Achmea

HALF YEAR REPORT 2012

FINANCIAL RESULTS

Achmea delivered a sound performance in the first half of 2012, despite ongoing turbulence in the financial markets. Gross written premiums grew by 5%, supported by the merger with De Friesland Zorgverzekeraar (DFZ) which was completed in the first half of 2012. Gross operating expenses (operating expenses corrected for acquisition costs and allocation to claim handling) decreased by 5% to €1,316 million from €1,388 million on a comparable basis. The number of FTEs decreased by 2% to 19,100 FTEs.

Profit before tax was €156 million (H1 2011: €184 million). The results were negatively impacted by an €87 million additional provision we had to make for our long-term disability insurance. This provision was made in expectation of a higher inflow and a longer duration of insured persons in the WGA. Net profit came in at €200 million (H1 2011: €180 million) following changes in our tax position in the first half of this year.

Our solvency position remained strong with a Group solvency ratio of 212%, and the high quality of our capital is notable. Achmea maintained its solid, low-risk profile, which is also reflected in our conservative investment portfolio.

GROUP DEVELOPMENTS

Our primary goal is to offer good products and services that our customers really need at a reasonable price.
In the first half of 2012, we continued to build on the foundations we laid during the last three years. In the long-term we focus on our core competences in Non-life and Health delivered through direct channels and through our partners. Strengthening our commercial capabilities and further streamlining our organisation through cost and complexity reduction remain focal points for the organisation.

We completed the sale of our occupational health and safety service provider Achmea Vitale, as its activities did not fit our core competences. The announced merger with De Friesland Zorgverzekeraar (DFZ) was completed. The additional scope for investments in the DFZ business will enable it to more rapidly develop new care concepts while keeping costs under control.

In the Netherlands, our Health businesses have welcomed over 150,000 new customers in 2012, bringing the total number of those with health insurance through Achmea in the country to more than 5.5 million. In the same sector, we also launched our Health Economics Fund to speed up innovation in healthcare. With targeted investments, it is our aim to bring new technologies and products to patients more quickly thereby better controlling the costs of healthcare while improving the quality of patient care.

In July 2011 the Dutch Health Ministry, hospitals and Dutch health insurers reached an agreement to contain the increase of healthcare and hospital spending to a maximum of 2.5% per year. To achieve this, and to further improve the quality and efficiency of healthcare, more financial risk and responsibility is shifted to health insurers and to the insured. Health insurers can help bring down costs by selectively purchasing healthcare and by functioning as efficiently as possible. It is our conviction that every individual must have access to good care at an affordable price. For the current year, we made valuable arrangements with healthcare providers about quality and about more care per euro as the costs for healthcare are rising faster than expected.

In the first half of this year Achmea has paid out approximately €5.7 billion to cover the costs of basic healthcare for our customers. Around 96% of premiums in Basic Health are paid out to cover the healthcare costs for our customers. There are tentative signs that the rise of the healthcare costs seems to be slowing, although it is too early to draw any definitive conclusions. Primary care costs (pharmacies, general practitioners and medical appliances) have risen less sharply in the first half of this year and there are signs of a fall in growth rate in secondary care costs (hospitals and other care providers), but it is too early to reach a firm conclusion there. These initial indications provide tentative signs that the policy being pursued, including the Outline agreement, is starting to bring results and that the rise in healthcare costs can successfully be controlled. This strengthens us in our conviction that if insurers, healthcare providers and the government work together, we can secure the quality and affordability of healthcare, even in the long term.
Negotiations with hospitals over 2013 en 2014 are under way and we hope to conclude talks in November.
To enlarge the certainty of the lower rate of growth in hospital costs, our negotiations with hospitals are focused on signing two-year contracts.

As an organisation with a cooperative background one of our aims is to continue to look for solutions to social issues. As part of our CSR-policy, we signed the United Nations Principles for Sustainable Insurance. In the Netherlands, our academic chair in micro-insurance at Nyenrode University was formally accepted.

Internationally, our direct writer Anytime in Greece continues to grow its business, in spite of the economic turmoil. Our successful cooperation with Rabobank in the

Netherlands has been taken abroad to Australia. The aim of our joint start-up is to locally offer Non-life insurance to Rabobank's customers in the agricultural sector (for example for livestock and crops).

In April, Arnold Walravens and Flip Buurmeijer have stood down from the Supervisory Board in accordance with the retirement rota. Erik van de Merwe was appointed chairman of the Supervisory Board, succeeding Walravens. Thomas van Rijckevorsel, who had been a member of Achmea's Executive Board since 2008, chose to stand down. We thank them for their valuable service to the company.

Achmea's strong reputation is confirmed in the funding we attracted for our mortgage bank activities. We successfully placed almost €800 million of securities in the market to refinance our existing mortgage portfolio. The transaction was very well received in the capital market, indicating the high level of trust investors have in the portfolio and in Achmea.

UNCERTAINTIES IN THE SECOND HALF YEAR OF 2012

Political environment in the Netherlands

Uncertainty exists regarding the exact outcome of changes to certain regulations due to the early elections in the Netherlands. In the broader context, due to developments in the European Union it is expected that the Dutch government will cut expenditure and focus on closing the budget deficit. Part of the budget recovery is likely to be done through changes to the current regulations related to mortgages, pensions and healthcare. Such changes will impact the financial markets in the Netherlands, including the real estate market, and there might be consequences for Achmea. It is currently not possible to give any indication of the impact these changes might have on Achmea's Net profit and Total equity.

Developments in the Eurozone

The uncertainty regarding the future of the eurozone and the European Union (EU) remains, as discussions regarding greater integration of the EU or separation of certain countries increase. Ongoing increases in credit spreads between countries might further destabilise the EU and could result in significant capital movements and unexpectedly high or low interest rates. The situation on the financial markets remains volatile and delicate. Additionally, the slow down of economic growth in the EU and the Netherlands may put additional pressure on Gross written premiums.

Uncertainty remains as to whether certain euro member countries will adhere to earlier agreements regarding support from the EU. As Achmea operates in some of the countries with the highest level of uncertainty, this could impact Achmea's results. The exposure of Achmea to GIIPS countries is fairly limited. Our exposure to Greece and Ireland relates almost exclusively to our activities there.

