



SNS REAAL

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Financial Results First Half 2013

SNS REAAL Core activities post net profit of € 204 million

SNS REAAL including Property Finance posts net loss of € 1,585 million due to one-off provision for real estate finance portfolio related to nationalisation

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Maurice Oostendorp (CFRO)

I. Financial Results 1H13, Outlook



Highlights SNS REAAL 1H13 (1)

(€m)	1Q13	2Q13	1H13
Net result core activities excluding one-off items	99	111	210
One-off items	71	(77)	(6)
Net result core activities	170	34	204
Net result Property Finance	(1,792)	3	(1,789)
Total net result	(1,622)	37	(1,585)

- **SNS REAAL Core activities post 1H13 net profit of €210m excluding one-off items**
 - Sharply higher net profit excluding one-off items SNS Retail Bank of €198m (1H12: €94m)
 - Sharply lower net profit excluding one-off items Insurance activities of €30m (1H12: €216m)
- **SNS REAAL including PF reports 1H13 net loss of €1,585m due to one-off provision for real estate finance portfolio at PF related to nationalisation measures in 1Q13**

Highlights SNS REAAL 1H13 (2)

- **Strong improvement 1H13 solvency SNS Bank and decrease Double leverage SNS REAAL due to nationalisation measures; Insurance solvency slightly lower**
 - Core Tier 1 ratio of SNS Bank 12.2% (pro forma: 16.3%; year-end 2012: 6.1%)
 - Regulatory solvency Insurance activities 172% (year-end 2012: 176%)
 - Double leverage SNS REAAL 107% (year-end 2012: 130%)
- **Downgrade France in July may impact regulatory solvency of REAAL NV with an estimated 30%-points. It would also have a substantial negative impact on the net result of the Insurance activities through additional provisioning related to the LAT deficit**

Re-focus on Core Activities and Progress of Restructuring Plan

Core activities

- Ambition to restore market share of new retail mortgage production to 6% by reducing margins
- Net inflow of €1.3bn retail savings since nationalisation. Savings balances stable at €32.8bn compared to year-end 2012
- Zwitserleven introduced a new retail savings initiative 'Zwitserleven Sparen'
- SNS Bank's compensation offer for the third tranche of the Participation Certificates is accepted by almost all holders. A related provision of €53m was taken in 1H13

Property Finance

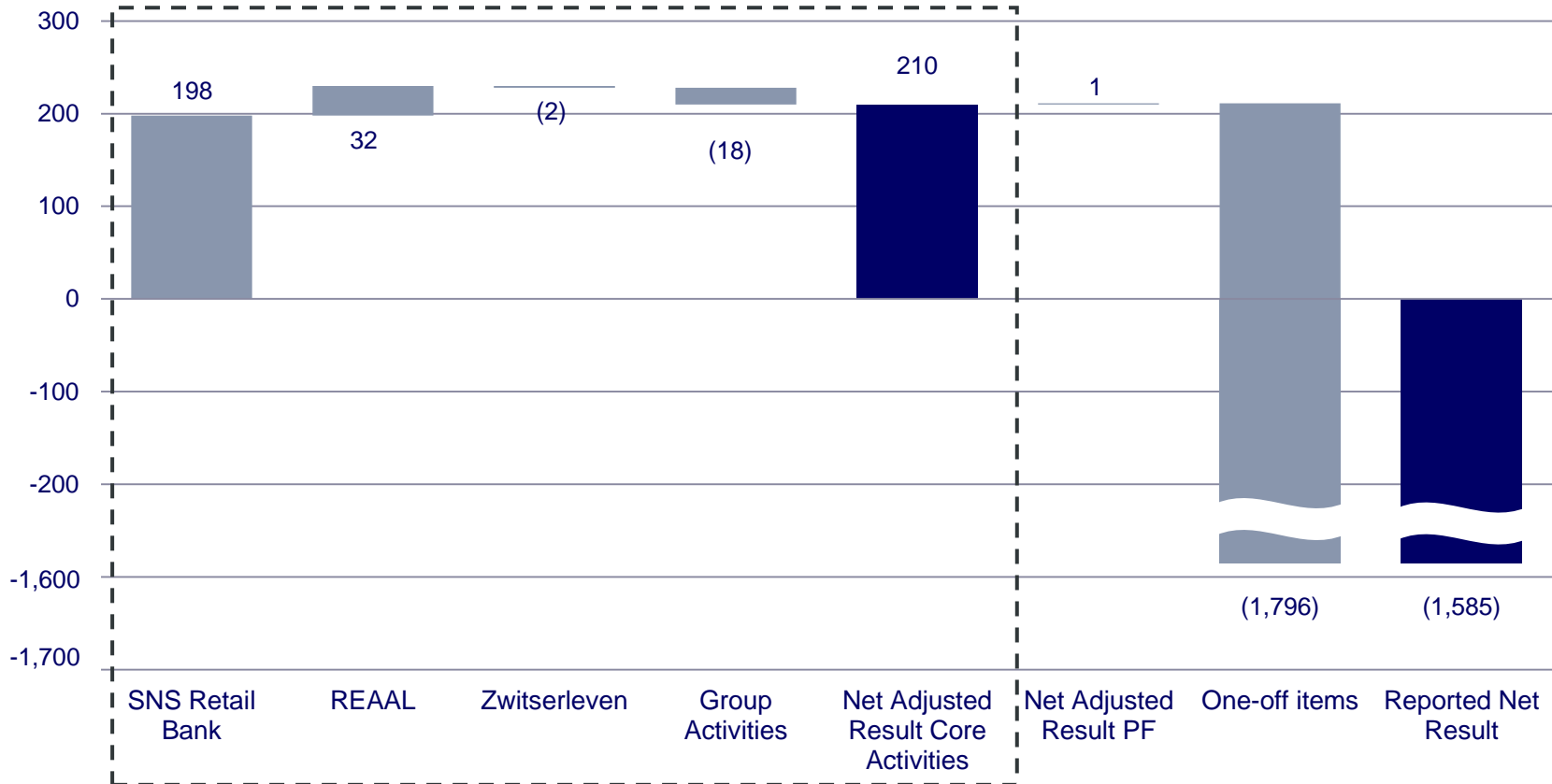
- Progress on the isolation of Property Finance: appointment new management and preparation for transfer before 31 December 2013

Restructuring Plan

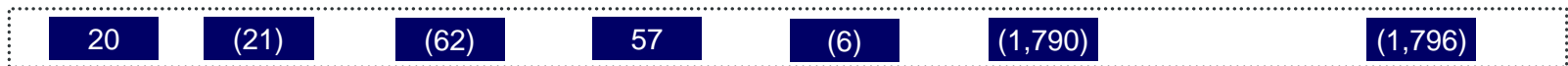
- Constructive consultation with Dutch Ministry of Finance and EC; On schedule to submit restructuring plan before 22 August 2013

Net Profit Excluding One-Off Items at Core Activities of €210m in 1H13

Breakdown Net Result Excluding One-Off Items 1H13 (€m)



One-Off Items



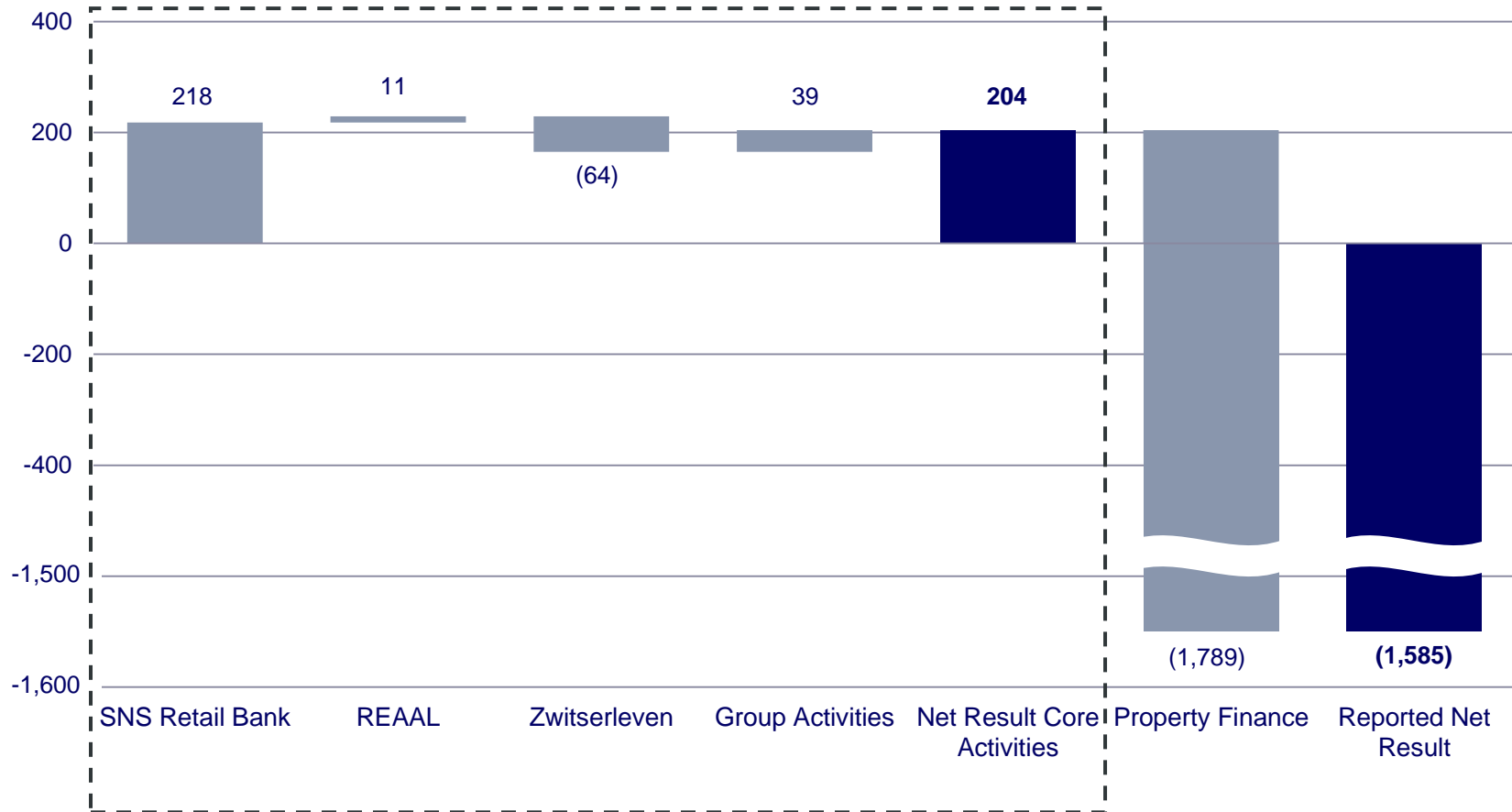
One-Off Items 1H13

Breakdown of Net Impact of One-Off Items

(€m)	1Q13	2Q13	1H13
SNS Retail Bank	20	-	20
Provision for compensation offer 3 rd tranche Participation Certificates	(40)	-	(40)
Gains from expropriation privately placed hybrid debt and related derivatives	60	-	60
REAAL	(6)	(15)	(21)
REAAL Life: Expropriation of hybrid loan SNS Bank	(6)	-	(6)
REAAL Life: Impairment VOBA related to shortfall LAT	-	(15)	(15)
Zwitserleven	-	(62)	(62)
Impairment VOBA related to shortfall LAT	-	(47)	(47)
Impairment internally developed and capitalised software	-	(15)	(15)
Group Activities	57	-	57
Gains from expropriation privately placed hybrid debt and related derivatives	51	-	51
Adjustment for hybrid loan in SNS Bank held by REAAL	6	-	6
One-off items core activities	71	(77)	(6)
Property Finance			1,790
Constructive obligation Property Finance	(1,790)	-	(1,790)
Total one-off items	(1,719)	(77)	(1,796)

