



1H 2019 Results

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Helping people achieve a lifetime of financial security



First step in delivery of 2019 – 2021 targets

Target delivery

	Targets 2019 - 2021	Results 1H 2019	
Normalized capital generation¹	EUR 4.1 billion cumulative for 2019 – 2021	EUR 714 million +20% vs 1H18	
Dividend pay-out ratio Of normalized capital generation ^{1, 2}	45 – 55 % assessed at full year	43% for 1H19; DPS up 7%	
Return on equity Annualized ³	> 10 %	9.6% -0.5%-pts. vs. 1H18	
Gross remittances to the Holding	EUR 1.5 billion guidance for 2019	EUR 765 million >50% of guidance for 2019	

1. Capital generation excluding market impact and one-time items after holding funding & operation expenses

2. Assuming markets move in line with management's best estimate, no material regulatory changes and no material one-time items other than already announced restructuring programs

3. To align closer to definitions used by peers and rating agencies, Aegon has retrospectively changed its internal definition of adjusted shareholders' equity used in calculating return on equity for the group, return on capital for its units, and the gross financial leverage ratio. As of the second half of 2018, shareholders' equity is no longer adjusted for the remeasurement of defined benefit plans

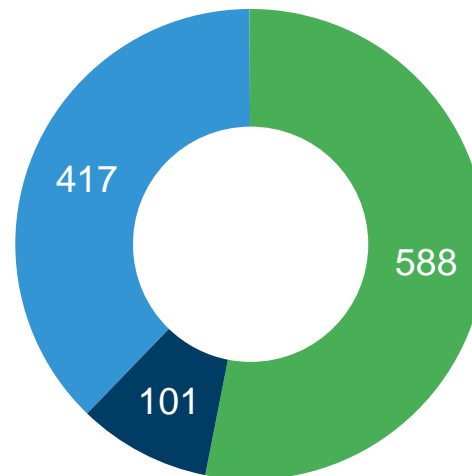
Significant progress in all parts of the portfolio

Portfolio actions 1H19 by strategic category

Underlying earnings before tax
(in EUR million, 1H19)

Manage for Value

- **NL Life:** Started transfer of administration of defined benefit pension book to TKP to achieve a more variable cost base in the Life business; completion expected by 2023
- **NL Life:** Selectively consider options to optimize capital position and accelerate capital generation



Scale-up for the Future

- **NL Banking:** Operationally integrating Aegon Bank and Knab to strengthen leading position as digital bank¹
- **Latin America:** Agreed to wind down JV with Akaan in Mexico
- **India:** Agreed partnership with leading mobile wallet MobiKwik to launch smart digital insurance product
- **Japan:** Announced divestment of variable annuity JVs with book gain of EUR 50m

Drive for Growth

- **US:** Increased business focus through organizational realignment with two dedicated leadership teams for Workplace Solutions and Individual Solutions
- **US TCS partnership:** Significantly improved customer experience in a digitally enabled way with tNPS increasing by 9 points²
- **UK Digital Solutions:** Successfully finalized Cofunds integration following Nationwide migration, and implementing remaining cost reductions by the end of 2019

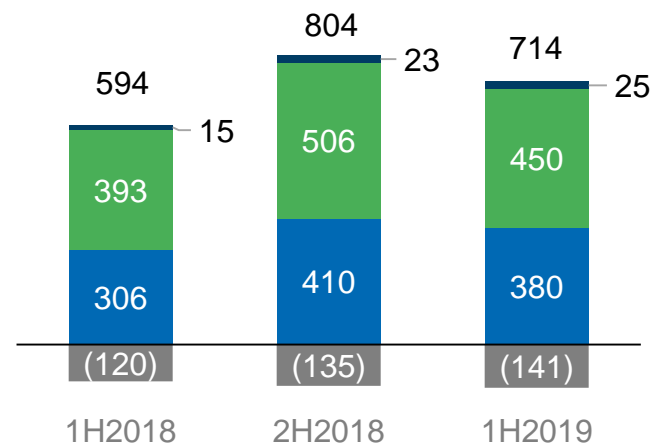
1. Including integration of Knab Advies en Bemiddeling N.V. (KAB), which is currently part of NL Service business
2. Transactional Net Promoter Score (tNPS) for 2Q 2019 compared with YE 2017

Capital generation and new business strain in line with 2019 – 2021 targets

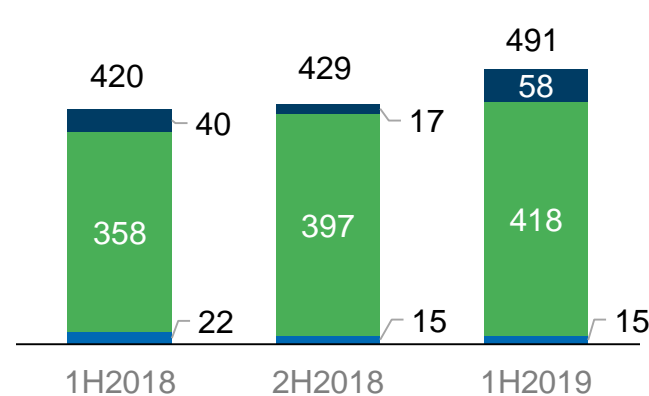
Key portfolio metrics

- Strong normalized capital generation in all strategic portfolio categories supported by inforce actions
- Investing the vast majority of new business strain in growth in Drive for Growth category
 - Increasing commercial momentum in the US, with new business strain mainly from the Life business
 - Evolving business mix also drives new business strain with increase in SCR for new UK workplace pensions and growth in Spain
- IFRS capital allocation slowly shifting towards Drive for Growth category
 - Run-off of US Fixed Annuity and NL Life book leads to less capital consumption, growth in US Life drives higher capital allocation

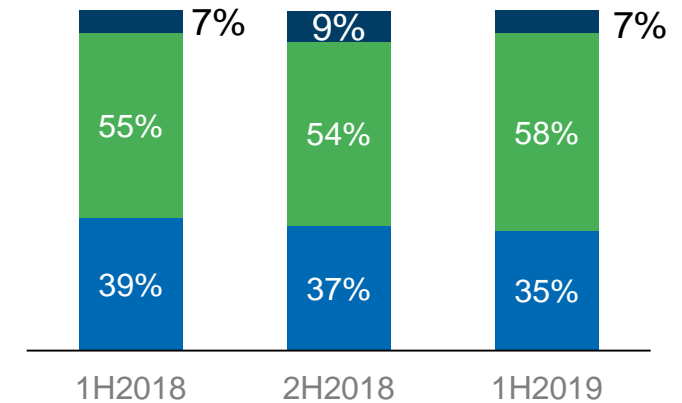
Normalized capital generation¹
(in EUR million)



New business strain
(in EUR million)



IFRS capital allocated
(in %)



Strategic categories: ■ Manage for Value ■ Drive for Growth ■ Scale-up for the Future ■ Holding & other units

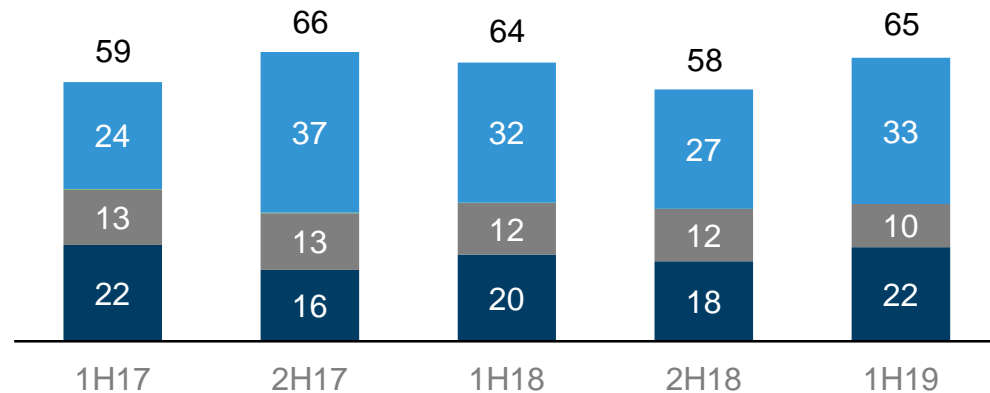
1. 2018 figures have been adjusted, NL Banking to be reported as part of other in 2018

Net outflows despite higher gross deposits

Deposits

Gross deposits

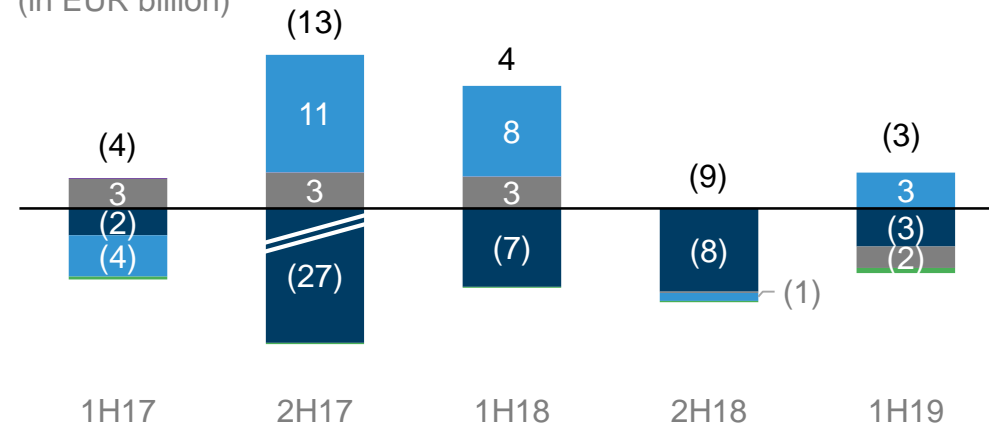
(in EUR billion)



