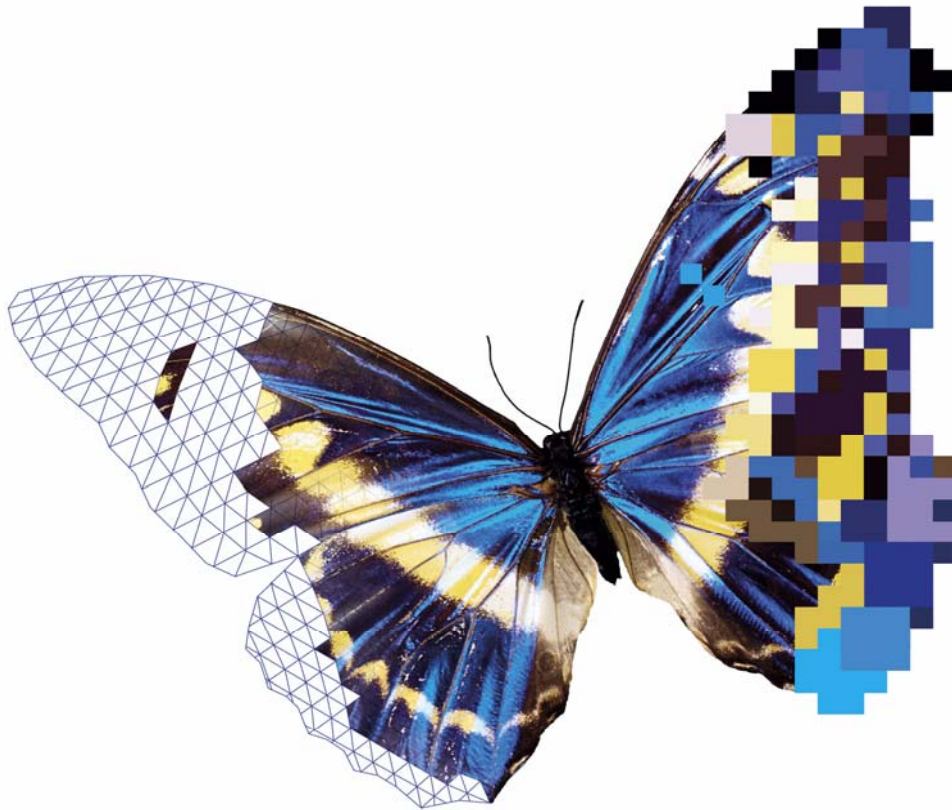


# Eureka

**Interim Financial Statements**  
**June 2007**



## **Eureka B.V.**

### **Condensed Consolidated Interim financial statements 30 June 2007**

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<b>Consolidated Balance Sheet (before appropriation of profit)</b>	<b>30 June 2007</b>	<b>31 December 2006</b>
<i>EUR million</i>		
<b>Assets</b>		
Intangible assets	2,232	1,893
Investments in associated companies and participating interests	3,344	2,679
Investment property	1,546	1,648
Investments	33,901	34,409
Investments backing linked liabilities	21,240	20,416
Banking credit portfolio	17,798	17,272
Deferred tax assets	637	759
Deferred acquisition costs	590	517
Income tax receivable	3	19
Amounts ceded to re-insurers	1,060	898
Receivables	5,072	4,308
Other assets	1,084	964
Cash and cash equivalents	852	666
<b>Total assets</b>	<b>89,359</b>	<b>86,448</b>
<b>Equity attributable to holders of equity instruments</b>		
Minority interest	10,181	9,630
<b>Total equity</b>	<b>10,183</b>	<b>9,632</b>
<b>Liabilities</b>		
Insurance liabilities	34,379	34,558
Insurance liabilities for policyholders	17,422	16,558
Investment contracts	3,836	3,657
Employee benefits	2,068	2,054
Other provisions	249	260
Banking customer accounts	5,417	4,721
Loans and borrowings	11,256	10,531
Derivatives	166	398
Deferred tax liabilities	622	757
Income tax payable	686	689
Other liabilities	3,075	2,633
<b>Total liabilities and Total equity</b>	<b>89,359</b>	<b>86,448</b>

