

## AEGON posts strong results for second quarter 2010

- Increase in underlying earnings and net income
  - Underlying earnings before tax increase to EUR 522 million, supported by improved financial markets
  - Impairments decline to EUR 77 million, their lowest level in two years
  - Net income improves significantly to EUR 413 million
  - Return on equity of 9.7%
- Increase in sales and deposits
  - New life sales of EUR 590 million, driven by increased sales in the United States and United Kingdom
  - Gross deposits total EUR 7.6 billion, driven mainly by strong pension deposits in the Americas
  - Value of new business declines to EUR 148 million, mainly due to decrease of sales in US fixed annuities and UK immediate annuities as a result of earlier repricing
- Continued strong capital position
  - Excess capital above S&P's AA capital adequacy requirements declines to EUR 3.0 billion, as higher capital requirements from S&P offset earnings contribution
  - IGD<sup>3)</sup> capital surplus of EUR 7 billion, equivalent to solvency ratio of approximately 200%
  - Shareholders' equity increases to EUR 8.83 per common share
  - No interim dividend on common shares

### Statement of Alex Wynaendts, CEO

"The significant increase in sales, underlying earnings and net income during the second quarter of this year demonstrate the continued strength of AEGON's business. Consistent with our focus on serving the growing need for long-term retirement security, pension sales were particularly strong in the Americas and the United Kingdom. Impairments in our investment portfolio continued their downward trend, reaching their lowest level in two years and approaching our long-term assumptions. As a result of changes to S&P's capital requirements for our businesses, AEGON's excess capital declined, however, it continues to provide what we consider a solid buffer. We are implementing a number of key measures, as announced in June, to sharpen our focus on our core activities and improve returns, particularly within our business in the United Kingdom. At the same time, we are continuing to pursue our options for AEGON's life reinsurance business, which include finding a suitable buyer for Transamerica Reinsurance. Furthermore, we expect soon to receive a final decision from the European Commission on the plan we submitted to demonstrate AEGON's long-term viability as part of the State support AEGON received at the height of the financial crisis in 2008. We will communicate that decision at the earliest opportunity. Going forward, we will maintain our focus on better leveraging our broad resources, pursuing further operational improvements and putting AEGON's proven expertise to work for our customers in all our markets."

### KEY PERFORMANCE INDICATORS

amounts in EUR millions <sup>b)</sup>	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
Underlying earnings before tax	1	522	488	7	415	26	1,010	317	-
Net income	2	413	372	11	(161)	-	785	(334)	-
New life sales	3	590	538	10	484	22	1,128	1,051	7
Gross deposits excluding run-off businesses	4	7,584	7,775	(2)	6,523	16	15,359	14,055	9
Value of new business (VNB)		148	146	1	181	(18)	294	382	(23)
Return on equity	5	9.7%	10.1%	(4)	9.4%	3	9.6%	2.1%	-

For notes see page 23.

Supplements: AEGON's Q2 2010 Financial Supplement and Condensed Consolidated Interim Financial Statements are available on [www.aegon.com](http://www.aegon.com)

## STRATEGIC HIGHLIGHTS

- Sharpened focus on core activities of life insurance, pensions and asset management
- Restructuring UK business; targeting cost reductions of 25% by end 2011 to improve returns
- Exploring strategic options for life reinsurance business, including identifying a suitable buyer
- Appointment of global head of human resources

### AEGON's AMBITION

To be a leader in *all* our chosen markets by 2015

### AEGON'S STRATEGIC PRIORITIES

- Reallocate capital
- Increase returns
- Optimize ONE AEGON

...resulting in sustainable, profitable growth.

At the Analyst & Investor Conference last June, CEO Alex Wynaendts announced new measures to focus more on key long-term growth opportunities in AEGON's core activities and further improve returns from the company's existing businesses. Over the next five years, AEGON aims to become a leader in all of its chosen markets by being the most recommended life and pensions company by customers, the preferred partner for distributors and an employer of choice among current and prospective employees.

### Reallocate capital

One of AEGON's key strategic objectives is to focus on its core businesses of life insurance, pensions and asset management, and achieve a greater geographical balance by reallocating capital to the growth markets of Central & Eastern Europe, Asia and Latin America. AEGON continues to assess its businesses to ensure they meet requirements in terms of earnings growth, cash flow generation, return on capital and customer life cycle needs. As part of this review, AEGON announced in June that it would explore strategic options for Transamerica Reinsurance, the company's life reinsurance business, including finding a suitable buyer.

As part of efforts to further improve its risk profile, AEGON will also be increasing equity hedging of its back book of variable annuities in the United States and continue to shift its focus to fee-based business from spread-based products.

### Increase returns

In the United Kingdom, AEGON is taking significant steps to improve the return on capital by targeting cost reductions of 25% in the company's life and pension operations and refocusing resources on the At Retirement and Workplace Savings markets where there is strong potential for growth and AEGON has leading positions. In addition, AEGON has withdrawn from the UK bulk annuities market and is exploring strategic options for parts of its existing back books. Taken together, these measures are aimed at improving return on capital from AEGON's UK business to 8%-10% and cumulative cash flows of GBP 600 million to 650 million by 2014.

AEGON aims to increase returns by delivering operational excellence in all of its businesses. This will be achieved by further reducing costs while investing in core capabilities and improving service levels to ensure continued customer loyalty.

In addition, AEGON is developing new products that are simpler, more transparent and offer customers better value. To deliver on this strategy, AEGON will further invest in its global workforce. As part of this approach, the company has launched a global talent management program aimed at encouraging and developing talent among employees. Last month, AEGON announced the appointment of a new global head of human resources, Carla Mahieu, who will work with business units to better leverage the top talent available throughout the organization. In addition, AEGON is rolling out an engagement plan for employees around the world and has taken steps to bring target compensation for senior management further in line with the company's overall strategic objectives.

### Optimize ONE AEGON

Over the past two years, measures have been taken to manage AEGON more as one international company. AEGON is committed to making better use of its global resources in managing its businesses, to standardize best practices and to introduce a single balance sheet approach to capital management.

To meet these objectives, AEGON will implement and monitor new performance measurement standards across the company.

## FINANCIAL OVERVIEW

EUR millions	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
<b>Underlying earnings before tax</b>								
Americas	437	379	5	289	51	816	143	-
The Netherlands	97	104	(7)	129	(25)	201	201	-
United Kingdom	22	28	(21)	20	10	50	28	79
New markets	40	46	(13)	49	(18)	86	80	8
Holding and other	(74)	(69)	(7)	(72)	(3)	(143)	(135)	(6)
<b>Underlying earnings before tax</b>	<b>522</b>	<b>488</b>	<b>7</b>	<b>415</b>	<b>26</b>	<b>1,010</b>	<b>317</b>	<b>-</b>
Fair value items	3	(16)	-	(17)	-	(13)	(184)	93
Realized gains / (losses) on investments	148	126	17	21	-	274	165	66
Impairment charges	(77)	(150)	49	(394)	80	(227)	(779)	71
Other income / (charges)	(60)	23	-	(352)	83	(37)	(376)	90
Run-off businesses	(49)	(60)	18	(9)	-	(109)	68	-
<b>Income before tax</b>	<b>487</b>	<b>411</b>	<b>18</b>	<b>(336)</b>	<b>-</b>	<b>898</b>	<b>(789)</b>	<b>-</b>
Income tax	(74)	(39)	(90)	175	-	(113)	455	-
<b>Net income</b>	<b>413</b>	<b>372</b>	<b>11</b>	<b>(161)</b>	<b>-</b>	<b>785</b>	<b>(334)</b>	<b>-</b>
<b>Net income / (loss) attributable to:</b>								
Equity holders of AEGON N.V.	413	371	11	(161)	-	784	(334)	-
Minority interest	-	1	-	-	-	1	-	-
<b>Net underlying earnings</b>	<b>390</b>	<b>381</b>	<b>2</b>	<b>331</b>	<b>18</b>	<b>771</b>	<b>267</b>	<b>189</b>
Commissions and expenses	1,375	1,586	(13)	1,515	(9)	2,961	3,150	(6)
of which operating expenses	841	812	4	820	3	1,653	1,667	(1)
<b>New life sales</b>								
Life single premiums	1,923	1,930	-	1,397	38	3,853	3,371	14
Life recurring premiums annualized	398	345	15	345	15	743	715	4
<b>Total recurring plus 1/10 single</b>	<b>590</b>	<b>538</b>	<b>10</b>	<b>484</b>	<b>22</b>	<b>1,128</b>	<b>1,051</b>	<b>7</b>
<b>New life sales</b>								
Americas	167	145	15	136	23	312	278	12
The Netherlands	41	62	(34)	32	28	103	94	10
United Kingdom	308	265	15	239	29	573	518	11
New markets	74	66	12	77	(4)	140	161	(13)
<b>Total recurring plus 1/10 single</b>	<b>590</b>	<b>538</b>	<b>10</b>	<b>484</b>	<b>22</b>	<b>1,128</b>	<b>1,051</b>	<b>7</b>
New premium production accident and health insurance	148	148	-	146	1	296	310	(5)
New premium production general insurance	15	14	7	11	36	29	23	26
<b>Gross deposits (on and off balance)</b>								
Americas	5,154	5,403	(5)	4,710	9	10,557	10,646	(1)
The Netherlands	624	743	(16)	720	(13)	1,367	1,182	16
United Kingdom	19	36	(47)	61	(69)	55	113	(51)
New markets	1,787	1,593	12	1,032	73	3,380	2,114	60
<b>Total gross deposits excluding run-off businesses</b>	<b>7,584</b>	<b>7,775</b>	<b>(2)</b>	<b>6,523</b>	<b>16</b>	<b>15,359</b>	<b>14,055</b>	<b>9</b>
Run-off businesses	-	-	-	209	-	-	883	-
<b>Total gross deposits</b>	<b>7,584</b>	<b>7,775</b>	<b>(2)</b>	<b>6,732</b>	<b>13</b>	<b>15,359</b>	<b>14,938</b>	<b>3</b>
<b>Net deposits (on and off balance)</b>								
Americas	746	524	42	827	(10)	1,270	2,831	(55)
The Netherlands	55	67	(18)	170	(68)	122	225	(46)
United Kingdom	10	29	(66)	52	(81)	39	101	(61)
New markets	187	121	55	(171)	-	308	(485)	-
<b>Total net deposits excluding run-off businesses</b>	<b>998</b>	<b>741</b>	<b>35</b>	<b>878</b>	<b>14</b>	<b>1,739</b>	<b>2,672</b>	<b>(35)</b>
Run-off businesses	(1,837)	(2,199)	16	(1,372)	(34)	(4,036)	(4,326)	7
<b>Total net deposits</b>	<b>(839)</b>	<b>(1,458)</b>	<b>42</b>	<b>(494)</b>	<b>(70)</b>	<b>(2,297)</b>	<b>(1,654)</b>	<b>(39)</b>

## REVENUE GENERATING INVESTMENTS

	June 30, 2010	Mar. 31, 2010	%
<b>Revenue generating investments (total)</b>	<b>408,589</b>	<b>387,912</b>	<b>5</b>
Investments general account	151,394	142,254	6
Investments for account of policyholders	139,717	135,385	3
Off balance sheet investments third parties	117,478	110,273	7

## OPERATIONAL HIGHLIGHTS

### Underlying earnings before tax

AEGON's underlying earnings before tax increased to EUR 522 million in the second quarter, a significant improvement compared with the same period last year. This increase in earnings was due mainly to improved financial markets, strengthening of the US dollar against the euro and growth of the business, while last year's earnings had also included several exceptional items.

In the Americas, underlying earnings totaled EUR 437 million, a 51% increase compared with last year, primarily the result of higher investment income, a recovery in equity markets and lower expenses.

Underlying earnings in the Netherlands came in strong at EUR 97 million. However, earnings declined as the second quarter last year had included a one-time release in provisions of EUR 20 million. Results for the second quarter of 2010 were also affected by lower investment income and the sale of AEGON's Dutch funeral insurance business.

In the United Kingdom, underlying earnings increased slightly to EUR 22 million as higher profits from annuities were partly offset by higher project-related expenses.

Underlying earnings from New Markets declined to EUR 40 million. The inclusion of AEGON Asset Management was more than offset by lower results from Central & Eastern Europe and further investments in the company's operations in Asia.

Expenses for the holding company increased slightly in the second quarter of 2010 to EUR 74 million, primarily a result of higher funding costs.

### Fair value items

In the second quarter, fair value items showed an overall performance of EUR 3 million.

Overperformance in the Netherlands was the result mainly of gains in the fair value of guarantees and related hedges, partly offset by lower residential real estate values. In the Americas, underperformance was due primarily to a decline in results from credit

derivatives and variable annuity guaranteed minimum withdrawal benefits products, which offset gains from the company's macro equity hedge.

AEGON has decided to set its short term equity market return assumption in determining estimated gross profits on variable life and variable annuity products in the Americas at 9% for the second quarter, reflecting the continued volatility experienced in equity markets and the use of macro equity hedges. This decision resulted in an additional charge of EUR 144 million, which has been included in fair value items, partly offsetting gains from the company's macro equity hedge.

In addition, a widening of AEGON's own credit spread was more than offset by fair value movements of derivatives, which resulted in a loss for the holding company.

### Gains on investments

In the second quarter, realized gains on investments increased to EUR 148 million. In both the United States and the Netherlands, gains were related primarily to the sale of bonds as part of asset and liability management, while the gain of EUR 97 million in the holding was realized on investments related to excess capital.

### Impairment charges

Net impairments continued their downward trend, amounting to EUR 77 million, reaching their lowest level in two years and approaching AEGON's long-term assumptions. Impairments during the second quarter were primarily related to US housing related securities.

### Other charges

Other charges amounted to EUR 60 million. These included a one-time provision of EUR 105 million for settlement of a dispute related to a Bank-Owned Life Insurance (BOLI) policy in the United States. Subsequent to the disruption in the credit market, which affected the investment value of the policy's underlying assets, a suit was filed alleging that the policy terms were not sufficiently fulfilled by AEGON.

This provision was partly offset by a book gain of EUR 33 million from the sale of AEGON's funeral insurance business in the Netherlands.

#### Run-off businesses

AEGON's run-off businesses in the Americas recorded a loss in the second quarter of EUR 49 million. This loss was lower than expected because of better portfolio yields.

#### Income tax

Tax charges in the second quarter amounted to EUR 74 million and included a EUR 26 million tax benefit related to cross-border intercompany reinsurance transactions between the United States and Ireland.

#### Operating expenses

Operating expenses increased 3% to EUR 841 million due to a strengthening of the US dollar and pound sterling against the euro. However, operating expenses declined 2% at constant currencies as result of a number of initiatives to reduce expenses.

#### New life sales

New life sales increased 22% compared with the second quarter of 2009 to EUR 590 million as almost all units experienced double-digit growth. The main drivers behind the increase were pension sales in the United Kingdom and retail life sales in the Americas.

#### Deposits

Gross deposits, excluding run-off businesses, rose 16% to EUR 7.6 billion. Primary drivers of the increase were third-party asset management, US pensions and retail mutual fund inflows, offsetting lower fixed annuity deposits, which were managed lower. Net deposits totaled EUR 1 billion, excluding AEGON's run-off businesses, as all units reported positive net deposits.

#### Value of new business

AEGON's value of new business declined to EUR 148 million in the second quarter due to a decrease in the United Kingdom, following earlier repricing of immediate annuities and lower fixed annuity sales in the United States. In Spain, lower sales of risk products also led to a lower value of new business.

In the second quarter, 22% of AEGON's total value of new business came from New Markets. The internal rate of return on new business remained strong at 18% in the second quarter.

