



PRESS RELEASE:

Eureko announces 2008 results – 17 March 2009

TURBULENT MARKETS LEAD TO NEGATIVE FULL YEAR RESULTS

MEASURES IN PLACE TO REDUCE COSTS AND IMPROVE BALANCE SHEET

SOLVENCY AT 175% AFTER CAPITAL INCREASE 2009 (PRO FORMA)

- **Negative net result at €2.1 billion compared to a net profit of €979 million in 2007, due mainly to losses on investment portfolio and associated companies**
- **Total contributions insurance and investment contracts at €19.6 billion (2007: €15.6 billion)**
- **Value of new business (life insurance) at €41 million (2007: €67 million)**
- **Total equity down 28% to €7.5 billion**
- **De-risking balance sheet ongoing, cost efficiency programmes initiated**
- **Proposal to not pay dividend on ordinary shares, proposal to pay dividend on preference shares; coupons to be paid on perpetuals due in May and June**

Announcement of 2008 full year results on March 17, 2009: A press conference starts at Eureko's headquarters in Zeist at 11:00 CET. A conference call for international media starts at 13.00 CET. Please dial +31 70 304 33 91.

A conference call for analysts starts at 14:00 CET. Please dial +31 70 304 33 21. More details can be found on Eureko's website: www.eureko.net

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Eureko will publish its 2008 Annual Report and Embedded Value Report on 10 April 2009.

Eureko's financial statements are prepared in accordance with International Financial Reporting Standards – including International Accounting Standards (IAS) and Interpretations – as at 31 December 2008 and as adopted by the European Union. All figures in this press release are unaudited.

STATEMENT EXECUTIVE BOARD

MOVING FORWARD IN TIMES OF CRISIS

The reporting year, 2008, with its unprecedented turmoil in the financial markets, turned out to be a difficult year for Eureko. Against the backdrop of severe falls in equity markets, Eureko reports a sharp decrease in net result for 2008. The negative result amounts to €2.1 billion after tax compared to €979 million profit in 2007, driven primarily by impairments, losses on equity instruments and widened credit spreads.

The negative results on our investment portfolio also affected our capital position, down €2.9 billion. The solvency ratio decreased in 2008 as a result of this. At year-end the solvency ratio stood at 150% at group level. We are thankful that our shareholders Vereniging Achmea and Rabobank confirmed their confidence in Eureko through a €1 billion capital increase which will take place in April 2009. As a consequence of this capital increase, the group solvency ratio pro forma improved to 175% based on year-end 2008 figures. More steps were taken. We will reinforce our risk management framework and we have reduced our exposure to equity instruments.

Operating results

Our operating results from insurance activities did not meet expectations, mainly as a result of the declining Life market and shrinking margins in the Non-Life business. Our Health business and Banking operations contributed well to net profit. Competition in our home market in the Netherlands is fierce. In an environment in which operational results from insurance activities are under pressure in general, gross written premiums rose 30% mainly as the result of the successful merger with Agis.

We did expand our European activities in 2008. Oranta Insurance in Russia is a Non-Life specialist with a multi-channel distribution network with strong growth prospects.

Necessary measures

The Executive Board has reinforced sense of urgency. In the beginning of 2009 we have accelerated the implementation of a strategic refocus called 'SENS' designed to boost operational performance. SENS is a proven method to gain efficiency that will improve all processes related to customer needs within Achmea, Eureko's Dutch operation and will also lead to optimised operations. It impacts both customer satisfaction and operational efficiency. In 2007 this program has already been implemented in our Health business with very positive results. In the current year we have also introduced an important cost reduction program. This program concentrates on various cost centres company wide. In 2011 the estimated impact of these measures will be the reduction of 2.500 FTE's and a cost reduction of €300 million.

Moving forward

Eureko has had a very challenging year and 2009 will be anything but easy. We have a comprehensive package of policy-driven measures aimed at reinforcing our position. These will require full commitment from our employees, in the Netherlands and around Europe. In 2009, we will strongly focus on organic growth and creating value so that we reinforce our current presence in both the Netherlands and Europe.

Willem van Duin

Chairman of the Executive Board, Eureko B.V.
17 March 2009

GROUP PERFORMANCE EUREKO

	2008	2007	Δ %	H2 2008	H2 2007	Δ %
	(€ million)					
Total contributions insurance and investment contracts	19,613	15,610	26%	8,636	6,561	32%
Insurance gross written premiums						
Health	11,991	7,521	59%	5,532	3,139	76%
Life	4,231	4,417	-4%	1,668	1,846	-10%
Non-Life	3,084	2,915	6%	1,299	1,266	3%
Total insurance gross written premiums	19,306	14,853	30%	8,499	6,251	36%
Total contributions investments contracts	307	757	-59%	137	310	-56%
Profit before tax						
Health	127	138	-8%	25	62	-60%
Life	-1,360	470	n.m.	-1,374	146	n.m.
Non-Life	-208	296	n.m.	-282	190	n.m.
Total insurance	-1,441	904	n.m.	-1,631	398	n.m.
Health Services	-42	3	n.m.	-22	4	n.m.
Banking	36	48	-25%	1	27	-96%
Associated companies and participating interests	-653	372	n.m.	-674	155	n.m.
Holding and Other activities	-620	-296	-117%	-388	-156	148%
Profit before tax	-2,620	1,041	n.m.	-2,714	428	n.m.
Income tax	502	-62	n.m.	472	-10	n.m.
Net profit	-2,118	979	n.m.	-2,242	418	n.m.
Realised gains & losses on equity instruments included in profit before tax	-429	300	n.m.	-439	157	n.m.
Impairment losses on (strategic) investment portfolio	-1,921	-11	n.m.	-1,748	-10	n.m.
Realised gains & losses on equities and impairment losses, included in profit before tax	-2,350	379	n.m.	-2,187	147	n.m.
Key figures						
Earnings per share	-€ 6.65	€ 2.92		-€ 6.89	€ 1.36	n.m.
Return on adjusted equity (annualised)	-38.6%	12.9%				
	31 december 2008	31 december 2007				
Total assets	92,453	100,582	-8%			
Total equity	7,451	10,375	-28%			
EU solvency cover	150%	232%				
Debt leverage	16.1%	11.0%				
Total staff (# of ftes)	24,934	24,035	4%			

n.m.: not meaningful

Notes:

