

Amsterdam, 31 July 2003

PRESS RELEASE

Sharp rise in revenues for Delta Lloyd Group

Delta Lloyd Group posted a sharp rise in revenues of 24% in the first half of 2003. Gross premium income increased over 21% to EUR 2.8 billion, mainly due to the consolidation of Delta Lloyd ABN AMRO Insurance. Investment income also showed a substantial rise to almost EUR 1 billion (+31%).

The increase in revenues clearly reflects the strong strategic position of Delta Lloyd Group in the Netherlands. Delta Lloyd Group serves its clients through three distribution channels and three brands: Delta Lloyd (intermediary), OHRA (direct) and ABN AMRO (bank-based).

The result in the first half of 2003 stayed behind. Operating result totalled at EUR 96 million, while net result amounted to EUR 18 million. The persistent difficulties on the financial markets, accompanied with falling interest rates, were the drivers behind this decline. In addition, extra provisions totalling EUR 67 million, partly for Life products with guaranteed elements and the intended closing of the Belgian General insurance activities, were charged to the profit & loss account.

Delta Lloyd Group's position remains unaffectedly strong. The solvency of the Dutch insurance operations remains healthy, at 175%. Delta Lloyd Life and General Insurance received a Standard & Poor's AA⁻ (stable outlook) rating.

In view of the great sensitivity of the insurance business to stock market and interest rate movements, it is not possible to make any reliable statements regarding the year-end result for 2003.

Key figures

- **Total Group revenues: EUR 3.9 billion (+24%)**
- **Total gross premium income: EUR 2.8 billion (+21%)**
- **Operating result: EUR 96 million (-28%)**
- **Result before taxation: EUR 51 million (-61%)**
- **Net result: EUR 18 million (-83%)**
- **Total assets under management: EUR 40.8 billion (+12%)**
- **Group capital and reserves: EUR 1.7 billion (+1%)**
- **Solvency of Dutch insurance operations: 175%**
- **BIS ratio Delta Lloyd Banking Division: 13.3**
- **Joint venture with ABN AMRO fully consolidated for the first time**

This press release contains a summary with figures for Delta Lloyd Group (pp 2-8) and for the major divisions (pp 9-15). This press release - in Dutch and English - can be found at www.deltalloydgroup.com.

This press release is a translation of the original Dutch press release.

For more information, please contact David Brilleslijper, Manager Corporate Communication Delta Lloyd Group, tel. +31 (0)20 594 44 88

Delta Lloyd Group in the first half of 2003

The weak economic climate and disappointing developments on the financial markets persisted during the first half of 2003. The initial sharp downturn in the equity markets in the first quarter also affected Delta Lloyd. It is still uncertain how stable the present higher level is, as at 292 ultimo June, the AEX index is still considerably lower than a year earlier at 439. Moreover, the continuing low interest rates are denting profits.

In view of the great sensitivity of the insurance business to stock market and interest rate movements, it is not possible to make any reliable statements regarding the year-end result for 2003. The operating result was affected by additional costs for structural quality improvements in the various parts of the organisation. Premium income showed a positive development, rising 21% to EUR 2,831 million.

Sharp rise in revenues

Revenues growth was effected in the first half-year by the full consolidation of ABN AMRO Insurance for the first time. Total Group revenues improved strongly, rising 24% to EUR 3.9 billion; more than a third of this increase came from organic growth and almost two-thirds from consolidation of the ABN AMRO insurance activities. These figures put Delta Lloyd Group at the top of the insurance league in the Netherlands.

Organic growth was generated mainly in Care (10%). OHRA performed particularly well in Life, with an increase in gross premium income of 73% to EUR 170 million. Delta Lloyd Life in Belgium showed an impressive increase in gross premium income (50%) as well. Partly due to the surrender of a large contract, gross premium income of Delta Lloyd Life fell by 17% to EUR 704 million. The gross premium income for Life remained unchanged on balance, excluding ABN AMRO Insurance. Healthy growth was presented by General Insurance, both at OHRA (16%) and Delta Lloyd (5%). The recently announced intention to wind up the Belgian General Insurance activities means that these were no longer consolidated. Overall, Delta Lloyd Group realised fractionally higher autonomous growth in gross premium income. Total gross premium income rose by 21%.