#### Revenue-generating investments

Revenue-generating investments increased 5% compared with the end of the first quarter to EUR 409 billion, primarily as a result of a strengthening in both the US dollar and the pound sterling against the euro.

#### Capital management

At the end of the second quarter, AEGON's core capital position, excluding revaluation reserves, amounted to EUR 18.6 billion, equivalent to 74% of the company's total capital base and above its target threshold of 70%. AEGON's aim is to increase the proportion of core capital over time to 75%<sup>6</sup>.

AEGON's revaluation reserves at June 30, 2010, turned positive for the first time in almost three years and amounted to EUR 588 million. This significant improvement is mainly the result of an increase in the value of fixed income securities.

Shareholders' equity rose to EUR 17.2 billion as a result of the improved revaluation reserves, strengthening of the US dollar and the pound sterling against the euro, and the addition of second quarter net income.

Excess capital above S&P's AA capital adequacy requirements declined to EUR 3.0 billion, of which EUR 1.9 billion was held in operating units and EUR 1.1 billion at the holding company. Positive contributions from earnings and capital preservation measures were more than offset by increased capital requirements for asset related risks. Standard & Poor's revised their risk factors, significantly increasing applied charges related primarily to bond portfolios. As a result, capital requirements in the Americas rose during the second quarter by USD 0.9 billion.

At June 30, 2010, AEGON's Insurance Group Directive (IGD) capital surplus totaled EUR 7 billion, equivalent to a solvency ratio of approximately 200%.

Over the past few months, AEGON has been engaged in the process of obtaining the European Commission's final consent to the terms relating to AEGON's participation in the capital support program of the Dutch State. AEGON expects the European Commission to announce its final decision in the near future.

#### Dividend

AEGON's dividend policy remains unchanged and is based on its capital position and cash flows. AEGON aims to maintain a sizeable cash buffer in order to fulfill its priority of repaying the Dutch State as soon as it is responsible and feasible to do so. AEGON will therefore not declare an interim dividend to common shareholders in 2010.

#### Risk management

In the second quarter, AEGON reduced its already limited exposure to peripheral European sovereign bonds, which amounted to a market value of EUR 1.5 billion at June 30, 2010. As part of this reduction, AEGON sold approximately EUR 450 million in Spanish government bonds during the quarter.

#### Financial strength ratings

During the second quarter, the financial strength ratings of AEGON's US operating companies were upgraded by A.M. Best to A+ with a Stable outlook, reflecting A.M. Best's assessment of the companies' financial strength and support of the parent. In July, Fitch Ratings lowered AEGON's operating companies' insurer financial strength ratings to AA- and raised the outlook to Stable.

## APPENDIX I • Americas • The Netherlands • United Kingdom • New Markets

### FINANCIAL OVERVIEW, Q2 2010 GEOGRAPHICALLY

EUR millions	Americas	The Netherlands	United Kingdom	New Markets	Holding, other activities & eliminations	Total
<b>Underlying earnings before tax by line of business</b>						
Life	197	42	17	20	-	276
Individual savings and retirement products	139	-	-	(5)	-	134
Pensions	75	29	7	4	-	115
Life reinsurance	26	-	-	-	-	26
Non-life	-	19	-	1	-	20
Distribution	-	6	(2)	-	-	4
Asset Management	-	-	-	12	-	12
Other	-	-	-	-	(74)	(74)
Share in underlying earnings before tax of associates	-	1	-	8	-	9
<b>Underlying earnings before tax</b>	<b>437</b>	<b>97</b>	<b>22</b>	<b>40</b>	<b>(74)</b>	<b>522</b>
Fair value items	(33)	68	(14)	(4)	(14)	3
Realized gains / (losses) on investments	17	23	3	8	97	148
Impairment charges	(61)	(6)	(1)	(9)	-	(77)
Other income / (charges)	(105)	33	23	(11)	-	(60)
Run-off businesses	(49)	-	-	-	-	(49)
<b>Income before tax</b>	<b>206</b>	<b>215</b>	<b>33</b>	<b>24</b>	<b>9</b>	<b>487</b>
Income tax	(7)	(45)	(6)	(9)	(7)	(74)
<b>Net income</b>	<b>199</b>	<b>170</b>	<b>27</b>	<b>15</b>	<b>2</b>	<b>413</b>
<b>Net underlying earnings</b>	<b>323</b>	<b>57</b>	<b>36</b>	<b>30</b>	<b>(56)</b>	<b>390</b>

### EMPLOYEE NUMBERS

	June 30, 2010	Mar. 31, 2010
Employees excluding agents	25,127	25,204
Agents	3,011	3,044
Total number of employees excluding Associates	28,138	28,248
AEGON's share of employees (including agents) in Associates	3,320	2,854
<b>Total</b>	<b>31,458</b>	<b>31,102</b>



## AMERICAS

USD millions	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
<b>Underlying earnings before tax by line of business</b>									
Life and protection		241	194	24	224	8	435	422	3
<i>Fixed annuities</i>		125	121	3	68	84	246	140	76
<i>Variable annuities</i>		50	69	(28)	34	47	119	(455)	-
<i>Retail mutual funds</i>		-	-	-	(6)	-	-	(10)	-
Individual savings and retirement products		175	190	(8)	96	82	365	(325)	-
Employer solutions & pensions		95	86	10	59	61	181	106	71
Life reinsurance		33	42	(21)	17	94	75	(13)	-
Canada		15	11	36	(15)	-	26	6	-
Latin America		1	1	-	-	-	2	(4)	-
<b>Underlying earnings before tax</b>		<b>560</b>	<b>524</b>	<b>7</b>	<b>381</b>	<b>47</b>	<b>1,084</b>	<b>192</b>	<b>-</b>
Fair value items		(39)	(120)	68	233	-	(159)	232	-
Realized gains / (losses) on investments		21	33	(36)	3	-	54	(1)	-
Impairment charges		(73)	(191)	62	(449)	84	(264)	(819)	68
Other income / (charges)		(140)	-	-	-	-	(140)	1	-
Run-off businesses		(62)	(83)	25	(10)	-	(145)	90	-
<b>Income before tax</b>		<b>267</b>	<b>163</b>	<b>64</b>	<b>158</b>	<b>69</b>	<b>430</b>	<b>(305)</b>	<b>-</b>
Income tax		(12)	54	-	214	-	42	504	(92)
<b>Net income</b>		<b>255</b>	<b>217</b>	<b>18</b>	<b>372</b>	<b>(31)</b>	<b>472</b>	<b>199</b>	<b>137</b>
<b>Net income / (loss) attributable to:</b>									
Equity holders of AEGON N.V.		255	217	18	372	(31)	472	199	137
<b>Net underlying earnings</b>		<b>412</b>	<b>408</b>	<b>1</b>	<b>307</b>	<b>34</b>	<b>820</b>	<b>186</b>	<b>-</b>
Commissions and expenses		961	1,355	(29)	1,271	(24)	2,316	2,596	(11)
of which operating expenses		484	501	(3)	580	(17)	985	1,145	(14)
<b>New life sales</b>									
Life single premiums		279	194	44	138	102	473	229	107
Life recurring premiums annualized		184	183	1	173	6	367	349	5
<b>Total recurring plus 1/10 single</b>		<b>212</b>	<b>202</b>	<b>5</b>	<b>187</b>	<b>13</b>	<b>414</b>	<b>372</b>	<b>11</b>
Life & protection		134	121	11	117	15	255	224	14
Employer solutions & pensions		4	9	(56)	8	(50)	13	18	(28)
Life reinsurance		46	47	(2)	47	(2)	93	99	(6)
Canada		16	15	7	13	23	31	25	24
Latin America		12	10	20	2	-	22	6	-
<b>Total recurring plus 1/10 single</b>		<b>212</b>	<b>202</b>	<b>5</b>	<b>187</b>	<b>13</b>	<b>414</b>	<b>372</b>	<b>11</b>
New premium production accident and health insurance		180	184	(2)	193	(7)	364	396	(8)
<b>Gross deposits (on and off balance) by line of business</b>									
Life & protection		3	3	-	2	50	6	5	-
<i>Fixed annuities</i>		124	185	(33)	1,288	(90)	309	3,402	(91)
<i>Variable annuities</i>		1,028	809	27	1,018	1	1,837	1,726	6
<i>Retail mutual funds</i>		957	976	(2)	513	87	1,933	819	136
Individual savings & retirement products		2,109	1,970	-	2,819	(25)	4,079	5,947	-
Employer solutions & pensions		4,311	5,217	(17)	3,600	20	9,528	8,114	17
Life reinsurance		1	1	-	1	-	2	1	100
Canada		118	286	(59)	59	100	404	144	81
<b>Total gross deposits excluding run-off businesses</b>		<b>6,542</b>	<b>7,477</b>	<b>(13)</b>	<b>6,481</b>	<b>1</b>	<b>14,019</b>	<b>14,211</b>	<b>(1)</b>
Run-off businesses		-	-	-	302	-	-	1,179	-
<b>Total gross deposits</b>		<b>6,542</b>	<b>7,477</b>	<b>(13)</b>	<b>6,783</b>	<b>(4)</b>	<b>14,019</b>	<b>15,390</b>	<b>(9)</b>
<b>Net deposits (on and off balance) by line of business</b>									
Life & protection		(12)	(15)	-	(13)	8	(27)	(34)	-
<i>Fixed annuities</i>		(653)	(543)	(20)	389	-	(1,196)	1,464	-
<i>Variable annuities</i>		217	(23)	-	397	(45)	194	395	(51)
<i>Retail mutual funds</i>		357	418	(15)	107	-	775	(144)	-
Individual savings & retirement products		(79)	(148)	-	893	-	(227)	1,715	-
Employer solutions & pensions		1,264	1,386	(9)	375	-	2,650	2,253	18
Life reinsurance		(15)	(15)	-	(18)	17	(30)	(38)	21
Canada		(197)	(482)	59	(69)	(186)	(679)	(118)	-
<b>Total net deposits excluding run-off businesses</b>		<b>961</b>	<b>726</b>	<b>32</b>	<b>1,168</b>	<b>(18)</b>	<b>1,687</b>	<b>3,778</b>	<b>(55)</b>
Run-off businesses		(2,317)	(3,043)	-	(1,927)	(20)	(5,360)	(5,774)	-
<b>Total net deposits</b>		<b>(1,356)</b>	<b>(2,317)</b>	<b>41</b>	<b>(759)</b>	<b>(79)</b>	<b>(3,673)</b>	<b>(1,996)</b>	<b>(84)</b>

## REVENUE GENERATING INVESTMENTS

	June 30, 2010	Mar. 31, 2010	%
<b>Revenue generating investments (total)</b>	<b>301,630</b>	<b>305,832</b>	<b>(1)</b>
Investments general account	126,348	125,186	1
Investments for account of policyholders	69,401	73,214	(5)
Off balance sheet investments third parties	105,881	107,432	(1)

For the amounts in euro see the Financial Supplement.

## AMERICAS

- Underlying earnings before tax increase to USD 560 million
- Impairments decline to USD 73 million
- New life sales up to USD 212 million and strong gross deposits of USD 6.5 billion

### Underlying earnings before tax

- Earnings from Life & Protection in the Americas increased to USD 241 million, mainly the result of benefits from cost saving initiatives and the absence of restructuring charges which affected results last year.
- Individual Savings & Retirement earnings increased to USD 175 million. Fixed annuity earnings rose as yields on the portfolio increased, while results from variable annuities also improved due to an increase in overall asset balances.
- Earnings from Employer Solutions & Pensions increased to USD 95 million on improved margins and growth of account balances.
- Life reinsurance earnings increased to USD 33 million, a result of more favorable mortality experience compared with the second quarter last year.
- Earnings from AEGON's operations in Canada amounted to USD 15 million, a strong improvement from a loss for the second quarter last year, which included a one-time charge related to deferred policy acquisition costs of USD 30 million.

### Net income

Net income from AEGON's operations in the Americas declined to USD 255 million as improvements in underlying earnings and impairments were more than offset by the underperformance of fair value items, increased tax charges and a one-off charge related to a settlement.

The underperformance in fair value items totaled USD 39 million, mainly due to negative results from credit derivatives and variable annuity guaranteed minimum withdrawal benefits products, which were partly offset by gains from the company's macro equity hedge.

AEGON has decided to set its short term equity market return assumption in determining estimated gross profits on variable life and variable annuity products at 9% for the second quarter, reflecting the continued volatility experienced in equity markets and the use of macro equity hedges. This decision resulted in an additional charge of USD 187 million, which has been included in fair value items, partly offsetting gains from the company's macro equity hedge.

During the second quarter, realized gains on investments amounted to USD 21 million and were related to corporate investment grade bonds sold in order to extend the duration of some of AEGON's investment portfolios.

Net impairments decreased to USD 73 million in the second quarter, reaching their lowest level in two years and approaching AEGON's long-term assumptions. Impairments during the quarter were related primarily to US housing related securities.

Other charges included a one-time provision of USD 140 million for settlement of a dispute related to a Bank-Owned Life Insurance (BOLI) policy in the United States. Subsequent to the disruption in the credit market, which affected the investment value of the policy's underlying assets, a suit was filed alleging that the policy terms were not sufficiently fulfilled by AEGON.

AEGON's run-off businesses in the Americas recorded a loss in the second quarter of USD 62 million. This better than expected result was due to higher portfolio yields.

Net income from AEGON's operations in the Americas included a tax expense in the second quarter of USD 12 million primarily due to a decline in tax benefits related to cross-border intercompany reinsurance treaties.

#### Operating expenses

Operating expenses declined 17% to USD 484 million as a result of lower restructuring charges and employee benefit plan costs and the transfer of activities to AEGON Asset Management. Excluding restructuring charges and employee benefit plan costs, operating expenses declined slightly as continued cost saving initiatives were absorbed by the first-time inclusion of our partnership in Brazil.

#### Sales and deposits

New life sales increased 13% compared with the second quarter 2009 to USD 212 million. This was mainly a result of growth in AEGON's retail life insurance businesses across the Americas. New premium production for accident and health products declined to USD 180 million, mainly due to the closure last year of AEGON's automotive credit business in the United States.

Gross deposits, excluding run-off businesses, increased 1% to USD 6.5 billion as higher pension and retail mutual fund deposits were offset by fixed annuity deposits, which were managed lower. Net deposits, excluding run-off businesses, totaled approximately USD 1 billion as pension, variable annuity and retail mutual fund inflows offset outflows from fixed annuities in the United States and from segregated funds in Canada.

#### Value of new business

Value of new business declined to USD 80 million due primarily to lower fixed annuity sales. The lower contribution from fixed annuities more than offset higher margins of variable annuities and pensions in the United States and an improvement in Canada. The internal rate of return for the quarter rose to 13%.

#### Revenue-generating investments

Compared with the first quarter, revenue-generating investments decreased to USD 302 billion, as new money inflows and the effect of higher bond markets were more than offset by the impact of a decline in equity markets and outflows from AEGON's run-off businesses.

