

2016

Public Quantitative Reporting Templates Solvency II

Aegon Levensverzekering N.V.

This document contains the following quantitative reporting templates (QRTs) which relate to the position at 31 December 2016:

- S.02.01.02 Balance sheet
- S.05.01.02 Premiums, claims and expenses by line of business
- S.05.02.01 Premiums, claims and expense by country
- S.12.01.02 Life and Health SLT Technical Provisions
- S.22.01.21 Impact of long term guarantees measures and transitionals
- S.23.01.01 Own Funds
- S.25.02.21 Solvency Capital Requirement – for undertakings using the standard formula and partial internal model
- S.28.01.01 Minimum Capital Requirement

All amounts are expressed in thousands of Euros.

Comments regarding specific QRTs

QRT S.23.01

The Solvency II balance sheet, shown in QRT S.02.01 and Chapter D of this report, contains a DTA in the amount of € 453 million, whereas QRT S.23.01 shows a net DTA of € 42 million.

The difference can be attributed to Aegon Leven's subsidiaries Aegon Leven Beleggingen N.V. and Aegon Vastgoed Holding B.V. which both carry Deferred Tax Liabilities. The Solvency II balance sheet requires the value of these subsidiaries to be shown separately as 'Holdings in related undertakings including participations', in the amount of € 7,133 million. As the DTL is already reflected in the balance sheet value of the subsidiaries, the amount of the DTA of Aegon Leven is shown in isolation, excluding the DTL positions of the subsidiaries.

The DTA of Aegon Leven is offset against the DTL positions of the subsidiaries Aegon Leven Beleggingen N.V. and Aegon Vastgoed Holding B.V., so the net DTA, shown as Tier 3 Capital in QRT 23.01, amounts to € 42 million.

QRT S.25.02

Aegon Leven holds participations in funds that invest in Insurance Linked Securities (ILS). These ILS provide an annual return in exchange for exposure to globally spread natural catastrophe risks. The occurrence of predefined catastrophic events may trigger a loss of part or all of the funds invested.

In accordance with Solvency II guidelines, the exposures in these funds must be quantified under '*Non-life Underwriting risk*'. The SCR for this risk is determined in accordance with the Solvency II standard formula, and amounts to € 5.86 million.

It should be noted that AEGON Leven does not conduct non-life insurance business and is not exposed to non-life underwriting risk through its insurance obligations.

QRT S.28.01

Please note that the technical provisions and the amount of capital at risk shown in QRT S.28.01 include the technical provisions of Aegon Leven's subsidiary Optas Pensioenen N.V, in line with the method of calculation of SCR and MCR.

S.02.01.02 Balance Sheet

AEGON Leven

Solvency II value

Assets

Goodwill	
Deferred acquisition costs	
Intangible assets	
Deferred tax assets	452,750
Pension benefit surplus	
Property, plant & equipment held for own use	
Investments (other than assets held for index-linked and unit-linked contracts)	29,494,789
Property (other than for own use)	101,495
Holdings in related undertakings, including participations	7,133,495
<i>Equities</i>	0
Equities - listed	
Equities - unlisted	0
<i>Bonds</i>	16,247,812
Government Bonds	12,511,386
Corporate Bonds	2,145,791
Structured notes	
Collateralised securities	1,590,635
Collective Investments Undertakings	1,327,610
Derivatives	4,684,377
Deposits other than cash equivalents	
Other investments	
Assets held for index-linked and unit-linked contracts	24,876,499
Loans and mortgages	18,484,947
Loans on policies	1,533
Loans and mortgages to individuals	15,427,212
Other loans and mortgages	3,056,202
Reinsurance recoverables from:	9,620
Non-life and health similar to non-life	
Non-life excluding health	
Health similar to non-life	
Life and health similar to life, excluding health and index-linked and unit-linked	9,620
Health similar to life	
Life excluding health and index-linked and unit-linked	9,620
Life index-linked and unit-linked	
Deposits to cedants	1,924
Insurance and intermediaries receivables	137,568
Reinsurance receivables	1,685
Receivables (trade, not insurance)	288,350
Own shares (held directly)	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	
Cash and cash equivalents	4,687,905
Any other assets, not elsewhere shown	
Total assets	78,436,038