- **US:** Retirement Plans with higher takeover and recurring deposits; growing inflows into Variable Annuities and increasing deposits in fixed indexed annuities
- **Europe:** Growth in NL Banking; lower UK inflows mainly due to lower institutional platform flows
- **AM:** Strategic partnership in China with strong gross deposits

Net deposits

(in EUR billion)



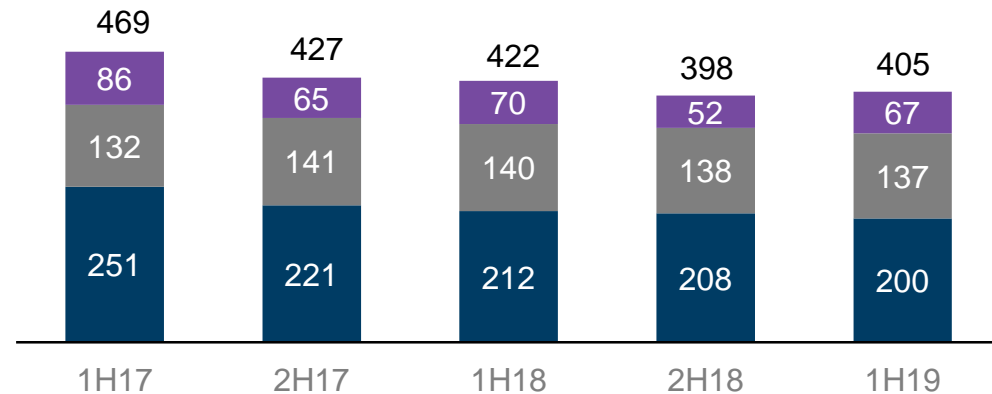
- **US:** Contract discontinuances in Retirement Plans and higher withdrawals in Variable Annuities and Fixed Annuities
- **Europe:** Institutional outflows in UK; stronger inflows in NL
- **AM:** Overall continued growth driven by Strategic Partnerships and NL (STAP); outflows in UK from exit of fund managers

Life and protection sales impacted by headwinds and product exits

Insurance sales development

New Life sales

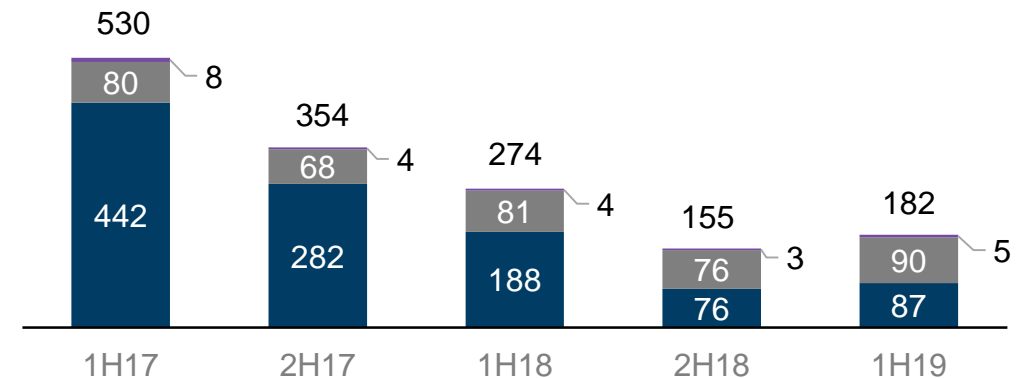
(APE, in EUR million)



- **Americas:** Sales focus enforced on indexed universal life, market share trend in WFG channel improves
- **Europe:** Stable sales when excluding the impact of the divestiture of Czech Republic and Slovakia
- **Asia:** In local currency 6% growth in China, offset by reduced High-Net-Worth production

New business in A&H and P&C











(new premium production, in EUR million)



- **Americas:** Discontinued non-strategic products; pricing enhancements drove growth in individual; challenging market environment in employee benefits
- **Europe:** Growth from new income protection products, especially an accident product in Spain, and in Hungary

Clear actions to address current challenges

Group challenges and key actions

	Current challenges	Key actions
Financial markets 	<ul style="list-style-type: none">  Low interest rates put Variable Annuity and Life sales under pressure  Dislocated credit spreads impact capital position 	<ul style="list-style-type: none"> Balancing competitive position with profitability of new sales Considering options to optimize capital position Continue to grow capital light service businesses
Propositions 	<ul style="list-style-type: none">  Outflows in Retirement Plans and intense competition in employee benefits  Brexit and aftermath of retail migration impact flows 	<ul style="list-style-type: none"> Improving service delivery, and expanding cross-selling and product bundling Investing in market leading propositions and platform functionality
Operations 	<ul style="list-style-type: none">  Increasingly fierce competition in High-Net-Worth business  Requirement to lower expenses and make them more variable  Expanding partnership with Santander while own business is loss making 	<ul style="list-style-type: none"> Diversifying product offering, geography, and distribution channels Transferring administration of back book in UK (Atos), in the US (TCS), and in NL (TKP) Integrating Banco Popular business and restructuring own business

Improved commercial momentum while investing in customer services

Deep dive: US Workplace Solutions

Organizational realignment

- Combined Retirement Plans, employee benefits and Stable Value Solutions under **one management team**
- Increased **responsiveness** towards customers and distribution partners in a competitive environment
- **Maintained the advantages** of enterprise support services

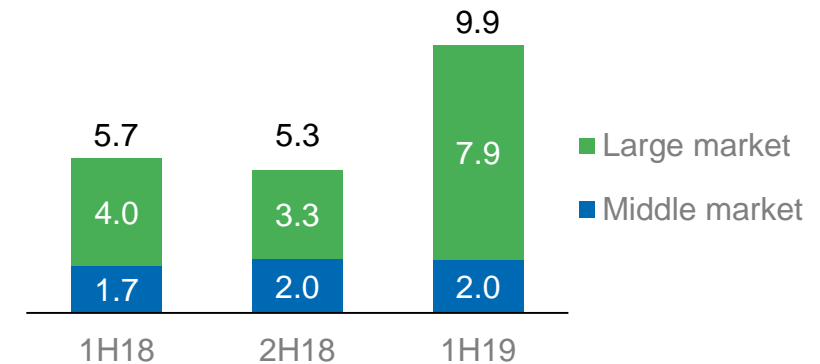
Customer service

- **Improving service quality** demonstrated by **higher tNPS** scores over 1H19 thanks to enhanced service concept
- Growing asset **retention** through IRA rollovers from Retirement Plans



Commercial momentum

Written sales Retirement Plans
(in USD billion)



- **Encouraging commercial momentum** in Retirement Plans supported by 74% increase in written sales
- Written sales reflect leverage of **large market capabilities** acquired from Mercer
- Increased total number of participants in **Managed Advice**, now officially **launched** in Middle Market as well

Increasing market shares for core products

Deep dive: US Individual Solutions

Organizational realignment

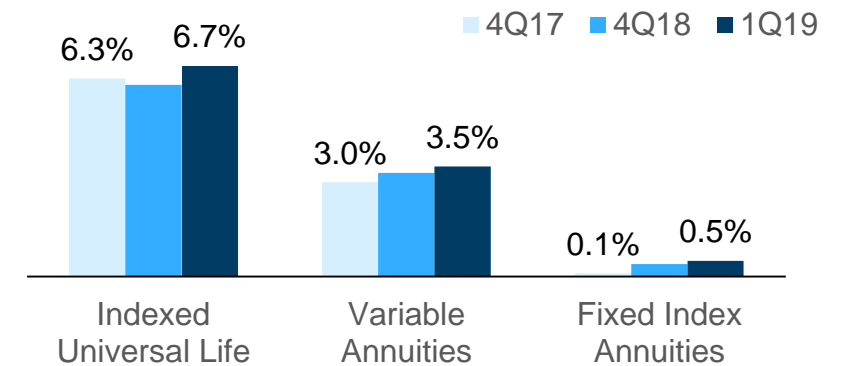
- Provide Variable and Fixed Annuities, Life, Mutual Funds and Accident & Health solutions by **one dedicated leadership team**
- **Align** agent, financial advisors, and WFG **distribution channels** to achieve maximum market penetration
- **Clear responsibilities** for TCS and Long Term Care Group (LTCG) partnerships

Customer service / administration partnerships

- Cooperation with TCS in full swing; marked improvement of **tNPS scores by 9 points²**
- **Implementing LTCG** as experienced partner for the administration of LTC book
- Planning **use of white labelled variable annuity product** for broader distribution



Commercial momentum in strategic products Market shares¹



- **Gaining market share** in key individual solutions in Life, Fixed and Variable Annuities
- Refurbished core riders for variable annuities **increase competitiveness**
- Successfully **expanded distribution reach** for enhanced fixed indexed annuity product
- **Increased share of indexed universal life proposition** within own agency network

Source: Market share data from LIMRA for Indexed Universal Life and Fixed Indexed Annuities, and from Morningstar for Variable Annuities

