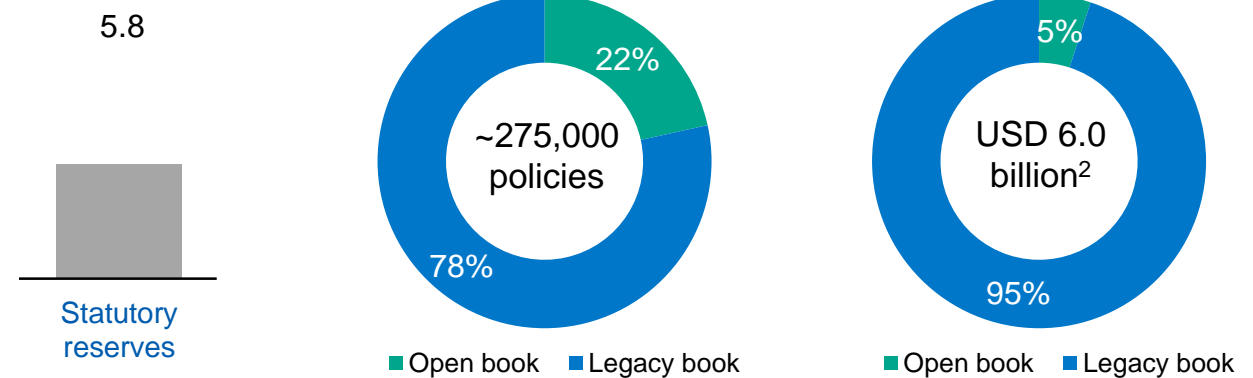
# Successful actions to manage profitability of LTC business

- Consistently pursued rate increases since 2002; good progress latest round of rate increases initiated in 2016
  - ~75% of requests completed around expected levels; remainder of requests are pending
- Effective hedging program contributes to strong return on investments in excess of 7%
- Reinsurance coverage on ~20% of the business with active management of counterparty risk
- Profitable open business with standalone individual, multi-life through the worksite and life insurance riders

## Impact management actions on IFRS reserves (2017, in USD billion)



## Policyholders and IFRS reserves by LTC block (2017, in %)

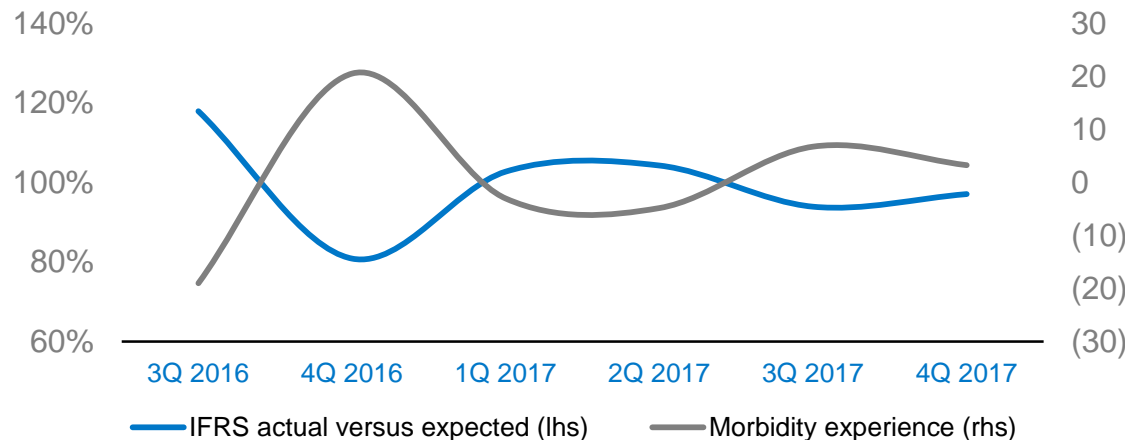


<sup>1</sup> Impact of moving from IFRS discount rate based on investment returns to statutory discount rate <sup>2</sup> Reserves reflect LTC IFRS reserves after reinsurance

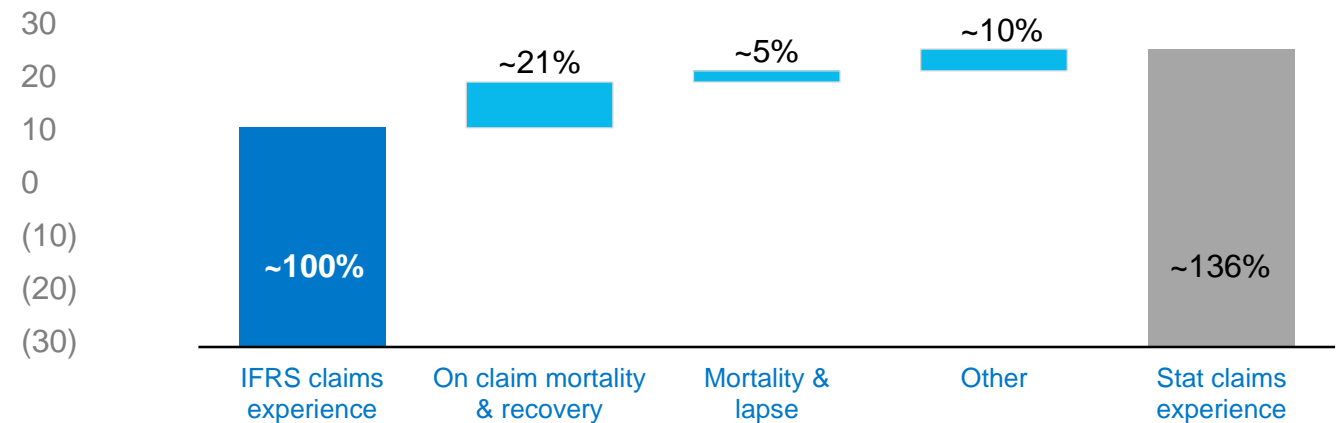
# Long-Term Care developing in line with expectations

- Over the last two years, actual LTC experience under IFRS tracked well against management's best estimate
  - IFRS assumptions are reviewed in detail annually, management is closely monitoring emerging experience
- Statutory reserves in part based on prescribed or locked-in assumptions, instead of on best estimates
- Adequacy of statutory reserves supported by successful rate increases and higher actual yields from forward starting swap program initiated in 2002

Actual versus expected claims ratio  
(in %, USD millions)



IFRS vs Statutory claims experience  
(YE 2017, % of actual vs expected)