<b>Consolidated Income Statement</b>	<b>First half year</b>	<b>First half year</b>
<i>EUR million</i>	<b>2007</b>	<b>2006</b>
<b>INCOME</b>		
Gross written premiums Life	2,571	2,633
Gross written premiums Non-Life	1,649	1,565
Gross written premiums Health	4,382	3,712
<b>Gross written premiums</b>	<b>8,602</b>	<b>7,910</b>
Re-insurance premiums	563	545
Change in provision for unearned premiums (net)	592	471
<b>Net earned premiums</b>	<b>7,447</b>	<b>6,894</b>
Contribution received for health pooling	23	61
Income from associated companies and participating interests	225	152
Investment income	721	720
Realised and unrealised gains and losses	85	53
Income from investments backing linked liabilities	788	46
Banking income	460	410
Fee and commission income, and income from service contracts	323	329
Other income	82	139
<b>Total income</b>	<b>9,938</b>	<b>8,698</b>
<b>EXPENSES</b>		
Claims and movements in insurance liabilities	6,745	5,949
Claims and movements in insurance liabilities ceded to re-insurers	461	385
Profit sharing and bonuses	2	70
Movements in insurance liabilities for policyholders	1,031	301
Benefits on investment contracts	95	53
Operating expenses	1,442	1,386
Banking expenses	304	283
Interest and similar expenses	27	38
Other expenses	144	154
<b>Total expenses</b>	<b>9,325</b>	<b>7,849</b>
<b>Profit before tax</b>	<b>613</b>	<b>849</b>
Income tax expenses	52	180
<b>Net profit</b>	<b>561</b>	<b>669</b>
Attributable to:		
Holders of equity instruments	561	669
Minority interest	-	-
Average number of outstanding ordinary shares	312,198,585	320,172,067
Earnings per share from continuing operations (euro) and diluted earnings per share from continuing operations (euro)	1.56	1.93

	First half year 2007	First half year 2006
<b>Condensed consolidated statement of Changes in Total equity</b>		
Balance at 1 January	9,632	8,525
Currency translation differences not recognised in the Income Statement	18	49
Net revaluation on property for own use	1	-
Net unrealised gains/(losses) on available for sale investments	203	1,059
Transfer to Provision for profit sharing and bonuses	608	888
Net gains/(losses) on available for sale investments re-classified to the Income Statement on disposal	79	127
Net unrealised gains/(losses) on cash flow hedging instruments	7	13
Total gains and losses recognised directly in equity (net of taxes)	314	360
Changes due to future profit sharing	12	16
Net profit	561	669
Total profit	887	325
Dividends to holders of equity instruments	378	499
Issue, re-purchase and sale of equity instruments	57	168
Other movements	15	1
<b>Balance at 30 June</b>	<b>10,183</b>	<b>8,518</b>

Dividends to holders of equity instruments consist of dividend paid to Preference shareholders of EUR 12.7 million (2006: EUR 22.3 million), cash dividend paid to Ordinary shareholders of EUR 52.7 million (2006: EUR 451.5 million), stock dividend to Ordinary shareholders of EUR 287.3 million and an amount of EUR 25.6 million paid to the holders of the other equity instruments (2006: EUR 25.6 million).

Included in Issue, re-purchase and sale of equity instruments is the re-purchase of the M shares, formerly held by Covéa/MAAF-MMA, amounting to EUR 230 million.

	First half year 2007	First half year 2006
<b>Condensed consolidated Cash Flow Statement</b>		
Net cash and cash equivalents as at 1 January (less liability bank balances)	597	531
Cash flow from operating activities	135	140
Cash flow from investing activities	623	201
Cash flow from financing activities	478	567
Net cash flow	10	226
Change in composition of the Group	69	160
<b>Net cash and cash equivalents as at 30 June</b>	<b>676</b>	<b>465</b>
Net cash and cash equivalents include the following items:		
Cash and cash equivalents	852	580
Less: liability bank balances	176	115
<b>Net Cash and cash equivalents at 30 June</b>	<b>676</b>	<b>465</b>

## 1. Accounting policies

### A. Statement of compliance

The Condensed Consolidated Interim Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (hereafter IFRS) and specifically IAS 34 'Interim Financial Reporting'. They do not include all information required for full annual financial statements, and should be read in conjunction with the Eureka Annual Report 2006. These Consolidated Financial Statements 2006 are available at [www.eureka.net](http://www.eureka.net). All amounts in the notes to the Condensed Interim Financial Statements are in millions of euros unless stated otherwise.