1. Last available data 1Q 2019

2. Transactional Net Promoter Score (tNPS) for 2Q 2019 compared with 4Q 2017



1H 2019 Financials

Financial highlights 1H 2019

IFRS



Underlying earnings

EUR 1,010 million

-5% compared with 1H18

Net income

EUR 618 million

+26% compared with 1H18

Return on equity

9.6%

-0.5pp compared with 1H18

Capital position



Group solvency ratio

197%

-14pp compared with YE18

Holding excess cash

EUR 1,632 million

+ EUR 358m compared with YE18

Gross financial leverage

29.3%

+0.1pp compared with YE18

Capital generation and dividend



Capital generation

EUR 714 million

Excl. one-time items and market impacts

Dividend per share

EUR 0.15

+7% compared with 1H18

Dividend pay-out ratio¹

43%

of normalized capital generation²

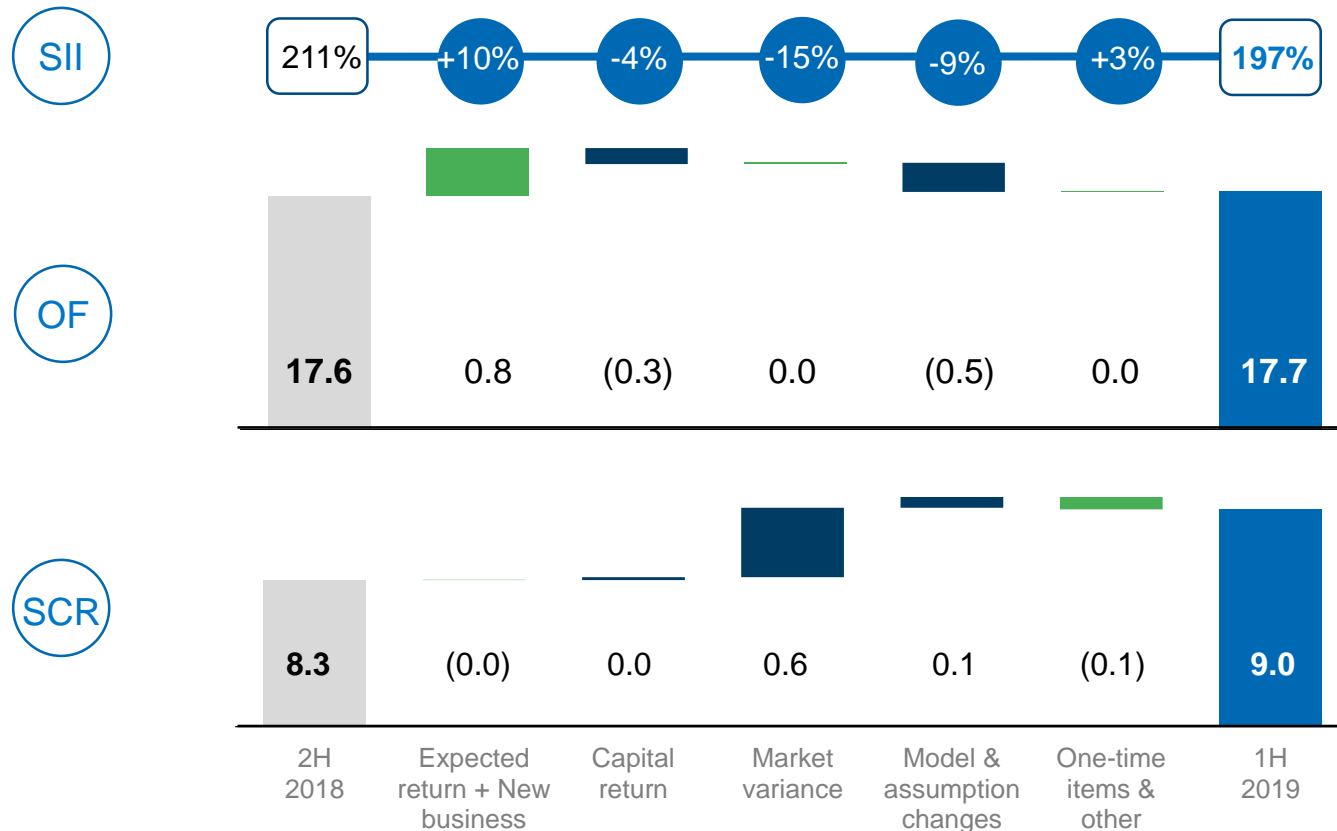
1. Assuming markets move in line with management's best estimate, no material regulatory changes and no material one-time items other than already announced restructuring programs

2. Capital generation excluding market impact and one-time items after holding funding & operation expenses

Group Solvency II ratio of 197%

OF and SCR development

(in EUR billion)



- Expected return (+10%) reflects strong business performance
- Capital return (-4%) primarily driven by external dividends to shareholders
- Market variances (-15%) mainly driven by adverse credit spread movements on both assets and insurance liabilities in NL
- Model & assumption changes (-9%) mainly driven by:
 - Lowering UFR and change treatment illiquids which leads to higher SCR in NL
 - Assumption updates in Asia led to lower OF
- One-time items (+3%) includes proceeds sale Czech Republic and Slovakia and positive one-time items in the US

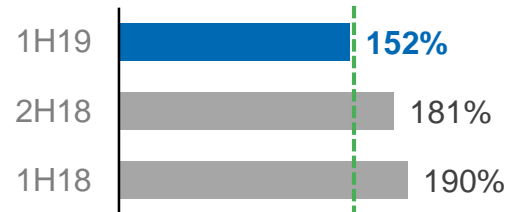
Notes: 1) OF = Own funds; SCR = Solvency capital requirement, 2) Numbers are based on management's best estimates

Strong capital positions US and UK; NL in retention zone

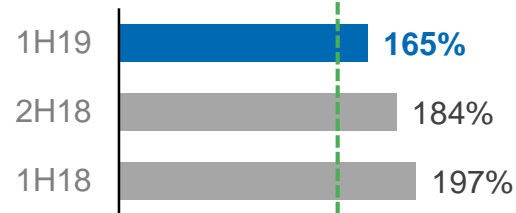
Local solvency ratio by unit



- Ratio increase mainly from retained capital generation and favorable one-time items
- Benefit from higher equity markets more than offset by the impact from lower interest rates
- Merger between TALIC and TLIC to generate USD ~0.2 billion capital in 2H19¹



- Increased credit spread sensitivities led to an increase of the bottom-end of the target range for the NL by 5%-pts to 155%
- After discussions with DNB, certain illiquid investments are now treated as equities under the standard formula instead of loans under the internal model (-8%-pts)
- Impact from adverse credit spread movements of -38%-pts; resilient for lower rates
- Positive contributions for NL Solvency II position from exclusion of Aegon Bank (+3%-pts), management actions (+9%-pts), and normalized capital generation



- Decrease mainly driven by GBP 160 million remittances to the Holding, including an extraordinary dividend of GBP 100 million
- Negative impact from spread tightening on own pension plan liabilities

Note: Bottom-end of the target range US = 350% RBC; bottom-end of the target range NL = 155% Solvency II; bottom-end of the target range UK = 145% Solvency II
 1. TALIC = Transamerica Advisors Life Insurance Company; TLIC = Transamerica Life Insurance Company

Credit spread mismatch impacts Dutch capital position

Spread impact on NL Solvency II

- Solvency II ratio of Aegon NL declined to 152% in 1H 2019 mainly driven by market movements. Adverse spread movements on both assets and insurance liabilities reduced Own Funds by EUR 1.3 billion
 - Spread widening as a result of the sharp drop in risk-free interest rates while commercial mortgage rates hardly moved, which decreased the value of Aegon's mortgage portfolio. This is not a reflection of deterioration of credit quality in the portfolio and deemed non-economic volatility and expected to reverse overtime
 - Spread tightening in the bond market led to a decline in the EIOPA VA, which increased the value of insurance liabilities while there is a mismatch with our investment portfolio
- Under the previous Dynamic Volatility Adjustment (DVA) model, Aegon NL's Solvency II ratio would be an estimated 10-15%-points higher, as this model used to address part of the credit spread basis risk
- Other market movements, including lower interest rates had no material impact

