

An abstract background image featuring a complex network of blue lines and shapes, resembling a stylized bridge or a modern architectural structure, with a light blue and white color palette.

Local knowledge. Global power.

A vertical dashed line in a light gray color, positioned to the left of the main title.

Q2 2009



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CONDENSED CONSOLIDATED BALANCE SHEET

		June 30, 2009	Dec. 31, 2008
<i>EUR millions</i>	<i>Notes</i>		
ASSETS			
Intangible assets	6	5,182	5,425
Investments	4	131,533	130,481
Investments for account of policyholders	5	112,107	105,400
Derivatives		2,981	8,057
Investments in associates		660	595
Reinsurance assets		5,086	5,013
Defined benefit assets		403	448
Deferred tax assets		1,337	1,447
Deferred expenses and rebates	7	12,160	12,794
Other assets and receivables		7,178	7,376
Cash and cash equivalents		6,816	10,223
Total assets		285,443	287,259
EQUITY AND LIABILITIES			
Shareholders' equity		7,642	6,055
Convertible core capital securities		3,000	3,000
Other equity instruments		4,703	4,699
Minority interest		7	6
Group equity		15,352	13,760
Trust pass-through securities		137	161
Subordinated borrowings		8	41
Insurance contracts		94,081	97,377
Insurance contracts for account of policyholders		63,622	60,808
Investment contracts		32,424	36,231
Investment contracts for account of policyholders		50,116	45,614
Derivatives		3,974	6,089
Borrowings	9	7,867	5,339
Provisions		484	495
Defined benefit liabilities		2,088	2,080
Deferred revenue liability		35	42
Deferred tax liabilities		406	424
Other liabilities		14,507	18,237
Accruals		342	561
Total liabilities		270,091	273,499
Total equity and liabilities		285,443	287,259

CONDENSED CONSOLIDATED INCOME STATEMENT

EUR millions (except per share data)	Notes	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Premium income	10	4,550	5,592	10,540	11,907
Investment income	11	2,191	2,436	4,441	4,858
Fee and commission income		380	424	780	858
Other revenues		-	2	1	3
Total revenues		7,121	8,454	15,762	17,626
Income from reinsurance ceded		454	414	915	749
Results from financial transactions	12	7,022	(2,308)	(232)	(11,208)
Other income		-	-	2	-
Total income		14,597	6,560	16,447	7,167
Benefits and expenses		14,041	6,016	15,797	6,286
Impairment charges / (reversals)	13	413	101	843	135
Interest charges and related fees		106	111	226	206
Other charges	14	385	-	386	-
Total charges		14,945	6,228	17,252	6,627
Share in result of associates		10	11	12	20
Income / (loss) before tax		(338)	343	(793)	560
Income tax		177	(67)	459	(131)
Net income / (loss)		(161)	276	(334)	429
Net income / (loss) attributable to:					
Equity holders of AEGON N.V.		(161)	276	(334)	429
Earnings and dividend per share (EUR per share)					
Basic earnings per share*		(0.21)	0.08	(0.36)	0.15
Diluted earnings per share*		(0.21)	0.08	(0.36)	0.15
Dividend per common share		-	0.30	-	0.30
Net income per common share calculation					
Net income		(161)	276	(334)	429
Preferred dividend		(122)	(112)	(122)	(112)
Coupons on perpetuals		(45)	(45)	(93)	(91)
Net income / (loss) attributable to common shareholders		(328)	119	(549)	226
Weighted average number of common shares outstanding		1,516	1,499	1,516	1,499

* After deduction of preferred dividend and coupons on perpetuals.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR millions	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Net income / (loss)	(161)	276	(334)	429
<i>Other comprehensive income:</i>				
Gross movement in foreign currency translation reserve	(447)	123	31	(970)
Gross movement in revaluation reserves	4,691	(1,292)	2,945	(3,561)
Tax relating to components of other comprehensive income	(1,188)	354	(838)	1,140
Other	17	13	(2)	-
Other comprehensive income for the period	3,073	(802)	2,136	(3,391)
Total comprehensive income	2,912	(526)	1,802	(2,962)
Total comprehensive income attributable to:				
Equity holders of AEGON N.V.	2,912	(527)	1,801	(2,962)
Minority interest	-	1	1	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR millions	Total Share capital	Retained earnings	Revaluation and hedging reserves	Other reserves	Convertible core capital securities	Other equity instruments	Issued capital and reserves ¹	Minority interest	Total
Six months ended June 30, 2009									
At beginning of year	7,347	8,093	(7,167)	(2,218)	3,000	4,699	13,754	6	13,760
Revaluations	-	-	2,656	-	-	-	2,656	-	2,656
Disposal of group assets	-	-	59	-	-	-	59	-	59
Gains/(losses) transferred to income statement on disposal and impairment	-	-	355	-	-	-	355	-	355
Equity movements of associates	-	-	-	(11)	-	-	(11)	-	(11)
Foreign currency translation differences	-	-	(132)	-	-	-	(132)	-	(132)
Movement in foreign currency translation reserve and net foreign investment hedging reserves	-	-	-	82	-	-	82	-	82
Aggregate tax effect of items recognized directly in equity	-	-	(889)	-	-	-	(889)	-	(889)
Other	-	8	7	-	-	-	15	1	16
Net income / (loss) recognized directly in equity	-	8	2,056	71	-	-	2,135	1	2,136
Net income / (loss) recognized in the income statement	-	(334)	-	-	-	-	(334)	-	(334)
Total comprehensive income / (loss) for the first Six months ended June 30, 2009	-	(326)	2,056	71	-	-	1,801	1	1,802
Treasury shares	-	2	-	-	-	-	2	-	2
Preferred dividend	-	(122)	-	-	-	-	(122)	-	(122)
Coupons on perpetuals	-	(93)	-	-	-	-	(93)	-	(93)
Share options	-	-	-	-	-	4	4	-	4
Other	-	(1)	-	-	-	-	(1)	-	(1)
At end of period	7,347	7,553	(5,111)	(2,147)	3,000	4,703	15,345	7	15,352

¹ Issued capital and reserves attributable to equity holders of AEGON N.V.

Six months ended June 30, 2008									
At beginning of year	7,359	10,349	(516)	(2,041)	-	4,795	19,946	16	19,962
Revaluations	-	-	(3,608)	-	-	-	(3,608)	-	(3,608)
Gains/(losses) transferred to income statement on disposal and impairment	-	-	23	-	-	-	23	-	23
Equity movements of associates	-	-	-	(11)	-	-	(11)	-	(11)
Foreign currency translation differences	-	-	82	-	-	-	82	-	82
Movement in foreign currency translation reserve and net foreign investment hedging reserves	-	-	-	(948)	-	-	(948)	-	(948)
Aggregate tax effect of items recognized directly in equity	-	-	1,118	-	-	-	1,118	-	1,118
Other	-	11	(58)	-	-	-	(47)	-	(47)
Net income / (loss) recognized directly in equity	-	11	(2,443)	(959)	-	-	(3,391)	-	(3,391)
Net income / (loss) recognized in the income statement	-	429	-	-	-	-	429	-	429
Total comprehensive income / (loss) for the first Six months ended June 30, 2008	-	440	(2,443)	(959)	-	-	(2,962)	-	(2,962)
Treasury shares	-	(75)	-	-	-	-	(75)	-	(75)
Dividends paid on common shares	-	(290)	-	-	-	-	(290)	-	(290)
Preferred dividend	-	(112)	-	-	-	-	(112)	-	(112)
Coupons on perpetuals	-	(91)	-	-	-	-	(91)	-	(91)
Share options	-	-	-	-	-	10	10	-	10
At end of period	7,359	10,221	(2,959)	(3,000)	-	4,805	16,426	16	16,442

¹ Issued capital and reserves attributable to equity holders of AEGON N.V.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

<i>EUR millions</i>	Ytd 2009	Ytd 2008
Cash flow from operating activities	(5,450)	4,779
Purchases and disposals of intangible assets	(3)	(4)
Purchases and disposals of equipment and other assets	(20)	104
Purchases, disposals and dividends of subsidiaries and associates	(55)	(177)
Cash flow from investing activities	(78)	(77)
Issuance and purchase of share capital	2	(75)
Dividends paid	(122)	(402)
Issuances, repayments and coupons of convertible capital securities	(121)	-
Issuances, repayments and coupons of perpetuals	(125)	(123)
Issuances, repayments and finance interest on borrowings	1,912	179
Cash flow from financing activities	1,546	(421)
Net increase/(decrease) in cash and cash equivalents	(3,982)	4,281
Net cash and cash equivalents at January 1	9,506	7,385
Effects of changes in exchange rate	127	(103)
Net cash and cash equivalents at end of period	5,651	11,563

Notes to the condensed consolidated interim financial statements

Amounts in EUR million, unless otherwise stated

1. Basis of presentation

The condensed consolidated interim financial statements as at and for the 6 month period ended June 30, 2009, have been prepared in accordance with IAS 34 'Interim financial reporting' as adopted by the European Union (EU), with IFRS as issued by the International Accounting Standards Board (IASB). It does not include all of the information required for full financial statements and should therefore be read together with the 2008 consolidated financial statements of AEGON N.V. as included in AEGON's Annual Report for 2008.

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 published figures in these condensed consolidated interim financial statements are unaudited. The condensed consolidated financial statements were approved by the Executive Board on August 12, 2009.

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 2008 consolidated financial statements, which were prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and 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.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning January 1, 2009:

IFRS 8 'Operating segments'. This standard requires disclosure of information about the Group's operating

segments and replaces the requirement to determine primary (geographical) and secondary (business) reporting segments of the Group.

Under IFRS 8, 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 executive decision maker". The operating segments are:

- AEGON Americas. Main business lines include life and protection, individual savings and retirement, pensions and asset management, institutional products and life reinsurance.
- AEGON The Netherlands. Main business lines include life and protection, individual savings and retirement, pensions and asset management, distribution and general insurance.
- AEGON United Kingdom. Main business lines include life and protection, pensions and asset management and distribution.
- Other countries. Other countries include the country units Central and Eastern Europe, other European countries, European variable annuities and Asia. Main business lines include life and protection, pensions and asset management and general insurance.
- Holding and other activities. Includes finance, employee and other administrative expenses of the group staff functions.

This report includes a non-IFRS financial measure: Underlying earnings before tax. AEGON believes this non-IFRS measure, together with the IFRS measure (Net income), provides a meaningful measure for the investing public to evaluate AEGON's business relative to the businesses of our peers. In addition, underlying earnings is a key performance indicator on which the executive board manages AEGON's performance. The reconciliation of this measure to the most comparable IFRS measure is shown in table Segment reporting on page 11.

The adoption of IFRS 8 did not have any impact on equity or net income. In accordance with the transitional requirements of the standard, AEGON has provided full comparative information.

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 includes assets such as 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 any over- or underperformance compared to management's expected return is excluded from underlying earnings. 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 Other countries) are excluded from underlying earnings. The long-term expected return for these guarantees is set at zero.

The Holding includes 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 are excluded from underlying earnings.

IAS 1 (revised) 'Presentation of financial statements'

The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line.

In addition, the standard introduces the statement of comprehensive income: it presents all items of recognized income and expenses, either in one single

statement, or in two linked statements. AEGON has elected to present two statements. The adoption of this standard did not have any impact on equity or net income. In accordance with the transitional requirements of the standard, AEGON has provided full comparative information.

IFRS 2 'Share-based Payment – Vesting Conditions and Cancellations'

The Standard has been amended to clarify the definition of vesting conditions and to prescribe the accounting treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

Amendment to IFRS 7 'Financial Instruments: Disclosures'. The amendment increases the disclosure requirements about fair value measurement and amends the disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures about financial instruments and requires some specific quantitative disclosures for those instruments classified in the lowest level in the hierarchy. These disclosures will help to improve comparability between entities about the effects of fair value measurements. In addition, the amendment clarifies and enhances the existing requirements for the disclosure of liquidity risk primarily requiring a separate liquidity risk analysis for derivative and non-derivative financial liabilities. It also requires a maturity analysis for financial assets where the information is needed to understand the nature and context of liquidity risk. The Group will make additional relevant disclosures in its consolidated financial statements ending December 31, 2009.

IAS 23 'Borrowing Costs (revised)'

The standard has been revised to require capitalization of borrowing costs on qualifying assets. This amendment is not relevant to the Group as the Group already has a policy to capitalize borrowing costs.

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, 2009 but are not currently relevant for the Group:

- IFRIC 16 'Hedges of a net investment in a foreign operation';
- Amendments to IAS 39 'Eligible hedged items';
- Improvements to IFRS (2008).

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. Interim results are not necessarily indicative for full year results.

Exchange rates

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

Income statement items: average rate 1 EUR = USD 1.3349 (2008: USD 1.5309); 1 EUR = GBP 0.8920 (2008: GBP 0.7763).

Balance sheet items: closing rate 1 EUR = USD 1.4134 (2008: USD 1.5764; year-end 2008: USD 1.3917); 1 EUR = GBP 0.8521 (2008: GBP 0.7923; year-end 2008: GBP 0.9525).

