

Available-for-sale shares include shares in the Federal Home Loan Bank of EUR 94 million that are measured at par, which are reported as part of Other. The bank has implicit financial support from the United States government. The redemption value of the shares is fixed at par and they can only be redeemed by the bank.

### Effect of changes in significant unobservable assumptions to reasonably possible alternatives

		December 31, 2013	Significant unobservable input	Effect of reasonably possible alternative assumptions (+/-)	
				Increase	Decrease
<b>Financial assets carried at fair value</b>					
<b>Available-for-sale investments</b>					
<b>Debt securities</b>					
ABS	<b>a</b>	202	Discount rate	19	(20)
Corporate bonds	<b>b</b>	212	Credit spread	25	(19)
<b>Other investments at fair value</b>					
Tax credit investments	<b>c</b>	696	Discount rate	13	(13)
<b>Fair value through profit or loss</b>					
Derivatives	<b>d</b>	128	Mortality	11	(17)
<b>Financial liabilities carried at fair value</b>					
Embedded derivatives in insurance contracts	<b>e</b>	1,213	Credit spread	37	(36)

The table above presents the impact on a fair value measurement of a change in an unobservable input for financial instruments. The impact of changes in inputs may not be independent, therefore the descriptions provided below indicate the impact of a change in an input in isolation.

- The primary unobservable assumptions used in fair value measurement of asset backed securities is in general a liquidity premium in the discount rate. Changing the liquidity premium changes the discount rate when using the discounted cash flow model. Increasing or decreasing the liquidity premium respectively decreases or increases the value of the investment. Aegon adjusted the discount rate with 100 basis points up or down for this input.
- For corporate bonds the most significant unobservable input for the valuation of these securities is the credit spread. An increase in credit spread results in a lower valuation, while a decrease in credit spread results in a higher valuation. Aegon adjusted the discount rate by 50 basis points up or down for this input.
- Tax credit investments are measured at fair value using an internal model. The most significant unobservable input for valuation of these tax credits is the discount rate. Increasing or decreasing the discount rate would result in respectively a lower or higher valuation. Aegon adjusted the discount rate by 50 basis points up or down for this input.
- The derivative included is a longevity index derivative. Most significant unobservable input is expected mortality. Changing the expected mortality changes the cash flow expectations from this derivative. Increasing (decreasing) the mortality rates decreases (increases) the value of the investment. Aegon adjusted longevity with 2% up or down for this input, compared to the expected mortality in determining the value of this derivative.
- To determine the fair value of the bifurcated embedded derivatives related to guarantees, a discount rate is used including credit spread. An increase in the credit spread results in lower valuation, while a decrease results in a higher valuation of the embedded derivatives. Aegon increased or decreased the credit spread by 20 basis points.