ACHMEA BANK N.V.
INTERIM REPORT

2015

Executive Board Report

STATEMENT OF THE EXECUTIVE BOARD OF ACHMEA BANK N.V.

The Executive Board reviewed the Achmea Bank Condensed Consolidated Interim Financial Statements and authorised them for submission to the Supervisory Board. The Achmea Bank Condensed Consolidated Interim Financial Statements for the six-month period ended 30 June 2015 were authorised for issue in accordance with the resolution of the Executive Board on 12 August 2015.

The Executive Board of Achmea Bank declares that, to the best of their knowledge, the Achmea Bank Condensed Consolidated Interim Financial Statements 2015 give a true and fair view of the assets, liabilities, financial position and net profit of Achmea Bank. 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 2015 as adopted by the European Union, specifically IAS 34 'Interim Financial Reporting'. The Executive Board of Achmea Bank 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 Bank 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).

Tilburg, 12 August 2015

The Executive Board

M.G. van Ee, Chief Executive Officer
R.G. Buwalda, Director of Finance & Risk
V.J. Teekens, Director of Operations

Executive Board Report

- Over H1 2015 Achmea Bank N.V. reported a loss before tax of EUR 6 million (After tax EUR 4 million)
- The Common Equity Tier 1 Capital Ratio reduced slightly but remains strong at 16.6%
- Achmea Bank N.V. successfully issued EUR 0.9 billion RMBS notes and EUR 0.7 billion unsecured notes

Over the first half of 2015 Achmea Bank reported a loss before tax of EUR 6 million compared to a loss of EUR 12 million in the same period last year. The improvement of the result was mainly due to higher operating results (EUR 16 million), which were driven by an increased interest margin (EUR 7 million) and lower operating expenses (EUR 9 million). The fair value result decreased by EUR 10 million in comparison to H1 2014. These results include a transfer of EUR 5 million from fair value to interest margin for a realised gain on an interest swap transaction.

The operating result excluding fair value result in the first half year amounted to a profit of EUR 4 million (H1 2014: loss of EUR 13 million).

In the first half of 2015 Achmea Bank increased its new mortgage production by EUR 221 million to EUR 412 million (H1 2014: EUR 191 million). As the amount of prepayments increased to EUR 412 million, the nominal value of the mortgage portfolio stabilized at EUR 11.6 billion.

The Bank attracted EUR 0.7 billion under the Senior unsecured medium term note program and successfully issued EUR 0.9 billion DRMP I RMBS notes. In addition, the Bank raised approximately EUR 0.4 billion of long term savings since the end of 2014. The total savings portfolio increased by EUR 0.5 billion to an amount of EUR 5.2 billion. With these transactions the Bank strengthened its liquidity position in anticipation of refinancing transactions and the acquisition of a loan portfolio planned in the 2nd half of 2015.

Furthermore the Bank optimized its liquidity management by entering into an agreement with Achmea Life & Pensions whereby mortgages (EUR 650 million) are pledged in return for government bonds. Due to the nature of this agreement with Achmea Life & Pensions the government bonds can be used as eligible collateral by the Bank for liquidity management purposes.

The Common Equity Tier 1 Capital ratio slightly decreased to 16.6% per June 2015 (17.0% at the end of 2014). Achmea Bank retained its long term rating at A/negative outlook (Standard and Poor’s) and A-/stable outlook (Fitch).

INTEREST MARGIN

In the first half of 2015 the interest margin increased by EUR 7 million compared to the same period of last year. The interest margin included a one-off profit of EUR 5 million, which relates to the unwinding of an interest swap. This gain is offset by a corresponding loss in the fair value result. Furthermore the interest margin includes a gain of EUR 2 million related to the sale of RMBS notes. The strong liquidity balances built up in anticipation of the Bank’s refinancing transactions in H2 2015 continued to put pressure on the overall interest margin in 2015.

FAIR VALUE EFFECTS

The fair value result amounted to a loss of EUR 9 million (H1 2014: EUR 1 million profit). The fair value result is an accounting result that is compensated in other reporting periods, generally reflecting a pull to par as the underlying derivatives (used for hedging interest rate exposure) approach maturity.