### B. Consolidation framework

The Condensed Consolidated Interim Financial Statements comprise Eureka B.V. and its subsidiaries.

For the preparation of the Condensed Consolidated Interim Financial Statements estimates and assumptions are used (e.g. for some of the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the accounting period). The actual outcome may deviate from these assumptions.

The comparative figures have been changed to align with current years' presentation. These adjustments do not affect the result and capital and reserves.

### C. Accounting framework

The accounting policies applied by Eureka B.V. in these Condensed Consolidated Interim Financial Statements are the same as those applied in the consolidated Financial Statements 2006.

## 2. Segment reporting

	First half year 2007	First half year 2006
<b>Segment results</b>		
Result technical account Life insurance	202	180
Result non-technical account Life insurance	122	168
Result Life insurance	324	348
Result technical account Non-Life insurance	67	232
Result non-technical account Non-Life insurance	39	72
Result Non-Life insurance	106	304
Result technical account Health	45	71
Result non-technical account Health	30	81
Result Health	75	152
Result Banking	21	5
Result Other activities	87	40
Eliminations	-	-
<b>Profit before tax</b>	<b>613</b>	<b>849</b>

	First half year 2007	First half year 2006
<b>Technical Account Life Insurance</b>		
<b>INCOME</b>		
Gross written premiums Life	2,571	2,633
Re-insurance premiums	86	171
Net written premiums	2,485	2,462
Change in provision for unearned premiums	95	114
Net earned premiums	2,390	2,348
Investment income	668	648
Realised and unrealised gains and losses	124	145
Income from investments backing linked liabilities	799	49
Other technical income	2	-
<b>Total income</b>	<b>3,735</b>	<b>2,900</b>
<b>EXPENSES</b>		
Gross claims policyholders	2,222	2,223
Re-insurer's share	65	85
Changes in provisions for Life insurance	2157	2,138
Re-insurer's share	222	384
Claims net of re-insurance	20	-
Profit sharing and bonuses	1,915	1,754
Movements in insurance liabilities for policyholders	38	46
Benefits on investment contracts	1,029	311
Operating expenses	95	53
Investment expenses	338	340
Interest and similar expenses	40	34
Investment income allocated to the non-technical account	8	7
Other technical expenses	120	171
<b>Total expenses</b>	<b>3,533</b>	<b>2,720</b>
<b>Result technical account Life</b>	<b>202</b>	<b>180</b>

**Non-Technical Account Life Insurance**

<b>INCOME</b>		
Result technical account Life	202	180
Allocated investment income	120	171
Other investment income non-technical account Life	1	2
Fee and commission income, and income from service contracts	13	13
Other income	12	27
<b>Total income</b>	<b>348</b>	<b>389</b>
<b>EXPENSES</b>		
Other expenses	24	41
<b>Total expenses</b>	<b>24</b>	<b>41</b>
<b>Profit before tax</b>	<b>324</b>	<b>348</b>

	First half year 2007	First half year 2006
<b>Technical Account Non-Life Insurance</b>		
<b>INCOME</b>		
Gross written premiums Non-Life	1,649	1,565
Re-insurance premiums	113-	116-
Net written premiums	1,536	1,449
Change in provision for unearned premiums	303-	250-
Re-insurer's share	53	32
Net earned premiums	1,286	1,231
Investment income	116	109
Realised and unrealised gains and losses	11	46
Other technical income	1	2
<b>Total income</b>	<b>1,414</b>	<b>1,388</b>
<b>EXPENSES</b>		
Gross claims policyholders	851	732
Re-insurer's share	7-	13-
	844	719
Gross change in outstanding claims provisions	98	49
Re-insurer's share	17-	45-
	81	4
Claims net of re-insurance	925	723
Profit sharing and bonuses	5-	-
Operating expenses	362	333
Investment expenses	5	5
Interest and similar expenses	3	4
Investment income allocated to the non-technical account	53	88
Other technical expenses	4	3
<b>Total expenses</b>	<b>1,347</b>	<b>1,156</b>
<b>Result technical account Non-Life</b>	<b>67</b>	<b>232</b>

**Non-Technical Account Non-Life Insurance**

<b>INCOME</b>		
Result technical account Non-Life	67	232
Allocated investment income	53	88
Other income	10	4
<b>Total income</b>	<b>130</b>	<b>324</b>
<b>EXPENSES</b>		
Other expenses	24	20
<b>Total expenses</b>	<b>24</b>	<b>20</b>
<b>Profit before tax</b>	<b>106</b>	<b>304</b>

The first half year results of 2007 have been negatively influenced by storm Kyrill amounting to EUR 138 million.