Low interest rates

The continuation of low interest rates, especially the long-term rates, will have an impact on the value of guaranties to clients related to anticipated investment returns. The impact is expected to be limited, primarily because of Achmea's interest rate policy as described in Achmea's Consolidated Financial Statements 2011. Additionally, the lower interest rates put pressure on solvency levels through the increased value of insurance liabilities as required by the Dutch Supervisor (Solvency I).

Health insurance uncertainties

Uncertainties in health insurance remain and could significantly impact the performance of Achmea's health insurance activities. Important (exogenous) factors are the structure of both finance and equalisation of basic health insurance. Claims (from different health insurers) on this over/under financing have been settled for 2008, while settlements for the years 2009 through 2012 remain uncertain. Furthermore, although in general the financial situation of Dutch hospitals has improved, the financial position of individual hospitals may not be in line with this trend. Achmea, as the largest health insurer in the Netherlands, is one of the major suppliers of working capital to Dutch hospitals. If the financial position of individual hospitals deteriorates further, this might negatively impact Achmea's Net profit for the second half year of 2012.

Income protection insurance contracts

In the Netherlands, we see a higher inflow and longer duration of insured persons in the WGA (income protection insurance) than previously expected. This development can partly be explained by the adverse economic conditions. These adverse developments may have a negative impact on claim development of Achmea. The observations to date are first indications and show significant volatility. Given the high uncertainty this may result in additional charges to be taken in future periods.

Willem van Duin
Chairman of the Executive Board, Achmea B.V.
27 August, 2012

Board report

STATEMENT OF THE EXECUTIVE BOARD OF ACHMEA B.V.

The Executive Board reviewed the Achmea B.V. Condensed Consolidated Interim Financial Statements on 6 August 2012 and authorised them for submission to the Supervisory Board. The Achmea Condensed Consolidated Interim Financial Statements ended 30 June 2012 were authorised for issue in accordance with a resolution of the Executive Board on 27 August 2012.

The Executive Board of Achmea B.V. declares that, to the best of their knowledge, the Achmea B.V. Condensed Consolidated Interim Financial Statements 2012 give a true and fair view of the assets, liabilities, financial position and net profit of Achmea B.V.. These Condensed Consolidated Interim Financial Statements have been prepared in accordance with the International Financial Reporting Standards, including International Accounting Standards (IAS) and Interpretations as at 30 June 2012 and as adopted by the European Union, specifically IAS 34 'Interim Financial Reporting'. The Executive Board of Achmea B.V. is of the opinion that the information contained in these Condensed Consolidated Interim Financial Statements has no omissions likely to modify significantly the scope of any statements made. Furthermore, the Executive Board of Achmea B.V. declares that the Board Report includes a fair view of the information required pursuant to section 5:25d, subsection 8 and 9 of the Dutch Financial Markets Supervision Act (Wet op het financieel Toezicht).

Zeist, 27 August 2012
Executive Board

W.A.J. (Willem) van Duin, Chairman
G. (Gerard) van Olphen, Vice-Chairman
J.A.S. (Jeroen) van Breda Vriesman
D. (Danny) van der Eijk

ACHMEA B.V.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS 30 JUNE 2012

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BEFORE APPROPRIATION OF PROFIT) (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Assets		
Intangible assets	1,672	1,573
Associates	96	87
Property for own use and equipment	638	648
Investment property	1,207	1,243
Investments	42,361	41,113
Investments backing linked liabilities	24,076	23,314
Banking credit portfolio	17,636	16,932
Deferred tax assets	374	398
Deferred acquisition costs	213	226
Income tax receivable		
Amounts ceded to reinsurers	1,059	855
Receivables and accruals	6,336	4,589
Cash and cash equivalents	1,461	1,325
	97,129	**92,303**
Assets classified as "held for sale"	19	10
Total assets	**97,148**	**92,313**
Equity		
Equity attributable to holders of equity instruments of the Company	10,022	9,769
Non-controlling interest	22	6
Total equity	**10,044**	**9,775**
Liabilities		
Insurance liabilities	40,508	37,520
Insurance liabilities where policyholders bear investment risks	21,030	20,771
Investment contracts	2,063	2,193
Post-employment benefits	801	1,024
Other provisions	285	273
Banking customer accounts	5,660	5,001
Loans and borrowings	11,189	11,086
Derivatives	1,700	1,586
Deferred tax liabilities	18	16
Income tax payable	23	99
Other liabilities	3,782	2,942
	87,059	**82,511**
Liabilities classified as "held for sale"	45	27
Total equity and liabilities	**97,148**	**92,313**

Condensed Consolidated Interim Financial Statements

CONSOLIDATED INCOME STATEMENT (€ MILLION)

	FIRST HALF YEAR 2012	FIRST HALF YEAR 2011
Income		
Gross written premiums Non-life	2,334	2,359
Gross written premiums Health	7,112	6,560
Gross written premiums Life	2,023	2,037
Gross written premiums	**11,469**	**10,956**
Reinsurance premiums	-410	-388
Change in provision for unearned premiums (net of reinsurance)	-728	-696
Net earned premiums	**10,331**	**9,872**
Income from associates	3	-3
Investment income	574	619
Realised and unrealised gains and losses	474	-545
Income from investments backing linked liabilities	1,140	-279
Banking income	383	400
Fee and commission income, and income from service contracts	226	224
Other income	41	100
Total income	**13,172**	**10,388**
Expenses		
Claims and movements in insurance liabilities	10,217	9,534
Claims and movements in insurance liabilities ceded to reinsurers	-275	-195
Profit sharing and bonuses	771	-281
Movements in insurance liabilities where policyholders bear investment risks	321	-741
Fair value changes and benefits on investment contracts	29	-71
Operating expenses	1,464	1,540
Banking expenses	315	297
Interest and similar expenses	38	37
Other expenses	136	84
Total expenses	**13,016**	**10,204**
Profit before tax	**156**	**184**
Income tax expenses	-44	4
Net profit	**200**	**180**
Net profit attributable to:		
- Holders of equity instruments of the Company	199	180
- Non-controlling interest	1	
Average number of outstanding ordinary shares	400,143,486	408,884,542
Earnings per share from continuing operations (euros) and diluting earnings per share from continuing operations (euros)	0.35	0.42