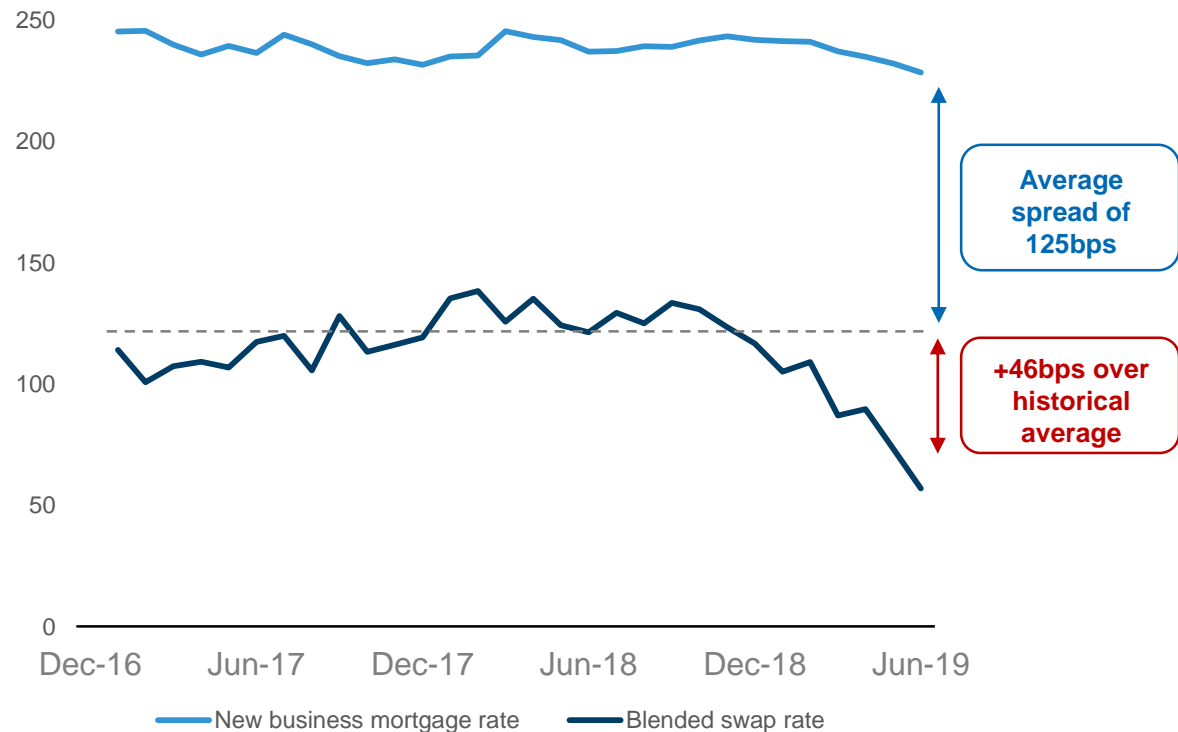
in billion, %	2H18	1H19	Movement	Solvency II OF impact	Solvency II SCR impact	Solvency II ratio
Mortgage spreads	114 bps	171 bps	+57 bps	EUR (0.4)	EUR 0.0	-12%
EIOPA VA	24 bps	9 bps	- 15 bps	EUR (0.9)	EUR 0.1	-27%
Other, incl. interest rates	n.a.	n.a.	n.a.	EUR 0.6	EUR 0.3	+0%
Total	n.a.	n.a.	n.a.	EUR (0.7)	EUR 0.4	-38%

Notes: 1) EIOPA = European Insurance and Occupational Pensions Authority, 2) VA = Volatility Adjustment

Dutch mortgage spreads widened to historically high levels

Dutch mortgage spreads

(in basis points)



- In 1H 2019, mortgage spreads increased to 171bps as a result of a strong decrease in the risk-free interest rates which has not yet been reflected in commercial tariffs
- Mortgages continue to be an attractive asset class. Mortgage spread widening does not reflect deterioration of credit quality, and is therefore expected to translate into higher future capital generation
- Consumer prices expected to come down to reflect lower interest rates given competitive dynamics, which would reduce mortgage spread
- Return of mortgage spreads to long-term average would bring Aegon NL back to target range assuming an unchanged EIOPA VA of 9bps

Well-managed capital sensitivities

Solvency II sensitivities

(in percentage points, 1H 2019)

	Scenario	Group	US	NL	UK
Equity markets	+25%	+13%	+35%	+4%	-4%
Equity markets	-25%	-14%	-25%	-8%	-3%
Interest rates	+50 bps	+6%	+7%	+6%	+2%
Interest rates	-50 bps	-8%	-13%	-4%	-1%
Credit spreads*	+50 bps	+5%	+4%	+11%	+5%
Credit spreads*	-50 bps	-7%	-3%	-11%	-8%
Government spreads	+50 bps	-4%	+0%	-7%	-5%
Government spreads	-50 bps	+6%	+0%	+13%	+5%
US credit defaults***	~200 bps	-21%	-41%	n/a	n/a
Mortgage spreads	+50 bps	-5%	n/a	-13%	n/a
Mortgage spreads	-50 bps	+5%	n/a	+13%	n/a
EIOPA VA	+5 bps	+3%	n/a	+8%	n/a
EIOPA VA	-5 bps	-3%	n/a	-8%	n/a
Ultimate Forward Rate	-15 bps	-2%	n/a	-4%	n/a
Longevity**	+5%	-7%	-3%	-12%	-3%

* Credit spreads excluding government bonds

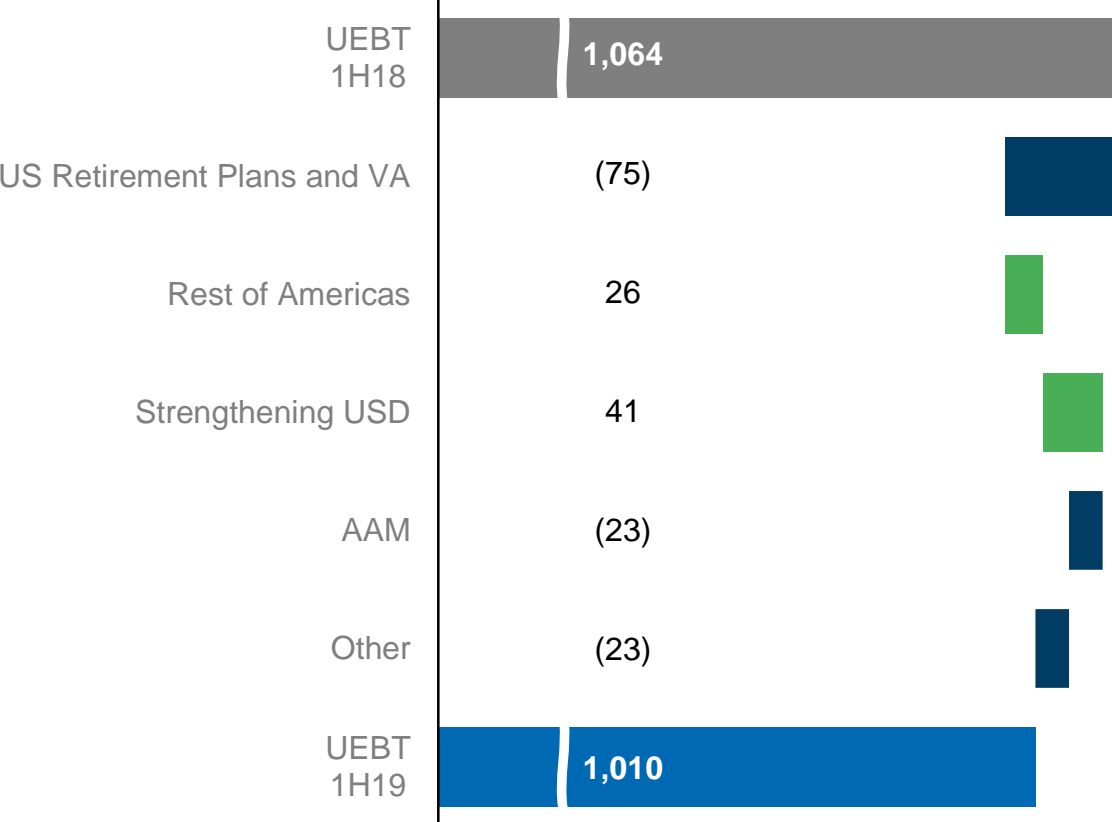
** Additional 130bps defaults for 1 year plus assumed rating migration

*** Reduction of annual mortality rates by 5%

Lower underlying earnings mainly driven by Retirement Plans and Variable Annuities in US and AAM

Underlying earnings before tax

(in EUR million)

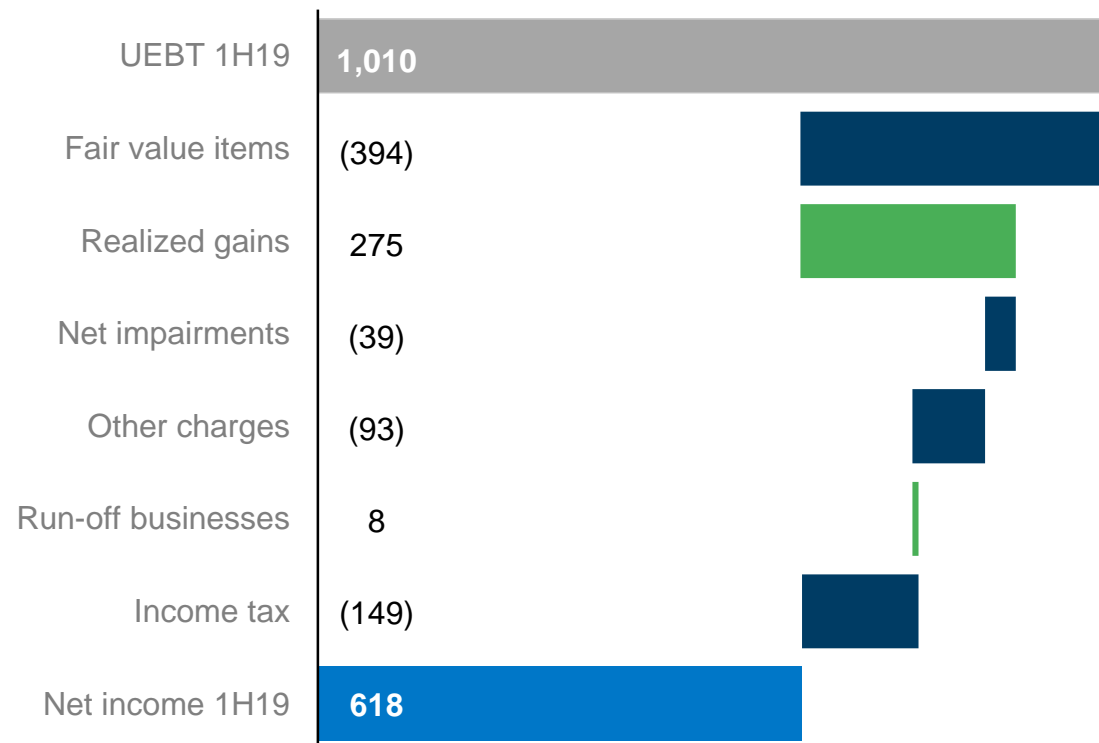


- Retirement Plans and Variable Annuities in US reported lower fee income from lower average balances and increased expenses to support future growth and improve customer experience
- Rest of Americas included a positive reserve release in LTC and better claims experience in Life
- Lower earnings from AAM were the result of lower performance fees compared with an exceptional 1H 2018
- Other was mainly driven by reporting of interest expenses in the P&L instead of through equity