3. Segment information

3.1 Income statement

Three months ended June 30, 2009

Segment information

<i>EUR millions</i>	Americas	The Netherlands	United Kingdom	Other countries	Holding and other activities	Eliminations	Total
Three months ended June 30, 2009							
Underlying earnings before tax geographically	280	129	20	47	(68)	(4)	404
Over/(under) performance of fair value items	181	(53)	2	2	(163)	-	(31)
Total operating earnings before tax	461	76	22	49	(231)	(4)	373
Gains/(losses) on investments	(3)	(42)	28	2	50	-	35
Impairment charges	(349)	(31)	(35)	-	-	-	(415)
Impairment reversals	19	3	-	-	-	-	22
Other income/(charges)	(1)	-	33	(385)	-	-	(353)
Income before tax	127	6	48	(334)	(181)	(4)	(338)
Income tax	155	(2)	(28)	(9)	61	-	177
Net income	282	4	20	(343)	(120)	(4)	(161)
<i>Inter-segment underlying earnings</i>	(21)	(13)	1	(2)	35	-	-
Revenues							
Life insurance gross premiums	1,472	442	1,796	185	-	-	3,895
Accident and health insurance	439	40	-	13	-	-	492
General insurance	-	128	-	35	-	-	163
Total gross premiums	1,911	610	1,796	233	-	-	4,550
Investment income	991	572	578	40	49	(39)	2,191
Fee and commission income	218	93	42	27	-	-	380
Total revenues	3,120	1,275	2,416	300	49	(39)	7,121
<i>Inter-segment revenues</i>	1	(2)	1	-	39	-	39

Three months ended June 30, 2008

	Americas	The Netherlands	United Kingdom	Other countries	Holding and other activities	Eliminations	Total
Three months ended June 30, 2008							
Underlying earnings before tax geographically	441	116	48	29	(40)	2	596
Over/(under) performance of fair value items	100	(37)	-	-	(15)	-	48
Total operating earnings before tax	541	79	48	29	(55)	2	644
Gains/(losses) on investments	(47)	(115)	-	5	(55)	-	(212)
Impairment charges	(84)	(4)	(12)	-	-	-	(100)
Impairment reversals	2	-	-	-	-	-	2
Other income/(charges)	-	-	9	-	-	-	9
Income before tax	412	(40)	45	34	(110)	2	343
Income tax	(115)	45	(13)	(14)	30	-	(67)
Net income	297	5	32	20	(80)	2	276
<i>Inter-segment underlying earnings</i>	(60)	(37)	(1)	(3)	101	-	-
Revenues							
Life insurance gross premiums	1,420	570	2,527	451	-	-	4,968
Accident and health insurance	409	34	-	14	-	-	457
General insurance	-	129	-	38	-	-	167
Total gross premiums	1,829	733	2,527	503	-	-	5,592
Investment income	1,082	581	687	65	53	(32)	2,436
Fee and commission income	230	101	63	30	-	-	424
Other revenues	1	-	-	1	-	-	2
Total revenues	3,142	1,415	3,277	599	53	(32)	8,454
<i>Inter-segment revenues</i>	-	1	-	-	31	-	32

Six months ended June 30, 2009

Segment information

<i>EUR millions</i>	Americas	The Netherlands	United Kingdom	Other countries	Holding and other activities	Eliminations	Total
Six months ended June 30, 2009							
Underlying earnings before tax geographically	212	201	27	77	(134)	(1)	382
Over/(under) performance of fair value items	149	(243)	(1)	3	(136)	-	(228)
Total operating earnings before tax	361	(42)	26	80	(270)	(1)	154
Gains/(losses) on investments	25	68	38	6	71	-	208
Impairment charges	(635)	(109)	(49)	(5)	(5)	-	(803)
Impairment reversals	21	3	-	-	-	-	24
Other income/(charges)	-	-	9	(385)	-	-	(376)
Income before tax	(228)	(80)	24	(304)	(204)	(1)	(793)
Income tax	377	43	2	(30)	67	-	459
Net income	149	(37)	26	(334)	(137)	(1)	(334)
<i>Inter-segment underlying earnings</i>	<i>(13)</i>	<i>(9)</i>	<i>1</i>	<i>(3)</i>	<i>24</i>		<i>-</i>
Revenues							
Life insurance gross premiums	2,971	2,010	3,616	525	-	-	9,122
Accident and health insurance	892	146	-	42	-	-	1,080
General insurance	-	266	-	72	-	-	338
Total gross premiums	3,863	2,422	3,616	639	-	-	10,540
Investment income	2,133	1,074	1,095	117	119	(97)	4,441
Fee and commission income	440	199	86	55	-	-	780
Other revenues	-	-	-	1	-	-	1
Total revenues	6,436	3,695	4,797	812	119	(97)	15,762
<i>Inter-segment revenues</i>	<i>1</i>	<i>(1)</i>	<i>2</i>	<i>-</i>	<i>95</i>		<i>97</i>

Six months ended June 30, 2008

	Americas	The Netherlands	United Kingdom	Other countries	Holding and other activities	Eliminations	Total
Six months ended June 30, 2008							
Underlying earnings before tax geographically	919	229	93	68	(63)	8	1,254
Over/(under) performance of fair value items	(274)	(191)	-	-	72	-	(393)
Total operating earnings before tax	645	38	93	68	9	8	861
Gains/(losses) on investments	(94)	(39)	3	5	(1)	-	(126)
Impairment charges	(103)	(21)	(12)	(1)	-	-	(137)
Impairment reversals	7	-	-	-	-	-	7
Other income/(charges)	-	-	(45)	-	-	-	(45)
Income before tax	455	(22)	39	72	8	8	560
Income tax	(184)	46	34	(24)	(3)	-	(131)
Net income	271	24	73	48	5	8	429
<i>Inter-segment underlying earnings</i>	<i>(39)</i>	<i>(20)</i>	<i>-</i>	<i>(2)</i>	<i>61</i>		<i>-</i>
Revenues							
Life insurance gross premiums	2,894	2,028	4,785	834	-	-	10,541
Accident and health insurance	831	152	-	43	-	-	1,026
General insurance	-	263	-	77	-	-	340
Total gross premiums	3,725	2,443	4,785	954	-	-	11,907
Investment income	2,284	1,128	1,283	126	113	(76)	4,858
Fee and commission income	472	212	123	51	-	-	858
Other revenues	2	-	-	1	-	-	3
Total revenues	6,483	3,783	6,191	1,132	113	(76)	17,626
<i>Inter-segment revenues</i>	<i>1</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>75</i>		<i>76</i>

3.2 Investments geographically

At June 30, 2009

INVESTMENTS GEOGRAPHICALLY

		amounts in million EUR (unless otherwise stated)								
Americas USD	United Kingdom GBP		Americas	The Netherlands	United Kingdom	Other countries	Holding & other activities	Eliminations	Total EUR	
		At June 30, 2009								
		Investments								
1,536	41	Shares	1,086	604	48	54	-	(2)	1,790	
81,833	5,807	Bonds	57,898	19,743	6,815	1,795	1,029	-	87,280	
18,270	10	Loans	12,927	11,344	11	702	-	-	24,984	
20,795	-	Other financial assets	14,713	142	-	57	-	-	14,912	
697	-	Investments in real estate	493	2,074	-	-	-	-	2,567	
123,131	5,858	Investments general account	87,117	33,907	6,874	2,608	1,029	(2)	131,533	
-	17,712	Shares	-	6,034	20,786	571	-	(8)	27,383	
-	12,327	Bonds	-	12,987	14,467	342	-	-	27,796	
62,000	2,948	Separate accounts and investment funds	43,866	-	3,459	944	-	-	48,269	
-	5,468	Other financial assets	-	1,044	6,418	189	-	-	7,651	
-	858	Investments in real estate	-	-	1,008	-	-	-	1,008	
62,000	39,313	Investments for account of policyholders	43,866	20,065	46,138	2,046	-	(8)	112,107	
185,131	45,171	Investments on balance sheet	130,983	53,972	53,012	4,654	1,029	(10)	243,640	
110,194	1,965	Off balance sheet investments third parties	77,963	11,800	2,306	6,106	-	-	98,175	
295,325	47,136	Total revenue generating investments	208,946	65,772	55,318	10,760	1,029	(10)	341,815	
		Investments								
98,591	5,769	Available-for-sale	69,754	20,396	6,770	1,705	1,029	-	99,654	
18,270	10	Loans	12,927	11,344	11	702	-	-	24,984	
-	-	Held-to-maturity	-	-	-	51	-	-	51	
67,573	38,534	Financial assets at fair value through profit or loss	47,809	20,158	45,223	2,196	-	(10)	115,376	
697	858	Investments in real estate	493	2,074	1,008	-	-	-	3,575	
185,131	45,171	Total investments on balance sheet	130,983	53,972	53,012	4,654	1,029	(10)	243,640	
93	13	Investments in associates	66	55	15	522	4	(2)	660	
31,653	6,245	Other assets	22,394	6,867	7,328	1,240	14,311	(10,997)	41,143	
216,877	51,429	Consolidated total Assets	153,443	60,894	60,355	6,416	15,344	(11,009)	285,443	

At December 31, 2008

INVESTMENTS GEOGRAPHICALLY

		amounts in million EUR (unless otherwise stated)								
Americas USD	United Kingdom GBP		Americas	The Netherlands	United Kingdom	Other countries	Holding & other activities	Eliminations	Total EUR	
		At December 31, 2008								
		Investments								
1,436	39	Shares	1,031	1,297	41	183	52	(2)	2,602	
83,846	4,915	Bonds	60,247	18,298	5,161	4,827	20	-	88,553	
19,194	10	Loans	13,792	10,416	10	1,116	-	-	25,334	
15,635	-	Other financial assets	11,235	112	-	117	-	-	11,464	
679	-	Investments in real estate	488	2,040	-	-	-	-	2,528	
120,790	4,964	Investments general account	86,793	32,163	5,212	6,243	72	(2)	130,481	
-	17,360	Shares	-	6,416	18,225	167	-	(9)	24,799	
-	12,675	Bonds	-	11,675	13,307	330	-	-	25,312	
58,943	2,381	Separate accounts and investment funds	42,353	-	2,500	1,420	-	-	46,273	
-	6,376	Other financial assets	-	1,042	6,693	150	-	-	7,885	
-	1,077	Investments in real estate	-	-	1,131	-	-	-	1,131	
58,943	39,869	Investments for account of policyholders	42,353	19,133	41,856	2,067	-	(9)	105,400	
179,733	44,833	Investments on balance sheet	129,146	51,296	47,068	8,310	72	(11)	235,881	
106,434	2,289	Off balance sheet investments third parties	76,478	11,783	2,403	5,299	-	-	95,963	
286,167	47,122	Total revenue generating investments	205,624	63,079	49,471	13,609	72	(11)	331,844	
		Investments								
94,444	4,859	Available-for-sale	67,862	19,110	5,101	2,602	72	-	94,747	
19,194	10	Loans	13,792	10,416	10	1,116	-	-	25,334	
-	-	Held-to-maturity	-	-	-	2,269	-	-	2,269	
65,416	38,887	Financial assets at fair value through profit or loss	47,004	19,730	40,826	2,323	-	(11)	109,872	
679	1,077	Investments in real estate	488	2,040	1,131	-	-	-	3,659	
179,733	44,833	Total investments on balance sheet	129,146	51,296	47,068	8,310	72	(11)	235,881	
30	13	Investments in associates	21	55	13	503	4	(2)	594	
36,795	7,192	Other assets	26,440	12,460	7,552	1,660	17,395	(14,723)	50,784	
216,558	52,038	Consolidated total Assets	155,607	63,811	54,633	10,473	17,471	(14,736)	287,259	

4. Investments

INVESTMENTS

EUR millions	June 30, 2009			Dec. 31, 2008	
Available-for-sale (AFS)	99,654			94,747	
Loans	24,984			25,333	
Held-to-maturity (HTM)	51			2,270	
Financial assets at fair value through profit or loss (FVTPL)	4,277			5,603	
Financial assets, excluding derivatives	128,966			127,953	
Investments in real estate	2,567			2,528	
Total Investments for general account	131,533			130,481	
Total financial assets, excluding derivatives					
	AFS	FVTPL	HTM	Loans	Total
Shares	1,053	737	-	-	1,790
Bonds	85,511	1,718	51	-	87,280
Money market and other short term investments	12,093	81	-	-	12,174
Mortgages	-	-	-	20,824	20,824
Private loans	-	-	-	812	812
Deposits with financial institutions	-	-	-	1,069	1,069
Policy loans	-	-	-	2,068	2,068
Receivables out of share lease agreements	-	-	-	46	46
Other	997	1,741	-	165	2,903
June 30, 2009	99,654	4,277	51	24,984	128,966
	AFS	FVTPL	HTM	Loans	Total
Shares	1,429	1,173	-	-	2,602
Bonds	84,019	2,282	2,255	-	88,556
Money market and other short term investments	8,318	146	-	-	8,464
Mortgages	-	-	-	20,166	20,166
Private loans	-	-	-	822	822
Deposits with financial institutions	-	-	-	1,640	1,640
Policy loans	-	-	-	2,473	2,473
Receivables out of share lease agreements	-	-	-	54	54
Other	981	2,002	15	178	3,176
Dec. 31, 2008	94,747	5,603	2,270	25,333	127,953

5. Investments for account of policyholders

INVESTMENTS FOR ACCOUNT OF POLICYHOLDERS

	June 30, 2009	Dec. 31, 2008
Shares	27,383	24,799
Debt securities	27,796	25,312
Money market and short-term investments	3,556	3,761
Deposits with financial institutions	3,038	3,070
Separate accounts and unconsolidated investment funds	48,269	46,273
Other	1,057	1,054
Total investments for account of policyholders at fair value through profit or loss, excluding derivatives	111,099	104,269
Investment in real estate	1,008	1,131
Total investments for account of policyholders	112,107	105,400

6. Intangible assets

INTANGIBLE ASSETS

	June 30, 2009	Dec. 31, 2008
Goodwill	720	720
VOBA	3,902	4,119
Future servicing rights	504	522
Software	24	29
Other	32	35
Total intangible assets	5,182	5,425

7. Deferred expenses and rebates

DEFERRED EXPENSES AND REBATES

	June 30, 2009	Dec. 31, 2008
DPAC for insurance contracts and investment contracts with discretionary participation features	11,575	12,224
Deferred transaction costs for investment management services	323	307
Unamortized interest rate rebates	262	263
Total Deferred expenses and rebates	12,160	12,794

8. Share capital

SHARE CAPITAL

	June 30, 2009	Dec. 31, 2008
Share capital - par value	251	251
Share premium	7,096	7,096
Total share capital	7,347	7,347
Share capital - par value		
Balance at January 1	251	258
Withdrawal	-	(12)
Share dividend	-	5
Balance	251	251
Share premium		
Balance at January 1	7,096	7,101
Share dividend	-	(5)
Balance	7,096	7,096

9. Borrowings

BORROWINGS

	June 30, 2009	Dec. 31, 2008
Debentures and other loans	5,878	3,840
Commercial paper	421	428
Short term deposits	403	354
Bank overdrafts	1,165	717
Total borrowings	7,867	5,339

During Q2 2009 AEGON issued senior unsecured notes with a nominal value of EUR 1 billion due April 29, 2012. The notes, issued at a price of 99.675, carry a coupon of 7%. In addition AEGON borrowed EUR 900 million

from the European Central Bank, under its Long Term Refinancing Operation (LTRO) program. The borrowing has a 1 year term and bears 1% interest per annum. The borrowing is fully collateralized.

10. Premium income

PREMIUM INCOME				
	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Gross				
Life	3,895	4,968	9,121	10,541
Non-Life	655	624	1,419	1,366
	4,550	5,592	10,540	11,907
Reinsurance				
Life	(370)	(321)	(706)	(618)
Non-Life	(448)	(400)	(862)	(774)
Total	3,732	4,871	8,972	10,515

11. Investment income

INVESTMENT INCOME				
	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Interest income	2,006	2,189	4,080	4,319
Dividend income	144	195	273	427
Rental income	41	52	88	112
Total investment income	2,191	2,436	4,441	4,858
Investment income related to general account	1,542	1,641	3,231	3,370
Investment income account of policyholders	649	795	1,210	1,488
Total	2,191	2,436	4,441	4,858

12. Result from financial transactions

RESULT FROM FINANCIAL TRANSACTIONS				
	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Net fair value change of general account financial investments at FVTPL other than derivatives	95	40	(34)	(147)
Realized gains and losses on financial investments	6	(27)	126	(69)
Gains and (losses) on investments in real estate	(29)	40	(36)	64
Net fair value change of derivatives	(158)	(267)	(910)	(216)
Net fair value change on for account of policyholder financial assets at FVTPL	7,274	(2,102)	854	(10,593)
Net fair value change on investments in real estate for account of policyholders	(39)	(18)	(134)	(255)
Net foreign currency gains and (losses)	(7)	(1)	(14)	(74)
Net fair value change on borrowings and other financial liabilities	(120)	27	(91)	82
Realized gains and (losses) on repurchased debt	-	-	7	-
Total	7,022	(2,308)	(232)	(11,208)

In Q2 2009, result from financial transactions included a loss of EUR 163 million in respect of AEGON's own credit spread, reflecting the narrowing of credit spreads seen in the market in the second quarter of 2009 (Q2

2008: loss of EUR 14 million). For the six month period ended June 30, 2009 the loss amounted to EUR 136 million (2008: gain EUR 72 million).