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ MILLION)

	FIRST HALF YEAR 2012	FIRST HALF YEAR 2011
Currency translation differences on intangible assets, subsidiaries and associates	32	-51
Share in other comprehensive income of associates	5	-11
Revaluation property for own use	-7	
Unrealised gains and losses on available for sale instruments	380	-241
Transfer from/to provision for profit sharing and bonuses	-210	135
Gains and losses on available for sale instruments reclassified to the Income Statement on disposal	-88	-41
Impairment charges on available for sale instruments reclassified to the Income Statement	13	74
Net Other comprehensive income	**125**	**-135**
Net profit	200	180
Comprehensive income	**325**	**45**
Comprehensive income attributable to:		
- Holders of equity instruments of the Company	324	45
- Non-controlling interest	1	

CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

(€ MILLION)

2012	SHARE CAPITAL	OWN SHARES	LEGAL RESERVES	REVALUATION RESERVES	EXCHANGE DIFFERENCE RESERVE	HEDGING RESERVE	RETAINED EARNINGS	PROFIT FOR THE YEAR	OTHER EQUITY INSTRUMENTS	EQUITY ATTRIBUTABLE TO HOLDERS OF EQUITY INSTRUMENTS OF THE COMPANY	NON-CONTROLLING INTEREST	TOTAL EQUITY
Balance at 1 January	**11,367**	**-245**	**586**	**498**	**-178**	**-7**	**-3,368**	**-209**	**1,325**	**9,769**	**6**	**9,775**
Net other comprehensive income				88	37					125		125
Net profit								199		199	1	200
Comprehensive income				**88**	**37**			**199**		**324**	**1**	**325**
Appropriations to reserves			78	-4			-283	209				
Dividends and coupon payments							-70			-70		-70
Issue, repurchase and sale of equity instruments	-10	10										
Other movements				1			-2			-1	15	14
Balance at 30 June	**11,357**	**-235**	**664**	**583**	**-141**	**-7**	**-3,723**	**199**	**1,325**	**10,022**	**22**	**10,044**

2011	SHARE CAPITAL	OWN SHARES	LEGAL RESERVES	REVA-LUATION RESERVES	EXCHANGE DIFFERENCE RESERVE	HEDGING RESERVE	RETAINED EARNINGS	PROFIT FOR THE YEAR	OTHER EQUITY INSTRU-MENTS	EQUITY ATTRI-BUTABLE TO HOLDERS OF EQUITY INSTRU-MENTS OF THE COMPANY	NON-CON-TROLLING INTEREST	TOTAL EQUITY
Balance at 1 January	**11,381**	**-45**	**272**	**548**	**-101**	**-6**	**-4,242**	**1,220**	**1,325**	**10,352**	**5**	**10,357**
Net other comprehensive income				-73	-62					-135		-135
Net profit								180		180		180
Comprehensive income				**-73**	**-62**			**180**		**45**		**45**
Appropriations to reserves			2	3			1,215	-1,220				
Dividends and coupon payments	-56						-45			-101		-101
Other movements			1	-10	14	-1	33			37		37
Balance at 30 June	**11,325**	**-45**	**275**	**468**	**-149**	**-7**	**-3,039**	**180**	**1,325**	**10,333**	**5**	**10,338**

Dividends and coupon payments consist of dividend paid to holders of preference shares of €25 million (first half year 2011: €15 million) and coupon payments to holders of Other equity instruments of €45 million (first half year 2011: €45 million). No dividend was paid to holders of ordinary shares during the first half year of 2012 (first half year 2011: €41 million).

The other movement in the Non-controlling interest in the first half year of 2012 (€15 million) relates to the Non-controlling interest of twenty three percent of the ordinary shares of Independer.nl N.V..

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (€ MILLION)

	FIRST HALF YEAR 2012	FIRST HALF YEAR 2011
Cash and cash equivalents at 1 January	**1,325**	**1,939**
Cash flow from operating activities	-85	-611
Cash flow from investing activities	478	297
Cash flow from financing activities	-257	-423
Net cash flow	**136**	**-737**
Cash and cash equivalents at 30 June	**1,461**	**1,202**
Cash and cash equivalents include the following items:		
Cash and bank balances	1,337	1,001
Call deposits	124	201
Cash and cash equivalents at 30 June	**1,461**	**1,202**

Condensed Consolidated Interim Financial Statements

1. ACCOUNTING POLICIES

A. Basis of presentation

The Condensed Consolidated Interim Financial Statements of Achmea B.V. have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'. The accounting policies used to prepare these Condensed Consolidated Interim Financial Statements are in accordance with the International Financial Reporting Standards, including International Accounting Standards (IAS) and Interpretations as at 30 June 2012 and as adopted by the European Union. The Condensed Consolidated Interim Financial Statements should be read in conjunction with the Achmea Consolidated Financial Statements 2011. The Achmea Consolidated Financial Statements 2011 are available at www.achmea.com. All amounts in the Condensed Consolidated Interim Financial Statements are in millions of euros unless stated otherwise.

B. Changes in reporting

The accounting policies applied by Achmea in these Condensed Consolidated Interim Financial Statements are the same as those applied in the Achmea Consolidated Financial Statements 2011, except for those described below.

Initial application of accounting policies

The following amendments to IFRSs became effective for Achmea as of 1 January 2012:

IFRS 7 Financial Instruments: Disclosure (amendment)
The IASB issued an amendment to IFRS 7 on 7 October 2010. The amendment is applicable to all transferred financial assets that are not derecognised and for any continuing involvement in a transferred asset. The amendments aim to improve financial-statement user understanding of transfer transactions of financial assets (for example, securitisations), including understanding the possible effects of any risks that may remain with the entity related to these transferred assets. The amendment also requires additional disclosures if a disproportionate number of transfer transactions are undertaken around the end of a reporting period. This amendment has no impact on Net profit or Total equity of Achmea. Given the condensed nature of these Condensed Consolidated Interim Financial Statements, the relevant disclosures will for the first time be included in the Achmea Consolidated Financial Statements 2012.