Net income amounts to EUR 618 million

Underlying earnings to net income development in 1H19

(in EUR million)



Fair value items

Fair value losses mainly driven by a shortfall in the Liability Adequacy Test (LAT) in NL as a result of adverse credit spread movements

Realized gains

Realized gains on investments driven by EUR 224 million gains on the sale of bonds to optimize the investment portfolio in NL

Other charges

Other charges include EUR 64 million model & assumption changes (mainly related to the US Life business) as well as restructuring expenses in the UK and the US

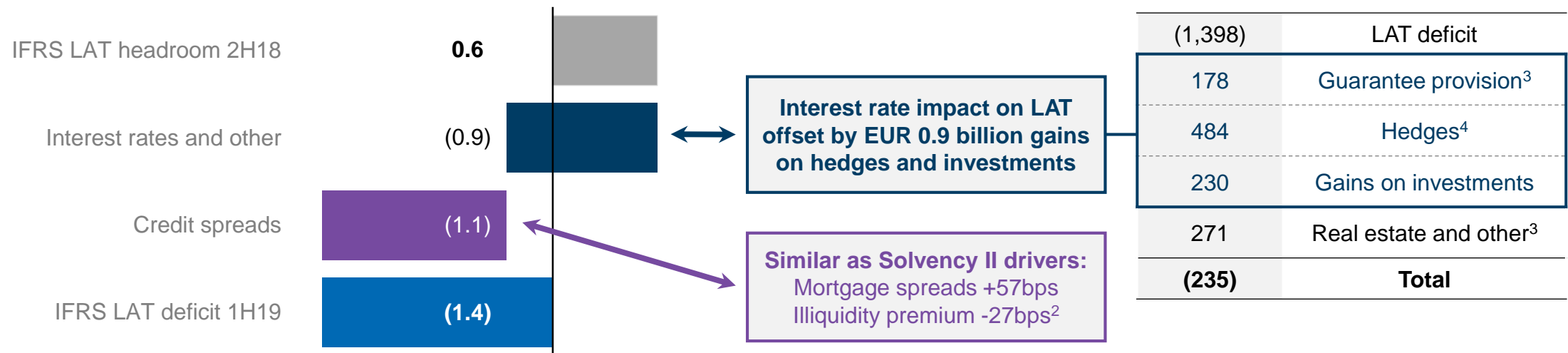
Note: UEBT = underlying earnings before tax

Fair value items in NL driven by spread movements

- Liability Adequacy Test (LAT) is performed to assess the adequacy of insurance liabilities on a market consistent basis¹
- Credit spread movements drove LAT breakage in 1H 2019
- Negative impact interest rate movements on LAT sufficiency was offset by hedging gains and gains on investments

LAT movement Aegon NL

(in EUR million)



Non-underlying items Aegon NL

(in EUR million)

(1,398)	LAT deficit
178	Guarantee provision ³
484	Hedges ⁴
230	Gains on investments
271	Real estate and other ³
(235)	Total

1. The LAT assesses the adequacy of IFRS insurance liabilities by comparing them to their fair value. Aegon the Netherlands adjusts the outcome of the LAT for certain unrealized gains in the bond portfolio and the difference between the fair value and the book value of those assets measured at amortized cost, mainly residential mortgages

2. IFRS illiquidity premium is based on 50% of the spreads on European corporate bonds (EU iBoxx investment grade corporate spreads) minus 40bps;

3. Guarantee provision totaled EUR 369 million of which EUR 178 million is related to interest rates hedging and EUR 191 million of Other is related to the guarantee provision movement;

4. Gains on interest rate hedges partly offset by fair value losses on equity hedges

Well diversified remittances and capital generation

Capital generation and gross remittances

(1H19, in EUR million)

Region	Normalized capital generation ¹	Gross remittances
Americas	519	397
Netherlands	202	-
United Kingdom	42	179
Southern & Eastern Europe	26	165
Asia	33	-
Asset Management	36	24
Other units	(2)	-
Total before holding expenses	856	765
Holding funding & operating expense	(142)	(142)
Total after holding expenses	714	623

- Normalized capital generation and remittances from United States remained strong
- Continued strong capital generation in the Netherlands, as benefit from spread movements is only partly offset by adverse impact from interest rates
- Extraordinary remittances from the UK and SEE
- Group interim dividend of EUR 310 million is well covered by normalized capital generation and remittances

1. Capital generation excluding market impact and one-time items

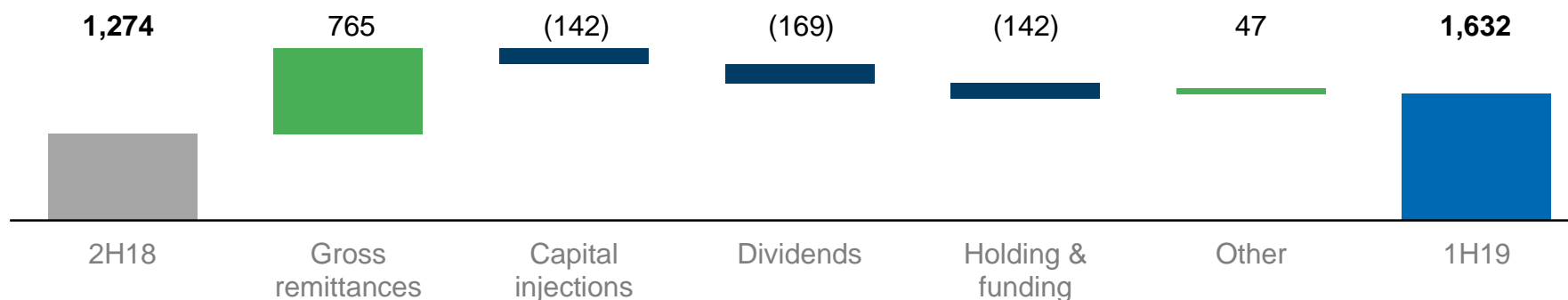
Holding excess cash remains at comfortable level slightly above EUR 1 – 1.5 billion target range

Holding excess cash

- Gross remittances of EUR 765 million included a special dividend of EUR 112 million from the United Kingdom and EUR 131 million proceeds from the divestment of Czech Republic and Slovakia
 - Aegon the Netherlands retained its remittances
- Capital injections of EUR 142 million mainly to support future growth in Scale-up for the Future businesses and also includes temporary capital contribution related to Aegon's joint ventures in Japan¹
- EUR 330 million to be paid to Santander in 2H19 and 2020 for earn-outs and JV expansion²

Holding excess cash development

(EUR million)



1. Aegon and Sony Life have agreed to adjust the purchase price for the aggregate of capital injections until closing. As such, Aegon will receive an additional EUR 22 million at closing of the sale of its joint ventures in Japan. 2. Capital deployment of EUR 330 million consists of EUR 215 million related to the expansion of the joint venture with Santander, expected to close in 2020, and EUR 115 million of earn-out provision, expected in 2H19, related to the performance of the joint venture since the start of the partnership in 2012

Delivering on our targets with increasing returns to shareholders

Dividend



EUR 0.15 DPS

+7% vs. 1H 2018



EUR 765 million

>50% of gross remittances
guidance for 2019



43 %

Dividend pay-out ratio of
normalized capital generation¹;
full-year target of 45 – 55%

1. Capital generation excluding market impact and one-time items after holding funding & operation expenses. Dividend pay-out ratio assuming markets move in line with management's best estimate, no material regulatory changes and no material one-time items other than already announced restructuring programs

A woman with long brown hair and glasses, wearing a light blue button-down shirt and jeans, is sitting on a wooden desk in an office. She is smiling and has her hand near her chin. In the background, there is a computer monitor, a desk lamp, and office furniture.