## THE NETHERLANDS

EUR millions	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
<b>Underlying earnings before tax by line of business</b>									
Life and Savings		42	39	8	58	(28)	81	93	(13)
Pensions		29	47	(38)	57	(49)	76	83	(8)
Non life		19	7	171	11	73	26	13	100
Distribution		6	11	(45)	3	100	17	12	42
Share in underlying earnings before tax of associates		1	-	-	-	-	1	-	-
<b>Underlying earnings before tax</b>		<b>97</b>	<b>104</b>	<b>(7)</b>	<b>129</b>	<b>(25)</b>	<b>201</b>	<b>201</b>	<b>-</b>
Fair value items		68	91	(25)	(80)	-	159	(298)	-
Realized gains / (losses) on investments		23	96	(76)	(15)	-	119	123	(3)
Impairment charges		(6)	(1)	-	(28)	79	(7)	(106)	93
Other income / (charges)		33	-	-	-	-	33	-	-
<b>Income before tax</b>		<b>215</b>	<b>290</b>	<b>(26)</b>	<b>6</b>	<b>-</b>	<b>505</b>	<b>(80)</b>	<b>-</b>
Income tax		(45)	(67)	33	(2)	-	(112)	43	-
<b>Net income</b>		<b>170</b>	<b>223</b>	<b>(24)</b>	<b>4</b>	<b>-</b>	<b>393</b>	<b>(37)</b>	<b>-</b>
<b>Net income / (loss) attributable to:</b>									
Equity holders of AEGON N.V.		170	223	(24)	4	-	393	(37)	-
<b>Net underlying earnings</b>		<b>57</b>	<b>77</b>	<b>(26)</b>	<b>93</b>	<b>(39)</b>	<b>134</b>	<b>148</b>	<b>(9)</b>
Commissions and expenses		263	264	-	274	(4)	527	581	(9)
of which operating expenses		182	182	-	192	(5)	364	409	(11)
<b>New life sales</b>									
Life single premiums		241	397	(39)	145	66	638	536	19
Life recurring premiums annualized		18	22	(18)	17	6	40	40	-
<b>Total recurring plus 1/10 single</b>		<b>41</b>	<b>62</b>	<b>(34)</b>	<b>32</b>	<b>28</b>	<b>103</b>	<b>94</b>	<b>10</b>
Life and Savings		21	27	(22)	19	11	48	42	14
Pensions		20	35	(43)	13	54	55	52	6
<b>Total recurring plus 1/10 single</b>		<b>41</b>	<b>62</b>	<b>(34)</b>	<b>32</b>	<b>28</b>	<b>103</b>	<b>94</b>	<b>10</b>
New premium production accident and health insurance		4	11	(64)	3	33	15	10	50
New premium production general insurance		6	8	(25)	6	-	14	13	8
<b>Gross deposits (on and off balance) by line of business</b>									
Life and Savings		534	683	(22)	587	(9)	1,217	1,037	17
Pensions		90	60	50	133	(32)	150	145	3
<b>Total gross deposits</b>		<b>624</b>	<b>743</b>	<b>(16)</b>	<b>720</b>	<b>(13)</b>	<b>1,367</b>	<b>1,182</b>	<b>16</b>
<b>Net deposits (on and off balance) by line of business</b>									
Life and Savings		50	82	(39)	43	16	132	(24)	-
Pensions		5	(15)	-	127	(96)	(10)	249	-
<b>Total net deposits</b>		<b>55</b>	<b>67</b>	<b>(18)</b>	<b>170</b>	<b>(68)</b>	<b>122</b>	<b>225</b>	<b>(46)</b>

## REVENUE GENERATING INVESTMENTS

	June 30, 2010	Mar. 31, 2010	%
<b>Revenue generating investments (total)</b>	<b>69,091</b>	<b>70,867</b>	<b>(3)</b>
Investments general account	35,203	36,294	(3)
Investments for account of policyholders	23,605	23,665	-
Off balance sheet investments third parties	10,283	10,908	(6)

## THE NETHERLANDS

- Underlying earnings before tax amount to EUR 97 million
- Net income rises to EUR 170 million, including book gain on sale of funeral insurance business
- New life sales increase to EUR 41 million mainly as a result of increased pension sales

### Underlying earnings before tax

- Earnings from Life & Savings decreased to EUR 42 million as the comparable quarter last year had included a one-time release of provisions of EUR 20 million. The loss of earnings due to the sale of AEGON's Dutch funeral insurance business was more than compensated by improved margins on savings account balances.
- Pension earnings decreased to EUR 29 million mainly due to lower interest results and higher claims.
- Non-life earnings improved to EUR 19 million mainly as a result of favorable claim experience for both motor and fire insurance.
- Earnings from Distribution increased to EUR 6 million, primarily the result of the sale last year of the company's loss-making real estate brokerage activities.

### Net income

Net income from AEGON's operations in the Netherlands increased to EUR 170 million. Fair value items improved to EUR 68 million, the result of positive fair value movements of guarantees and related hedges offset partly by a decline in residential real estate values. Gains on investments amounted to EUR 23 million and were mainly the result of gains on the sale of sovereign bonds. Impairment charges improved to just EUR 6 million, while Other income reflected a book gain of EUR 33 million on the sale of the funeral insurance business earlier this year.

### Operating expenses

Operating expenses declined 5% to EUR 182 million in the second quarter. This was the result of cost saving initiatives implemented last year, as well as the transfer of asset management activities in the Netherlands to AEGON Asset Management. On a comparable basis operating expenses remained stable.

### Sales and deposits

New life sales increased 28% compared with the second quarter last year to EUR 41 million. Individual life sales were higher, due to an increase in demand for mortgage-related products and a rise in sales of immediate annuities. Overall pension sales also increased mainly as a result of a number of larger group pension contracts secured during the quarter.

### Value of new business

Lower spreads in both AEGON's mortgage and annuity businesses resulted in a decrease in the value of new business in the second quarter of 2010 to EUR 30 million. The internal rate of return amounted to 17% during the quarter, exceeding the company's minimum hurdle rate.

### Revenue-generating investments

Revenue-generating investments decreased to EUR 69 billion, down 3% compared with the end of the previous quarter. This decrease was primarily the result of a transfer of assets related to the sale of the funeral insurance business and lower equity markets during the quarter.

## UNITED KINGDOM

GBP millions	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
<b>Underlying earnings before tax by line of business</b>									
Life		15	18	(17)	11	36	33	18	83
Pensions		5	9	(44)	7	(29)	14	12	17
Distribution		(2)	(2)	-	(2)	-	(4)	(5)	20
<b>Underlying earnings before tax</b>		<b>18</b>	<b>25</b>	<b>(28)</b>	<b>16</b>	<b>13</b>	<b>43</b>	<b>25</b>	<b>72</b>
Fair value items		(11)	2	-	13	-	(9)	14	-
Realized gains / (losses) on investments		3	2	50	13	(77)	5	19	(74)
Impairment charges		(1)	(7)	86	(30)	97	(8)	(43)	81
Other income / (charges)	7	19	21	(10)	30	(37)	40	8	-
<b>Income before tax</b>		<b>28</b>	<b>43</b>	<b>(35)</b>	<b>42</b>	<b>(33)</b>	<b>71</b>	<b>23</b>	<b>-</b>
Income tax attributable to policyholder return		(19)	(21)	10	(29)	34	(40)	(7)	-
<b>Income before income tax on shareholders return</b>		<b>9</b>	<b>22</b>	<b>(59)</b>	<b>13</b>	<b>(31)</b>	<b>31</b>	<b>16</b>	<b>94</b>
Income tax on shareholders return		15	(2)	-	4	-	13	9	44
<b>Net income</b>		<b>24</b>	<b>20</b>	<b>20</b>	<b>17</b>	<b>41</b>	<b>44</b>	<b>25</b>	<b>76</b>
<b>Net income / (loss) attributable to:</b>									
Equity holders of AEGON N.V.		24	20	20	17	41	44	25	76
<b>Net underlying earnings</b>		<b>31</b>	<b>22</b>	<b>41</b>	<b>21</b>	<b>48</b>	<b>53</b>	<b>32</b>	<b>66</b>
Commissions and expenses		181	170	6	169	7	351	322	9
of which operating expenses		95	95	-	101	(6)	190	197	(4)
<b>New life sales</b>									
Life single premiums	8	1,050	1,139	(8)	879	19	2,189	2,078	5
Life recurring premiums annualized		158	121	31	122	30	279	255	9
<b>Total recurring plus 1/10 single</b>		<b>263</b>	<b>235</b>	<b>12</b>	<b>210</b>	<b>25</b>	<b>498</b>	<b>463</b>	<b>8</b>
Life		23	26	(2)	41	(44)	49	112	(56)
Pensions		240	209	15	169	42	449	351	28
<b>Total recurring plus 1/10 single</b>		<b>263</b>	<b>235</b>	<b>12</b>	<b>210</b>	<b>25</b>	<b>498</b>	<b>463</b>	<b>8</b>
<b>Gross deposits (on and off balance) by line of business</b>									
Variable annuities		16	32	(50)	54	(70)	48	101	(52)
<b>Total gross deposits</b>		<b>16</b>	<b>32</b>	<b>(50)</b>	<b>54</b>	<b>(70)</b>	<b>48</b>	<b>101</b>	<b>(52)</b>
<b>Net deposits (on and off balance) by line of business</b>									
Variable annuities		9	25	(64)	45	(80)	34	90	(62)
<b>Total net deposits</b>		<b>9</b>	<b>25</b>	<b>(64)</b>	<b>45</b>	<b>(80)</b>	<b>34</b>	<b>90</b>	<b>(62)</b>

## REVENUE GENERATING INVESTMENTS

	June 30, 2010	Mar. 31, 2010	%
<b>Revenue generating investments (total)</b>	<b>51,738</b>	<b>53,572</b>	<b>(3)</b>
Investments general account	7,856	7,498	5
Investments for account of policyholders	43,882	46,074	(5)

For the amounts in euro see the Financial Supplement.

## UNITED KINGDOM

- Underlying earnings before tax increase to GBP 18 million
- Net income rises to GBP 24 million
- New life sales up to GBP 263 million – the result of strong pension sales
- Restructuring UK business; targeting cost reductions of 25% by end 2011 to improve returns

### Underlying earnings before tax

- Earnings from Life & Protection increased to GBP 15 million due to an increase in the size of the annuity book and the expenses related to the closure of the employee benefit business in the comparable quarter last year.
- Pension earnings decreased to GBP 5 million as the positive effects of further business growth and improved equity and credit markets were more than offset by higher expenses associated with investments in developing new propositions.
- AEGON's distribution businesses in the United Kingdom benefitted from improved business performance and market conditions, which limited losses during the quarter to GBP 2 million.

### Net income

Net income for the second quarter of 2010 increased to GBP 24 million, mainly because of a sharp decline in impairments. Impairments declined significantly and totaled just GBP 1 million for the quarter. AEGON recorded a loss during the quarter on fair value items in the United Kingdom as a result of a decline in equity markets and an accounting loss on a derivative instrument for which hedge accounting could not be applied. Gains on investments decreased and comprised essentially gains from the sale of bonds during the quarter, while a larger tax benefit was recorded than in the comparable quarter last year.

### Operating expenses

Operating expenses decreased 6% to GBP 95 million as a result of cost containment and the transfer of asset management activities at the beginning of the year to AEGON Asset Management, partly offset by investments in developing the UK personal pensions market proposition and increased project-related costs. In June, AEGON announced to re-focus its UK life and pensions business on two core markets – At Retirement and Workplace Savings – and to reduce operating costs 25% by 2011. Plans to deliver this expense reduction program are currently under development and further detail will be announced later this year.

### Sales and deposits

New life sales increased 25% to GBP 263 million as higher sales of pension and retirement products more than offset a decrease in sales of immediate annuities following earlier repricing and the closure of AEGON's employee benefit business in the United Kingdom in the second quarter last year. Also, the comparable quarter last year included existing AEGON group personal pension business that was transferred internally to new group pension contracts. AEGON has decided not to include these rewrites as part of new business reporting as this gives a clearer indication of new premium secured.

### Value of new business

Value of new business in the United Kingdom declined to GBP 20 million due to a decrease in immediate annuity sales as a result of earlier repricing. The internal rate of return on new business during the quarter was 12%.

### Revenue-generating investments

Revenue-generating investments decreased to GBP 52 billion compared with the end of the previous quarter as the positive effects of inflows were more than offset by a decline in equity markets during the quarter.

## NEW MARKETS

EUR millions	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
<b>Underlying earnings before tax</b>									
Central Eastern Europe		19	27	(30)	29	(34)	46	55	(16)
Asia		(11)	(6)	(83)	2	-	(17)	(6)	(183)
Spain & France		19	20	(5)	18	6	39	32	22
Variable Annuities Europe		1	(2)	-	-	-	(1)	(1)	-
AEGON Asset Management		12	7	71	-	-	19	-	-
<b>Underlying earnings before tax</b>		<b>40</b>	<b>46</b>	<b>(13)</b>	<b>49</b>	<b>(18)</b>	<b>86</b>	<b>80</b>	<b>8</b>
Fair value items		(4)	3	-	4	-	(1)	7	-
Realized gains / (losses) on investments		8	3	167	1	-	11	3	-
Impairment charges		(9)	(2)	-	(1)	-	(11)	(5)	(20)
Other income / (charges)		(11)	-	-	(385)	97	(11)	(385)	97
<b>Income before tax</b>		<b>24</b>	<b>50</b>	<b>(52)</b>	<b>(332)</b>	<b>-</b>	<b>74</b>	<b>(300)</b>	<b>-</b>
Income tax		(9)	(13)	31	(11)	8	(22)	(35)	37
<b>Net income</b>		<b>15</b>	<b>37</b>	<b>(59)</b>	<b>(343)</b>	<b>-</b>	<b>52</b>	<b>(335)</b>	<b>-</b>
<b>Net income / (loss) attributable to:</b>									
Equity holders of AEGON N.V.		15	36	(58)	(343)	-	51	(335)	-
Minority Interest		-	1	-	-	-	1	-	-
<b>Net underlying earnings</b>		<b>30</b>	<b>32</b>	<b>(6)</b>	<b>38</b>	<b>(21)</b>	<b>62</b>	<b>45</b>	<b>38</b>
Commissions and expenses		169	175	(3)	85	99	344	196	76
of which operating expenses		127	133	(5)	51	149	260	110	136
<b>New life sales</b>									
Life single premiums		234	108	117	142	65	342	334	2
Life recurring premiums annualized		51	55	(7)	63	(19)	106	128	(17)
<b>Total recurring plus 1/10 single</b>		<b>74</b>	<b>66</b>	<b>12</b>	<b>77</b>	<b>(4)</b>	<b>140</b>	<b>161</b>	<b>(13)</b>
Life		66	53	25	48	38	119	98	21
Associates		8	13	(38)	29	(72)	21	63	(67)
<b>Total recurring plus 1/10 single</b>		<b>74</b>	<b>66</b>	<b>12</b>	<b>77</b>	<b>(4)</b>	<b>140</b>	<b>161</b>	<b>(13)</b>
Central Eastern Europe		24	19	26	18	33	43	33	30
Asia		9	10	(10)	6	50	19	20	(5)
Spain & France		41	37	11	53	(23)	78	108	(28)
<b>Total recurring plus 1/10 single</b>		<b>74</b>	<b>66</b>	<b>12</b>	<b>77</b>	<b>(4)</b>	<b>140</b>	<b>161</b>	<b>(13)</b>
New premium production accident and health insurance		4	4	-	1	-	8	3	167
New premium production general insurance		9	6	50	5	80	15	10	50
<b>Gross deposits (on and off balance)</b>									
Central Eastern Europe		249	226	10	189	32	475	368	29
Asia		10	25	(60)	-	-	35	4	-
Spain & France		12	44	(73)	11	9	56	19	195
Variable Annuities Europe		175	188	(7)	180	(3)	363	326	11
AEGON Asset Management		1,341	1,110	21	652	106	2,451	1,397	75
<b>Total gross deposits</b>		<b>1,787</b>	<b>1,593</b>	<b>12</b>	<b>1,032</b>	<b>73</b>	<b>3,380</b>	<b>2,114</b>	<b>60</b>
<b>Net deposits (on and off balance)</b>									
Central Eastern Europe		149	69	116	112	33	218	206	6
Asia		9	25	(64)	1	-	34	2	-
Spain & France		4	25	(84)	(3)	-	29	(12)	-
Variable Annuities Europe		47	79	(41)	52	(10)	126	95	33
AEGON Asset Management		(22)	(77)	71	(333)	93	(99)	(776)	87
<b>Total net deposits</b>		<b>187</b>	<b>121</b>	<b>55</b>	<b>(171)</b>	<b>-</b>	<b>308</b>	<b>(485)</b>	<b>-</b>

## REVENUE GENERATING INVESTMENTS

	June 30, 2010	Mar. 31, 2010	%
<b>Revenue generating investments (total)</b>	<b>29,692</b>	<b>28,233</b>	<b>5</b>
Investments general account	2,900	2,941	(1)
Investments for account of policyholders	5,882	5,629	4
Off balance sheet investments third parties	20,910	19,663	6



## NEW MARKETS

- Underlying earnings before tax amount to EUR 40 million
- Net income up to EUR 15 million
- New life sales decline to EUR 74 million, primarily a result of lower sales in Spain

### Underlying earnings before tax

- Earnings from Central & Eastern Europe declined to EUR 19 million mainly as a result of claims related to storms and floods earlier this year in Hungary and further investments in AEGON's business in Turkey.
- Operations in Asia made a loss of EUR 11 million as a result of continued investments in the company's joint ventures in China, India and Japan.
- Earnings from Spain and France increased to EUR 19 million compared with second quarter 2009, mainly due to higher contributions from AEGON's bancassurance partnerships in Spain.
- Earnings from asset management amounted to EUR 12 million.
- In Spain, total new life sales declined 23% to EUR 41 million as a result of lower production from CAM, one of AEGON's local savings bank partners, while AEGON's own insurance operation and the four other partners all recorded sales growth compared with the second quarter 2009.
- New life sales in Central & Eastern Europe increased to EUR 24 million as a result of strong single premium sales in Poland, continued growth in Hungary and a successful shift in Turkey from pension to life insurance sales.
- In Asia, new life sales rose to EUR 9 million as both China and India reported increased sales.