Accounting policies not applied

In addition to the new Standards, amendments to Standards and Interpretations published by the International Accounting Standard Board (IASB) as mentioned in the Achmea Consolidated Financial Statements 2011, the following (amendments to) Standards were issued in 2012 and are not applied by Achmea in preparing its Condensed Consolidated Interim Financial Statements.

IFRS 1 First-time Adoption of International Financial Reporting Standards (amendment)
On 13 March 2012, the IASB issued amendments to IFRS 1, dealing with loans received from governments at a below market rate of interest. First-time adopters of IFRSs are relieved from full retrospective application of IFRSs when accounting for these loans on transition. As Achmea already applies EU-IFRS, the amendments are not applicable to Achmea and, hence, will have no effect on Achmea's Financial Statements.

IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities: Transition Guidance (amendments)
On 28 June 2012, the IASB issued amendments to clarify the transition guidance in IFRS 10 Consolidated Financial Statements. The amendments also provide additional transition relief in IFRS 10, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied. The amendments are effective for reporting periods beginning on or after 1 January 2013, which is aligned with the effective date of IFRS 10, 11 and 12. To date, these standards have not been endorsed by the EU and therefore Achmea cannot apply these amendments. These amendments will have no impact on Net profit and Total equity of Achmea.

Annual Improvements to International Financial Reporting Standards: 2009-2011 Cycle
On 17 May 2012, the IASB issued Annual Improvements 2009-2011 Cycle, a collection of amendments to IFRSs in response to six issues addressed during the 2009-2011 cycle. The IASB uses the Annual Improvements process to make necessary, but non-urgent, amendments to IFRSs that will not be included as part of any other project. The amendments are effective for reporting periods beginning on or after 1 January 2013. To date, these amendments

have not been endorsed by the EU and therefore Achmea cannot apply these amendments. These amendments will have no or limited impact on Net profit and Total equity of Achmea.

Impact of the revised standard on Employee benefits (IAS 19R)

Adoption of IAS 19R will have a significant effect on Achmea's Net profit and Total equity. The main effects arise from:

a) the elimination of the corridor method and recognition of all actuarial gains and losses in Other comprehensive income as they occur
b) replacement of expected returns on plan assets with an interest amount that is calculated by applying the discount rate to the defined benefit obligation.

Furthermore, the inclusion of the future employee contributions in calculating the defined benefit obligation has a limited lowering effect on the defined benefit obligation.

If Achmea had adopted the revised standard IAS 19R from 1 January 2012, total equity would have increased by approximately €665 million as at 1 January 2012. The adoption would have had a positive impact on Net profit for the first half year of 2012 of approximately €5 million and a negative impact on net other comprehensive income of approximately €1,030 million. The resulting negative impact on Total equity as at 30 June 2012 would have been approximately €360 million, whereas solvency of the Group would decrease by 8 percentage points.

The movement in the impact on Total equity for the first half-year of 2012 is mainly caused by the decrease of the prescribed discount rate, resulting in a higher Defined benefit obligation. This increase is only partly offset by the increase of the value of the plan assets. The prescribed discount rate to be used in IAS 19 and IAS 19R is a rate based on high quality corporate bonds. Therefore, the presumption exists that a pension fund would invest in these corporate bonds, whereas the actual investment policy of the pension fund is based on a more conservative profile. Consequently, the plan assets exist primarily of top-rated government bonds.

Due to the volatile and often different movements in both interest rates, a mismatch exists between the movements of the defined benefit obligation and the movement of the related plan assets. The impact of IAS 19R as of 30 June 2012 on Total equity might not be indicative for the impact as of 1 January 2013, due to uncertainties in the movements and volatility of interest rates. The final impact of IAS 19R will be determined at the end of the year, based on a full actuarial valuation of all pension plans, including a reassessment of all key assumptions.

Changes in presentation

In 2012, changes were made to the segment reporting as disclosed in Note 2 'Segment Reporting' of these Condensed Consolidated Interim Financial Statements. In accordance with the "management approach", the segmentation of Achmea's business operations is based on the way the Executive Board regularly reviews components of Achmea in order to allocate resources to the segment and to assess its performance. In 2012 Achmea changed its organisational structure, changing the manner in which the different components of Achmea are managed. Due to this change, Achmea reassessed its reportable segments and the main adjustments resulting from the reassesment are:

- The international activities are presented as a seperate segment. Before 2012 these were presented as part of the Non-life, Health, Life and Banking activities;
- The asset and pension fund management activities in the Netherlands are presented as part of segment Other. Before 2012 these activities were presented as part of the Life segment.

The adjusted presentation does not impact Net profit and Total equity of Achmea. Comparative figures have been adjusted accordingly.

C. Consolidation and accounting framework

The Condensed Consolidated Interim Financial Statements comprise Achmea B.V. and its subsidiaries. For the preparation of the Condensed Consolidated Interim Financial Statements managerial judgements, estimates and assumptions are used (e.g. for some of the reported assets and liabilities and the reported amounts of revenues and expenses for the accounting period). The actual outcome may deviate from these assumptions. In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made by management in applying Achmea's accounting policies and the key sources of estimation uncertainties were the same as those that were applied to the Consolidated Financial Statements for the year ended 31 December 2011, with the exception of the discount rate used for measuring the liabilities related to certain insurance contracts which guarantee a minimum value at maturity of the contract and a portfolio of insurance contracts whose cash flows are discounted using market based interest rates. As from 2012 Achmea uses an Euro swap curve, including an illiquidity premium depending on the profit sharing features of the insurance contract, which is extrapolated by means of an ultimate forward rate (UFR). Per year-end 2011 Achmea used the three-month average Euro Swap curve to calculate these insurance liabilities. With the application of an UFR in the determination of the discount rate (e.g. yield curve) Achmea anticipates on the discount rate to be used for Solvency II. This new European supervisory framework has a similar method for extrapolation of the curve. The application of a UFR within Solvency II is no longer under discussion. This is also demonstrated by the fact that The Dutch Central Bank changed its method for determining the discount rate for regulatory purposes as of 30 June 2012 making use of the UFR-method. As the decision on the quantitative interpretation of Solvency II is still to be completed Achmea chose a prudent variant in determining the discount rate (for example not taken into account items that are still under discussion as the counter cyclical premium). By applying this discount rate, the insurance liabilities declined with (net of tax) €260 million which has also positively impacted net profit.