Net Profit Including One-off Items at Core Activities of €204m in 1H13

Breakdown Net Result 1H13 (€m)



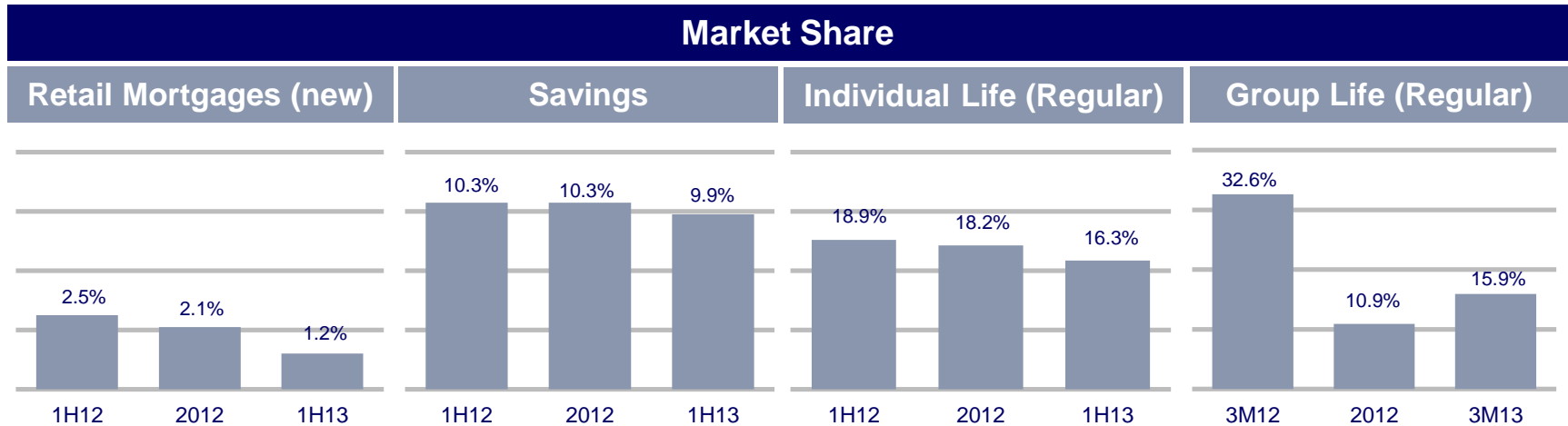
Second Quarter 2013 Net Profit of €37m

Quarterly Net Results 1H13			
(€m)	1Q13	2Q13	1H13
SNS Retail Bank	107	111	218
<i>REAAAL Life</i>	34	0	34
<i>REAAAL Non-Life</i>	(3)	(11)	(14)
<i>REAAAL Other</i>	(4)	(5)	(9)
REAAAL	27	(16)	11
Zwitzerleven	(2)	(62)	(64)
Insurance Activities	25	(78)	(53)
Group Activities	38	1	39
SNS REAAL (Core)	170	34	204
Property Finance	(1,792)	3	(1,789)
SNS REAAL	(1,622)	37	(1,585)

Comments

- Decline net profit core activities from €170m in 1Q13 to € 34m in 2Q13 wholly due to q-o-q swing in one-off items
- SNS Retail Bank 2Q13 net profit of €111m in line with 1Q13 (€107m)
- 2Q13 net loss Insurance activities of €78m due to impairments intangible assets (-€15m at REAAAL and -€62m at Zwitzerleven) and lower underlying results (1Q13 net profit: €25m)
- In 1Q13: positive impact of one-off items of €71m (€20m at SRB, -€6m at REAAAL and €57m at Group activities) all caused by the nationalisation measures
- Property Finance: a net profit of €3m in 2Q13 as impairments were offset by a release from constructive obligation provision, formed in 1Q13

SNS REAAL Core Activities Market Shares



- Given SNS Retail Bank's improved capital position after nationalisation, we aim for a return to a traditional market share in new mortgages
- Initiatives at SNS Bank in 1H13 in the field of mobile banking and mortgage information to clients
- Savings balances stable at €32.8bn compared to year-end 2012. Net inflow of €1.3bn following nationalisation
- Zwitserleven has introduced retail savings initiative 'Zwitserleven Sparen'
- REAAL's market share of new individual life below the level of year-end 2012, but still high, in particular in the term life insurance market
- Zwitserleven will increasingly focus on Defined Contribution market and increase the number of products outside the second pillar

Highlights Property Finance in 1H13

Progress on the Isolation of PF

- A new CEO and CRO of Property Finance have been appointed
- Progress in addressing legal, fiscal, financial and personnel consequences of the isolation; fiscal settlement can potentially lead to a material tax benefit
- We strive to conclude the isolation of PF as per 31 December 2013

Reduction Exposure in 1H13

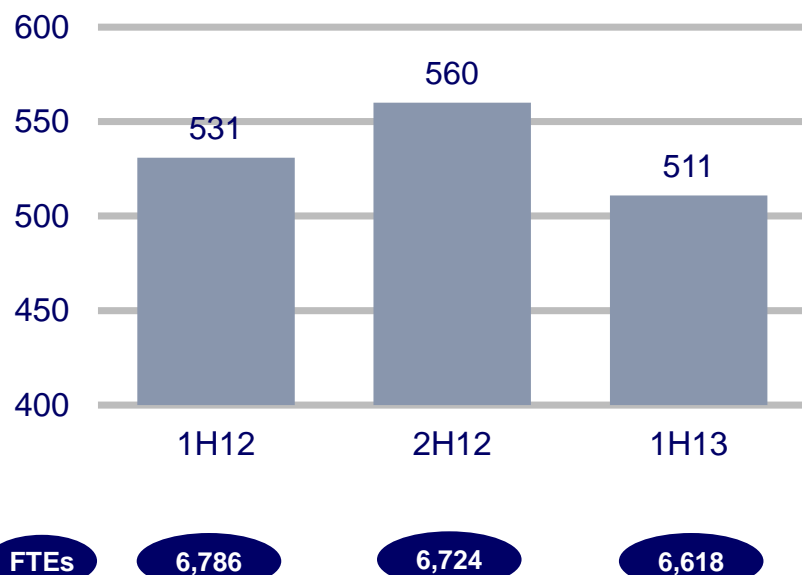
- Total net exposure excluding 'constructive obligation' provision reduced by €0.4bn to €6.6bn (-6%)
- Pro forma net exposure, after €1.8bn 'constructive obligation' provision, of €4.8bn at the end of June 2013

PF: 1H13 Net Loss of €1,789m

- Net loss PF of €1,789m, due to an 'constructive obligation' provisioning charge of €2,024m (€1,790m net) related to the transfer of PF to a separate real estate finance organisation at the value as determined by the Dutch State
- As of 1 Jan 2013, impairments and discounts are offset by a release from this 'constructive obligation' provision: 1H13 result PF excl. provision: €1m

Adjusted Operating Costs Down 4% in 1H13

Adjusted¹ Operating Costs (€m)



Comments

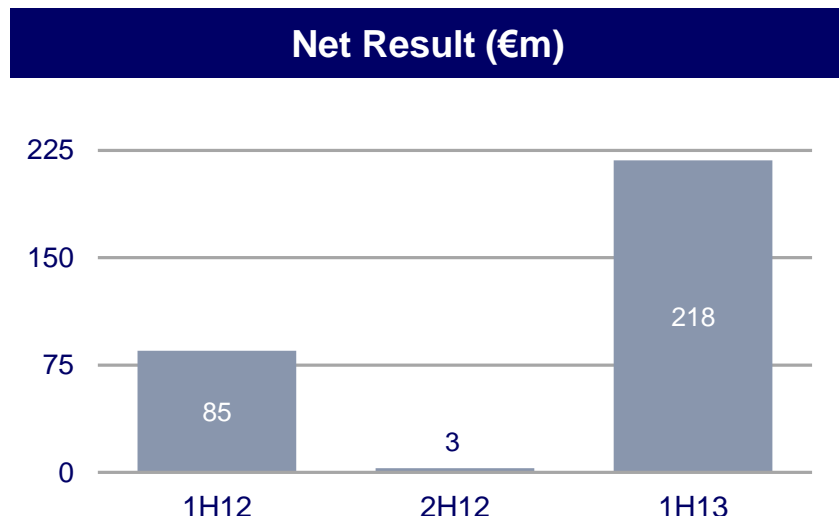
- In 1H13 adjusted operating costs were reduced by 4% vs 1H12 and by 9% vs 2H12
- Decline in adjusted operating expenses driven by a decrease in the number of internal staff by 106 FTEs to 6,618 (-2%)
- SNS REAAL continues to work on the financial disentanglement of the holding company, bank and insurer. As of 1 January 2013, on an annual basis approx. €48m operating expenses will be additionally allocated from the holding company to the Banking and Insurance activities, to reflect a more accurate stand alone cost level of these entities (1H13: €24m)

1. Excluding restructuring charges, provisions related to the compensation of participation certificates and share in savings guarantee scheme

SNS Retail Bank: Considerable Increase in Net Interest Income and Income from Investments/Fin Instruments

Total Income			
(€m)	1H12	2H12	1H13
Net interest income	341	361	459
Net fee and commission income	28	26	28
Investment income	28	(5)	75
Financial instruments / other income	17	39	86
Total income	414	421	648
Net interest Margin as % of loans	123bps	130bps	175bps

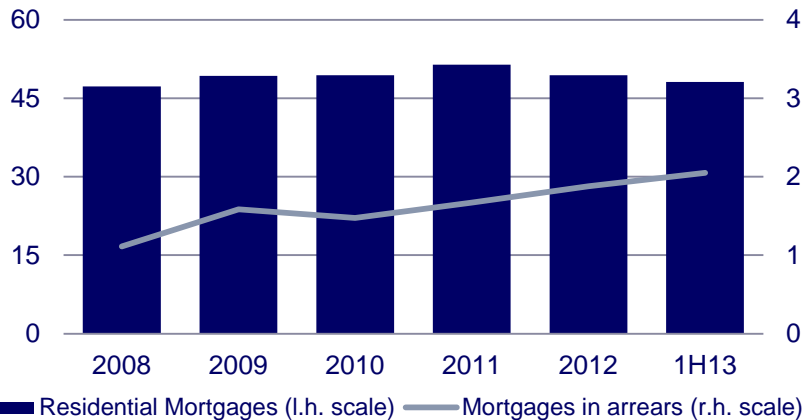
Impairment Charges			
(€m)	1H12	2H12	1H13
Mortgages	60	101	70
Other loans	15	4	3
SME loans	8	36	21
Other	-	4	-
Total impairment charges	83	145	94
Loan impairments as % avg gross loans	30bps	51bps	35bps



