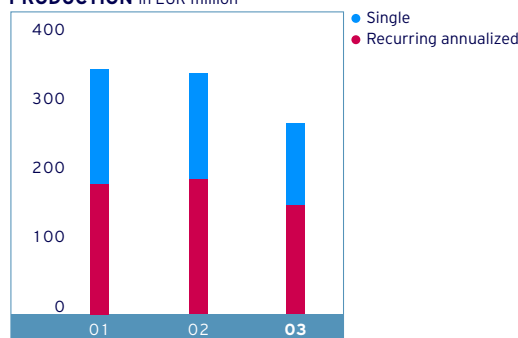


STANDARDIZED NEW PREMIUM PRODUCTION in EUR million



partly offset by the effect from the sale of the glasshouse portfolio and part of the recreational boating portfolio, which had a negative effect on premium income of EUR 5 million. Investment income rose by EUR 68 million, mainly from the increase in indirect income. Fees and commissions include EUR 214 million of revenues relating to the distribution units and EUR 21 million of revenues relating to TKP Pensioen.

Revenues out of banking activities decreased by EUR 62 million, or 15%, over 2002 to EUR 354 million, mainly caused by lower investments backing the savings accounts. Investment income for account of policyholders represented the change in market value in 2003 of the investments for account of policyholders.

COMMISSIONS AND EXPENSES

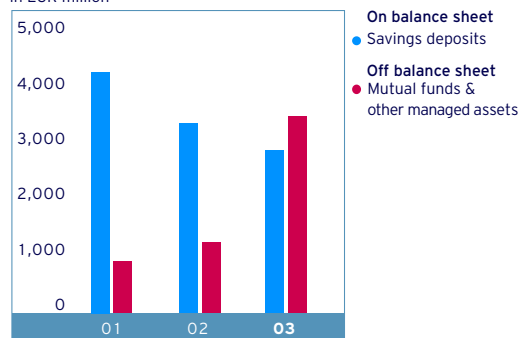
Commissions and expenses amounted to EUR 956 million, a 44% increase from 2002. Expenses increased by EUR 202 million, due to the consolidation of the distribution units, EUR 14 million, reflecting the acquisition of TKP Pensioen and EUR 64 million from higher premiums related to the AEGON The Netherlands pension scheme. Commissions were higher due to a shift in the individual life business from recurring to single premium. Commission paid on single premium production is not deferrable and is consequently immediately recognized in the income statement.

PRODUCTION

Overall life production was 21% (EUR 73 million) lower than in 2002, as a result of continued volatility in sales of group pension business. The business unit AEGON Corporate Pensions, in the market of small and medium-sized companies, performed well with an increase in standardized production of 18% (EUR 9 million). In other life insurance, single production went up 15% (on a standardized basis EUR 6 million), while recurring production decreased by 13% (EUR 13 million).

For non-life, net production (new production adjusted for lapses) was slightly negative. This was caused by the divestiture of the glasshouse portfolio and part of the recreational boating portfolio. The change in the contracts to include the terrorism clause in the third quarter of 2003 led to lapses, but also to new policies, with a small positive impact overall. Change in legislation regarding, absence due to illness, policies will probably lead to a revival of the accident and health insurance market.

TOTAL DEPOSITS/OFF BALANCE SHEET PRODUCTION in EUR million



AEGON Asset Management attracted EUR 3 billion of asset-only (funds under management) contracts in a competitive market. Part of this, EUR 1 billion, was from a large account that switched from an insurance contract into an asset-only contract.

Securities lease products were a high profile issue in the Netherlands in 2003. AEGON The Netherlands ceased selling securities lease products completely in early 2003. This decision had a significant impact on production, with a decrease from EUR 393 million in 2002 to EUR 13 million in 2003. The existing portfolio is very diverse. Since most of AEGON The Netherlands's customers bought products with guarantees attached to them or with redemption schemes on a long duration, the effects of volatile equity markets on the short term are limited. AEGON has set up a provision for losses resulting from AEGON not being able to recover in full the loans granted in the context of securities lease products.

Savings account balances decreased 11% from December 31, 2002, to a total of EUR 5.7 billion at December 31, 2003, primarily resulting from price competition for savings account assets.

Assets under management increased by EUR 11 billion to EUR 53 billion in 2003, mainly due to a net increase in asset-only contracts (EUR 2 billion), the acquisition of TKP Pensioen (EUR 7 billion) and a EUR 1 billion increase in the investments for account of policyholders. The increase in the investments for account of policyholders was mainly due to favorable investment returns on the equity and fixed income portfolios.

During 2003, part of the mortgage portfolio was securitized. At December 31, 2003, the total of mortgage backed security programs amounted to EUR 5 billion.