13. Impairment charges/(reversals)

IMPAIRMENT CHARGES / (REVERSALS)

	Q2 2009	Q2 2008	Ytd 2009	Ytd 2008
Impairment charges / (reversals) comprise:				
Impairment charges on financial assets, excluding receivables	422	102	855	149
Impairment reversals on financial assets, excluding receivables	(21)	(2)	(24)	(7)
Impact of the above impairments on the valuation of insurance assets and liabilities	-	-	-	(8)
Impact charges on non-financial assets and receivables	12	1	12	1
Total	413	101	843	135
Impairment charges on financial assets, excluding receivables, from:				
Shares	14	27	81	39
Debt securities and money market instruments	372	70	703	96
Loans	36	5	71	14
Total	422	102	855	149
Impairment reversals on financial assets, excluding receivables, from:				
Shares	-	-	-	-
Debt securities and money market instruments	(20)	(2)	(23)	(7)
Loans	(1)	-	(1)	-
Total	(21)	(2)	(24)	(7)

14. Other charges

In Q2 2009, other charges amount to a loss of EUR 385 million resulting from the sale of AEGON Taiwan. The proceeds from the sale amounted to EUR 11 million. The value of the assets and liabilities sold amounted to EUR 4,457 million and EUR 4,159 million respectively. Unrealized losses for an amount of EUR 94 million, reflecting revaluation reserves, foreign currency translation reserves and net investment hedges were recycled through the income statement. Sales expenses amounted to EUR 4 million.

15. Business combinations

On April 22, 2009 AEGON announced it has agreed to sell its Taiwanese life insurance business to Zhongwei Company Ltd. Upon signing of the agreement the control on AEGON Taiwan was transferred to the acquirer. The sale of the Taiwanese life insurance business is subject to regulatory approval and is expected to close by the end of Q3 2009.

On June 23, 2009 AEGON has completed its acquisition of Banca Transilvania's 50% shareholding in BT AEGON, the Romanian pension business the two companies set up last year. The agreement to buy Banca Transilvania's stake was originally announced in January of this year. AEGON paid approximately EUR 11 million for the shareholding, which gives AEGON full control of the pension business. As part of the transaction, AEGON and Banca Transilvania have signed a distribution agreement under which Banca

Transilvania will continue to offer AEGON life insurance and pension products.

16. Commitments and contingencies

On May 13, 2009 a lower court in The Netherlands ruled in respect of a dispute regarding AEGON's KoersPlan product, which is a unit-linked product, sold in substantial volumes in The Netherlands. The dispute regards transparency issues and the charges, including insurance premium included in this product. AEGON believes the court decided incorrectly and intend to appeal. The decision does not have a direct effect on claims brought by individual clients but, if this decision is ultimately upheld on appeal and/or by the Dutch Supreme Court and is followed by other courts in The Netherlands in individual cases, it could have a material adverse effect on AEGON's financial position or profitability.

On June 5, 2009, the Dutch Supreme Court ruled in three disputes regarding securities lending (aandelenlease), including a dispute regarding AEGON's Sprintplan product. This product was sold in the past by AEGON the Netherlands. AEGON believes these decisions are broadly in line with the earlier decisions by lower courts regarding these types of products and the policy followed by us in respect of these products which is based upon the arrangement made previously between consumers representative organizations and another supplier of these types of

products in The Netherlands. AEGON does not expect the Dutch Supreme Court decision to have a material adverse effect on the company's financial position or profitability.

There have been no other material changes in contingent assets and liabilities reported in the 2008 consolidated financial statements of AEGON.

17. Events after the balance sheet date

On July 13, 2009, AEGON reached a final agreement with Stichting Verliespolis and Stichting Woekerpolis Claim to reduce charges for customers of its unit-linked insurance policies in the Netherlands. The agreement is part of industry-wide efforts in the Netherlands to address concerns over charges related to unit-linked insurance products. As a result of the final agreement,

there will be an additional impact on the company's embedded value of approximately EUR 70 mln after tax. The cost of improvements will be reflected in AEGON's earnings over the remainder of the lifespan of affected policies. Consequently, no significant impact on the 2009 income statement is expected as provisions are adequate.

On August 5, 2009, the Enterprise Chamber of the Amsterdam court of appeals in the Netherlands ruled in favor of AEGON in connection with a dispute with harbor trade unions regarding the consolidation of equity of OPTAS, a life insurance company AEGON acquired at the beginning of 2007.

The court rejected a request to order a restatement of the company's financial statements. The ruling is open to appeal to the Dutch Supreme Court.

Management statement

The interim report for the six months ended June 30, 2009 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 12, 2009

[A.R. Wynaendts](#)

Chairman of the Executive Board and CEO

[J.J. Nooitgedagt](#)

Member of the Executive Board and CFO

Review opinion

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements for the 6 month period ended June 30, 2009 of AEGON N.V., The Hague, as set out on pages 4 to 18, which comprises the balance sheet as at June 30, 2009, and the income statement, the statement of comprehensive income, the statement of changes in equity and 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 ("Q2") as at June 30, 2009 and 2008. 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, 2009 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 12, 2009
Ernst & Young Accountants LLP

[signed by A.F.J. van Overmeire](#)

Cautionary note regarding non-GAAP measures

These condensed consolidated interim financial statements include certain non-GAAP financial measures: underlying earnings before tax and operating earnings before tax. The reconciliation of underlying earnings before tax and operating earnings before tax to the most comparable IFRS measures is provided on page 11 and 12.

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

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

- Changes in general economic conditions, particularly in the United States, the Netherlands and the United Kingdom;
- Changes in the performance of financial markets, including emerging markets, such as with regard to:
 - The frequency and severity of defaults by issuers in 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 AEGON holds;
- The frequency and severity of insured loss events;
- Changes affecting mortality, morbidity and other factors that may impact the profitability of AEGON's 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 AEGON's operations, the products AEGON sells, and the attractiveness of certain products to AEGON's consumers;
- Regulatory changes relating to the insurance industry in the jurisdictions in which AEGON operates;
- Acts of God, acts of terrorism, acts of war and pandemics;
- Changes in the policies of central banks and/or governments;
- Litigation or regulatory action that could require AEGON to pay significant damages or change the way AEGON does 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 AEGON's products;
- AEGON's failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives; and
- The impact AEGON's adoption of the International Financial Reporting Standards may have on AEGON's 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.

CORPORATE AND SHAREHOLDER INFORMATION

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PUBLICATION DATE FIGURES IN 2009

Thursday, November 12	Results third quarter 2009
Thursday, February 25	Results fourth quarter 2009
Thursday, May 12	Results first quarter 2010

SUPPLEMENTS

AEGON's Q2 2009 press release and Q2 2009 Financial Supplement are available on AEGON's website
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 29,500 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.



AEGON improves underlying earnings and capital position in Q2 2009

Capital position strengthened

- EUR 1.6 billion in capital freed up in first half 2009, above full year target
- Excess capital^{a)} of EUR 3.5 billion by end June
- Revaluation reserves improve by EUR 3.4 billion, or 40%, a result of narrowing credit spreads
- IGD^{b)} solvency ratio increases to 202%
- No interim dividend payment for 2009 – dividend policy remains unchanged

Improved earnings

- Underlying earnings before tax of EUR 404 million, substantial improvement compared with the past two quarters
- Underlying earnings include lower investment income as result of de-risking measures
- Fair value items of EUR (31) million include EUR 202 million net gain from higher equity markets, offset by a loss on interest rate hedges
- Net loss of EUR 161 million, including one-time EUR 385 million loss from sale of Taiwanese life activities
- Impairments of EUR 393 million, approximately half from US housing market related assets
- Cost savings well on track to achieve EUR 150 million target

Continued profitable sales, despite difficult environment

- New life sales of EUR 469 million, helped by an increase in US retail sales
- Net deposits^{c)} of EUR 857 million, due to strong sales of annuities and pensions, and improved persistency
- Value of new business of EUR 181 million, with overall increase in rates of return

Statement Alex Wynaendts, CEO

“Ensuring that AEGON maintains a strong capital position continues to be front and center in our actions. In the first half of the year, we have exceeded our full-year capital release target. We are also pleased with the further improvement, quarter over quarter, to our underlying earnings, despite the impact of our de-risking measures on investment income. Our strong capital position has allowed us to begin reversing in part the impact of these measures by investing cash in higher yielding, quality assets. We have not declared an interim dividend, however our dividend policy remains unchanged. Our decision to pay a full-year dividend will continue to depend on cash flows and AEGON's capital position at the end of the year.

“We are well on track to achieve our cost savings target for 2009. At the same time, we are working to identify additional cost saving measures with the determination not to undermine the high level of service our customers have come to expect. We are especially pleased by the continued confidence of our customers, as demonstrated by solid retail sales in the United States and net deposits for the quarter.

“We remain convinced that our strategic objectives to strengthen AEGON's capital position, reduce costs and implement actions to safeguard customer trust are the right ones in the current environment and for the long term. AEGON has weathered the turmoil of the past year and is committed to being in a strong position to maximize the opportunities ahead.”

KEY PERFORMANCE INDICATORS

amounts in EUR millions	Notes	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax	1	404	(22)	N.M.	596	(32)	382	1,254	(70)
Net income	2	(161)	(173)	7	276	N.M.	(334)	429	N.M.
New life sales	3	469	543	(14)	729	(36)	1,012	1,415	(28)
Gross deposits excluding Institutional Guaranteed Products	4	5,647	6,393	(12)	5,650	-	12,040	11,037	9
Value of new business (VNB)		181	201	(10)	212	(15)	382	398	(4)
Return on equity	5	10.3%	(3.3%)	N.M.	11.2%	(8)	3.5%	12.2%	(71)

a) Excess capital over S&P AA capital adequacy requirements

b) 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 I 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 methodology to calculate the ratio for the Netherlands has been adjusted to include the excess value above the technical provisions, calculated according to the local regulatory liability adequacy test, as of Q2 2009. The comparable IGD ratio as per end of Q1 2009 would have been 193%.

c) Excluding institutional guaranteed products

Strategic highlights and short-term priorities

Last year, AEGON set out three long-term strategic priorities:

1. To reallocate capital toward businesses with higher growth and return prospects;
2. To improve growth and returns from existing businesses;
3. To manage AEGON as an international company.

Subsequently, AEGON identified and announced three priorities to counter the challenges of the current global financial crisis and position the company for future growth:

- Focus on capital preservation and accelerate the capital release program;
- EUR 150 million in cost saving measures for 2009;
- Develop contingency plans for possible deterioration in financial markets.

AEGON further aims to reduce its earnings sensitivity to financial markets to realize more stable earnings.

Portfolio review

AEGON is continuing to review its portfolio of businesses to ensure they meet the criteria outlined in the company's strategy. Recent developments:

- Sale of life business in Taiwan, decreasing AEGON's long-term interest rate exposure and substantially lowering required economic capital;
- Withdrawal from Group Risk market in the UK, releasing EUR 55 million in capital over next three years.

Consistent with its strategy to allocate capital to businesses and geographies that offer attractive growth and higher return prospects, AEGON completed its acquisition of a 50% stake in Mongeral, Brazil's sixth largest independent life insurer, and the acquisition of Banca Transilvania's 50% share in BT AEGON, a Romanian pension business the two companies set up in 2008.

Cost measures

- Cost saving measures well on track to achieve the full-year EUR150 million target;
- Operating expenses down 5% in the first half of 2009, excluding impact from restructuring charges, increased employee benefit plan expenses and currency effects.

Capital preservation

- A total of EUR 1.6 billion in capital released from AEGON's businesses in H1, above target of EUR 1.5 billion for full year;
- AEGON started to invest cash in higher yielding quality assets, which will in part reverse earnings impact from de-risking measures;
- AEGON aims to maintain an amount of excess capital substantially above AA capital adequacy requirements.

Capital management

Excess capital

- Excess capital at the end of June 2009 totaled EUR 3.5 billion over AA capital adequacy requirements, up EUR 0.8 billion from the end of Q1 2009;
- The positive impact from improved capital markets, the company's capital release program and statutory earnings were partly offset by impairments and rating migration in the Americas. At the end of Q2 2009, AEGON had an IGD solvency ratio of 202%;
- Because of uncertain economic conditions, AEGON still expects an elevated level of asset impairments in its investment portfolio in 2009 compared with its long-term assumptions. Impairments negatively impacted the company's capital position in Q2 2009, reducing excess capital by approximately EUR 0.3 billion. In addition, rating migration in the Americas' asset portfolio was limited to a EUR 0.1 billion increase in capital requirements.

IFRS core capital

- At the end of June 2009, core capital, excluding the revaluation reserves, totaled EUR 15.8 billion, 75% of the total capital base, well above AEGON's minimum target of 70%^{7,8)}. Core capital, including the revaluation reserves, was EUR 10.6 billion, consisting of EUR 7.6 billion in shareholders' equity and a further EUR 3 billion in convertible core capital securities. AEGON's revaluation reserves improved by 40% during Q2 2009, or EUR 3.4 billion, to a negative EUR 5.1 billion.

The improved revaluation reserves were the main driver behind an increase in shareholders' equity. The revaluation reserves improved primarily due to the impact of narrowing credit spreads on bond values.

Dividend

- AEGON has not declared an interim dividend to common shareholders for 2009. The company's dividend policy, however, remains unchanged, i.e. the payment of a dividend depends on the capital position and cash flows of the company. A decision on a final dividend will be announced with the Q4 2009 results.

Risk management

Equity market sensitivities

- During Q2 2009, AEGON implemented a macro hedge program for equity exposure related to its retail variable annuity portfolio to reduce the sensitivity of AEGON's capital position to equity market movements. This program, a combination of out-of-the-money put options and linear hedge instruments, is in place for twelve months, but can be extended for a longer period. The hedge instruments will be carried at fair value through profit or loss and will be reported under fair value items.