Returns on investments improved considerably, climbing 31% to almost EUR 1 billion, with Delta Lloyd in the Netherlands and Germany performing particularly well. The strong growth in Germany was caused mainly by capital gains on equities, which saw positive developments, also when compared with 2002 levels. The influx of new money into investment funds fell to EUR 515 million (-14%). The disappointing stock market sentiment resulted in lower commission for the Banking and Asset Management divisions.

70% of Group revenues comes from Life business, asset management and banking activities; 16% is generated from General Insurance and 14% from Care. 20% of total revenues is generated outside the Netherlands.

Total assets under management showed a marked increase to EUR 40.8 billion, a rise of 12% compared with year-end 2002.

Decline in result

The pressure on the results that set in the last year continued in the first half of the current year. The operating result decreased in part by non-recurring costs relating to quality improvements, for example in order to shorten waiting lists in the Care sector, where Delta Lloyd Group guarantees treatment within two weeks, as well as costs related to structural quality improvements at Delta Lloyd Personal Life.

The disappointing results on the financial markets had a major impact on all parts of the Group and led to lower investment returns. The write-down of goodwill on ABN AMRO Insurance depressed the result by a further EUR 5 million. A number of extraordinary items were also included in the result. EUR 67 million for extra provisions, among other things to cover Life contracts with guaranteed elements and the intended closing of the

Belgian General Insurance activities, was charged to the result. The results in the Banking division showed a positive development, with net profits almost quadrupling. All in all, the net result of Delta Lloyd Group ultimately did lead to EUR 18 million (-83%).

A programme aimed at improving the operational profitability has been started. Hereby the trend of increasing autonomous expenses is being reverted into structurally lower expense levels. Further expense reductions are expected in the near future. Hence, Delta Lloyd Group is concentrating explicitly on those core activities in which it can distinguish itself as a financial services provider. Those activities where other parties can create more added value will be gradually outsourced. This offers the best guarantee of continuity and innovation for all activities. Outsourcing of the computing centres is expected to take place in the near future.

In addition, product profitability is being scrutinised in all parts of the business, with the aim of significantly improving the performance of each product range offered.

Delta Lloyd Group believes that the long-term confidence of the customer forms the basis for the activities of any financial services provider. The emphasis must therefore be on a fundamentally prudent policy for all stakeholders.

Due to the consolidation of ABN AMRO Insurance, the total number of employees on a full-time basis grew by 3%, to 6,660. Eliminating consolidation effects, the workforce decreased by 6%, partly due to efficiency improvements in Germany and the intended closing of the General Insurance activities in Belgium. Natural wastage is expected to lead to a reduction of around 3% annually in the permanent staff of Delta Lloyd Group in the coming years.

Solvency remains well

The developments on the financial markets continuously draw the attention of the management of Delta Lloyd Group. The equity exposure was reduced, among other actions by - successfully - using options to protect part of the portfolio against further price falls. The construction chosen allows for possible capital gains to be realised. The revaluation reserve was positive at EUR 90 million at the end of June 2003.

These measures helped to maintain the solvency of the Dutch insurance activities, which at 175% of the level required by law is still good and also meets the internal requirement of 150%. The BIS ratio for the banking activities also comfortably exceeded the statutory minimum of 8.0, at 13.3.

Standard & Poor's has adjusted the rating of Delta Lloyd Life and General Insurance to AA⁻ (stable outlook). This means that Delta Lloyd still has one of the best ratings in the insurance sector.

The Group's capital base was further strengthened with a subordinated loan of EUR 262.5 million in order to finance the 51% stake acquired in ABN AMRO Insurance.

Other information

- No shares were issued or purchased in the first half of 2003.
- With effect from 8 May 2003, the insurance operations Delta Lloyd ABN AMRO Insurance forms part of Delta Lloyd Group. Delta Lloyd NV holds 51% of the shares in Delta Lloyd ABN AMRO Insurance, with ABN AMRO Bank holding the other 49%. The results have been fully consolidated into the figures of Delta Lloyd Group with retroactive effect to 1 January 2003.
- This press release has not been audited.
- The ordinary shares of Delta Lloyd Group are fully owned by the international insurance group Aviva plc. In addition Stichting Nuts OHRA holds preference shares.
- The same valuation principles apply to the financial summaries in this press release as to the annual accounts 2002. The valuation principles have therefore not changed compared with 2002.