OPERATING EXPENSES

The operating expenses decreased by EUR 9 million compared to the same period last year. This decrease was partly due to the levy related to the one-off costs of nationalising SNS in 2013 (EUR 6 million), which was included in the 2014 operating expenses. In addition, the Bank reduced its staff, resulting in a decrease of operating expenses of EUR 2 million, compared to the same period last year.

Executive Board Report

ROBUST PORTFOLIO PERFORMANCE IN IMPROVING MARKET CONDITIONS

The addition to the loan loss provision decreased to EUR 4 million (H1 2014: EUR 5 million), which is 8 base points of the mortgage portfolio on an annual base. The payment performance of the mortgage portfolio remained strong. The amount of write-offs on bad debt decreased to 6 base points of the total mortgage portfolio on an annual base (H1 2014: 8 base points).

EVENT AFTER BALANCE SHEET DATE

Achmea Bank acquired a substantial part of the loan activities of Staalbankiers N.V., the private banking entity of Achmea B.V.. The effective date of the purchase is 1 July 2015 and the transfer price equals book value, which amounts to EUR 1.1 billion. The loan portfolio differs in characteristics from the typical Achmea Bank mortgages. Achmea B.V. provided a capital injection on 7 July of EUR 170.5 million to Achmea Bank. Furthermore, on 7 July Achmea B.V. has issued a capped guarantee to Achmea Bank to cover specific risks, including credit risk, related to this portfolio. The transfer is expected to have a slightly positive impact on the solvency ratio of Achmea Bank. Achmea Bank expects that the impact on its profit and loss will be limited. Taking into consideration the transaction as a whole, Achmea Bank's risk profile will not be materially affected. The Dutch Central Bank ("De Nederlandsche Bank N.V.") has issued the required declarations of no objection for the transaction.

OUTLOOK

In 2015 Achmea Bank investigates the optimization of its mortgage servicing process, which is expected to result in further cost reduction in the future but additional costs for 2nd half of 2015. Achmea Bank maintains its goal for 2015 of a stable mortgage loan portfolio volume.

In light of the macro-economic uncertainty, the Bank chooses not to make specific predictions regarding the future financial performance.

Tilburg, 12 August 2015

The Executive Board

M.G. van Ee, Chief Executive Officer
R.G. Buwalda, Director of Finance & Risk
V.J. Teekens, Director of Operations

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE IN THOUSANDS OF EUROS	2015 REVIEWED	2014 REVIEWED
Interest income	270,004	287,771
Interest expenses	223,163	248,087
Interest margin	**46,841**	**39,684**
Changes in fair value of financial instruments (fair value result)	−9,234	1,092
Interest margin and changes in fair value of financial instruments	**37,607**	**40,776**
Other income	1,325	1,369
Fees and commission income and expenses	113	−343
Operating income	**39,045**	**41,802**
Impairment on financial instruments and other assets	4,403	4,871
Operating expenses	40,377	49,366
Operating result before taxes	**−5,735**	**−12,435**
Income tax expenses	−1,434	−1,711
Net result	**−4,301**	**−10,724**
Net fair value adjustments on available-for-sale financial assets	−1,203	17,936
Other comprehensive income for the period (will be fully recycled through P&L)	−1,203	17,936
Total comprehensive income for the period	**−5,504**	**7,212**
Net result:		
Attributable to owners of the parent	−4,301	−10,724
Net result for the period	**−4,301**	**−10,724**
Total comprehensive income:		
Attributable to owners of the parent	−5,504	7,212
Total comprehensive income for the period	**−5,504**	**7,212**