Financial highlights

FINANCIAL OVERVIEW								
EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax by line of business								
Life and protection	266	239	11	252	6	505	504	-
Individual savings and retirement products	62	(313)	N.M.	115	(46)	(251)	231	N.M.
Pensions and asset management	83	42	98	129	(36)	125	250	(50)
Institutional products	29	89	(67)	99	(71)	118	207	(43)
Life reinsurance	13	(23)	N.M.	-	N.M.	(10)	43	N.M.
Distribution	1	6	(83)	8	(88)	7	17	(59)
General insurance	12	(1)	N.M.	20	(40)	11	37	(70)
Interest charges and other	(72)	(63)	(14)	(38)	(89)	(135)	(55)	(145)
Share in net results of associates	10	2	N.M.	11	(9)	12	20	(40)
Underlying earnings before tax	404	(22)	N.M.	596	(32)	382	1,254	(70)
Over/(under) performance of fair value items	(31)	(197)	84	48	(165)	(228)	(393)	42
Operating earnings before tax	373	(219)	N.M.	644	(42)	154	861	(82)
Operating earnings before tax by line of business								
Life and protection	270	179	51	264	2	449	477	(6)
Individual savings and retirement products	88	(306)	N.M.	139	(37)	(218)	81	N.M.
Pensions and asset management	35	(135)	N.M.	97	(64)	(100)	78	N.M.
Institutional products	131	13	N.M.	155	(15)	144	100	44
Life reinsurance	61	59	3	3	N.M.	120	34	N.M.
Distribution	1	6	(83)	8	(88)	7	17	(59)
General insurance	12	(1)	N.M.	20	(40)	11	37	(70)
Interest charges and other	(235)	(36)	N.M.	(53)	N.M.	(271)	17	N.M.
Share in net results of associates	10	2	N.M.	11	(9)	12	20	(40)
Operating earnings before tax	373	(219)	N.M.	644	(42)	154	861	(82)
Gains/(losses) on investments	35	173	(80)	(212)	N.M.	208	(126)	N.M.
Impairment charges	(393)	(386)	(2)	(98)	N.M.	(779)	(130)	N.M.
Other income/(charges)	(353)	(23)	N.M.	9	N.M.	(376)	(45)	N.M.
Income before tax	(338)	(455)	26	343	N.M.	(793)	560	N.M.
Income tax	177	282	(37)	(67)	N.M.	459	(131)	N.M.
Net income	(161)	(173)	7	276	N.M.	(334)	429	N.M.
Net underlying earnings	357	(14)	N.M.	437	(18)	343	940	(64)
Net operating earnings	331	(163)	N.M.	479	(31)	168	654	(74)
Underlying earnings geographically								
Americas	280	(68)	N.M.	441	(37)	212	919	(77)
The Netherlands	129	72	79	116	11	201	229	(12)
United Kingdom	20	7	186	48	(58)	27	93	(71)
Other countries	47	30	57	29	62	77	68	13
Holding and other	(72)	(63)	(14)	(38)	(89)	(135)	(55)	(145)
Underlying earnings before tax	404	(22)	N.M.	596	(32)	382	1,254	(70)
Operating earnings geographically								
Americas	461	(100)	N.M.	541	(15)	361	645	(44)
The Netherlands	76	(118)	N.M.	79	(4)	(42)	38	N.M.
United Kingdom	22	4	N.M.	48	(54)	26	93	(72)
Other countries	49	31	58	29	69	80	68	18
Holding and other	(235)	(36)	N.M.	(53)	N.M.	(271)	17	N.M.
Operating earnings before tax	373	(219)	N.M.	644	(42)	154	861	(82)
Commissions and expenses	1,504	1,618	(7)	1,515	(1)	3,122	2,931	7
of which operating expenses	814	842	(3)	772	5	1,656	1,555	6

Overview

AEGON reported a net loss of EUR 161 million for Q2 2009, including a one-time EUR 385 million loss from the sale of the company's Taiwanese life insurance business. Excluding this one-time loss, net income was EUR 224 million, a strong improvement compared with previous quarters.

Underlying earnings before tax amounted to EUR 404 million, a substantial increase from the first quarter of 2009.

Fair value items contributed a negative EUR 31 million to earnings in Q2 2009, again a strong improvement compared with recent quarters.

Net income during the second quarter of 2009 was negatively impacted by impairment charges of EUR 393 million, associated in part with investments in structured residential mortgage assets in the Americas. Impairments of EUR 330 million in the Americas would have amounted EUR 255 million under US GAAP.

Net income in the second quarter of 2009 also included a tax gain of EUR 228 million related to cross border intercompany reinsurance transactions between Ireland and the United States. This gain was a partial reversal of previous tax charges from these internal transactions during 2008.

Underlying earnings before tax

In Q2 2009, underlying earnings before tax for the company totaled EUR 404 million, a substantial improvement compared with recent quarters. Underlying earnings were impacted by a few exceptional items totaling EUR 36 million. Excluding these exceptional items, underlying earnings would have been EUR 440 million. Underlying earnings were also impacted by de-risking measures in the first half of 2009, which affected earnings by EUR 45 million. The main exceptional items were:

- US employee benefit plan accounting mismatch of EUR (15) million;
- Restructuring charges of EUR (18) million;
- Accelerated amortization of DPAC related to universal life in Canada of EUR (23) million;
- Reserve adjustments of EUR 20 million.

Underlying earnings in the Americas improved significantly compared with Q1 2009 when lower equity markets led to a strengthening in minimum guarantee reserves and accelerated amortization of deferred policy acquisition costs (DPAC).

Compared with Q2 2008 however, earnings from the Americas decreased to USD 371 million, a result of lower investment spreads, reduced fees from lower asset balances, increased employee benefit plan expenses (USD 60 million), accelerated amortization of DPAC in the Life and Protection line (USD 30 million), and one-time restructuring costs (USD 14 million) related to cost saving initiatives. In Q2 2008, earnings from the Americas had included a one-off reserve strengthening of USD 49 million in the life reinsurance business.

In the Netherlands, underlying earnings totaled EUR 129 million, including a one-time EUR 20 million release of provisions.

Underlying earnings in the United Kingdom, meanwhile, totaled GBP 17 million, lower than Q2 2008, due primarily to the impact of lower equity and corporate bond markets on fund related charges in the pension business.

Underlying earnings from Other countries, which exclude earnings from the Taiwanese life business this quarter, amounted to EUR 47 million, up from EUR 29 million in Q2 2008. Earnings for the second quarter 2008 had included a EUR 6 million underlying loss in Taiwan. The increase in earnings in Other Countries was the result of a strong earnings performance from AEGON's operations in Central & Eastern Europe and the company's bancassurance joint ventures in Spain.

Net income

Net income for the second quarter of 2009 included a total underperformance of fair value items of EUR 31 million. Fair value items primarily include certain (alternative) investment classes, as well as a number of products containing financial guarantees.

In the Americas, fair value items showed an overperformance of USD 240 million, a result primarily of increased market values for credit derivatives, as well as a positive contribution from both total return annuities and the impact of lower implied equity market volatilities on the fair value of GMWB guarantees. The results of AEGON's macro equity hedge program are reported under fair value items and amounted to a gain of USD 26 million in the second quarter 2009. Alternative assets in the Americas, such as real estate partnerships and private equity, however, showed an underperformance.

In Q2 2009, fair value items included a EUR 54 million charge related to fair value movements of guarantees and related hedges in the Netherlands. During the second quarter of 2009, a EUR 186 million gain from higher equity markets, as well as the benefit from lower equity market volatility, were more than offset by losses from the company's program for managing guarantee related interest exposures.

Three bonds issued by AEGON N.V. and their hedge instruments are held at fair value through profit or loss. In previous quarters, the widening of AEGON's credit spread had a positive contribution to earnings. In Q2 2009 however, AEGON's credit spread narrowed substantially, leading to a loss of EUR 163 million.

Gains on investments

Gains on investments during the second quarter of 2009 amounted to EUR 35 million, including gains on economic hedges. These gains were partly offset by losses from the revaluation of direct residential real estate investments in the Netherlands.

Impairment charges

Impairments during the second quarter of 2009 totaled EUR 393 million. This included EUR 123 million relating to subprime mortgage asset backed securities and a further EUR 85 million to residential

mortgage backed securities, both in the Americas. The remainder was mainly related to corporate credits in the Americas, the United Kingdom and the Netherlands. Impairments of EUR 330 million in the Americas would have amounted to EUR 255 million under US GAAP.

Tax

Net income in the second quarter of 2009 included a tax gain of EUR 228 million related to cross border intercompany reinsurance transactions between Ireland and the United States. These reinsurance transactions are accounted for at fair value in both tax jurisdictions. While losses in the United States were taxed at 35%, gains in Ireland were taxed at 12.5%. The gain was a partial reversal of previous tax charges on these internal transactions in 2008.

The loss from the sale of AEGON's Taiwanese life activities did not lead to tax relief on earnings for the second quarter of 2009.

Commissions and expenses

Compared with Q1 2009, commissions and expenses decreased by 7% to EUR 1.5 billion. Operating expenses were down 3% to EUR 814 million as a result of cost saving initiatives, partly offset by restructuring charges and higher employee benefit plan expenses. Excluding the impact from restructuring charges, increased employee benefit plan expenses and currencies, operating expenses were down 5% in the first half of 2009 compared with the same period last year.

Compared with Q2 2008, commissions and expenses were down 5% on a constant currency basis. On the same basis, operating expenses were up 1% as an increase in employee benefit plan expenses and restructuring charges offset further cost savings. Operating expenses also increased as a result of acquisitions in Central & Eastern Europe in 2008 and the inclusion of new joint ventures in Spain.

SALES

EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales								
Life single premiums	1,504	2,025	(26)	2,880	(48)	3,529	5,637	(37)
Life recurring premiums annualized	318	341	(7)	441	(28)	659	851	(23)
Total recurring plus 1/10 single	469	543	(14)	729	(36)	1,012	1,415	(28)
New premium production accident and health insurance	146	164	(11)	141	4	310	307	1
New premium production general insurance	11	12	(8)	16	(31)	23	32	(28)
Gross deposits (on and off balance) by line of business								
Fixed annuities	928	1,628	(43)	875	6	2,556	1,181	116
Variable annuities	949	714	33	717	32	1,663	1,402	19
Saving deposits	779	580	34	688	13	1,359	1,336	2
Retail mutual funds	671	642	5	908	(26)	1,313	1,472	(11)
Pensions and asset management	2,319	2,829	(18)	2,461	(6)	5,148	5,644	(9)
Institutional guaranteed products	1,115	1,848	(40)	3,481	(68)	2,963	6,730	(56)
Life reinsurance	1	-	N.M.	1	-	1	2	(50)
Total gross deposits	6,762	8,241	(18)	9,131	(26)	15,003	17,767	(16)
<i>Total gross deposits excl. institutional guaranteed products</i>	<i>5,647</i>	<i>6,393</i>	<i>(12)</i>	<i>5,650</i>	<i>-</i>	<i>12,040</i>	<i>11,037</i>	<i>9</i>
Net deposits (on and off balance) by line of business								
Fixed annuities	145	688	(79)	(24)	N.M.	833	(819)	N.M.
Variable annuities	412	78	N.M.	(102)	N.M.	490	(254)	N.M.
Saving deposits	43	(67)	N.M.	114	(62)	(24)	42	N.M.
Retail mutual funds	23	(98)	N.M.	416	(94)	(75)	587	N.M.
Pensions and asset management	246	506	(51)	180	37	752	1,350	(44)
Institutional guaranteed products	(1,432)	(2,354)	39	401	N.M.	(3,786)	(794)	N.M.
Life reinsurance	(12)	(16)	25	(14)	14	(28)	(29)	3
Total net deposits	(575)	(1,263)	54	971	N.M.	(1,838)	83	N.M.
<i>Total net deposits excl. institutional guaranteed products</i>	<i>857</i>	<i>1,091</i>	<i>(21)</i>	<i>570</i>	<i>50</i>	<i>1,948</i>	<i>877</i>	<i>122</i>

REVENUE GENERATING INVESTMENTS

	June 30, 2009	Mar. 31, 2009	%
Revenue generating investments (total)	341,815	334,280	2
Investments general account	131,533	133,130	(1)
Investments for account of policyholders	112,107	103,312	9
Off balance sheet investments third parties	98,175	97,838	-

Sales

Total new life sales in Q2 2009, excluding Taiwan, were down 13% compared with Q1 2009.

Total new life sales in the Americas were in line with Q1 2009. Retail life sales increased 7% from Q1 2009 reflecting expanded distribution, particularly in the term life insurance market, offset by lower sales of both BOLI/COLI and life reinsurance.

In the Netherlands, pension sales slowed significantly during the second quarter of 2009 and proved volatile after the standstill in the group pension market during the third and fourth quarters of last year. The first quarter of 2009 had seen strong group pension sales.

New life sales in the United Kingdom in the second quarter of the year were down 16% compared with Q1 2009, due primarily to a decline in sales of annuities.

In Other countries new life sales, excluding Taiwan, increased by 9% compared with Q1 2009. New life sales in Spain rose to EUR 24 million, a reflection of higher sales at AEGON's bancassurance joint ventures. Sales through Caja de Ahorros del Mediterráneo (CAM), AEGON's largest bank partner in Spain, remained strong at EUR 57 million (on a 100% basis) in Q2 2009. It should be noted that CAM is an associate of AEGON and its results are therefore not consolidated.

In Central & Eastern Europe, new life sales totaled EUR 18 million, up 13% compared with Q1 2009, due to higher recurring premium sales.

With the exception of Spain, all country units showed a decline in sales compared with Q2 2008. In Other countries, sales were down year-on-year primarily as a result of the sale of AEGON's Taiwanese life business and lower unit-linked sales in Central & Eastern Europe. Sales were also affected by a decline in certain parts of the retail market in the Americas, as well as lower life reinsurance sales and the impact of the financial crisis on sales of BOLI/COLI contracts. In the United Kingdom, sales declined year-on-year across most lines of business. Q2 2008 had been a record sales quarter in the United Kingdom. Sales in the Netherlands were also down year-on-year, primarily because of a slowdown in the Dutch group pension market and lower demand for unit-linked products, as well as lower annuity sales due to conservative pricing.

Deposits

Total gross deposits of EUR 5.6 billion in Q2 2009, both on and off balance, excluding institutional guaranteed products, were down 12% compared with Q1 2009. The decline was due mainly to lower fixed annuity deposits in the Americas – the result of a reduction in AEGON's crediting rates since the end of Q1 2009. Pension deposits in the Americas remained strong, but were down compared with the previous quarter, a reflection of seasonal factors. Sales of variable annuities were up by 33% compared with Q1 2009 due to improved markets.

Gross deposits in Other countries amounted to EUR 653 million, down from the previous quarter as a result of a decline in sales from AEGON's asset management joint venture in China. Gross deposits in Central & Eastern Europe were up 7% compared with Q1 2009. Despite an adverse economic environment, pension deposits remained strong, reflecting the overall growth of the business. In Q2 2009, deposits in Other countries also included sales of European variable annuities, amounting to EUR 162 million.

Net deposits, excluding institutional guaranteed products, totaled EUR 0.9 billion, an increase compared with Q2 2008, but a decrease compared with Q1 2009. Compared with the first quarter of 2009, net inflows in fixed annuities and the pension and asset management business in the Americas declined. The variable annuities and mutual fund businesses both saw strong sales and lower outflows, leading to net inflows during Q2 2009. Net deposits in Other countries declined compared with Q1 2009, primarily as a result of outflows from AEGON's Chinese asset management joint venture.

Value of new business

Value of new business (VNB) amounted to EUR 181 million in the Q2 2009. Declines in VNB compared with Q1 2009 in the Americas, the United Kingdom and Central & Eastern Europe were partly offset by increases in the Netherlands and Spain. AEGON's internal rate of return amounted to 21.9%, higher than Q1 2009, a result of improved returns in most country units, and a change in the geographical mix of new business.