Further more the discount rate used in Liability Adequacy Testing (LAT) and calculating the solvency margin was adjusted, according to new regulations of the Dutch Central Bank. Reference is made to Note Capital management.

2. SEGMENT REPORTING

Following the change in the organisational structure of Achmea in 2012, the reportable segments were changed compared to the reportable segment in the Achmea Consolidated Financial Statements 2011. Achmea recognises the segments Non-life Netherlands, Health Netherlands, Pension & Life Netherlands, Banking Netherlands, International and Other. Comparative figures have been adjusted accordingly.

Non-life Netherlands

Achmea's segment Non-life Netherlands consists of insurance contracts issued to customers to cover the risks associated mainly with motor vehicles, property, general liability, occupational health and accident, including disability prevention.

Health Netherlands

Achmea's Health Netherlands segment covers basic and supplementary health insurance and health services in the Netherlands.

Pension & Life Netherlands

The principal activities of the segment Pension & Life Netherlands are life and pension insurance, including unit-linked insurance.

International

Achmea's segment International contains all activities outside the Netherlands. Segment International operates activities in the core countries Greece, Russia and Turkey and the non-core countries Bulgaria, Ireland, Romania and Slovakia.These activities include primarily insurance activities, but also banking activities. Insurance activities relate to the provision of Non-life, Health and Life insurance policies, including the provision of investment contracts containing no or insignificant insurance risk. Banking activities are operated in Ireland and include consumer finance operations through Friends First Finance. Furthermore, associates in which significant influence is exercised by management outside the Netherlands are included within this segment.

Banking Netherlands

Achmea is active in banking in the Netherlands through Achmea Bank and Staalbankiers. The principal activities of this segment are providing residential mortgage loans and saving accounts and private banking.

Other

The segment Other consists of asset and pension fund management activities (Syntrus Achmea) and aggregator activities (Independer.nl). Furthermore, investments not related to other segments, staff departments and shared service centres, net of their recharges to the segments described above are included in this segment.

Achmea's Executive Board sets goals and targets for the segments throughout the company. The segments define strategic, commercial and financial policies in accordance with the strategy and performance targets set by the Executive Board.

All segment revenues reported relate to external customers. As Achmea's business relates mainly to retail customers, no customers with a contribution of 10% or more of revenues (Gross written premiums, Banking income and Fee and commission income) are identified.

Transfer prices for intersegment transactions are set at a 'cost price-plus' basis. Segment results represent revenues earned by each segment minus operational and other expenses allocated to the segment. Expenses for shared service centres are allocated to segments based on fixed amounts. These expenses are determined at 'cost price-plus' basis and represent expected time spent by personnel, expected activities performed and expected transactions processed, among others.

Condensed Consolidated Interim Financial Statements

SEGMENT ASSETS (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011*
Non-life Netherlands	8,679	8,072
Health Netherlands	9,503	7,569
Pension & Life Netherlands	51,741	49,749
International	7,004	6,966
Banking Netherlands	19,517	18,550
Other	2,237	2,899
Intersegment eliminations	-1,533	-1,492
Total assets	**97,148**	**92,313**

** Adjusted for comparison reasons*

Condensed Consolidated Interim Financial Statements

SEGMENT CONSOLIDATED INCOME STATEMENT FIRST HALF YEAR 2012 (€ MILLION)

	NON-LIFE NETHERLANDS	HEALTH NETHERLANDS	PENSION & LIFE NETHERLANDS	INTERNATIONAL	BANKING NETHERLANDS	OTHER	INTERSEGMENT ELIMINATIONS	TOTAL
Income								
Gross written premiums	2,014	6,938	1,865	653			-1	11,469
Reinsurance premiums	-94	-2	-192	-123			1	-410
Change in provision for unearned premiums (net of reinsurance)	-363	-233	-126	-6				-728
Net earned premiums	**1,557**	**6,703**	**1,547**	**524**				**10,331**
Income from associates				3				3
Investment income	80	41	410	62		12	-31	574
Realised and unrealised gains and losses	49	10	384	60		-29		474
Income from investments backing linked liabilities	1		1,092	50			-3	1,140
Banking income				4	379			383
Fee and commission income, and income from service contracts	40	34		12		142	-2	226
Other income	10	26	2	2		1		41
Total income	**1,737**	**6,814**	**3,435**	**717**	**379**	**126**	**-36**	**13,172**
Expenses								
Net claims and movements in insurance liabilities	1,154	6,303	2,000	485				9,942
Profit sharing and bonuses	13		758					771
Movements in insurance liabilities where policyholders bear investment risks			323	-2				321
Fair value changes and benefits on investment contracts				29				29
Operating expenses related to insurance activities	396	256	171	188	51		-1	1,061
Other operating expenses	47	24		3		329		403
Banking expenses				29	313		-27	315
Interest and similar expenses	2	1	1	1		41	-8	38
Other expenses	43	33	45	18		-3		136
Total expenses	**1,655**	**6,617**	**3,298**	**751**	**364**	**367**	**-36**	**13,016**
Profit before tax	**82**	**197**	**137**	**-34**	**15**	**-241**		**156**
Income tax expenses								-44
Net profit								**200**
Expense ratio [1]	25.4%	3.8%		29.9%				
Claims ratio [1]	74.1%	94.0%		72.8%				
Combined ratio [1]	99.5%	97.8%		102.7%				
Amortisation charges	6	8	37	8		30		**89**
Impairment losses	1	1	8	1		5		**16**

[1] *The ratios of segment International include both Non-life and Health insurance business.*

Condensed Consolidated Interim Financial Statements

SEGMENT CONSOLIDATED INCOME STATEMENT FIRST HALF YEAR 2011* (€ MILLION)