### Net income

Net income from New Markets increased in the second quarter to EUR 15 million. The same period last year had included a significant book loss relating to the sale of AEGON's life insurance operations in Taiwan. Fair value items recorded a loss as a result of hedging losses in AEGON's European variable annuities business, while impairment charges of EUR 9 million reflect a combination of write-downs on investments in Spain and on mortgages sold in Hungary.

### Operating expenses

Operating expenses amounted to EUR 127 million in the second quarter, an increase from last year due to the inclusion of AEGON Asset Management in New Markets. Operating expenses were, however, 5% lower than in the first quarter of this year as a result of strict cost control.

### Sales and deposits

New life sales for New Markets declined to EUR 74 million in the second quarter. Sales growth in both Central & Eastern Europe and Asia was more than offset by lower sales of recurring premium products in Spain.

New premium production of general insurance increased to EUR 9 million, mainly driven by continued strong household and motor insurance sales in Hungary. From July 1, 2010, AEGON has been offering household insurance to customers in the Czech Republic and Slovakia as well, leveraging on the experience and expertise of the Hungarian non-life business.

Gross deposits from New Markets increased to EUR 1.8 billion primarily as a result of a doubling in asset management deposits.

### Value of new business

New Markets' value of new business amounted to EUR 32 million. Higher contributions from AEGON's European variable annuities business and the operations in Asia and Central & Eastern Europe were more than offset by a decline in the value of new business in Spain, driven predominantly by lower production. The internal rate of return remained high at 35%.

### Revenue-generating investments

Revenue-generating investments increased 5% compared with the previous quarter to EUR 30 billion mainly as a result of increased third-party investments.

#### Market developments

In Spain, the financial sector is undergoing significant consolidation and restructuring. Consequently, a number of the country's savings banks are in the process of either merging or entering into so-called integration agreements (SIPs). This process is likely to affect AEGON's bancassurance partnerships in Spain, particularly as in certain cases newly-formed savings banks now have several insurance partners and are likely to select just one to do business with in the future. AEGON is not in a position to speculate about the outcome of this process, but intends to maintain its current share of the Spanish insurance market.

In Hungary, an additional tax has been introduced for financial institutions domiciled in the country. This tax applies to the years 2010, 2011 and 2012. Based on initial estimates, AEGON believes this will lead to additional charges of EUR 20 million in 2010, of which EUR 10 million has been accounted for in the second quarter in Other charges.

## FINANCIAL OVERVIEW, 2010 YEAR-TO-DATE GEOGRAPHICALLY

EUR millions	Americas	The Netherlands	United Kingdom	New Markets	Holding, other activities & eliminations	Total
<b>Underlying earnings before tax by line of business</b>						
Life	345	81	38	41	-	505
Individual savings and retirement products	277	-	-	(11)	-	266
Pensions	137	76	16	8	-	237
Life reinsurance	56	-	-	-	-	56
Non-life	-	26	-	9	-	35
Distribution	-	17	(4)	-	-	13
Asset Management	-	-	-	19	-	19
Other	-	-	-	-	(143)	(143)
Associates	1	1	-	20	-	22
<b>Underlying earnings before tax</b>	<b>816</b>	<b>201</b>	<b>50</b>	<b>86</b>	<b>(143)</b>	<b>1,010</b>
Fair value items	(119)	159	(11)	(1)	(41)	(13)
Realized gains / (losses) on investments	41	119	6	11	97	274
Impairment charges	(200)	(7)	(9)	(11)	-	(227)
Other income / (charges)	(105)	33	46	(11)	-	(37)
Run-off businesses	(109)	-	-	-	-	(109)
<b>Income before tax</b>	<b>324</b>	<b>505</b>	<b>82</b>	<b>74</b>	<b>(87)</b>	<b>898</b>
Income tax	32	(112)	(32)	(22)	21	(113)
<b>Net income</b>	<b>356</b>	<b>393</b>	<b>50</b>	<b>52</b>	<b>(66)</b>	<b>785</b>
<b>Net underlying earnings</b>	<b>618</b>	<b>134</b>	<b>61</b>	<b>62</b>	<b>(104)</b>	<b>771</b>

## OPERATIONAL HIGHLIGHTS FIRST SIX MONTHS 2010

### Net income

AEGON reported a net income of EUR 785 million for the first six months of 2010, a significant improvement from the loss of EUR 334 million reported for the comparable period last year. This improved result is mainly attributable to higher underlying earnings, a recovery in fair value items performance, lower impairments and the absence of a few exceptional items offset by higher tax charges.

### Underlying earnings before tax

AEGON's underlying earnings before tax increased to EUR 1,010 million in the first half of 2010, a significant improvement compared with the same period last year. This increase in earnings was due mainly to improved financial markets. In the Americas, earnings increased mainly as a result of higher investment income, a recovery in equity markets and lower expenses. Underlying earnings remained stable in the Netherlands, while earnings in the United Kingdom clearly benefitted from improved equity and bond markets. Earnings from New Markets increased mainly due to the first time inclusion of earnings from AEGON Asset Management.

### Fair value items

During the first six months of 2010, fair value items totaled to a loss of EUR 13 million. In the Netherlands, fair value items turned positive mainly due to much improved results from fair value guarantees and related hedges. In the Americas, the first half year of 2009 had included large gains from fair value guarantees and related hedges, while the first half of 2010 recorded a loss for this fair value item, this was only partly offset by improved results for alternative investments. AEGON's credit spread narrowed substantially during the first half of 2009, an effect which did not occur during the first half of 2010. As a result, fair value results for the holding company improved considerably.

### Realized gains on investments

AEGON realized EUR 274 million of gains from its investment portfolios during the first half of 2010. Gains were primarily related to the sale of bonds driven by asset and liability management.

### Impairment charges

Net impairments have improved considerably to EUR 227 million for the first half of 2010. The improvement was mainly driven by both lower corporate bond and housing related asset impairments.

### Other charges

Other charges amounted to EUR 37 million in the first half of 2010 and comprised mainly of a one-time provision of EUR 105 million for settlement of a dispute related to a Bank-Owned Life Insurance (BOLI) policy in the United States and a book gain on the sale of the Dutch funeral insurance business. The comparable period last year had included the book loss related to the sale of AEGON's life insurance operations in Taiwan.

### Run-off businesses

This line has been introduced starting this year and contains the results of business units where management has decided to exit the market and to run-off the existing block of business. Currently, this line includes the run-off of the institutional spread-based business and structured settlements blocks of business in the United States. The total loss in the first half year of 2010 amounted to EUR 109 million.

### Income tax

During the first half of 2010, tax charges amounted to EUR 113 million compared with tax benefits of EUR 455 million in the comparable period last year. These benefits were mainly related to impairments, marked-to-market losses on fair value items and tax exempt items. AEGON also booked a tax gain of EUR 252 million in the first half of 2009 related to cross border intercompany reinsurance transactions between Ireland and the United States.

### Operating expenses

To improve returns from its businesses, AEGON introduced a number of initiatives to reduce operating expenses. As a result, operating expenses declined 1% compared with the first half of 2009 to EUR 1,653 million in the first half of 2010.

### New life sales

New life sales increased 7% during the first six months of 2010 to EUR 1,128 million driven by improved results in most units. In the Americas, increases were mainly due to retail new life sales, in particular term life sales. In the Netherlands, both individual life and group pension sales increased, while in the United Kingdom pensions were the main driver of sales growth.

### Deposits

Gross deposits, excluding run-off businesses, amounted to EUR 15.4 billion in the first half of 2010, an increase of 9% compared with the first half of 2009. The increase was mainly driven by higher pensions and variable annuity deposits offset by lower fixed annuity deposits, which were managed lower.

### Value of new business

AEGON's value of new business declined to EUR 294 million in the first half of 2010 mainly due to a decrease in both the United Kingdom and the United States. In the United Kingdom the main reason for the decline is lower immediate annuity sales following repricing. The reduction in the value of new business in the United States was primarily the result of lower fixed annuity sales. In Spain, lower sales of risk products also led to a lower value of new business.

### Revenue-generating investments

Revenue-generating investments increased to EUR 409 billion at the end of the second quarter of 2010. The recovery in equity markets, the positive effects of risk free interest rates and lower spreads as well as the strengthening of the US dollar and the pound sterling all contributed to the increase compared with December 31, 2009.

### Capital management

At the end of the second quarter, AEGON's core capital position, excluding revaluation reserves, amounted to EUR 18.6 billion, equivalent to 74% of the company's total capital base and above its target threshold of 70%. AEGON's aim is to increase the proportion of core capital over time to 75%<sup>6</sup>.

AEGON's revaluation reserves at June 30, 2010, turned positive for the first time in almost three years and amounted to EUR 588 million. This significant improvement is mainly the result of an increase in the value of fixed income securities.

Shareholders' equity rose to EUR 17.2 billion mainly as a result of the improved revaluation reserves, strengthening of the US dollar and the pound sterling against the euro and the addition of first half years' net income.

Excess capital above S&P's AA capital adequacy requirements amounted to EUR 3.0 billion, down from EUR 3.7 billion at the end of 2009. Positive contributions from earnings and capital preservation measures were more than offset by increased capital requirements for asset related risks. Standard & Poor's revised their risk factors significantly increasing applied charges primarily related to bond portfolios. As a result, capital requirements in the Americas rose during the first half of 2010 by USD 1.4 billion.

At June 30, 2010, AEGON's Insurance Group Directive (IGD) capital surplus totaled EUR 7 billion, equivalent to a solvency ratio of approximately 200%.

### Risk management

Standard & Poor's has upgraded its assessment of AEGON's enterprise risk management (ERM) framework to 'strong', reflecting significant advances the company has made in developing its risk management framework and the fact that this framework is now fully embedded in its business.

The financial strength ratings of AEGON's US operating companies were upgraded by A.M. Best to A+ with a Stable outlook, reflecting A.M. Best's assessment of the financial strength and support of the parent. In July, Fitch Ratings has lowered AEGON's operating companies' insurer financial strength ratings to AA- and raised the outlook to Stable.

During the first half of 2010, AEGON reduced its already limited exposure to peripheral European sovereign bonds, which amounted to a market value of EUR 1.5 billion at June 30, 2010. As part of this reduction, AEGON sold approximately EUR 470 million in Spanish government bonds.

## APPENDIX II

### VALUE OF NEW BUSINESS AND IRR

EUR millions, after tax	VNB	VNB	VNB		VNB		VNB	
	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
Americas	62	52	9	66	(6)	114	145	(21)
The Netherlands	30	49	(39)	36	(17)	80	67	9
United Kingdom	24	14	71	45	(47)	37	103	(64)
New Markets	32	31	3	34	(6)	63	68	(7)
<b>Total</b>	<b>148</b>	<b>146</b>	<b>1</b>	<b>181</b>	<b>(18)</b>	<b>294</b>	<b>382</b>	<b>(23)</b>

EUR millions, after tax	IRR %	IRR%	IRR%
	Q2 2010	Q1 2010	Q2 2009
Americas	12.9	12.6	11.1
The Netherlands	17.0	19.2	29.5
United Kingdom	11.9	10.7	13.8
New Markets	35.3	34.2	39.5
<b>Total</b>	<b>18.4</b>	<b>19.3</b>	<b>21.9</b>

### MODELED NEW BUSINESS, APE AND DEPOSITS

		Premium business					Premium business		
		APE					APE		
EUR millions	Notes	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
	9								
Americas		266	245	9	245	9	511	511	-
The Netherlands		58	93	(38)	44	32	150	122	23
United Kingdom		303	265	14	179	69	569	403	41
New Markets		97	80	21	186	(48)	177	388	(54)
Total		724	683	6	654	11	1,408	1,423	(1)

EUR millions	Deposit business				Deposit business			
	Deposits				Deposits			
	Q2 2010	Q1 2010	%	Q2 2009	%	YTD 2010	YTD 2009	%
Americas	4,325	3,926	10	5,112	(15)	8,250	10,364	(20)
United Kingdom	17	34	(50)	-	-	51	-	-
New Markets	303	307	(1)	186	63	610	322	89
<b>Total</b>	<b>4,645</b>	<b>4,267</b>	<b>9</b>	<b>5,298</b>	<b>(12)</b>	<b>8,911</b>	<b>10,687</b>	<b>(17)</b>

### VNB/PVNB SUMMARY

EUR millions	Notes	Premium business				Premium business			
		VNB	PVNB	VNB / PVNB	VNB / APE	VNB	PVNB	VNB / PVNB	VNB / APE
		Q2 2010	%	%		YTD 2010	%	%	
Americas	10	36	1,198	3.0	13.6	64	2,240	2.8	12.5
The Netherlands		30	383	7.9	52.5	80	1,092	7.3	52.9
United Kingdom		24	2,197	1.1	7.8	37	3,921	1.0	6.6
New Markets		26	801	3.3	27.1	49	1,390	3.5	27.5
<b>Total</b>		<b>116</b>	<b>4,579</b>	<b>2.5</b>	<b>16.1</b>	<b>229</b>	<b>8,643</b>	<b>2.7</b>	<b>16.3</b>

EUR millions	Notes	Deposit business				Deposit business			
		VNB	PVNB	VNB / PVNB	VNB / Deposits	VNB	PVNB	VNB / PVNB	VNB / Deposits
		Q2 2010	%	%		YTD 2010	%	%	
Americas	10	26	6,189	0.4	0.6	50	11,742	0.4	0.6
United Kingdom		(0)	17	(0.3)	(0.3)	(0)	51	(0.6)	(0.6)
New Markets		6	445	1.2	1.8	15	948	1.5	2.4
<b>Total</b>		<b>31</b>	<b>6,650</b>	<b>0.5</b>	<b>0.7</b>	<b>64</b>	<b>12,741</b>	<b>0.5</b>	<b>0.7</b>

**Notes:**

- <sup>1)</sup> For a definition of underlying earnings and the reconciliation from underlying earnings to income before tax we refer to Note 3 "Segment information" of our Condensed consolidated interim financial statements.
  - <sup>2)</sup> Net income refers to net income attributable to equity holders of AEGON N.V. and minority interest.
  - <sup>3)</sup> New life sales is defined as new recurring premiums + 1/10 of single premiums.
  - <sup>4)</sup> Deposits on and off balance sheet. Run-off businesses includes results of business units where management has decided to exit the market and to run-off the existing block of business.
  - <sup>5)</sup> Return on equity is calculated by dividing the net underlying earnings after cost of leverage by the average shareholders' equity excluding the preferred shares and the revaluation reserve.
  - <sup>6)</sup> Capital securities that are denominated in foreign currencies are, for purposes of calculating the capital base ratio, revalued to the period-end exchange rate. All ratios exclude AEGON's revaluation reserve.
  - <sup>7)</sup> Included in other income/(charges) are charges made to policyholders with respect to income tax in the United Kingdom.
  - <sup>8)</sup> Includes production on investment contracts without a discretionary participation feature of which the proceeds are not recognized as revenues but are directly added to our investment contract liabilities.
  - <sup>9)</sup> APE = recurring premium + 1/10 single premium.
  - <sup>10)</sup> PVNBP: Present Value New Business Premium.
- a) The calculation of the IGD (Insurance Group Directive) capital surplus and ratio are based on Solvency I capital requirements on IFRS for entities within the EU (Pillar 1 for AEGON UK), and local regulatory solvency measurements for non-EU entities. Specifically, required capital for the life insurance companies in the US is calculated as two times the upper end of the Company Action Level range (200%) as applied by the National Association of Insurance Commissioners in the US. The calculation of the IGD ratio excludes the available and required capital of the UK With-Profit funds. In the UK solvency surplus calculation the local regulator only allows the available capital number of the With-Profit funds included in overall local available capital to be equal to the amount of With-Profit funds' required capital.
- b) The results in this release are unaudited.