Appendix I • Americas • The Netherlands • United Kingdom • Other countries

FINANCIAL OVERVIEW, Q2 2009 GEOGRAPHICALLY

			amounts in million EUR (unless otherwise stated)					
Americas	United Kingdom			The	United	Other	Holding, other activities & eliminations	Total
USD	GBP		Americas	Netherlands	Kingdom	countries		EUR
Underlying earnings before tax by line of business								
217	11	Life and protection	159	75	14	18	-	266
79	-	Individual savings and retirement products	66	(10)	-	6	-	62
17	8	Pensions and asset management	13	57	8	5	-	83
41	-	Institutional products	29	-	-	-	-	29
17	-	Life reinsurance	13	-	-	-	-	13
-	(2)	Distribution	-	3	(2)	-	-	1
-	-	General insurance	-	4	-	8	-	12
-	-	Interest charges and other	-	-	-	-	(72)	(72)
-	-	Share in net results of associates	-	-	-	10	-	10
371	17	Underlying earnings before tax	280	129	20	47	(72)	404
240	2	Over/(under) performance of fair value items	181	(53)	2	2	(163)	(31)
611	19	Operating earnings before tax	461	76	22	49	(235)	373
Operating earnings before tax by line of business								
228	11	Life and protection	167	71	14	18	-	270
110	-	Individual savings and retirement products	90	(10)	-	8	-	88
15	10	Pensions and asset management	12	8	10	5	-	35
174	-	Institutional products	131	-	-	-	-	131
84	-	Life reinsurance	61	-	-	-	-	61
-	(2)	Distribution	-	3	(2)	-	-	1
-	-	General insurance	-	4	-	8	-	12
-	-	Interest charges and other	-	-	-	-	(235)	(235)
-	-	Share in net results of associates	-	-	-	10	-	10
611	19	Operating earnings before tax	461	76	22	49	(235)	373
(4)	25	Gains/(losses) on investments	(3)	(42)	28	2	50	35
(449)	(31)	Impairment charges	(330)	(28)	(35)	-	-	(393)
-	30	Other income/(charges)	(1)	-	33	(385)	-	(353)
158	43	Income before tax	127	6	48	(334)	(185)	(338)
214	(25)	Income tax	155	(2)	(28)	(9)	61	177
372	18	Net income	282	4	20	(343)	(124)	(161)
343	21	Net underlying earnings	259	93	24	38	(57)	357
505	22	Net operating earnings	380	54	25	40	(168)	331

Americas

- **Underlying earnings before tax of USD 371 million, a substantial improvement on recent quarters**
- **Net income includes USD 240 million contribution from fair value items driven by tightening credit spreads and lower equity market volatilities**
- **Impairments of USD 449 million, primarily on mortgage-backed assets and corporate bonds**
- **Retail life sales up compared to Q1 2009; net deposits of USD 1.0 billion (excluding institutional guaranteed products)**

Overview

Earnings from the Americas in Q2 2009 were up significantly compared to Q1 2009 as financial markets improved during the quarter. Compared with last year however, earnings from the Americas decreased to USD 371 million, mainly due to lower investment spreads, reduced fees from lower asset balances, increased employee benefit plan expenses (USD 60 million), accelerated amortization of DPAC in the Life and Protection line (USD 30 million), and one-time restructuring costs (USD 14 million) related to cost savings initiatives. In Q2 2008, earnings from the Americas had included a one-off reserve strengthening of USD 49 million in the life reinsurance business.

Net impairments amounted to USD 449 million, of which USD 284 million was related to structured residential mortgage asset impairments. Impairments would have amounted to USD 340 million under US GAAP.

Net income also included a tax gain related to cross border intercompany reinsurance transactions between Ireland and the United States (USD 305 million).

Retail life sales increased 7% over Q1 2009 reflecting expanded distribution, particularly in the term life insurance market.

Underlying earnings before tax

AEGON reported underlying earnings before tax in the Americas for Q2 2009 of USD 371 million, a strong improvement compared to an underlying loss of USD 88 million in Q1 2009. However, underlying earnings declined compared to Q2 2008;

Earnings from Life & Protection amounted to USD 217 million and included several one-off items; USD 30 million DPAC charge in the Canadian life business, USD 18 million in reserve strengthening in the US life business and USD 8 million of restructuring charges, partially offset by USD 21 million of reserve releases in accident and health. Earnings also include USD 33 million in increased employee benefit plan expenses and the impact of lower investment spreads and reduced fee income;

- Individual Savings & Retirement earnings totaled USD 79 million. The decline in earnings compared to Q2 2008 was the result primarily of lower fee income in the variable annuity and mutual fund business, as well as a narrowing of spreads. Earnings in Q2 2009 included USD 10 million from increased employee benefit plan expenses;
- Pensions & Asset Management earnings decreased to USD 17 million from USD 50 million in Q2 2008, a result mainly of lower fees from reduced asset balances and increased employee benefit plan expenses (USD 10 million);
- Earnings from the Institutional business amounted to USD 41 million, down from USD 155 million in Q2 2008. Earnings last year had benefited from a widening in spreads due to a decline in short-term rates. In Q2 2009, earnings were severely impacted by narrowing in spreads as a result of a higher asset allocation to cash following the decision to scale down AEGON's institutional spread business;
- In the Life Reinsurance business underlying earnings amounted to USD 17 million. Earnings in Q2 2008 included a USD 49 million reserve strengthening charge. Earnings in Q2 2009 were affected by adverse mortality experience (USD 10 million), as well as lower investment spreads.

Net income

AEGON reported net income in the Americas for Q2 2009 of USD 372 million.

Fair value items showed an overperformance of USD 240 million, a result primarily of increased market values for credit derivatives, as well as a positive contribution from total return annuities and the positive impact of lower implied equity market volatilities on the fair value of GMWB guarantees and GMWB related hedges. The gain from AEGON's macro equity hedge program amounted to USD 26 million in the second quarter of 2009. Alternative assets, like real estate partnerships, as well as private equity, underperformed.

Net income in the Americas included USD 449 million in net impairments, of which the majority (USD 284 million) was related to structured asset impairments, including securities backed by subprime mortgages (USD 169 million). Impairments would have amounted to USD 340 million under US GAAP.

Net income included a tax gain related to cross border intercompany reinsurance transactions (USD 305 million) between Ireland and the United States. These reinsurance transactions were accounted for at fair value in both tax jurisdictions, while losses in the United States were taxed at 35% and gains in Ireland were taxed at 12.5%. The gain was a partial reversal of previous tax charges on these internal transactions in 2008.

Commissions and expenses

Total commissions and expenses were down 5% in Q2 2009 compared to the same period last year. Q2 2009 operating expenses were up 4% due to an increase in employee benefit plan expenses of USD 60 million as well as restructuring expenses of USD 14 million.

Sales and deposits

Total new life sales in the Americas were in line with Q1 2009. Retail life sales increased 7% over Q1 2009 reflecting expanded distribution, particularly in the term life insurance market, offset by lower sales of both BOLI/COLI and life reinsurance.

Sales of accident and health products were down 10% compared with Q2 2008, the result partly of a decision to discontinue the auto credit business.

Total gross deposits, excluding institutional guaranteed products, were down 14% compared to Q1 2009. Net deposits, excluding institutional guaranteed products, totaled USD 1.0 billion in Q2 2009.

Following the reduction in AEGON's crediting rates since the end of Q1 2009, fixed annuities sales were down, in line with expectations. Sales of variable annuities rose by 37% due to improved market conditions. Retail mutual fund sales recovered from the low levels seen during the previous quarters, a result of higher equity markets.

Sales of retirement plans in the pension business continued to be strong, particularly taking into account the impact of lower financial markets. Institutional guaranteed products sales were low, following AEGON's decision early 2009 to scale down its institutional spread based business.

Value of new business

Value of new business in the Americas amounted to USD 90 million, down from Q1 2009. The internal rate of return (IRR) was 11.1%, an improvement compared to Q1 2009. The decline in VNB is primarily the result of lower fixed annuity sales, offset by higher volumes and a more profitable product mix in the retail life business.

Please refer to page 30 for more detailed information on VNB.

Revenue-generating investments

AEGON's total revenue-generating investments in the Americas at the end of June 2009 totaled USD 295 billion, up 6% from three months earlier.

AMERICAS - EARNINGS

USD millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax by line of business								
Life	118	153	(23)	214	(45)	271	373	(27)
Accident and health	99	68	46	94	5	167	209	(20)
Life and protection	217	221	(2)	308	(30)	438	582	(25)
Fixed annuities	60	86	(30)	105	(43)	146	200	(27)
Variable annuities	29	(480)	N.M.	68	(57)	(451)	138	N.M.
Retail mutual funds	(10)	(9)	(11)	3	N.M.	(19)	7	N.M.
Individual savings and retirement products	79	(403)	N.M.	176	(55)	(324)	345	N.M.
Pensions and asset management	17	10	70	50	(66)	27	95	(72)
Institutional guaranteed products	30	105	(71)	141	(79)	135	282	(52)
BOLI/COLI	11	12	(8)	14	(21)	23	35	(34)
Institutional products	41	117	(65)	155	(74)	158	317	(50)
Life reinsurance	17	(30)	N.M.	1	N.M.	(13)	66	N.M.
Share in net results of associates	-	(3)	N.M.	1	N.M.	(3)	2	N.M.
Underlying earnings before tax	371	(88)	N.M.	691	(46)	283	1,407	(80)
Over/(under) performance of fair value items	240	(42)	N.M.	141	70	198	(419)	N.M.
Operating earnings before tax	611	(130)	N.M.	832	(27)	481	988	(51)
Operating earnings before tax by line of business								
Life	132	120	10	232	(43)	252	367	(31)
Accident and health	96	56	71	98	(2)	152	207	(27)
Life and protection	228	176	30	330	(31)	404	574	(30)
Fixed annuities	81	41	98	133	(39)	122	141	(13)
Variable annuities	39	(426)	N.M.	69	(43)	(387)	(34)	N.M.
Retail mutual funds	(10)	(9)	(11)	3	N.M.	(19)	7	N.M.
Individual savings and retirement products	110	(394)	N.M.	205	(46)	(284)	114	N.M.
Pensions and asset management	15	(3)	N.M.	54	(72)	12	92	(87)
Institutional guaranteed products	166	8	N.M.	218	(24)	174	119	46
BOLI/COLI	8	10	(20)	17	(53)	18	34	(47)
Institutional products	174	18	N.M.	235	(26)	192	153	25
Life reinsurance	84	76	11	7	N.M.	160	53	N.M.
Share in net results of associates	-	(3)	N.M.	1	N.M.	(3)	2	N.M.
Operating earnings before tax	611	(130)	N.M.	832	(27)	481	988	(51)
Gains/(losses) on investments	(4)	36	N.M.	(73)	95	32	(144)	N.M.
Impairment charges	(449)	(370)	(21)	(126)	N.M.	(819)	(147)	N.M.
Other income/(charges)	-	1	N.M.	-	N.M.	1	-	N.M.
Income before tax	158	(463)	N.M.	633	(75)	(305)	697	N.M.
Income tax	214	290	(26)	(179)	N.M.	504	(282)	N.M.
Net income	372	(173)	N.M.	454	(18)	199	415	(52)
Net underlying earnings	343	(57)	N.M.	502	(32)	286	1,024	(72)
Net operating earnings	505	(90)	N.M.	616	(18)	415	727	(43)
Commissions and expenses	1,262	1,311	(4)	1,328	(5)	2,573	2,497	3
of which operating expenses	577	562	3	555	4	1,139	1,102	3

For the amounts in euro see the Financial Supplement.

AMERICAS - SALES

<i>USD millions</i>	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales								
Life single premiums	138	91	52	218	(37)	229	459	(50)
Life recurring premiums annualized	170	173	(2)	240	(29)	343	478	(28)
Total recurring plus 1/10 single	184	182	1	262	(30)	366	524	(30)
Life	137	128	7	184	(26)	265	371	(29)
BOLI/COLI	-	2	N.M.	6	N.M.	2	20	(90)
Life reinsurance	47	52	(10)	72	(35)	99	133	(26)
Total recurring plus 1/10 single	184	182	1	262	(30)	366	524	(30)
New premium production accident and health insurance	193	203	(5)	215	(10)	396	452	(12)
Gross deposits (on and off balance) by line of business								
Fixed annuities	1,292	2,120	(39)	1,349	(4)	3,412	1,808	89
Variable annuities	1,071	780	37	1,047	2	1,851	2,021	(8)
Retail mutual funds	513	307	67	886	(42)	820	1,659	(51)
Pensions and asset management	2,623	3,169	(17)	3,130	(16)	5,792	7,382	(22)
Institutional guaranteed products	1,548	2,407	(36)	5,433	(72)	3,955	10,303	(62)
Life reinsurance	1	-	N.M.	1	-	1	3	(67)
Total gross deposits	7,048	8,783	(20)	11,846	(41)	15,831	23,176	(32)
<i>Total gross deposits excl. institutional guaranteed products</i>	<i>5,500</i>	<i>6,376</i>	<i>(14)</i>	<i>6,413</i>	<i>(14)</i>	<i>11,876</i>	<i>12,873</i>	<i>(8)</i>
Net deposits (on and off balance) by line of business								
Fixed annuities	216	896	(76)	(62)	N.M.	1,112	(1,254)	N.M.
Variable annuities	353	(40)	N.M.	(228)	N.M.	313	(507)	N.M.
Retail mutual funds	104	(256)	N.M.	474	(78)	(152)	721	N.M.
Pensions and asset management	331	1,053	(69)	489	(32)	1,384	2,133	(35)
Institutional guaranteed products	(1,989)	(3,065)	35	576	N.M.	(5,054)	(1,216)	N.M.
Life reinsurance	(18)	(20)	10	(21)	14	(38)	(44)	14
Total net deposits	(1,003)	(1,432)	30	1,228	N.M.	(2,435)	(167)	N.M.
<i>Total net deposits excl. institutional guaranteed products</i>	<i>986</i>	<i>1,633</i>	<i>(40)</i>	<i>652</i>	<i>51</i>	<i>2,619</i>	<i>1,049</i>	<i>150</i>

REVENUE GENERATING INVESTMENTS

	June 30, 2009	Mar. 31, 2009	%
Revenue generating investments (total)	295,325	279,399	6
Investments general account	123,131	117,934	4
Investments for account of policyholders	62,000	55,791	11
Off balance sheet investments third parties	110,194	105,674	4

For the amounts in euro see the Financial Supplement.

The Netherlands

- **Underlying earnings before tax increase to EUR 129 million**
- **Life sales of EUR 32 million; decline from Q1 due to volatility in group pension market**
- **Value of new business rises to EUR 36 million, a result of high margins on mortgage sales**

Overview

AEGON reported underlying earnings of EUR 129 million in the Netherlands in Q2 2009. Earnings in Q2 2009 included a one-time EUR 20 million release of provisions.

Fair value items underperformed long-term expectations. Impairments, primarily on bonds, totaled EUR 28 million, while investment losses, largely due to the revaluation of investments in residential real estate in the Netherlands, amounted to EUR 42 million.

Underlying earnings before tax

- Earnings from Life & Protection amounted to EUR 75 million, up from Q2 2008 primarily because of a EUR 20 million one-time release of provisions and higher investment income in the Life business;
- The Savings business reported a loss of EUR 10 million, due to continued pressure on margins and volumes from fierce competition in the savings market;
- Earnings from Pensions & Asset Management amounted to EUR 57 million, slightly down from earnings in Q2 2008, which had included a one-time release of accruals. Technical results improved compared to Q2 2008, but lower asset balances resulted in lower fee income;
- Earnings from Distribution amounted to EUR 3 million, down from Q2 2008 because of a slowdown in the real estate market;
- General insurance earnings totaled EUR 4 million, lower than Q2 2008 due to higher claims.