	NON-LIFE NETHERLANDS	HEALTH NETHERLANDS	PENSION & LIFE NETHERLANDS	INTERNATIONAL	BANKING NETHERLANDS	OTHER	INTERSEGMENT ELIMINATIONS	TOTAL
Income								
Gross written premiums	2,014	6,382	1,866	700			-6	10,956
Reinsurance premiums	-98	-2	-165	-129			6	-388
Change in provision for unearned premiums (net of reinsurance)	-360	-152	-138	-46				-696
Net earned premiums	**1,556**	**6,228**	**1,563**	**525**				**9,872**
Income from associates				-3				-3
Investment income	91	34	425	72		28	-31	619
Realised and unrealised gains and losses	5	2	-372	-141		-39		-545
Income from investments backing linked liabilities			-227	-51			-1	-279
Banking income				10	390			400
Fee and commission income, and income from service contracts	59	21	1	13		135	-5	224
Other income	17	33	5	35		10		100
Total income	**1,728**	**6,318**	**1,395**	**460**	**390**	**134**	**-37**	**10,388**
Expenses								
Net claims and movements in insurance liabilities	1,031	5,895	2,088	325				9,339
Profit sharing and bonuses	12		-287	-6				-281
Movements in insurance liabilities where policyholders bear investment risks			-738	-3				-741
Fair value changes and benefits on investment contracts				-71				-71
Operating expenses related to insurance activities	398	222	154	194			10	978
Other operating expenses	74	28		8	45	407		562
Banking expenses				5	323		-31	297
Interest and similar expenses	2	1	1	1	1	39	-8	37
Other expenses	1	15	42	27		7	-8	84
Total expenses	**1,518**	**6,161**	**1,260**	**480**	**369**	**453**	**-37**	**10,204**
Profit before tax	**210**	**157**	**135**	**-20**	**21**	**-319**		**184**
Income tax expenses								4
Net profit								**180**
Expense ratio [1]	25.6%	3.6%		33.2%				
Claims ratio [1]	66.3%	94.7%		64.7%				
Combined ratio [1]	91.9%	98.3%		97.9%				
Amortisation charges	6	8	37	8		25		**84**
Impairment losses	1		16	49		21		**87**

[1] *The ratios of segment International include both Non-life and Health insurance business.*

** Adjusted for comparison reasons*

3. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

This section provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into three levels (fair value hierarchy) based on the significance of the inputs used in making the fair value measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument´s valuation, such as venture capital investments, private equity investments, private sector loans and advances which are part of the Banking credit portfolio.

(€ MILLION)

				30 JUNE 2012				31 DECEMBER 2011
	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets								
Investments								
equities and similar investments	1,047	640	662	2,349	1,035	645	620	2,300
government bonds	19,141	10,899		30,040	19,866	8,964		28,830
loans and mortgages		240		240	10	232		242
deposits with credit institutions	2,479			2,479	2,656			2,656
derivatives		3,149		3,149		2,796	184	2,980
investments related to cash collateral received in securities lending	123			123	284			284
other financial investments	19	16		35	14	19		33
Investments backing linked liabilities								
equities and similar investments	5,347	5,073		10,420	5,334	4,618		9,952
bonds and other fixed-income investments	11,735	5		11,740	9,525	5		9,530
derivatives		406		406	6	1,004		1,010
cash and other financial investments	723	243		966	2.051	19		2,070
Banking credit portfolio			369	369			376	376
Cash and cash equivalents	1,461			1,461	1,325			1,325
Total financial assets measured at fair value	**42,075**	**20,672**	**1,031**	**63,778**	**42,106**	**18,302**	**1,180**	**61,588**
Liabilities								
Investment contracts	134	1,929		2,063	146	2,047		2,193
Loans and borrowings		3		3		3		3
Derivatives		1,700		1,700		1,402	184	1,586
Total financial liabilities measured at fair value	**134**	**3,632**		**3,766**	**146**	**3,452**	**184**	**3,782**

At each reporting date Achmea assesses the classification of the financial instruments measured at fair value. The assessment of the classification in the fair value hierarchy requires judgement, for example the importance of (un) observable inputs used in determining the fair value or with respect to activity in the market. In case of inactive markets, judgement is required on the valuation techniques to be used in order to determine the fair value as well as the interpretation of the level of using market data. As a result, the outcome of the classification process may differ between reporting periods.

During the first half year of 2012 the classification of the back to back swap has been changed, from level three to level two whereas the calculation of the discounted cash flows is based on external market data in 2012. This swap has both debet and credit the same value of €199 million (31 December 2011: €184 million) and is presented within Investments as Derivatives as well as Liabilities Derivatives. These back to back swaps are swap agreements between a Special Purpose Vehicle (SPV), Achmea and a third party, which have been structured in such a manner, that the annual net result of the SPV will be zero. The fair value is based on the discounted cash flow method by calculating the present value of expected future cash flows related to the swap, discounted using current interest rates. In determining the fair value of the derivatives, Achmea also considers any prepayment risk and inherent credit risk.

4. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ASSETS AND LIABILITIES HELD FOR SALE AND DIVESTMENTS

Achmea Vitale

On 15 January 2012, Achmea signed an agreement to sell Achmea Vitale's activities, by way of a transfer of assets and liabilities. This agreement was effected 2 July 2012 and consequently control was transferred. Achmea Vitale provides occupational health services and is included in the Non-life Netherlands segment. For the first half year of 2012 income amounted to €38 million (first half year 2011: €47 million) and Net profit to €-7 million (first half year 2011: €-6 million). As at 30 June 2012, assets and liabilities related to these activities were reclassified to Assets classified as 'held for sale' and Liabilities classified as 'held for sale'.
As all conditions precedent in the sale agreement were met at 30 June 2012, Net profit in the first half year of 2012 includes one-off Other expenses related to the sale agreement amounting to €-33 million.