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

IN THOUSANDS OF EUROS	30 JUNE 2015	31 DECEMBER 2014
	REVIEWED	AUDITED
Assets		
Cash and balances with Central Banks	2,077,515	215,214
Derivative assets held for risk management	311,328	368,052
Loans and advances to banks	1,357,146	1,319,577
Trade investments	440	695
Loans and advances to public sector	45,358	64,220
Loans and advances to customers	12,371,836	12,505,739
Interest-bearing securities	417,525	631,855
Current tax assets	6,565	6,981
Prepayments and other receivables	3,006	12,340
Total assets	**16,590,719**	**15,124,673**
Liabilities		
Derivative liabilities held for risk management	986,901	1,158,441
Deposits from banks	172,108	202,072
Funds entrusted	6,465,561	5,993,447
Debt securities issued	8,263,375	7,050,274
Provisions	551	551
Current tax liabilities	37,290	44,271
Deferred tax liabilities	26,936	22,206
Accruals and other liabilities	26,871	36,747
Subordinated liabilities	14,564	14,598
Total liabilities	**15,994,157**	**14,522,607**
Share capital	18,152	18,152
Share premium	301,609	301,609
Reserves	276,801	282,305
Total Equity	**596,562**	**602,066**
Total Equity and liabilities	**16,590,719**	**15,124,673**

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	SHARE CAPITAL	SHARE PREMIUM	FAIR VALUE RESERVE	RETAINED EARNINGS	RESERVES	TOTAL EQUITY
IN THOUSANDS OF EUROS						
Balance as at 1 January 2015	**18,152**	**301,609**	**3,630**	**24,046**	**254,629**	**602,066**
Total comprehensive income for the period						
Profit or loss	–	–	–	–4,301	–	–4,301
Other comprehensive income, net of income tax						
Change in fair value net of income tax (will be fully recycled through income statement)	–	–	–1,203	–	–	–1,203
Total comprehensive income for the period	–	–	**–1,203**	**–4,301**	–	**–5,504**
Transaction with owners, recognised directly in equity						
Appropriation of profit 2014	–	–	–	–24,046	24,046	–
Total contributions by and distributions to owners	–	–	–	**–24,046**	**24,046**	–
Balance as at 30 June 2015	**18,152**	**301,609**	**2,427**	**–4,301**	**278,675**	**596,562**
Balance as at 1 January 2014	**18,152**	**301,609**	**5,669**	**17,230**	**237,399**	**580,059**
Total comprehensive income for the period						
Profit or loss	–	–	–	–10,724	–	–10,724
Other comprehensive income, net of income tax						
Change in fair value net of income tax (will be fully recycled through income statement)	–	–	17,936	–	–	17,936
Total comprehensive income for the period	–	–	**17,936**	**–10,724**	–	**7,212**
Transaction with owners, recognised directly in equity						
Appropriation of profit 2013	–	–	–	–17,230	17,230	–
Total contributions by and distributions to owners	–	–	–	**–17,230**	**17,230**	–
Balance as at 30 June 2014	**18,152**	**301,609**	**23,605**	**–10,724**	**254,629**	**587,271**

Condensed Consolidated Interim Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE IN THOUSANDS OF EUROS	2015 REVIEWED	2014 REVIEWED
Cash flow from operating activities		
Net profit	**−4,301**	**−10,724**
Adjustments for non-cash items in the result:		
Impairment on financial instruments and other assets	4,403	4,871
Net interest income	−48,166	−41,056
Changes in derivatives held for risk management	−136,391	73,066
Changes in fair value of financial instruments	9,234	−1,089
Other non-cash items*	102,314	−89,656
Income tax expense	−1,434	−1,711
	−74,341	**−66,298**
Changes in operating assets and liabilities:		
Loans and advances to banks	-35,252	−55,825
Loans and advances to public sector	18,500	8,500
Loans and advances to customers	−4,305	161,618
Prepayments and other receivables	9,228	7,215
Deposits from banks	−28,230	−245,050
Funds entrusted	482,805	136,038
Changes in tax assets and liabilities	−401	5,978
Accruals and other liabilities	−9,874	−32,386
Trade investments	256	164
Interest received	269,732	357,109
Interest paid	−225,801	−251,307
	476,657	**92,054**
Net cash flow from operating activities (1)	**402,316**	**25,756**
Cash flow from investing activities		
Interest-bearing securities purchased	-164,827	-1,437,157
Interest-bearing securities sales	381,397	97,121
Net cash flow from investing activities (2)	**216,570**	**−1,340,036**
Cash flow from financing activities		
Repayments Debt securities issued	−691,141	−1,743,634
Purchases Debt securities issued	1,938,381	1,858,405
Debt securities issued	**1,247,240**	**114,771**
Net cash flow from financing activities (3)	**1,247,240**	**114,771**
Net cash flow (1) + (2) + (3)	**1,866,126**	**−1,199,509**
Cash and balances with Central Banks as at 1 January	215,214	1,846,822
Cash and balances with Central Banks as at 30 June	2,077,515	686,846
Movement in Cash and balances with Central Banks	**1,862,301**	**−1,159,976**
Movement in bankoverdraft	3,825	−39,533
Movement in cash and cash equivalents	**1,866,126**	**−1,199,509**
Reconciliation of Cash and cash equivalents		
Movement Cash and balances with Central Banks	1,862,301	−1,159,976
Movement Loans and advances to banks on demand	3,825	−39,533
Movements in cash and cash equivalents	**1,866,126**	**−1,199,509**