Technical Account Health	First half year	First half year
	2007	2006
<b>INCOME</b>		
Gross written premiums	4,382	3,712
Re-insurance premiums	364	258
Net written premiums	4,018	3,454
Change in provision for unearned premiums	249	143
Re-insurer's share	1	3
Net earned premiums	3,770	3,314
Contributions received for health pooling	23	61
Investment income	56	54
Realised and unrealised gains and losses	34	36
Income from investments backing linked liabilities	1	2
Other technical income	8	6
<b>Total income</b>	<b>3,846</b>	<b>3,469</b>
<b>EXPENSES</b>		
Gross claims	3,988	1,654
Re-insurer's share gross claims	361	256
	3,627	1,398
Gross change in outstanding claims provisions	189	1,664
Re-insurer's share	10	14
	179	1,678
Claims, net of re-insurance	3,448	3,076
Profit sharing and bonuses	40	24
Operating expenses	269	255
Investment expenses	1	1
Interest and similar expenses	-	1
Investment income allocated to the non-technical account	35	6
Other technical expenses	8	35
<b>Total expenses</b>	<b>3,801</b>	<b>3,398</b>
<b>Result technical account Health</b>	<b>45</b>	<b>71</b>

Non-Technical Account Health		
<b>INCOME</b>		
Result technical account Health	45	71
Allocated investment income	35	6
Fee and commission income, and income from service contracts	136	136
Negative goodwill	-	87
Other income	16	9
<b>Total income</b>	<b>232</b>	<b>309</b>
<b>EXPENSES</b>		
Investment and interest expenses	4	-
Operating expenses	141	149
Other expenses	12	8
<b>Total expenses</b>	<b>157</b>	<b>157</b>
<b>Profit before tax</b>	<b>75</b>	<b>152</b>

The increase of gross claims is mainly influenced by the introduction of the new Basic Health system in the Netherlands as from 1 January 2006. Gross claims in the first half year 2007 regard payments on claims incurred in 2006 and the first half year of 2007 whereas gross claims in the first half year of 2006 mainly relate to claims incurred in this period.

<b>Income statement Banking</b>	<b>First half year</b>	<b>First half year</b>
	<b>2007</b>	<b>2006</b>
Interest income	440	405
Interest expenses	365	335
Net interest margin	75	70
Commission income	12	11
Commission expenses	6	6
Net commission income	6	5
Realised and unrealised results	6	6
Other operating income	6	3
Operating income	93	72
Operating expenses	70	60
Other expenses	2	7
Total expenses	72	67
<b>Profit before tax</b>	<b>21</b>	<b>5</b>

<b>Income statement Other activities</b>	<b>First half year</b>	<b>First half year</b>
	<b>2007</b>	<b>2006</b>
<b>INCOME</b>		
Income from associated companies and participating interests	219	130
Investment income	25	34
Realised and unrealised gains and losses	6	13
Fee and commission income, and income from service contracts	180	189
Other income	48	31
<b>Total income</b>	<b>466</b>	<b>397</b>
<b>EXPENSES</b>		
Operating expenses	265	253
Interest expenses	65	59
Other expenses	49	45
<b>Total expenses</b>	<b>379</b>	<b>357</b>
<b>Profit before tax</b>	<b>87</b>	<b>40</b>

### 3. Notes to the Condensed Consolidated Interim Financial Statements

#### Business combinations

##### Eureko - Garanti Sigorta

As of 21 June 2007 Eureko effectively obtained control over 80% of the shares of Garanti Sigorta A.S., a Turkish Non-life insurance company, from T. Garanti Bankası A.S. (Garanti Bank) in Turkey. As part of this transaction Eureko may have the obligation to acquire the remaining 20% of the shares within 3 to 5 years after the closing date of the transaction in case Garanti Bank wants to sell these shares. As a consequence, Eureko has classified the obligation to acquire these shares as Other liabilities. The liability is recognised at fair value whereas changes in the fair value are adjusted in goodwill.