- Return on adjusted equity is the ratio of adjusted Net profit over the last 12 months to average adjusted total equity, whereas Net profit is adjusted for payments to holders of preference shares and holders of other equity instruments and impairments on goodwill. Total equity is adjusted for preference shares, other equity instruments and goodwill.

GROUP PERFORMANCE EUREKO

INTRODUCTION

The reporting year, 2008, has been very difficult. Conditions can only be described as unprecedented. The financial crisis created an environment where equity prices fell dramatically, interest rates decreased to historic lows and credit spreads shot up – all at the same time. Highly rated financial institutions got into trouble and billions in state aid were invested in the financial sector globally. What started as a 'credit crisis' has quickly spilled over into the real economy. These developments have taken their toll on Eureko's financial position.

NET PROFIT

In 2008, Eureko realised a net loss for the year of €2,118 million against a net profit of €979 million in 2007. The financial crisis has led to significant impairment losses on our equity instruments (€1,921 million), including impairments on our stakes in BCP, Portugal and F&C, United Kingdom, and lower realized capital gains on the sale of equity investments (€819 million). These negative contributions are partly compensated by positive results on the equity collar (€251 million) that was closed in May 2008 to protect Group solvency against further declines in the equity markets.

As a consequence of declining interest rates additional provisions (€136 million) have been made to cover interest-rate guarantees in segregated investment funds related to our pension business.

Part of Eureko's annuity portfolio is valued at fair value through profit and loss. The related investments are also valued at fair value through profit and loss. Part of this investment portfolio consists of corporate bonds. Due to the widening of the credit spreads the value of the credit portfolio decreased more than the related insurance liabilities and therefore Eureko recognised losses in the amount of €462 million. The estimated total effect on Eureko's profit before tax amounts to € 2.9 billion.

From an operational perspective our Health business and Banking operations developed well, offset by Life and Non-Life partly due to higher costs. Due to fierce competition in both Pension services and Health services, market share declined. To align the organisation with lower production levels, expenses were higher and provisions were made.

GROSS WRITTEN PREMIUMS

Gross written premiums increased 30% to €19 billion (2007: €15 billion). This increase is mainly related to the merger with Agis and the acquisition of Eureko Sigorta in 2007. The reporting year is the first year in which their (full) premium income is consolidated. Besides the impact of mergers, gross written premiums within the Health and Non-life business increased slightly. There was a slight decrease in gross written premiums in the Life business.

Gross written premiums



EXPENSES

During 2008 programmes were implemented to improve performance for our customers and to reduce expense ratios.

As yet, these programmes have still to generate the desired improvements. Our costs are too high so we are accelerating the process. We have already implemented this optimisation processes, called SENS, into our Health business where they have proved positive, both from a customer and from a financial perspective. Plans are being put in place to set up similar projects in the other business lines in the coming years.

Cost reduction has full focus as our costs and expense ratio's need to be reduced.

The increase in total number of employees with 4% to 24,934 (2007: 24,035) is mainly due to the acquisition of Oranta (+1,250) offset by the divestment of two hospitals in Greece (- 634).

CAPITAL AND SOLVENCY POSITION

	€ mln
Total equity end December 2007	10,375
Net loss	-2,118
Issue of hybrid capital	225
Cash dividend and coupons hybrid capital payments	-98
Revaluation equity portfolio, associates and participating interests	- 839
Revaluation fixed income	29
Other revaluation movements	82
Other	-205
Total equity end December 2008	7,451

The negative impact of the financial crisis also effected Eureko's Total equity and solvency position. Total equity declined 28%, from €10.4 billion at year-end 2007 to €7.5 billion at year-end 2008. The impact of deep falls in financial markets on the revaluation reserve, part of total equity, was €728 million.

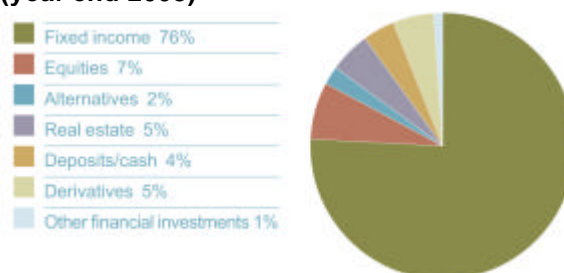
The movements in the revaluations reserve consist of a decrease of €2.4 billion in unrealised gains and losses on Available For Sale investments, offset by impairments, which resulted in an increase of the revaluation reserve of €1.7 billion.

We reinforced our capital position by attracting capital from our existing shareholder base. Shareholders Achmea Association (Vereniging Achmea) and Rabobank will together make a capital increase of €1 billion. With this contribution our shareholders affirm our longstanding close relationship and their confidence in Eureko and Eureko's strategy.

The capital increase will support our solvency position. At year-end 2008, through the €2.9 billion decrease in equity, group solvency had declined to 150% (2007: 232%). Following the capital increase, group solvency cover is pro forma sufficient at 175% of minimum regulatory requirements, based on year-end 2008 figures.

A proposal will be made to the General Meeting on April 7th to pay no dividend on ordinary shares. However, the Executive Board will propose to the General Meeting to pay dividend on preference shares. Coupons on perpetuals due in May and June will be paid.