* Other non cash items mainly consist of the base adjustment on the hedged mortgage portfolio and other effects.

Notes to The Condensed Consolidated Interim Financial Statements

1. GENERAL INFORMATION

GENERAL

Achmea Bank N.V. is situated in Tilburg (The Netherlands) with its registered office in The Hague (The Netherlands). Achmea Bank is a wholly-owned subsidiary of Achmea B.V. The core activities of the Bank consist of savings products for private individuals and owner-occupied residential mortgage loans for properties in the Netherlands.

BASIS OF PRESENTATION

The Condensed Consolidated Interim Financial Statements of Achmea Bank 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 (IFRS), including International Accounting Standards (IAS) and Interpretations as at 30 June 2015 as adopted by the European Union. The Condensed Consolidated Interim Financial Statements should be read in conjunction with the Achmea Bank N.V. Consolidated Financial Statements 2014. The Achmea Bank N.V. Consolidated Financial Statements 2014 are available at www.achmeamortgagebank.com. All amounts in the Condensed Consolidated Interim Financial Statements are in millions of euros unless stated otherwise.

CHANGES IN REPORTING

The accounting policies and methods of computation are the same as those applied in the 2014 Financial Statements except for changes mentioned specifically hereafter.

There are no new Standards, amendments to Standards and Interpretations published by the International Accounting Standard Board (IASB) except for the already mentioned in the Achmea Bank Consolidated Financial Statements 2014.

CONSOLIDATION AND ACCOUNTING FRAMEWORK

The Condensed Consolidated Interim Financial Statements comprise Achmea Bank and its subsidiaries. For the preparation of the Condensed Consolidated Interim Financial Statements managerial judgments, estimates and assumptions are used (e.g. for some of the reported assets and liabilities ring these Condensed Consolidated Interim Financial Statements, the significant judgments made by management in applying Achmea Bank's accounting policies and the key sources of estimation uncertainties were the same as those that were applied to the Consolidated Financial Statements of Achmea Bank for the year ended 31 December 2014.

RELATED PARTIES

Achmea Bank is a wholly-owned subsidiary of Achmea B.V. 'Related parties' refers to other companies in the Achmea group and members of the Supervisory Board and Executive Board of Achmea Bank. Banking transactions involve related parties as part of ordinary operations. Disclosures concerning the related parties are included in the Consolidated Financial Statements of Achmea Bank for the year ended 31 December 2014.

In the first half of 2015 Achmea Bank entered into an agreement with Achmea Life & Pension whereby mortgages are pledged in return for government bonds. As disclosed in the subsequent event paragraph Achmea Bank acquired a substantial part of the loan portfolio of Staalbankiers N.V. in July 2015. Except for these transactions there have been no other changes in the nature or the size of the transactions involving related parties other than those arising from ordinary operations.

SEGMENTATION

In the internal reports used by the Executive Board to allocate resources and monitor performance targets to the operating segments, Achmea Bank is identified as a single operating segment.

ESTIMATES

In preparing the Condensed Consolidated Interim Financial Statements use has been made of estimates and assumptions (this includes a number of the reported amounts in the Condensed Consolidated Interim Financial Statements for the period under review). The principal

Notes to The Condensed Consolidated Interim Financial Statements

sources of estimates and the judgments made are the same as those used in preparing the Consolidated Financial Statements of Achmea Bank for the year ended 31 December 2014.