Net income

Fair value items in Q2 2009 included a EUR 54 million charge from the net impact of movements in the fair value of guarantees and related hedges. The significant benefits of higher equity markets and lower equity market volatility were more than offset by losses from the company's program for managing guarantee-related interest exposures.

Impairments of EUR 28 million were related primarily to corporate credit investments. Net losses on investments in Q2 2009 amounted to EUR 42 million, mainly the result of a revaluation of direct residential real estate investments (EUR 29 million). AEGON has a direct real estate portfolio of EUR 2.1 billion, mainly invested in residential housing in the Netherlands.

Commissions and expenses

Commissions and expenses were down 8%, while operating expenses decreased by 7%, both compared to Q2 2008. Operating expenses were down as a result of cost initiatives taken during the quarter, e.g. a reduction in staff and in project-related expenses.

Sales and deposits

Pension sales slowed significantly during the second quarter of 2009 and proved volatile after the standstill in the Dutch group pension market during the third and fourth quarters of last year. The first quarter of 2009 had seen strong group pension sales. Sales of single premium individual life products were down compared to Q1 2009, following increased pricing competition in the immediate annuity market.

Net mortgage production in the second quarter of 2009 amounted to EUR 537 million. AEGON sells mainly mortgages with a national mortgage guarantee (NHG).

Gross deposits were up 42% compared with Q1 2009. Net deposits in the savings business showed an improvement from the previous quarter, because of seasonal factors.

Value of new business

The value of new business increased to EUR 36 million, while the internal rate of return improved to 29%. The IRR benefited from both high margins and low capital requirements on the mortgage production.

Please refer to page 30 for more detailed information on VNB.

Revenue-generating investments

By the end of June 2009, AEGON's revenue-generating investments in the Netherlands increased 4% to EUR 65.8 billion.

THE NETHERLANDS - EARNINGS

EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax by line of business								
Life	68	44	55	29	134	112	61	84
Accident and health	7	11	(36)	4	75	18	12	50
Life and protection	75	55	36	33	127	130	73	78
Saving products	(10)	(9)	(11)	-	N.M.	(19)	1	N.M.
Individual savings and retirement products	(10)	(9)	(11)	-	N.M.	(19)	1	N.M.
Pensions and asset management	57	26	119	60	(5)	83	111	(25)
Distribution	3	9	(67)	8	(63)	12	19	(37)
General insurance	4	(9)	N.M.	9	(56)	(5)	19	N.M.
Share in net results of associates	-	-	N.M.	6	N.M.	-	6	N.M.
Underlying earnings before tax	129	72	79	116	11	201	229	(12)
Over/(under) performance of fair value items	(53)	(190)	72	(37)	(43)	(243)	(191)	(27)
Operating earnings before tax	76	(118)	N.M.	79	(4)	(42)	38	N.M.
Operating earnings before tax by line of business								
Life	64	18	N.M.	27	137	82	40	105
Accident and health	7	11	(36)	4	75	18	12	50
Life and protection	71	29	145	31	129	100	52	92
Saving products	(10)	(9)	(11)	-	N.M.	(19)	1	N.M.
Individual savings and retirement products	(10)	(9)	(11)	-	N.M.	(19)	1	N.M.
Pensions and asset management	8	(138)	N.M.	25	(68)	(130)	(59)	(120)
Distribution	3	9	(67)	8	(63)	12	19	(37)
General insurance	4	(9)	N.M.	9	(56)	(5)	19	N.M.
Share in net results of associates	-	-	N.M.	6	N.M.	-	6	N.M.
Operating earnings before tax	76	(118)	N.M.	79	(4)	(42)	38	N.M.
Gains/(losses) on investments	(42)	110	N.M.	(115)	63	68	(39)	N.M.
Impairment charges	(28)	(78)	64	(4)	N.M.	(106)	(21)	N.M.
Income before tax	6	(86)	N.M.	(40)	N.M.	(80)	(22)	N.M.
Income tax	(2)	45	N.M.	45	N.M.	43	46	(7)
Net income	4	(41)	N.M.	5	(20)	(37)	24	N.M.
Net underlying earnings	93	55	69	92	1	148	184	(20)
Net operating earnings	54	(87)	N.M.	64	(16)	(33)	42	N.M.
Commissions and expenses	274	307	(11)	299	(8)	581	609	(5)
of which operating expenses	192	217	(12)	207	(7)	409	426	(4)

THE NETHERLANDS - SALES

EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales								
Life single premiums	145	391	(63)	443	(67)	536	888	(40)
Life recurring premiums annualized	17	23	(26)	24	(29)	40	50	(20)
Total recurring plus 1/10 single	32	62	(48)	68	(53)	94	139	(32)
Life	19	23	(17)	23	(17)	42	54	(22)
Pensions	13	39	(67)	45	(71)	52	85	(39)
Total recurring plus 1/10 single	32	62	(48)	68	(53)	94	139	(32)
New premium production accident and health insurance	3	7	(57)	3	-	10	9	11
New premium production general insurance	6	7	(14)	7	(14)	13	15	(13)
Gross deposits (on and off balance) by line of business								
Saving deposits	779	580	34	688	13	1,359	1,336	2
Pensions and asset management	62	11	N.M.	80	(23)	73	127	(43)
Total gross deposits	841	591	42	768	10	1,432	1,463	(2)
Net deposits (on and off balance) by line of business								
Saving deposits	43	(67)	N.M.	114	(62)	(24)	42	N.M.
Pensions and asset management	(73)	(113)	35	68	N.M.	(186)	104	N.M.
Total net deposits	(30)	(180)	83	182	N.M.	(210)	146	N.M.

REVENUE GENERATING INVESTMENTS

	June 30, 2009	Mar. 31, 2009	%
Revenue generating investments (total)	65,772	63,427	4
Investments general account	33,907	32,875	3
Investments for account of policyholders	20,065	19,357	4
Off balance sheet investments third parties	11,800	11,195	5

United Kingdom

- **Underlying earnings before tax of GBP 17 million, down primarily due to lower fund related charges in the pension business**
- **New life sales decline 16% compared to Q1 2009, driven by annuities**
- **VNB down compared to Q1 2009 following change in product mix**

Overview

Lower bond and equity markets compared to Q2 2008 led to a decline in underlying earnings from the United Kingdom. Sales were down across most products compared to both Q1 2009 and Q2 2008. Q2 2008 had been a record quarter in terms of total sales. Value of new business was down as well, due to declines in volumes.

Please note that results from variable annuities are included in the Other countries section of the results release from Q1 2009.

Underlying earnings before tax

Underlying earnings before tax declined to GBP 17 million compared to Q2 2008, due primarily to the impact of lower equity and corporate bond markets on fund related charges in AEGON's unit-linked pension business in the United Kingdom.

- Earnings from Life & Protection totaled GBP 11 million in the second quarter of 2009, in line with last year. Growth in the annuity and protection business and favorable mortality results were offset by one-time charges related to the withdrawal from the group employee benefit business and lower investment income;
- Earnings from Pensions & Asset Management amounted to GBP 8 million, a decline of GBP 19 million, due to a decrease in fund related charges as a result of lower equity and bond markets. Compared to Q1 2009 however, earnings were higher, due to an improvement in financial markets during the second quarter;
- Distribution activities in Q2 2009 experienced a loss of GBP 2 million, largely because of continued difficult market conditions for mortgage and investment products.

Net income

Net income amounted to GBP 18 million, a decline compared to Q2 2008 due to lower underlying earnings and higher impairments. Net investment gains totaled GBP 25 million, including a GBP 12 million accounting gain on a derivative instrument for which hedge accounting could no longer be applied.

Commissions and expenses

Total commissions and expenses in the second quarter of 2009 were up 2% compared to Q2 2008. Commissions were lower because of a change in AEGON's business mix in the United Kingdom. Operating expenses increased by 4% to GBP 106 million, due mainly to restructuring expenses. Q2 2008 had included a provision release related to incentive payments in the asset management business.

Sales and deposits

New life sales amounted to GBP 223 million in Q2 2009. Compared to the first quarter of 2009, sales were down mainly as a result of lower annuity sales. Sales were also down due to lower group pension sales.

Compared to Q2 2008, sales were down across most products. Group pension sales in Q2 2008 included one large case. Sales from investment bonds suffered from tax changes and worsening market conditions. New life sales in Q2 2008 had also included European variable annuities, which are now reported as deposits in Other countries from Q1 2009.

Value of new business

Value of new business in Q2 2009 decreased by 24% to GBP 39 million compared to Q1 2009, driven mainly by a decline in annuity volumes. The internal rate of return on new business in Q2 2009 in the United Kingdom decreased to 13.8%, down from 15.0% in Q1 2009.

Please refer to page 30 for more detailed information on VNB.

Revenue-generating investments

At the end of June 2009, revenue generating investments totaled GBP 47.1 billion in the United Kingdom, up from GBP 44.2 billion in Q1 2009. The increase primarily reflects an overall improvement in financial markets during the second quarter.

UNITED KINGDOM - EARNINGS

GBP millions	Notes	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax by line of business									
Life		11	7	57	11	-	18	19	(5)
Life and protection		11	7	57	11	-	18	19	(5)
Pensions and asset management		8	3	167	27	(70)	11	55	(80)
Distribution		(2)	(3)	33	-	N.M.	(5)	(2)	(150)
Underlying earnings before tax		17	7	143	38	(55)	24	72	(67)
Over/(under) performance of fair value items		2	(3)	N.M.	-	N.M.	(1)	-	N.M.
Operating earnings before tax		19	4	N.M.	38	(50)	23	72	(68)
Operating earnings before tax by line of business									
Life		11	7	57	11	-	18	19	(5)
Life and protection		11	7	57	11	-	18	19	(5)
Pensions and asset management		10	-	N.M.	27	(63)	10	55	(82)
Distribution		(2)	(3)	33	-	N.M.	(5)	(2)	(150)
Operating earnings before tax		19	4	N.M.	38	(50)	23	72	(68)
Gains/(losses) on investments		25	9	178	-	N.M.	34	2	N.M.
Impairment charges		(31)	(13)	(138)	(9)	N.M.	(44)	(9)	N.M.
Other income/(charges)	9	30	(22)	N.M.	6	N.M.	8	(35)	N.M.
Income before tax		43	(22)	N.M.	35	23	21	30	(30)
Income tax attributable to policyholder return		(30)	22	N.M.	(6)	N.M.	(8)	35	N.M.
Income before income tax on shareholders return		13	-	N.M.	29	(55)	13	65	(80)
Income tax on shareholders return		5	5	-	(3)	N.M.	10	(8)	N.M.
Net income		18	5	N.M.	26	(31)	23	57	(60)
Net underlying earnings		21	10	110	31	(32)	31	61	(49)
Net operating earnings		22	8	175	31	(29)	30	61	(51)
Commissions and expenses		175	159	10	172	2	334	329	2
of which operating expenses		106	100	6	102	4	206	200	3

For the amounts in euro see the Financial Supplement.

UNITED KINGDOM - SALES

GBP millions	Notes	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales	10								
Life single premiums		1,017	1,317	(23)	1,728	(41)	2,334	3,226	(28)
Life recurring premiums annualized		122	133	(8)	166	(27)	255	307	(17)
Total recurring plus 1/10 single		223	265	(16)	339	(34)	488	630	(23)
Life		41	71	(42)	59	(31)	112	114	(2)
Pensions		182	194	(6)	280	(35)	376	516	(27)
Total recurring plus 1/10 single		223	265	(16)	339	(34)	488	630	(23)
Gross deposits (on and off balance) by line of business									
Pensions and asset management		134	181	(26)	192	(30)	315	304	4
Total gross deposits		134	181	(26)	192	(30)	315	304	4
Net deposits (on and off balance) by line of business									
Pensions and asset management		26	(257)	N.M.	(207)	N.M.	(231)	(248)	7
Total net deposits		26	(257)	N.M.	(207)	N.M.	(231)	(248)	7

REVENUE GENERATING INVESTMENTS

	June 30, 2009	Mar. 31, 2009	%
Revenue generating investments (total)	47,136	44,208	7
Investments general account	5,858	5,157	14
Investments for account of policyholders	39,313	37,188	6
Off balance sheet investments third parties	1,965	1,863	5

For the amounts in euro see the Financial Supplement.

Other countries

- **Underlying earnings before tax increase to EUR 47 million**
- **Net income of EUR 42 million, excluding one-time book loss of EUR 385 million on sale of Taiwanese life activities**
- **New life sales increase 9%* to EUR 47 million compared to Q1 2009**
- **Continued strong deposits driven by variable annuity sales in Europe and pensions business in Central & Eastern Europe**
- **Value of new business increases 10%* to EUR 34 million, a result of strong performance in Spain**

Overview

Underlying earnings from Other countries increased 34%* to EUR 47 million compared to Q2 2008, mainly as a result of improved life earnings in Central & Eastern Europe (CEE) and a higher contribution from La Mondiale Participations in France.

Other countries new life sales increased* compared to Q1 2009, mainly as a result of higher recurring premium sales in both Spain and CEE. Gross deposits declined* slightly compared to Q1 2009 to EUR 653 million as deposits in China were lower due to an increasingly competitive environment.

Underlying earnings before tax

Underlying earnings before tax from Other countries increased compared to Q2 2008 to EUR 47 million in Q2 2009.

- Earnings from Life & Protection increased to EUR 18 million mainly as a result of higher surrender charges, a reduction in expenses in CEE, further business growth at AEGON's joint ventures in Spain and the sale of its life activities in Taiwan;
- The inclusion of variable annuities in Europe and continued growth at the asset management joint venture in China led to earnings of EUR 6 million from Individual Savings and Retirement products in Q2 2009;
- Pensions & Asset Management earnings increased to EUR 5 million as a result of the introduction earlier this year of DPAC in the pension business in Hungary and Poland;
- Earnings from General Insurance decreased to EUR 8 million as a result of higher claim ratios. Despite this increase, however, these ratios remained well within pricing assumptions;
- The share of earnings from associate companies increased as a result of higher contribution from La Mondiale Participations in France.

Net income

Other countries recorded a net loss of EUR 343 million in the second quarter of 2009 as a result of a book loss of EUR 385 million from the sale of the company's Taiwanese life insurance activities. Excluding this one-time loss, net income amounted to EUR 42 million, a strong increase compared to the same period last year*.

Commissions and expenses

Commissions and expenses decreased 4%* as higher operating expenses were more than offset by lower commissions and higher deferred expenses. Commissions decreased slightly* as a result of lower sales, while expanding operations led to an increase in expenses.

Sales and deposits

Market turmoil continued to affect sales compared to last year. New life sales totaled EUR 47 million in Q2 2009, an increase compared to Q1 2009*.