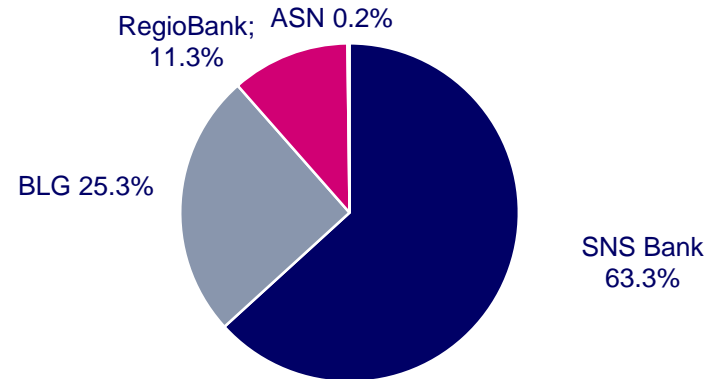
- ### Comments
- Net interest income benefitting from lower interest expenses due to expropriation hybrid debt, lower interest rates on savings accounts and redemption of term deposits
 - Higher income from investments/fin instruments due to one-off gains on expropriated privately placed hybrid debt and related derivatives and buyback results
 - Actual credit losses:
 - SNS Bank €58m (1H12: €40m)
 - Retail mortgages €41m (1H12: €32m)

Development of the Retail Mortgage Portfolio SNS Bank

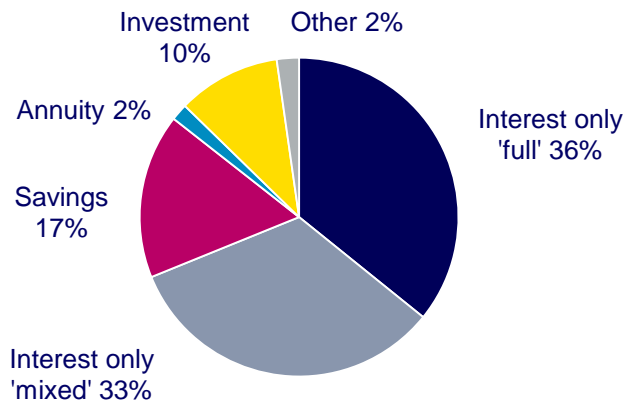
Residential Mortgage Portfolio (€bn)



Residential Mortgages per Label (1H13)



Mortgage Type (1H13)

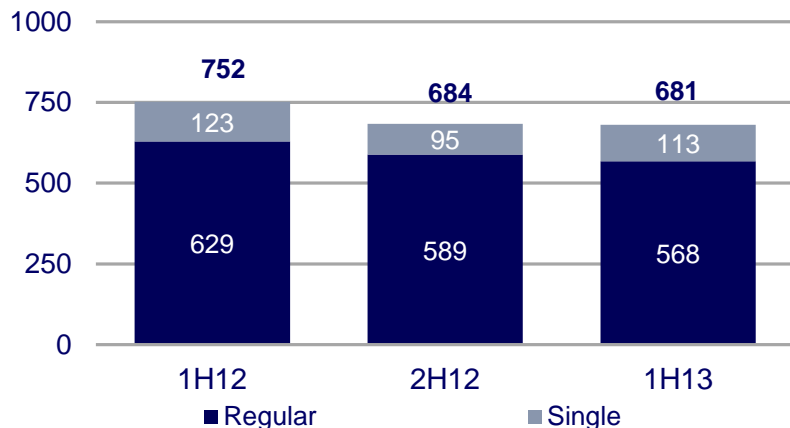


Comments

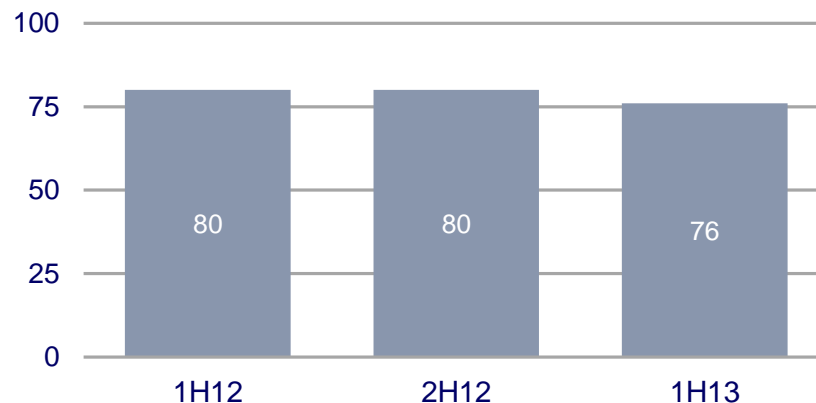
- Lower retail mortgage portfolio SNS Bank at €48.1bn compared to year-end 2012 (€49.4bn) due to redemptions
- Mortgages in arrears (from 1 day overdue) increased from €1.9bn year-end 2012 to €2.0bn 1H13; over 50% of mortgages in arrears recover within 60 days
- SNS Bank started a project to give clients more insight related to mortgage debt and budget planning

REAAAL Life: Sharply Lower Net Profit in 1H13 Mainly due to Lower Derivatives Gains and Underlying Profit

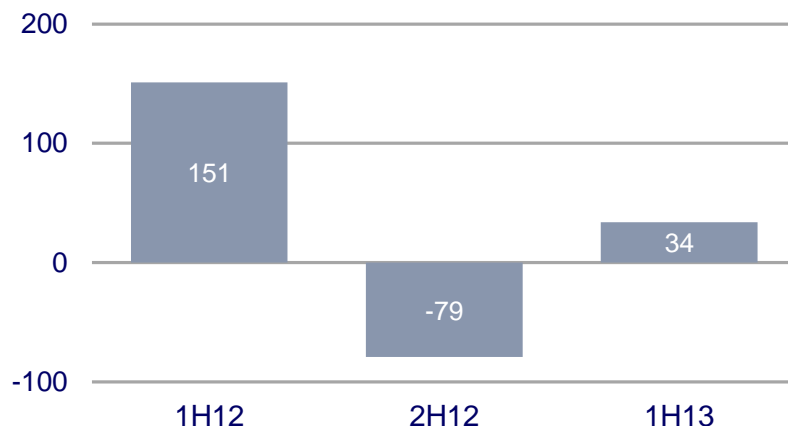
Gross Premium Income (€m)



Operating Costs (€m)



Net Result (€m)

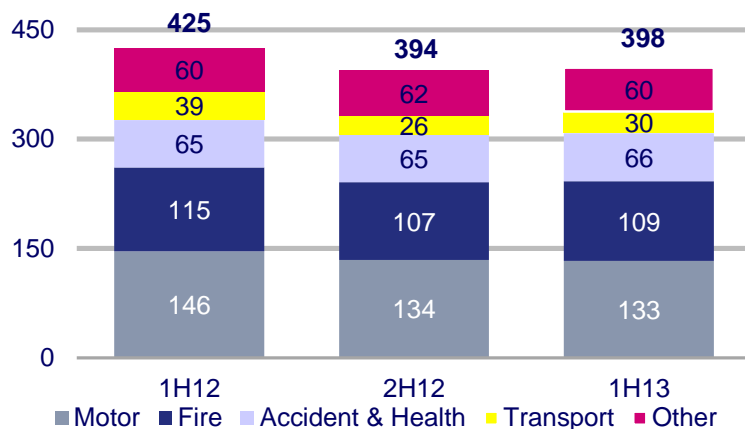


Comments

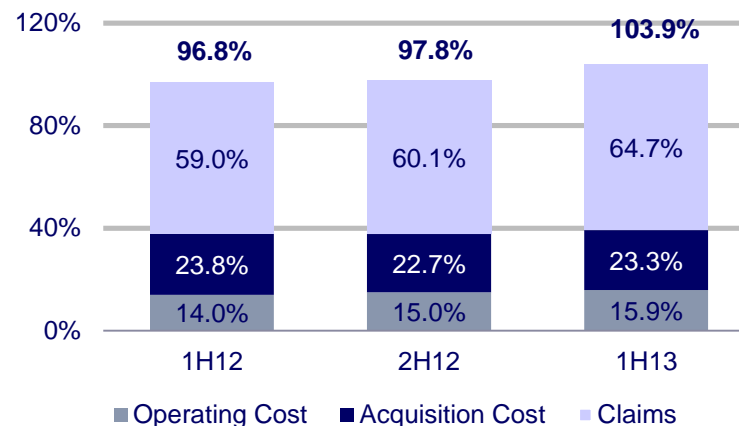
- 10% decline in regular premiums, single premiums 8% lower
- 5% decline in operating costs, excluding additional cost allocation from holding, operating costs decline by 10%
- Net profit of €34m includes net impact impairment of VOBA (-€15m)
- Lower net profit driven by 1) a sharp decline of interest rate derivative gains (result on financial instruments) and 2) a lower underlying profit mainly driven by a significant decline in direct investment income

REAAL Non-Life: Net Loss in 1H13 Impacted by High Claims Ratio and Lower Investment Income

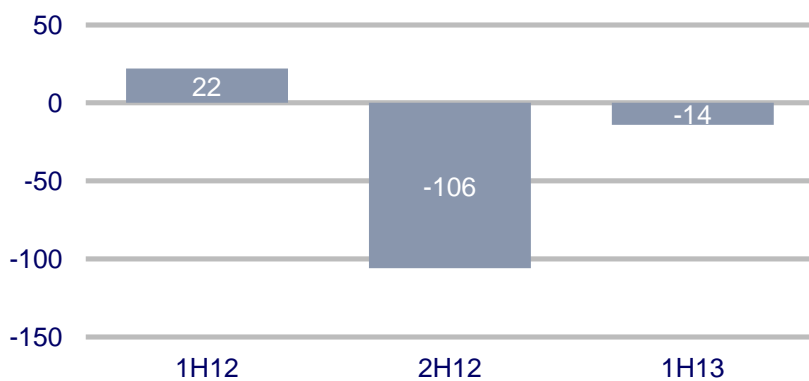
Gross Premium Income (€m)



Combined Ratio



Net Result (€m)



Comments

- 6% decline in gross premium income driven by absence of release of provisions
- Operating expenses stable excluding additional cost allocation from holding
- Combined ratio up due to higher claims in fire and motor
- Net loss of €14m due to high claims ratio and lower investment income driven by lower realised gains on bonds

Sharp Decline in 1H13 Underlying Profit at REAAL

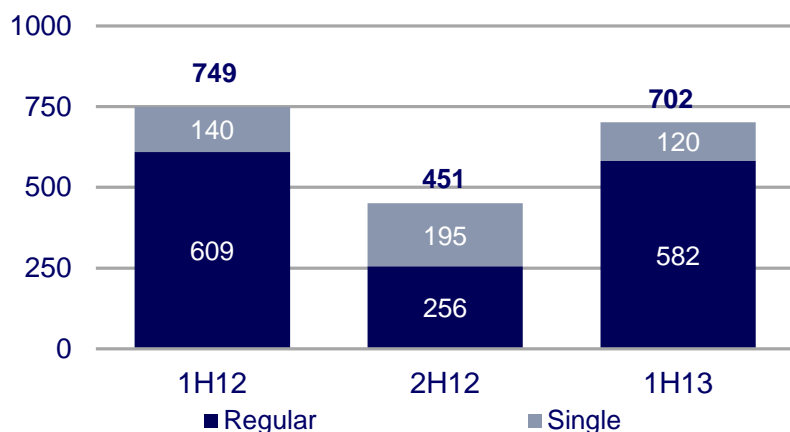
Underlying Result REAAL

(€m)	1H12	2H12	1H13
Total net result REAAL	164	(191)	11
Impact investment portfolio and hedges	74	76	13
Impairments and realised gains/losses on investments	12	79	31
Result on financial instruments	93	(14)	3
Changes in insurance contracts due to movements of fair value items	(31)	11	(21)
One-off items	-	(325)	(21)
Net result REAAL excl. impact of one-off items and impact of investment portfolio and hedges	90	58	19
Amortisation VOBA and other intangible assets	(24)	(24)	(21)
Underlying result REAAL	113	83	40
of which Reaal Life	100	83	61
of which Reaal Non-Life	18	4	(12)
of which Other	(5)	(4)	(9)