INVESTMENT PORTFOLIO

Total investment portfolio (€36 billion)
(year-end 2008)

Turmoil on the financial markets, especially from the third quarter of 2008, has had a significant negative impact on Eureko's investment portfolios and net profit. Eureko's investments amount to €36 billion (excluding investments in our strategic partners, such as PZU in Poland and Millennium BCP in Portugal) and underpin many of our future liabilities, specifically in our Life business. At year-end 2007, the value of the portfolio was €37 billion. Besides organic changes in the portfolio, the value is heavily impacted by lower rates on

the equity markets and increasing credit spreads in the market for corporate bonds.

Specific characteristics of this market situation were that almost all asset categories were hit. In many cases, liquidity had almost disappeared which made it virtually impossible to make risk-management driven portfolio adjustments that may have been desirable.

In addition, the value has also been affected by underperformance by our asset managers.

EQUITY PORTFOLIO

Our equities (7% of total investments) have taken a beating; performance was down 43% and our overall position declined by 50% to €2.5 billion (2007: €5.1 billion).

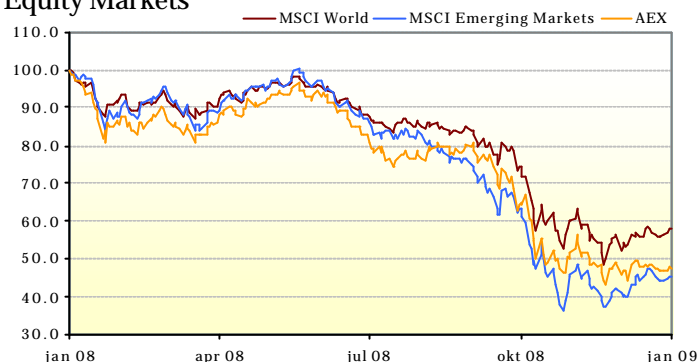
All major indices fell by 40 to 55%. Impairment losses of €1 billion on our equity portfolio were taken into account as share prices declined far below their historical cost. Under IFRS, an impairment charge through the income statement should be taken if, at the reporting date, the fair value of an equity instrument is significantly below the historical cost price, or if the fair value is below the historical cost price for a prolonged period of time. In the second half of 2008, Eureka's impairment policy was sharpened. The level at which equity instruments are impaired was lowered from 30% to 20% below cost price. Furthermore, equity instruments that are 12 months below cost price are also impaired. Previously instruments were only impaired when their value was below 10% of cost price for 12 months. This sharpening resulted in additional impairment losses of €338 million.

Equity risk is one of the key components of the investment portfolio's total risk. As part of our market risk strategy, in May 2008 we opted for an option construction, a '70/130% collar' to hedge against significant decreases in share prices. As share prices decreased further during the course of 2008, this proved a sound move. The fair value of the equity collar has increased to €283 million and a profit has been recognised of €251 million. Prompted by excessive volatility in the equity markets, our response has been to de-risk the full portfolio, specifically by lowering our equity exposure. In the first two months of 2009, we divested approximately €1 billion or 50% of our listed equity portfolio and we have taken a reverse hedge on part of the collar to close our exposure.

Sensitivities to equity markets (excl. funds)	Impact on solvency levels
Equity markets -10%	-1.6pts
Equity markets -20%	-1.6pts
Equity markets -30%	-1.6pts

Sensitivities to equity markets (excl. funds)	Impact on shareholders' equity
Equity markets -10%	-0.6%
Equity markets -20%	-0.6%
Equity markets -30%	-0.6%

Equity Markets



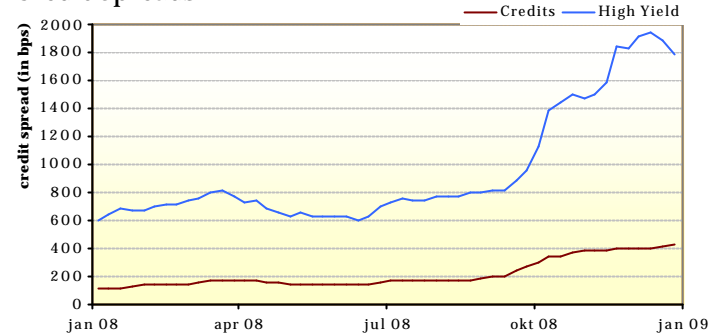
FIXED-INCOME PORTFOLIO

A significant share (€28 billion) of the Eureka investment portfolio is in fixed-income. The percentage rose from 73% at year-end 2007 to 76% at year-end 2008. Over 60% of the fixed-income portfolio consists of government Bonds. Asset-backed securities represent only 1% of the total fixed-income portfolio. We have no exposure to the US sub-prime or Alt-A markets. The biggest share of asset backed securities we hold is in Europe. Furthermore, we have no exposure to structures secured by mono-line insurers.

In the reporting year, we had to impair our fixed-income assets for €71 million and this is due mainly to the failure of Lehman Brothers.

The fixed-income portfolio is only impaired if full payment of interest and principal is not expected and/or we do not want to keep the bond until maturity. As part of the de-risking policy, our exposure to AAA rated counterparties has been increased from around 54% to 68%.