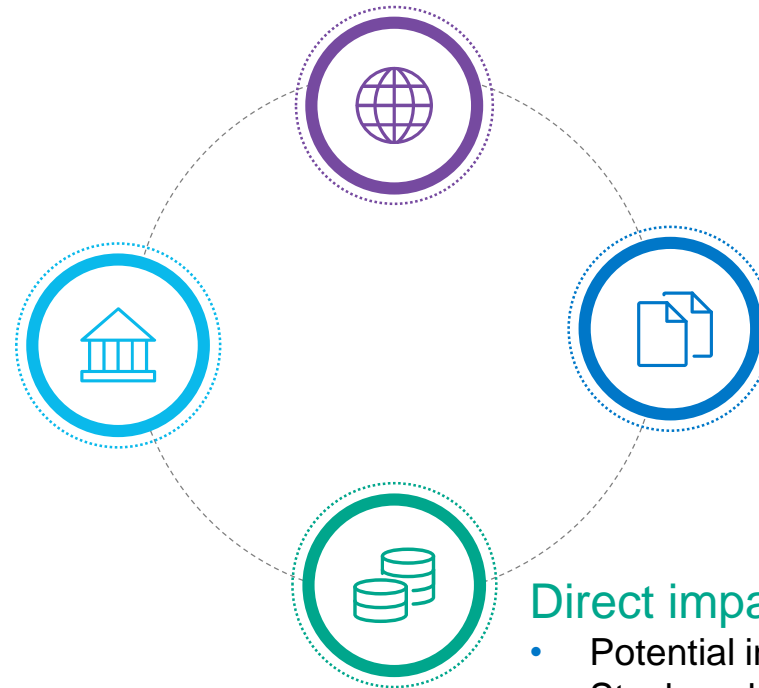
# IFRS 9 / 17 a major change in insurance accounting in 2021

## Improve comparability to certain degree

- Industry will apply similar overarching principles
- Significant optionality and interpretational issues remain
- In parallel, US GAAP is also moving toward reporting that is more market consistent

## Balance sheet moving closer to fair value

- Liabilities are measured at fair value
- Asset valuation to provide for possible future credit losses
- Limited alignment with Solvency II



## Enhanced disclosures

- IFRS 17 closer to how we look at the business
- Working across the industry to align disclosure practices
- Aim for intuitive results

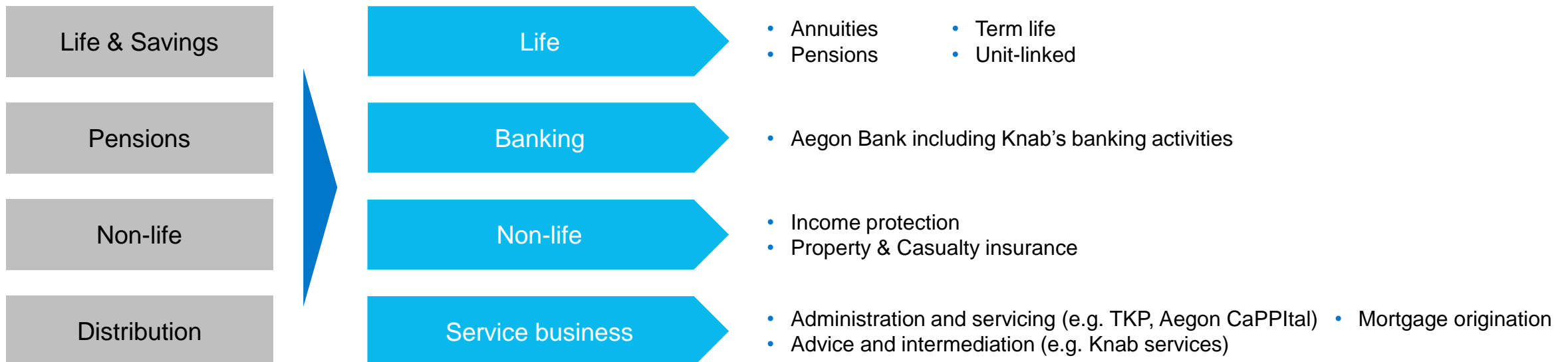
## Direct impacts

- Potential increase in IFRS balance sheet volatility
- Stock and flow of IFRS capital are inter-related
- Implementation costs and resources

# Reporting Aegon NL aligned with how business is managed

- Reporting changes to align with legal entity structure
  - Introduction of Banking and Service business with distinct growth prospects and business models
- As of 2018, management's best estimate for returns on alternative assets and consumer loans are included in underlying earnings before tax with over or underperformance included in below the line items

## Segment reporting changes in the Netherlands (Lines of business and activities)

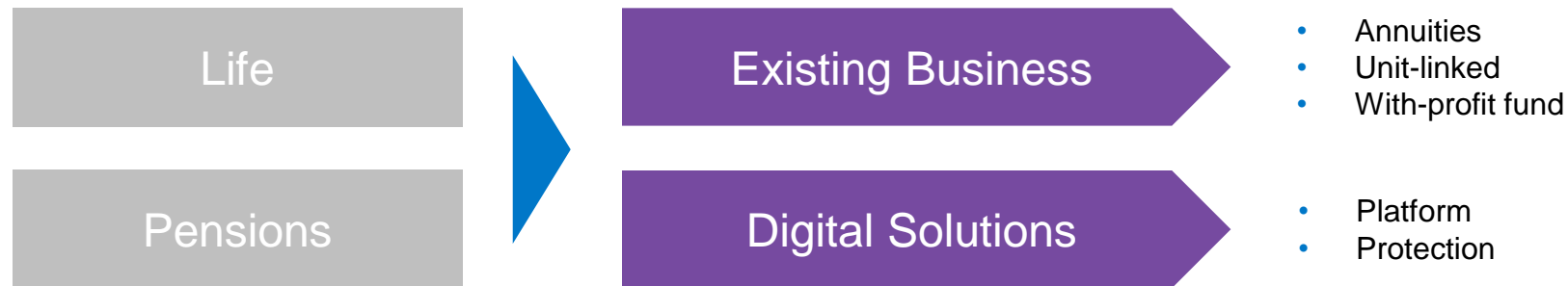


# Reporting changes as a result of business transformation

- Prospective change in US expense allocation is the result of business transformation
  - New expense allocation better reflects expense savings program and the drivers of costs
- MCVNB scope for the group changed to life, pensions & health products in line with peers
  - Scope change lowers 2017 MCVNB by ~25%
- Reporting changes in UK to underline growth prospects of platform and protection business
- UK institutional platform business included in gross deposits on a net deposit basis

## Segment reporting changes in the United Kingdom

(Lines of business and activities)