**Currencies**

Income statement items: average rate 1 EUR = USD 1.3279 (2009: USD 1.3349).

Income statement items: average rate 1 EUR = GBP 0.8696 (2009: GBP 0.8920).

Balance sheet items: closing rate 1 EUR = USD 1.2271 (2009: USD 1.4134; year-end 2009: USD 1.4406).

Balance sheet items: closing rate 1 EUR = GBP 0.8175 (2009: GBP 0.8521; year-end 2009: GBP 0.8881).

## ADDITIONAL INFORMATION

The Hague, August 12, 2010

### Media conference call

08:00 CET

Audio webcast on [www.aegon.com](http://www.aegon.com)

### Analyst & investor conference call

09:00 CET

Audio webcast on [www.aegon.com](http://www.aegon.com)

Call-in numbers (listen only):

USA: +1 480 629 9822

UK: + 44 208 515 2302

NL: +31 20 796 5332

### Replay

A replay of the conference call will be available 2 hours after the conference call on

[www.aegon.com](http://www.aegon.com) and on the following phone numbers:

UK +44 207 154 2833 Access Code: 4329936#

US +1 303 590 3030 Access Code: 4329936#

### Supplements

AEGON's Q2 2010 Financial Supplement and Condensed Consolidated Interim Financial Statements are available on [www.aegon.com](http://www.aegon.com).

AEGON's Form 6-K for the six months ended June 30, 2010 will be available on [www.aegon.com](http://www.aegon.com) on Friday August 13, 2010 as of 15.30 CET (opening NYSE).

#### About AEGON

As an international life insurance, pension and investment company based in The Hague, AEGON has businesses in over twenty markets in the Americas, Europe and Asia. AEGON companies employ approximately 28,000 people and have more than 40 million customers across the globe.

#### Key figures - EUR

Underlying earnings before tax	522 million	1.2 billion
New life sales	590 million	2.1 billion
Gross deposits ( <i>excl. run-off</i> )	7.6 billion	28 billion
Revenue generating investments ( <i>end of period</i> )	409 billion	363 billion

#### Second quarter 2010

#### Full year 2009

#### Contact information

##### Media relations: Greg Tucker

+31(0)70 344 8956

[gcc-ir@aegon.com](mailto:gcc-ir@aegon.com)

##### Investor relations: Gerbrand Nijman

+31 (0)70 344 8305

877 548 9668 – toll free USA only

[ir@aegon.com](mailto:ir@aegon.com)

[www.aegon.com](http://www.aegon.com)



#### Cautionary note regarding non-GAAP measures

This press release includes certain non-GAAP financial measures: underlying earnings before tax and value of new business. The reconciliation of underlying earnings before tax to the most comparable IFRS measure is provided in Note 3 "Segment information" of our Condensed consolidated interim financial statements. Value of new business is not based on IFRS, which are used to report AEGON's quarterly statements and should not be viewed as a substitute for IFRS financial measures. AEGON believes that these non-GAAP measures, together with the IFRS information, provide a meaningful measure for the investment community to evaluate AEGON's business relative to the businesses of our peers.

#### Local currencies and constant currency exchange rates

This press release contains certain information about our results and financial condition in USD for the Americas and 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 us presented in EUR, which is the currency of our primary financial statements.

#### Forward-looking statements

The statements contained in this press release 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, 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;
- Effects of deliberations of the European Commission regarding the aid we received from the Dutch State in December 2008;
- Changes in the policies of central banks and/or governments;
- Lowering of one or more of our debt ratings issued by recognized rating organizations and the adverse impact such action may have on our ability to raise capital and on our liquidity and financial condition;
- Lowering of one or more of insurer financial strength ratings of our insurance subsidiaries and the adverse impact such action may have on the premium writings, policy retention, profitability of its insurance subsidiaries and liquidity;
- The effect of the European Union's Solvency II requirements and other regulations in other jurisdictions affecting the capital we are required to maintain;
- 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;
- The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including our ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;
- Our failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives; and
- The impact our adoption of the International Financial Reporting Standards may have on our reported financial results and financial condition.

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





# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS Q2 2010



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## CONDENSED CONSOLIDATED BALANCE SHEET

		June 30, 2010	Dec. 31, 2009
<i>EUR millions</i>	Notes		
<b>ASSETS</b>			
Intangible assets	6	4,889	4,609
Investments	4	151,394	134,205
Investments for account of policyholders	5	139,717	125,845
Derivatives		8,788	4,917
Investments in associates		748	696
Reinsurance assets		6,010	5,110
Defined benefit assets		385	356
Deferred tax assets		87	278
Deferred expenses and rebates	7	12,956	11,481
Other assets and receivables		8,443	6,823
Cash and cash equivalents		5,328	4,314
<b>Total assets</b>		<b>338,745</b>	<b>298,634</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity		17,196	12,164
Convertible core capital securities		2,000	2,000
Other equity instruments		4,702	4,709
<b>Issued capital and reserves attributable to equity holders of AEGON N.V.</b>		<b>23,898</b>	<b>18,873</b>
Minority interest		13	10
<b>Group equity</b>		<b>23,911</b>	<b>18,883</b>
Trust pass-through securities		161	130
Insurance contracts		107,207	93,790
Insurance contracts for account of policyholders		76,290	69,760
Investment contracts		27,616	27,932
Investment contracts for account of policyholders		64,434	57,421
Derivatives		8,192	5,716
Borrowings	9	7,938	7,485
Provisions		509	421
Defined benefit liabilities		2,155	2,104
Deferred revenue liability		81	69
Deferred tax liabilities		1,857	817
Other liabilities		18,027	13,714
Accruals		367	392
<b>Total liabilities</b>		<b>314,834</b>	<b>279,751</b>
<b>Total equity and liabilities</b>		<b>338,745</b>	<b>298,634</b>

## CONDENSED CONSOLIDATED INCOME STATEMENT

EUR millions (except per share data)	Notes	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
Premium income	10	5,264	4,550	11,427	10,540
Investment income	11	2,286	2,191	4,378	4,441
Fee and commission income		405	380	841	780
Other revenues		-	-	1	1
<b>Total revenues</b>		<b>7,955</b>	<b>7,121</b>	<b>16,647</b>	<b>15,762</b>
Income from reinsurance ceded		426	454	906	915
Results from financial transactions	12	(4,978)	7,022	1,314	(232)
Other income	13	34	-	34	2
<b>Total income</b>		<b>3,437</b>	<b>14,597</b>	<b>18,901</b>	<b>16,447</b>
Benefits and expenses		2,640	14,041	17,440	15,797
Impairment charges / (reversals)	14	106	413	276	843
Interest charges and related fees		99	106	195	226
Other charges	15	116	385	116	386
<b>Total charges</b>		<b>2,961</b>	<b>14,945</b>	<b>18,027</b>	<b>17,252</b>
Share in net result of associates		9	10	19	12
<b>Income / (loss) before tax</b>		<b>485</b>	<b>(338)</b>	<b>893</b>	<b>(793)</b>
Income tax (expense) / benefit		(72)	177	(108)	459
<b>Net income / (loss)</b>		<b>413</b>	<b>(161)</b>	<b>785</b>	<b>(334)</b>
<b>Net income / (loss) attributable to:</b>					
Equity holders of AEGON N.V.		413	(161)	784	(334)
Minority interest		-	-	1	-
<b>Earnings and dividend per share (EUR per share)</b>					
Earnings per share <sup>1,2</sup>		0.16	(0.21)	0.35	(0.36)
Diluted earnings per share <sup>1,3</sup>		0.16	(0.21)	0.35	(0.36)
Earnings per share after potential attribution to convertible core capital securities <sup>1,2</sup>		0.13	-	0.30	-
Diluted earnings per share after conversion of convertible core capital securities <sup>1,3</sup>		0.12	-	0.27	-
<b>Net income / (loss) per common share calculation</b>					
Net income / (loss)		413	(161)	784	(334)
Preferred dividend		(90)	(122)	(90)	(122)
Coupons on perpetuals		(49)	(45)	(96)	(93)
Earnings attributable to common shareholders		274	(328)	598	(549)
Potential coupon on convertible core capital securities		(43)	-	(85)	-
Earnings after potential attribution to convertible core capital securities		231	(328)	513	(549)
Weighted average number of common shares outstanding		1,707	1,516	1,707	1,516
Weighted average number of common shares outstanding, after conversion of core capital securities		2,207		2,207	

<sup>1</sup> After deduction of preferred dividend, coupons on perpetuals and coupons and premium on core capital securities.

<sup>2</sup> Figures for Q2 2009 reflect Basic earnings per share. For Q2 2010, earnings after potential attribution to convertible core capital securities reflect Basic earnings per share.

<sup>3</sup> The potential conversion of the convertible core capital securities is taken into account in the calculation of diluted earnings per share if this would have a dilutive effect (i.e. diluted earnings per share would be lower than the earnings after potential attribution to convertible core capital securities).

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR millions	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
Net income / (loss)	413	(161)	785	(334)
<b>Other comprehensive income:</b>				
Gains / (losses) on revaluation of available-for-sale investments	1,492	5,158	3,277	3,013
(Gains) / losses transferred to the income statement on disposal and impairment of available-for-sale investments	(122)	304	(142)	490
Changes in revaluation reserve real estate held for own use	4	1	6	3
Changes in cash flow hedging reserve	311	(831)	319	(620)
Movement in foreign currency translation and net foreign investment hedging reserve	1,381	(447)	2,234	31
Equity movements of associates	(10)	8	8	(11)
Disposal of group assets	(22)	59	(22)	59
Aggregate tax effect of items recognized in other comprehensive income	(659)	(1,188)	(1,237)	(838)
Other	2	9	(7)	9
Other comprehensive income for the period	2,377	3,073	4,436	2,136
<b>Total comprehensive income</b>	<b>2,790</b>	<b>2,912</b>	<b>5,221</b>	<b>1,802</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of AEGON N.V.	2,790	2,912	5,218	1,801
Minority interest	-	-	3	1



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR millions	Share capital	Retained earnings	Revaluation reserves	Other reserves	Convertible core capital securities	Other equity instruments	Issued capital and reserves <sup>1</sup>	Minority interest	Total
<b>Six months ended June 30, 2010</b>									
At beginning of year	8,184	7,995	(1,709)	(2,306)	2,000	4,709	18,873	10	18,883
Net income recognized in the income statement	-	784	-	-	-	-	784	1	785
<b>Other comprehensive income:</b>									
Gains / (losses) on revaluation of available-for-sale investments	-	-	3,277	-	-	-	3,277	-	3,277
(Gains) / losses transferred to income statement on disposal and impairment of available-for-sale investments	-	-	(142)	-	-	-	(142)	-	(142)
Changes in revaluation reserve real estate held for own use	-	-	6	-	-	-	6	-	6
Changes in cash flow hedging reserve	-	-	319	-	-	-	319	-	319
Movement in foreign currency translation and net foreign investment hedging reserves	-	-	-	2,234	-	-	2,234	-	2,234
Equity movements of associates	-	-	-	8	-	-	8	-	8
Disposal of group assets	-	-	(22)	-	-	-	(22)	-	(22)
Aggregate tax effect of items recognized in other comprehensive income	-	-	(1,141)	(96)	-	-	(1,237)	-	(1,237)
Other	-	(9)	-	-	-	-	(9)	2	(7)
<b>Total other comprehensive income</b>	-	<b>(9)</b>	<b>2,297</b>	<b>2,146</b>	-	-	<b>4,434</b>	<b>2</b>	<b>4,436</b>
<b>Total comprehensive income for 2010</b>	-	<b>775</b>	<b>2,297</b>	<b>2,146</b>	-	-	<b>5,218</b>	<b>3</b>	<b>5,221</b>
Preferred dividend	-	(90)	-	-	-	-	(90)	-	(90)
Coupons on perpetuals	-	(96)	-	-	-	-	(96)	-	(96)
Share options	-	-	-	-	-	(7)	(7)	-	(7)
<b>At end of period</b>	<b>8,184</b>	<b>8,584</b>	<b>588</b>	<b>(160)</b>	<b>2,000</b>	<b>4,702</b>	<b>23,898</b>	<b>13</b>	<b>23,911</b>
<b>Six months ended June 30, 2009</b>									
At beginning of year	7,347	8,093	(7,167)	(2,218)	3,000	4,699	13,754	6	13,760
Net income / (loss) recognized in the income statement	-	(334)	-	-	-	-	(334)	-	(334)
<b>Other comprehensive income:</b>									
Gains / (losses) on revaluation of available-for-sale investments	-	-	3,013	-	-	-	3,013	-	3,013
(Gains) / losses transferred to income statement on disposal and impairment of available-for-sale investments	-	-	490	-	-	-	490	-	490
Changes in revaluation reserve real estate held for own use	-	-	3	-	-	-	3	-	3
Changes in cash flow hedging reserve	-	-	(620)	-	-	-	(620)	-	(620)
Movement in foreign currency translation and net foreign investment hedging reserves	-	-	-	31	-	-	31	-	31
Equity movements of associates	-	-	-	(11)	-	-	(11)	-	(11)
Disposal of group assets	-	-	59	-	-	-	59	-	59
Aggregate tax effect of items recognized in other comprehensive income	-	-	(889)	51	-	-	(838)	-	(838)
Other	-	8	-	-	-	-	8	1	9
<b>Total other comprehensive income</b>	-	<b>8</b>	<b>2,056</b>	<b>71</b>	-	-	<b>2,135</b>	<b>1</b>	<b>2,136</b>
<b>Total comprehensive income / (loss) for 2009</b>	-	<b>(326)</b>	<b>2,056</b>	<b>71</b>	-	-	<b>1,801</b>	<b>1</b>	<b>1,802</b>
Treasury shares	-	2	-	-	-	-	2	-	2
Preferred dividend	-	(122)	-	-	-	-	(122)	-	(122)
Coupons on perpetual securities	-	(93)	-	-	-	-	(93)	-	(93)
Share options	-	-	-	-	-	4	4	-	4
Other	-	(1)	-	-	-	-	(1)	-	(1)
<b>At end of period</b>	<b>7,347</b>	<b>7,553</b>	<b>(5,111)</b>	<b>(2,147)</b>	<b>3,000</b>	<b>4,703</b>	<b>15,345</b>	<b>7</b>	<b>15,352</b>

<sup>1</sup> Issued capital and reserves attributable to equity holders of AEGON N.V.