Credit Spreads



HEALTH

- Strong improvement in processes and profitability in supplementary health
- Agis contributed well in its first year with Eureka

	2008	2007	Δ %	H2 2008	H2 2007	Δ %
(€ million)						
Gross written premiums						
The Netherlands						
-Basic health insurance	9,812	5,595	75%	4,567	2,264	102%
-Supplementary health insurance	1,178	885	33%	553	443	25%
-Occupational health insurance	732	772	-5%	269	292	-8%
Europe	269	269	0%	143	140	2%
Total Gross written premiums	11,991	7,521	59%	5,532	3,139	76%
Health Service revenues	287	303	-5%	139	151	-8%
Technical result						
Basic health insurance	8	-52	n.m.	-9	-46	80%
Supplementary health insurance	102	38	170%	33	67	-50%
Occupational health insurance	113	168	-32%	73	53	39%
Europe	-10	-23	57%	-2	-6	67%
Other	-20	-5	n.m.	-17	11	n.m.
Total	194	124	56%	79	79	0%
Other results (Non-technical results)	-67	14	n.m.	-54	-17	-218%
Profit before tax Health services	-42	3	n.m.	-22	4	n.m.
Profit before tax	85	141	-40%	3	66	-96%
Realized gains & losses on equities included in profit before tax	-16	20	n.m.	-15	9	n.m.
Impairment losses on equity instruments and bonds included in profit before tax	-52	-1	n.m.	-41	-1	n.m.
Realised gains & losses on equities and impairment losses, included in profit before tax	-68	19	n.m.	-66	8	n.m.
Key figures basic health insurance						
Claims ratio	97.8%	96.1%		97.7%	97.0%	
Expense ratio	3.2%	5.3%		3.8%	3.9%	
Combined ratio	100.8%	101.4%		101.5%	100.9%	
Key figures supplementary health insurance						
Claims ratio	76.3%	83.2%		74.7%	97.0%	
Expense ratio	14.0%	13.8%		16.6%	17.3%	
Combined ratio	90.3%	96.8%		91.3%	114.3%	
Gross written premiums						
The Netherlands	11,722	7,252	62%	5,389	2,999	80%
Slovakia	152	158	-4%	81	82	-1%
Greece	113	108	5%	59	58	5%
Other	4	3	33%	3	2	50%
Total	11,991	7,521	59%	5,532	3,139	76%

GENERAL

Accounting for 62% (2007: 51%) of gross written premiums, Health is a core business.

In the Netherlands we offer basic, supplementary and occupational health insurance and health services. Health service activities include disability prevention, health care and absenteeism prevention. Supplementary health cover is further offered in Slovakia, Greece and Romania.

Gross written premiums in the health business increased to €11,991 million from €7,521 million in 2007. Our Dutch operation in particular contributed to the increase, also as a result of the contribution from Agis.

Although profit before tax decreased by 40% to €85 million (2007: €141 million), the technical result increased from €124 million in 2007

to €194 million in 2008, reflecting the good operational results and reducing expense ratio's. The technical result was more than offset by the volatile equity markets. The non-technical result declined from a contribution of €14 million in 2007 to a loss of €67 million in 2008, mainly reflecting an impairment loss on equity investments and bonds of €52 million, which was necessary after the major decline in equity markets.

The expense ratio for basic health insurance improved from 5.3% in 2007 to 3.2% in 2008. The good results in both basic and supplementary health are driven by greater efficiency in operational processes, including back-office integration and the merger with Agis, which contributed €34 million in 2008.

Health Services showed a negative development. Revenues decreased from €303 million in 2007 to €287 million in 2008.

The decrease is a result of price pressure and increased competition also resulting in lower profit before tax compared to 2007. Profit before tax declined from a loss of € 3 million in 2007 to a loss of € 42 million in 2008.

The health service organisation is being restructured in order to meet the changed market circumstances.

NETHERLANDS

With its Achmea and Agis brands, Eureko has extensive expertise in the Dutch Health business. We are market leader and our goal is to retain and build on this position through innovative and quality care for a reasonable premium. Gross written premiums for basic and supplementary health insurance increased to €10,990 million (2007: €6,474 million). This increase is largely due to the merger with Agis which contributed €3,472 million. Furthermore, in the basic health insurance market the introduction of mental health care (GGZ) as part of basic health cover generated an increase of €755 million.

Profit before tax from basic health increased to €8 million (2007: €52 million).

For basic health, greater efficiency in operational processes, including back-office integration, drove results, and is also reflected in the cost ratio. Furthermore, premium levels have become more appropriate. Agis is included for the first time. Agis performed well and contributed €9 million to basic health insurance results. The introduction of mandatory own risk in 2008 resulted in more bad debtors, with an impact of €24 million.

Profit before tax from supplementary health insurances increased from €38 million in 2007 to €102 million in 2008, primarily due to changing policy terms, which were necessary after excessive claim behaviour in 2007. This resulted in a lower claims ratio compared to 2007. Agis contributed €20 million to profit before tax.

Occupational health insurance provides insurance solutions for income protection

(19% market share) and the prevention and reduction of absenteeism due to illness and disability. Gross written premium decreased from €773 million to €732 million in 2008, mainly because prevention and improved absentee management has proved successful.

Deteriorating market conditions and price pressure are reflected in the results on individual disability and sick leave. Customer volatility increased substantially, mainly as a result of an increase in the number of insurance companies offering this type of product. Profit before tax of occupational health insurance decreased €53 million to €113 million. Main reasons are deteriorating market conditions and a one-off profit in 2007 of €67 million as a result of a reduction in insurance provisions due to lower sick leave and disability payments.

SLOVAKIA

Gross written premiums in 2008 of €152 million declined slightly compared to the previous year due to reduced sales performance. The loss before tax of €9 million increased compared to 2007 (€-6 million). The Slovakian health market is in formation. Our Slovakian health business was launched in 2006 following deregulation.

GREECE

With gross written premiums of €113 million, Interamerican Greece generated a growth of 5% compared to 2007, due to the price increases implemented in 2008 and the good market reception of new Medisystem products. Profit before tax in 2008 of €2 million is €18 million higher than in 2007 due to the Health turnaround project.