# Capital management framework

# Managing and deploying capital across multiple dimensions



Local regulatory framework

**Target range:**  
Target zones based on sensitivities



Group Solvency II ratio

**Target range:**  
150 - 200%



Rating agencies

**Target:**  
AA financial strength rating



Leverage ratio

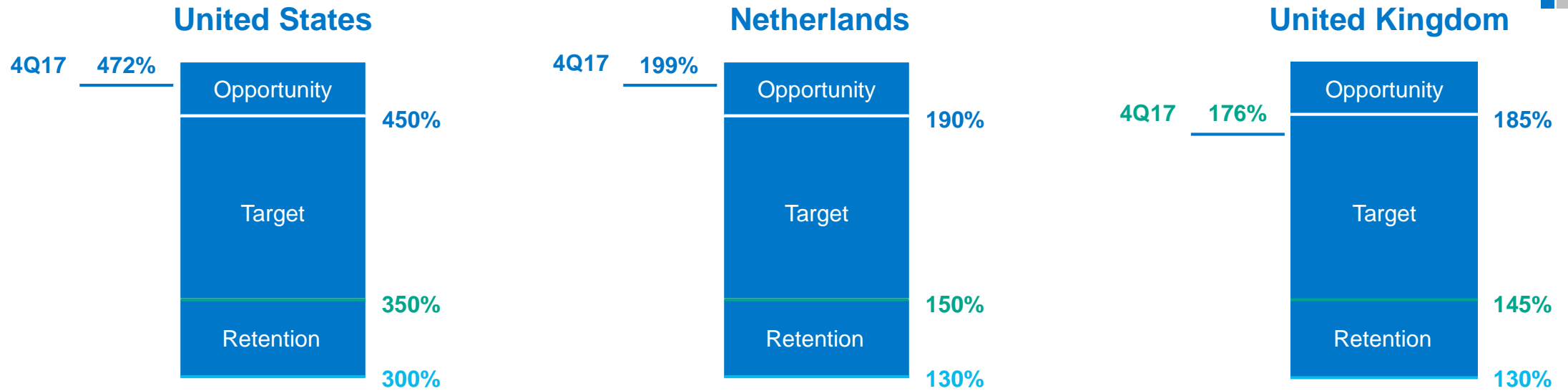
**Target range:**  
26 – 30%



Holding excess cash

**Target range:**  
€1.0 – 1.5 billion

# Units within target zones after anticipated changes



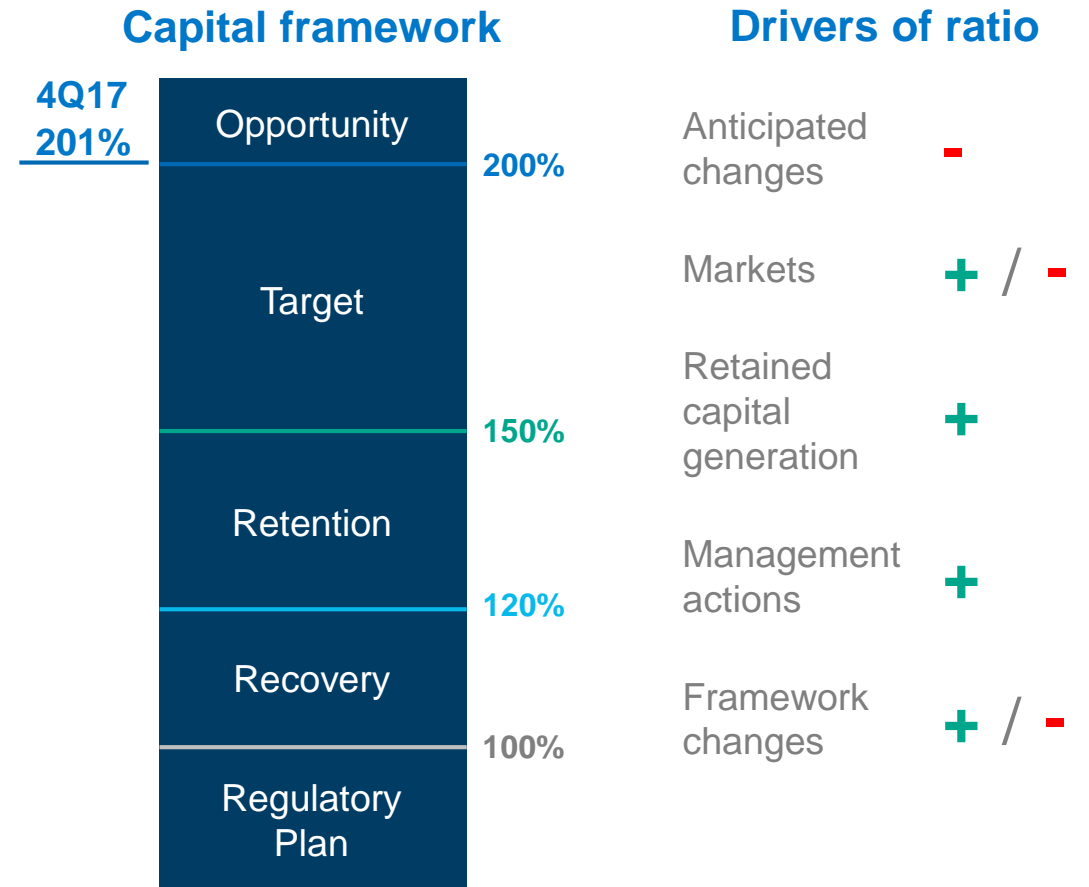
<b>Framework</b>	Risk-Based Capital (RBC)	SII Partial Internal Model	SII Partial Internal Model			
<b>Anticipated impacts</b>	NAIC asset charges	<20%-pts	UFR to 3.75% <sup>1</sup>	~10%-pts	BlackRock Part VII	~10%-pts
	US tax reform	<70%-pts	Illiquid strain	~15%-pts		
	VA framework	~0%-pts				
<b>Benefits</b>	Management actions and retained capital generation					
<b>Timing</b>	2018 – 2020		2018 – 2020		2018	

Note: NAIC = National Association of Insurance Commissioners

<sup>1</sup> Expected decline in UFR over the period 2018 – 2020. Subsequently, UFR to decline further to 3.65%

# Group SII ratio to remain within top half of target zone

- Group Solvency II ratio to remain within top half of target zone after anticipated changes
  - The anticipated changes are expected to increase annual capital generation by EUR 150 million in the future
- Tier 1 comfortably covers SCR at 166% per 4Q17
- Operating in top-end of target range provides a buffer to absorb potential impacts as capital frameworks continue to evolve
- Solvency II ratio is an indicator of overall capital strength for the Group, but not the main driver for capital deployment
- Impact of market movements on stock and flow of capital to be considered in capital deployment strategy