Key figures Delta Lloyd Group
(x EUR million)

	1st half year 2003	1st half year 2002	Change
REVENUES			
Gross premium income life insurance	1,727	1,388	24%
Gross premium income general insurance	565	469	20%
Gross premium income care insurance	539	491	10%
Total gross premium income	2,831	2,348	21%
Other activities	67	32	109%
Return on investments	953	730	31%
Total revenues	3,851	3,110	24%
RESULT			
Delta Lloyd Insurance	48	104	-54%
OHRA Insurance	12	8	57%
Delta Lloyd Banking	5	1	940%
Delta Lloyd Germany	3	6	-48%
Delta Lloyd ABN AMRO Insurance	7	**	**
Other	-24	14	-221%
Total result before taxation	51	132	-61%
Operating result	96	133	-28%
Net result	18	106	-83%
OTHER INFORMATION			
Shareholders' funds at end of period	1,731	1,713*	1%
Total assets under management at end of period	40,817	36,338*	12%
Staff numbers on a full-time basis at end of period	6,660	6,464*	3%

* Comparative figures as at year-end 2002

** As the figures for the joint venture Delta Lloyd ABN AMRO Insurance are not readily comparable with the figures for ABN AMRO Insurance prior to the joint venture, the financial summary does not include comparisons with 2002

Delta Lloyd Group
Summarised Consolidated Profit & Loss account for 2002
(x EUR million)

	1st half year 2003	1st half year 2002
RESULT TECHNICAL ACCOUNT		
- Life	6	22
- General	28	1
- Care	-7	-5
Technical result	27	17
Investment income	874	558
Charges relating to investments	-115	-73
Allocated investment return to technical account	-692	-385
Other income	9	39
Other expenses	-52	-24
RESULT BEFORE TAXATION	51	132
Taxation	-12	-25
RESULT AFTER TAXATION	39	107
Extraordinary charges	-23	0
Minority interests	2	-1
NET RESULT	18	106
OPERATING RESULT	96	133

Delta Lloyd Group, Consolidated Balance Sheet (assets)
(x EUR million)

	30-06-2003	31-12-2002
Assets		
INSURANCE OPERATIONS		
Intangible assets	224	23
Investments		
Land and buildings	1,990	1,860
Participating interests	69	69
Other financial investments	21,712	19,873
Securitised mortgage loans	-3,366	-2,487
Deposits with ceding undertakings	82	79
	20,488	19,394
Investments for the benefit and risk of policyholders and savings fund investments	7,755	5,486
Debtors		
From direct insurances	661	332
From reinsurance	86	77
Other debtors	1,238	826
	1,985	1,235
Other assets		
Tangible fixed assets	55	52
Cash and bank balances	984	524
Other assets	72	88
	1,111	664
Prepayments and accrued income		
Accrued interest and rent	245	253
Deferred acquisition costs	251	215
Other prepayments and accrued income	297	243
	793	711
TOTAL ASSETS INSURANCE OPERATIONS	32,355	27,513
TOTAL ASSETS BANK	5,430	5,268
Total assets	37,784	32,781

Delta Lloyd Group, Consolidated balance sheet (liabilities)
(x EUR million)

	30-06-2003	31-12-2002
Liabilities		
GROUP CAPITAL AND RESERVES		
Group capital	1,731	1,713
Perpetual subordinated convertible loan	468	172
Fund for general banking risks	3	3
	2,202	1,889
Minority interest	65	6
INSURANCE OPERATIONS		
Technical provisions		
Unearned premium and unexpired risks	523	444
For life insurance	17,148	15,755
For claims outstanding	1,516	1,342
For bonuses and rebates	233	182
	19,420	17,723
Reinsurance	-1,461	-1,502
	17,959	16,221
Technical provisions:		
for insurances where policyholders bear the investment risk and savings fund investments	8,181	5,801
Reinsurance	-41	-39
	8,140	5,761
Other provisions	139	90
Deposits received from insurers	1,178	1,141
Creditors		
From direct insurance	918	914
From reinsurance	30	35
Other debts	1,194	1,304
	2,142	2,253
Accruals and deferred income	896	643
TOTAL LIABILITIES INSURANCE	32,720	26,110
TOTAL LIABILITIES BANK	5,064	4,777
Total liabilities	37,784	32,781

Information per division

Delta Lloyd Insurance

Delta Lloyd Insurance is the largest division in the Group and consists of Delta Lloyd Life, Delta Lloyd General Insurance and Delta Lloyd Care. Delta Lloyd co-operates exclusively and intensely with its professional independent intermediaries.

The results posted by Delta Lloyd Insurance were down considerably on last year, mainly due to a disappointing stock market.

