

Investor Day: Delta Lloyd confirms growth and extends its commitment to reduce costs

- **Ambition: Top-three position in Dutch Life & Pensions and General Insurance market, top-five position in Belgian Life & Pensions market**
- **Cost reduction targets upgraded to € 820 million in 2012 and € 790 million in 2013**
- **Target maintained: at least 3% growth in operational result¹ and dividend**
- **IGD Group Solvency 183% as of end-October**
- **Regulatory solvency of insurance entities 212% as of end-October**

Delta Lloyd Group is holding its annual Investor Day for analysts and institutional investors today, 23 November 2011. During the day, management will upgrade its targets and provide status updates across the business. The live webcast of this meeting can be accessed online at www.deltalloydgroep.com.

Risk management and investment expertise are Delta Lloyd's key strengths

Delta Lloyd CEO **Niek Hoek** expresses confidence in Delta Lloyd's results: "The solid Delta Lloyd capital base founded on our risk management expertise and our investment outperformance continues to strengthen our market position. It is opening up sound commercial opportunities, including in the pensions market. The current good coverage ratio of our own Delta Lloyd Pension Fund - 114% as of end-October 2011- is an excellent example of the power of this combination of stringent risk management and active investment expertise for our customers. This is also reflected in the investment result of 8% we delivered for the first nine, financially highly volatile, months of 2011."

"Focus and expertise of our staff will be the focal point to enable us to exploit market opportunities in the coming years. Our intention is to build upon our leading position in new life insurances, pension contracts and general insurances to establish a top-three position in the Dutch Life & Pensions and Dutch General Insurance market and a top-five position in the Belgian Life & Pensions market. A market share of 10% in *banksparen* is realistic."

"It is the unwavering commitment to cost reductions and the interests of customers, in combination with our strong capital position and robust risk management that allows us to maintain our guidance of at least 3% growth per annum in operational result¹ and dividend."

Return and efficiency

In the first part of the programme, CEO Niek Hoek and CFO Emiel Roozen will outline how the consistent execution of Delta Lloyd Group's strategy and the robust financial performance – achieved in spite of volatile financial markets – are helping Delta Lloyd cement a strong market position. Another contributing factor is that Delta Lloyd's funding position is very strong. The Group has neither short nor medium term debt refinancing requirements.

¹ After tax and minorities

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Upgraded cost targets

The cost-saving drive initiated by Delta Lloyd is making good progress. At year-end 2011, operating expenses will already be close to the target given for 2012. Accordingly, Delta Lloyd has reiterated its commitment to cost reduction, upgrading management targets for the coming two years. The new targets are to bring operating expenses below € 820 million by year-end 2012 (former target: below € 850 million) and to reduce operating expenses to below € 790² million in 2013.

Internal rate of return of at least 9%

A profitability target for new Life & Pension insurance business, the internal rate of return, of at least 9% has been set.

Other targets remain unchanged

The most important other management targets remain unchanged. These relate to annual growth in the operational result³ and dividend of at least 3% and an operational return on equity of between 8–12%. The target for the Combined Ratio, namely 98% across the cycle for the General Insurance activities, has also been maintained. As noted in the Q3 update, achieving this target in 2011 will prove too ambitious.

Finally, the objective to maintain IGD Group solvency within a range of 160-175% will also be maintained. As of end-October 2011, IGD Group solvency had increased to 183%⁴. The more broadly used regulatory solvency for insurance entities, stood at 212% as at end-October.

Successful risk-return management

Chief Risk Officer Theo Berg and Chief Investment Officer Alex Otto will shed light on Delta Lloyd Group's successful risk-return management. They will explain that Delta Lloyd Group's financial position has been further strengthened, notably thanks to an active hedging policy and the timely reduction of the exposure to southern Europe and Ireland (sub) sovereigns.

The Solvency II developments are being closely monitored. A positive development is the potential introduction of a 'countercyclical premium' and 'matching premium', which would have a favourable impact on the level of required provisions and reserves.

Alex Otto will take a closer look at the risk-return considerations, paying particular attention to the good performance of Delta Lloyd's fixed income team. The return on the Group's own risk investment portfolio⁵ in the first nine months was 8%.