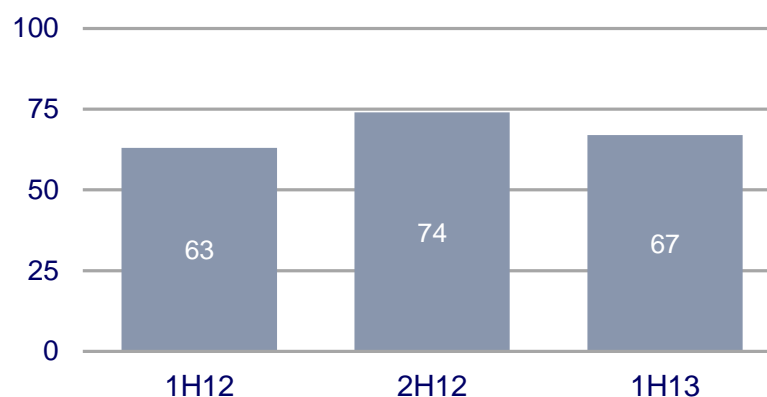
Lower underlying net profit mainly driven by lower direct investment income and a higher claims ratio at Non-Life

Zwitserleven: Net Loss in 1H13 due to Impairments of VOBA/Capitalised Software and Additional Provision

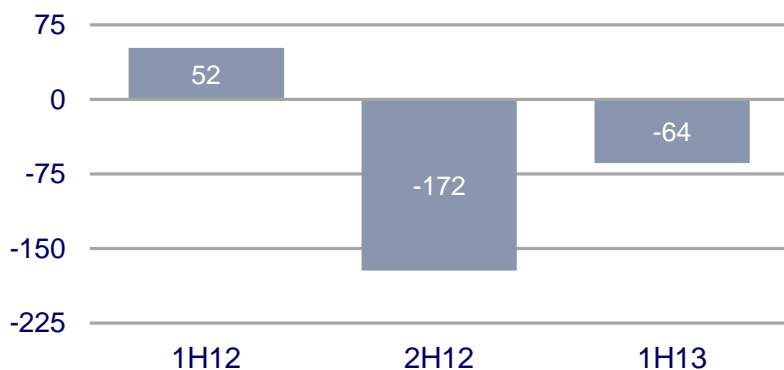
Gross Premium Income (€m)



Operating Costs (€m)



Net Result (€m)



Comments

- 4% decline in regular premiums due to lower retention rates; Single premiums 14% lower
- In 1H13 an additional provision of €10m was taken related to compensation of investment based pension contracts
- Sharp decline in realised gains on bonds in 1H13
- Net loss of €64m includes net impact impairment of VOBA (-€47m) and internally developed and capitalised software (-€15m)

Negative 1H13 Underlying Result at Zwitserleven

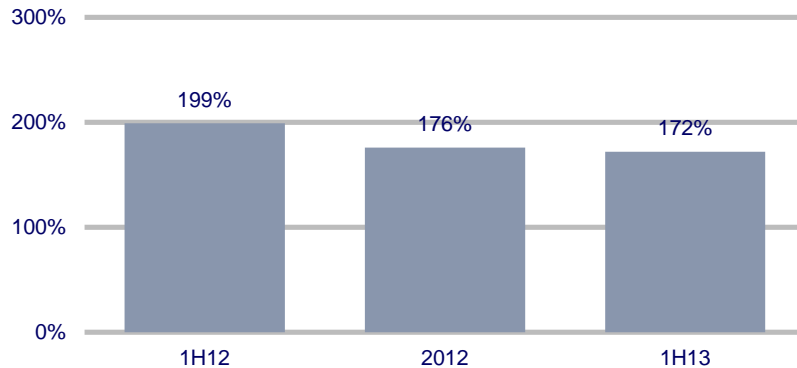
Underlying Result Zwitserleven

(€m)	1H12	2H12	1H13
Total net result Zwitserleven	52	(172)	(64)
Impact investment portfolio and hedges	40	34	11
Impairments and realised gains/losses on investments	82	38	24
Result on financial instruments	(33)	(27)	2
Changes in insurance contracts due to movements of fair value items	(9)	23	(15)
One-off items	-	(224)	(62)
Net result Zwitserleven excl. impact of one-off items and impact of investment portfolio and hedges	12	18	(13)
Amortisation VOBA and other intangible assets	(8)	(8)	(2)
Underlying result Zwitserleven	20	26	(11)

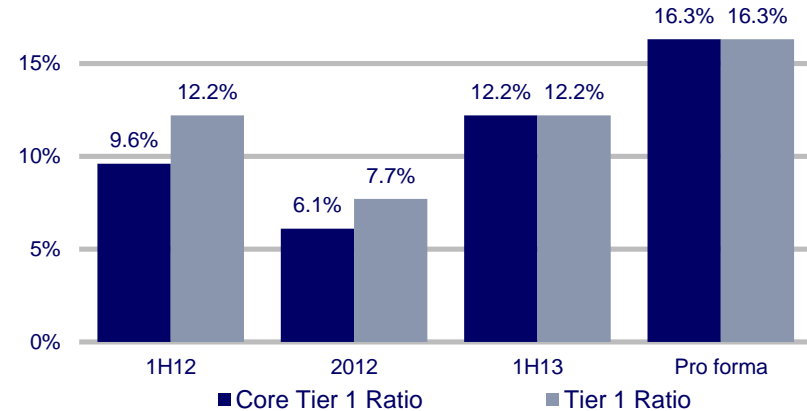
Underlying loss in 1H13 due to lower mortality-, interest- and cost results and a provision for investment based pension contracts

Solvency Ratios of Banking and Insurance Activities

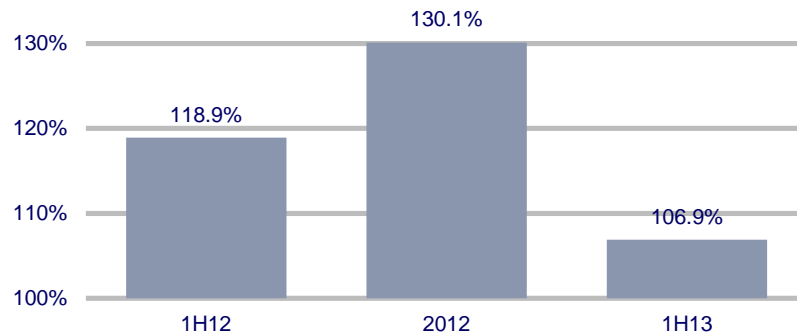
Regulatory Solvency Insurance Activities



Banking Capital Ratios



Double Leverage¹



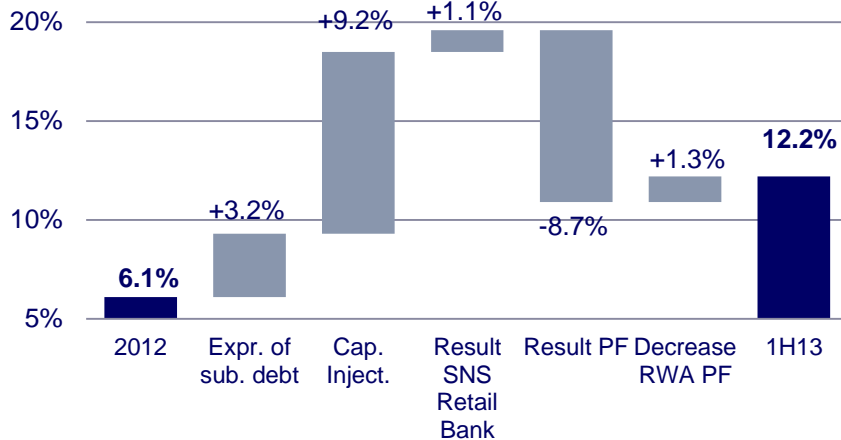
1. Including IAS 19

Comments

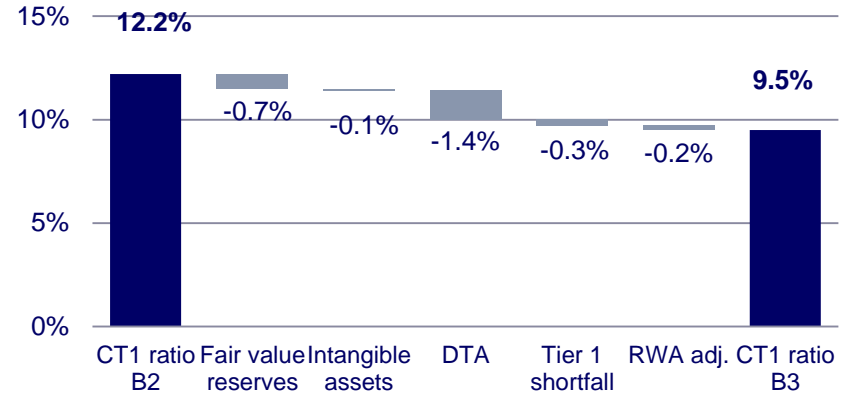
- Impact downgrade France in July on regulatory solvency REAAL NV estimated at 30%-points
- Swap hybrid debt for equity in July has positive impact on regulatory solvency REAAL NV of 10%-points; Higher Double leverage
- Pro forma CT1 ratio SNS Bank at end 2Q13 of 16.3%

Banking Activities: Core Tier 1 Ratio at 12.2%

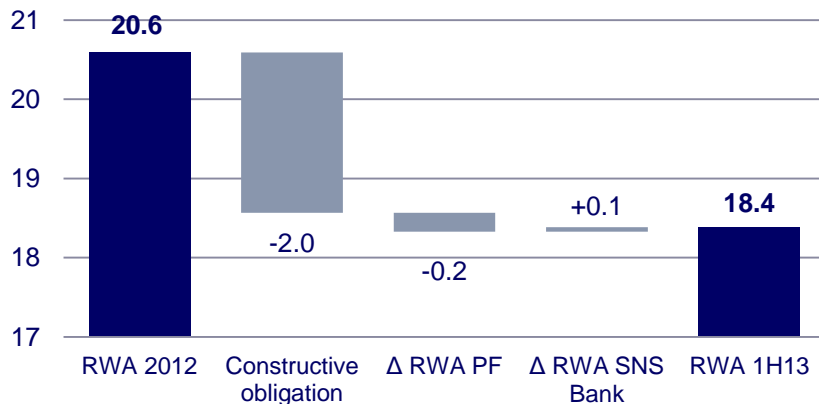
Changes in Core Tier 1 Ratio 1H13



1H13 Reconciliation Basel III



Development of RWA¹ in 1H13 (€bn)