- In CEE both single and recurring premium production increased compared to Q1 2009, resulting in total new life sales of EUR 18 million for the quarter;
- In Asia, new life sales rose* to EUR 6 million. In China, new life sales increased as a result of strong recurring premium product sales, especially in the broker and bank channels;
- New life sales in Spain were up 9% to EUR 24 million, primarily as a result of increased recurring premium production at AEGON's joint ventures with savings banks compared to Q1 2009. New life sales from the partnership with CAM, which is not consolidated in AEGON's accounts, amounted to EUR 57 million (on a 100% basis);

-
- Sales in the highly competitive non-life insurance market in Hungary remained stable compared with Q1 2009 at EUR 5 million.

Total gross deposits from Other countries decreased 7%* from Q1 2009 to EUR 653 million in Q2 2009 compared with Q1 2009.

- Variable annuity deposits in Europe increased to EUR 162 million as sales in the United Kingdom were significantly higher as a result of lessening competition and the continued attractiveness of guaranteed products to customers;
- Retail mutual fund deposits declined to EUR 292 million, mainly as a result of increased competition;
- Pensions and Asset Management deposits increased to EUR 199 million, due to continued growth in the pension business in CEE.

Net deposits continued to be positive and totaled EUR 155 million in Q2 2009.

Value of new business

Value of new business from Other countries in Q2 2009 totaled EUR 34 million, an increase of 10%* compared to Q1 2009. In Spain, VNB increased to EUR 27 million, primarily as a result of higher sales and an improved business mix. In CEE, the decrease in VNB to EUR 11 million reflected adverse regulatory changes in the pension business and lower sales levels of unit-linked products due to the current uncertain economic environment.

With the sale of AEGON's insurance operations in Taiwan, VNB in Asia has become negligible as higher production in China was more than offset by lower margins. Sales in India are not included in the current figures. Variable annuities in Europe contributed negatively to VNB, however, products are being re-priced.

At 40%, the internal rate of return from Other countries remains at a high level.

Please refer to page 30 for more detailed VNB information.

Revenue-generating investments

In Q2 2009, revenue-generating investments increased 14%* to EUR 10.8 billion, compared to Q1 2009.

** Excluding Taiwan*

OTHER COUNTRIES - EARNINGS

EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Underlying earnings before tax by line of business								
Life	17	7	143	6	183	24	23	4
Accident and health	1	1	-	1	-	2	3	(33)
Life and protection	18	8	125	7	157	26	26	-
Variable annuities	2	-	N.M.	(2)	N.M.	2	(1)	N.M.
Saving products	-	1	N.M.	1	N.M.	1	1	-
Retail mutual funds	4	4	-	4	-	8	5	60
Individual savings and retirement products	6	5	20	3	100	11	5	120
Pensions and asset management	5	5	-	3	67	10	6	67
General insurance	8	8	-	11	(27)	16	18	(11)
Share in net results of associates	10	4	150	5	100	14	13	8
Underlying earnings before tax	47	30	57	29	62	77	68	13
Over/(under) performance of fair value items	2	1	100	-	N.M.	3	-	N.M.
Operating earnings before tax	49	31	58	29	69	80	68	18
Operating earnings before tax by line of business								
Life	17	7	143	6	183	24	23	4
Accident and health	1	1	-	1	-	2	3	(33)
Life and protection	18	8	125	7	157	26	26	-
Variable annuities	4	1	N.M.	(2)	N.M.	5	(1)	N.M.
Saving products	-	1	N.M.	1	N.M.	1	1	-
Retail mutual funds	4	4	-	4	-	8	5	60
Individual savings and retirement products	8	6	33	3	167	14	5	180
Pensions and asset management	5	5	-	3	67	10	6	67
General insurance	8	8	-	11	(27)	16	18	(11)
Share in net results of associates	10	4	150	5	100	14	13	8
Operating earnings before tax	49	31	58	29	69	80	68	18
Gains/(losses) on investments	2	4	(50)	5	(60)	6	5	20
Impairment charges	-	(5)	N.M.	-	N.M.	(5)	(1)	N.M.
Other income/(charges)	(385)	-	N.M.	-	N.M.	(385)	-	N.M.
Income before tax	(334)	30	N.M.	34	N.M.	(304)	72	N.M.
Income tax	(9)	(21)	57	(14)	36	(30)	(24)	(25)
Net income	(343)	9	N.M.	20	N.M.	(334)	48	N.M.
Net underlying earnings	38	9	N.M.	17	124	47	44	7
Net operating earnings	40	10	N.M.	17	135	50	44	14
Commissions and expenses	73	98	(26)	116	(37)	171	207	(17)
of which operating expenses	42	52	(19)	49	(14)	94	92	2

OTHER COUNTRIES - SALES

<i>EUR millions</i>	Notes	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales	10								
Life single premiums		94	112	(16)	121	(22)	206	293	(30)
Life recurring premiums annualized		37	39	(5)	55	(33)	76	94	(19)
Total recurring plus 1/10 single		47	50	(6)	67	(30)	97	123	(21)
Life		47	50	(6)	66	(29)	97	122	(20)
Saving products		-	-	N.M.	1	N.M.	-	1	N.M.
Total recurring plus 1/10 single		47	50	(6)	67	(30)	97	123	(21)
New premium production accident and health insurance		1	2	(50)	1	-	3	3	-
New premium production general insurance		5	5	-	9	(44)	10	17	(41)
Gross deposits (on and off balance)									
Variable annuities		162	115	41	47	N.M.	277	82	N.M.
Retail mutual funds		292	406	(28)	340	(14)	698	388	80
Pensions and asset management		199	185	8	153	30	384	304	26
Total gross deposits		653	706	(8)	540	21	1,359	774	76
Net deposits (on and off balance)									
Variable annuities		147	109	35	43	N.M.	256	77	N.M.
Retail mutual funds		(59)	98	N.M.	110	N.M.	39	116	(66)
Pensions and asset management		67	93	(28)	81	(17)	160	173	(8)
Total net deposits		155	300	(48)	234	(34)	455	366	24

REVENUE GENERATING INVESTMENTS

	June 30, 2009	Mar. 31, 2009	%
Revenue generating investments (total)	10,760	13,350	(19)
Investments general account	2,608	6,030	(57)
Investments for account of policyholders	2,046	2,085	(2)
Off balance sheet investments third parties	6,106	5,235	17

Operational highlights first six months 2009

FINANCIAL OVERVIEW, H1 2009 YEAR-TO-DATE GEOGRAPHICALLY								
amounts in million EUR (unless otherwise stated)								
Americas USD	United Kingdom GBP		Americas	The Netherlands	United Kingdom	Other countries	Holding, other activities & eliminations	Total EUR
Underlying earnings before tax by line of business								
438	18	Life and protection	328	130	21	26	-	505
(324)	-	Individual savings and retirement products	(243)	(19)	-	11	-	(251)
27	11	Pensions and asset management	21	83	11	10	-	125
158	-	Institutional products	118	-	-	-	-	118
(13)	-	Life reinsurance	(10)	-	-	-	-	(10)
-	(5)	Distribution	-	12	(5)	-	-	7
-	-	General insurance	-	(5)	-	16	-	11
		Interest charges and other					(135)	(135)
(3)	-	Share in net results of associates	(2)	-	-	14	-	12
283	24	Underlying earnings before tax	212	201	27	77	(135)	382
198	(1)	Over/(under) performance of fair value items	149	(243)	(1)	3	(136)	(228)
481	23	Operating earnings before tax	361	(42)	26	80	(271)	154
Operating earnings before tax by line of business								
404	18	Life and protection	302	100	21	26	-	449
(284)	-	Individual savings and retirement products	(213)	(19)	-	14	-	(218)
12	10	Pensions and asset management	10	(130)	10	10	-	(100)
192	-	Institutional products	144	-	-	-	-	144
160	-	Life reinsurance	120	-	-	-	-	120
-	(5)	Distribution	-	12	(5)	-	-	7
-	-	General insurance	-	(5)	-	16	-	11
		Interest charges and other					(271)	(271)
(3)	-	Share in net results of associates	(2)	-	-	14	-	12
481	23	Operating earnings before tax	361	(42)	26	80	(271)	154
32	34	Gains/(losses) on investments	25	68	38	6	71	208
(819)	(44)	Impairment charges	(614)	(106)	(49)	(5)	(5)	(779)
1	8	Other income/(charges)	-	-	9	(385)	-	(376)
(305)	21	Income before tax	(228)	(80)	24	(304)	(205)	(793)
504	2	Income tax	377	43	2	(30)	67	459
199	23	Net income	149	(37)	26	(334)	(138)	(334)
286	31	Net underlying earnings	215	148	35	47	(102)	343
415	30	Net operating earnings	311	(33)	34	50	(194)	168

Net income

AEGON reported a net loss for H1 2009 of EUR 334 million compared with net income of EUR 429 million for the same period the previous year. The net loss includes underlying earnings before tax of EUR 382 million, impairments totaling EUR 779 million, a EUR 228 million underperformance of fair value items (including a loss of EUR 136 million due to a narrowing of AEGON's own credit spread), a EUR 385 million one-time loss related to the sale of the company's Taiwanese life insurance activities and a tax benefit of EUR 459 million. Excluding the one-time loss related to the sale of AEGON's Taiwan life insurance activities, total net income for H1 2009 amounted to EUR 51 million.

Underlying earnings before tax

AEGON's underlying earnings in H1 2009 totaled EUR 382 million, a decline from H1 2008 – due mainly to lower financial markets and a narrowing in

investment spreads. A decline in equity markets during Q1 2009 led to accelerated amortization of deferred policy acquisition costs in AEGON's variable annuity business in the Americas.

Although equity markets did recover in the second quarter of 2009, the amortization of DPAC was not reversed due to the reversion to the mean methodology. Fee income was down in H1 2009 due to lower assets balances, in particular in the Americas and in the pension business in the United Kingdom. Earnings were also adversely affected by measures designed to preserve capital and reduce risk in the company's asset portfolio. In the Americas, asset allocation to cash and treasury and agency bonds was increased significantly, following an announcement that the company would downsize its institutional spread business, which led to lower investment spreads during the first six months of 2009.

Fair value items

Net income for H1 2009 included an under-performance on fair value items of EUR 228 million.

In the first half of 2009, certain alternative investment classes in the Americas, particularly real estate and private equity, underperformed expected long-term returns by EUR 205 million. During the period, the fair value of credit derivatives rose EUR 119 million, due to a significant decline in credit spreads.

Fair value items also include the under/over-performance of assets held through profit or loss and backing liabilities of a specific portfolio of group pension contracts in the Netherlands. In H1 2009, these assets underperformed expected long-term returns by EUR 54 million. Until the second quarter of 2009, the assets backing this portfolio of liabilities were accounted for as 'fair value through profit or loss'. These assets were replaced at the beginning of Q2 2009 by a portfolio of assets accounted for as 'available for sale'. As a result, this item will not recur in future quarters as a fair value item.

For consistency, the net impact of fair value movements in guarantees and related hedges in the Netherlands is now included under fair value items. Prior to the fourth quarter 2008, this item was reported under gains/losses on investments. Results for previous years have been adjusted to reflect this change (please refer to AEGON's Financial Supplement).

In the first half of 2009, net fair value gains of EUR 216 million on guarantees and related hedges in the Americas were offset by the negative impact of EUR 189 million from fair value movements in guarantees and related hedges in the Netherlands.

The fair value of certain products with guarantees includes a credit spread in the discount rates, a reflection of dislocated, volatile and illiquid markets.

Three bonds issued by AEGON N.V. and their related hedge instruments are held at fair value through profit or loss and included in fair value items. AEGON's credit spread narrowed substantially during the first half of 2009, leading to a loss on these bonds of EUR 136 million.

Net gains/losses on investments

In the first half of 2009, gains on investments totaled EUR 208 million, primarily the result of net gains on the sale of bonds and shares in the Netherlands and positive results from economic hedges in the Americas, the United Kingdom and at holding level.

Impairment charges

Impairment charges during the first half of 2009 amounted to EUR 779 million, including EUR 256 million related to subprime mortgage asset backed securities and a further EUR 157 million to residential mortgage backed securities, both in the Americas. The remaining impairments were primarily from corporate credit investments in the Americas, the United Kingdom and the Netherlands.

Tax

Net income in the first half of 2009 included a tax benefit of EUR 459 million, stemming from impairments, mark-to-market losses on fair value items and tax exempt items in the Netherlands and the Americas. AEGON also booked a tax gain of EUR 252 million related to cross border intercompany reinsurance transactions between Ireland and the United States. The loss from the sale of AEGON's Taiwanese life activities did not lead to tax relief on earnings for the second quarter of 2009.

Commission and expenses

Commissions and expenses for the first half of 2009 were up 2% at constant currency. While commissions were lower, amortization charges were up, due to accelerated amortization of DPAC in the Americas' variable annuity business. Operating expenses were up 3% at constant currency in H1 2009 as an increase in employee benefit and restructuring expenses in several businesses offset cost savings. Excluding the impact from these items, operating expenses were down 5% in H1 2009.

Sales

New life sales

AEGON's new life sales declined 28% in the first half of 2009 compared with the same period last year. Sales were down in most countries with the exception of Spain. The financial crisis and the change in economic conditions impacted unit-linked sales across several countries, as well as BOLI/COLI sales in the Americas. Life reinsurance sales were also down. Sales in the United Kingdom declined from record levels seen during the first half of last year. In the Netherlands, sales of group pensions proved volatile in H1 2009 following a standstill in the market in H2 2008.

Deposits

Total gross deposits excluding institutional guaranteed products rose 9% in the first half of 2009, compared with the same period the previous year, mainly as a result of higher fixed annuity sales. Variable annuity sales were also up, while sales of retirement plans in the pension business were strong, particularly when taking into account the impact of lower financial markets on existing investments. Pension deposits in Central & Eastern Europe remained strong, reflecting growth in the business as well as the inclusion of recent acquisitions.

Capital

At the end of June 2009, core capital, excluding AEGON's revaluation reserves, was EUR 15.8 billion, down from EUR 16.2 billion at the end of 2008. Core capital, including the revaluation account, consisted of EUR 7.6 billion in shareholders' equity and a further EUR 3 billion in convertible core capital securities. Shareholders' equity had amounted to EUR 6.1 billion at the end of 2008.

Excess capital, above AA capital adequacy requirements, amounted to EUR 3.5 billion, an increase from EUR 2.9 billion at the end of 2008. During the first six months of 2009, the positive impact from statutory earnings and measures to preserve capital and reduce financial risk was partly offset by impairments and rating migration.

In its Annual Report 2008, AEGON extensively described certain risk categories and risk factors which could have a material adverse effect on its financial position and results. The company believes that the risks identified for the second half of 2009 are in line with the risks AEGON N.V. presented in its Annual Report 2008.

Equity market sensitivities

During Q2 2009, AEGON implemented a macro hedge program for equity exposure related to its retail variable annuity portfolio to reduce the sensitivity of AEGON's capital position to equity market movements. This program, a combination of out-of-the-money put options and linear hedge instruments, is in place for twelve months, but can be extended for a longer period. The hedge instruments will be carried at fair value through profit or loss and will be reported in fair value items.

Outlook

As a result of actions taken, AEGON's capital position remains strong with excess capital at the end of the second quarter of 2009 of EUR 3.5 billion over AA capital adequacy requirements, a strong improvement over the EUR 2.7 billion at the end of Q1 2009.