Details of the provisional net assets acquired and goodwill (both for 100%) are as follows:

Total provisional cost of the business combination Eureko - Garanti Sigorta	439
Provisional fair value of the net assets acquired	57
Provisionally calculated goodwill	382

In this transaction, no intangible assets are identified yet. The purchase price allocation process including the allocation towards intangible assets will be done in the second half year of 2007.

Based on the 2006 Financial Statements of Garanti Sigorta, this business combination will contribute approximately EUR 150 million to Gross written premiums and EUR 10 million to the Net profit of Eureko. This financial information does not take into account the further growth of this entity nor the impact of the amortisation charges on the intangible assets yet.

The provisional carrying amount of the assets and liabilities acquired (all 100%) are:

	Acquiree's provisional carrying amount 21 June 2007	Provisional Fair value 21 June 2007
<b>Assets</b>		
Investments	2	2
Other assets	252	252
<b>Total assets</b>	<b>254</b>	<b>254</b>
<b>Liabilities</b>		
Insurance liabilities	165	165
Other liabilities	32	32
<b>Total liabilities</b>	<b>197</b>	<b>197</b>
<b>Equity</b>	<b>57</b>	<b>57</b>

##### Eureko - Agis

In June 2007, Eureko and Agis Zorgverzekerings have reached agreement to merge their health insurance activities. On the merger date, Agis will become an autonomous division within Achmea, the Dutch operation owned by Eureko. The transaction is subject to regulatory approval and is expected to close before the end of 2007.

#### Investments in associated companies and participating interests

##### PZU S.A.

For the measurement of Eureko's investment in PZU S.A. (PZU) as per 30 June 2007 no published or audited financial data of PZU as at that date were available. Therefore Eureko made an estimation of its share in PZU's Net profit for the year. This estimation is based upon first quarter information published in May 2007 plus an estimation for the second quarter results.

##### Garanti Emeklilik ve Hayat A.S.

As of 21 June 2007, Eureko obtained 15% of the shares, plus a call option to acquire another 35% + 1 share, in Garanti Emeklilik ve Hayat A.S., a Life insurance company in Turkey for EUR 100 million from Garanti Bank, Turkey. The call option can be exercised between 21 June 2010 and 21 June 2012. In case Eureko does not want to exercise this call option, it has the right to sell the currently owned 15% back to Garanti Bank within the same timeframe for EUR 75 million. As effective control will not be achieved, the purchase price has been adjusted downwards to EUR 75 million resulting in a EUR 25 million value reduction upon acquisition to reflect the fair value of these shares and options.

##### F&C Asset Management plc

In May 2007, Eureko disposed 44 million ordinary shares in F&C Asset Management plc (F&C), representing approximately 9.1% of the outstanding ordinary share capital of F&C. The exchange result on the disposal amounted to EUR 13 million and is included in Net profit.

##### MillenniumBCP

In June 2007, Eureko B.V. acquired 42,134,103 shares in Banco Comercial Português, SA ("BCP"), bringing the total shareholding of the Eureko Group in BCP to 8.41%.

#### Intangible assets

	30 June 2007	31 December 2006
Goodwill	1,462	1,080
Internally developed software	79	80
Brandname	75	80
Value of business acquired	445	485
Distribution networks	75	79
Other intangible assets finite	96	89
	<b>2,232</b>	<b>1,893</b>

Following the merger with Interpolis in 2006, Achmea was restructured into six Divisions. Due to this restructuring, as of 1 January 2007 Eureko reallocated goodwill, related to the business combination Interpolis, to division level.

The reallocation has been performed using a relative value approach. The total value of the recognised goodwill remains unchanged.

There were no indications for impairment on goodwill as per 30 June 2007.

## Investments

	Available for sale	At fair value through Income Statement	Loans and receivables	30 June 2007	31 December 2006
Equities and similar investments	5,244	900	-	6,144	5,770
Bonds	17,872	4,525	-	22,397	22,745
Loans	650	2	3,313	3,965	4,221
Mortgages	119	113	-	232	228
Deposits with re-insurers	9	-	-	9	9
Deposits with credit institutions	356	26	-	382	380
Derivatives	-	582	-	582	820
Other financial investments	190	-	-	190	236
	<b>24,440</b>	<b>6,148</b>	<b>3,313</b>	<b>33,901</b>	
<b>Total as at 31 December 2006</b>	<b>24,537</b>	<b>6,407</b>	<b>3,465</b>		<b>34,409</b>

## Equity attributable to holders of equity instruments

The movements in Equity attributable to holders of equity instruments are specified in the Condensed Consolidated Statement of Changes in Total equity.