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

<i>EUR millions</i>	Ytd 2010	Ytd 2009
<b>Cash flow from operating activities</b>	<b>1,490</b>	<b>(5,450)</b>
Purchases and disposals of intangible assets	(11)	(3)
Purchases and disposals of equipment and other assets	(53)	(20)
Purchases, disposals and dividends of subsidiaries and associates	(169)	(55)
<b>Cash flow from investing activities</b>	<b>(233)</b>	<b>(78)</b>
Issuance and purchase of share capital	-	2
Dividends paid	(90)	(122)
Issuances, repayments and coupons of convertible core capital securities	-	(121)
Issuances, repayments and coupons of perpetuals	(129)	(125)
Issuances, repayments and finance interest on borrowings	73	1,912
<b>Cash flow from financing activities</b>	<b>(146)</b>	<b>1,546</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,111</b>	<b>(3,982)</b>
Net cash and cash equivalents at January 1	4,013	9,506
Effects of changes in exchange rate	113	127
<b>Net cash and cash equivalents at end of period</b>	<b>5,237</b>	<b>5,651</b>
	June 30, 2010	June 30, 2009
Cash and cash equivalents	5,328	6,816
Bank overdrafts	(91)	(1,165)
<b>Net cash and cash equivalents</b>	<b>5,237</b>	<b>5,651</b>

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# Notes to the condensed consolidated interim financial statements

Amounts in EUR millions, unless otherwise stated

## 1. Basis of presentation

The condensed consolidated interim financial statements as at and for the six month period ended June 30, 2010, have been prepared in accordance with IAS 34 'Interim financial reporting' as adopted by the European Union (EU) as issued by the International Accounting Standards Board (IASB). It does not include all of the information required for a full set of financial statements prepared in accordance with IFRS and should therefore be read together with the 2009 consolidated financial statements of AEGON N.V. as included in AEGON's Annual Report for 2009.

The condensed consolidated interim financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of investment properties and those financial instruments (including derivatives) and financial liabilities that have been measured at fair value. The condensed consolidated interim financial statements were approved by the Executive Board on August 11, 2010.

The published figures in these condensed consolidated interim financial statements are unaudited.

## 2. Significant accounting policies

Except for the changes highlighted below, all accounting policies and methods of computation applied in the condensed consolidated interim financial statements are the same as those applied in the 2009 consolidated financial statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board as adopted by the European Union.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Consistent with prior interim and annual periods, AEGON recognizes a deferred tax asset for unrealized losses on unimpaired debt securities carried in the available-for-sale category in accordance with its interpretation of IAS 12 Income Taxes. During May 2010, the IFRS Interpretations Committee began discussing under what circumstances such an asset can be recognized. Depending on the outcome of the IFRS Interpretations Committee deliberations, AEGON may have to change its existing accounting policy and derecognize against opening equity (part of the) deferred tax assets it has currently recognized on its balance sheet.

### Operating segments

Starting January 1, 2010 AEGON introduced a new reporting format for segment reporting that aligns with changes implemented in the way AEGON manages its businesses.

AEGON's operating segments are based on the businesses as presented in internal reports that are regularly reviewed by the executive board which is regarded as the "chief operating decision maker". The operating segments are:

- AEGON Americas. Covers business units in the United States, Canada, Mexico and Brazil, including any of the units' activities located outside these countries.
- AEGON The Netherlands. Covers businesses operating in the Netherlands.
- AEGON United Kingdom. Covers businesses operating in the United Kingdom.
- New markets. Covers businesses operating in Central and Eastern Europe, Asia, Spain and France as well as AEGON's variable annuity activities in Europe and AEGON Asset Management.
- Holding and other activities. Includes financing, employee and other administrative expenses of Holding companies.

In addition, AEGON made the following other changes:

- The use of “operating earnings” is discontinued to further simplify AEGON's reporting and to focus on the key performance indicator “underlying earnings”.
- The line item “Run-off businesses” is introduced which includes earnings of certain business units where management has decided to exit the market and to run-off the existing block of business. Currently, this line item includes the earnings of the institutional spread-based business and structured settlements (pay out annuities) business of AEGON Americas. AEGON believes that excluding the earnings of these blocks of business enhances the comparability from period to period of AEGON's key earnings measure Underlying earnings.
- Earnings from the Company's associates in insurance companies in Spain, India, Brazil and Mexico are reported on an underlying earnings basis and sales from these associates are reported proportionally.

The change in operating segments had no impact on equity or net income. The comparative segment information presented in note 3 has been adjusted to make the information consistent with the current period figures.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2010:

#### IFRS 3 (revised) Business Combinations

The revised IFRS 3, applicable prospectively to all new acquisitions undertaken after January 1, 2010, continues to require the application of the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business will be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured at fair value through profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related transaction costs will be expensed.

The adoption of IFRS 3 (revised) does not change the accounting treatment, including the accounting for contingent consideration, for past acquisitions. The adoption of this standard did not have any impact during the current period as there were no acquisitions.

#### IAS 27 (revised) Consolidated and separate financial statements and consequential amendments to IAS 28 Investments in Associates and IAS 31 Interests in Joint Ventures

The revised IAS 27, applicable prospectively to all new transactions undertaken with non-controlling interest (minority interest) after January 1, 2010, requires the recording of the effect of all transactions in equity if there is no change in control. Where an interest is disposed and control (or significant influence or joint control) is lost, any remaining interest in the entity is re-measured to fair value and a gain or loss is recognized in profit and loss. In the past, the effect of transactions with non-controlling interests were accounted for as partial acquisitions and disposals and reflected either as goodwill or within the profit and loss account. The adoption of IAS 27 revised had no impact during the current period as there were no transactions with non-controlling interests and no disposals where an interest in an entity was retained after the loss of control (or significant influence or joint control) of that entity.

In addition, the following new standards, amendments to existing standards and interpretations are mandatory for the first time for the financial year beginning January 1, 2010 but are not currently relevant for the Group:

- Amendment to IFRS 2 – Share based payment (Group cash settled and share based payment transactions)
- Amendment to IAS 32 – Classification of Rights Issues
- Amendment to IAS 39 Financial Instruments – Eligible hedged items
- Improvements to IFRS (2009)

#### *Critical accounting estimates*

Certain amounts recorded in the condensed consolidated interim financial statements reflect estimates and assumptions made by management. Actual results may differ from the estimates made.

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#### *Equity growth assumptions*

AEGON has decided to reduce its short term equity market return assumption in determining estimated gross profits on variable life and variable annuity products in the Americas. The significant decrease in equity markets in the second quarter of 2010 would have resulted in an 11% gross short-term growth rate assumption at the end of the second quarter. AEGON has decided to set this assumption at 9% for the second quarter, reflecting the continued volatility experienced in equity markets and the use of macro equity hedges. This resulted in an additional charge of EUR 144 million, which has been included in fair value items partly offsetting gains from the company's macro equity hedge.

#### *Exchange rates*

The following exchange rates are applied for the condensed consolidated interim financial statements:

Income statement items: average rate 1 EUR = USD 1.3279 (2009: USD 1.3349); 1 EUR = GBP 0.8696 (2009: GBP 0.8920).

Balance sheet items: closing rate 1 EUR = USD 1.2271 (2009: USD 1.4134; year-end 2009: USD 1.4406); 1 EUR = GBP 0.8175 (2009: GBP 0.8521; year-end 2009: GBP 0.8881).

### 3. Segment information

#### 3.1 Income statement

Three months ended June 30, 2010

Segment information									
EUR millions	Americas	The Netherlands	United Kingdom	New Markets	Holding and other activities	Eliminations	Total	Associates eliminations	Total IFRS based
<b>Three months ended June 30, 2010</b>									
<b>Underlying earnings before tax geographically</b>	<b>437</b>	<b>97</b>	<b>22</b>	<b>40</b>	<b>(76)</b>	<b>2</b>	<b>522</b>	<b>(9)</b>	<b>513</b>
Fair value items	(33)	68	(14)	(4)	(14)	-	3	-	3
Realized gains / (losses) on investments	17	23	3	8	97	-	148	(2)	146
Impairment charges	(92)	(6)	(1)	(9)	-	-	(108)	-	(108)
Impairment reversals	31	-	-	-	-	-	31	-	31
Other income / (charges)	(105)	33	23	(11)	-	-	(60)	-	(60)
Run-off businesses	(49)	-	-	-	-	-	(49)	-	(49)
Share in net result of associates	-	-	-	-	-	-	-	9	9
<b>Income before tax</b>	<b>206</b>	<b>215</b>	<b>33</b>	<b>24</b>	<b>7</b>	<b>2</b>	<b>487</b>	<b>(2)</b>	<b>485</b>
Income tax (expense) / benefit	(7)	(45)	(6)	(9)	(7)	-	(74)	2	(72)
<b>Net income</b>	<b>199</b>	<b>170</b>	<b>27</b>	<b>15</b>	<b>-</b>	<b>2</b>	<b>413</b>	<b>-</b>	<b>413</b>
<i>Inter-segment underlying earnings</i>	<i>(46)</i>	<i>(14)</i>	<i>(19)</i>	<i>75</i>	<i>4</i>				
<b>Revenues</b>									
Life insurance gross premiums	1,772	520	2,008	361	-	-	4,661	(87)	4,574
Accident and health insurance	485	32	-	13	-	-	530	(1)	529
General insurance	-	124	-	37	-	-	161	-	161
<b>Total gross premiums</b>	<b>2,257</b>	<b>676</b>	<b>2,008</b>	<b>411</b>	<b>-</b>	<b>-</b>	<b>5,352</b>	<b>(88)</b>	<b>5,264</b>
Investment income	1,089	547	597	58	91	(80)	2,302	(16)	2,286
Fee and commission income	231	90	41	115	-	(72)	405	-	405
<b>Total revenues</b>	<b>3,577</b>	<b>1,313</b>	<b>2,646</b>	<b>584</b>	<b>91</b>	<b>(152)</b>	<b>8,059</b>	<b>(104)</b>	<b>7,955</b>
<i>Inter-segment revenues</i>	<i>-</i>	<i>-</i>	<i>2</i>	<i>72</i>	<i>78</i>				

Three months ended June 30, 2009

	Americas	The Netherlands	United Kingdom	New Markets	Holding and other activities	Eliminations	Total	Associates eliminations	Total IFRS based
<b>Three months ended June 30, 2009</b>									
<b>Underlying earnings before tax geographically</b>	<b>289</b>	<b>129</b>	<b>20</b>	<b>49</b>	<b>(68)</b>	<b>(4)</b>	<b>415</b>	<b>(12)</b>	<b>403</b>
Fair value items	175	(80)	15	4	(131)	-	(17)	-	(17)
Realized gains / (losses) on investments	2	(15)	15	1	18	-	21	-	21
Impairment charges	(349)	(31)	(35)	(1)	-	-	(416)	-	(416)
Impairment reversals	19	3	-	-	-	-	22	-	22
Other income / (charges)	1	-	32	(385)	-	-	(352)	-	(352)
Run-off businesses	(9)	-	-	-	-	-	(9)	-	(9)
Share in net result of associates	-	-	-	-	-	-	-	10	10
<b>Income before tax</b>	<b>128</b>	<b>6</b>	<b>47</b>	<b>(332)</b>	<b>(181)</b>	<b>(4)</b>	<b>(336)</b>	<b>(2)</b>	<b>(338)</b>
Income tax (expense) / benefit	154	(2)	(27)	(11)	61	-	175	2	177
<b>Net income</b>	<b>282</b>	<b>4</b>	<b>20</b>	<b>(343)</b>	<b>(120)</b>	<b>(4)</b>	<b>(161)</b>	<b>-</b>	<b>(161)</b>
<i>Inter-segment underlying earnings</i>	<i>(5)</i>	<i>(3)</i>	<i>-</i>	<i>(1)</i>	<i>9</i>				
<b>Revenues</b>									
Life insurance gross premiums	1,485	442	1,796	285	-	-	4,008	(112)	3,896
Accident and health insurance	438	40	-	12	-	-	490	-	490
General insurance	-	128	-	36	-	-	164	-	164
<b>Total gross premiums</b>	<b>1,923</b>	<b>610</b>	<b>1,796</b>	<b>333</b>	<b>-</b>	<b>-</b>	<b>4,662</b>	<b>(112)</b>	<b>4,550</b>
Investment income	993	572	559	75	16	(7)	2,208	(17)	2,191
Fee and commission income	218	93	37	32	-	-	380	-	380
<b>Total revenues</b>	<b>3,134</b>	<b>1,275</b>	<b>2,392</b>	<b>440</b>	<b>16</b>	<b>(7)</b>	<b>7,250</b>	<b>(129)</b>	<b>7,121</b>
<i>Inter-segment revenues</i>	<i>-</i>	<i>(2)</i>	<i>1</i>	<i>-</i>	<i>8</i>				

## Six months ended June 30, 2010

### Segment information

<i>EUR millions</i>	Americas	The Netherlands	United Kingdom	New Markets	Holding and other activities	Eliminations	Total	Associates eliminations	Total IFRS based
<b>Six months ended June 30, 2010</b>									
<b>Underlying earnings before tax geographically</b>	<b>816</b>	<b>201</b>	<b>50</b>	<b>86</b>	<b>(144)</b>	<b>1</b>	<b>1,010</b>	<b>(22)</b>	<b>988</b>
Fair value items	(119)	159	(11)	(1)	(41)	-	(13)	-	(13)
Realized gains / (losses) on investments	41	119	6	11	97	-	274	(2)	272
Impairment charges	(247)	(12)	(12)	(11)	-	-	(282)	-	(282)
Impairment reversals	47	5	3	-	-	-	55	-	55
Other income / (charges)	(105)	33	46	(11)	-	-	(37)	-	(37)
Run-off businesses	(109)	-	-	-	-	-	(109)	-	(109)
Share in net result of associates	-	-	-	-	-	-	-	19	19
<b>Income before tax</b>	<b>324</b>	<b>505</b>	<b>82</b>	<b>74</b>	<b>(88)</b>	<b>1</b>	<b>898</b>	<b>(5)</b>	<b>893</b>
Income tax (expense) / benefit	32	(112)	(32)	(22)	21	-	(113)	5	(108)
<b>Net income</b>	<b>356</b>	<b>393</b>	<b>50</b>	<b>52</b>	<b>(67)</b>	<b>1</b>	<b>785</b>	<b>-</b>	<b>785</b>
<i>Inter-segment underlying earnings</i>	<i>(76)</i>	<i>(28)</i>	<i>(32)</i>	<i>127</i>	<i>9</i>				
<b>Revenues</b>									
Life insurance gross premiums	3,320	2,269	3,955	649	-	-	10,193	(203)	9,990
Accident and health insurance	918	140	-	40	-	-	1,098	(1)	1,097
General insurance	-	259	-	81	-	-	340	-	340
<b>Total gross premiums</b>	<b>4,238</b>	<b>2,668</b>	<b>3,955</b>	<b>770</b>	<b>-</b>	<b>-</b>	<b>11,631</b>	<b>(204)</b>	<b>11,427</b>
Investment income	2,014	1,105	1,156	116	160	(138)	4,413	(35)	4,378
Fee and commission income	484	176	79	227	-	(125)	841	-	841
Other revenues	1	-	-	1	-	-	2	(1)	1
<b>Total revenues</b>	<b>6,737</b>	<b>3,949</b>	<b>5,190</b>	<b>1,114</b>	<b>160</b>	<b>(263)</b>	<b>16,887</b>	<b>(240)</b>	<b>16,647</b>
<i>Inter-segment revenues</i>	<i>-</i>	<i>-</i>	<i>2</i>	<i>125</i>	<i>136</i>				