AEGON's strong excess capital position allows the company to re-deploy capital in the business and reverse the earnings impact from de-risking initiatives, while continuing to focus on capital efficiency and reallocation of capital to markets with higher growth and return prospects. AEGON expects to continue to maintain an amount of excess capital substantially above AA capital adequacy requirements - an important safeguard against a possible deterioration in world financial markets.

Last year, AEGON announced cost savings measures totaling EUR 150 million in 2009. These cost measures are well on track to achieve the full year target.

Because of uncertain economic conditions, AEGON still expects an elevated level of asset impairments in its investment portfolio in 2009 compared to its long-term assumptions.

Appendix II - Tables

NET UNDERLYING EARNINGS GEOGRAPHICALLY

EUR millions	Note s	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Americas	1	259	(44)	N.M.	321	(19)	215	669	(68)
The Netherlands	6	93	55	69	92	1	148	184	(20)
United Kingdom		24	11	118	39	(38)	35	79	(56)
Other countries		38	9	N.M.	17	124	47	44	7
Holding and other		(57)	(45)	(27)	(32)	(78)	(102)	(36)	(183)
Net underlying earnings		357	(14)	N.M.	437	(18)	343	940	(64)

OVER/UNDER PERFORMANCE OF FAIR VALUE ITEMS

EUR millions									
Operating earnings before tax		373	(219)	N.M.	644	(42)	154	861	(82)
(Over)/under performance of fair value items - Americas		(181)	32	N.M.	(100)	(81)	(149)	274	N.M.
(Over)/under performance of fair value items - The Netherlands	6	53	190	(72)	37	43	243	191	27
(Over)/under performance of fair value items - United Kingdom		(2)	3	N.M.	-	N.M.	1	-	N.M.
(Over)/under performance of fair value items - Other countries		(2)	(1)	(100)	-	N.M.	(3)	-	N.M.
(Over)/under performance of fair value items - Holding and other		163	(27)	N.M.	15	N.M.	136	(72)	N.M.
Underlying earnings before tax		404	(22)	N.M.	596	(32)	382	1,254	(70)
Net underlying earnings		357	(14)	N.M.	437	(18)	343	940	(64)

AMERICAS - OVER/UNDER PERFORMANCE OF FAIR VALUE ITEMS

USD millions									
Over/(under) performance of fair value items by line of business									
Life and protection		11	(45)	N.M.	22	(50)	(34)	(8)	N.M.
Individual savings and retirement products		31	9	N.M.	29	7	40	(231)	N.M.
Pensions and asset management		(2)	(13)	85	4	N.M.	(15)	(3)	N.M.
Institutional products		133	(99)	N.M.	80	66	34	(164)	N.M.
Life reinsurance		67	106	(37)	6	N.M.	173	(13)	N.M.
Total over/(under) performance of fair value items		240	(42)	N.M.	141	70	198	(419)	N.M.
Total over/(under) performance of fair value items in EUR		181	(32)	N.M.	100	81	149	(274)	N.M.

THE NETHERLANDS - OVER/UNDER PERFORMANCE OF FAIR VALUE ITEMS

EUR millions	6								
Over/(under) performance of fair value items by line of business									
Life and protection		(4)	(26)	85	(2)	(100)	(30)	(21)	(43)
Pensions and asset management		(49)	(164)	70	(35)	(40)	(213)	(170)	(25)
Total over/(under) performance of fair value items		(53)	(190)	72	(37)	(43)	(243)	(191)	(27)

UNITED KINGDOM - OVER/UNDER PERFORMANCE OF FAIR VALUE ITEMS

GBP millions									
Over/(under) performance of fair value items by line of business									
Pensions and asset management		2	(3)	N.M.	-	N.M.	(1)	-	N.M.
Total over/(under) performance of fair value items		2	(3)	N.M.	-	N.M.	(1)	-	N.M.

OTHER COUNTRIES - OVER/UNDER PERFORMANCE OF FAIR VALUE ITEMS

EUR millions									
Over/(under) performance of fair value items by line of business									
Variable annuities		2	1	100	-	N.M.	3	-	N.M.
Total over/(under) performance of fair value items		2	1	100	-	N.M.	3	-	N.M.

SALES								
EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
New life sales	469	543	(14)	729	(36)	1,012	1,415	(28)
Gross deposits (on and off balance)	6,762	8,241	(18)	9,131	(26)	15,003	17,767	(16)
New life sales								
Life single premiums	1,504	2,025	(26)	2,880	(48)	3,529	5,637	(37)
Life recurring premiums annualized	318	341	(7)	441	(28)	659	851	(23)
Total recurring plus 1/10 single	469	543	(14)	729	(36)	1,012	1,415	(28)
Life	213	249	(14)	280	(24)	462	564	(18)
Saving products	-	-	N.M.	1	N.M.	-	1	N.M.
Pensions	221	253	(13)	398	(44)	474	750	(37)
BOLI/COLI	1	1	-	4	(75)	2	13	(85)
Life reinsurance	34	40	(15)	46	(26)	74	87	(15)
Total recurring plus 1/10 single	469	543	(14)	729	(36)	1,012	1,415	(28)
New premium production accident and health insurance	146	164	(11)	141	4	310	307	1
New premium production general insurance	11	12	(8)	16	(31)	23	32	(28)
Gross deposits (on and off balance)								
Fixed annuities	928	1,628	(43)	875	6	2,556	1,181	116
Variable annuities	949	714	33	717	32	1,663	1,402	19
Saving products	779	580	34	688	13	1,359	1,336	2
Retail mutual funds	671	642	5	908	(26)	1,313	1,472	(11)
Pensions and asset management	2,319	2,829	(18)	2,461	(6)	5,148	5,644	(9)
Institutional guaranteed products	1,115	1,848	(40)	3,481	(68)	2,963	6,730	(56)
Life reinsurance	1	-	N.M.	1	-	1	2	(50)
Total gross deposits	6,762	8,241	(18)	9,131	(26)	15,003	17,767	(16)
<i>Total gross deposits excl. institutional guaranteed products</i>	<i>5,647</i>	<i>6,393</i>	<i>(12)</i>	<i>5,650</i>	<i>-</i>	<i>12,040</i>	<i>11,037</i>	<i>9</i>
Net deposits (on and off balance) by line of business								
Fixed annuities	145	688	(79)	(24)	N.M.	833	(819)	N.M.
Variable annuities	412	78	N.M.	(102)	N.M.	490	(254)	N.M.
Saving deposits	43	(67)	N.M.	114	(62)	(24)	42	N.M.
Retail mutual funds	23	(98)	N.M.	416	(94)	(75)	587	N.M.
Pensions and asset management	246	506	(51)	180	37	752	1,350	(44)
Institutional guaranteed products	(1,432)	(2,354)	39	401	N.M.	(3,786)	(794)	N.M.
Life reinsurance	(12)	(16)	25	(14)	14	(28)	(29)	3
Total net deposits	(575)	(1,263)	54	971	N.M.	(1,838)	83	N.M.
<i>Total net deposits excl. institutional guaranteed products</i>	<i>857</i>	<i>1,091</i>	<i>(21)</i>	<i>570</i>	<i>50</i>	<i>1,948</i>	<i>877</i>	<i>122</i>
EMPLOYEE NUMBERS								
	At June 30, 2009	At Dec. 31, 2008						
Number of employees	29,463	31,425						

VALUE OF NEW BUSINESS AND IRR

	VNB EUR	VNB EUR		VNB EUR		VNB EUR	VNB EUR	
EUR millions, after tax	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Americas	66	79	(16)	100	(34)	145	179	(19)
The Netherlands	36	31	16	11	N.M.	67	22	N.M.
United Kingdom	45	57	(21)	64	(30)	102	117	(13)
Other Countries	34	33	3	38	(11)	68	80	(15)
Total	181	201	(10)	212	(15)	382	398	(4)

	IRR %	IRR%	IRR%
EUR millions, after tax	Q2 2009	Q1 2009	Q2 2008
Americas	11.1	10.3	12.4
The Netherlands	29.5	14.1	10.4
United Kingdom	13.8	15.0	13.4
Other Countries	39.5	37.0	42.8
Total	21.9	17.8	18.0

MODELED NEW BUSINESS, APE AND DEPOSITS

		Premium business				Premium business			
		APE				APE			
EUR millions	Note s	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
	11								
Americas		245	266	(8)	268	(9)	511	562	(9)
The Netherlands		44	78	(44)	97	(55)	122	171	(29)
United Kingdom		261	312	(16)	424	(38)	573	802	(29)
Other Countries		104	114	(9)	106	(2)	218	208	5
Total		654	769	(15)	895	(27)	1,423	1,743	(18)

Deposit business						Deposit business		
Deposits						Deposits		
EUR millions	Q2 2009	Q1 2009	%	Q2 2008	%	Ytd 2009	Ytd 2008	%
Americas	5,112	5,252	(3)	6,627	(23)	10,364	12,624	(18)
Other Countries	186	136	37	23	N.M.	322	52	N.M.
Total	5,298	5,389	(2)	6,649	(20)	10,687	12,676	(16)

VNB/PVNB SUMMARY

		Premium business				Premium business			
		VNB	PVNB	VNB/ PVNB	VNB/ APE	VNB	PVNB	VNB/ PVNB	VNB/ APE
EUR millions	Notes	Q2 2009	%	%		Ytd 2009	%	%	
Americas	12	33	1,106	3.0	13.5	65	2,337	2.8	12.6
The Netherlands		36	353	10.3	82.4	67	1,000	6.7	55.1
United Kingdom		45	1,619	2.8	17.3	102	3,643	2.8	17.8
Other Countries		36	821	4.4	34.6	71	1,752	4.0	32.4
Total		151	3,900	3.9	23.0	305	8,732	3.5	21.4

		Deposit business				Deposit business			
		VNB	PVNB	VNB/ PVNB	VNB/ Deposits	VNB	PVNB	VNB/ PVNB	VNB/ Deposits
EUR millions	Notes	Q2 2009	%	%		Ytd 2009	%	%	
Americas	12	33	6,502	0.5	0.6	80	12,887	0.6	0.8
Other Countries		(2)	347	(0.7)	(1.2)	(3)	667	(0.4)	(0.8)
Total		30	6,849	0.4	0.6	78	13,554	0.6	0.7

Notes:

- ¹⁾ 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 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 these assets. Based on current holdings and asset class returns, the long-term expected return on an annual basis is 8-10%, depending on the 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 any over- or underperformance compared to management's expected return is excluded from underlying earnings. 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 Other countries) are excluded from underlying earnings.
- The Holding includes 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 change in AEGON's credit spread resulted in a loss of EUR 163 mln in Q2 2009 on the fair value movement on these bonds.
- ²⁾ Net income refers to net income attributable to equity holders of AEGON N.V.
- ³⁾ New life sales is defined as new recurring premiums + 1/10 of single premiums.
- ⁴⁾ Deposits on and off balance sheet.
- ⁵⁾ 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.
- ⁶⁾ In order to maintain consistency in definitions, starting in the fourth quarter 2008, the net impact of the fair value movements of guarantees and the related hedges in the Netherlands has been excluded from underlying earnings. Previously, differences in fair value between guarantees and related hedges, referenced as hedge ineffectiveness, were reported in gain/losses on investments. Results from previous years have been adjusted.
- ⁷⁾ Capital securities that are denominated in foreign currencies are, for purposes of calculating the capital base ratio, revalued to the period-end exchange rate.
- ⁸⁾ All ratios exclude AEGON's revaluation reserve.
- ⁹⁾ Included in other non-operating income/(charges) are charges made to policyholders with respect to income tax. There is an equal and opposite tax charge which is reported in the line Income tax attributable to policyholder return.
- ¹⁰⁾ 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.
- ¹¹⁾ APE = recurring premium + 1/10 single premium.
- ¹²⁾ PVNBP: Present Value New Business Premium.

Currencies

Income statement items: average rate 1 EUR = USD 1.3349 (2008: USD 1.5309).

Income statement items: average rate 1 EUR = GBP 0.8920 (2008: GBP 0.7763).

Balance sheet items: closing rate 1 EUR = USD 1.4134 (2008: USD 1.5764; year-end 2008: USD 1.3917).

Balance sheet items: closing rate 1 EUR = GBP 0.8521 (2008: GBP 0.7923; year-end 2008: GBP 0.9525).

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 29,500 people and have over 40 million customers across the globe.

Key figures	Second quarter 2009	Full year 2008
Underlying earnings before tax	EUR 404 million	EUR 1.57 billion
New life sales	EUR 469 million	EUR 2.63 billion
Gross deposits	EUR 6.8 billion	EUR 40.75 billion
Revenue generating investments (End of period)	EUR 342 billion	EUR 332 billion

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Supplements:

AEGON's Q2 2009 Financial Supplement and Condensed Consolidated Interim Financial Statements are available on www.aegon.com.

Video interview Alex Wynaendts: available on www.aegon.com at 7.45 a.m.

Disclaimers

Cautionary note regarding non-GAAP measures

This press release includes certain non-GAAP financial measures: net operating earnings, operating earnings before tax, underlying earnings before tax, net underlying earnings and value of new business. The reconciliation of underlying earnings before tax and operating earnings before tax to the most comparable IFRS measures is provided on page 9. A reconciliation of (net) underlying earnings to operating earnings before tax is provided on page 28. 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: believe, estimate, target, intend, may, expect, anticipate, predict, project, counting on, plan, continue, want, forecast, should, would, is confident, will, and similar expressions as they relate to our company. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. We undertake no obligation to publicly update or revise any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which merely reflect company expectations at the time of writing. Actual results may differ materially from expectations conveyed in forward-looking statements due to changes caused by various risks and uncertainties. Such risks and uncertainties include but are not limited to the following:

- Changes in general economic conditions, particularly in the United States, the Netherlands and the United Kingdom;
- Changes in the performance of financial markets, including emerging markets, such as with regard to:
 - The frequency and severity of defaults by issuers in our fixed income investment portfolios; and
 - The effects of corporate bankruptcies and/or accounting restatements on the financial markets and the resulting decline in the value of equity and debt securities we hold;
- The frequency and severity of insured loss events;
- Changes affecting mortality, morbidity and other factors that may impact the profitability of our insurance products;
- Changes affecting interest rate levels and continuing low or rapidly changing interest rate levels;
- Changes affecting currency exchange rates, in particular the EUR/USD and EUR/GBP exchange rates;
- Increasing levels of competition in the United States, the Netherlands, the United Kingdom and emerging markets;
- Changes in laws and regulations, particularly those affecting our operations, the products we sell, and the attractiveness of certain products to our consumers;
- Regulatory changes relating to the insurance industry in the jurisdictions in which we operate;
- Acts of God, acts of terrorism, acts of war and pandemics;
- Changes in the policies of central banks and/or governments;
- Litigation or regulatory action that could require us to pay significant damages or change the way we do business;
- Customer responsiveness to both new products and distribution channels;
- Competitive, legal, regulatory, or tax changes that affect the distribution cost of or demand for our products;
- Our failure to achieve anticipated levels of earnings or operational efficiencies as well as other cost saving initiatives; and
- The impact our adoption of the International Financial Reporting Standards may have on our reported financial results and financial condition.

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.