Liabilities

Technical provisions - non-life	
Technical provisions - non-life (excluding health)	
TP calculated as a whole	
Best estimate	
Risk margin	
Technical provisions - health (similar to non-life)	
TP calculated as a whole	
Best estimate	
Risk margin	
TP - life (excluding index-linked and unit-linked)	36,457,475
Technical provisions - health (similar to life)	85,080
TP calculated as a whole	
Best estimate	85,080
Risk margin	
TP - life (excluding health and index-linked and unit-linked)	36,372,396
TP calculated as a whole	
Best estimate	35,038,620
Risk margin	1,333,776
TP - index-linked and unit-linked	26,077,123
TP calculated as a whole	
Best estimate	25,149,672
Risk margin	927,452
Other technical provisions	
Contingent liabilities	
Provisions other than technical provisions	4,306
Pension benefit obligations	
Deposits from reinsurers	8
Deferred tax liabilities	
Derivatives	3,527,238
Debts owed to credit institutions	735,417
Financial liabilities other than debts owed to credit institutions	2,797,854
Insurance & intermediaries payables	294,010
Reinsurance payables	78,144
Payables (trade, not insurance)	3,697,478
Subordinated liabilities	636,000
Subordinated liabilities not in BOF	
Subordinated liabilities in BOF	636,000
Any other liabilities, not elsewhere shown	9,461
Total liabilities	74,314,514
Excess of assets over liabilities	4,121,524

S.12.01.02 Life and Health SLT Technical Provisions - Best Estimate by country
AEGON Leven

	Insurance with profit participation	Index-linked and unit-linked insurance		Other life insurance		Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
		Contracts without options and guarantees	Contracts with options or guarantees	Contracts without options and guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole								
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole								0
Technical provisions calculated as a sum of BE and RM								
Best Estimate								
Gross Best Estimate			477,540	24,672,131		14,654,531	20,384,089	60,188,291
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default							9,620	9,620
Best estimate minus recoverables from reinsurance/SPV and Finite Re			477,540	24,672,131		14,654,531	20,374,469	60,178,671
Risk Margin		927,452			1,333,776			2,261,228
Amount of the transitional on Technical Provisions								
Technical Provisions calculated as a whole								0
Best estimate								0
Risk margin								0
Technical provisions - total		26,077,123			36,372,396			62,449,519

	Health insurance (direct business)		Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
	Contracts without options and guarantees	Contracts with options or guarantees			
Technical provisions calculated as a whole					
counterparty default associated to TP as a whole					0
Technical provisions calculated as a sum of BE and RM					
Best Estimate					
Gross Best Estimate		85,080			85,080
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default					0
Best estimate minus recoverables from reinsurance/SPV and Finite Re		85,080			85,080
Risk Margin					0
Amount of the transitional on Technical Provisions					
Technical Provisions calculated as a whole					0
Best estimate					0
Risk margin					0
Technical provisions - total	85,080				85,080

S.22.01.21 Impact of long term guarantees measures and transitionals

AEGON Leven

	Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
Technical provisions	62,534,599			834,776	
Basic own funds	3,862,501			-679,853	
Eligible own funds to meet Solvency Capital Requirement	3,862,501			-679,853	
Solvency Capital Requirement	3,212,662			1,673,411	
Eligible own funds to meet Minimum Capital Requirement	3,390,852			-888,547	
Minimum Capital Requirement	1,034,235			187,283	