## Insurance liabilities

	30 June 2007	31 December 2006
<i>Life insurance:</i>		
Provision for life policy liabilities	24,970	25,128
Less: Deferred interest surplus rebates	249	273
Net provision for life policy liabilities	24,721	24,855
Profit sharing and bonuses	29	800
<b>Total Life insurance</b>	<b>24,750</b>	<b>25,655</b>
<i>Non-life insurance:</i>		
Unearned premiums	1,324	930
Outstanding claims	2,757	2,609
Incurred but not reported claims (IBNR)	271	263
<b>Total Non-Life insurance</b>	<b>4,352</b>	<b>3,802</b>
<i>Health insurance:</i>		
Unearned premiums	416	149
Provision for premium deficiency	167	222
Provision for unexpired risks (incl. ageing provision)	32	33
Outstanding claims	4,216	4,230
Incurred but not reported claims (IBNR)	446	467
<b>Total Health insurance</b>	<b>5,277</b>	<b>5,101</b>
<b>Total Insurance liabilities</b>	<b>34,379</b>	<b>34,558</b>

### Life insurance

Insurance liabilities of which the cash flows are based on locked assumptions, are discounted at either the lowest of actual interest rates or the technical discount rate. The Life policy liabilities are measured using the technical discount rate. The fair value changes of related interest sensitive financial instruments, classified as 'Available for Sale', are transferred to the 'Profit sharing and bonuses'. Due to the sharp increase in interest rates the provision would have a value below zero. Because this part of the provision may not be negative, the subsequent transfer of negative unrealised results is suspended. These unrealised results remain part of the Revaluation reserve in Total equity.

On an economic basis Eureko is managing the sensitivity to (amongst other) changes in the interest rate by means of ALM-studies. However due to constraints in the current allowable accounting principles an accounting mismatch exists. A program is set up to investigate a change to market based interest in calculating the insurance liabilities.

### Health insurance

The introduction of the new basic health insurance system as from 1 January 2006, as well as the implementation of the DBC's at the end of 2004, lead to uncertainties in the performance and financial position of the Health activities. As at 30 June 2007 these uncertainties are still relevant. Best estimates have been used for the determination of technical provisions and results; however, due to the lack of historical data the basis for the underlying parameters is not yet robust.

## Income tax expenses

Eureko reached an agreement with the Dutch tax authorities to compensate for losses from the past resulting in a tax benefit of EUR 75 million that is included in Income tax expenses.

## Risk management

The risk management objectives and policies are consistent with those disclosed in the Eureko Consolidated Financials Statements 2006.

**To: The General meeting of Shareholders and the Supervisory Board of Eureka B.V.**

*Introduction*

We have reviewed the accompanying Condensed Consolidated Balance Sheet of Eureka B.V. ('the Company'), Amsterdam, as of 30 June 2007, and the related Condensed Consolidated Income Statements, Statement of Changes in Total equity and Cash Flows for the six month period then ended ('interim financial information'). Management is responsible for the preparation and presentation of this 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 interim financial information based on our review.

*Scope of review*

We conducted our review in accordance with Dutch law, including standard 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. This law requires that we plan and perform the review to obtain moderate assurance about whether the Financial Statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and therefore provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

*Matters affecting our opinion*

The net profit for the first half year 2007 and the net equity of Eureka B.V. include Eureka's share in the half-year results of PZU, amounting to a net profit of EUR 186 million and a net equity of EUR 1,422 million. These figures have been derived by Eureka B.V. from the latest publicly available information. As we were not allowed by PZU management to review their half-year figures, we are not in a position to express an opinion on the valuation of Eureka's share in the result and equity of PZU.

*Opinion*

Based on our review, with the exception of the issue mentioned in the preceding paragraph, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Amstelveen, 14 August 2007

KPMG ACCOUNTANTS N.V.

F. van der Wel RA