General Insurance performed strongly, both in terms of revenues (+5%) and result, which increased almost sixfold. The successful introduction of a new motor insurance product and the healthy development in the technical insurance activities were the drivers behind this improvement. Delta Lloyd Life saw its gross premium income fall to EUR 704 million, partly due to the surrender of a major contract last year. There was a healthy increase in premium-based pension contracts, while a new Universal Life Platform was introduced for both commercial and personal customers. The Financial Freedom Plan was also amended to offer greater flexibility to customers and intermediaries alike thanks to a more flexible commission structure.

Delta Lloyd Care recorded a marked increase in revenues. In the run-up to the introduction of the basic care package, the private healthcare insurance market remains turbulent, keeping margins under pressure. The operating result was depressed further by a number of non-recurring costs to fund quality improvements, such as a reduction in waiting lists, and relocation to new premises.

The solvency of Delta Lloyd Insurance remains well. In addition, Standard & Poor's gave Delta Lloyd Life and General a rating of AA⁻ (stable outlook), thus giving Delta Lloyd one of the best ratings in the Dutch insurance sector.

Key figures first six months

(x EUR million)

	1st half year 2003	1st half year 2002	Change
GROSS PREMIUM INCOME			
- Life	703.7	850.9	-17%
- General	401.3	380.8	5%
- Care	273.2	246.3	11%
	1,378.2	1,478.0	-7%
RESULT TECHNICAL ACCOUNT			
- Life	3.5	15.5	-77%
- General	12.7	2.2	477%
- Care	-5.1	-2.6	-96%
	11.1	15.1	-26%
RESULT BEFORE TAXATION	48.0	103.7	-54%
RESULT AFTER TAXATION	37.8	80.5	-53%

OHRA Insurance

OHRA is the direct division in the Group and consists of OHRA Life, OHRA General Insurance, OHRA Care and OHRA Income and Absence. Nationaal Spaarfonds (NSF) is included in the figures of OHRA Life.

The repositioning of OHRA which was initiated last year is now clearly bearing fruit, with both gross premium income and net result showing a strong improvement. OHRA Life performed particularly well, with an increase in gross premium income of 73% to EUR 170 million, largely due to a trebling of single premium payments. General Insurance and Care also performed well, partly due to reduced early surrender owing to greatly improved customer satisfaction with all OHRA products.

The introduction of Internet-based pensions and sales of disability insurance to the self-employed were successful, as was the marketing of the Zorganize care package by OHRA Income and Absence. Care premiums increased following a successful campaign in autumn 2002 which led to 20% more business than expected.

Key figures first six months

(x EUR million)

	1st half year 2003	1st half year 2002	Change
GROSS PREMIUM INCOME			
- Life	170.0	98.3	73%
- General	49.5	42.5	16%
- Care	265.8	244.4	9%
	485.3	385.2	26%
RESULT TECHNICAL ACCOUNT			
- Life	5.8	6.8	-15%
- General	7.0	0.5	1300%
- Care	-1.5	-2.2	32%
	11.3	5.1	122%
RESULT BEFORE TAXATION	12.4	7.9	57%
RESULT AFTER TAXATION	8.0	6.2	29%

Delta Lloyd ABN AMRO Insurance

Delta Lloyd ABN AMRO Insurance is a joint venture between Delta Lloyd Group (51%) and ABN AMRO Bank (49%), and distributes insurance products via the ABN AMRO network in the Netherlands.

The joint venture announced in November 2002 between Delta Lloyd Group and ABN AMRO Bank for the sale of insurance products via the ABN AMRO network in the Netherlands got off to a good start. An important factor for the future success of the joint venture was that almost all the ABN AMRO staff transferred to the joint venture. The positioning and strategy of the joint venture have been decided and the definitive business plan is virtually complete. Product teams have been set up together with ABN AMRO Bank, and joint marketing and sales plans are currently in preparation.

Production was strong in the first half of the year, with only Life slightly disappointing. In General Insurance, a new motor insurance product was introduced which got off to a promising start.

As the figures for the joint venture Delta Lloyd ABN AMRO Insurance are not readily comparable with the figures for ABN AMRO Insurance prior to the joint venture, the financial summary does not include comparative figures for 2002.