## Six months ended June 30, 2009

	Americas	The Netherlands	United Kingdom	New Markets	Holding and other activities	Eliminations	Total	Associates eliminations	Total IFRS based
<b>Six months ended June 30, 2009</b>									
<b>Underlying earnings before tax geographically</b>	<b>143</b>	<b>201</b>	<b>28</b>	<b>80</b>	<b>(134)</b>	<b>(1)</b>	<b>317</b>	<b>(16)</b>	<b>301</b>
Fair value items	174	(298)	16	7	(83)	-	(184)	-	(184)
Realized gains / (losses) on investments	(1)	123	22	3	18	-	165	-	165
Impairment charges	(635)	(109)	(49)	(5)	(5)	-	(803)	-	(803)
Impairment reversals	21	3	-	-	-	-	24	-	24
Other income / (charges)	1	-	8	(385)	-	-	(376)	-	(376)
Run-off businesses	68	-	-	-	-	-	68	-	68
Share in net result of associates	-	-	-	-	-	-	-	12	12
<b>Income before tax</b>	<b>(229)</b>	<b>(80)</b>	<b>25</b>	<b>(300)</b>	<b>(204)</b>	<b>(1)</b>	<b>(789)</b>	<b>(4)</b>	<b>(793)</b>
Income tax (expense) / benefit	378	43	2	(35)	67	-	455	4	459
<b>Net income</b>	<b>149</b>	<b>(37)</b>	<b>27</b>	<b>(335)</b>	<b>(137)</b>	<b>(1)</b>	<b>(334)</b>	<b>-</b>	<b>(334)</b>
<i>Inter-segment underlying earnings</i>	<i>(13)</i>	<i>(8)</i>	<i>1</i>	<i>(3)</i>	<i>23</i>				
<b>Revenues</b>									
Life insurance gross premiums	2,993	2,010	3,616	770	-	-	9,389	(266)	9,123
Accident and health insurance	891	146	-	41	-	-	1,078	-	1,078
General insurance	-	266	-	73	-	-	339	-	339
<b>Total gross premiums</b>	<b>3,884</b>	<b>2,422</b>	<b>3,616</b>	<b>884</b>	<b>-</b>	<b>-</b>	<b>10,806</b>	<b>(266)</b>	<b>10,540</b>
Investment income	2,136	1,074	1,069	175	48	(27)	4,475	(34)	4,441
Fee and commission income	440	199	76	65	-	-	780	-	780
Other revenues	-	-	-	1	-	-	1	-	1
<b>Total revenues</b>	<b>6,460</b>	<b>3,695</b>	<b>4,761</b>	<b>1,125</b>	<b>48</b>	<b>(27)</b>	<b>16,062</b>	<b>(300)</b>	<b>15,762</b>
<i>Inter-segment revenues</i>	<i>1</i>	<i>(1)</i>	<i>2</i>	<i>-</i>	<i>25</i>				

#### *Underlying earnings*

Certain assets held by AEGON Americas, AEGON The Netherlands and AEGON UK are carried at fair value and managed on a total return basis, with no offsetting changes in the valuation of related liabilities. These include assets such as investments in hedge funds, private equities, real estate limited partnerships, convertible bonds and structured products. Underlying earnings exclude any over- or underperformance compared to management's long-term expected return on assets. Based on current holdings and asset returns, the long-term expected return on an annual basis is 8-10%, depending on asset class, including cash income and market value changes. The expected earnings from these asset classes are net of DPAC where applicable.

In addition, certain products offered by AEGON Americas contain guarantees and are reported on a fair value basis, including the segregated funds offered by AEGON Canada and the total return annuities and guarantees on variable annuities of AEGON USA. The earnings on these products are impacted by movements in equity markets and risk free interest rates. Short-term developments in the financial markets may therefore cause volatility in earnings. Included in underlying earnings is a long-term expected return on these products and excluded is any over- or underperformance compared to management's expected return. The fair value movements of certain guarantees and the fair value change of derivatives that hedge certain risks on these guarantees of AEGON The Netherlands and Variable Annuities Europe (included in New Markets) are excluded from underlying earnings, the long-term expected return for these guarantees is set at zero.

AEGON has decided to reduce its short term equity market return assumption in determining estimated gross profits on variable life and variable annuity products in the Americas. The significant decrease in equity markets in the second quarter of 2010 would have resulted in an 11% gross short-term growth rate assumption at the end of the second quarter. AEGON has decided to set this assumption at 9% for the second quarter, reflecting the continued volatility experienced in equity markets and the use of macro equity hedges. This resulted in an additional charge of EUR 144 million, which has been included in fair value items partly offsetting gains from the company's macro equity hedge.

Holding and other activities include certain issued bonds that are held at fair value through profit or loss. The interest rate risk on these bonds is hedged using swaps. The fair value movement resulting from changes in AEGON's credit spread used in the valuation of these bonds are excluded from underlying earnings.

#### *Fair value items*

Fair value items include the 'over' or 'under' performance of investments and guarantees held at fair value for which the expected long-term return is included in underlying earnings, the gains (losses) on real estate and hedge ineffectiveness.

In addition, hedge ineffectiveness on hedge transactions, fair value changes on economic hedges without natural offset in earnings and for which no hedge accounting is applied and fair value movements on real estate are included under Fair value items.

#### *Realized gains or losses on investments*

Includes realized gains and losses on available-for-sale investments, as well as mortgage and loan portfolios.

#### *Impairment charges*

Includes impairments (reversals) on available-for-sale bonds and impairments on shares including the effect of deferred policyholder acquisition costs and mortgage and loan portfolios on amortized costs and associates.

#### *Other income or charges*

Other income or charges is used to report any items which cannot be directly allocated to a specific line of business. Also items that are outside the normal course of business are included under this heading.

#### *Run-off businesses*

Includes results of business units where management has decided to exit the market and to run-off the existing block of business. Currently, this line includes the run-off of the institutional spread-based business and structured settlements blocks of business in the United States. AEGON has other blocks of businesses for which sales have been discontinued of which the earnings are included in underlying earnings.



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*Interest charges and other*

'Interest charges and other' includes funding interest expenses and holding expenses.

*Share in earnings of associates*

Earnings from the Company's associates in insurance companies in Spain, India, Brazil and Mexico are reported on an underlying earnings basis. Other associates are included on a net income basis.

Non-IFRS measures

This report includes the non-IFRS financial measure: underlying earnings before tax. The reconciliation of this measure to the most comparable IFRS measures is presented in the tables in this paragraph. We believe that our non-IFRS measure provides meaningful information about the underlying operating results of our business including insight into the financial measures that our senior management uses in managing our business.

Among other things our senior management is compensated based in part on AEGON's results against targets using the non-IFRS measure presented here. While many other insurers in our peer group present substantially similar non-IFRS measures, the non-IFRS measure presented in this document may nevertheless differ from the non-IFRS measures presented by other insurers. There is no standardized meaning to these measures under IFRS or any other recognized set of accounting standards and readers are cautioned to consider carefully the different ways in which we and our peers present similar information before comparing them.

AEGON believes the non-IFRS measure shown herein, when read together with our reported IFRS financial statements, provides meaningful supplemental information for the investing public to evaluate AEGON's business after eliminating the impact of current IFRS accounting policies for financial instruments and insurance contracts, which embed a number of accounting policy alternatives that companies may select in presenting their results (i.e. companies can use different local GAAPs) and that can make the comparability from period to period difficult.

### 3.2 Investments geographically

At June 30, 2010

#### INVESTMENTS GEOGRAPHICALLY

		amounts in million EUR (unless otherwise stated)								
Americas USD	United Kingdom GBP		Americas	The Netherlands	United Kingdom	New Markets	Holding & other activities	Eliminations	Total EUR	
		At June 30, 2010								
		<b>Investments</b>								
1,784	44	Shares	1,453	843	54	70	-	(3)	2,417	
89,694	7,804	Debt securities	73,094	18,332	9,546	2,118	21	-	103,111	
16,565	8	Loans	13,500	13,953	10	670	-	-	28,133	
17,493	-	Other financial assets	14,256	40	-	42	698	-	15,036	
812	-	Investments in real estate	662	2,035	-	-	-	-	2,697	
<b>126,348</b>	<b>7,856</b>	<b>Investments general account</b>	<b>102,965</b>	<b>35,203</b>	<b>9,610</b>	<b>2,900</b>	<b>719</b>	<b>(3)</b>	<b>151,394</b>	
-	21,366	Shares	-	7,220	26,136	2,981	-	(5)	36,332	
-	13,099	Debt securities	-	15,616	16,023	216	-	-	31,855	
69,401	4,826	Separate accounts and investment funds	56,557	-	5,904	1,156	-	-	63,617	
-	3,548	Other financial assets	-	769	4,340	1,529	-	-	6,638	
-	1,043	Investments in real estate	-	-	1,275	-	-	-	1,275	
<b>69,401</b>	<b>43,882</b>	<b>Investments for account of policyholders</b>	<b>56,557</b>	<b>23,605</b>	<b>53,678</b>	<b>5,882</b>	<b>-</b>	<b>(5)</b>	<b>139,717</b>	
<b>195,749</b>	<b>51,738</b>	<b>Investments on balance sheet</b>	<b>159,522</b>	<b>58,808</b>	<b>63,288</b>	<b>8,782</b>	<b>719</b>	<b>(8)</b>	<b>291,111</b>	
<b>105,881</b>	<b>-</b>	<b>Off balance sheet investments third parties</b>	<b>86,285</b>	<b>10,283</b>	<b>-</b>	<b>20,910</b>	<b>-</b>	<b>-</b>	<b>117,478</b>	
<b>301,630</b>	<b>51,738</b>	<b>Total revenue generating investments</b>	<b>245,807</b>	<b>69,091</b>	<b>63,288</b>	<b>29,692</b>	<b>719</b>	<b>(8)</b>	<b>408,589</b>	
		<b>Investments</b>								
102,935	7,785	Available-for-sale	83,884	18,991	9,523	1,959	21	-	114,378	
16,565	8	Loans	13,500	13,953	10	670	-	-	28,133	
-	-	Held-to-maturity	-	-	-	123	-	-	123	
75,437	42,902	Financial assets at fair value through profit or loss	61,476	23,829	52,480	6,030	698	(8)	144,505	
812	1,043	Investments in real estate	662	2,035	1,275	-	-	-	3,972	
<b>195,749</b>	<b>51,738</b>	<b>Total investments on balance sheet</b>	<b>159,522</b>	<b>58,808</b>	<b>63,288</b>	<b>8,782</b>	<b>719</b>	<b>(8)</b>	<b>291,111</b>	
103	8	Investments in associates	84	56	10	594	5	(1)	748	
29,588	6,132	Other assets	24,112	11,815	7,501	1,676	32,331	(30,549)	46,886	
<b>225,440</b>	<b>57,878</b>	<b>Consolidated total Assets</b>	<b>183,718</b>	<b>70,679</b>	<b>70,799</b>	<b>11,052</b>	<b>33,055</b>	<b>(30,558)</b>	<b>338,745</b>	

At December 31, 2009

#### INVESTMENTS GEOGRAPHICALLY

		amounts in million EUR (unless otherwise stated)								
Americas USD	United Kingdom GBP		Americas	The Netherlands	United Kingdom	New Markets	Holding & other activities	Eliminations	Total EUR	
		At December 31, 2009								
		<b>Investments</b>								
1,917	47	Shares	1,331	661	53	54	-	(3)	2,096	
86,699	6,973	Debt securities	60,182	20,384	7,852	2,001	1,049	-	91,468	
17,255	10	Loans	11,978	12,975	11	604	-	-	25,568	
16,975	-	Other financial assets	11,783	40	-	48	622	-	12,493	
714	-	Investments in real estate	496	2,084	-	-	-	-	2,580	
<b>123,560</b>	<b>7,030</b>	<b>Investments general account</b>	<b>85,770</b>	<b>36,144</b>	<b>7,916</b>	<b>2,707</b>	<b>1,671</b>	<b>(3)</b>	<b>134,205</b>	
-	21,910	Shares	-	7,184	24,669	2,750	-	(5)	34,598	
-	12,712	Debt securities	-	13,777	14,314	212	-	-	28,303	
71,915	4,237	Separate accounts and investment funds	49,920	-	4,772	1,117	-	-	55,809	
-	3,572	Other financial assets	-	788	4,023	1,276	-	-	6,087	
-	931	Investments in real estate	-	-	1,048	-	-	-	1,048	
<b>71,915</b>	<b>43,362</b>	<b>Investments for account of policyholders</b>	<b>49,920</b>	<b>21,749</b>	<b>48,826</b>	<b>5,355</b>	<b>-</b>	<b>(5)</b>	<b>125,845</b>	
<b>195,475</b>	<b>50,392</b>	<b>Investments on balance sheet</b>	<b>135,690</b>	<b>57,893</b>	<b>56,742</b>	<b>8,062</b>	<b>1,671</b>	<b>(8)</b>	<b>260,050</b>	
<b>111,956</b>	<b>2,768</b>	<b>Off balance sheet investments third parties</b>	<b>77,715</b>	<b>12,968</b>	<b>3,116</b>	<b>8,983</b>	<b>-</b>	<b>-</b>	<b>102,782</b>	
<b>307,431</b>	<b>53,160</b>	<b>Total revenue generating investments</b>	<b>213,405</b>	<b>70,861</b>	<b>59,858</b>	<b>17,045</b>	<b>1,671</b>	<b>(8)</b>	<b>362,832</b>	
		<b>Investments</b>								
99,706	6,944	Available-for-sale	69,211	20,944	7,819	1,888	1,049	-	100,911	
17,255	10	Loans	11,978	12,975	11	604	-	-	25,568	
-	-	Held-to-maturity	-	-	-	70	-	-	70	
77,800	42,507	Financial assets at fair value through profit or loss	54,005	21,890	47,864	5,500	622	(8)	129,873	
714	931	Investments in real estate	496	2,084	1,048	-	-	-	3,628	
<b>195,475</b>	<b>50,392</b>	<b>Total investments on balance sheet</b>	<b>135,690</b>	<b>57,893</b>	<b>56,742</b>	<b>8,062</b>	<b>1,671</b>	<b>(8)</b>	<b>260,050</b>	
103	7	Investments in associates	72	53	8	560	4	(1)	696	
28,545	5,736	Other assets	19,815	8,176	6,460	1,346	30,088	(27,997)	37,888	
<b>224,123</b>	<b>56,135</b>	<b>Consolidated total Assets</b>	<b>155,577</b>	<b>66,122</b>	<b>63,210</b>	<b>9,968</b>	<b>31,763</b>	<b>(28,006)</b>	<b>298,634</b>	

## 4. Investments

### INVESTMENTS

EUR millions	June 30, 2010	Dec. 31, 2009
Available-for-sale (AFS)	114,378	100,911
Loans	28,133	25,568
Held-to-maturity (HTM)	123	70
Financial assets at fair value through profit or loss (FVTPL)	6,063	5,076
Financial assets, excluding derivatives	<b>148,697</b>	<b>131,625</b>
Investments in real estate	2,697	2,580
<b>Total investments for general account</b>	<b>151,394</b>	<b>134,205</b>

#### Total financial assets, excluding derivatives

	AFS	FVTPL	HTM	Loans	Total
Shares	1,240	1,177	-	-	2,417
Debt securities	101,037	1,951	123	-	103,111
Money market and other short term investments	11,061	1,069	-	-	12,130
Mortgages	-	-	-	24,038	24,038
Private loans	-	-	-	832	832
Deposits with financial institutions	-	-	-	718	718
Policy loans	-	-	-	2,361	2,361
Receivables out of share lease agreements	-	-	-	29	29
Other	1,040	1,866	-	155	3,061
<b>June 30, 2010</b>	<b>114,378</b>	<b>6,063</b>	<b>123</b>	<b>28,133</b>	<b>148,697</b>

	AFS	FVTPL	HTM	Loans	Total
Shares	1,097	999	-	-	2,096
Debt securities	89,716	1,682	70	-	91,468
Money market and other short term investments	9,189	875	-	-	10,064
Mortgages	-	-	-	21,525	21,525
Private loans	-	-	-	760	760
Deposits with financial institutions	-	-	-	1,047	1,047
Policy loans	-	-	-	2,039	2,039
Receivables out of share lease agreements	-	-	-	39	39
Other	909	1,520	-	158	2,587
<b>Dec. 31, 2009</b>	<b>100,911</b>	<b>5,076</b>	<b>70</b>	<b>25,568</b>	<b>131,625</b>

### Government bond investments

Included in our debt securities and money market investments are EUR 1,543 million (December 31, 2009: EUR 2,215 million) of exposures to European peripheral countries that have experienced downgrades or that are on credit watch. At June 30, 2010 there were unrealized losses on exposures to Spain (EUR 70 million) and Greece (EUR 18 million).