1. Basel II

Comments

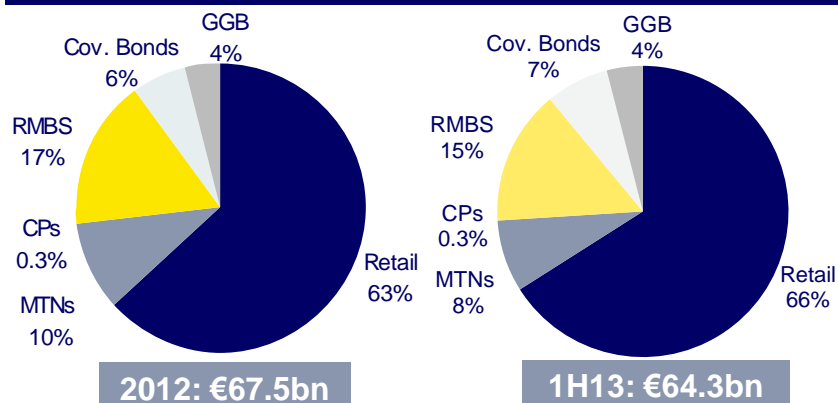
- Core Tier 1 ratio sharply higher at 12.2% due to capital injection, retention of profit SNS Retail Bank and decrease of RWA
- RWA markedly lower at €18.4bn due mainly to an additional provision (constructive obligation) at the PF portfolio
- Basel 3 leverage ratio of 2.38% in 1H13 (including PF)

Pro Forma Capital Position Based on 1H13 Figures

Pro Forma Figures					
(€m)	1H13	Guarantee on funding PF	Resolution levy	Deduction Tier 1 shortfall	Pro forma
Shareholders' equity SNS REAAL	4,818		(70)		4,748
of which SNS Bank	2,312		(70)		2,242
of which REAAL	2,824				2,824
of which Other	6				6
of which Double leverage	(324)				(324)
Double leverage (%)	107%				107%
SNS Bank N.V.					
Core Tier 1 capital	2,246		(70)	(35)	2,141
RWA (Basel II)	18,385	(5,246)			13,139
CT1 ratio (%)	12.2%				16.3%
Regulatory Solvency Insurance activities	172%				172%

Banking Activities: High Liquidity Position; Loan to Deposit Ratio Trending Down

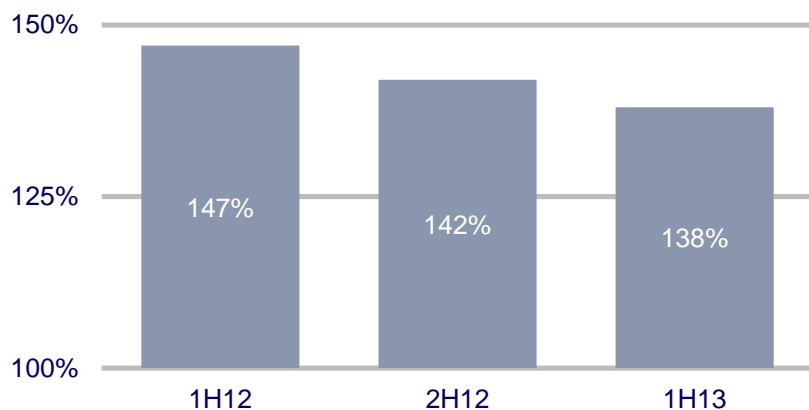
Funding Mix Banking Activities



Liquidity Position

(€m)	1H12	2H12	1H13
Cash	7,651	6,691	6,301
Liquid Assets	3,797	4,818	2,423
Total Liquidity Position	11,448	11,509	8,724

Loan to Deposit Ratio Banking Activities

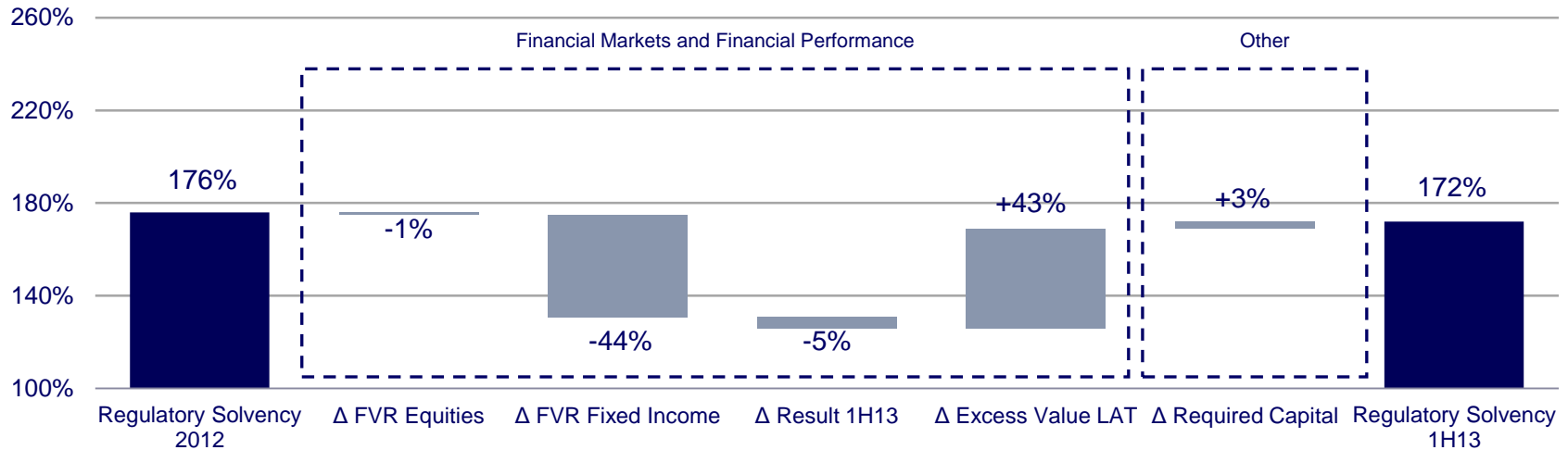


Comments

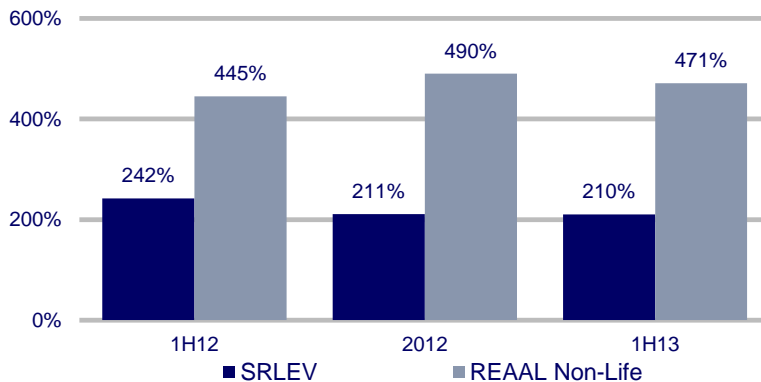
- Loan-to-deposit ratio including PF improved from 142% at year-end 2012 to 138%
- Excluding PF the loan-to-deposit ratio would be 123%
- Liquidity position reduced in 1H13 but still at a high level

Solvency Insurance Activities 1H13

Change in Regulatory Solvency in 1H13



Regulatory Solvency Legal Entities



Comments

- Regulatory solvency down modestly to 172%
- Positive impact from interest rate developments and credit spreads in 1H13 was largely offset by adjustments in models and parameters

Outlook

Earnings

- We expect SNS Retail Bank to continue to report satisfactory results in the coming quarters, in spite of loan impairments remaining at historically high levels
- We expect the market environment at the Insurance activities to remain difficult and pressure on earnings and solvency to continue
- Due to the 1H13 loss at PF, SNS REAAL will also report a loss for the year 2013 as a whole
- Fiscal settlement can potentially lead to a material tax benefit

Solvency

- Consequences of downgrade France on earnings and solvency Insurance still uncertain but may be significant (est. impact on regulatory solvency: -30%-points)
- Solvency SNS Bank expected to remain solid

Nationalisation

- Restructuring plan to be submitted to the EC before 22 August
- We intend to provide more clarity on this plan in the course of the year

Key Take-Aways

- **SNS REAAL Core activities post 1H13 net profit of €204m (excluding one-off items: €210m)**
 - Sharply higher net profit excluding one-off items SNS Retail Bank of €198m (1H12: €94m)
 - Sharply lower net profit excluding one-off items Insurance activities of €30m (1H12: €216m)
- **SNS REAAL including PF reports 1H13 net loss of €1,585m due to one-off provision for real estate finance portfolio at PF related to nationalisation measures in 1Q13**
- **Strong improvement 1H13 solvency SNS Bank and decrease Double leverage SNS REAAL due to nationalisation measures; Insurance solvency slightly lower**
 - Core Tier 1 ratio of SNS Bank 12.2% (year-end 2012: 6.1%)
 - Regulatory solvency Insurance activities 172% (year-end 2012: 176%)
 - Double leverage SNS REAAL 107% (year-end 2012: 130%)
- **Outlook**
 - SNS Retail Bank: satisfactory results expected in coming quarters
 - Insurance activities: earnings and solvency likely to remain under pressure in the quarters ahead
 - Due to 1Q13 loss at PF, SNS REAAL will report a net loss for 2013 as a whole

Questions & Answers

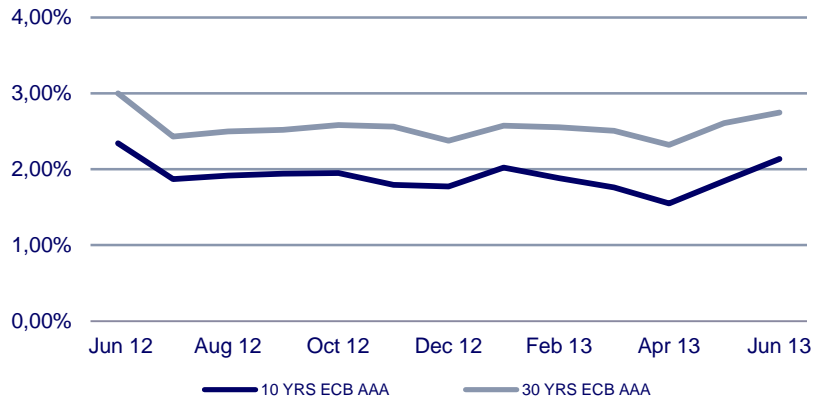


II. Additional slides

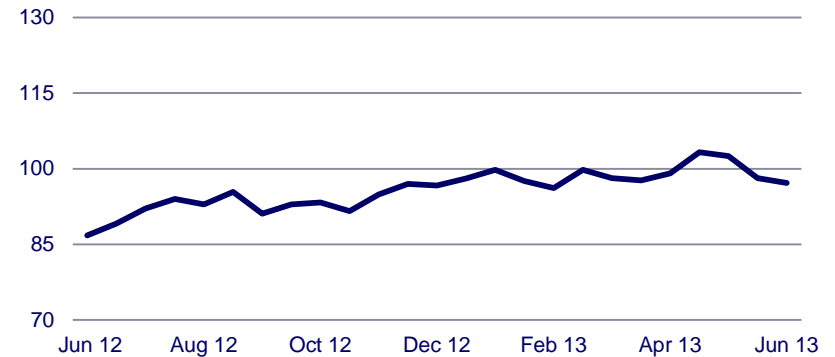


Developments Financial Markets in 2012

10yr and 30yr ECB-AAA Interest Rates



AEX Index



Credit Spread Iboxx Corporate A (bps)