BUSINESS COMBINATIONS

Business Combination Achmea B.V. – De Friesland Zorgverzekeraar

During the first half year of 2012 the provisional accounting of the business combination with De Friesland Zorgverzekeraar was adjusted based on information which came available during the period. This adjustment resulted in a change in the initially determined negative goodwill, which was accounted for as a bargain purchase in 2011, amounting to €-2 million. The adjustment in the bargain purchase is included in Other income.

Business Combination Achmea B.V. - Independer.nl

On 19 December 2011 Achmea signed an agreement to effectively obtain control of Independer.nl N.V. (hereafter "Independer") and its fully-owned subsidiary Independer Zorg B.V. as per 1 January 2012. At closing date, on 3 January 2012, Achmea acquired seventy seven percent of the ordinary shares and all preference shares of Independer. The agreement includes the right of Achmea to purchase the non-controlling interest during the years 2014 to 2016, should certain conditions be met. Furthermore, the individual holders of the non-controlling interest have the right to sell their shares to Achmea during certain periods in 2015 and 2016. In case these rights will not be exercised, Achmea will purchase the non-controlling interest in 2017 against an agreed consideration. Independer is an aggregator of insurance policies and other financial services, and offers consumers a costless possibility to compare products offered by different insurance companies. Achmea has entered into this business combination in order to improve the development of client focussed insurance products and financial services. The involved identified intangible assets will be allocated to the relevant cash generating units within Achmea.

The purchase price allocation will be finalised during the second half year of 2012, as some additional information becomes available after reporting date. The cash consideration of seventy eight million euro, relating to the acquired shares, is the provisional consideration at closing date. The final cash consideration will include a subsequent settlement payment to be determined and accounted for in the second half year of 2012. The fair value of Achmea's liability, related to the future purchase of the non-controlling interest, is determined at thirty nine million euro. Achmea has used a discounted cash flow model, discounting the liability against a risk free discount rate, to measure the fair value. The value of the Non-controlling interest that is included as part of Total equity at the date of closing is determined at fifteen million, as the holders are substantially entitled to the risks and rewards related to this interest. Provisional fair values of Total assets and liabilities acquired within this business combination amount to forty two million euro, including intangible assets (brand name and other) and Total liabilities of thirty million euro respectively.

Independer's income and Net profit for the first half year of 2012 amounted to €14 million and €3 million respectively, which have been included in Achmea's Consolidated results for the first half year of 2012.

INTANGIBLE ASSETS (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Goodwill	1,147	1,032
Internally developed sofware	37	35
Brandname	61	51
Value of business acquired	212	241
Distribution networks	151	147
Other intangible assets	64	67
	1,672	**1,573**

Movements in intangible assets are mainly related to the business combination with Independer.nl, amortisation and foreign currency exchange rate differences.

INVESTMENT PROPERTY (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Achmea's investment property consists of:		
Residential	436	444
Offices	360	378
Retail	351	345
Other	60	76
	1,207	**1,243**

Before 2012, for interim reporting purposes, trends in fair value movements derived from appraisal performed in the first two quarters of a financial year were used to index the fair values of the investment property scheduled to be valued in the last two quarters of that same financial year. Given the current market uncertainties an update valuation is performed by the external appraiser for the individual items of investment property each quarter. The valuation of investment property has a high degree of uncertainty given the lack of actual market transactions that can be used to validate the appraisal process.

In the first half year of 2012 the fair value movements related to Investment property amounted to €39 million (first half year 2011: €40 million). These are presented as part of Realised and unrealised gains and losses.

INVESTMENTS (€ MILLION)

	AVAILABLE FOR SALE	AT FAIR VALUE THROUGH PROFIT OR LOSS	LOANS AND RECEIVABLES	30 JUNE 2012
Equities and similar investments	1,964	385		2,349
Bonds	25,436	4,604		30,040
Loans and mortgages	232	8	2,940	3,180
Deposits with reinsurers			1,006	1,006
Deposits with credit institutions	2,457	22		2,479
Derivatives		3,149		3,149
Investments related to cash collateral received in securities lending	123			123
Other financial investments	35			35
	30,247	**8,168**	**3,946**	**42,361**

INVESTMENTS (€ MILLION)

	AVAILABLE FOR SALE	AT FAIR VALUE THROUGH PROFIT OR LOSS	LOANS AND RECEIVABLES	31 DECEMBER 2011
Equities and similar investments	1,941	359		2,300
Bonds	24,237	4,593		28,830
Loans and mortgages	242		2,944	3,186
Deposits with reinsurers			844	844
Deposits with credit institutions	2,610	46		2,656
Derivatives		2,980		2,980
Investments related to cash collateral received in securities lending	284			284
Other financial investments	33			33
	29,347	**7,978**	**3,788**	**41,113**

Equities and similar investments include investments in real estate investment funds for an amount of €0.5 billion (31 December 2011: €0.5 billion).

The table below provides an overview of the fair values of the main government and government related bonds exposures.

GOVERNMENT AND GOVERNMENT RELATED BONDS EXPOSURE (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Netherlands	10,356	10,512
Germany	4,549	4,936
France	1,927	2,561
Finland	489	570
Ireland	462	411
Other	1,497	1,693
Total	**19,280**	**20,683**

Financial markets remained volatile during the first half year of 2012 due to ongoing uncertainty regarding the sovereign debt situation of some Eurozone countries. Due to the earlier adopted measures to reduce exposure in GIIPS countries Achmea's exposure remained limited. For more details regarding Achmea's risk management policies reference is made to Note 50 Risk management of the Achmea Consolidated Financial Statements 2011.

The table below provides an overview of Achmea's exposure to government bonds of GIIPS countries based on their market value.

GIIPS EXPOSURE GOVERNMENT BONDS (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Greece	7	31
Ireland	462	411
Italy	58	57
Portugal	43	33
Spain	45	48
Total	**615**	**580**

In March 2012 Achmea participated with all its eligible bonds (notional amount €145 million) in the Greek Private Sector Involvement ("PSI"). In this programme Greek government bonds were exchanged into new listed Greek government bonds, listed European Financial Stability Facility ("EFSF") notes and listed GDP-linked securities issued by the Greek government. Furthermore, Achmea received listed short-term EFSF notes as payment for accrued interest. All exchanged bonds were derecognised and the new instruments were recognised at their fair value as 'Available for sale' investments, except for the GDP-linked securities which are classified as derivatives. The exchange resulted in a profit before tax of €2 million in the first half year of 2012, being the difference between fair value at 31 December 2011 of the exchanged bonds and the fair value of the new instruments at the time of the exchange.