Appendix

For questions please contact
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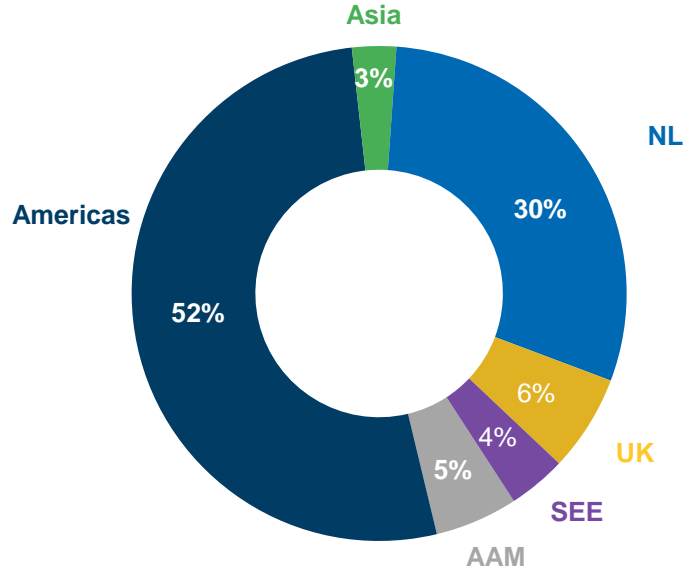
P.O. Box 85
2501 CB The Hague
The Netherlands

Helping people achieve a lifetime of financial security

Aegon at a glance

Earnings

Underlying earnings before tax
€1,010 million
(1H19)



What we do

Life insurance, pensions & asset management for approximately
28.5 million customers
(YE18)



History

Our roots date back to the first
half of the **19th century**



Investments

Revenue-generating investments
€872 billion
(1H19)



Deposits

Gross deposits **€65 billion**
Net deposits **€(2.7) billion**
(1H19)

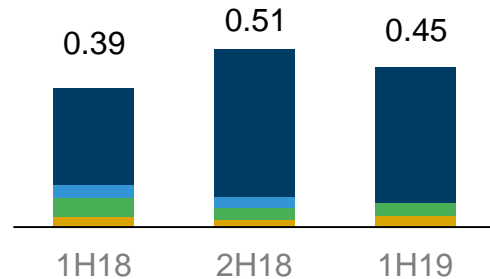
Employees

25,943 employees
(1H19)

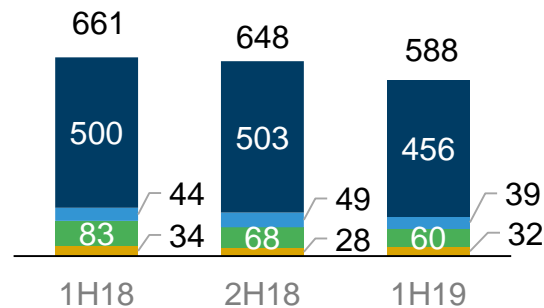
Commercial momentum improves in the US, and UK completes last part of Cofunds integration

Drive for Growth businesses¹

Normalized capital generation²
(in EUR billion)



Underlying earnings before tax
(in EUR million)



● Americas

- Increased organizational business focus with two dedicated leadership teams for Workplace and Individual Solutions
- TCS partnership: Significantly improved customer experience in a digitally enabled way with improved tNPS

● Europe

- UK Digital Solutions: Successfully finalized Cofunds integration and preparing to realize remaining cost efficiencies until end of 2019

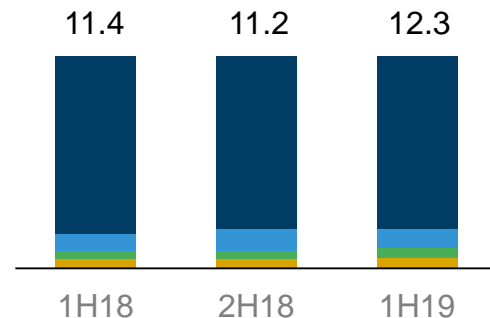
● Asset Management

- Leveraging scale and capabilities and proximity to customers in chosen markets

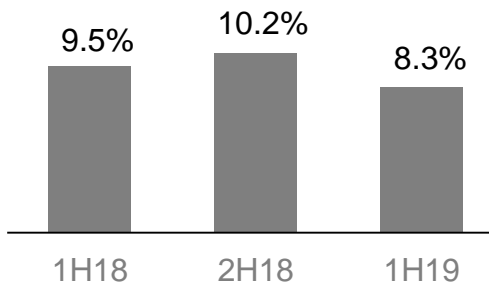
● Asia

- Competitive dynamics in HNW business are muting growth

IFRS capital allocated
(in EUR billion)



Return on capital
(in %)



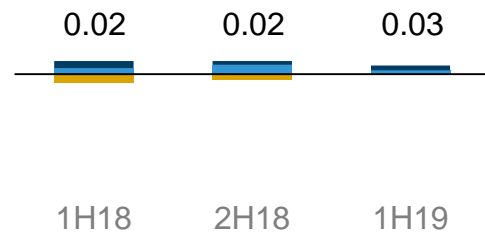
1. Drive for Growth businesses include: US Life, US A&H, US retirement plans, US Variable Annuities, UK Digital Solutions, CEE, Aegon Asset Management, Asia's HNW business

2. Capital generation excluding market impact and one-time items after holding funding & operation expenses

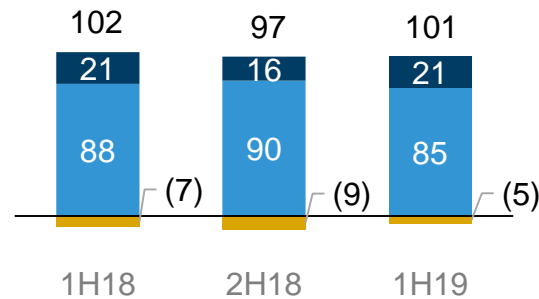
Disciplined capital allocation in growth markets, divesting stake in Japanese JV, and wind-down of Mexico

Scale-up for the Future businesses¹

Normalized capital generation²
(in EUR billion)



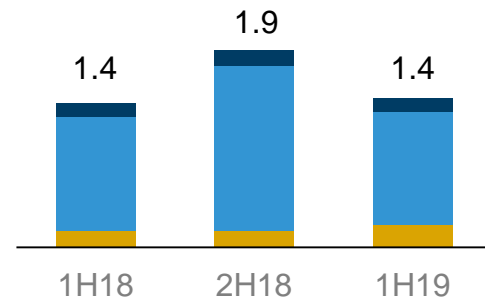
Underlying earnings before tax
(in EUR million)



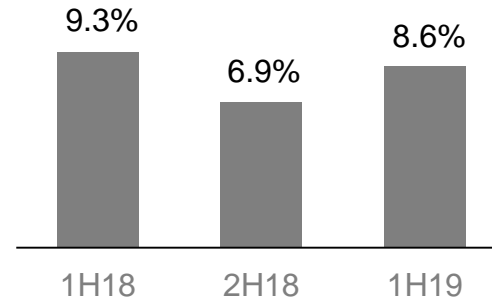
● Americas

● Europe

IFRS capital allocated
(in EUR billion)



Return on capital
(in %)



● Asia

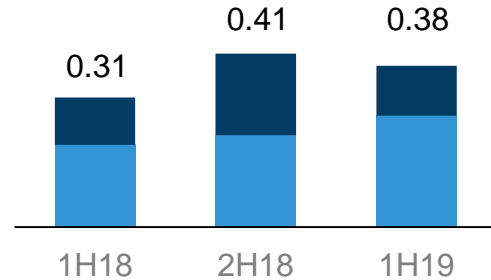
- Mutual Funds: Lower fee income from lower balances and lower margins
- Latin America: Agreed to wind down JV with Akaan in Mexico
- NL Banking: Operationally integrating Aegon Bank and Knab to strengthen digital bank
- NL: Updated capital allocation method within NL in 1H19
- India: Agreed partnership with leading mobile wallet MobiKwik to launch smart digital insurance product
- Japan: Announced divestment of JV stake in Aegon Sony Life with book gain of EUR 50m

1. Scale-up for the Future businesses include: US Mutual Funds, Latin America, NL Banking, NL Non-Life, NL Service business, Spain & Portugal, Asia joint ventures
2. Capital generation excluding market impact and one-time items after holding funding & operation expenses; Excluding NL Banking, 2018 figures adjusted

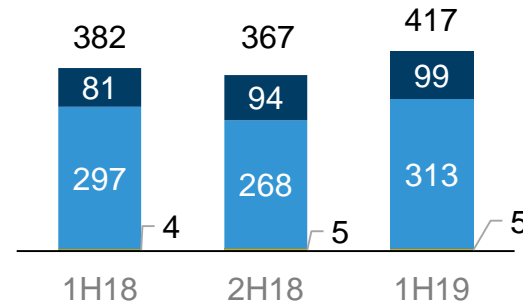
Actively managing capital efficiency in Manage for Value businesses

Manage for Value businesses¹

Normalized capital generation²
(in EUR billion)



Underlying earnings before tax
(in EUR million)



● Americas

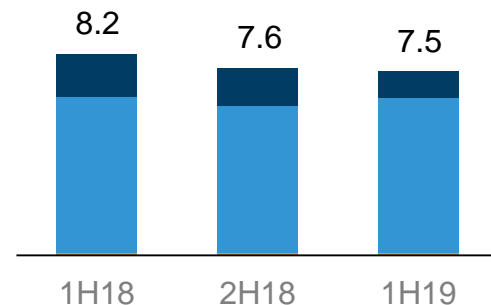
● Europe

- Fixed Annuities: Favorable intangible adjustments and improved persistency, both driven by lower interest rates

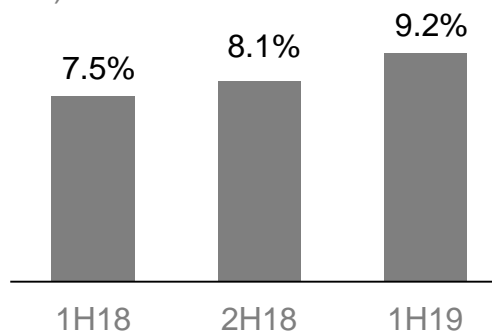
- NL Life: Started transfer of administration of defined benefit pension book to TKP to achieve a more variable cost base in life; completion expected by 2023