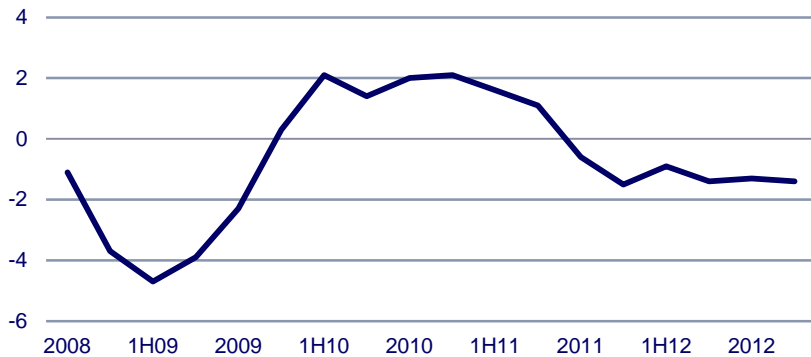


Credit Spread Iboxx All Government Eurozone (bps)

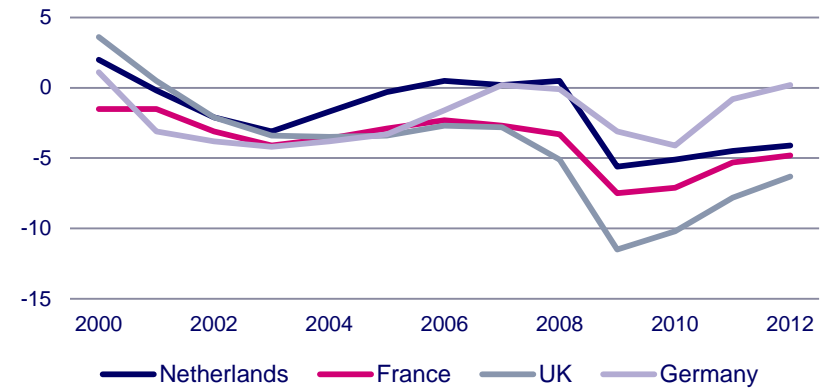


Developments Dutch Economy

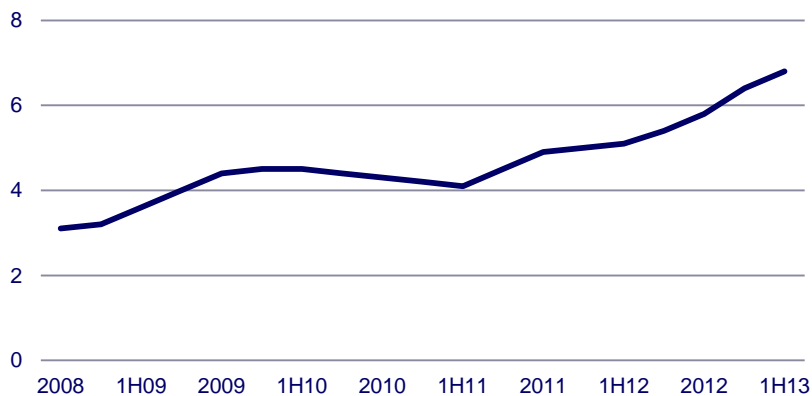
GDP Growth change (%)



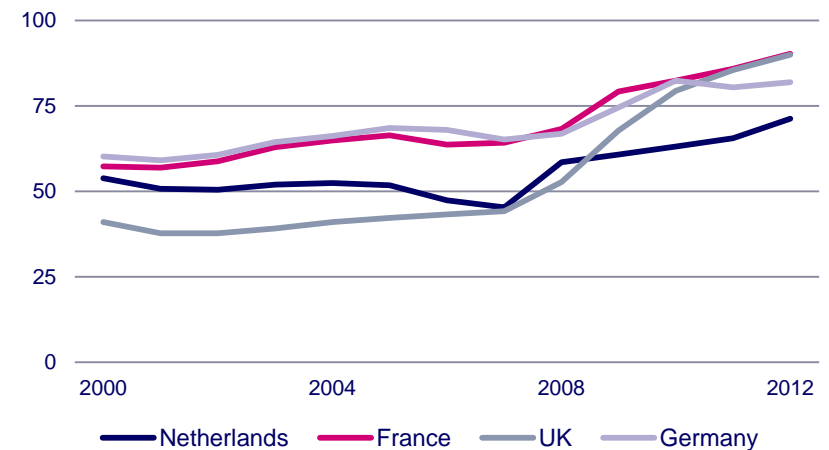
Budget deficit/surplus (% of GDP)



Unemployment (%)



Government debt (% of GDP)



SNS REAAL Net Result Excluding One-Off Items

Net Result excluding One-Off Items					
(€m)	1H12	2H12	1Q13	2Q13	1H13
SNS Retail Bank	94	30	87	111	198
<i>REAAL Life</i>	151	136	40	15	55
<i>REAAL Non-Life</i>	22	(4)	(3)	(11)	(14)
<i>REAAL Other</i>	(9)	(6)	(4)	(5)	(9)
REAAL	164	134	33	(1)	32
Zwitserleven	52	52	(2)	0	(2)
Insurance Activities	216	186	31	(1)	30
Group Activities	(37)	(46)	(19)	1	(18)
ADJUSTED NET RESULT SNS REAAL (CORE)	273	170	99	111	210
Property Finance	(143)	(623)	(2)	3	1
ADJUSTED NET RESULT SNS REAAL	130	(453)	97	114	211

Quarterly Results

Net Result						
(€m)	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13
SNS Retail Bank	32	53	47	(44)	107	111
<i>REAAL Life</i>	67	84	77	(156)	34	0
<i>REAAL Non-Life</i>	2	20	1	(107)	(3)	(11)
<i>REAAL Other</i>	(7)	(2)	(4)	(2)	(4)	(5)
REAAL	62	102	74	(265)	27	(16)
Zwitserleven	15	37	34	(206)	(2)	(62)
Insurance activities	77	139	108	(471)	25	(78)
Group Activities	(21)	(22)	(20)	(37)	38	1
NET RESULT SNS REAAL (CORE)	88	171	135	(552)	170	34
Property Finance	(65)	(78)	(101)	(569)	(1,792)	3
NET RESULT SNS REAAL	23	92	34	(1,121)	(1,622)	37

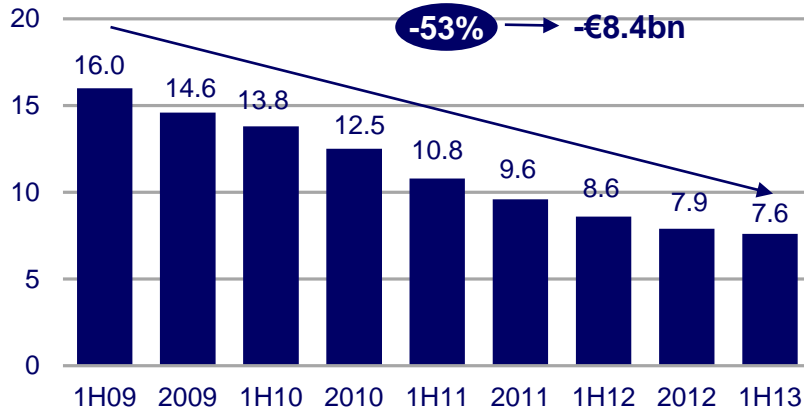
Nationalisation Measures

			1H13
Capital strengthening	1	Expropriation of shares SNS REAAL and €1bn of subordinated debt	✓
	2	€2.2bn capital contribution to SNS REAAL from the Dutch State of which €1.9bn is downstreamed to SNS Bank and €0.3bn remains at holding level	✓
Funding	3	€1.1bn bridge loan to SNS REAAL from the Dutch State to redeem senior debt and internal loans	✓
Property Finance	4	€2.8bn write-down on Property Finance portfolio compared to valuation per 30 June 2012	✓
	5	Transfer of PF to a separate real estate management organisation, capitalised by the Dutch State (in progress)	*
	6	Guarantee for funding by the Dutch State of approximately €5bn (in progress)	*

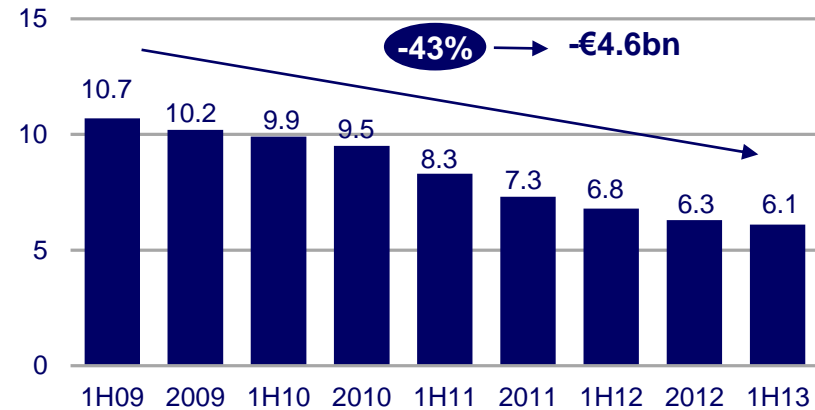
*** On schedule with restructuring plan and separation of Property Finance**

Further Reduction of Property Finance Loan Portfolio in 1H13

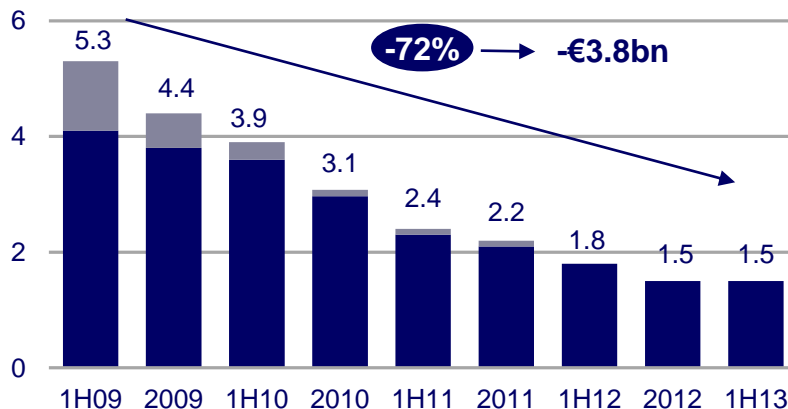
Total Commitments Property Finance (€bn)



Dutch Commitments Property Finance (€bn)



International Commitments Property Finance (€bn)



Comments

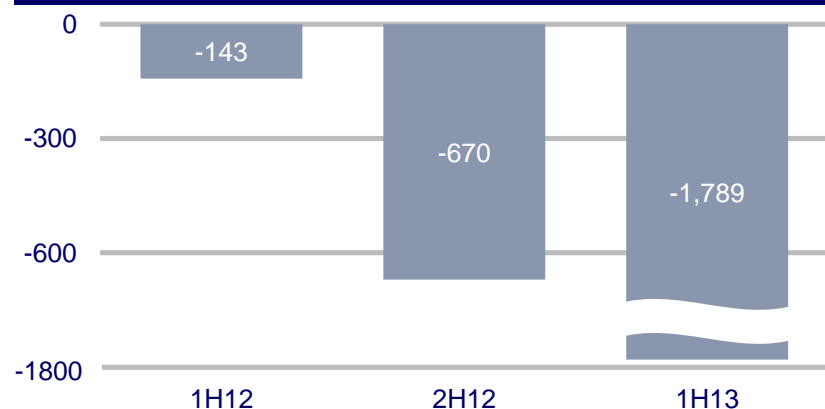
- Total commitments CRE loan portfolio lowered by ~€8.4bn (-53%) since announcement of run-off in August of 2009
- International commitments lowered by 72% since announcement in August 2009
- Dutch commitments lowered by 43% since August 2009