#### EXPOSURE TO CENTRAL GOVERNMENTS OF EUROPEAN PERIPHERAL COUNTRIES

EUR millions	June 30, 2010		Dec. 31, 2009	
	Amortized cost	Fair value	Amortized cost	Fair value
Portugal	47	47	56	58
Italy	104	106	138	143
Ireland	87	89	135	138
Greece	88	70	94	92
Spain	1,301	1,231	1,769	1,784
<b>Total</b>	<b>1,627</b>	<b>1,543</b>	<b>2,192</b>	<b>2,215</b>

## 5. Investments for account of policyholders

### INVESTMENTS FOR ACCOUNT OF POLICYHOLDERS

<i>EUR millions</i>	June 30, 2010	Dec. 31, 2009
Shares	36,332	34,598
Debt securities	31,855	28,303
Money market and short-term investments	3,028	2,925
Deposits with financial institutions	2,821	2,357
Separate accounts and unconsolidated investment funds	63,617	55,809
Other	789	805
<b>Total investments for account of policyholders at fair value through profit or loss, excluding derivatives</b>	<b>138,442</b>	<b>124,797</b>
Investment in real estate	1,275	1,048
<b>Total investments for account of policyholders</b>	<b>139,717</b>	<b>125,845</b>

## 6. Intangible assets

### INTANGIBLE ASSETS

<i>EUR millions</i>	June 30, 2010	Dec. 31, 2009
Goodwill	761	720
VOBA	3,539	3,362
Future servicing rights	541	493
Software	31	18
Other	17	16
<b>Total intangible assets</b>	<b>4,889</b>	<b>4,609</b>

The increase in goodwill is attributable to foreign currency effects. The increase in value of business acquired (VOBA) and future servicing rights is mainly attributable

to foreign currency effects offset by amortizations and the impact of shadow accounting.

## 7. Deferred expenses and rebates

### DEFERRED EXPENSES AND REBATES

<i>EUR millions</i>	June 30, 2010	Dec. 31, 2009
DPAC for insurance contracts and investment contracts with discretionary participation features	12,320	10,900
Deferred transaction costs for investment management services	389	328
Unamortized interest rate rebates	247	253
<b>Total Deferred expenses and rebates</b>	<b>12,956</b>	<b>11,481</b>

Deferred policy acquisition costs (DPAC) balances increased, reflecting changes in foreign currency

exchange rates and newly deferred expenses offset by amortizations and the impact of shadow accounting.

## 8. Share capital

SHARE CAPITAL		
EUR millions	June 30, 2010	Dec. 31, 2009
Share capital - par value	278	278
Share premium	7,906	7,906
<b>Total share capital</b>	<b>8,184</b>	<b>8,184</b>
<b>Share capital - par value</b>		
Balance at January 1	278	251
Issuance	-	27
<b>Balance</b>	<b>278</b>	<b>278</b>
<b>Share premium</b>		
Balance at January 1	7,906	7,096
Issuance	-	810
<b>Balance</b>	<b>7,906</b>	<b>7,906</b>

## 9. Borrowings

BORROWINGS		
EUR millions	June 30, 2010	Dec. 31, 2009
Debentures and other loans	7,093	6,512
Commercial paper	686	520
Short term deposits	68	152
Bank overdrafts	91	301
<b>Total borrowings</b>	<b>7,938</b>	<b>7,485</b>

Debentures and other loans have been negatively impacted by foreign currency exchange rates. Included in Debentures and other loans is EUR 1,029 million relating to borrowings measured at fair value.

Commercial paper has been issued in the normal course of business. Short term deposits and Bank overdrafts have been reduced since cash inflows have been used to repay short term debt.

## 10. Premium income and premium to reinsurers

### PREMIUM INCOME AND PREMIUM TO REINSURERS

<i>EUR millions</i>	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
<b>Gross</b>				
Life	4,570	3,894	9,986	9,121
Non-Life	694	656	1,441	1,419
	5,264	4,550	11,427	10,540
<b>Reinsurance</b>				
Life	371	371	698	706
Non-Life	91	77	169	156
	462	448	867	862

## 11. Investment income

### INVESTMENT INCOME

<i>EUR millions</i>	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
Interest income	2,057	2,007	3,934	4,080
Dividend income	184	143	357	273
Rental income	45	41	87	88
<b>Total investment income</b>	<b>2,286</b>	<b>2,191</b>	<b>4,378</b>	<b>4,441</b>
Investment income related to general account	1,651	1,541	3,141	3,231
Investment income account of policyholders	635	650	1,237	1,210
<b>Total</b>	<b>2,286</b>	<b>2,191</b>	<b>4,378</b>	<b>4,441</b>

## 12. Result from financial transactions

### RESULT FROM FINANCIAL TRANSACTIONS

<i>EUR millions</i>	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
Net fair value change of general account financial investments at FVTPL other than derivatives	(26)	94	20	(34)
Realized gains and losses on financial investments	184	6	335	126
Gains and (losses) on investments in real estate	(43)	(29)	(47)	(36)
Net fair value change of derivatives	553	(157)	1,357	(910)
Net fair value change on for account of policyholder financial assets at FVTPL	(5,736)	7,274	(498)	854
Net fair value change on investments in real estate for account of policyholders	20	(39)	72	(134)
Net foreign currency gains and (losses)	52	(7)	84	(14)
Net fair value change on borrowings and other financial liabilities	18	(120)	(9)	(91)
Realized gains and (losses) on repurchased debt	-	-	-	7
<b>Total</b>	<b>(4,978)</b>	<b>7,022</b>	<b>1,314</b>	<b>(232)</b>

Net fair value changes on for account of policyholder financial assets at fair value through profit or loss are offset by higher amounts in the benefits and expenses

line. Q2 2010 included net fair value losses on shares and bonds held for account of policyholders whereas Q2 2009 included net fair value gains.

## 13. Other income

Other income includes a gain relating to the sale of the funeral insurance business in the Netherlands of EUR 33 million. On April 1, 2010, AEGON completed the sale of

this business to Egeria. Refer to note 16 – *Business combinations* for more details about this disposal.

## 14. Impairment charges/(reversals)

### IMPAIRMENT CHARGES / (REVERSALS)

EUR millions	Q2 2010	Q2 2009	Ytd 2010	Ytd 2009
<b>Impairment charges / (reversals) comprise:</b>				
Impairment charges on financial assets, excluding receivables <sup>1</sup>	134	423	327	855
Impairment reversals on financial assets, excluding receivables <sup>1</sup>	(31)	(22)	(55)	(24)
Impairment charges on non-financial assets and receivables	3	12	4	12
<b>Total</b>	<b>106</b>	<b>413</b>	<b>276</b>	<b>843</b>
<b>Impairment charges on financial assets, excluding receivables, from:</b>				
Shares	1	14	4	81
Debt securities and money market instruments	107	373	276	703
Loans	26	36	47	71
<b>Total</b>	<b>134</b>	<b>423</b>	<b>327</b>	<b>855</b>
<b>Impairment reversals on financial assets, excluding receivables, from:</b>				
Debt securities and money market instruments	(28)	(21)	(52)	(23)
Loans	(3)	(1)	(3)	(1)
<b>Total</b>	<b>(31)</b>	<b>(22)</b>	<b>(55)</b>	<b>(24)</b>

<sup>1</sup> Impairment charges / (reversals) on financial assets, excluding receivables, are excluded from underlying earnings before tax for segment reporting (refer to note 3).

## 15. Other charges

Other charges includes a one-time provision of EUR 105 million for the settlement of a dispute related to a Bank Owned Life Insurance (BOLI) policy in the United States. Subsequent to the disruption in the credit market, which affected the investment value of the policy's underlying assets, a suit was filed alleging that the policy terms were not sufficiently fulfilled by AEGON.

2009 included the loss on the sale of AEGON Taiwan of EUR 385 million.

## 16. Business combinations

On April 1, 2010, AEGON completed the sale of its funeral insurance business in the Netherlands to Dutch investment firm Egeria for EUR 212 million. The actual proceeds from the sale amounted to EUR 162 million, the remainder was upstreamed as a dividend prior to the sale.

The value of the assets and liabilities sold amounted to EUR 1,084 million and EUR 933 million respectively. The assets included an amount of EUR 320 million of cash. Included in the gain are unrealized gains in an amount of EUR 22 million, reflecting revaluation reserves which were recycled through the income statement. In 2009, AEGON's funeral insurance business generated EUR 70 million in gross written premiums.

## 17. Commitments and contingencies

There have been no material changes in contingent assets and liabilities reported in the 2009 consolidated financial statements of AEGON.

## 18. Events after the balance sheet date

On July 8, 2010, AEGON The Netherlands completed the sale of EUR 1,017,500,000 Class A residential mortgage backed securities (RMBS) in a private placement with institutional investors. These securities are expected to have a weighted average life of 4.3 years and are priced at par with a coupon of three month Euribor plus 1.35%. The securities were issued under the Dutch SAECURE program. The net proceeds will be used to finance a part of the existing Dutch mortgage portfolio of AEGON The Netherlands.

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## Management statement

The interim report for the six months ended June 30, 2010 consists of the condensed consolidated interim financial statements, the Q2 results release and the responsibility statement by the Company's Executive Board. The information in this interim report is unaudited.

The Executive Board is responsible for preparing the condensed consolidated interim financial statements in accordance with Dutch law and those International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), with IFRS as issued by the International Accounting Standards Board (IASB).

The Executive Board declares that, to the best of its knowledge, the condensed consolidated interim financial statements which have been prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU, with IFRS as issued by the IASB, give a true and fair view of the assets, liabilities, financial condition and profit or loss of AEGON N.V. and the undertakings included in the consolidation as a whole and that the Q2 results release includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht).

The Hague, August 11, 2010

[A.R. Wynaendts](#)

*Chairman of the Executive Board and CEO*

[J.J. Nooitgedagt](#)

*Member of the Executive Board and CFO*



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## To: The Supervisory Board and the Executive Board of AEGON N.V.

### Review opinion

#### Introduction

We have reviewed the accompanying condensed consolidated interim financial statements for the 6 month period ended June 30, 2010 of AEGON N.V., The Hague, as set out on pages 2 to 19, which comprises the balance sheet as at June 30, 2010 and the income statement, the statement of comprehensive income, the statement of changes in equity and the cash flow statement for the 6 month period then ended. We have not reviewed the income statement, the statement of comprehensive income and the statement of changes in equity for the 3 month period ended as at June, 2010 and 2009. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union, with International Financial Reporting Standards as issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

#### Scope

We conducted our review in accordance with Dutch law including standard 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at and for the 6 month period ended June 30, 2010 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union, with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Hague, August 11, 2010  
Ernst & Young Accountants LLP

signed by A.F.J. van Overmeire



#### Cautionary note regarding non-GAAP measures

These condensed consolidated interim financial statements include a non-GAAP financial measure: underlying earnings before tax. The reconciliation of underlying earnings before tax to the most comparable IFRS measures is provided in Note 3 "Segment information" of notes to the condensed consolidated interim financial statements.

AEGON believes that this non-GAAP measure, together with the IFRS information, provide a meaningful measure for the investment community to evaluate AEGON's business relative to the businesses of our peers.

#### Local currencies and constant currency exchange rates

These condensed consolidated interim financial statements contain certain information about investments in USD for the Americas and GBP for the United Kingdom, because those businesses operate and are managed primarily in those currencies. None of this information is a substitute for or superior to financial information about us presented in EUR, which is the currency of our primary financial statements.

#### Forward-looking statements

The statements contained in these condensed consolidated interim financial statements 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, 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;
- Effects of deliberations of the European Commission regarding the aid we received from the Dutch State in December 2008;
- Changes in the policies of central banks and/or governments;
- Lowering of one or more of our debt ratings issued by recognized rating organizations and the adverse impact such action may have on our ability to raise capital and on our liquidity and financial condition;
- Lowering of one or more of insurer financial strength ratings of our insurance subsidiaries and the adverse impact such action may have on the premium writings, policy retention, profitability of its insurance subsidiaries and liquidity;
- The effect of the European Union's Solvency II requirements and other regulations in other jurisdictions affecting the capital we are required to maintain;
- 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;
- The impact of acquisitions and divestitures, restructurings, product withdrawals and other unusual items, including our ability to integrate acquisitions and to obtain the anticipated results and synergies from acquisitions;
- Our failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives; and
- The impact our adoption of the International Financial Reporting Standards may have on our reported financial results and financial condition.

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

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## CORPORATE AND SHAREHOLDER INFORMATION

### HEADQUARTERS

AEGON N.V.  
P.O. Box 85  
2501 CB The Hague  
The Netherlands  
Telephone: + 31 70 344 32 10  
[www.aegon.com](http://www.aegon.com)

### GROUP CORPORATE COMMUNICATIONS & INVESTOR RELATIONS

AEGON N.V.  
P.O. Box 85  
2501 CB The Hague  
The Netherlands

### MEDIA

Telephone: + 31 70 344 83 44  
E-mail: [gcc-ir@aegon.com](mailto:gcc-ir@aegon.com)

### ANALYSTS AND INVESTORS

Telephone: + 31 70 344 83 05 or + 1 877 548 96 68 - toll free USA only  
E-mail: [ir@aegon.com](mailto:ir@aegon.com)

### PUBLICATION DATE RESULTS

Thursday November 11, 2010	Results third quarter 2010
Thursday February 24, 2011	Results fourth quarter 2010
Thursday May 12, 2011	Results first quarter 2011
Thursday August 11, 2011	Results second quarter 2011
Thursday November 10, 2010	Results third quarter 2011

### PRESS RELEASE AND SUPPLEMENTS

AEGON's Q2 2010 press release and Q2 2010 Financial Supplement are available on AEGON's website [www.aegon.com](http://www.aegon.com).



## **ABOUT AEGON**

**Throughout their working lives and into retirement, millions of people around the world rely on AEGON to help them secure their long-term financial futures.**

**As an international life insurance, pension and investment company, AEGON has businesses in over twenty markets in the Americas, Europe and Asia. AEGON companies employ approximately 28,000 people and serve over 40 million customers across the globe.**

**AEGON uses its strength and expertise to create added value for customers, employees, shareholders and the wider community. AEGON does this by encouraging innovation and by growing its businesses profitably and sustainably.**

**AEGON's aim is to be a leading force in global financial services.**

