Aegon N.V. (AEG)

Updated February 25th, 2026 by Aristofanis Papadatos

Key Metrics

Current Price:	$7.40	**5 Year CAGR Estimate:**	8.2%	**Market Cap:**	$11.3 B
Fair Value Price:	$7.60	**5 Year Growth Estimate:**	2.0%	**Ex-Dividend Date[1]:**	6/15/2026
% Fair Value:	97%	**5 Year Valuation Multiple Estimate:**	0.5%	**Dividend Payment Date:**	7/6/2026
Dividend Yield:	6.6%	**5 Year Price Target**	$8.40	**Years Of Dividend Growth:**	6
Dividend Risk Score:	F	**Sector:** Financials		**Rating:**	Hold

Overview & Current Events

Aegon NV is a financial holding company based in the Netherlands. The company provides a wide range of financial services to clients, including insurance, pensions, and asset management. Aegon has five core operating segments: Americas, Europe, Asia, Asset Management Holding and Other Activities. The firm's most widely recognized brand is Transamerica, which Aegon acquired in 1999. United States investors can initiate a position in Aegon through American Depository Receipts that trade on the New York Stock Exchange under the ticker AEG with a market cap of $11.3 billion.

On February 19th, 2026, Aegon reported financial results for the second half of 2025. Operating income grew 11% over the prior year's period thanks to strong growth across all business units, reflecting positive business momentum and favorable financial markets. Transamerica continued to grow the number of its agents. Thanks to the strong sales momentum, we expect earnings-per-share of $0.95 in 2026. Aegon has repeatedly stated that it is taking actions to reduce the volatility in business performance, but we believe Aegon has a long way to go to achieve this. The weak performance in 2023 and 2024 is a testament to the risk of the stock. Aegon has vastly underperformed the S&P 500 over the last decade (+37% vs. +243%) due to its poor business performance.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.19	$0.86	$1.02	$0.90	$0.03	$0.95	$0.95	-$0.13	$0.40	$0.70	***$0.95***	***$1.05***
DPS	$0.29	$0.30	$0.33	$0.33	$0.07	$0.17	$0.21	$0.28	$0.35	$0.44	***$0.49***	***$0.54***
Shares[1]	2,062	2,056	2,050	2,050	2,058	2,051	2,025	1,815	1,653	1,540	***1,500***	***1,400***

Aegon has a poor performance record, as it has not generated consistent earnings growth over full economic cycles. The company currently enjoys positive business momentum thanks to excessive liquidity in financial markets and hence it has good chances of posting 5-year high earnings-per-share of $0.95 this year. However, due to unreliable business performance, we expect 2% earnings-per-share growth beyond this year.

Aegon declares a separate dividend each year depending on the firm's financial performance. The impact of this dividend policy can be seen in 2008-2010, when the company failed to declare dividends. Moreover, Aegon only pays its dividend twice per year, and its dividends are declared and paid in Euros (which introduces some foreign exchange risk). Accordingly, the firm is not an attractive security for investors looking to generate a consistent dividend income stream from their investment portfolios. The Netherlands imposes a dividend withholding tax of 15% on foreigners who choose to receive their dividends in cash but we have not included the effects of the dividend withholding tax in our analysis.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	34.8	16.4	6.2	5.2	---	4.9	5.1	---	15.4	10.1	***7.8***	***8.0***
Avg. Yld.	6.0%	5.4%	5.2%	7.0%	2.2%	3.6%	4.3%	5.6%	5.7%	6.2%	***6.6%***	***6.4%***

[1] Semiannual dividend.

1. In millions.

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Aegon's historical valuation has been volatile as its fundamental performance has fluctuated tremendously. The stock is currently trading at a price-to-earnings ratio of 7.8. We assume a fair price-to-earnings ratio of 8.0 for Aegon. If the stock trades at a price-to-earnings ratio of 8.0 in five years, it will enjoy a 0.5% annualized valuation gain.