In 2008, a 75% stake in two of our medical facilities was divested which contributed a profit of €40 million at corporate level. Through our 25% stake in both facilities we retain a 'gatekeeper' function. This model could act as a blueprint for developing health markets with similar characteristics in other countries.

LIFE

- Value new business at €41 million
- Investment results negatively effected profit before tax

	(€ million)					
	2008	2007	Δ %	H2 2008	H2 2007	Δ %
Gross written premiums	4,231	4,417	-4%	1,668	1,846	-10%
Contribution investment contracts	307	757	-59%	137	310	-56%
Total contribution insurance and investment contracts	4,538	5,174	-12%	1,805	2,156	-16%
Technical result	-710	264	n.m.	-821	62	n.m.
Non-technical result	-650	206	n.m.	-553	84	n.m.
Profit before tax	-1,360	470	n.m.	-1,374	146	n.m.
Realised gains & losses on equities included in profit before tax	-270	252	n.m.	-157	108	n.m.
Impairment losses on equity instruments and bonds included in profit before	-699	-7	n.m.	-679	-6	n.m.
Realised gains & losses on equities and impairment losses, included in profit before tax	-969	245	n.m.	-836	102	n.m.
Key figures	31 December 2008		31 December 2007			
Embedded value*	4,123	6,374	-35%			
Value added by new business**	41	67	-39%	13	34	-62%
New business APE	408	493	-17%	185	243	-24%
PV/NBP	3,191	3,855	-17%	1,518	1,945	-22%
New business margin	1.3%	1.8%				
Value added by new business as a % of APE	10.0%	13.6%				
Gross written premiums	2008	2007	Δ %	H2 2008	H2 2007	Δ %
The Netherlands	3,748	3,886	-4%	1,435	1,541	-7%
Ireland	253	258	-2%	119	133	-11%
Greece	120	129	-7%	59	72	-18%
Other	110	144	-24%	55	100	-45%
Total	4,231	4,417	-4%	1,668	1,846	-10%
Contribution investment contracts						
Ireland	250	689	-64%	117	279	-58%
Greece	57	53	8%	20	27	-26%
France	0	15	-100%	0	4	-100%
Total	307	757	-59%	137	310	-56%

* Eureko applies the European Embedded Value Principles.

** After effect of economic assumptions

GENERAL

Eureko's Life business (including pension insurance) accounts for 22% of gross written premiums (2007: 29%), Life is a core business for Eureko. We operate our Life and Pensions business in the Netherlands, Ireland, Greece, France, Slovakia, Romania, Bulgaria and Cyprus.

Within Life business there was a slight decrease in gross written premiums. Gross written premiums (including pension insurance) are down 4% from €4,417 million in 2007 to €4,231 million in 2008. The total contribution of investment contracts decreased from €757 million in 2007 to €307 million in 2008.

Turmoil on the financial markets, especially in the second half of 2008, has had a significant negative impact on profit before tax. Profit before tax decreased sharply to a loss before tax of

€1,360 million (2007: € 470 million profit). The Life business is severely hit by impairment losses on our equity instruments and bonds (€699 million) and lower realised capital gains on the sale of equity investments (€270 million). These negative contributions were partly compensated (€165 million) by positive results on the equity collar that was closed in May 2008 and that protects us against further declines in the equity markets.

As a consequence of declining interest rates additional provisions (€136 million) have been made to cover interest-rate guarantees in segregated investment accounts related to our pension business.

In our annuity portfolio, widening credit spreads impacted the value of the credit portfolio which decreased more than the related insurance liabilities. As a result, Eureko recognised losses to the amount of €462 million.

Compared to 2007 the Value of new business decreased from €67 million to €41 million. The main components are negative developments in Romania and Ireland.

The Embedded Value of Eureka's life business has fallen sharply over 2008 as a result of developments on the financial markets.

The Embedded Value decreased 35% to €4,123 million compared to €6,374 million at the end of 2007, a drop of €2,251 million. The effect of economic factors was €-2,604 million.

NETHERLANDS

Gross written premiums are down 4% to €3,748 million (2007: €3,886) as the competition in the Dutch life insurance market is fierce. The players are no longer limited to traditional insurers. From 2008, banks are able to offer savings products with similar tax advantages. Cost-loading in unit-linked products has fuelled greater demand for transparency.

Single premiums showed a decrease compared to 2007. The main reason is that in 2007 a greater number of large incidental single premium contracts were sold. Gross written premiums on unit-linked contracts have shown a premium decrease, which development is a consequence of market sentiment about cost loading comprised in unit-linked contract premiums and turmoil on the financial markets.

Compared to 2007, the Value of new business held up well in the Netherlands, with a slight decrease from €37 million to €33 million, mainly due to lower interest rates and high guarantee costs. The bulk of Value of new business was generated by our Bank Distribution channel.

For our Pension business gross written premiums are down from €1,251 million in 2007 to €1,197 million in 2008. Single premiums decreased €61 million, annual premiums showed an increase of €7 million.

Individual life insurances are offered through three distribution channels: direct, bank and brokerage.

Bank distribution contributed gross written premiums of €1,576 million to our Life business, a decrease of 12% compared to 2007. This is due mainly to the fact that in 2007 a greater number of large single premium contracts were sold.

Direct distribution contributed gross written premiums of €393 million, an increase compared to €375 million in 2007.

Gross written premiums through our brokerage channel increased slightly from €382 million in 2007 to €390 million in 2008.

IRELAND

The Irish economy is suffering badly from the financial crisis. In addition to the global issues, Ireland has been hit hard by the collapse of the property market. High public-sector costs and a high budget deficit are further exacerbating the issues. Taken together, these factors have made the Life business exceedingly difficult. For our Friends First brand, this means that in line with the whole Irish market, we face difficult challenges in 2009.

