

On October 2, 2003, AEGON completed the sale of Transamerica Finance Corporation's real estate tax service and flood hazard certification businesses to The First American Corporation for a total cash sale price of USD 400 million. As part of the transaction, TFC's real estate tax service subsidiary has distributed assets valued at USD 246 million to TFC. The sale of the two TFC subsidiaries, combined with the asset distribution transaction, resulted in an after-tax book gain of USD 347 million, which was added directly to shareholders' equity against the invested capital charged earlier to equity as goodwill.

The remaining businesses of TFC primarily consist of maritime container and European trailer leasing, which will be consolidated as of the first quarter 2004. Due to the reduced size of these activities, consolidation will no longer be incompatible with the insight required by law.

#### **CONSOLIDATION PRINCIPLES**

In the consolidated financial statements of AEGON N.V., all group companies have been included, except for some group companies whose aggregate financial effect is relatively insignificant or which are not intended to be held long-term. Group companies, the consolidation of which would not result in a fair view of the group because of dissimilar activities, are also not consolidated. The consolidated financial statements of these latter companies have been added separately in the notes. Their results are presented in the income statements on a separate line.

Consolidated entities also include special purpose entities set up in connection with the sale of investment products in the United States. Participations in joint ventures have been consolidated proportionally.

Due to their insignificance, minority interests are included under other current liabilities.

A list of names and locations of the most important group companies is given on page 134.

With regard to the income statements of AEGON N.V., article 402, Book 2 of the Dutch Civil Code has been applied, allowing a simplified format.