Key figures first six months (x EUR million)

GROSS PREMIUM INCOME

- Life	364.2
- General	87.3
	451.5

RESULT TECHNICAL ACCOUNT

- Life	1.7
- General	7.6
	9.3

RESULT BEFORE TAXATION

6.8

RESULT AFTER TAXATION

4.4

Asset Management and Property

Delta Lloyd asset management activities consist of Delta Lloyd Asset Management and OHRA Asset Management, as well as Delta Lloyd Property.

The influx of new money fell to EUR 515 million (-14%). Total assets under management increased by more than 12% to almost EUR 41 billion. The continuing malaise on the stock markets resulted in lower commission for Asset Management.

Asset Management received a number of prestigious awards this spring from Standard & Poor's, including for the excellent performance of the Delta Lloyd Interest Fund (*Rentefonds*), and also an award as the best investment house.

Key figures first six months

(x EUR million)

	1st half year 2003	1st half year 2002	Change
Return on investments			
- Asset Management	887.2	670.6	32%
- Property	66.2	58.9	12%
Total	953.4	729.5	31%
Assets under management			
- Asset Management	38,827	34,478*	13%
- Property	1,990	1,860*	7%
Total assets under management	40,817	36,338*	12%

* comparative figures as at year-end 2002

Delta Lloyd Banking Division

The Delta Lloyd Banking Division includes Delta Lloyd Bank and OHRA Bank in the Netherlands, Delta Lloyd Securities (Amsterdam/Antwerp), Bank Nagelmackers 1747 and Delta Lloyd Bank in Belgium.

The Delta Lloyd Banking Division performed well, in terms of both revenues and result. The positive effect of the cost-saving measures was particularly noticeable in the Banking Division. OHRA Bank acquired new business to the tune of EUR 120 million following an Internet savings campaign, while a savings campaign by Delta Lloyd Bank Belgium yielded EUR 175 million. The agency network in Belgium was also further strengthened. In the area of mortgages, Delta Lloyd continues to grow in the Netherlands.

Key figures first six months (x EUR million)

	1st half year 2003	1st half year 2002	Change
REVENUES			
Interest	133.0	106.2	25%
Commission	37.8	24.5	54%
	170.8	130.7	31%
RESULT BEFORE TAXATION	5.2	0.5	940%
RESULT AFTER TAXATION	4.3	0.9	378%

Delta Lloyd Deutschland

Delta Lloyd Deutschland consists mainly of the insurance companies Berlinische Leben and Hamburger Leben, Gries & Heissel Bankiers and Delta Lloyd Investment Managers.

Delta Lloyd Germany was affected by the weakness in the German insurance market. Gross premium income for Life was down due to a reduction in the profit-sharing payouts to policyholders which, as is usual in Germany, are fixed each year. Delta Lloyd Germany sees this reduction as an essential measure in order to safeguard its continuity. In addition, a radical programme was initiated in March aimed at bringing about a structural improvement in profitability; it includes a critical review of the product range, margin per product and required staffing levels.

Key figures first six months

(x EUR million)

	1st half year 2003	1st half year 2002	Change
GROSS PREMIUM INCOME INSURANCE	284.1	291.4	-3%
REVENUES BANKING OPERATIONS	7.3	9.3	-22%
RESULT BEFORE TAXATION	3.0	5.8	-48%
RESULT AFTER TAXATION	-1.0	1.3	-177%

Delta Lloyd Belgium

Delta Lloyd Belgium concentrates on selling life insurance (Delta Lloyd Life).

Gross premium income in the Belgian Life activities continued to enjoy spectacular growth in the first six months of 2003, leaping by 50%. Much of this increase results from the intensive collaboration between Delta Lloyd Bank and Delta Lloyd Life in Belgium, reflecting the strength of carefully tailored distribution of life insurance products through the bank network. As earlier intentions to sell off the General Insurance activities in Belgium were not successful, the intention to gradually wind up those activities within a year was announced this spring. This is entirely in line with the strategy of Delta Lloyd to concentrate outside the Netherlands on life insurance and asset management.

The spectacular growth of Delta Lloyd Life in Belgium, with a top-ten position being built up within a very short space of time, confirms Delta Lloyd Group's confidence of its strategic course.

Key figures first six months

(x EUR million)

	1st half year 2003	1st half year 2002	Change
GROSS PREMIUM INCOME			
- Life	171.6	114.6	50%
- General	n/a	17.7	
RESULT BEFORE TAXATION AND EXTRAORDINARY CHARGES	-3.6	-9.0	60%
RESULT AFTER TAXATION	-24.2	-9.0	-169%