S.23.01.01 Own funds
AEGON Leven

	Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35					
Ordinary share capital (gross of own shares)	22,689	22,689			
Share premium account related to ordinary share capital	263,096	263,096			
Initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual-type undertakings					
Subordinated mutual member accounts					
Surplus funds					
Preference shares					
Share premium account related to preference shares					
Reconciliation reserve	3,793,244	3,793,244			
Subordinated liabilities	636,000			636,000	
An amount equal to the value of net deferred tax assets	42,496				42,496
Other own fund items approved by the supervisory authority as basic own funds not specified above					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	895,024				
Deductions					
Deductions for participations in financial and credit institutions					
Total basic own funds after deductions	3,862,501	3,184,005		636,000	42,496
Ancillary own funds					
Unpaid and uncalled ordinary share capital callable on demand					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand					
Unpaid and uncalled preference shares callable on demand					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC					
Other ancillary own funds					
Total ancillary own funds					
Available and eligible own funds					
Total available own funds to meet the SCR	3,862,501	3,184,005		636,000	42,496
Total available own funds to meet the MCR	3,820,005	3,184,005		636,000	
Total eligible own funds to meet the SCR	3,862,501	3,184,005		636,000	42,496
Total eligible own funds to meet the MCR	3,390,852	3,184,005		206,847	
SCR	3,212,662				
MCR	1,034,235				
Ratio of Eligible own funds to SCR	120.23%				
Ratio of Eligible own funds to MCR	327.86%				
Reconciliation reserve					
Excess of assets over liabilities	4,121,524				
Own shares (held directly and indirectly)					
Foreseeable dividends, distributions and charges					
Other basic own fund items	328,281				
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds					
Reconciliation reserve	3,793,244				
Expected profits					
Expected profits included in future premiums (EPIFP) - Life Business	67,552				
Expected profits included in future premiums (EPIFP) - Non-life business					
Total Expected profits included in future premiums (EPIFP)	67,552				

S.25.02.01 Solvency Capital Requirement - for undertakings using the standard formula and partial internal model

AEGON Leven

Unique number of component	Components description	Calculation of the Solvency Capital Requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios	Consideration of the future management actions regarding technical provisions and/or deferred taxes	Amount modelled
1	Market risk	4,332,630			3,920,080
2	Counterparty default risk	150,212			
3	Life underwriting risk	3,134,462			2,230,388
4	Health underwriting risk				
5	Non-life underwriting risk	5,860			
6	Intangible asset risk				
7	Operational risk	299,434			
8	LAC Technical Provisions (negative amount)				
9	LAC Deferred Taxes (negative amount)	-666,932			

Calculation of Solvency Capital Requirement

Total undiversified components	7,255,666
Diversification	-4,043,004
Adjustment due to RFF/MAP nSCR aggregation	0
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
Solvency Capital Requirement excluding capital add-on	3,212,662
Capital add-on already set	
Solvency capital requirement	3,212,662
Other information on SCR	
Amount/estimate of the overall loss-absorbing capacity of technical provisions	
Amount/estimate of the overall loss-absorbing capacity of deferred taxes	-666,932
Capital requirement for duration-based equity risk sub-module	
Total amount of Notional Solvency Capital Requirements for remaining part	
Total amount of Notional Solvency Capital Requirement for ring fenced funds	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	
Diversification effects due to RFF nSCR aggregation for article 304	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	
Net future discretionary benefits	

**S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance
AEGON Leven**

Linear formula component for life insurance and reinsurance obligations

MCR calculation Life	Life activities	
	Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
Obligations with profit participation - guaranteed benefits		
Obligations with profit participation - future discretionary benefits		
Index-linked and unit-linked insurance obligations	25,874,726	
Other life (re)insurance and health (re)insurance obligations	38,463,052	
Total capital at risk for all life (re)insurance obligations		64,839,881

	Non-life activities	Life activities
MCRNL Result		
MCRL Result		1,034,235

Overall MCR calculation

Linear MCR	1,034,235
SCR	3,212,662
MCR cap	1,445,698
MCR floor	803,165
Combined MCR	1,034,235
Absolute floor of the MCR	3,700
Minimum Capital Requirement	1,034,235