2. FINANCIAL RISK MANAGEMENT

A INTRODUCTION

The Condensed Consolidated Interim Financial Statements do not include all financial risk management information and disclosures required in the Annual Financial Statements and should be read in conjunction with the Consolidated Financial Statements 2014 of Achmea Bank. There have been no significant changes in the risk management department or in any risk management policies since year end.

B CAPITAL MANAGEMENT

The Bank must hold sufficient buffer capital to cover the risks arising from its operations. Pillar I offers guidelines for calculating the minimum amount of capital that needs to be held, according to regulators, in relation to credit risk, market risk and operational risk. Under the rules, the capital adequacy requirements relating to these risks can be calculated in a number of ways with varying degrees of sophistication. The Bank uses the standardized approach to calculate the risk weightings of its assets.

The Bank's policy is to maintain a strong capital base to maintain investor confidence and creditor and market confidence in order to sustain the future development of the business.

Under the Dutch Financial Supervision Act (Wft), banks are required to maintain minimum capital ratios. The Bank fully complied with external and internal minimum capital requirements throughout the year with a Common Equity Tier 1 Capital Ratio of 16.6% and a total Capital Ratio of 16.8 % at 30 June 2015. The decrease of the Common Equity Tier 1 Capital Ratio is mainly due to the increase of the risk exposure amount. This increase is mainly due to a decrease of mortgages for which significant risk transfer can be applied.

QUALIFYING CAPITAL AND CAPITAL RATIO

IN MILLIONS OF EUROS

	30 JUNE 2015	31 DECEMBER 2014
	Reviewed	Audited
Share capital	18	18
Share premium reserve	302	302
Reserves	281	282
Deductions	−6	−5
Common Equity Tier 1 Capital	**595**	**597**
Lower Tier 2	8	9
Total own funds	**603**	**606**
Total risk exposure amount	3,585	3,513
Common Equity Tier 1 Capital Ratio	16.6%	17.0%
Total Capital Ratio	16.8%	17.2%

C CREDIT RISK

Credit risk is defined as the risk that a counterparty cannot (fully) meet its obligations to Achmea Bank and consists of retail credit risk and the credit risk related to exposures to professional counterparties.

RETAIL CREDIT RISK

Notes to The Condensed Consolidated Interim Financial Statements

Achmea Bank's policy on credit risk revolves primarily around counterparty risks associated with residential mortgage loans. Appropriate underwriting criteria for new clients and active credit risk management for existing clients safeguard the quality of the mortgage loan portfolio.

Stringent procedures are in place to monitor payment arrears. Borrowers which are in arrears for more than three months are transferred to Achmea Bank's Default Management Department. This department is responsible for account management and debt collection.

COUNTERPARTY CREDIT RISK

The counterparty risk on exposures to governments and financial institutions is primarily associated with investment activities and cash management. When determining country limits and limits for financial institutions, Achmea Bank applies a risk mitigation policy that complies with the relevant group policy. To manage counterparty risk, the Bank imposes individual counterparty limits on both exposure and maturity. These limits are approved by the Asset and Liability Committee (ALCO).

The Bank uses Credit Support Annexes (CSA) to reduce the exposure to counterparty risk on derivatives. No impairments on these counterparty positions occurred in 2015.

At June 2015, the net exposure to counterparty risk on derivatives amounts to EUR 29 million positive (year end 2014: EUR 21 million positive) and consists of the total fair value of the derivatives and the collateral position. This net exposure is mainly related to exposures of counterparties, for which the bank has no CSA. The net counterparty risk related value adjustment was EUR 0.1 million (year end 2014: EUR 0.3 million). This includes both CVA and DVA exposure.

Credit quality by financial asset class

The following table shows the mortgage loans based on Loan to Foreclosure Values. The Loan to Foreclosure Values is the internally used classification of the mortgages for the evaluation of credit quality.