# Objective to maintain very strong financial strength ratings



	Financial strength rating, outlook	IFRS profitability <sup>3</sup>	Leverage and fixed charge cover	Internal capital model	Other
<b>S&amp;P Global Ratings</b>	AA-, negative	✓	✓	✓	Quality of capital ~
<b>Fitch Ratings</b>	A+, stable	✓	✓	✓	-
<b>MOODY'S</b>	A1, stable	✓	✓	-	Geographic diversification & capital strength units <sup>4</sup> ✓

✓ FY17 Exceeds    ~ FY17 Attention    - Not applicable

1. See appendix for details

2. Based on Aegon's calculations. To be reconciled with the rating agencies

3. Moody's does not have a rating trigger based on IFRS profitability. However, it is one of the factors they take into account in their rating assessment

4. Capital strength of Aegon NL and USA

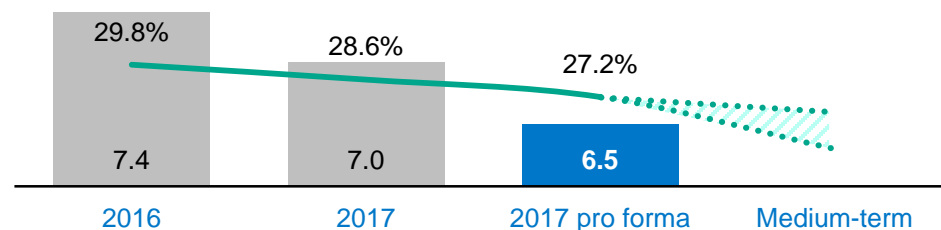


# Managing leverage ratio towards low-end of target range

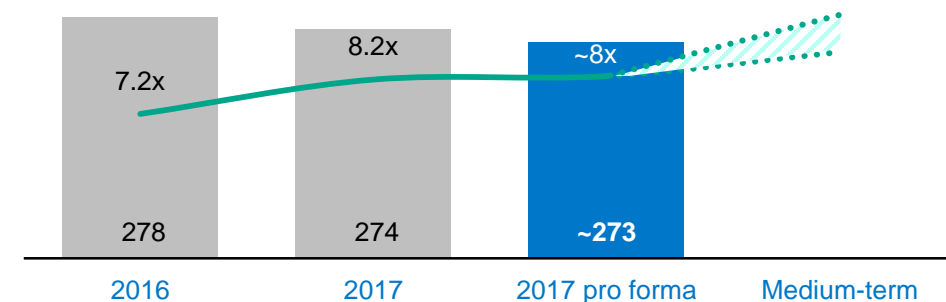
- Aim to reduce leverage ratio to increase financial flexibility
- Gross financial leverage ratio to approach low-end of 26-30% target range
  - Redemption of EUR 500 million senior debt in August 2018 to reduce leverage by ~150 bps pro forma
  - Retained earnings anticipated to lead to further reduction of leverage ratio over the medium-term
- 2017 year-end fixed charge coverage of ~8x at the upper end of 6-8x target range



— Gross financial leverage  
(EUR billion, %)



— Funding costs & Fixed charge coverage  
(EUR million)

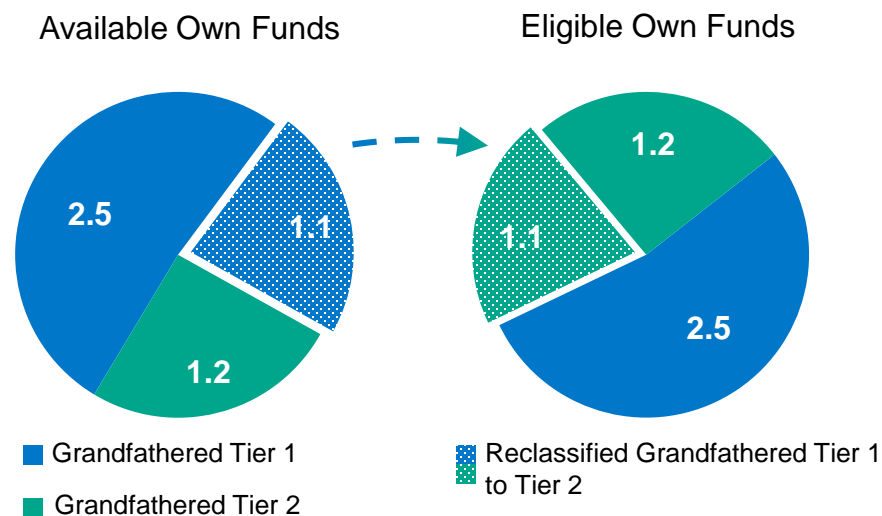


Note: 2017 pro forma numbers reflect redemption of EUR 500 million senior debt in August 2018 and refinancing in 2018 of USD 525 million grandfathered Tier 2 and EUR 200 million grandfathered Tier 1 securities through issuance of USD 800 million Solvency II compliant Tier 2 securities

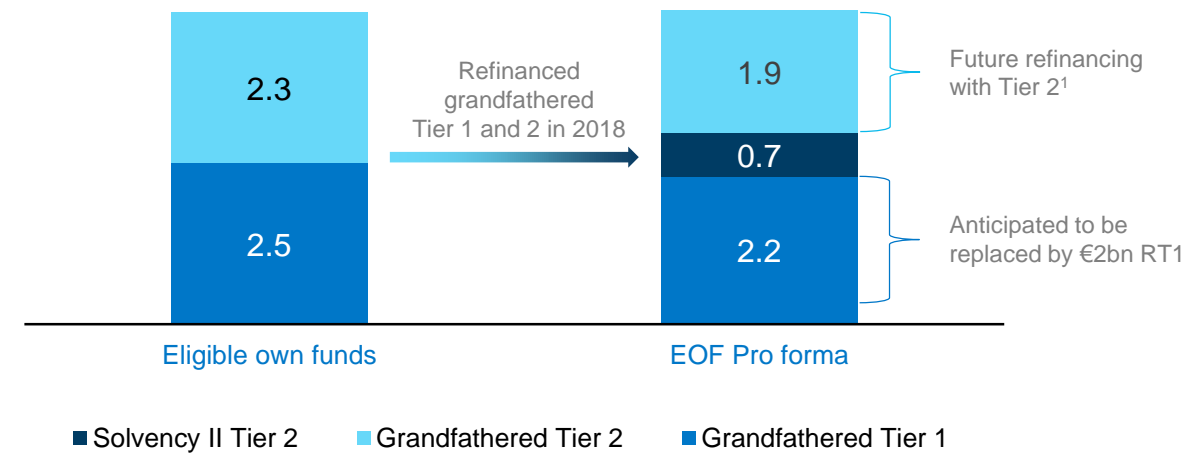
# Debt issuance focused on refinancing grandfathered securities