Property Finance: Sharply Higher Net Loss Reflecting Further Weakening RE Markets

Total Income

(€m)	1H12	2H12	H13
Net interest income	52	46	43
Investment income	-	-	-
Result on financial instruments	(8)	(4)	(3)
Other operating income	(1)	(1)	(1)
Total income	43	41	39
Net interest Margin as % of avg loans	109bps	107bps	106bps

Net Result (€m)



Impairment Charges

(€m)	1H12	2H12	1H13
Impairment charges	169	772	184
- of which international	30	348	85
- of which Dutch	139	424	99
Impairment charges goodwill	-	47	-
Total impairments charges	169	819	184
Loan impairments as % of avg loans	3.53%	17.80%	4.53%

Comments

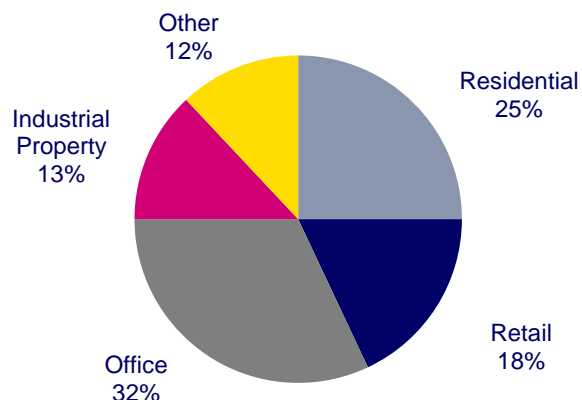
- Sharply higher net loss of €1,789m due to one-off provision related to nationalisation measures in 1Q13
- Impairment charges of €184m of which €142m in 2Q13
- Total commitments reduced by €0.3bn to €7.6bn (-4%)

Property Finance: Outstanding Loans Down by €423m (-6%) in 1H13

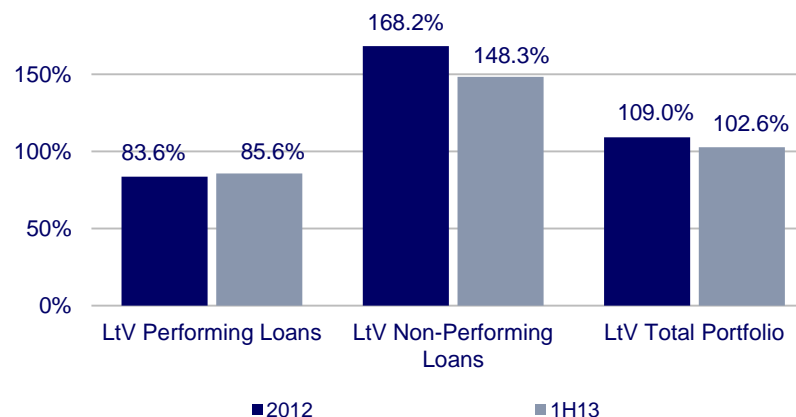
Outstanding Loans Property Finance by Geography 1H13

(€m)	2012	%	1H13	%	Decline in 1H13
Netherlands	5,415	82%	5,132	82%	-5%
Germany	333	5%	299	5%	-10%
North America	174	3%	157	3%	-10%
France	125	2%	121	2%	-3%
Spain	83	1%	71	1%	-14%
Other Europe	485	7%	412	7%	-15%
Total	6,615	100%	6,192	100%	-6%

Outstanding Loans PF by Sector 1H13



Loan-to-Value Property Finance



Property Finance: Dutch vs. International Activities

Dutch Portfolio (€m)		
(€bn)	2012	1H13
Commitments	6,348	6,109
Undrawn Commitments	66	20
Outstanding Loans (Gross)	6,282	6,089
Loan Provision	867	958
Outstanding Loans	5,415	5,131
Property Projects	106	105
Held for Sale		
Total Net Exposure	5,521	5,236
Non-Performing Loans	1,899	2,046
NPLs as a % of outstanding loans	30.2%	33.6%
Coverage Ratio	45.7%	46.8%
Average Loan-to-Value	101.3%	103.4%

International Portfolio (€m)		
(€bn)	2012	1H13
Commitments	1,532	1,471
Undrawn Commitments	(18)	(20)
Outstanding Loans (Gross)	1,550	1,491
Loan Provision	350	430
Outstanding Loans	1,200	1,061
Property Projects	310	306
Held for Sale		
Total Net Exposure	1,510	1,367
Non-Performing Loans	750	902
NPLs as a % of outstanding loans	48.4%	60.5%
Coverage Ratio	46.7%	47.7%
Average Loan-to-Value	99.4%	99.4%

Adjusted Operating Costs 4% Lower in 1H13

Operating Costs (€m)			
Adjusted ¹ Operating Costs (€m)	1H12	2H12	1H13
SNS Retail Bank	219	236	214
REAAL	155	150	160
Zwitserleven	63	70	67
Group Activities	44	44	36
Adjusted operating costs core activities	481	500	477
Property Finance	50	60	34
Total adjusted operating costs	531	560	511
Adjustments	-	57	59
Total operating costs	531	617	570

1. Excluding restructuring charges, provisions related to the compensation of participation certificates and share in savings guarantee scheme

Comments

SNS Retail Bank

- Lower adjusted costs YoY despite additional cost allocation from group activities to SNS Retail Bank of €9m

REAAL

- Additional cost allocation from group activities to REAAL amounts €9m

Zwitserleven

- Additional cost allocation from group activities to Zwitserleven amounts €5m

Group Activities

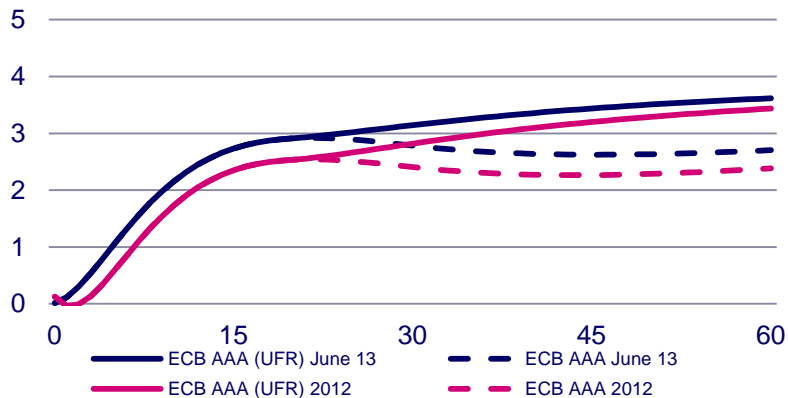
- Adjusted costs exclude €6m related to strategic restructuring costs

Property Finance

- Adjusted costs decreased to €34m due to lower legal and advisory costs related to the run off of the loan portfolio and due to decreased costs of staff
- 1H13 Adjustments consist of a €53m provision related to the compensation of the third tranche of Participation Certificates (SRB) and €6m restructuring costs (GA)

Difficult Market Circumstances due to Continuing Low Interest Rate Environment

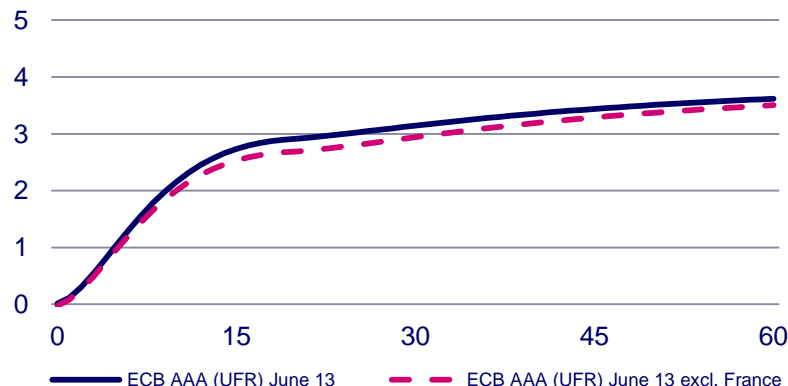
Regulatory yield curve vs IFRS yield curve



Comments

- Regulatory yield curve higher compared to year-end 2012
- Using the ECB AAA instead of the ECB AAA (UFR) curve at the end of June 2013 would negatively impact regulatory solvency by approximately 44%-points (Year-end 2012: -54%-points)