- UK Existing Business: transferring the administration to Atos

IFRS capital allocated
(in EUR billion)



Return on capital
(in %)



● Asia

- Expense savings and favorable claims experience at Aegon Insights

1. Manage for Value businesses include: US Fixed Annuities, US Stable Value Solutions, US Run-off, NL Life, UK Existing business, Asia Insights

2. Capital generation excluding market impact and one-time items after holding funding & operation expenses

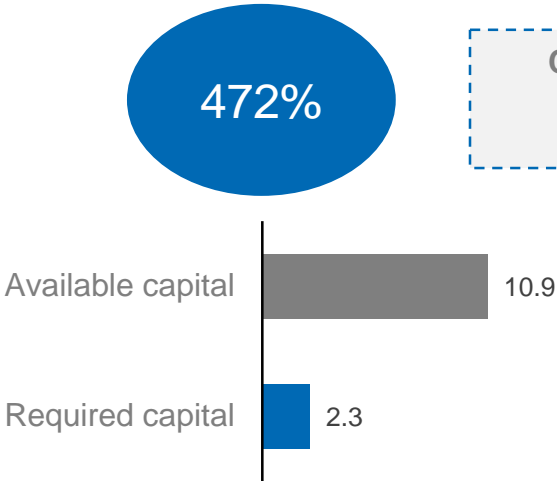
Conversion of RBC to Solvency II

Next review in 2H19

- Conversion methodology for US operations has been agreed with DNB, to be reviewed annually
- Calibration of US insurance entities followed by subsequent adjustment for US debt and Holding items
 - Calibration of US insurance entities is consistent with EIOPA’s guidance and comparable with European peers
 - Subsequent inclusion of non-regulated Holding companies and US debt

RBC ratio US insurance entities

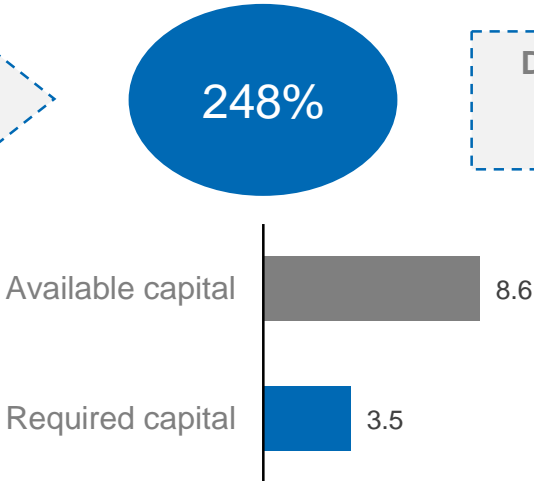
(USD billion, %, 1H19)



Calibration to Solvency II¹
-224%-pts

Calibrated ratio US insurance entities

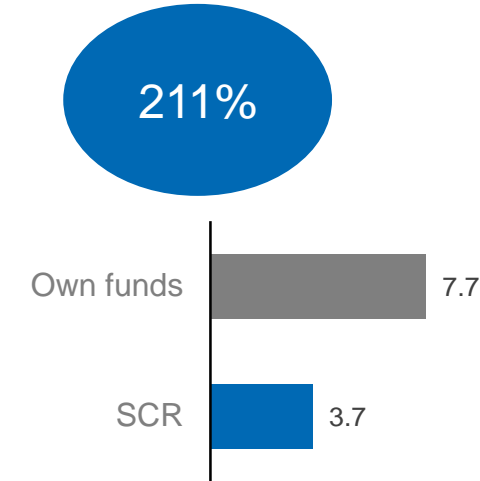
(USD billion, %, 1H19)



Debt and Holding items
-37%-pts

Solvency II equivalent

(USD billion, %, 1H19)



1.Solvency II calibration reduces own funds by 100% RBC CAL to reflect transferability limitations and Required Capital is increased to 150% RBC CAL

IFRS sensitivity towards market movements

- As a result of the LAT deficiency, future IFRS results in Aegon NL will become more sensitive to credit spread movements, especially in case basis risk materializes
- Interest rate movements will have limited impact, as the interest rate risk is economically hedged

Sensitivity market movements on net income of Aegon the Netherlands

(in EUR million, 1H 2019)

	Scenario	Net income impact
Mortgage spreads	+50 bps	(684)
Mortgage spreads	-50 bps	787
Illiquidity premium ¹	+5 bps	140
Illiquidity premium ¹	-5 bps	(177)

1. IFRS illiquidity premium is based on 50% of the spreads on European corporate bonds (EU iBoxx investment grade corporate spreads) minus 40bps

Updated US macro equity tail hedge sensitivities

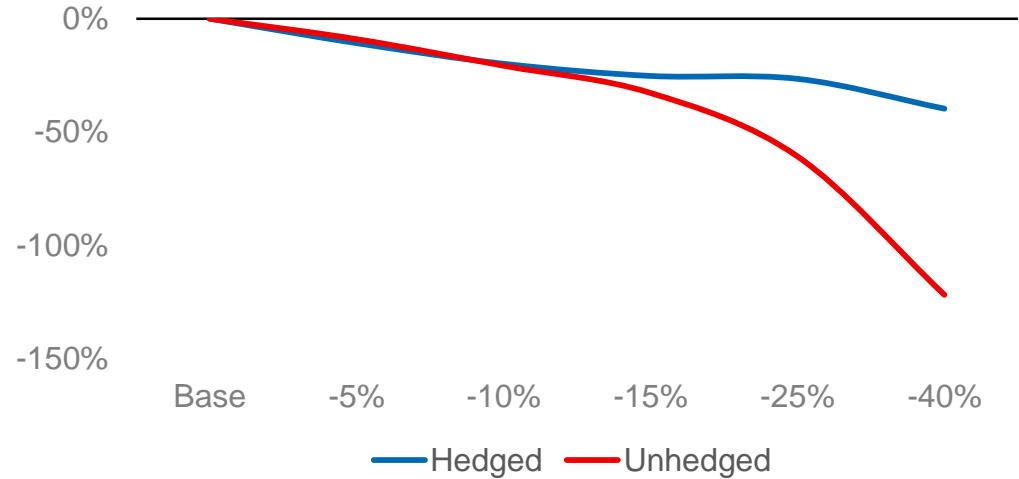
Macro hedge target: RBC Capital

- Equity tail hedge to protect statutory capital remains the purpose of the macro hedge program
- Base run-rate costs of the program have increased due to addition of 25% equity down scenario target (previously only 40% down)
- Run-rate costs are sensitive to the level of equity implied volatility, resulting in variability of the actual cost

Quarterly IFRS sensitivity estimates and drivers

- IFRS accounting mismatch between hedges and liabilities
 - GMIB and GMDB liability valued under SOP 03-1 (real world best estimate assumptions)
 - Difference between actual returns and best estimate assumption impacts fair value results
 - Macro hedge carried at fair value and targets payoffs under tail events

RBC sensitivities to declining equity markets

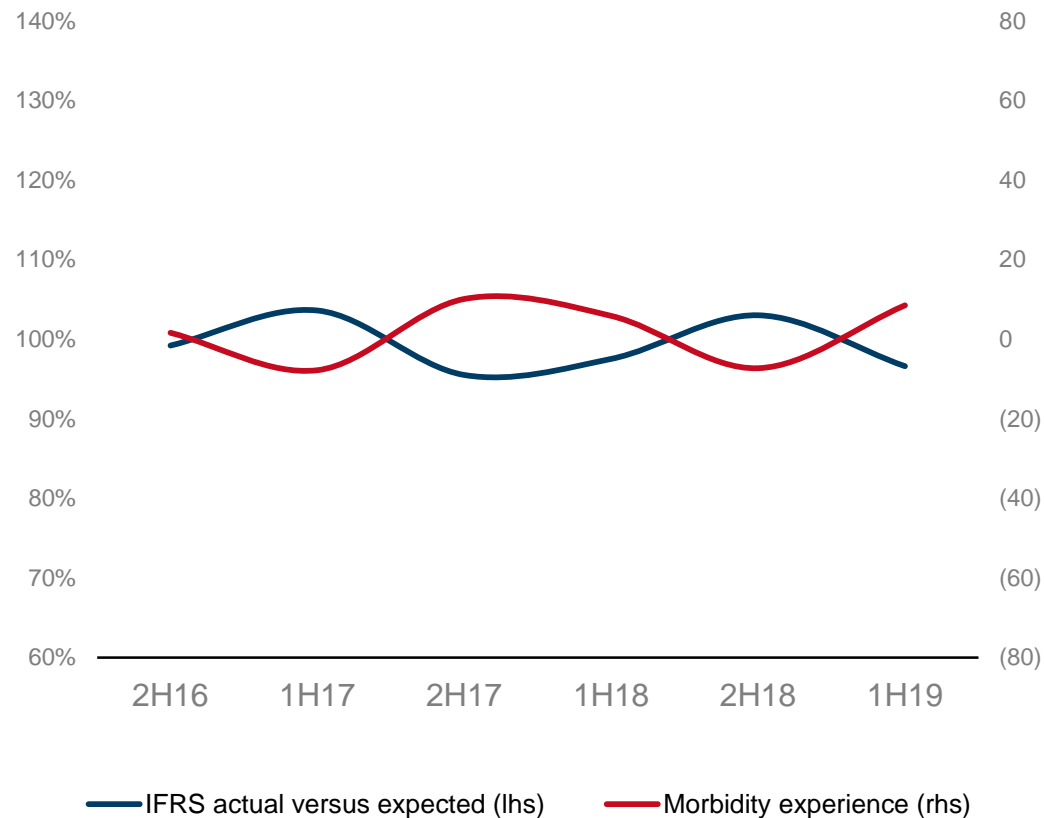


Equity return (2% Base)	Fair value impact (in USD million)	Main driver of impact
-10%	(325)	Increase of provisions while hedge not yet in-the-money
0%	(65)	Run rate cost of program
+10%	160	Release of provisions