- Vast majority of grandfathered Tier 1 securities are callable on a quarterly basis
  - Approximately 40% of securities have fixed coupon of ~6% on average; remainder has a reset coupon of ~2% on average
- AGM authorization allows for issuance of EUR 2 billion Restricted Tier 1 securities for refinancing purposes
  - Grandfathered Tier 1 reclassified as Tier 2 to be replaced by Solvency II compliant Tier 2 securities<sup>1</sup>

## Breakdown Tier 1 and 2 securities (EUR billion, year-end 2017)



## 2018 Refinancing of grandfathered debt<sup>2</sup> (EUR billion, year-end 2017)



<sup>1</sup> Replacements of grandfathered Tier 1 securities by Solvency II compliant Tier 2 securities is subject to regulatory approval

<sup>2</sup> 2017 pro forma numbers reflect refinancing in 2018 of USD 525 million grandfathered Tier 2 and EUR 200 million grandfathered Tier 1 securities through issuance of USD 800 million Solvency II compliant Tier 2 securities

# Holding excess cash buffer secures financial flexibility

- Targeted holding excess cash provides cushion to cover holding costs and secure annual dividend
- Holding excess cash is unencumbered and majority held in money market (MM) investments
  - Part of holding cash invested in short-term, liquid assets to improve yield on investments
- All MM investments are held at the Aegon N.V. holding company



## Build-up holding excess cash target (EUR billion)



## Available holding excess cash (year-end 2017, EUR billion)

Invested MM instruments	1,023
Short-term, liquid investments	438
Other net liabilities	(107)
<b>Total available holding excess cash</b>	<b>1,354</b>



# Capital generation and deployment

# Strongly growing normalized capital generation

## Management actions drive free cash flow growth (EUR million)

Region	Old <sup>1</sup>	2018 <sup>2</sup>
Americas <sup>3</sup>	~900	~925
Netherlands <sup>4</sup>	~225	~300
United Kingdom	~25	~100
Asset Management	~100	~100
Rest of Europe	~50	~50
Asia	~(100)	~0
<b>Normalized capital generation</b>	<b>~1,200</b>	<b>~1,475</b>
Holding funding & Opex	~(300)	~(300)
<b>Normalized free cash flow</b>	<b>~900</b>	<b>~1,175</b>

- US continues to account for the majority of capital generation across the group supported by expense savings, product redesign and USD 100 million uplift from tax reform
- Improved capital generation as a result of management actions in the Netherlands, the UK and Asia
- Normalized capital generation to further grow in the medium term

<sup>1</sup> As provided at BofA-ML Financials Conference in September 2016

<sup>2</sup> Assuming interest rates move in line with forward curves, otherwise stable market conditions as per year-end 2017. Excluding one-time items and with SCR release at mid-point of target range

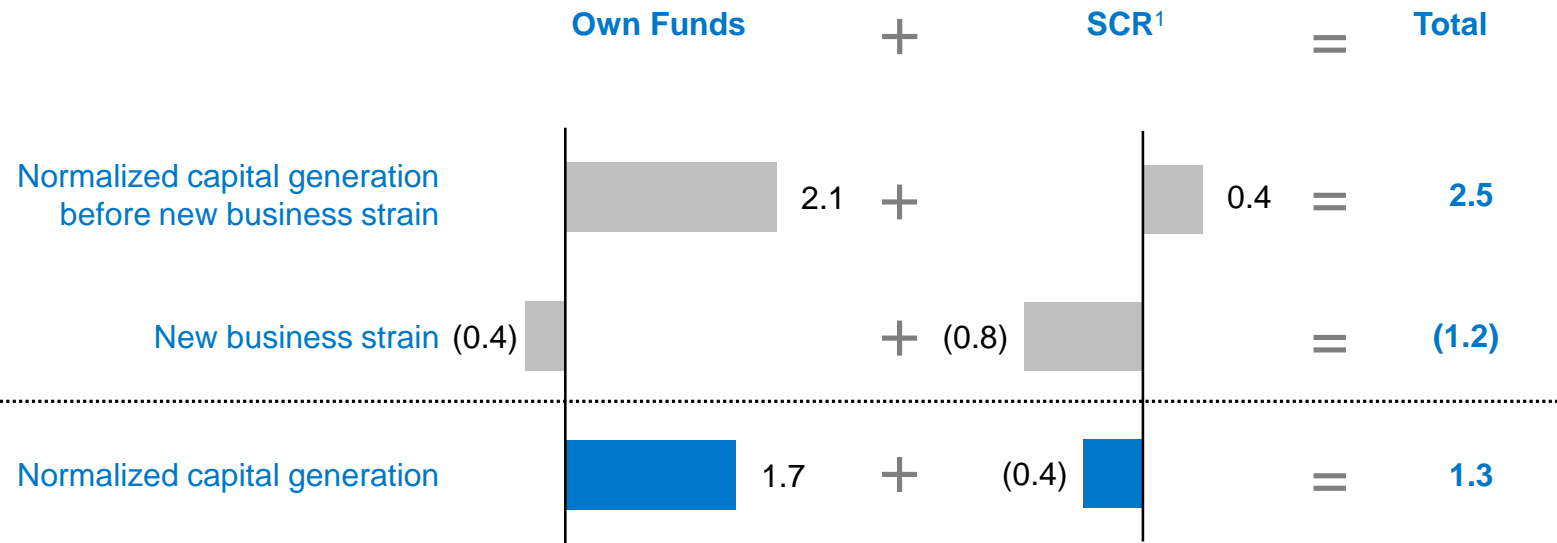
<sup>3</sup> Based on 1.18 USD / EUR exchange rate for 2018, 1.10 USD / EUR for old guidance

<sup>4</sup> UFR reduces by 15 bps in 2018, impact of EUR ~(150) million. Excludes strain from alternative investments

