

Delta Lloyd: 2013 got off to a good start

Niek Hoek, chairman of the Executive Board of Delta Lloyd Group, gave his New Year's address on Tuesday, 29 January. During a gathering for customers and business partners of Delta Lloyd Group held at the Concertgebouw in Amsterdam he looked back on the events of 2012 and ahead to what 2013 may bring.

Niek Hoek said that 2013 had got off to a good start for Delta Lloyd Group. In January, shareholder Aviva completed the sale of its remaining stake in Delta Lloyd. The successful secondary offering was a source of much satisfaction to Delta Lloyd Group since long-term investors in particular had demonstrated their confidence in Delta Lloyd. This has reinforced Delta Lloyd's faith in the policy it is pursuing and enables the company to even further expand its shareholder base. In Belgium, Delta Lloyd obtained a stock exchange listing in January. According to Niek Hoek, this signals the importance of the Belgian market as a second home market for Delta Lloyd. Delta Lloyd Bank and Delta Lloyd Life have been well-represented in Belgium for many years and over a fifth of the company's staff work in Belgium.

Niek Hoek described the market conditions in 2012 as clearly difficult for the entire financial sector. He said, "As customers are scrutinising their spending ever more critically, service providers are having to go the extra mile. In addition, the crisis has made the financial markets extremely volatile. Above all, the low interest rate is making things difficult for life and pension insurers."

"Delta Lloyd cannot influence interest rates, but it can focus on its business operations," Niek Hoek said. In his view, the main thing is to regain and strengthen the trust of the customers. "Doing what you promise is really what it's all about. If you say you're going to resolve, simplify or improve things, you have to live up to that promise. Financials that have their house in order can now intensify their focus on increasing their market share. Last year, for example, we were the market leader in new life and pensions business. This proves that customers feel we are on the right track. As in previous years, we have also invested heavily in distribution, for example by expanding our partnership with ABN AMRO and entering into new alliances with Deutsche Bank in the Netherlands and LBK in Belgium."

Niek Hoek finds it difficult to make a worthwhile prediction about 2013. He is worried about the measures the Dutch government is proposing for the housing market. Any requirement that mortgages must be fully redeemed in 30 years is bound to change the day-to-day spending pattern for most households. He explains, "They will have less money available for the very expenditure which is currently so vital to the Dutch economy. Although I agree that measures are certainly necessary, why don't we initially consider partial redemption? In this way, we could maintain disposable income at a sound level while limiting the risks of excessive mortgage debts." Another of his concerns is the introduction of stricter regulatory requirements. "Prudence is fine, but here, too, we must be realistic. If requirements are tightened even further, this may in the short term adversely affect lending to our customers and harm the housing market. And this comes at the very moment when it is crucially important to stimulate rather than dampen the economy."

Delta Lloyd: 2013 got of to a good start

As regards 2013, Niek Hoek believes that the largest fall in interest rates is now behind us, and he is cautiously optimistic about a recovery in the European market. And, as ever, Delta Lloyd will continue this year to put customer interest first. As the chairman of the Executive Board of Delta Lloyd Group explains, "In the present difficult market conditions, a business can survive only if it does everything possible to meet customer needs. So simplification, innovation and transparency of products and processes are essential."

The full text of the New Year's address is attached as an annexe to this press release.

For more information about this press release:

Media Relations	+31 (0)20 594 44 88
Investor Relations	+31 (0)20 594 96 93

About Delta Lloyd Group

Delta Lloyd Group is a financial services provider offering life 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 5,444 permanent staff (FTE) of which 4,095 in the Netherlands and 1,153 in Belgium and is listed on NYSE Euronext Amsterdam and Brussels.

New Year's speech of Niek Hoek, 29 January 2013

Ladies and gentlemen,

I would like to warmly welcome you all to our New Year's Concert. It gives me great pleasure to receive you here in the Concertgebouw on behalf of all my Delta Lloyd colleagues.

In my speech last year I predicted that 2012 would again be largely dominated by financial uncertainties. I think it is fair to say that this prediction has come true. The market conditions have been clearly difficult for the entire sector, including Delta Lloyd. As customers are scrutinising their spending ever more critically, service providers are having to go the extra mile. In addition, the crisis has made the financial markets extremely volatile. Above all, the low interest rate is making things difficult for life and pension insurers. Clearly, interest rate developments have a significant impact on our business activities. For example, we are setting aside billions more for our policyholders because we are calculating our obligations to our policyholders at an interest rate which was halved in 2012. So earmarking the extra funds provides more certainty for our customers, particularly when you consider that the running yield on our investments is a good deal higher than this interest rate. However, setting aside extra money for our customers has affected our equity position. At first glance, therefore, providing extra security for policyholders seems to weaken us, but in fact the opposite is true, certainly from the customer's perspective. To highlight this, we made sure to focus extra attention on these facts during our Investor Day last November.