IN MILLIONS OF EUROS	30 JUNE 2015	31 DECEMBER 2014
	Reviewed	Audited
NHG	2,815	2,738
< 75%	3,738	3,843
< 90%	1,235	1,245
< 110%	1,524	1,534
< 125 %	2,109	2,069
>= 125%	184	180
	11,606	**11,609**

The table above is based on notional values of the mortgages not impaired and not overdue. Of the total amount of loans and advances to customers, an amount of EUR 257 million (year end 2014: EUR 245 million) is past due but not impaired.

Compared to year end, there has been no material change in the classification of other financial assets of the Bank. Investments and derivatives are categorised by the external credit ratings (Standard & Poor's).

D LIQUIDITY

In the first half of 2015, the Bank successfully attracted EUR 0.7 billion under the Senior unsecured medium term note program and successfully issued EUR 0.9 billion DRMP I RMBS notes. Furthermore the Bank raised approximately EUR 0.5 billion of savings since the end of 2014.

Compared to year end, there has been no material change in the undiscounted contractual cash flows of financial liabilities.

E FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

Notes to The Condensed Consolidated Interim Financial Statements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes to The Condensed Consolidated Interim Financial Statements

- 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 instruments valuation. The total amount of gains and losses accounted for financial instruments with a level 3 fair value (including the effect of the related derivatives) amounted to a net profit of EUR 0.2 million (first half 2014: a net profit of EUR 2.9 million), which was included in the statement of comprehensive income.

Valuation techniques uses and valuation process for level 2 and 3 instruments

During 2015 no changes were made in the valuation technique of level 2 instruments.

Loans and advances to customers (level 3)

A part of the total Loans and advances to customers is measured at fair value. These loans are valued using pricing models based on the net present value of estimated future cash flows. The pricing models are based on current market data, such as the euro swap curve. In addition to the euro swap curve there are unobservable market inputs. The unobservable market inputs may include spreads which are embedded in the discount curve. The total spread is based on the pricing of mortgages within the market, and varies from 107 to 350 basis points.

An increase of the spread by 10 basis points result in an decrease on the fair value of loans and advances to customers measured at fair value of EUR 0.7 million.

Although the Bank believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. Management decides the valuation policies and procedures and analyses periodic changes in fair value measurements.

Changes in the fair value hierarchy in 2015

During 2015 no changes were made in the classification of the fair value hierarchy.

FAIR VALUE HIERARCY FINANCIAL INSTRUMENTS

AS AT 30 JUNE 2015

Reviewed

IN THOUSANDS OF EUROS

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial assets				
Derivative assets held for risk management				
Interest rate swaps	–	62,840	–	62,840
Currency swaps	–	94,934	–	94,934
Back to back swaps	–	153,554	–	153,554
	–	**311,328**	–	**311,328**
Financial assets designated at fair value				
through profit or loss				
Investment securities	440	–	–	440
Private sector loans and advances	–	–	301,044	301,044
	440	–	**301,044**	**301,484**

Notes to The Condensed Consolidated Interim Financial Statements

Financial assets held for sale				
Interest-bearing securities	417,525	–	–	417,525
	417,965	**311,328**	**301,044**	**1,030,337**
Financial liabilities				
Derivative liabilities held for risk management				
Interest rate swaps	–	833,347	–	833,347
Back to back swaps	–	153,554	–	153,554
	–	**986,901**	–	**986,901**

AS AT 31 DECEMBER 2014

Audited

IN THOUSANDS OF EUROS

	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Financial assets				
Derivative assets held for risk management				
Interest rate swaps	–	84,519	–	84,519
Currency swaps	–	65,006	–	65,006
Back to back swaps	–	218,527	–	218,527
	–	**368,052**	–	**368,052**
Financial assets designated at fair value				
through profit or loss				
Investment securities	695	–	–	695
Private sector loans and advances	–	–	314,403	314,403
	695	–	**314,403**	**315,098**
Financial assets held for sale				
Interest-bearing securities	631,855	–	–	631,855
	632,550	**368,052**	**314,403**	**1,315,005**
Financial liabilities				
Derivative liabilities held for risk management				
Interest rate swaps	–	939,914	–	939,914
Back to back swaps	–	218,527	–	218,527
	–	**1,158,441**	–	**1,158,441**

MORTGAGE LOANS AT FAIR VALUE

IN THOUSANDS OF EUROS	2015	2014
	Reviewed	Reviewed
Balance as at 1 January	**314,403**	**327,768**
Repayments	–11,947	–10,273
Fair value movement	-1,412	2,549
Balance as at 30 June	**301,044**	**320,044**

Notes to The Condensed Consolidated Interim Financial Statements

Financial instruments not measured at fair value for which the fair value is disclosed

The table below provides an overview of the financial instruments that are not measured at fair value, but for which the fair value is disclosed.