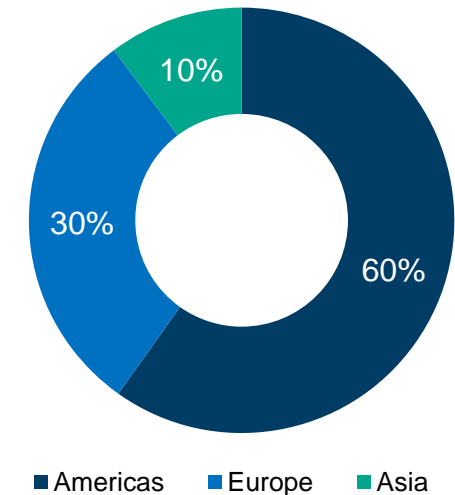
# Capital generation driven by Own Funds growth

- Own Funds growth drives capital generation, mainly as a result of excess spreads
  - Growth in Own Funds to lead to further improvement in quality of capital
- SCR release on existing business more than offset by new business strain
  - New business strain primarily related to life and health products in US & Asia and wrapped pension products in the United Kingdom

## Capital generation breakdown by source (2017, EUR billion)



## New business strain split (2017, EUR billion)

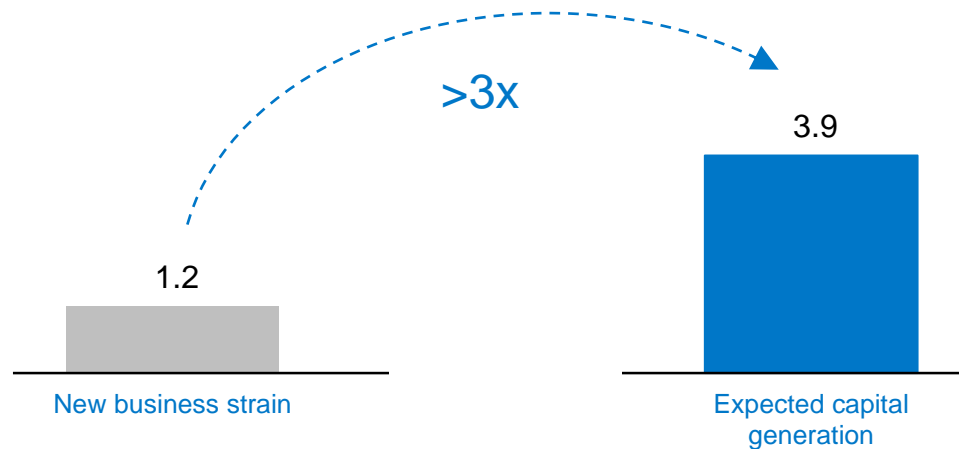


<sup>1</sup> Positive numbers indicate positive capital generation (i.e. reduction in SCR), and negative numbers indicate negative capital generation (i.e. an increase in SCR). Capital generation from SCR movements at mid-point of target range of respective unit

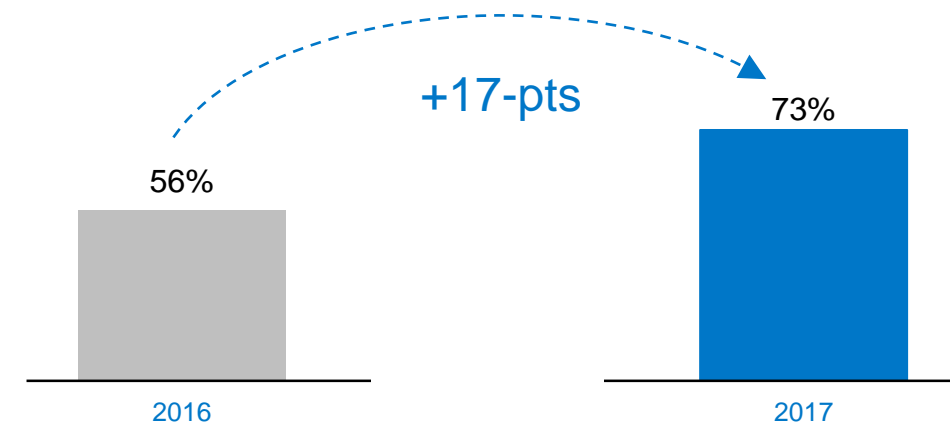
# Investing in future capital generation

- New business written in 2017 expected to lead to capital generation of EUR ~3.9 billion over time
- Capital generation benefit reflects disciplined pricing and product design
  - Aiming for internal rate of returns in excess of 10%
  - Pricing and product design actions significantly increase the number of products with payback periods of  $\leq 10$  years

**New business strain and capital generation**  
(2017, EUR billion)



**New business strain payback period**  
(% with payback period  $\leq 10$  years)



# Increased geographical diversification of remittances

- Geographical diversification of remittances has increased significantly
  - Continued strong remittances from the Americas
  - Netherlands and UK to resume regular remittances to the group in 1H18
- Capital injections to fund investments in growth skewed towards first half of the year

## Remittances from main units<sup>1</sup> (1H 2018 in local currencies)



\$ 450 million



€ 100 million



£ 50 million



<sup>1</sup> Excludes EUR 195 million of proceeds following the divestment of Aegon Ireland



# Disciplined capital deployment

## Organic growth

- Accelerate organic growth, with continued focus on increasing IRRs and reducing payback periods
- Increase geographical diversification of capital generation

## Deleveraging

- Manage leverage to lower end of 26% - 30% target range to increase financial flexibility
- EUR 500 million senior debt to be redeemed in 2H18

## Capital return

- Emphasis is on sustainable and growing dividend to shareholders
- Well-covered by free cash flow; ~50% pay-out ratio of normalized free cash flow in 2018e

## M&A

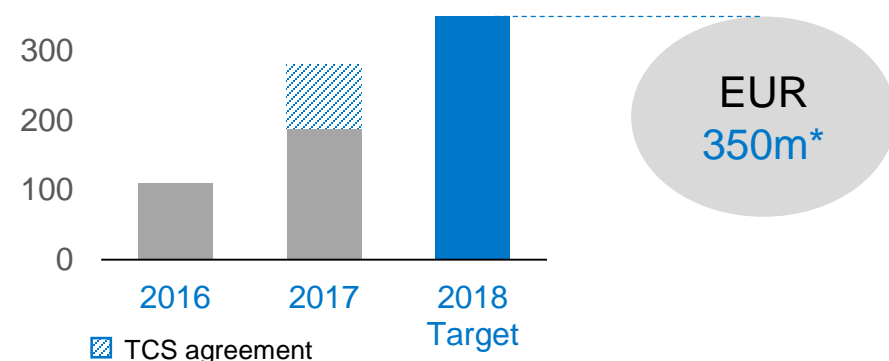
- Priority is on organic growth
- Consider in-market bolt-on acquisitions that support strategy (e.g. capabilities, scale, distribution)
- Continue to optimize portfolio based on strategic and financial criteria