Commerce and Operations: distribution is powerful engine behind market growth

Next, Executive Board member, Paul Medendorp, will outline the commercial strength of Delta Lloyd Group. This is driven by an unique distribution model whereby the brands – Delta Lloyd, OHRA and ABN AMRO Insurance – are offered across all established distribution channels, while new inroads into innovative forms of distribution based on the 'mobile, click, call and face' principle are also made.

² After conclusion of the sale of Delta Lloyd Germany this target will become € 760 million by year-end 2013

³ After tax and minorities

⁴ The solvency figure given earlier (on 3 November) was an estimate

⁵ Excluding mortgages, loans and cash

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Managing directors Leon van Riet and Edwin Grutterink will then discuss the results of the Life & Pensions Insurance Division and General Insurance Division, respectively. Life & Pensions can look back on a period of successful commercial performance, concluding over €1 billion of large pension contracts. In addition, the first-ever Dutch premium pension institution (PPI), BeFrank, received its licence in the summer of 2011. This joint venture with Binck Bank is able to market innovative pension products at extremely low costs. Commercial performance goes hand-in-hand with a continued reduction in costs and growing customer satisfaction. Delta Lloyd Life & Pensions is rapidly becoming the leading player in the Dutch pensions market.

The commercial strategy at General Insurance centres on reducing the cost of claims through active claims management, improving customer processes by means of the increased use of *Straight Through Processing* (STP) and expansion in several strong niche markets.

All presentations can be attended or viewed online

All presentations are in English and will be webcast on the Group's new website www.deltalloydgroep.com. The programme is as follows (times are approximate):

9.30-10.45am	Update on strategy, management targets and finances Niek Hoek and Emiel Roozen
10.45-11.45am	Clarification of risk-return management Theo Berg and Alex Otto
11.45-12.45pm	Paul Medendorp, Leon van Riet and Edwin Grutterink Presentation on customer focus and commerce, Life & Pensions and General Insurance
12.45-13.00pm	Conclusion by Niek Hoek

The presentations will be available on the Delta Lloyd Group website (www.deltalloydgroep.com) on 23 November from 8.30am CET.

Want to know more about this press release?

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About Delta Lloyd Group

Delta Lloyd Group is a financial services provider offering life and pension insurance, general insurance, asset management and banking products and services. Delta Lloyd Group's target markets are the Netherlands and Belgium. The Group operates primarily under the brand names of Delta Lloyd, OHRA and ABN AMRO Insurance in the Netherlands, and under the Delta Lloyd brand name in Belgium. Delta Lloyd Group employs 5,447 permanent staff (FTE) and is listed on NYSE Euronext Amsterdam.

Important information

- Certain statements contained in this press release that are not historical facts are "forward-looking statements". These forward-looking statements are based on management's beliefs and projections and on information currently available to them. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Delta Lloyd Group's control and all of which are based on management's current beliefs and expectations about future events.
- Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Delta Lloyd Group undertakes no duty to and will not update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing Delta Lloyd Group and its subsidiaries. Such risks, uncertainties and other important factors include, among others: (i) changes in the financial markets and general economic conditions, (ii) changes in competition from local, national and international companies, new entrants in the market and self-insurance and changes to the competitive landscape in which Delta Lloyd Group operates, (iii) the adoption of new, or changes to existing, laws and regulations, (iv) catastrophes and terrorist-related events, (v) default by third parties owing money, securities or other assets on their financial obligations, (vi) equity market losses, (vii) long- and/or short-term interest rate volatility, (viii) illiquidity of certain investment assets, (ix) flaws in underwriting assumptions, pricing and/or claims reserves, (x) the termination of or changes to relationships with principal intermediaries or partnerships, (xi) the unavailability and unaffordability of reinsurance, (xii) flaws in Delta Lloyd Group's underwriting, operating controls or IT systems, or a failure to prevent fraud, (xiii) a downgrade (or potential downgrade) of Delta Lloyd Group's credit ratings, (xiv) the outcome of pending, threatened or future litigation or investigations, and (xv) a conflict between Aviva and minority shareholders in Delta Lloyd Group.
- Should one or more of these risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, Delta Lloyd Group's actual financial condition or results of operations could differ materially from those described herein as anticipated, believed, estimated or expected.
- Please see the Annual Report for the year ended 31 December 2010 for a description of certain important factors, risks and uncertainties that may affect Delta Lloyd Group's businesses.
- The figures in this press release have not been audited.