Long Term Care continues to develop in line with expectations

LTC actual versus expected claims ratio

(in %, in USD million, actively managed block)

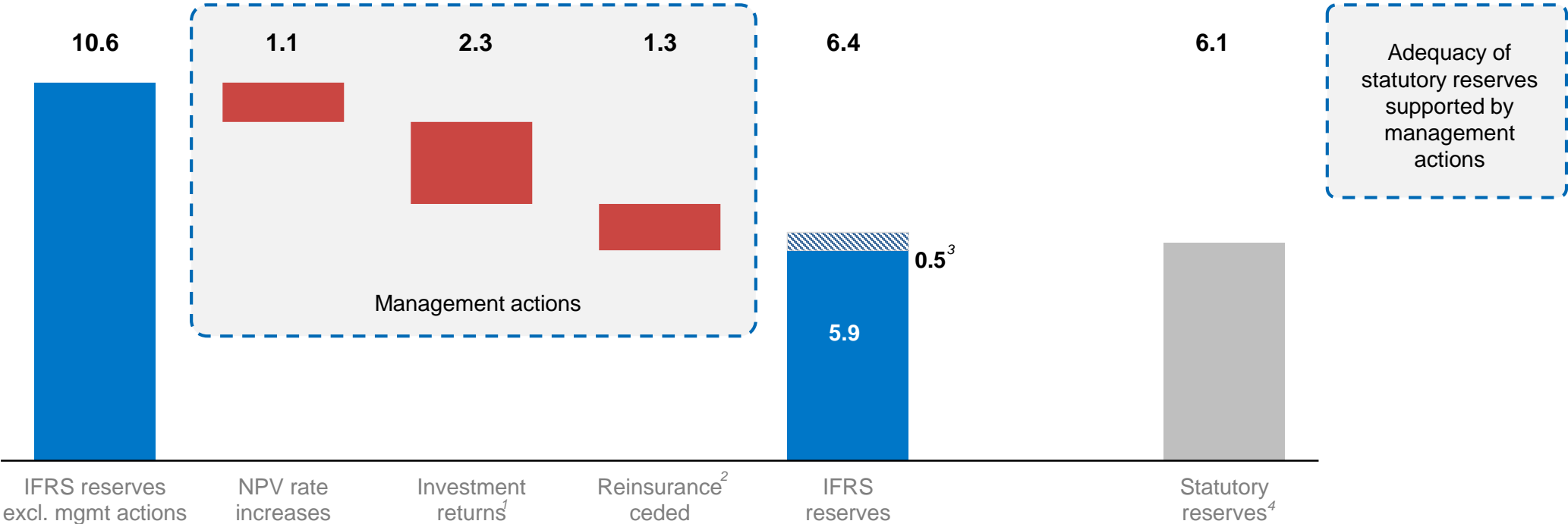


- IFRS assumptions are reviewed in detail annually; management monitors monthly emerging experience
- IFRS results are the leading indicator – most up to date, best estimate assumptions
- IFRS assumption review completed 1H19 with no material charges
- Annual statutory reserve premium deficiency testing shows sufficiency
- Over the last three years, actual LTC experience under IFRS tracked well against management's best estimate
- IFRS actual experience excludes reserve releases for paid-up Long Term Care policies

LTC management actions support reserve sufficiency

LTC reserves

(in USD billion, at June 30, 2019)

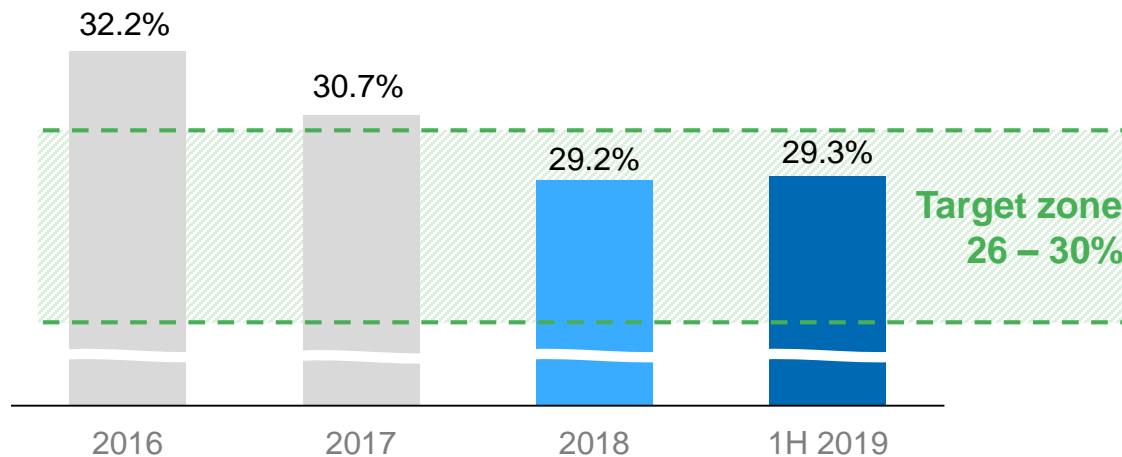


1. Impact of moving from IFRS discount rate based on investment returns to statutory discount rate
 2. Reserves reflect LTC IFRS reserves net of USD 1.3 billion of reinsurance ceded
 3. Reflects USD 5.9 billion of active life and claim reserves plus USD 0.5 billion of "shadow reserves" (investment mark to market)
 4. Reserves are in part based on prescribed or locked-in assumptions, instead of best estimates. Adequacy of statutory reserves supported by successful rate increases and higher actual yields from forward starting swap program initiated in 2002

Leverage ratio remains within target range of 26 – 30%

Gross financial leverage ratio

(in %)



- Gross financial leverage ratio at 1H19 within target zone
- Slight increase in gross financial leverage as positive impact of retained earnings was more than offset by an increase in leverage and impact from markets on own employee pension plan
- Retained earnings to lead to gradually declining ratio

Note: To align closer to definitions used by peers and rating agencies, Aegon has retrospectively changed its internal definition of adjusted shareholders' equity used in calculating return on equity for the group, return on capital for its units, and the gross financial leverage ratio. As of the second half of 2018, shareholders' equity is no longer adjusted for the remeasurement of defined benefit plans

General account investments

June 30, 2019

amounts in EUR millions, except for the impairment data

	Americas	Europe	Asia	Holdings & other	Total
Cash/Treasuries/Agencies	14,702	17,041	517	127	32,387
Investment grade corporates	33,108	4,762	4,277	2	42,149
High yield (and other) corporates	2,075	14	238	50	2,377
Emerging markets debt	1,468	1,028	221	42	2,759
Commercial MBS	3,265	147	565	-	3,977
Residential MBS	2,838	352	61	-	3,251
Non-housing related ABS	2,337	1,776	448	-	4,561
Housing related ABS	-	21	-	-	21
Subtotal	59,792	25,141	6,328	222	91,482
Residential mortgage loans	11	29,217	-	-	29,228
Commercial mortgage loans	8,380	35	-	-	8,415
Total mortgages	8,390	29,252	-	-	37,642
Convertibles & preferred stock	251	-	1	52	304
Common equity & bond funds	289	314	-	84	687
Private equity & hedge funds	1,567	1,425	-	10	3,002
Total equity like	2,108	1,739	1	147	3,994
Real estate	1,054	2,256	-	-	3,310
Other	491	5,377	8	14	5,891
General account (excl. policy loans)	71,835	63,765	6,337	381	142,318
Policyholder loans	1,937	15	41	-	1,993
Investments general account	73,772	63,780	6,378	381	144,311
Impairments as bps (Full year)	3	6	1	91	4

Main economic assumptions

Overall assumptions

	US	NL	UK
Exchange rate against euro	1.15	n.a.	0.88
Annual gross equity market return (price appreciation + dividends)	8%	6.5%	6.5%

Main assumptions for financial targets

US 10-year government bond yields	Grade to 4.25% in 10 years time
NL 10-year government bond yields	Develop in line with forward curves
UK 10-year government bond yields	Grade to 3.3% in 10 years time

Main assumptions for US DAC recoverability

10-year government bond yields	Grade to 4.25% in 10 years time
Credit spreads, net of defaults and expenses	Grade from current levels to 122 bps over four years
Bond funds	Return of 4% for 10 years and 6% thereafter
Money market rates	Grade to 2.5% in 10 years time

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

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AEG
LISTED
NYSE

Disclaimer

Cautionary note regarding non-IFRS-EU 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 adjusted for the revaluation reserve. 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 and/or governmental 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;
- 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 excess cash and leverage ratio management initiatives.

This document contains information that qualifies, or may qualify, as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation (596/2014). 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.