Safety, Quality, Competitive Advantage, & Recession Resiliency

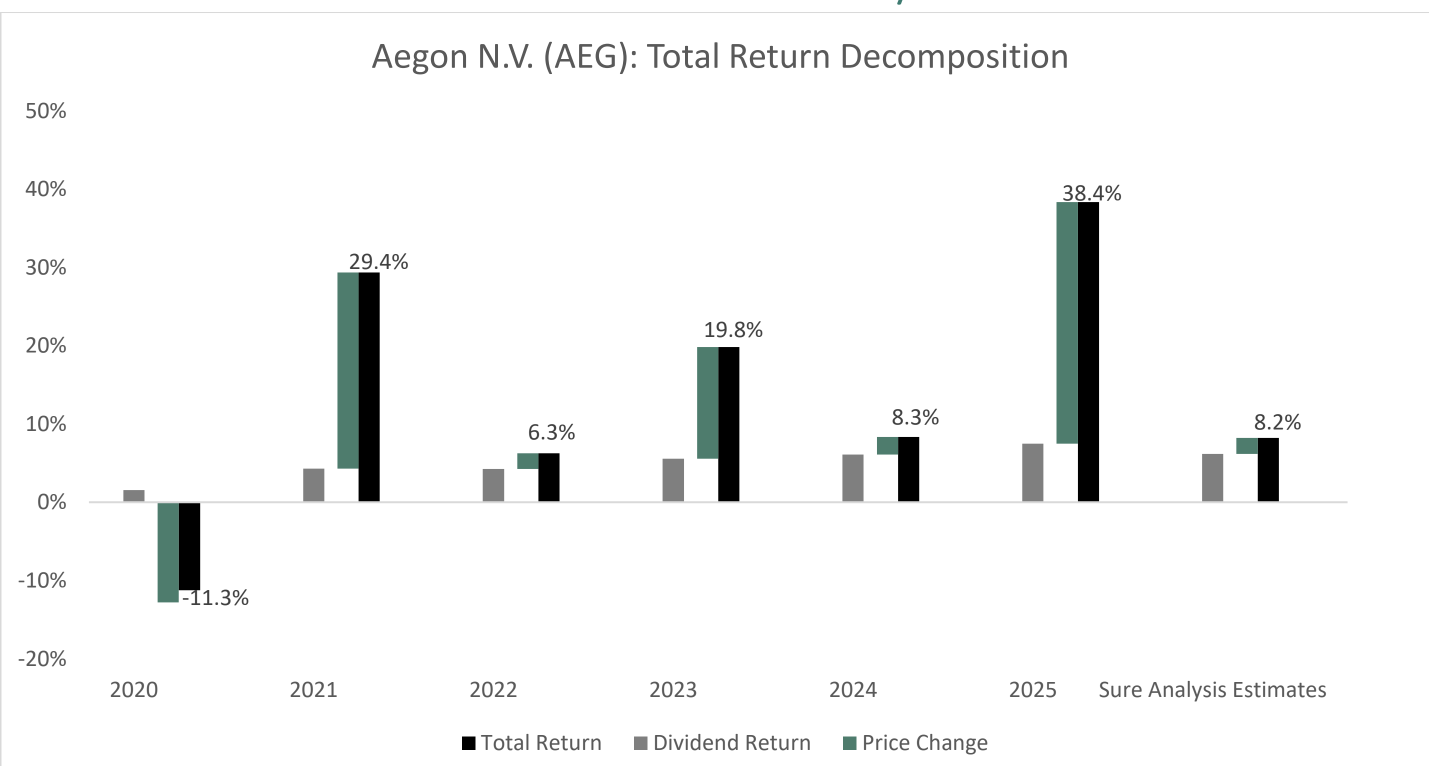
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	153%	35%	32%	37%	233%	17.9%	22.1%	---	88%	63%	***52%***	***51%***

Aegon faces intense competition from several players in the insurance industry, such as MetLife and Prudential Financial. As a result, it has a remarkably volatile performance record. It is thus evident that the company lacks a meaningful competitive advantage. The currency swings introduce additional volatility to the earnings and the dividends of the company for U.S. investors. Moreover, Aegon proved vulnerable to the pandemic. The dividend cut in 2020 and the absence of dividends in 2009-2010 are harsh reminders of the vulnerability of Aegon to recessions. The vast underperformance vs. the S&P 500 over the long run (+37% vs. +243%) is another proof of the risk of the stock.

Final Thoughts & Recommendation

Aegon has begun to recover strongly from poor business performance in 2023-2024. The stock could offer an 8.2% average annual return over the next five years thanks to 2.0% earnings growth, its 6.6% dividend and a 0.5% valuation tailwind. On the other hand, Aegon has a volatile performance record, and its stock price is much more volatile than the broad market. It receives a hold rating. The steep rally of the stock after the bottom of the pandemic is a clear signal of the upside potential in the event of sustained global economic growth, but it also reflects the vulnerability of Aegon to downturns.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	41,978	58,838	65,742	24,752	75,360	58,343	54,590	16,711	31,985	32,470
SG&A Exp.	3,948	3,940	4,143	4,178	4,126	4,098	4,115	3,085	3,293	---
D&A Exp.	1,686	1,337	884	1,553	1,327	825	1,381	178	(176)	(34)
Net Profit	(479)	484	2,796	834	1,383	(167)	2,343	(1,511)	(194)	731
Net Margin	-1.1%	0.8%	4.3%	3.4%	1.8%	-0.3%	4.3%	9.0%	-0.6%	2.3%
Free Cash Flow	857	3,573	506	465	8,009	(3,396)	(2,258)	2903	810	(2,388)
Income Tax	(92)	190	74	46	243	(262)	439	(546)	(226)	(17)

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets ($B)	454.2	449.7	475.0	449.1	493.3	545.9	530.2	430.9	333.4	339.0
Cash & Equivalents	11,825	15,116	12,917	13,735	17,410	15,440	7,800	3,654	4,503	4,125
Acc. Receivable	5,680	9,018	---	6,885	7,455	8,396	6,365	9,523	3,943	---
Goodwill & Int.	2,078	1,924	1,959	1,976	1,746	1,705	1,509	1,330	557	595
Total Liab. ($B)	425.5	424.0	446.1	423.3	465.9	515.5	500.3	415.7	322.8	331.3
Accounts Payable	2,774	4,449	---	3,285	3,647	3,385	3,487	2,329	2,337	1,367
Long-Term Debt	14,744	15,017	17,434	15,631	13,115	13,292	13,565	6,932	5,208	7,078
Total Equity	28,689	25,708	28,864	25,761	27,356	30,240	29,637	15,029	10,420	7,528
LTD/E Ratio	0.51	0.58	0.60	0.61	0.48	0.44	0.46	0.46	0.50	0.94

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	-0.1%	0.1%	0.6%	0.2%	0.3%	0.0%	0.4%	-0.3%	-0.1%	0.2%
Return on Equity	-1.5%	1.8%	10.2%	3.1%	5.2%	-0.6%	7.8%	-6.8%	-1.7%	9.0%
ROIC	-1.0%	1.1%	6.4%	1.9%	3.4%	-0.4%	5.4%	-4.6%	-1.1%	4.7%
Shares Out.	2,116	2,062	2,056	2,050	2,050	2,058	2,051	2,546	2,369	1,640
Revenue/Share	15.63	22.43	25.12	9.49	28.83	22.40	20.98	(6.56)	13.50	19.80
FCF/Share	0.32	1.36	0.19	0.18	3.06	(1.30)	(0.87)	1.14	0.34	(1.46)

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.