Gross written premiums remained stable at €253 million compared to €258 million in 2007.

Current market conditions strongly affected the level of new deposits on investment contracts, as demand for this type of product declined dramatically. Total contributions in 2008 amounted to €250 million compared to €689 million in 2007 (down 64%).

Profit before tax decreased from €48 million in 2007 to €8 million in 2008.

The Value of new business of Friends First decreased €10 million with sharply reduced sales on savings products as a result of the downturn in the Irish economy, although as term insurance sales remained buoyant, profitability margins were up slightly on 2007.

GREECE

Interamerican Greece has a strong position in the Greek market with a top 4 position in Life. Agents continue to be the key distributors of Interamerican's individual life and pension products, however bank distribution is gaining increasing popularity with customers.

We expect future pension reforms to further open up the Greek life and pensions market and aim to position Interamerican to take full advantage of these opportunities as they arise.

Gross written premiums decreased to €120 million compared to €129 million in 2007.

In today's market less unit-linked products are sold and sales of traditional products has slowed. Contrary to market developments in most other European countries, Interamerican Greece

succeeded in increasing new deposits on investment contracts by 8% to €57 million (2007: €53 million). This growth is due partly to a new single premium product, called 'maximum income' which was introduced in 2008.

Impairment losses on equities of €23 million heavily impacted profit before tax. Profit before tax decreased from €17 million in 2007 to €1 million in 2008.

The Value of new business for Interamerican Greece increased to €1 million (2007: €1 million).

OTHER EUROPEAN COUNTRIES

Gross written premiums in Other European countries comprise Eureko's operations in Romania, Slovakia, Bulgaria, Cyprus and France. For these countries premiums totalled €110 million, a decrease of 24% compared to 2007.

In 2008 Interamerican Romania was active in the newly privatised pensions market. The Value of new business is negative, €-14 million, due to the high risk discount rate. This business is largely one-off in 2008.

As at the end of 2008 we have achieved a top six position in the second pillar market. Our aim is to build on this position and enter the third pillar segment in 2009.

In Bulgaria, we launched a new life company in mid-2008.

Interlife Cyprus continues to build essential increases in scale. Currently number five in the life segment, Interlife is anticipating legislative reform on pensions. We will enter this market and launch competitive products once liberalisation is formalised.

NON-LIFE

- Gross written premiums increased by 6%
- Positive development of the Net claim ratio is off-set by the deteriorated net expense ratio
- Eureka Sigorta performed well in result and gross written premiums

	(€ million)					
	2008	2007	Δ %	H2 2008	H2 2007	Δ %
Gross written premiums	3,084	2,915	6%	1,299	1,266	3%
Technical result	172	253	-32%	22	186	-88%
Non-technical result	-380	43	n.m.	-304	4	n.m.
Profit before tax	-208	296	n.m.	-282	190	-248%
Realised gains & losses on equities included in profit before tax	-142	119	n.m.	-93	42	n.m.
Impairment losses on equity instruments and bonds included in profit before tax	-349	-3	n.m.	-334	-3	n.m.
Realised gains & losses on equities and impairment losses, included in profit before tax	-491	116	n.m.	-427	39	n.m.
Key figures						
Net claims ratio	65.0%	67.2%		63.3%	62.7%	
Net expense ratio	31.7%	29.2%		33.3%	30.2%	
Net combined ratio	96.7%	96.4%		96.6%	92.9%	
Gross written premiums						
The Netherlands	2,469	2,472	0%	998	998	0%
Turkey	254	115	121%	122	115	6%
Greece	170	162	5%	84	80	5%
Belgium	128	121	4%	55	52	6%
Other	65	45	44%	39	21	86%
Total	3,084	2,915	6%	1,299	1,266	3%

GENERAL

Eureka's Non-Life insurance activities account for 16% (2007: 20%) of our total gross written premiums. Our Non-Life business comprises a full range of products, for most personal and commercial line customers. We are active in non-life in the Netherlands, Turkey, Greece, Belgium, Slovakia, Romania, Bulgaria, Cyprus and since the end of the 2008 financial year, in Russia.

Gross written premiums were up 6% from €2,915 million to €3,084 million, largely due to the full year consolidation of Eureka Sigorta (acquired mid 2007).

Profit before tax deteriorated significantly (down €504 million) compared to 2007, to a pre-tax loss of €208 million, mainly due to negative realised gains on sale of equity instruments of €142 million and impairments on equity investments and bonds of €349 million.

The claims ratio for 2008 was influenced by large fires (e.g. the fire at the University of Delft) and weather-related claims (e.g. the hailstorm in June) in the Netherlands.

However, the claims ratio in the previous year was influenced even more negatively by windstorm Kyrill (first half 2007) and large fires. Hence, the claim ratio improved compared to the previous year, from 67.2% to 65.0%

Total operating expenses expressed as a percentage of Net earned premiums (net expense ratio) increased from 29.2% (2007) to 31.7% (2008) mainly reflecting higher IT costs and acquisition costs.

Technical result Non-Life decreased by €81 million to €172 million, mainly reflecting a decreased net result on investments (investment income and (un)realised results) of €50 million.

NETHERLANDS

In spite of aggressive new entrants, gross written premiums in the Netherlands are in line with last year (2008: €2,469 million and 2007: €2,472 million).

Achmea's brands are able to maintain their leading position (22% market share) primarily because they have high recognition and offer customers tailored distribution options.

We are market leader in direct distribution, with a market share of almost 8%. Direct distribution contributed gross written premiums of €892 million (2007: €903 million). Net expense ratio 2008 increased to 23.6% (2007: 19.5%), mainly due to projects to improve front-office IT systems.