Impact downgrade France on reg yield curve

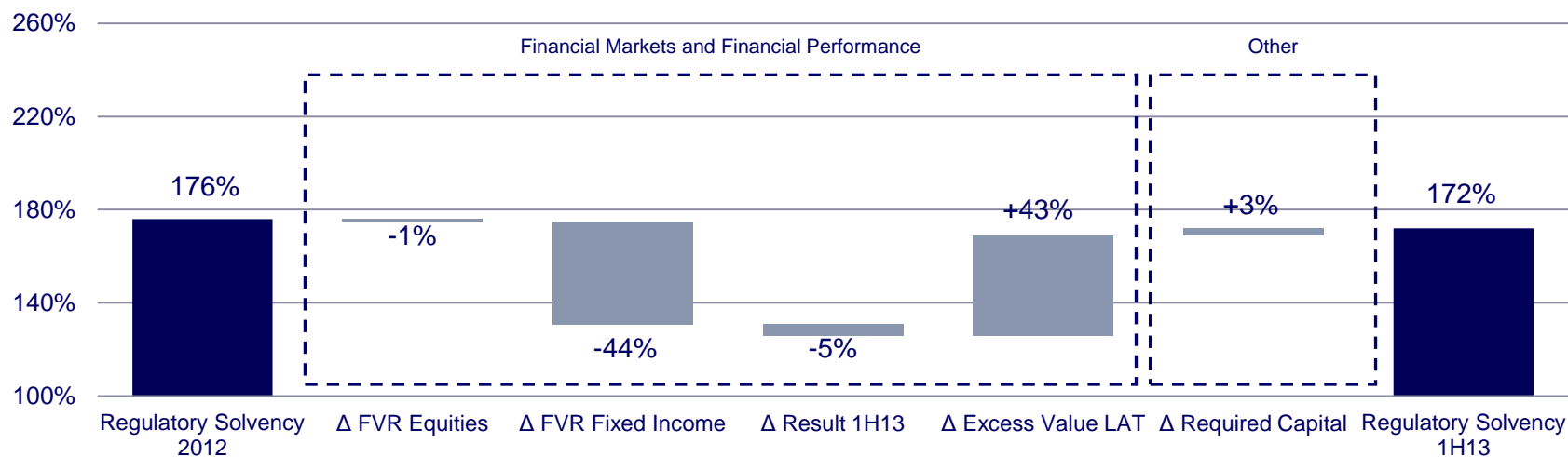


Comments

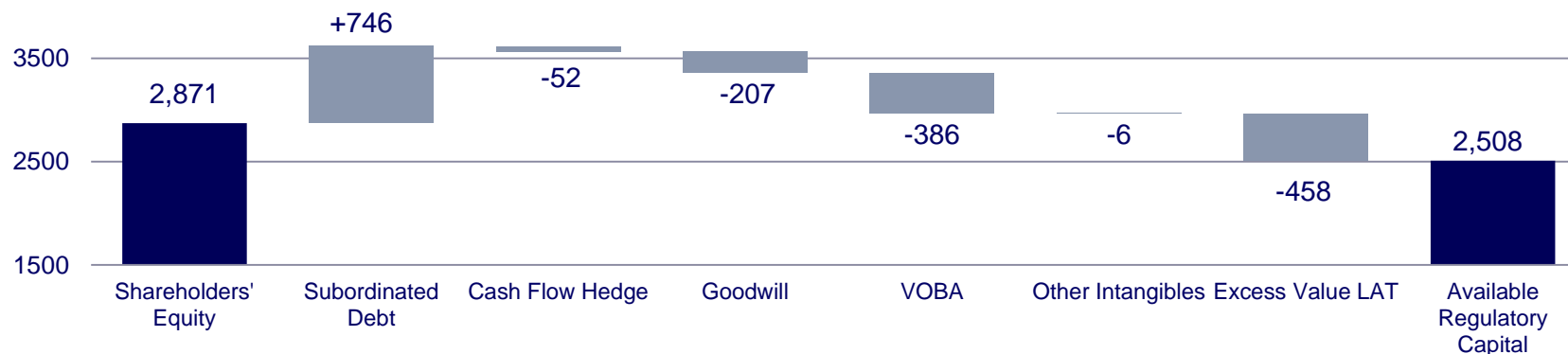
- 12 July 2013 Fitch downgraded France from AAA to AA+
- Estimated liability-weighted impact of 17bps due to exclusion of France from the ECB AAA (UFR) curve at the end of June 2013
- Est. 30%-points negative impact on regulatory solvency REAAL NV

Solvency Insurance Activities 1H13

Change in Regulatory Solvency in 1H13

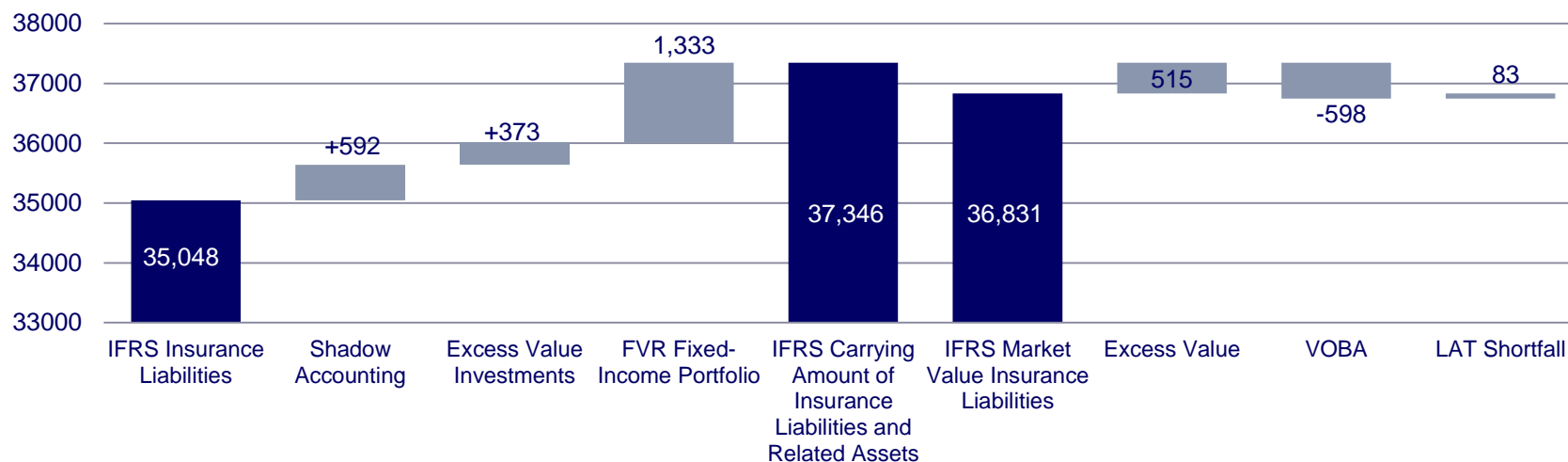


Reconciliation Regulatory Solvency Capital and Shareholders' Equity 1H13 (€m)



One-off items in 2Q13: VOBA Impairments Due to LAT Shortfall

IFRS Liability Adequacy Test (€m)



- Adequacy of insurance technical provisions is tested every reporting period by means of the IFRS Liability Adequacy Test (LAT)
- The positive fair value reserve of the fixed-income portfolio was used to increase the IFRS carrying amount of the insurance liabilities; the remaining shortfall of €83m (€62m net) was charged to the income statement as an impairment of VOBA

Sovereign Exposure Concentrated in Germany and the Netherlands

Sovereign Exposure 2012			
(€m)	Insurance	Banking	Total
Ireland	-	121	121
Greece	-	-	-
Portugal	-	-	-
Italy	338	320	658
Spain	54	-	54
Subtotal	392	441	833
Germany	9,603	1,437	11,040
France	1,095	402	1,497
Netherlands	4,922	1,053	5,975
Austria	986	302	1,288
Belgium	287	236	523
Other	439	573	1,012
Total	17,724	4,444	22,168

Sovereign Exposure 1H13			
(€m)	Insurance	Banking	Total
Ireland	-	126	126
Greece	-	-	-
Portugal	-	-	-
Italy	349	326	675
Spain	74	-	74
Subtotal	423	452	875
Germany	9,251	1,270	10,521
France	979	472	1,451
Netherlands	5,006	1,183	6,189
Austria	1,008	304	1,312
Belgium	258	374	632
Other	407	532	939
Total	17,332	4,587	21,919

Note: Sovereign exposure also includes sub-sovereigns

Insurance Activities: Fixed-Income Portfolio

Fixed-Income Portfolio (Sector)

(€bn)	2012	%	1H13	%
Sovereign	17.7	58%	17.3	59%
Financials	5.1	17%	3.9	13%
Mortgages	5.1	17%	5.2	18%
Corporates	1.5	5%	1.6	5%
MBS	0.9	3%	1.2	4%
Other	0.1	0%	0.1	0%
Total	30.4	100%	29.4	100%

Fixed-Income Portfolio (Rating)

(€bn)	2012	%	1H13	%
AAA	17.5	58%	17.4	59%
AA	3.2	11%	2.9	10%
A	2.2	7%	2.1	7%
BBB	1.5	5%	1.4	5%
< BBB	0.2	1%	0.2	1%
No Rating	5.9	19%	5.5	19%
Total	30.4	100%	29.4	100%

Fixed-Income Portfolio (Maturity)

(€bn)	2012	%	1H13	%
< 3 Months	0.7	2%	0.3	1%
< 1 Year	0.9	3%	0.8	3%
< 3 Years	2.3	8%	2.3	8%
< 5 Years	2.2	7%	1.9	6%
< 10 Years	4.9	16%	5.6	19%
< 15 Years	3.9	13%	4.9	17%
> 15 Years	15.4	51%	13.5	46%
Total	30.4	100%	29.4	100%

Fixed-Income Portfolio (Geography)

(€m)	2012	%	1H13	%
Ireland	234	1%	381	1%
Portugal	6	0%	0	0%
Italy	456	1%	438	1%
Spain	398	1%	386	1%
Germany	10,238	33%	9,837	33%
France	1,640	5%	1,469	5%
Netherlands	13,254	44%	13,101	45%
Other	4,232	14%	3,798	13%
Total	30,458	100%	29,410	100%

Banking Activities: Investment Portfolio

Breakdown Portfolio (Sector)

(€bn)	2012	%	1H13	%
Sovereign	4.4	83%	4.6	87%
Financials	0.4	8%	0.3	5%
Mortgages	-	0%	-	0%
Corporates	0.1	1%	0.2	5%
MBS	0.2	4%	0.2	3%
Other	0.2	4%	0	0%
Total	5.3	100%	5.3	100%

Breakdown Portfolio (Maturity)

(€bn)	2012	%	1H13	%
< 3 Months	0.8	16%	0.5	10%
< 1 Year	0.7	13%	0.4	7%
< 3 Years	0.7	12%	0.6	11%
< 5 Years	0.5	9%	0.7	14%
< 10 Years	1.7	33%	2.0	39%
< 15 Years	0.1	2%	0.2	4%
> 15 Years	0.8	16%	0.8	15%
Total	5.3	100%	5.3	100%

Breakdown Portfolio (Rating)

(€bn)	2012	%	1H13	%
AAA	2.5	48%	3.1	59%
AA	1.3	24%	1.5	29%
A	0.8	15%	0.1	2%
BBB	0.7	13%	0.5	9%
< BBB	-	0%	-	0%
No Rating	0.0	0%	0.0	0%
Total	5.3	100%	5.3	100%

Breakdown Portfolio (Geography)

(€m)	2012	%	1H13	%
Ireland	121	2%	126	2%
Greece	-	0%	-	0%
Italy	326	6%	328	6%
Spain	-	0%	-	0%
Germany	1,468	28%	1,285	24%
France	456	9%	542	10%
Netherlands	1,690	32%	1,552	29%
Other	1,229	23%	1,458	28%
Total	5,290	100%	5,291	100%

Group Capital Position 1H13

Group Capital (€m)	
Shareholders' Equity (excl. Double Leverage)	4,818
Minority Interests	-1
Hybrid Tier 1	40
Insurance Hybrid / Subordinated Capital	746
Banking Intangibles	-138
Insurance Intangibles / Other	-651
Excess LAT	-458
Total Available Capital (a)	4,356
Minimum Required Bank Capital	735
Minimum Required Insurance Capital	1,461
Total Minimum Required Capital (b)	2,196
Solvency Ratio (excl. Double Leverage) (a/b)	198%

Changes in Shareholders' Equity (€m)	
Shareholders' Equity 2012 ⁽¹⁾	3,283
Fair Value Reserve Equities/ Fixed Income	-686
Nationalisation measures	3,187
Net Result 1H13	-1,585
Shadow Accounting	149
IFRS LAT deficit	491
Cash Flow Hedge Reserve / Other	-22
Shareholders' Equity 1H13	4,817
Calculation Double Leverage 1H13 (€m)	
Shareholders' Equity Subsidiaries (a)	5,142
of which Banking Activities	2,312
of which Insurance Activities	2,824
of which Other	6
Shareholders' Equity SNS REAAL (b)	4,818 ⁽²⁾
Double Leverage (a/b)	106.7%

1. Restated figure related to IAS19 (-€67m) 2. Including minority interests €1m

Forward-looking Statements

Reservation concerning forward-looking statements

This presentation contains forward-looking statements concerning future events. Those forward-looking statements are based on the current information and assumptions of the SNS REAAL management concerning known and unknown risks and uncertainties.

Forward-looking statements do not relate to definite facts and are subject to risk and uncertainty. The actual results may differ considerably as a result of risks and uncertainties relating to SNS REAAL's expectations regarding such matters as the assessment of market risk, premium growth and investment income, cash flow predictions and other developments within SNS REAAL or, more generally, the economic climate and changes in the law and taxation.

SNS REAAL cautions that expectations are only valid on specific dates, and accepts no responsibility for the revision or updating of any information following changes in policy, developments, expectations or the like.