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

IN THOUSANDS OF EUROS	JUNE 2015 CARRYING AMOUNT	JUNE 2015 FAIR VALUE	DECEMBER 2014 CARRYING AMOUNT	DECEMBER 2014 FAIR VALUE
Financial assets				
Loans and advances to banks and public sector	1,402,504	1,404,553	1,383,797	1,387,629
Loans and advances to customers	12,371,836	12,221,868	12,191,336	12,110,638
Financial liabilities				
Deposits from banks	172,108	172,145	202,072	202,573
Funds entrusted	6,465,561	6,602,576	5,993,447	6,120,447
Debt securities issued	8,263,375	8,356,399	7,050,274	7,119,006
Subordinated liabilities	14,566	15,417	14,598	15,690

CONTINGENT LIABILITIES AND COMMITMENTS

During the first half year of 2015 the Bank entered into an agreement with Achmea Life & Pensions whereby mortgages (EUR 650 million) are pledged in return for government bonds.

Compared to year end, there has been no material change in the other contingent liabilities and commitments except irrevocable facilities. These concern all liabilities relating to irrevocable undertakings which may lead to credit losses. Which includes offers accepted by customers for mortgage loans and credit facilities amounting to EUR 501 million (December 2014: EUR 331 million).

3. SUBSEQUENT EVENTS

Achmea Bank acquired a substantial part of the loan activities of Staalbankiers N.V., the private banking entity of Achmea B.V. The effective date of the purchase is 1 July 2015 and the transfer price equals book value, which amounts to EUR 1.1 billion. The transaction has been treated for accounting purposes as a transaction of a business combination under common control. The loan portfolio differs in characteristics from the typical Achmea Bank mortgages. Achmea B.V. provided a capital injection on 7 July of EUR 170.5 million to Achmea Bank. Furthermore, on 7 July Achmea B.V. has issued a capped guarantee to Achmea Bank to cover specific risks, including credit risk, related to this portfolio. The transfer is expected to have a slightly positive impact on the solvency ratio of Achmea Bank. Achmea Bank expects that the impact on its profit and loss will be limited. Taking into consideration the transaction as a whole, Achmea Bank's risk profile will not be materially affected. The Dutch Central Bank ("De Nederlandsche Bank N.V.") has issued the required declarations of no objection for the transaction. Further information about this transaction is disclosed in a separate press release, which was published on July 8, 2015.

To: The Executive Board and Supervisory Board of Achmea Bank N.V.

Review report

INTRODUCTION

We have reviewed the accompanying condensed consolidated interim financial information for the sixmonth period ended 30 June 2015 of Achmea Bank N.V., The Hague, which comprises the condensed consolidated statement of financial position as at 30 June 2015, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the selected explanatory notes for the six-month period then ended. The Executive Board is responsible for the preparation and presentation of this (condensed) 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

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 information as at 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 12 August 2015

PricewaterhouseCoopers Accountants N.V.

Original signed by Drs. G.J. Heuvelink RA

For more information, please contact:
Media:

Stefan Kloet
+31 6 1222 3657
stefan.kloet@achmea.nl
www.achmeabank.com

Investors:

Rudi Kramer
+31 30 693 7019
rudi.kramer@achmea.nl
www.achmeabank.com

Abhishek Dutta
+31 6 2249 6980
abhishek.dutta@achmea.nl
www.achmeabank.com

Achmea Bank N.V.

Spoorlaan 298
5017 JZ Tilburg
The Netherlands

P.O. Box 54
7300 AB Apeldoorn
The Netherlands

Phone +31 13 461 20 10
www.achmeabank.com
Chamber of Commerce The Hague no. 27154399