Currently, products are offered via direct distribution through Centraal Beheer Achmea and FBTO. Centraal Beheer Achmea and FBTO are both household names, achieving high customer satisfaction rates. In early 2009, we launched a new concept in direct insurance, InShared. This new Non-Life internet provider offers not only user-friendly access to transparent products. In addition, funds reserved but not claimed are refunded to customers.

Our bank distributor Interpolis ranks top of the customer preferred Non-Life insurer table and has a more than 11% market share. Over half of the agricultural sector is insured with Interpolis, with that share reaching 80% in certain segments. Interpolis works closely with partner Rabobank. The banking distribution channel achieved a gross written premium of €1,247 million (2007: €1,195 million). Net expense ratio in 2008 decreased to 34.2% (2007: 35.4%).

With a market share of almost 3%, the brokerage channel through the Avéro Achmea brand, is a modest player in the Non-Life business. For SMEs and large corporates, brokerage will remain an important channel for this business but the future expectation is that private individuals will switch increasingly to the direct and/or banking channels for simple products. The brokerage channel achieved total gross written non-life premiums of €326 million (2007: €318 million). Net expense ratio in 2008 increased to 44.7% (2007: 37.0%), mainly due to a provision relating to early termination of brokerage contracts and an overall increase in operational costs.

TURKEY

Acquired as of 21 June 2007, Eureko Sigorta Turkey is currently in the top 10 Non-Life providers. Through strong retained links with former parent, Garanti Bank of Turkey, bank distribution is a key component in our strategy. The 2008 gross written premiums amount to €254 million. In the second half, gross written premiums amounted to €122 million, compared to €115 million in the second half of 2007.

GREECE

Non-Life activities realised growth in gross written premiums, despite an increasingly competitive market. In addition, Interamerican is responding by streamlining its operational excellence. In 2008, it launched a comprehensive programme to reduce six legacy systems to a single IT platform. Roll-out of initial phases commenced mid-2008. Interamerican is currently the number two player in the Greek market. Gross written premiums amounted to €170 million (2007: €162 million).

BELGIUM

Avéro Belgium has a significant position in the niche marine (cargo, hull, CRM, trucks) and special risk businesses. In this market, we successfully offer a full range of Non-life broker-driven products to both individuals and corporate clients, resulting in increased gross written premiums of 4%, from €121 million in 2007 to €126 million in 2008.

RUSSIA

At the end of 2008, Eureko acquired 100% of PromSvyazCapital Group insurance businesses, LLC Insurance Company Oranta and CJSC Insurance Company Oranta-M – collectively known as 'Oranta'.

Oranta is a growing company with principal operations in Moscow and St Petersburg, and a presence in most major Russian cities. Oranta has a mixed portfolio and considerable potential in motor and property. It is presently in the top 30 by gross written premiums (€104 million in 2008). Oranta's 2008 financial statements have not been consolidated into Eureko's profit and loss account.

BANKING

- Good performance Dutch banking activities
- Tier 1 ratio robust

	(€ million)					
	2008	2007	Δ %	H2 2008	H2 2007	Δ %
Net interest margin	191	157	22%	96	82	17%
Net commission income	4	12	-67%	0	8	-100%
Other income	23	15	53%	17	3	n.m.
Total income	218	184	19%	113	91	24%
Expenses	135	119	13%	85	119	-45%
Additions to loan loss provisions	47	17	177%	37	17	118%
Profit before tax	36	48	-26%	1	27	-96%
Key ratio						
Cost/income ratio	62%	65%		58%	70%	
Banking Credit Portfolio	31 December 2008	31 December 2007				
Achmea Hypotheekbank	14,782	13,994	6%			
Staalbankiers	2,813	2,681	5%			
Achmea Retail Bank	458	565	-19%			
Friends First Finance	721	627	15%			
Other	148	168	-12%			
Total	18,922	18,035	5%			
Tier 1 ratio						
Achmea Hypotheekbank	9.6%	10.1%				
Staalbankiers	16.1%	15.3%				

GENERAL

For Eureko, banking is a complementary business in the Netherlands through Achmea Bank (Achmea Hypotheekbank and Achmea Retailbank) and private-banker Staalbankiers and in Ireland where Friends First Finance offers consumer finance.

Profit before tax declined €12 million to €36 million. The decrease is mainly due to higher loan loss provisions; the addition to the loan loss provision increased €30 million to €47 million. The cost/income ratio improved from 65% to 62%.

The net interest margin rose strongly by 22% to €191 million in 2008. This growth is mainly attributable to Achmea Hypotheekbank. It managed to increase interest income due to market conditions and maintain its funding costs at stable levels through the covered bond programme introduced in 2007. Commission income was down due to fewer transactions and lower assets under management.

NETHERLANDS

Achmea Hypotheekbank

Profit before tax over 2008 is €43 million (2007: €20 million), including an impairment on the mid-office IT system of €10 million.

The Tier 1 ratio is 9.6%, almost 6% above the minimum 4% regulatory requirement. The market for new mortgages in the Netherlands shrank by 15.5% in 2008. However, Achmea Hypotheekbank managed to increase its banking credit portfolio to €14.8 billion, in part through the introduction of new modular mortgages via our FBTO brand. It was also able to increase market share from 1.5% to 2.0%.

Achmea Retailbank

Profit before tax of €7 million (2007: €8 million) included a mandatory €1 million contribution to the Netherlands' Deposit Guarantee Programme in the wake of the Icesave collapse. Our Retailbank offers loans and savings products to consumers through its direct-channel brands Centraal Beheer Achmea and FBTO, and through broker brand Avéro Achmea. The trend in the Netherlands appears to be a more conservative customer behaviour. Many are moving out of investment funds to savings products, especially time deposits. Following the financial crisis, banks are attracting liquidity through savings products by offering high interest rates. Saving through internet providers is also more and more popular. Achmea Retailbank took advantage of this trend by creating a successful on-line, high-interest deposit product for Centraal Beheer Achmea (€190 million) and FBTO (€67 million).