# Conclusion

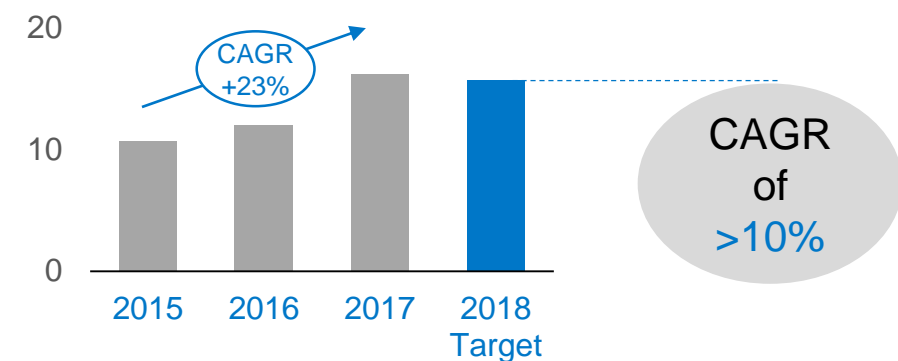
A group of people are gathered around a wooden conference table in a meeting room. In the foreground, a woman with long brown hair, wearing a light-colored sweater, is pointing at a laptop screen with a pen. The laptop displays a dashboard with various charts and graphs. Other people are visible around the table, some looking at their phones or notebooks. The table is cluttered with various items including smartphones, sticky notes, a stack of notebooks, and a clipboard with documents. The scene is lit with warm, soft light, creating a professional and collaborative atmosphere.

# Strong progress on 2018 financial targets

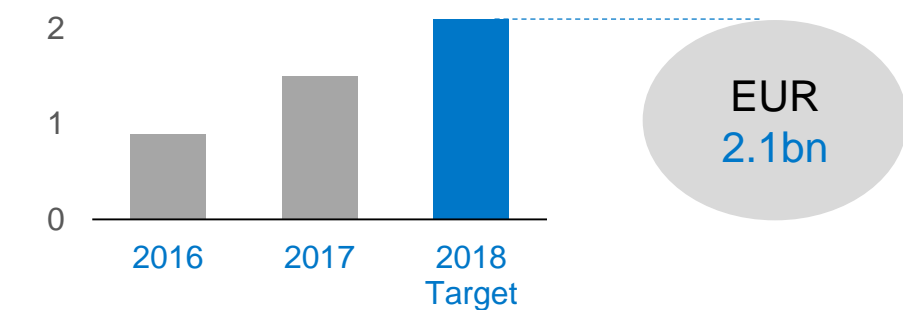
Run-rate annualized expense savings (EUR million)



Strong sales momentum (EUR billion)



Cumulative capital return to shareholders (EUR billion)



Return on Equity increasing (%)



\* EUR 350 million consists of USD 300 million (EUR/USD 1.05), EUR 50 million from NL and EUR 15 million from the Holding

# Conclusions



Deliver on the 2018 group financial targets



Complete group-wide finance transformation, with emphasis on IFRS 17 implementation



Enhance and align disclosure with how the business is managed



Maintain a solid capital position



Grow capital generation and remittances to the group



# Q&A session

# Appendix

**For questions please contact  
Investor Relations**

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The Netherlands



# New lines of business for NL and UK

## Best estimate for investment returns included in NL UEBT

- NL 2017 underlying earnings (Business lines and EUR million)
- NL 2017 business line change (Business lines and EUR million)
- NL 2017 revised definition change<sup>1</sup> (Business lines and EUR million)

Life & Savings	301	Life	340	▶	Life	400
Pensions	172	Banking	101	▶	Banking	78
Non-life	30	Non-life	34	▶	Non-life	34
Distribution	17	Service business	45	▶	Service business	45
<b>Total</b>	<b>520</b>	<b>Total</b>	<b>520</b>	▶	<b>Total</b>	<b>557</b>

### UK 2017 underlying earnings (Business lines and GBP million)

Life	57
Pensions	45
<b>Total</b>	<b>102</b>

### UK 2017 business line change (Business lines and GBP million)

Existing business	108
Digital solutions	(7)
<b>Total</b>	<b>102</b>

<sup>1</sup> As of 2018, management's best estimate for returns on alternative assets and consumer loans are included in underlying earnings before tax with over or underperformance included in below the line items

# Prospective modification of US expense allocation

- New expense allocation better reflects expense savings program and the drivers of costs
- No material impact on overall US earnings

## US 2017 underlying earnings (Business lines and USD million)

Life	251
Accident & Health	284
Retirement Plans	315
Mutual Funds	54
Variable Annuities	410
Fixed Annuities	145
Stable Value Solutions	99
Latin America	1
<b>Total</b>	<b>1,560</b>

## US 2017 underlying earnings pro forma (Business lines and USD million)





















Life	271
Accident & Health	291
Retirement Plans	274
Mutual Funds	33
Variable Annuities	439
Fixed Annuities	154
Stable Value Solutions	96
Latin America	1
<b>Total</b>	<b>1,560</b>

Note: Underlying earnings are FY 2017 underlying earnings before tax



# Rating agency profitability and leverage rating triggers

## Selected downgrade rating triggers

	Financial strength rating, outlook	UEBT	Net income	RoE	Financial leverage	Fixed charge cover	Net income RoE	US statutory RoC
<b>S&amp;P Global Ratings</b>	AA-, negative	<€ 2.0bn  € 2.1bn 	<€ 1.5bn  € 1.8bn 	<8.0%  8.9% <sup>1</sup> 	>30.0%  30.8% 	<7.0x  7.4x 	--	--
<b>Fitch Ratings</b>	A+, stable	--	--	--	>30.0%  29.4% 	--	<3.0%  7.4% 	--
<b>MOODY'S</b>	A1, stable	--	--	--	>40.0%  37.1% 	<4.0x  5.6x 	--	<4.0%  6.2% 

 Trigger level     FY17 Exceeds     FY17 Attention

Notes: Based on Aegon's calculations excluding IFRS net income benefits from US tax reform and the impact of the change in underlying earnings definition for the Netherlands. To be reconciled with the rating agencies. Showing profitability and leverage rating triggers for a potential downgrade. Excludes other triggers such as diversification and risk profile. Each rating agency has an own definition of the financial leverage and fixed charge cover ratios

<sup>1</sup> S&P does not adjust equity for remeasurement of defined benefit plans

# Investing in Aegon

- Aegon ordinary shares
  - Traded on Euronext Amsterdam since 1969 and quoted in euros
- Aegon New York Registry Shares (NYRS)
  - Traded on NYSE since 1991 and quoted in US dollars
  - One Aegon NYRS equals one Aegon Amsterdam-listed common share
  - Cost effective way to hold international securities

## Aegon's ordinary shares

Ticker symbol	AGN NA
ISIN	NL0000303709
SEDOL	5927375NL
Trading Platform	Euronext Amsterdam
Country	Netherlands

## Aegon's New York Registry Shares

Ticker symbol	AEG US
NYRS ISIN	US0079241032
NYRS SEDOL	2008411US
Trading Platform	NYSE
Country	USA
NYRS Transfer Agent	Citibank, N.A.