Ladies and gentlemen,

We cannot influence interest rates, so our business operations are focussed on limiting the effect of interest rates on our short-term results. And it is at least as important to recover and strengthen the trust of our customers. Doing what you promise is really what it's all about. If you say you're going to resolve, simplify or improve things, you have to live up to that promise. Financials that have their house in order can now intensify their focus on increasing their market share. Last year, for example, we were the market leader in new life and pension business. This proves that customers feel we are on the right track. But not only that: according to IG&H we are also the best pension insurer in the Netherlands in terms of service. I am proud of all our staff who have contributed to this performance. And now we must continue the good work. As in previous years, we have also invested heavily in distribution, for example by expanding our partnership with ABN AMRO and entering into new alliances with Deutsche Bank in the Netherlands and with LBK in Belgium.

But in recent years we have not only invested in distribution but also in society. Since 2008, the Delta Lloyd Foundation has supported initiatives designed to promote financial self-reliance and awareness in society. In 2012, over 600 Delta Lloyd employees once again voluntarily used their knowledge and skills to help those less well able to deal with money. The projects ranged from teaching children about money matters to helping people at home to put their finances in order. We also focus strongly on poverty reduction and debt prevention as well as on ways to make women more financially savvy and skilful, even through the women's magazine Libelle! Order and overview are the first steps to resolving financial problems, but what works even better is prevention. This is what we at Delta Lloyd want to help achieve.

CONTINUED

New Year's speech of Niek Hoek, 29 January 2013

Making a worthwhile prediction about the market conditions in 2013 is difficult. According to the Netherlands Bureau for Economic Policy Analysis (CPB) and the European Commission, the economy will continue to struggle in 2013 and 2014.

I'm worried about the measures that the Dutch government is proposing to take in the housing market. Any requirement that mortgages have to be fully redeemed in 30 years is bound to change the day-to-day spending pattern for most households. They will have less money available for the very expenditure which is so vital to the Dutch economy at present. Measures are certainly necessary, but why don't we look initially at partial redemption? In this way, we could maintain disposable income at a sound level and at the same time limit the risks of excessive mortgage debts. Another concern is the introduction of stricter regulatory requirements. Prudence is fine, but here too we must be realistic. If requirements are tightened up even further, this may in the short term adversely affect lending to our customers and harm the housing market. And this comes at the very moment when it is crucially important to stimulate rather than dampen the economy.

There is only a slim chance that interest rates will fall as much as they did in 2012. I therefore believe that the greatest decline is behind us. And there seems to be a glimmer of recovery in the United States. Not that the euro crisis is more under control, Europe too should be able to capitalise on the economic recovery. If the economy does pick up, this will be very good news for Delta Lloyd and its customers. As you know, I continue to be an optimist.

Delta Lloyd will continue to put customer interest first in 2013. In the present difficult market conditions, a business can survive only if it does everything possible to meet customer needs. Simplification, innovation and transparency of products and processes are essential in this respect. A shining example of innovation is BeFrank, the first Premium Pension Institution (PPI), which was launched by Delta Lloyd Group in partnership with BinckBank in the summer of 2011. Its success can already be judged by the large increase in the number of customers who are not only interested in the transparent and simple products offered by BeFrank but are transferring their pension plan to BeFrank.

Ladies and gentlemen,

For us the year 2013 has got off to a good start. In early January, shareholder Aviva completed the sale of its remaining stake in Delta Lloyd. This successful transfer of the shares was a source of much satisfaction to us since long-term investors in particular demonstrated their confidence in Delta Lloyd. This has reinforced our faith in the policy we are pursuing and enables us to even further expand our shareholder base.

By the way, as you know there's no such thing as coincidence. The theme of this evening's long-planned concert is the hundredth anniversary of the birth of Benjamin Britten. Britten received his musical education in the county of Norfolk, which happens to be the base of Norwich Union, an important part of Aviva. So I think you'll agree that there could not have been a more fitting musical conclusion to Delta Lloyd's British period, with Aviva as major shareholder.

But there's not only British news. Last week we obtained a stock exchange listing in Belgium. This signals the importance of the Belgian market as a second home market for Delta Lloyd. We have been well represented in Belgium for many years with Delta Lloyd Bank and Delta Lloyd Life, and over

CONTINUED

New Year's speech of Niek Hoek, 29 January 2013

a fifth of our staff works in Belgium. So we're already more than 20% Belgian and we hope that this percentage will increase rapidly, because we're really pleased with our presence in Belgium. We therefore have every confidence in the work performed by our Belgian colleagues in developing our activities there.

Ladies and gentlemen, I wish you a very enjoyable musical evening and extend our very best wishes for a healthy and successful 2013 to you and all your loved ones!

Thank you.