Staalbankiers

Profit before tax decreased to €4 million (2007: €11 million), due mainly to decreasing commission income from assets under management and fewer transactions. More additions for loan loss provisions were needed and no real-estate partnerships were placed in 2008.

The reporting year has been a tough one for all the Dutch private banks. Staalbankiers is no exception and saw its assets under management decrease 37% to €1.6 billion as a consequence of negative developments in the financial markets. Funds entrusted increased by 3% to €2.6 billion. Liquidity and solvency remained strong, with the solvency rate at more than 20% and a Tier 1 ratio at 16.1%.

Staalbankiers is a fully specialised private bank. According to a recent survey, the bank further reinforced its customer-based ranking in the top five private banks in the Netherlands in 2008.

IRELAND**Friends First Finance**

Profit before tax decreased to a loss of €23 million from a profit of €9 million in 2007, with the downturn on the Irish financial markets as the main cause. Loan loss provisions have been significantly increased to reflect current market conditions, with €27 million added in December. Despite the slowdown of the Irish economy, Friends First Finance grew its banking credit portfolio in the first half of 2008, but it declined in the second half. At year-end, the banking credit portfolio was still 15% higher compared to 2007.

HOLDING AND OTHER ACTIVITIES

	2008	2007	Δ %	H2 2008	H2 2007	Δ %
	(€ million)					
Total income	424	566	-24%	165	307	-46%
Operating expenses	748	567	32%	396	302	31%
Interest and financial expenses	190	181	5%	102	116	-12%
Impairment losses on equity instruments and bonds included in profit before tax	25	n.m.	n.m.	25	n.m.	n.m.
Other expenses	81	94	-14%	30	45	-33%
Total expenses	1,044	842	24%	553	463	19%
Profit before tax	-620	-286	-117%	-490	-156	-214%

INTRODUCTION

'Holding and other activities' consists mainly of the following: shared service centres and the Holding entities of Achmea Holding N.V. and Eureka B.V., pension administration services and asset management.

Profit before tax decreased to €-620 million. Total income decreased in pension administration. Costs increased strongly mainly due to higher personnel cost and project costs.

Holding entities

In December, we announced the completion of the transfer of a 75% stake in Medicom Systems S.A., our medical clinics in Greece, to South Eastern Europe Fund L.P. The gain on the sale, €40 million, has been recorded in total income. An impairment charge of €23 million was taken for our Friends Provident shares, and a small equity position in the trading portfolio resulted in a loss of €28 million.

Operating expenses include amortisation charges on intangible assets related to mergers and acquisitions of €10 million (2007: €9 million). Personnel costs increased by €33 million in 2008. Project-related costs also increased by €32 million.

Shared service centres

The shared service centres underperformed compared to last year. Profit before tax of the shared service centres was €52 million lower. This is due primarily to an unfavourable mix of external / internal employees. IT Services shows higher costs as a result of a high number of external personnel, and an increase in capacity costs. Also project costs increased by €19 million. Cost for Facility Services increased due to several vacancy provisions and higher maintenance costs, and Financial Services had more external personnel for strategic projects.

In the Achmea Transfer Centre costs were €18 million higher than in 2007.

In December, a restructuring for our services activities within the Occupational Health Division was announced. At corporate level, €40 million has been provided for.

Pension administration and asset management

Syntrus Achmea has €40 billion assets under management. Fee and commission income decreased to €356 million in 2008 (2007: €367 million). In both Real Estate and Asset Management income increased to €58 million and €40 million (2007: €40 million and €37 million), respectively.

For our pension services (Syntrus Achmea) Fee and Commission income was stable at €232 million. Profit before tax on Pension services decreased by €69 million to a loss of €22 million in 2008.

Negative financial market developments and a lower number of customers resulted in lower income of €12 million compared to 2007. These circumstances led to impairment of capitalised costs of €13 million. A high number of external personnel also caused a €30 million increase in operating expenses.

ASSOCIATED COMPANIES AND PARTICIPATING INTERESTS

	(€ million)			(€ million)		
	2008	2007	Δ %	H2 2008	H2 2007	Δ %
PZU	238	333	-29%	121	147	-18%
Impairments	-796	0	n.m.	-796	0	n.m.
Other associated companies and participating interests	5	39	-87%	1	8	-88%
Profit before tax	-553	372	-249%	-674	155	n.m.

PZU S.A., Poland

For the measurement of Eureko's investment in PZU S.A. (PZU) as per 31 December 2008, financial data provided by PZU, was available. Eureko calculated its share in PZU's Total equity as per 31 December 2008 and Net profit for the year.

Total equity as at 31 December 2008 amounts to €1,621 million (2007: €1,591 million) and its share in Net profit for the year amounts to €238 million (2007: €333 million).

Based on audited Financial Statements of PZU S.A. for previous years (2006 and 2007) an adjustment of €-3 million for those years has been included in the results of 2008.

On 15 January 2009, Eureko filed a Call for Settlement at Warsaw's Regional Court. Through this settlement attempt, Eureko once again will explore the possibilities for ending the long-lasting dispute on the privatisation of PZU with the Ministry of State Treasury.

Millennium BCP, Portugal

Under its impairment policy, Eureko has taken an impairment charge of €693 million.

Eureko holds a 9.95% economic interest at 31 December 2008.

F&C Asset Management plc

As a consequence of F&C Asset Management plc's decreasing share price, we have taken an impairment charge of €103 million on our interest.

Garanti Emeklilik

In Turkey, we currently have a 15% stake in Garanti Emeklilik, partner Garanti Bank's life and pension business. We have the option to acquire a further 35% of this business in 2010.