The fair value of the newly acquired Greek government bonds has deteriorated since the acquisition of the exchanged bonds until the end of June 2012, which has led to a decrease of the revaluation reserve of €5 million.

Besides the above mentioned Greek government bond exchange, no government bond of GIIPS countries have been acquired or sold, in the first half year of 2012.

At each reporting date Achmea assesses whether there is objective evidence which may lead to the recognition of an impairment of a recognised asset. In case of investments in equities classified as 'Available for sale' objective evidence that the cost may not be recovered, is assumed through a significant (20%) or prolonged (twelve consecutive months) decline in the fair value below its cost. In 2012, impairments amounting to €16 million (first half year 2011: €87 million) were accounted for related to 'Available for sale' investments in Equities and similar investments and Bonds.

EQUITY ATTRIBUTABLE TO HOLDERS OF EQUITY INSTRUMENTS OF THE COMPANY

On 11 April 2012 Achmea issued 597,460 ordinary shares to Vereniging Achmea, related to an issue of shares in 2011. According to the agreement, the number of shares to be issued depends on Achmea's share price as at 31 December 2011. In anticipation of the determination of this value as at 31 December 2011, a preliminary value was used in 2011 to determine the number of shares. When the final share price became available in 2012, the number of shares was adjusted accordingly.

INSURANCE LIABILITIES (€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Non-life insurance		
Unearned premiums	1,724	1,276
Provision for premium deficiency	54	54
Provision for unexpired risks (including ageing provision)	26	54
Outstanding claims (including IBNR)	5,325	5,219
Profit sharing and bonuses	118	107
Total Non-life insurance	7,247	6,710
Health insurance		
Unearned premiums	287	36
Provision for premium deficiency	3	2
Provision for unexpired risks (including ageing provision)	2	4
Outstanding claims (including IBNR)	6,202	4,744
Total Health insurance	6,494	4,786
Life insurance		
Provision for life policy liabilities	23,712	23,401
Less: Deferred interest surplus rebates	58	72
Net provision for life policy liabilities	23,654	23,329
Profit sharing and bonuses	3,113	2,695
Total Life insurance	**26,767**	**26,024**
Total Insurance liabilities	**40,508**	**37,520**

RELATED PARTY TRANSACTIONS

During the first half year of 2012 the related party transactions were equal to the transactions described in the Achmea Consolidated Financial Statements 2011. Reference is made to Note 30 Related party transactions of the Achmea Consolidated Financial Statements 2011.

CAPITAL MANAGEMENT

According to regulations on the supervision of financial conglomerates (based on European Union directives), Achmea's available capital should at least be equal to the sum of required capital of the regulated entities. Different sector rules apply for insurance activities and banking activities. In addition, Achmea has set internal requirements, well above the regulatory requirements.

Condensed Consolidated Interim Financial Statements

(€ MILLION)

	30 JUNE 2012	31 DECEMBER 2011
Total equity	10,044	9,775
Deductions	-748	-1,395
Subordinated loans	60	57
Available capital	**9,356**	**8,437**
Required capital Insurance activities	3,987	3,696
Required capital banking activities	416	433
Required capital	**4,403**	**4,129**
Surplus capital	**4,953**	**4,308**
Solvency ratio	**212%**	**204%**

The solvency ratio increased to 212% in the first half year of 2012 (31 December 2011: 204%). This increase is partly explained by the change in the assumptions regarding the risk free discount rate. As of 2012 Achmea uses the ECB AAA-curve and an adjusted extrapolation method (the Ultimate Forward Rate) instead of the Euro Swap curve in performing the Liquidity Adequacy Testing (LAT). Achmea made this change as Achmea is of the opinion that in the current economical climate the swap rates are less representative than in the past due to sudden and often large capital flows in the current markets that trigger exceptional volatility in swap rate, the impact of hedging transactions by pension funds and insurers which are increasingly politically driven and the (relatively) illiquid character of government bonds that better reflects Achmea's current investment policy and matches the illiquid character of the insurance liabilities. The adjustment in the extrapolation method is in line with the requirement of the Dutch Central Bank for regulatory reporting. Because of this change the calculation method used by Achmea is line with current practice in the Dutch insurance industry and thus the comparability of information is improved. This change has no impact on Net profit or Total equity of Achmea. If the former curve, the three-month average Euro Swap rate, had been used the solvency ratio would have been 191%.

Authorisation of Condensed Consolidated Interim Financial Statements

Zeist, 27 August 2012

The Supervisory Board

E.A.J. (Erik) van de Merwe, Chairman
M. (Marinus) Minderhoud, Vice-Chairman
S.T. (Joke) van Lonkhuijzen-Hoekstra
M. (Mijntje) Lückerath-Rovers
P.F.M. (Paul) Overmars
H.J. (Henk) Slijkhuis
A.W. (Aad) Veenman
A.J.A.M. (Antoon) Vermeer
B.J. (Bé) van der Weg

The Executive Board

W.A.J. (Willem) van Duin, Chairman
G. (Gerard) van Olphen, Vice-Chairman and CFRO
J.A.S. (Jeroen) van Breda Vriesman
D. (Danny) van der Eijk

Condensed Consolidated Interim Financial Statements

Independent auditor's review report on the Condensed Consolidated Interim Financial Statements

To: The Executive Board and Supervisory Board of Achmea B.V.

REVIEW REPORT

Introduction

We have reviewed the accompanying Condensed Consolidated Interim Financial Statements for the six-month period ended 30 June 2012 of Achmea B.V., Zeist as set out on pages 5 to 22, which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in total equity, the condensed consolidated statement of cash flows and the selected explanatory notes for the six-month period then ended. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements as at 30 June 2012 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 27 August 2012
PricewaterhouseCoopers Accountants N.V.

Original signed by G.J. Heuvelink RA