## Aegon NYRS contact details

### Broker contacts at Citibank:

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# Disclaimer

## Cautionary note regarding non-IFRS measures

This document includes the following non-IFRS-EU financial measures: underlying earnings before tax, income tax, income before tax, market consistent value of new business and return on equity. These non-IFRS-EU measures are calculated by consolidating on a proportionate basis Aegon's joint ventures and associated companies. The reconciliation of these measures, except for market consistent value of new business, to the most comparable IFRS-EU measure is provided in note 3 'Segment information' of Aegon's Condensed Consolidated Interim Financial Statements. Market consistent value of new business is not based on IFRS-EU, which are used to report Aegon's primary financial statements and should not be viewed as a substitute for IFRS-EU financial measures. Aegon may define and calculate market consistent value of new business differently than other companies. Return on equity is a ratio using a non-IFRS-EU measure and is calculated by dividing the net underlying earnings after cost of leverage by the average shareholders' equity, the revaluation reserve and the reserves related to defined benefit plans. Aegon believes that these non-IFRS-EU measures, together with the IFRS-EU information, provide meaningful supplemental information about the underlying operating results of Aegon's business including insight into the financial measures that senior management uses in managing the business.

## Local currencies and constant currency exchange rates

This document contains certain information about Aegon's results, financial condition and revenue generating investments presented in USD for the Americas and Asia, and in GBP for the United Kingdom, because those businesses operate and are managed primarily in those currencies. Certain comparative information presented on a constant currency basis eliminates the effects of changes in currency exchange rates. None of this information is a substitute for or superior to financial information about Aegon presented in EUR, which is the currency of Aegon's primary financial statements.

## Forward-looking statements

The statements contained in this document 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: aim, believe, estimate, target, intend, may, expect, anticipate, predict, project, counting on, plan, continue, want, forecast, goal, should, would, could, is confident, will, and similar expressions as they relate to Aegon. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Aegon undertakes 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 Aegon's fixed income investment portfolios;
  - 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 Aegon holds; and
  - The effects of declining creditworthiness of certain public sector securities and the resulting decline in the value of government exposure that Aegon holds;
- Changes in the performance of Aegon's investment portfolio and decline in ratings of Aegon's counterparties;
- Consequences of an actual or potential break-up of the European monetary union in whole or in part;
- Consequences of the anticipated exit of the United Kingdom from the European Union and potential consequences of other European Union countries leaving the European Union;
- The frequency and severity of insured loss events;
- Changes affecting longevity, mortality, morbidity, persistence and other factors that may impact the profitability of Aegon's insurance products;
- Reinsurers to whom Aegon has ceded significant underwriting risks may fail to meet their obligations;
- 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;
- Changes in the availability of, and costs associated with, liquidity sources such as bank and capital markets funding, as well as conditions in the credit markets in general such as changes in borrower and counterparty creditworthiness;
- Increasing levels of competition in the United States, the Netherlands, the United Kingdom and emerging markets;
- Changes in laws and regulations, particularly those affecting Aegon's operations' ability to hire and retain key personnel, taxation of Aegon companies, the products Aegon sells, and the attractiveness of certain products to its consumers;
- Regulatory changes relating to the pensions, investment, and insurance industries in the jurisdictions in which Aegon operates;
- Standard setting initiatives of supranational standard setting bodies such as the Financial Stability Board and the International Association of Insurance Supervisors or changes to such standards that may have an impact on regional (such as EU), national or US federal or state level financial regulation or the application thereof to Aegon, including the designation of Aegon by the Financial Stability Board as a Global Systemically Important Insurer (G-SII);
- Changes in customer behavior and public opinion in general related to, among other things, the type of products Aegon sells, including legal, regulatory or commercial necessity to meet changing customer expectations;
- Acts of God, acts of terrorism, acts of war and pandemics;
- Changes in the policies of central banks and/or governments;
- Lowering of one or more of Aegon's debt ratings issued by recognized rating organizations and the adverse impact such action may have on Aegon's ability to raise capital and on its liquidity and financial condition;
- Lowering of one or more of insurer financial strength ratings of Aegon's insurance subsidiaries and the adverse impact such action may have on the premium writings, policy retention, profitability and liquidity of its insurance subsidiaries;
- The effect of the European Union's Solvency II requirements and other regulations in other jurisdictions affecting the capital Aegon is required to maintain;
- Litigation or regulatory action that could require Aegon to pay significant damages or change the way Aegon does business or both;
- As Aegon's operations support complex transactions and are highly dependent on the proper functioning of information technology, operational risks such as system disruptions or failures, security or data privacy breaches, cyberattacks, human error, failure to safeguard personally identifiable information, changes in operational practices or inadequate controls including with respect to third parties with which we do business may disrupt Aegon's business, damage its reputation and adversely affect its results of operations, financial condition and cash flows;
- Customer responsiveness to both new products and distribution channels;
- Competitive, legal, regulatory, or tax changes that affect profitability, the distribution cost of or demand for Aegon's products;
- Changes in accounting regulations and policies or a change by Aegon in applying such regulations and policies, voluntarily or otherwise, which may affect Aegon's reported results, shareholders' equity or regulatory capital adequacy levels;
- Aegon's projected results are highly sensitive to complex mathematical models of financial markets, mortality, longevity, and other dynamic systems subject to shocks and unpredictable volatility. Should assumptions to these models later prove incorrect, or should errors in those models escape the controls in place to detect them, future performance will vary from projected results;
- The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including Aegon's ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;
- Catastrophic events, either manmade or by nature, could result in material losses and significantly interrupt Aegon's business; and
- Aegon's failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving and leverage ratio management initiatives.

Further details of potential risks and uncertainties affecting Aegon are described in its filings with the Netherlands Authority for the Financial Markets and the US Securities and Exchange Commission, including the Annual Report. These forward-looking statements speak only as of the date of this document. Except as required by any applicable law or regulation, Aegon 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 Aegon's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.